

# *Accessory Dwelling Unit Guidebook*



A project of the Neighborhood Improvement  
Committee

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# Overview

To keep up with the community’s changing housing needs, the City of Holland has embraced a flexible housing option commonly referred to as Accessory Dwelling Units, or ADUs for short. ADUs were initially permitted by city ordinance in 2015. This ordinance was modified in 2023 to allow somewhat more flexibility in the permitted size of the ADU and the permitted number of occupants.

The purpose of this guidebook is to assist homeowners when considering the construction of an ADU. The guidebook will give an overview of key considerations and requirements per the City’s Unified Development Ordinance (UDO). The section of the UDO that directly pertains to ADUs can be found [here \(UDO Article 39-9.07\)](#). If the reader finds any apparent discrepancy between the contents of this guidebook and city ordinances, the ordinance shall be considered authoritative. It is further recommended to consult with the Building Department for questions on applicable building codes that apply.

## What is an ADU?

An ADU is a second, smaller dwelling unit constructed on the same property as a principal dwelling unit. While some municipalities allow both detached and attached ADUs, the City of Holland **only allows detached ADUs**, meaning a separate structure, such as a converted garage or other legal, conforming detached accessory structure.

*The City’s Unified Development Ordinance (UDO) defines an ADU as “a detached dwelling unit that is permitted only on properties with a single detached principal dwelling unit. ADUs are a lesser size than the principal dwelling unit and include a kitchen, a sleeping area, and full bathroom facilities.”*

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## Reasons to Consider Building an ADU

ADUs are versatile and able to serve you and your family in different ways over time.

ADUs can be used to provide:

- a home for adult children or other family members,
- a downsized living space for the property owner, or option to age in place (see AARP’s HomeFit Guide listed in the Additional Resources section below)
- living space for an adult or child caregiver,
- a source of rental income (may NOT be used as a Short-Term Rental unit),
- an at-home workspace, among other possible uses.

If used as a residence, building an ADU will help the community address its housing shortage, even if in an incremental way. ADUs provide an opportunity to increase the diversity of housing options within the city that respects the look and scale of residential neighborhoods.

ADUs have the potential to provide an affordable living space for the eventual renter, while generating income for the homeowner. For some, such as seniors wishing to age in place, an ADU can provide a meaningful source of additional income to offset other expenses, or a smaller and fully accessible unit to transition to if mobility challenges develop in the future. Some choose to build an ADUs in order to offer housing to an aging parent, which allows for the convenient provision of needed support and care.

Finally, due to their modest scale and simple design, ADUs may be able to be built with a significant amount of “do-it-yourself” labor, which can reduce the total project cost.



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## Key Regulations

You are required to obtain the approval of the City of Holland’s Zoning Administrator in order to build an ADU. You can access the section of the UDO that directly addresses ADU’s [here - Section 39-9.07](#).

### Zoning Requirements

**Permitted Zone Districts:** ADUs are permitted in most residential zone districts, including Low Density Residential (LDR), Medium Density Residential (MDR), Traditional Neighborhood Residential (TNR), Greenfield Mixed Use (GMU), and in Planned Unit Developments (PUDs), provided the ADU will be located on a property with a single dwelling unit. One exception is that ADUs are not permitted within the Hope Neighborhood Overlay District. You can access the [City’s zoning map here](#).

### Property Requirements

- One detached ADU is allowed on a single property containing one principal dwelling unit, regardless of the size of the property. If the property contains a duplex or other

multiple-family residence, an ADU is not permitted. (See next section below for how lot size and size of the principal dwelling unit may impact the size of the ADU.)

- ☑ A property with an ADU shall not have a Short-Term Rental or a Bed and Breakfast on the same property.
- ☑ An ADU shall be connected to an approved water and sewer system, and the utilities for the ADU shall not be metered separately from the principal dwelling unit.
- ☑ An ADU shall have one dedicated off-street parking space in addition to at least one off-street parking space for the principal dwelling unit.

