

# HOMEOWNER'S HANDBOOK TO BUILDING AN ADU:

MAKING ROOM IN BELLINGHAM



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## HOW TO USE THE HANDBOOK

### HYPERLINKS

Click on hyperlinks to take you to other relevant parts of the handbook or to external resources for more information.

### PAGE YOURSELF

This handbook is long, and you might not need to absorb all the details right away. Rather than reading it once, refer back to each section of the handbook as you work your way through your ADU development process.

## BACKGROUND

In 2018, the City of Bellingham passed a new Accessory Dwelling Unit (ADU) Ordinance to allow both detached and attached ADUs in all Single-Family Zones. Since the ordinance passed, the City of Bellingham has received more ADU permit applications than ever before. ADUs can expand the range of housing choices for residents in the city, as well as provide other benefits such as helping residents age in place, adding space

### CALLOUT BOXES

These colored boxes are added to help clarify some of the more confusing parts of the handbook. Teal boxes are used to define terms that are bolded, and orange boxes are used to give helpful insights.

### ONLINE AND PRINT FORMAT

This handbook will live primarily online; however, it was also created in an easy-to-print format, so you can use the handbook in whichever way works best for you.

**INSIGHTS**

**TERMS**

to house extended family, offering an avenue for rental income, and more. Developing an ADU can seem daunting, but you are not alone. Many ADU permit applications are submitted by homeowners who are first-time applicants. This handbook will help homeowners determine if creating an ADU on their property is feasible, and provide step-by-step guidance for how to proceed with developing one.

## DID YOU KNOW?

- The **Building Permit** is different from the ADU Permit. You must submit both before you can begin construction. See [Understand the Rules and Regulations for ADUs in Bellingham](#) for more information.
- **Even if a building already exists, you may have to obtain building permits** and pass inspections to ensure compliance with current building and fire code life safety requirements. See [Building Permit Requirements](#) for more information.
- You must have **1 designated parking space** for the ADU and 2 designated parking spaces for the main residence, unless you request a minor modification. See [Understand the Rules and Regulations for ADUs in Bellingham](#) for more information.
- Whether attached or detached from the main residence, the City of Bellingham requires that the main residence and the ADU are owned by the same person, and **the owner must live on site**. See [Ownership and Occupancy](#) for more information.
- Short-term rentals (for example, through services such as AirBnB, VRBO, etc.) are **not permitted in detached accessory dwelling units** in residential single or multiple general use type areas. See [Move In](#) for more information.



# 1 OVERVIEW

## PROCESS AND TIMELINE

### 1 GET STARTED

Before you get started you need to do your homework. Are you allowed to have an ADU on your property? What are your goals? What is your budget? Then familiarize yourself with the ADU requirements in Bellingham.

### 3 START YOUR DESIGN

Determine the basics of your ADU such as the placement, layout, and approximate size.

### 5 GATHER ADDITIONAL INFO

Make any necessary changes to the design to comply with the Bellingham Municipal Code (BMC) and consider consulting the Building Department and/or Public Works Departments if you are converting an existing structure or have unique utility circumstances associated with the project.

### 7 LAND USE REVIEW

The City will provide comments on your submitted application. Make adjustments and repeat the process as needed. The Land Use decision is a more general site plan approval, which includes floor plans and building elevations.

### 9 MOVE IN

Once approved by the building inspector, it's time to move in!

### 2 FORM YOUR TEAM

Decide what level of help you need with your ADU development. Some choose to complete the ADU permitting and development on their own while others hire professionals to help with the application, design, and construction of their ADU.

### 4 MEET WITH THE CITY

After you have a basic design for your ADU, visit the Permit Center located in City Hall at 210 Lottie Street and ask to talk with a City Planner to ask initial questions and address any critical issues.

### 6 ADU APPLICATION

Complete the ADU application, confirm with your team that it meets all codes and requirements, and ensure you have met all the submittal requirements you need for your ADU application.

### 8 BUILDING PERMITS & CONSTRUCTION

Once your Land Use Application is approved you are ready to submit a Building Permit for the construction. Once your Building Permit fees are paid, you will be issued a permit to begin construction. Maintain open communication with your builder throughout the construction process.

# ESTIMATED TIMELINE

The ADU development process can take time, but don't be discouraged. Below is an estimated timeline from idea conception to move in. It is important to plan accordingly when preparing for your ADU development.

