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February 19, 2026

Bryan Cook, City Manager
9701 Las Tunas Drive
Temple City, CA 91780

RE: SB 9 and Housing Element Program C12 Implementation - Technical Assistance Letter

Dear Bryan Cook:

On August 1, 2025, the California Department of Housing and Community Development (HCD) received a Governmental Constraints Analysis (Analysis) prepared for the current Senate Bill (SB) 9 Ordinance adopted by Temple City (City). This Analysis was prepared as a requirement for Housing Element Program C12 and in response to HCD's Letter of Technical Assistance (Letter) dated December 15, 2022. HCD has reviewed the Analysis in light of the City's obligations outlined in the Housing Element and Letter. In conjunction with this review, HCD has also conducted a review of the City's SB 9 ordinance and hereby issues its written findings.

Background

- On January 4, 2022, the City adopted an Ordinance (21-1059) to incorporate the provisions of SB 9 into the City's municipal code.

- On April 29, 2022, HCD issued a Letter of Technical Assistance to provide comments on the City's SB 9 Ordinance which identified areas of conflict with state housing law. Issues identified included: maximum unit size, number of units allowed, courtyard requirement, height limits, parking prohibitions, affordability requirement, LEED Platinum requirement and others.

- On December 15, 2022, HCD issued a follow-up Letter of Technical Assistance to memorialize City commitments related to SB 9 regulations that were the result of ongoing collaboration between HCD and the City. These commitments included:
    - By June 30, 2023, City was obligated to amend the Municipal Code to correct restrictions on unit size, number of units allowed and courtyard requirement.

  - By December 31, 2023, City was obligated to conduct a constraints analysis of the adopted SB 9 regulations and amend the Municipal Code accordingly based on HCD feedback.

- On December 16, 2022, HCD found the City's housing element in full compliance with Housing Element Law. HCD based its compliance findings on, among other things, a commitment to implement housing element Program C12. This program committed the City to conducting a Governmental Constraints Analysis and amending the City's SB 9 regulations as deemed necessary by HCD.

- On July 12, 2023, pursuant to Ordinance 23-471, the City amended its SB 9 regulations to correct restrictions on unit size, number of units allowed and courtyard requirement.

- On August 1, 2025, HCD received from the City a Constraints Analysis of the City's SB 9 regulations.

HCD has conducted a review of the Constraints Analysis in conjunction with the City's current SB 9 regulations and provides the following list of items that must be corrected. The City must amend its SB 9 regulations and corresponding Municipal Code sections as specified below in order to maintain Housing Element compliance.

SB 9 Ordinance Review Comments

1) **Section 9-1T-21(A)(1)(d)** - *Limit on Demolition* - The Municipal Code states, "A proposed urban dwelling must not demolish more than 25 percent of the existing exterior structural walls. This does not apply if the housing development has not been occupied by a tenant in the last three years." However, pursuant to Senate Bill 450 of 2024, the 25 percent limitation on demolition was removed from SB 9. This limitation must be removed from the City's Municipal Code.

2) **Section 9-1T-21(A)(4)(b)** - *Number of Units (ADU vs. SB 9)* - The Municipal Code states, "The parcel for the proposed urban dwelling must contain no more than two units. Existing and proposed ADUs and JADUs will be counted toward the maximum number of units." It later states, "On a site where no lot split is proposed, the maximum number of units must not exceed two urban dwellings and two ADUs or two (2) urban dwellings and two (2) Junior ADUs." These code provisions are internally inconsistent and require clarification. Pursuant to SB 9, two-unit projects may be proposed on single-family lots (not created through an urban lot split) with any number of ADU as permitted by ADU law. The City must modify this code language to clarify that up to two primary units as well as ADUs pursuant to ADU law are allowed without a lot split and up to two units on each resulting lot after a lot split.

