

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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December 10, 2025

Richard Grunow, Director
Community Development, Redevelopment Services and Housing
City of Coronado
1825 Strand Way
Coronado, CA 92118

Dear Richard Grunow:

RE: Review of Coronado's Accessory Dwelling Unit (ADU) Ordinance under State ADU Law (Gov. Code, §§ 66310 - 66342)

Thank you for submitting the City of Coronado (City) ADU Ordinance No. 2024-02 (Ordinance), adopted April 16, 2024, to the California Department of Housing and Community Development (HCD). The Ordinance was received on May 7, 2025. HCD has reviewed the Ordinance and submits these written findings pursuant to Government Code section 66326, subdivision (a). HCD finds that the Ordinance fails to comply with State ADU Law in the manner noted below. Pursuant to Government Code section 66326, subdivision (b)(1), the City has up to 30 days to respond to these findings. Accordingly, the City must provide a written response to these findings no later than January 9, 2026.

The Ordinance addresses many statutory requirements; however, HCD finds that the Ordinance does not comply with State ADU Law as follows:

1. *Statutory Numbering* - The Ordinance contains several references to code sections that were deleted by SB 477, effective March 25, 2024.¹ These include Government Code sections 65852.2 and 65852.22. The contents of these sections were relocated to Government Code, Title 7, Division 1, Chapter 13 (sections 66310-66342). The County must amend the Ordinance to refer to the correct Government Code sections.
2. Section 86.56.105.B.1.² – *Primary Dwelling Types* – The Ordinance states ADUs and junior accessory dwelling units (JADUs) shall comply with the following standard: “A detached primary single-family dwelling unit shall exist or be proposed on the lot, or existing multifamily dwelling units shall exist on the lot.” However, State ADU Law requires: “The accessory dwelling unit is either

¹ Senate Bill 477 (Chapter 7, Statutes of 2024).

² The first reference to a section number in each finding is to Ordinance No. 2024-02, unless otherwise noted.

attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling, including detached garages.”³ State ADU Law allows ADUs in several configurations, including detached from an existing or proposed primary dwelling. A primary dwelling can include either a single-family dwelling or a multifamily dwelling. The Ordinance fails to include the allowance for ADUs detached from a proposed multifamily dwelling. The City must amend the Ordinance to reflect all allowed ADUs with an existing or proposed single-family or multifamily dwelling.⁴

3. Section 86.56.105.B.2. – *ADUs Attached to Accessory Structures* – The Ordinance states: “The accessory dwelling unit may be created within the existing walls of a primary residence or accessory structure (an “interior” accessory unit), may be created by an addition attached to an existing or proposed primary residence (an “attached” accessory dwelling unit), or may be a new structure detached from the primary residence (a “detached” accessory dwelling unit)”. However, State ADU Law requires: “The accessory dwelling unit is either attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling, including detached garages.”⁵ The Ordinance is misleading as it does not specify that an ADU may be attached to an accessory structure. The City must amend the Ordinance to allow an ADU to be attached to an *accessory* structure.
4. Section 86.56.105.B.3. – *Nonconforming Zoning Conditions* – The Ordinance states: “Any construction of a junior or accessory dwelling unit shall conform to all property development regulations of the zone in which the property is located including, but not limited to, height limits, setback, lot coverage, landscape, and floor area ratio (FAR), as well as all fire, health, safety and building provisions of this title, subject to the following exceptions: [...]”. However, State ADU Law strictly limits denials of ADUs or JADUs due to nonconforming zoning conditions and other factors: “The local agency shall not deny an application for a permit to create an accessory dwelling unit due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are not affected by the construction of the accessory dwelling unit.”⁶ When an applicant proposes an ADU or a JADU on a property that has existing nonconforming zoning conditions, the statute limits the City’s authority to deny the application as noted above. The language of the Ordinance requiring conformance with all property

³ Gov. Code, § 66314, subd. (d)(3).

⁴ Nothing in this finding negates the requirement for an existing multifamily dwelling as a prerequisite for an ADU approved pursuant to Government Code section 66323, subdivision (a)(3).

⁵ Gov. Code, § 66314, subd. (d)(3).

⁶ Gov. Code, § 66322, subd. (b). While not quoted here, Gov. Code, § 66323, subd. (c), contains a similar requirement that applies to 66323 units specifically, including JADUs.

development regulations of the zone does not comply with State ADU Law. The City must amend the Ordinance to remove the restrictive language and specify that an ADU or JADU application may not be denied due to an existing nonconforming zoning condition unless the nonconforming zoning condition constitutes a threat to public health and safety affected by the construction of the ADU.