### How big can an ADU be, and how many people may live in the ADU?

It depends in part on the lot size and width and the size of the principal dwelling unit, as explained in the following table:

	MINIMUM LOT SIZE	MINIMUM LOT WIDTH	PERMITTED ADU SIZE	MAXIMUM NUMBER OF OCCUPANTS*
<b>Tier 1</b>	-	-	200 to 720 sf, not to exceed 35% of the gross floor area of the principal dwelling unit above grade	3 people
<b>Tier 2</b>	9,600 sf	60 ft	200 to 800 sf, not to exceed 50% of the gross floor area of the principal dwelling unit above grade	4 people

The number of permitted occupants is also dependent on the size and layout of the ADU. Space requirements found in [Section 14-4.15](#) of the Code of Ordinances must also be reviewed to determine permitted occupancy.

### How tall can an ADU be?

- ☑ An ADU located on the ground floor shall have a maximum average height of 16 feet.
- ☑ An ADU located on the second floor shall have a maximum average height of 22 feet.  
[See [UDO Article 39-1](#), page 14, for information on measuring building height.]

### What are the location and setback requirements?

Setback requirements are determined by the zone district where the property is located. Setbacks are always measured from the property line, not the curb or center of the street. A survey may be required to determine property lines.

- ☑ **Front Yard:** An ADU may not be located within the required front setback area for all zone districts. See [UDO Article 39-2](#).
- ☑ **Side Yard, Secondary Street, and Rear Yard Setbacks:** Refer first to [UDO Section 39-9.07.E](#), followed by referencing the setback standards for the applicable zone district

found in [UDO Article 39-2](#). Note that the minimum rear yard setback is the same as the minimum side yard setback for the zone district.

## What other requirements apply to the design of ADUs?

- ☑ ADUs must contain a sleeping area, a kitchen, and a full bathroom.
- ☑ All new ADUs, regardless of zoning district location, require an Infill Design Review to ensure the exterior design is compatible with the neighborhood. More information about Infill Design Reviews can be found at <https://www.cityofholland.com/256/Infill-Design-Review>.
- ☑ As part of the infill review of the plans, window and doors locations will be reviewed to protect the privacy of the neighborhood.
- ☑ When located on the ground floor, adequate landscaping and/or fencing will be required to screen the ADU from adjoining private properties.
- ☑ If the ADU is located in an established Historic District, you will need to obtain a certificate of appropriateness from the City's Historic District Commission, and a separate infill review will not be required. To receive the certificate of appropriateness, the ADU must fit in with the context and architectural style of the existing residence and surrounding neighborhood. The current Holland History District Design Guidelines can be found at <https://www.cityofholland.com/DocumentCenter/View/407/Holland-Historic-District-Design-Guidelines-PDF>.

## Are there any other occupancy requirements?

- ☑ The owner of the property must reside in either the principal residence or the ADU.

## If I want to rent either the ADU or the principal residence, what do I need to know?

- ☑ If either the principal dwelling unit OR the ADU are to be used as a rental property, the rental unit must be registered with the City's Community & Neighborhood Services Department. All rental units in the City are required to be registered and are inspected on a regular basis to ensure compliance with relevant codes. More information can be found at <https://www.cityofholland.com/243/Rental-Housing-Program>.

*Given the opportunity provided to neighbors to comment on the ADU plan during the review process, it may be advisable to personally review your plan with neighbors to ensure they have an accurate understanding of its scope and potential impact on their property and the neighborhood.*

## How do I get approval to build an ADU?

The review process is covered in more detail below, but in general, **approval of an application for a new ADU is the responsibility of the City's Zoning Administrator**. The exception to this

is if there is a request from a nearby property owner (after having been given notice of the prospective plan) for a review by the Board of Appeals.