3) **Section 9-1T-21(A)(4)(d)** - *Minimum Unit Size of 500 sf* - The Municipal Code requires a minimum unit size of 500 square feet for an SB 9 urban dwelling. The City's Analysis determined that, "Mandating larger areas than the minimum standards set forth by the building code increases the cost to construct. This may constrain a property owner who may want a smaller unit." The Analysis recommended that the City, "Remove limits to minimum dwelling unit area and let the building code standards dictate dwelling unit size." This section of the Municipal Code is contradictory, antithetical to State SB 9 and ADU Law and must be removed. Minimum dwelling size poses an illegal constraint on SB 9 unit development.

4) **Section 9-1T-21(A)(4)(f)** – *Height* – The Municipal Code specifies that new SB 9 units or additions may not exceed one-story and 18 feet in height. It also specifies that the floor to ceiling height may not exceed eight feet and vaulted ceilings are not permitted. The Municipal Code also states, "If a third floor is necessary to meet the 800-square foot requirement the third floor must be completely subterranean." However, SB9 states, "A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone." There does not appear to be equivalent height limitations in the underlying zone nor a requirement that habitable area be located below grade. In addition, the Analysis identified the subterranean third story as a constraint. The City must amend its Code to remove the height restrictions and subterranean third floor requirement.

5) **Section 9-1T-21(A)(4)(j) and (h) and 9-1T-21(B)(11)(f)** - *Onsite Parking and Parking Permit Prohibition* - The Municipal Code prohibits any onsite parking for SB 9 units and requires the removal of any pre-existing onsite parking. It also prohibits the issuance of street parking permits for vehicles registered to SB 9 site. SB 9 states, "A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone."[1] These parking restrictions do not apply to the underlying zone. Additionally, the City's Analysis determined that, "implementing both requirements would constitute a governmental constraint." The Analysis further states, "The lack of ability to provide on-site parking with the inability to obtain a permit to park on the street overnight has prevented property owners from moving forward on SB 9 projects." The City must amend its Code to remove the prohibition of onsite parking and issuance of parking permits.

6) **Section 9-1T-21(A)(4)(l)** – *Affordability* – The Municipal Code states, "Urban dwellings must be continuously maintained as "affordable" housing for a period of not less than 30 years from the date of first occupancy. Urban dwellings must be

[1] Gov. Code, § 65852.21, subd.(b)(3).

occupied by low or very low-income households….” However, Government Code section 65852.21, subdivision (b)(3) states, “A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone.” The application of affordability requirements specific to all SB9 units without requiring the same of all residential development is inconsistent with State SB9 Law. Additionally, the Analysis determined that, “With the four-unit maximum buildout under SB 9, it is unlikely that the return on investment would be sufficient to justify the cost of construction.” The affordability requirement conflicts with SB 9 and poses a constraint on housing development. Accordingly, the City must remove all SB9 affordability requirements from the Municipal Code.

7) **Section 9-1T-21(A)(4)(m)** – *Subleasing* – The Municipal Code states, “In accordance with Table 9-1G-2, only one bedroom within an urban dwelling can be rented.” However, Table 9-1G-2 does not appear to address subleasing of SB9 units or any other form of residential development. Government Code section 65852.21, subdivision (b)(3) states, “A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone.” The underlying zone does not contain the same limitation on subleasing; therefore, this requirement must be removed for SB 9 developments.

8) **Section 9-1T-21(A)(4)(o)** – *LEED Platinum Certification* – The Municipal Code states “Prior to the city releasing a certificate of occupancy, the property owner must demonstrate that the property has achieved LEED Platinum Certification.” However, Government Code section 65852.21, subdivision (b)(3) states, “A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone.” The LEED requirement does not apply to other forms of residential development, and this requirement is therefore inconsistent with State SB9 Law. In addition, the City’s Analysis determined that a LEED Platinum requirement increases construction costs by approximately 9.43 percent and necessitates a certification fee of $11,400. The Analysis further states, “This increase in cost makes providing the urban dwelling harder and therefore could be found to be a governmental constraint.” The City must amend the Code to remove the LEED requirement.

