



**Better Planning  
Alliance**

# Accessory Dwelling Units

*Backyard Cottages*



## Summary

- Accessory Dwelling Units (ADUs) – often called ‘granny flats’ or ‘backyard cottages’ – are small, visually unobtrusive homes that can be easily built in a back garden. They are normally owned by the homeowner and then rented out. In an Irish context, they would offer a way to quickly make more homes available for rent, particularly in commuter zones for cities such as Dublin.
- California permitted its first ADUs in 1982, and 2016 legislation made the policy much stronger with faster permit processing times legislated.. By 2021, 60,000 new homes had been built. By 2022, California had three times as many ADUs as it did in 2019. The legislatures of Texas, Montana, Washington and Massachusetts are working to allow ADUs, and they have already been permitted in Vermont.
- The policy is not just American. Such development was permitted under New Zealand’s planning rules for almost the entire 20th century, and as such Kiwi cities have thousands of ADUs.
- Our modelling suggests that over 20,000 new homes could be built in Ireland should the Government legislate to allow ADUs. This would be a significant step in reducing our acute shortage of homes for rent. To reduce potential controversy, streets will be able to opt-out of ADUs.
- The current average garden size in Dublin is roughly 70 square metres – larger in the commuter belt. As a typical ADU in California is roughly 40 square metres,<sup>1</sup> there is more than enough space for an ADU in many Irish back gardens.
- In the commuter belt, larger garden sizes provide ample space for ADUs. Using this space could yield tens of thousands of ADUs in a comparatively short space of time.



*ADU-type development in Ireland*

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<sup>1</sup> [adusearch.ca/the-foundational-series-3/](https://adusearch.ca/the-foundational-series-3/)

## Introduction

ADUs are small homes that can be built in a back garden. They are a popular way of providing housing in many US states because they are affordable, provide supply where it is most needed and are visually unobtrusive. They are also a well-known and popular form of housing in New Zealand. The Government could let each homeowner add such a home, improving supply and helping ease the country's acute housing shortage, especially the shortage of homes for rent. ADUs are an example of community-led development in that the choice is up to residents.

In California, ADUs are a key means through which housing is delivered. There, the development process for ADUs is straightforward. Rules on construction practices and safety standards are clear. To build one, you need only obtain a permit, which specifies the maximum size of the ADU. By law, the decision-making process cannot take more than 60 days provided the proposed ADU meets building regulations. Crucially, California's legislation prevents any restrictions other than size being imposed on ADUs, which ensures an easy, quick and low cost process for a homeowner who wishes to build an ADU on their property.

By embracing small-scale and unobtrusive development, local authorities in Ireland could increase rental supply in a relatively short period, without the need for using up scarce countryside or allowing controversial blocks or towers. The process of planning permission for ADUs could be created in order to help Irish housing supply meet demand. As in California, legislation could require that applications for permission to build are decided within a short window, say 60 days, most of all, there should be clear regulations.

Given that Ireland currently has no platform for community-led development, communities might also be given the opportunity to decide whether or not they would like ADUs to be allowed in their area. Houston, Texas shows us how this could work. In 1998 the city allowed homeowners to split large plots into two, in effect doubling the number of homes that could be built. However the city allowed any given street to opt out of these changes through a simple majority vote. Enabling blocks in Ireland to opt out of ADUs through a similar mechanism would ensure communities can decide whether ADUs are right for them.



*ADUs in California*





*A form of ADU development in Ireland*

There are many advantages to these granny flats which can make them a valuable source of affordable housing. Since they are built on an existing property with infrastructure already in place, ADUs do not require expensive waste water and sewage installations to be built, which minimises cost and disruption. In America, they typically have detached wooden frames, which are much cheaper than concrete blocks, and safe. Since ADUs can be prefabricated, economies of scale can cut their purchase price even further – which they have done in the USA. In time, if suitable rules were drawn up for Ireland, standardised designs could also become available for the Irish market.<sup>2</sup>

Once built, such an accessory dwelling can provide a valuable extra income stream for homeowners who may be struggling with the cost of living, or can provide a home for adult children or other relatives.