5. Section 86.56.105.B.3.a. – *Requirement for Land Surveys* – The Ordinance states: “No setback is required for an existing living area converted to a junior or accessory dwelling unit or for an existing accessory structure converted to an accessory dwelling unit, or for a new accessory dwelling unit constructed in the same location and built to the same dimensions as a legally approved existing structure. Verification of size and location of the existing and proposed structure by City staff requires pre- and post-construction surveys by a California licensed land surveyor.” However, State ADU Law provides: “Section 66314 establishes the maximum standards that a local agency shall use to evaluate a proposed accessory dwelling unit on a lot that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in Section 66314, shall be used or imposed [...]”⁷. The requirement for pre-and post-construction surveys markedly exceeds the City’s authority under Government Code section 66314 and is inconsistent with State ADU Law, particularly with regard to legally approved structures,⁸ for which the City should already have documentation on file regarding dimensions and setbacks. The City must amend the Ordinance to remove the pre and post construction survey requirements and offer applicants reference to City permit records and/or City building inspections that are consistent with Government Code section 66314.
6. Section 86.56.105.B.3.c. – *Waiver of Development Standards* – The Ordinance lists the following exemption from its requirement for ADUs and JADUs to comply with the development standards in the underlying zone: “Limits on lot coverage, floor area ratio, open space, front setbacks, and size (“specified standards”) must permit at least an 800-square-foot detached or attached accessory dwelling unit 16 feet high with four-foot side and rear yards (“baseline ADU”) if the proposed accessory dwelling unit is in compliance with all other development standards. The Community Development Director shall grant an exception to a specified standard if: i. The specified standard would physically preclude the creation of a baseline ADU otherwise allowed by this section; ii. The exception is the minimum necessary to allow for a baseline ADU; and iii. There is no feasible alternative to achieve a baseline ADU without the exception”. However, the corresponding part of State ADU Law⁹ prohibits a local agency from establishing by ordinance: “Any requirement for a zoning clearance

⁷ Gov. Code, § 66315.

⁸ Inland of the coastal zone, the requirement for the existing structure to be permitted as a prerequisite to ADU development would not be valid under Government Code section 66314, subdivision (d)(7). However, the entire City of Coronado is located in the coastal zone.

⁹ Gov. Code, § 66321, subd. (b)(3), as amended by SB 543 (Chapter 520, Statutes of 2025), effective January 1, 2026.

or separate zoning review or any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size, for either attached or detached dwellings that does not permit an accessory dwelling unit with at least 800 square feet of interior livable space and with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.”

The Ordinance is missing integral items that must be waived pursuant to State ADU Law, including a separate zoning review and size based on a percentage of the primary dwelling.¹⁰ The Ordinance conditions the waiver of development standards on the ADU not exceeding a height of 16 feet, even though in many situations the City must allow the ADU to be taller.¹¹ The Ordinance also unlawfully conditions the waiver of development standards on a subjective test of feasibility (“There is no feasible alternative [...]”) when only objective development standards are allowed.¹² The City must amend the Ordinance to: 1) expressly waive requirements for a separate zoning review¹³ and size conditions based on a percentage of the primary dwelling area; 2) delete the condition limiting the ADU’s height to 16 feet; and 3) delete the subjective condition regarding feasibility (“There is no feasible alternative [...]”).

7. Section 86.56.105.B.4. – *Proposed Single-Family Residence* – The Ordinance states: “Proposed development projects that include a new single-family residence and an accessory dwelling unit or a junior accessory dwelling unit are required to comply with floor area ratio limits and other applicable development standards contained in the City’s Zoning Ordinance.” However: “A local agency shall not impose any objective development or design standard that is not authorized by this section [Gov. Code, § 66323] upon any accessory dwelling unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a).” When an applicant proposes a new single-family dwelling with a detached ADU pursuant to Government Code section 66323 the City may apply its development standards to the primary dwelling, but the ADU is not subject to discretionary review or development standards that are not a part of section 66323, including, but not limited to, a maximum floor area ratio. The City must amend the Ordinance to remove the imposition of development standards contained in the City’s Zoning Ordinance on ADUs and JADUs.
8. Section 86.56.105.B.5. – *ADU and JADU Combinations* – The Ordinance requires: “No more than one junior accessory dwelling unit or one accessory dwelling unit shall be permitted per single-family lot, except as permitted in subsection (C)(2) of this section.” Section 85.56.105.C.2. refers to the allowance for a single-family detached ADU pursuant to Government Code section 66323,

¹⁰ Minimum lot sizes are prohibited for any ADU or JADU per Gov. Code, §§ 66314, subd. (b)(1); 66323, subd. (b).

¹¹ Gov. Code, § 66321, subd. (b)(4).

¹² Gov. Code, § 66314, subd. (b)(1).