	1 YEAR				2 YEARS			
GETTING STARTED	3-5 MONTHS							
PERMIT PROCESS		4-6 MONTHS						
CONSTRUCTION					6-12 MONTHS			

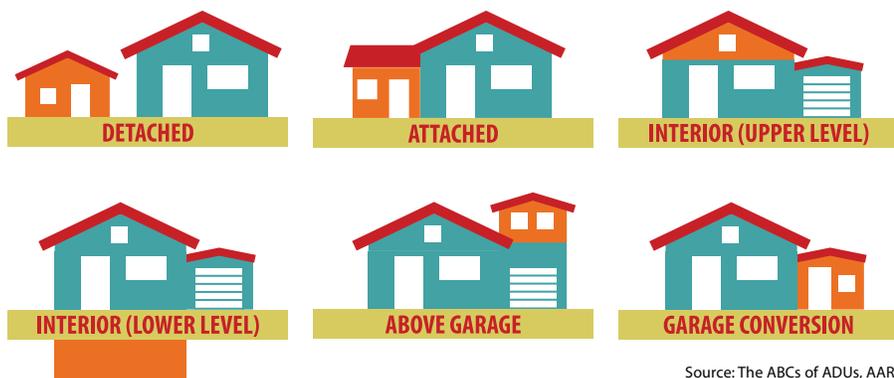
\*The timeline above is an average estimate based on a small survey of Bellingham residents who recently underwent the ADU development process. All ADUs are unique which means the completion time can vary widely.



# 2 ADU BASICS

## WHAT IS AN ADU?

An ADU is a small, self-contained residential unit located on the same lot as an existing single-family home. As the term "accessory" implies, ADUs are designed to be smaller in size and prominence than the main residence on the lot. These are sometimes called "mother-in-law apartments" or "granny flats" because they are often used to house extended family. An ADU has all of the basic facilities needed for day-to-day living independent of the main home, such as a kitchen, sleeping area, and a bathroom. An ADU may be created as a separate unit within an existing home, as an addition to the home, or in a separate structure on the lot (such as a converted garage) or a newly constructed detached structure.



## IDENTIFY YOUR GOALS

*What are some of your overall goals for building a second unit?*

**Rental income** – Renting a second unit can provide a steady flow of supplemental income while providing others with a place to live.

**Downsizing** – Some people may wish to move into their ADU and rent out the main house.

**Aging in place** – An ADU can be a lifelong, accessible home for aging adults, or it can house an in-home caregiver.

**Housing friends and relatives** – Close friends and family can stay together while also maintaining separate lives and privacy.

**Community benefits** – ADUs help address housing challenges by adding smaller homes that help to provide workforce housing while preserving diversity and community character.

**Environmental benefits** – Small-scale living is an effective way to reduce the environmental footprint of a home and building within existing neighborhoods and can reduce commute times and make efficient use of public infrastructure and services.

### ATTACHED (A-ADU):

An ADU located within or attached to a single-family residence.

### DETACHED (D-ADU):

An ADU that consists partly or entirely of a building that is accessory to a single-family dwelling unit.

### ADU VS. ACCESSORY BUILDING:

ADUs are allowed to have cooking facilities and house non-family members while Accessory Buildings are not.

## CAN I BUILD AN ADU ON MY PROPERTY?

### Where can an ADU be located?

Attached and detached ADUs are allowed in most areas that allow residential development (except for the Lake Whatcom watershed), including single-family zoned areas, residential multifamily, and Urban Villages. Whether attached or detached from the main residence, the City of Bellingham requires that the main residence and the ADU are owned by the same person, and the owner must live on site.

### THERE ARE OVER 400 ZONING DESIGNATIONS IN BELLINGHAM

It is always recommended to go to the [City of Bellingham Permit Center](#) to check the zoning of your property to ensure that an ADU can be permitted on your property.

### ADU REGULATIONS AT A GLANCE

- ▶ Allowed in single family, residential multi-family, or urban village zones
- ▶ On a property with a single family residence
- ▶ 800 sqft or 66% of main residence
- ▶ Design compatible with architectural character of the primary residence and neighborhood
- ▶ Alley access, corner lot, or lot size of 5,000 sqft
- ▶ 1 additional code compliant parking spot



# UNDERSTAND THE RULES AND REGULATIONS FOR ADUs IN BELLINGHAM

For further clarification on all regulations, please review the [Bellingham Municipal Code \(BMC\) Section 20.10.036](#) on Accessory Dwelling Units.