In remedying the housing problem, speed is crucial. ADUs would be a valuable way to rapidly address the growing strain on the rental market. To date, the conversation surrounding the speedy delivery of housing provision has centred on modular housing. We propose that the conversation be extended to densifying existing homes in a way that makes use of the potential of back gardens – including through modular prefabricated units. The key advantage of ADUs is that they can be built quickly, because sites can be found very quickly, and because a diverse set of sites can draw on a much broader population of small and medium builders, plus rapidly-scaling modular and prefabricated construction via modern methods of construction

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<sup>2</sup> For wooden framed ADUs to be legal in Ireland, building regulations would have to be amended so that such building frames would be possible.



(aka MMCs) . Providing a faster way of permitting such development would vastly improve the economics of small-scale modular housing in Ireland and alleviate the housing crisis.

## Mechanics

The Planning and Development Act (2000) is the legislative basis for the current planning system.<sup>3</sup> We suggest implementing ADUs as a minor amendment to this Act without compromising protections for listed buildings, the environment, nor wider zoning regulations.

## ADU Process

1. A homeowner applies to the local authority for a permit to construct an ADU.
2. ADU legislation should set out rules to minimise any negative impacts.
  - a. Each ADU must be no more than 2.5m high.
  - b. To maintain biodiversity, each ADU should be required to have a green roof.
  - c. To make them as environmentally sustainable as possible, ADUs may be built with wooden frames.
  - d. If the window of an ADU faces a fence with a neighbour, it must not rise higher than that fence without the written consent of the neighbour.
  - e. The ADU must not be less than 0.5m from any boundary line, unless the relevant neighbour grants consent in writing.
  - f. Other rules may be necessary to ensure that foundations do not affect any neighbours.
  - g. The legislation should give the Dáil powers to adopt further rules to ensure good design, by statutory instrument.
3. Consent is automatically deemed to have been given if the local authority has not processed the application within 60 days.
4. If the permission is granted for the ADU, no further application or process is required. As a condition, the ADU should be required to be connected to existing mains sewage (not septic tank), electricity and water systems before it can be rented out or occupied.
5. The ADU must be rented out or occupied by a relative or friend; it cannot be sold.
6. Homes with ADUs would have a higher value. The government would therefore collect higher local property tax receipts which would fund more services in areas with ADUs. In Dublin, an ADU worth 200k would increase the local property tax due by €90 for the property owner.
7. As a supplementary option, if desired, blocks or streets could be allowed to opt out of allowing ADUs by a majority petition, as in Houston.

## Conclusion

ADUs offer an appealing way for community-led housing to quickly start to relieve the nation's rental crisis, without needing to rely on cumbersome procedures or large international landlords. They have been a proven success in other places including California, and they could be quickly implemented in Ireland.

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<sup>3</sup><https://www.gov.ie/en/publication/c0ac2-planning-legislation-primary-legislation/>

## Appendix: Modelling Potential Uptake

Our modelling of the impact that ADUs could have in Ireland suggests that this policy could deliver at least 16,800 homes over ten years and might see up to 23,500 built. These figures are many multiples of nationwide rental supply, 959 units in 2023Q2.<sup>4</sup>

To make it practical to obtain an initial estimate, we focussed on Dublin. There are no official statistics on garden sizes. Approximately two-thirds of gardens in Dublin appear to have independent access to the street without needing to go through the house. We sampled average garden sizes across the city's 24 postcodes using Google Earth to arrive at an average garden size of 70 square metres. We assumed 20% of such gardens would be eligible to construct ADUs that would be compliant with the rules above, existing building regulations and rules on rights to light.

We randomly sampled 10 gardens from each of Dublin's 24 postcodes and found that 20% of Dublin's dwellings have enough space for an ADU. Table 1 sets out our results for the number of ADUs that could be built in a decade.

Of course, not all eligible homeowners will build an ADU. We assume final takeup rates over a long period of 25%, 50%, and 75% in the pessimistic, base, and optimistic cases respectively.

*Table 1 (ADU uptake)*

Pessimistic	Base	Optimistic
8,400	16,800	25,200

One group that might benefit the most is students, who face an increasingly tough time finding rented accommodation. Across the pessimistic, base and optimistic cases, ADUs could provide supply equivalent to 14%, 17% and 20% of 2022's student housing demand.<sup>5</sup> Given that student numbers remain relatively constant in Dublin's universities, it is reasonable to assume ADUs could provide meaningful supply in the student residential sub sector for many years.

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<sup>4</sup>[https://www1.daft.ie/report?d\\_rd=1](https://www1.daft.ie/report?d_rd=1)

<sup>5</sup><https://dublin.ie/study/where-you-can-study/universities/>