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## Costs and Financing

The best way to finance your ADU will depend on a number of different factors, including the cost of the project and your financial position. These are the most common financing methods:

- ✓ **Home Equity Line of Credit (HELOC)** – A HELOC is a revolving source of funds which, if approved, you can access as you choose, and essentially functions as a second mortgage on your property. If you have enough equity in your property, you may be able to use a HELOC to finance your ADU.
  - ✓ **Cash-Out Refinance Mortgage** – With this option, you turn a portion of your equity into cash, and start a new first mortgage with a higher principal amount.
  - ✓ **Renovation Mortgage** – Similar to the prior options, you can use the loan proceeds from a Renovation Mortgage to finance your ADU. These loan products consider the “as-completed” value of your property, including the ADU, to determine how much you can borrow. The FannieMae Homestyle Renovation loan and the FreddieMac CHOICE Renovation loan are two common renovation mortgages used by those financing ADUs.
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## ADUs and Property Taxes

Building an ADU will impact your property taxes as would any substantial improvement to your property. The amount of the increase will depend on a number of factors, including the size, value, and use of the ADU. For more information about tax implications, contact the city's Assessing Office, which can be reached at (616) 355-1350, or [assessing@cityofholland.com](mailto:assessing@cityofholland.com).

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## Design Ideas to Consider

While small in size, there are several ways to enhance the ADU's design to create a more spacious feel, such as:

- ✓ Incorporating taller ceiling heights,
  - ✓ Including small porches or shed-type roof extensions to extend the living space, and
  - ✓ Planning creatively and prudently for needed storage.
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# An ADU Project Step by Step

Here is a summarized overview of the process:

**Step 1:** Research your project

It is recommended that in addition to doing your own research (see Additional Resources section below), that you request a consultation meeting with the City's Community & Neighborhood Services Department to determine preliminary zoning eligibility, verify setbacks and related requirements, and resolve any other questions.

**Step 2:** Engage a trusted professional to create the design of the ADU, including required site plan and construction plans.

**Step 3:** Secure financing

**Step 4:** Submit relevant applications to City

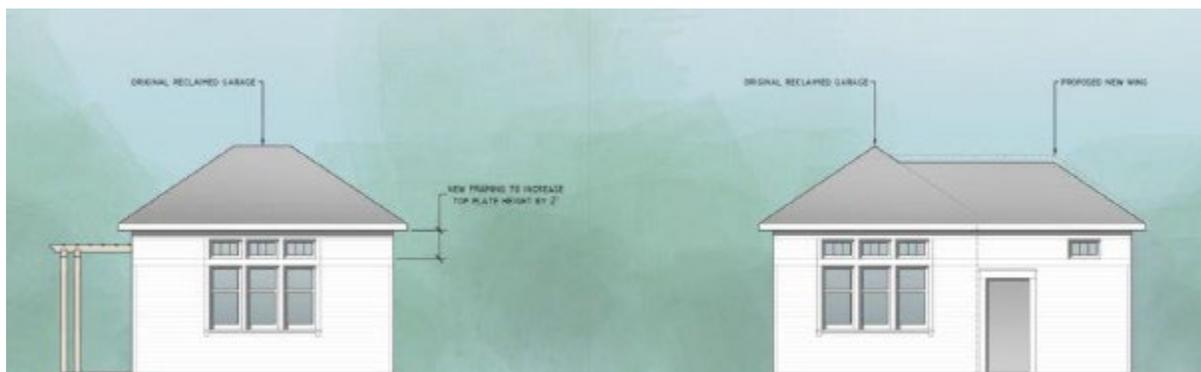
- [ADU Application](#)
- [Infill Design Review application](#), or,
- if located in the Historic District, [Certificate of Appropriateness application](#)

**Step 5:** Receive infill and Zoning Administrator or Board of Appeals approvals (plan on at least two weeks for plan review and feedback)

**Step 6:** [Apply for building permit](#)

**Step 7:** Begin construction and building/trade inspections

**Step 8:** Project completed – [apply for Certificate of Occupancy](#)



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## Additional Resources and Plan Examples

The AARP has made available a large number of resources regarding ADUs. Their collection of resources can be found at <https://www.aarp.org/livable-communities/housing/info-2019/accessory-dwelling-units-adus.html>.