## UNDERSTANDING THE RULES

and regulations for ADUs will help speed up the development process. Do your part by doing your homework.

## STANDARDS AND CRITERIA

- An ADU must comply with all zoning code provisions for the primary residence, including height, setbacks, and open space. These provisions also apply to ancillary structures attached to a D-ADU such as garages, carports, garden sheds, and workshops.
- Applicants may request minor modifications to the development and design standards for ADUs. The director may grant a minor modification only if certain criteria are met. Please refer to the [BMC Section 20.10.036 \(B\)\(3\)](#) for minor modification criteria.

## OWNERSHIP AND OCCUPANCY

- The ADU, or the land on which the ADU is located, cannot be subdivided or otherwise segregated in ownership from the primary dwelling unit or the land on which the primary dwelling unit is located.
- No more than four people are allowed to occupy the accessory dwelling unit, regardless of relationship.
- The owner must record a covenant of owner occupancy with the Whatcom County auditor, approved by the director, which should run with the land as long as the ADU is maintained on the property. The property owner must submit the original recorded covenant prior to issuance of the building permit for the City's records. The covenant is provided by the City and specifies the requirements for owner occupancy, purchaser registration, and biannual verification.
- The property owner can either live in the main residence or in the ADU, but both structures cannot be rented at the same time.

## SIZE REQUIREMENTS

- Only one ADU is allowed per lot. The lot cannot contain more than one primary dwelling unit.
- For a D-ADU, the lot must have alley access, access to more than one public street, or the lot size has to be at least 5,000 square feet.
- An ADU (attached and detached) cannot exceed 66 percent of the square footage of the primary dwelling (excluding any related garage area attached to the primary dwelling) or 800 square feet, whichever is less.
- A D-ADU can be no higher than 20 feet tall.
- No more than two bedrooms may be located within an ADU (attached and detached).
- The square footage for D-ADUs includes ancillary space (garage, workshop, garden shed, etc.) within.



## SETBACKS

- Front and side-flanking yards must comply with the zoning code provisions for the primary residence except that when the vehicular entrance to an attached garage or carport faces a street, the entrance must be set back a minimum of 25 feet from the front property line, and 10 feet from a side-flanking property line.
- A five-foot side and rear-yard setback must be provided, measured from the property line to the foundation of the structure. No setback is required adjacent to the alley.
- A minimum six feet of separation is required between the primary residence and a D-ADU.

## DESIGN STANDARDS

- The ADU entry must be clearly subordinate to that of the primary dwelling when both are visible from the street frontage.
- The ADU entry must have a swing door, identifying feature (eave or overhang), and must have direct access to a street via a lighted pedestrian path.

## PARKING

- Parking is required for an ADU in addition to that required for the primary dwelling unit. Any request for a parking waiver must be processed as a request for a minor modification.

## BUILDING PERMIT REQUIREMENTS

- ADUs must comply with all requirements for water, sewer, gas, electrical, plumbing, health and life safety standards outlined in the Bellingham Municipal Code (BMC) Section 20.10.036 for Accessory Dwelling Units.
- Even if a building already exists, you may have to obtain building permits and pass inspections to ensure compliance with current building and fire code life safety requirements.

## BUILDING SERVICES DIVISION

- New dwelling units, including ADUs, are required to have unrestricted access to the water shutoff, gas service shutoff, and electrical panel serving the unit.
- Converting an existing building or space to an ADU may trigger code requirements to modify or add features, even in legally established habitable spaces and buildings. Some examples include providing permanent provisions for cooking, additional electrical outlets in a new kitchen, or whole-house mechanical exhaust for the dwelling unit.
- The Washington State Energy Code requires a minimum level of energy efficiency for all new dwelling units, even ADUs, which may require more efficient building elements such as windows, insulation, and appliances.
- Sometimes spaces or buildings have had work completed without benefit of permits or inspections. When those spaces are converted to ADUs, the scope of permitting will often need to include all unpermitted construction.

## ZONING/DEVELOPMENT REGULATIONS:

City standards that determine what can be built on a site (including height and location on the lot). In the City of Bellingham, ADUs are allowed in residential zones and are only permitted as accessory uses to a primary single-family residence.