9) **Section 9-1T-21(A)(6)** – *Objective Design Standards* – The Municipal Code provides objective design standards to be applied to SB9 units. However, these standards are in contrast to the underlying R-1 Zone District Residential Building Design and Architectural Standards contained in TCMC 9-1G-13. SB 9 states that objective design standards may be required of an SB 9 unit, but they cannot be more restrictive than those applied in the underlying zone. The SB 9 design standards are more restrictive than the underlying zone. For instance, the design standards specify that the SB 9 units must be constructed in either a Craftsman

or Spanish Revival style. That requirement is not contained in the underlying zone design standards. Additionally, the SB 9 material options contain a restrictive list of more expensive materials versus the underlying zone material list, which has additional material options that are not contained in the SB 9 approved list. Both of these examples are more restrictive than the objective design standards contained in the underlying zone. Therefore, the City must review **all** SB 9 design standards and remove or modify any standard that is more restrictive than those contained in the underlying zone.

10) **Section 9-1T-21(B)(10)** - *Bi-Annual Inspection* - The Municipal Code states for an urban lot split, "Bi-Annual Inspection: The property owner must provide for an inspection every six months for the first three years to ensure the property owner is living onsite. The property owner must pay the special inspection fee as set forth in the City's fee and fine resolution." However, SB 9 states, "A local agency shall not impose additional owner occupancy standards, other than provided for in this subdivision, on an urban lot split pursuant to this section."[2] The only occupancy standard that SB 9 authorizes is provided in Government Code 66411.7(g)(1): "A local agency shall require an applicant for an urban lot split to sign an affidavit stating that the applicant intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split." A bi-annual inspection to confirm owner-occupancy constitutes an "additional owner occupancy standard;" therefore, the City must remove this requirement from the Municipal Code.

11) **Section 9-1T-21(B)(11)(g)** – *Unit Types After Lot Split* - The Municipal Code states that, "Only structures that meet the requirements of urban dwellings are allowed on urban lot splits." However, an SB 9 created lot can be developed with two urban dwellings or with one urban dwelling, plus one ADU or JADU, as long as, the unit count does not exceed two. The City must amend the Municipal Code to remove this restriction and reflect the maximum number of units authorized by SB 9 and State ADU Law.

12) **Section 9-2-20(G)** - *Appeal of Director's Decision* - The Municipal Code specifies that an SB 9 urban lot split decision of the director may be appealed to the Planning Commission. The City's Analysis determined that, "there would be no benefit to allowing appeals to the Planning Commission, unless the appeal is by the applicant on a denial. Other appeals would delay construction of the units, which is a governmental constraint." The City must amend the Municipal Code to remove this section to reflect the ministerial approval of an SB 9 urban lot split pursuant to Government Code section 66411.7.

[2] Gov. Code, § 66411.7, subd.(g)(3).

Conclusion

On December 16, 2022, HCD found the City's housing element in full compliance with Housing Element Law. HCD based its compliance findings on, among other things, a commitment to implement housing element Program C12. This program committed the City to conducting a Governmental Constraints Analysis and amending the City's SB 9 regulations as deemed necessary by HCD.

Based on HCD's review of the Analysis provided, various requirements in the City's Municipal Code have been determined to be constraints on the development of SB 9 projects. Based on the Analysis and HCD's comprehensive review, a number of the City's SB 9 code regulations must be removed or modified as described in this letter.

HCD must review any action or failure to act by a local government that it determines to be inconsistent with an adopted housing element or Government Code section 65583 generally, and it must issue written findings to the local government accordingly. HCD must give the City a reasonable time, no longer than 30 days, to respond to these findings. If HCD does not receive a written response from the City within 30 days, or the response does not demonstrate that the program action has been implemented, then HCD will revoke its findings that the City's housing element substantially complies with Housing Element Law. Additionally, HCD may notify the California Office of the Attorney General when a local government takes actions that are inconsistent with an adopted housing element.

HCD looks forward to assisting the City in its compliance with state housing laws. HCD provides the City 30 days from the date of this letter, March 19, 2026 to send a written response to these findings regarding SB 9 Law and the removal of governmental constraints related to the implementation of SB9. If you have questions, need additional information, or wish to schedule a meeting, please contact me at Melinda.Coy@hcd.ca.gov or Mindy.Wilcox@hcd.ca.gov.

Sincerely,



Melinda Coy
Housing Accountability Chief