The most helpful, single resource is **Accessory Dwelling Units: A Step by Step Guide to Design and Development**, which can be found [here](#). This helpful guide includes information on planning and design considerations, as well as technical drawings for three detached ADU design options of differing sizes.



### Other suggested resources:

**AARP HomeFit Guide**, providing “smart ways to make a home comfortable, safe and a great fit for older adults,” available free for download at:

<https://www.aarp.org/livable-communities/housing/info-2020/homefit-guide.html>

**Website: Tips for Garage to ADU Conversions:**

<https://accessorydwellings.org/2016/04/15/tips-garage-conversion/>

**On-line guidebook: Home + home: Twin Cities ADU Guidebook.**

[https://www.fhfund.org/wp-content/uploads/2019/07/FHF\\_ADU\\_Guidebk\\_Print-Friendly\\_Download.pdf](https://www.fhfund.org/wp-content/uploads/2019/07/FHF_ADU_Guidebk_Print-Friendly_Download.pdf)

**Book:** Peterson, Kol. 2019. *Backdoor Revolution: The Definitive Guide to ADU Development*. Accessory Dwelling Strategies, LLC.

### ADU Plan Examples:

The examples shown on the following pages represent ADUs that have been approved and constructed in Holland.

# Example 1: ADU Above the Garage

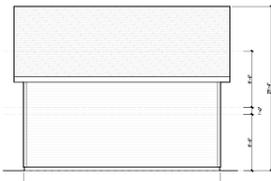
Address: 122 West 11<sup>th</sup> Street, Holland

Designer: Amy Hagood

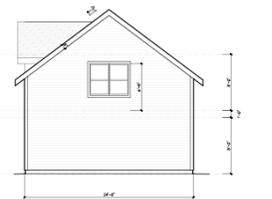
672 Sq Ft; One Bedroom/Studio



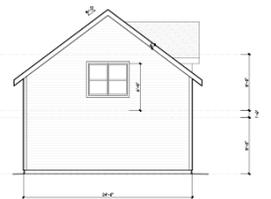
A GARAGE - NORTH ELEVATION  
SCALE: 3/4" = 1'-0"



D GARAGE - SOUTH ELEVATION  
SCALE: 3/4" = 1'-0"

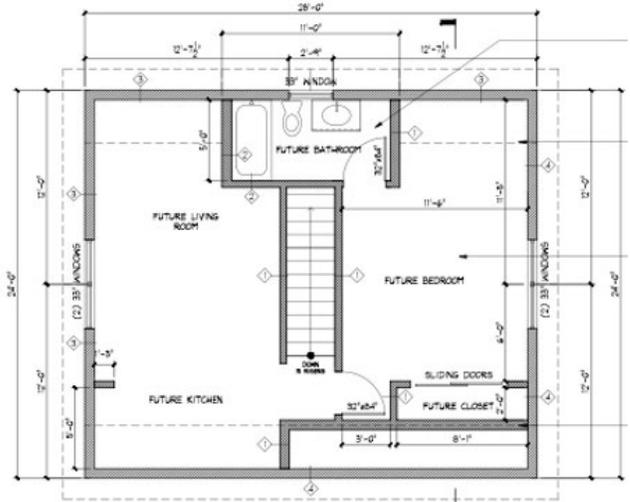


C GARAGE - WEST ELEVATION  
SCALE: 3/4" = 1'-0"



D GARAGE - EAST ELEVATION  
SCALE: 3/4" = 1'-0"

NOTE #1 -  
NOTE #2 -



# Example 2: Backyard Cottage ADU

Address: 231 West 17<sup>th</sup> Street, Holland

Designers: Nick Rolinski and Justin Lambers

345 Sq Ft; One Bedroom

Used reclaimed materials for siding