## SETBACKS:

The minimum distance a building or ADU must be located from front, side or back property lines. A five-foot side setback means the second unit must be at least five feet from the side property line.

## COVENANT:

Conditions or rules in the form of a written contract. In the case of ADUs, the covenant is provided by the City and specifies the requirements for owner occupancy, purchaser registration, and biannual verification.

## PUBLIC WORKS DIVISION

- Most single-family residences are served by a 5/8" water meter. Water fixtures added during the construction of an ADU might exceed the maximum fixture units that a 5/8" water meter can deliver. Depending on the total fixture unit count, Public Works may require the meter to be upsized to a 3/4" meter.
- In addition to the cost of a new meter, System Development Charges for the increased demand on the water and sewer treatment plants will be collected at the time of permit issuance. The associated costs are approximately \$7,000, and the work is performed by Public Works staff. Contact [Public Works Permitting](#) staff for a fixture count calculation.

### NOTICE THAT D-ADUS HAVE ADDITIONAL REGULATIONS

Double check to make sure you meet all the requirements.

You must have **1 designated parking space** for the ADU and 2 designated parking spaces for the main residence. You must request a minor modification to vary from a standard.

The **Building Permit** is different from the ADU Permit. You must obtain permit approval for both before you can begin construction. The Building Permit requires additional information which serves as a road map for the general contractor to construct the building and identify code compliance with required **Planning, Building, Fire, and Public Works regulations**.

Based on the Uniformed Plumbing Code, having more than **31 Water Supply Fixture Units** on your **water meter** (including the primary residence) will require an upgrade to a larger water meter. In addition to paying for the meter upgrade, you will also have to pay approximately \$7,000 for water and sewer system development charges due at time of permit issuance. Please check your design with a professional before applying.



# 3 PERMITTING

## OVERVIEW

The applicant must submit an ADU permit application along with a mailing list of all owners of property within 500 feet, and an application fee (see cost section). Planning staff sends notice of the ADU application to all property owners within 500 feet and applicable neighborhood representatives.

A decision will be made based on the information contained in the application and the comments received as a result of the public notice. The decision may be appealed to the Hearing Examiner. The Type II Permit Process can be reviewed in full detail in the [Bellingham Municipal Code Section 21.10.110](#).

## PERMIT FEES

There are fees associated with the development of your ADU. Some fees you can expect are: an ADU application fee, a transportation impact fee, a park impact fee, and construction permit fees (building, plumbing, mechanical, electrical, etc.). Some of these fees may not apply to existing permitted finished habitable structures. Please see Section 6: Costs and Budgeting for more details on the costs of fees.

## HOW DOES A PRE-EXISTING UNIT BECOME LEGAL?

In some cases, there was already an ADU at the time the current homeowner purchased their home. Homeowners with existing non-permitted ADUs must apply to make them legal. Units that are not legalized will be subject to enforcement. Pre-existing units must meet the same requirements as new ADUs, including parking and building code standards. An application to legalize an existing ADU must include an application for an ADU permit and a building permit application, showing changes made to the main residence or detached accessory building to accommodate the ADU. The ADU will be reviewed using the current editions of building codes in place at the time its owner brings the unit forward for permitting.

### CITY OF BELLINGHAM PERMIT CENTER

210 Lottie Street  
Bellingham, WA 98225  
Phone: (360) 778-8300  
Fax: (360) 778-8301  
TTY: (360) 778-8382  
Email: [permits@cob.org](mailto:permits@cob.org)  
Web: [www.cob.org/permits](http://www.cob.org/permits)

You can use [CityIQ](#) Online Map Viewer to create your **mailing list**. CityIQ allows you to search for Bellingham-area information and create custom maps, including aerial photos, approximate property boundaries, location of utility services, and much more.

### PROJECT PERMIT:

Project permit means any land-use or environmental permit or license required from a local government for a project action.

### TYPE II REVIEW PROCESS:

A Type II review process is required for all ADUs in Bellingham, and is defined as an administrative review and decision by the director. Public notice is required. Appeals of Type II decisions are decided by the hearing examiner (Note: \$1,081 fee for Hearing Examiner and staff time).

# GETTING STARTED ON YOUR APPLICATION

Make sure you read the **ADU Permit Application** fully before you begin your development process to ensure you have all the necessary information. Then compile all the data and plans for your ADU to submit with your application. The ADU Permit Application can be found [online](#) or at the City of Bellingham Permit Center.

## ADU APPLICATION CHECKLIST

- Mailing list and labels to all residents within 500' radius
- Gather project data
  - ADU type
  - Lot size and specifications
  - Square footage (ADU and primary residence)
  - Height
  - Open space
  - Parking spaces
  - Water meter, sewer, and electric meter
  - Minor modifications (if applicable)

### Submit scaled plans (scale 1/8" = 1')

- Site plan
- Floor plans (existing residence and proposed ADU)
- Photo of front of primary residence (photos of side and alley if applicable)
- Scaled elevations of dimensions and design style of proposed ADU including building materials such as roof, siding, window trim, etc.

### IN ADDITION TO THE ADU PERMIT APPLICATION,

there are other permits and forms you need to fill out. Please visit the Permit Center to ensure you have everything you need for your project to move forward.

#### ADU Permit Process:

- 28 days to determine if the submitted application is complete;
- 14-day public comment period;
- 120 days to issue an administrative decision on the land-use application from the date the application is determined complete.

### SCALED PLANS:

Plans of your project must be drawn to an engineer or architectural scale.

### SITE PLAN:

A map or diagram depicting the plot of land on which the house sits, along with landscape topography and any exterior features or structures including the proposed ADU and the existing residence.

### FLOOR PLANS:

A drawing to scale, showing a view from above with dimensions of the rooms, spaces, and other physical features at one level of a structure.

### BUILDING ELEVATIONS:

A drawing that shows one side of a structure to depict the vertical height dimensions. Note: pictures can be used for existing structures.

# 4 DESIGN

## IDENTIFY INITIAL DESIGN GOALS

Before you begin the design process, be sure to spend some time developing a clear vision of what you want. Start by deciding what the basic form of your ADU will be like such as the number of bedrooms and the desired square footage. Design finishes such as siding, flooring, and fixtures should be the last things decided.

## HIRING AND WORKING WITH AN ARCHITECT OR DESIGNER

The design and construction of a building can be a complicated process. While hiring an architect or designer is not required for the development of your ADU, it will be extremely helpful. Hiring a designer is not a one-size fits all process. When choosing a designer, consider how their experience and personality matches you and your ADU vision. Your designer's skills should match your goals.

Advice from the [American Institute of Architects](#) on what to explain and expect while selecting your architect:

- Bring the architect into the picture as soon as possible.
- Meet with 3-5 design firms before selecting your architect. Assess each firm's experience, technical competence, and available staff resources to inform your decision.
- During the interview, inquire about similar projects they may have done, and ensure the firm carries professional liability insurance.
- Formal interviews will allow you to assess the chemistry between you and the architect/firm.
- Not all architectural firms are a one-stop shop. Ask the firms what services they offer.
- Follow up by soliciting references of past clients and ask them for their opinion of the firm and the resulting architecture.

### ARCHITECT:

A licensed design professional who oversees design and construction of buildings.

### DESIGNER:

A person who plans the form, aesthetic, and function of something before it is made or built. Architects are one type of designer. For the purposes of handbook, the term designer is synonymous with the term architect and is different from an interior designer.

### INTERIOR DESIGNER:

Focuses on the aesthetics of the interior spaces of the building including materials and color schemes.



# UNDERSTAND THE DESIGN PROCESS

## CONCEPT & SCHEMATICS

After your designer or architect is hired, they will develop a conceptual drawing of your ADU in compliance with the design standards mentioned above.

## REFINEMENT

The designer will continue to refine the conceptual design until there is a completed scaled drawing of the layout and all major systems within the ADU.

## REVIEW WITH THE CITY & APPLY FOR PERMITS

Throughout the refinement process, be sure to take the design concept to City staff for review to make sure staff does not see any preliminary inconsistencies with the requirements. Then complete the permit application.

## CONSTRUCTION DRAWINGS

Designers will often create construction drawings that can be used for a contractor bid.

## MANAGING CONSTRUCTION

Some owners will choose to keep their designer involved throughout the construction process in case complications arise.

# 5 CONSTRUCTION

## COMMON CONSTRUCTION TYPES



### WOOD FRAME

**Stick Frame:** Workers assemble the skeleton of a home from the ground up, stick by stick.

**Timber Frame:** Posts and beams and the trusses are supporting the entire load of the structure, so no walls are required to bear loads. This gives a designer the freedom to place or not place walls wherever they'd like.



### MANUFACTURED OR PRE-FABRICATED

Manufactured housing is assembled off-site in factories and then transported to the site of use. For that reason, this method can significantly reduce the construction time required to build the unit.

Requires Washington State Labor & Industries inspections and approval and must be fixed to a permanent foundation approved by the City.



### STRUCTURAL INSULATED PANELS (SIPS)

A high-performance building system made of an insulating foam core between two structural facings. SIPs are manufactured under factory-controlled conditions and can be fabricated to fit nearly any building design which results in a strong building system that is energy efficient and cost effective.



### INSULATED CONCRETE FORMS (ICF)

ICFs are cast-in-place concrete walls that are sandwiched between two layers of insulation material. These systems are strong and energy efficient.

# GETTING A BID AND HIRING A CONTRACTOR

## GETTING A BID

Use the construction drawing created by your designer to obtain bids for the construction of your ADU. Shop around for bids from different contractors to compare costs, construction type, and contractor chemistry that matches your preferences.

As you are shopping around for a contractor, please remember that the Washington State Energy Code requires a minimum level of energy efficiency for all new dwelling units—however, net-zero or ultra-high energy efficiency should be considered with any new construction.

## HIRING A CONTRACTOR

There are many local contractors in Bellingham and the surrounding area. Ask neighbors and friends for a recommendation of contractors they have worked with in the past. You may also want to ask your designer if they have recommendations of contractors that they work with often. Similar to finding an architect/designer (see Design section above), you want to find a contractor whose skill set matches your ADU vision. You also want to ensure that the contractor has an updated contractor license and insurance. Meet with several different contractors before you make your final decision.

# OWNER AND CONTRACTOR ROLES DURING THE ADU CONSTRUCTION PROCESS

Once a contract is signed, the construction process will begin. The length of construction can vary depending on the scope of project but can generally take anywhere between 3–12 months. The construction process can often be both a stressful and rewarding time. To ensure the construction moves smoothly, make sure you maintain open lines of communication with the contractor.

While the contractor will be in charge of the day-to-day processes during construction, it is important that you stay updated on everything that is happening. Make sure you ask your contractor about questions you have, monitor the construction site often by doing regular walk-throughs, and make sure all inspections are conducted properly.

### A NET-ZERO ENERGY HOME

is a highly energy efficient home that produces as much renewable energy as it consumes over the course of a year, leaving the residents with a net zero energy bill, and a carbon-free home.

A home that has **ultra-high energy efficiency** may not be completely net-zero but is still extremely efficient.

### GENERAL CONTRACTOR:

A contractor is the person who oversees the construction site on a day-to-day basis, manages the project with other parties, and communicates the progress to the homeowner.

# 6 COSTS AND BUDGETING

## KNOW WHAT YOU'RE PAYING FOR

Below is a list of predicted costs for the development of an ADU. Items depicted with an asterisk (\*) are not standard for every project, but may be applicable to your project.

PREDICTED COSTS	DETAILS	ESTIMATED AMOUNTS
ADU Permit Application Fee	For ADU permit, plus notice fee. Due at the time of ADU application submittal.	\$584
Park Impact Fee	Assessed at one-half the multi-family rate. Due at time of building permit issuance.	\$1,470
Transportation Impact Fee	Assessed at the multi-family rate. Due at time of building permit issuance.	\$1,514
Building Permit	For Building Permit. Due at time of building application submittal.	Varies, <a href="#">based on Project Valuation</a>
Owner Residency Covenant	The owner must record a covenant of owner occupancy with the Whatcom County Auditor.	One-time fee, visit the <a href="#">Auditor website</a> for recording fees
* Design	Hiring a Designer/Architect is optional, but it is highly encouraged.	Varies, \$500-\$7,000
* Construction Costs	Building, plumbing, mechanical, electrical, etc. as applicable.	Varies, can range up to \$250,000
* Upgraded Water Meter Permit	Please read insight about potential water meter costs in Section 2: ADU Basics	\$7,000

## BUDGETING FOR YOUR ADU

Despite their small size, ADUs still require all the amenities of the primary residence, which can make construction costs high. Be sure to start your budgeting process early by identifying all costs from the design and permitting stage through the end of construction.

## TYPES OF FINANCING

There are many types of financing options available for your ADU development. Below is a list of some financing options from Umpqua Bank. Check with your financial institution to see what types of financing they offer, and which option is best for you.

HOMESTYLE RENOVATION	CASH OUT REFINANCE	HOME EQUITY LINE OF CREDIT (HELOC)
<ul style="list-style-type: none"><li>• 9 month renovation term</li><li>• Loan-to-value (LTV)<ul style="list-style-type: none"><li>• 95%—1-unit primary (97% if one borrower is a first-time homebuyer)</li><li>• 90%—1-unit second home</li><li>• 85%—1-unit investment</li></ul></li><li>• Property type: 1–4 unit primary, 1-unit second home and 1-unit investment</li><li>• Cost of renovation is limited to 75% of the “as completed” value</li><li>• Contingency reserve: 10% of renovation costs</li><li>• Permits and plans required before closing</li><li>• Closing fees: about \$5,000</li><li>• Closing timeframe: about 45 days</li></ul>	<ul style="list-style-type: none"><li>• Loan-to-value (LTV)<ul style="list-style-type: none"><li>• 1-unit primary: 80%</li><li>• 2–4 unit primary: 75%</li><li>• 1-unit second: 75%</li><li>• 1-unit investment: 75%</li><li>• 2–4 unit investment: 70%</li></ul></li><li>• Closing fees: about \$3,000</li><li>• Closing timeframe: 30–45 days</li></ul>	<ul style="list-style-type: none"><li>• Loan-to-value (LTV)<ul style="list-style-type: none"><li>• 1-unit primary: 80%</li></ul></li><li>• Interest-only payment for the first 10 years, payments amortized for 30 years</li><li>• Rates based on prime—currently 5%</li><li>• Closing fees: \$75/annual fee, no origination or appraisal fee</li><li>• Closing timeframe: 30 days</li></ul>

# 7 MOVE IN

Now that your ADU is complete, it's time to move in! Whether the ADU is for you, a friend or family member, or a renter—they are sure to love their new home. Here are some things to remember regarding the move-in process.

## RENTAL REGISTRATION REQUIREMENTS

If you plan on renting out your ADU, you must maintain registration of the rental property. Please remember that you must also maintain owner occupancy in either the existing residence or the ADU.

## RESTRICTIONS ON SHORT-TERM RENTALS

Short-term rentals (for example, through services such as AirBnB, VRBO, etc.) are not permitted in D-ADUs in residential single or multiple general use type areas. On sites where a short-term rental is permitted in a legally established ADU, a short-term rental permit may be obtained for either the primary dwelling unit or ADU, but not both.

### FOR MORE INFORMATION

on **Rental Registration**, please visit the City of Bellingham's Rental Registration and Safety Inspections Program (RRSIP) [webpage](#).

For more information on **Short-term Rentals**, please visit the Short-term Rental Resources [webpage](#).



# 8 CASE STUDIES

## ADU #1

### Details:

Nancy Waterman  
775 sq ft  
About \$225,000 in construction costs.  
Moved into the ADU in April 2019.

### The Result:

A new level of independence.

Nancy wanted more freedom and developing an ADU on her property did just that. As a retired woman who has a passion for travel, downsizing was important to Nancy. By moving into the ADU and renting out the primary residence, Nancy no longer has to work. She is now retired and gets to travel the world and spend lots of time with her family.

### Her Advice:

Be available and be patient. Make yourself as available as possible during the construction period. There are likely to be hiccups along the way, and it is helpful if you are available to keep the project on track. When hiccups happen, it is also necessary to be patient with the City staff and to expect some unforeseen costs.



## ADU #2

### Details:

Keith Poynter  
240 sq ft with a loft  
\$45,000 with lots of extra sweat equity.

### The Result:

Generational housing solution.

As Keith's parents are getting older, he knows they will eventually need more help. Developing an ADU on his property will allow his parents to live close by while also maintaining their own privacy. In the meantime, he is able to rent the ADU to create passive income until his parents need to move into the space.

### His Advice:

Talk to knowledgeable people first. Developing an ADU can be a difficult process. Talking to someone knowledgeable about the process early on such as the City's permit staff or a designer will save you time and money in the end.