¹³ A concurrent zoning review is acceptable.

subdivision (a)(2). However, State ADU Law provides: “Notwithstanding Sections 66314 to 66322, inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following units, or any combination of the following units: [...]”¹⁴ and lists the four types of ADUs, plus a JADU, which are permitted pursuant to Government Code section 66323. By referring to just one type of Government Code section 66323 ADU combined with an ADU, or a JADU approved pursuant to a full range of standards in the Ordinance, the Ordinance is significantly more restrictive than statute allows and therefore, inconsistent with State ADU Law. The City must amend the Ordinance to allow the maximum number of ADUs and a JADU pursuant to Government Code section 66323.

9. Section 86.56.105.B.7. – *Maximum Floor Areas* – The Ordinance states: “The floor area of an attached or detached accessory dwelling unit shall not exceed 850 square feet for a studio or one bedroom or 1,000 square feet for a unit that contains more than one bedroom.” However, State ADU Law provides: “A local agency shall not impose any objective development or design standard that is not authorized by this section [Gov. Code, § 66323] upon any accessory dwelling unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a).” While the Ordinance’s maximum floor areas quoted above may be valid for certain ADUs, they are not valid for three of the four types enumerated in Government Code section 66323: a single-family conversion ADU, a multifamily conversion ADU or ADUs detached from a multifamily dwelling. State ADU Law does not allow any maximum floor area to be imposed on these units.¹⁵ The City must amend the Ordinance to note that maximum floor areas do not apply to the three types of 66323 units noted above.
10. Section 86.56.105.B.9. – *Separate Sale of ADUs* – The Ordinance states: “The junior and accessory dwelling unit shall not be owned, sold, transferred, or otherwise conveyed sold separate from the primary residence.” However, State ADU Law requires: “A local agency shall allow an accessory dwelling unit to be sold or conveyed separately from the primary residence to a qualified buyer if all of the following apply: [...]”.¹⁶ Government Code section 66341 lists a series of requirements for an ADU to be sold separately, such as being developed by a qualified nonprofit corporation and being sold to a qualified buyer at an affordable housing cost, and requires local agencies to approve applications that comply with those requirements. The law also allows, but does not require, local agencies to permit ADUs to be sold separately through condominium subdivisions.¹⁷ The Ordinance’s prohibition on separate sales is valid for JADUs only.¹⁸ The City must amend the Ordinance to allow an ADU to be sold

¹⁴ Gov. Code, § 66323, subd. (a), as amended by SB 543 (Chapter 520, Statutes of 2025), effective, January 1, 2025.

¹⁵ Gov. Code, § 66323, subds. (a)(1), (a)(3) & (a)(4).

¹⁶ Gov. Code, § 66341.

¹⁷ Gov. Code, § 66342.

¹⁸ Gov. Code, § 66333, subd. (c)(1).

separately when it complies with Government Code section 66341. The City should also consider allowing ADU condominium subdivisions.

11. Section 86.56.105.B.10. – *Limits on Short-Term Rentals* – The Ordinance states: “Junior and accessory dwelling units shall only be used for rentals of terms of six consecutive months or more.” However, State ADU Law provides: “No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer.” And, for Government Code section 66323 ADUs specifically: “A local agency shall require that a rental of the accessory dwelling unit created pursuant to this section be for a term longer than 30 days.” For JADUs, the local agency shall: “Require that a rental of a junior accessory dwelling unit be for a term longer than 30 days.”¹⁹ While State ADU Law authorizes, and for certain units requires, local agencies to prohibit short-term rentals, it does not permit local agencies to impose a minimum rental term longer than 30 days. Furthermore, State ADU Law does not require ADUs or JADUs to be rented, but authorizes or requires limits on short-term rentals if the property owner decides to rent those units. Imposing specific minimum rental terms beyond the 30-day statutory minimum unreasonably restricts property owners’ use of an ADU and/or JADU and disincentivizes the construction of such units. The City must amend the Ordinance to reflect a property owner’s discretion to rent an ADU or JADU with only the restriction of a 30-day minimum rental term.²⁰
12. Section 86.56.105.B.11. – *Missing Required Standards, JADUs* – The Ordinance states: “The following provisions are applicable to junior accessory dwelling units: [...]” and goes on to list several provisions. However, Government Code section 66333 contains a list of provisions that a JADU ordinance must include. The Ordinance is missing integral required content of subdivisions (a), (d) and (e) of section 66333. Subdivision (a) requires that the property be zoned for single-family residences and includes an existing or proposed single-family dwelling. Subdivision (d) requires the JADU to be within the single-family dwelling. Subdivision (e) requires the JADU to have its own exterior entrance and to have an interior entrance to the main house if the JADU does not include its own bathroom. The City should amend the Ordinance to include the missing required standards.²¹

¹⁹ Gov. Code, §§ 66315; 66323, subd. (e); 66333, subd. (g) as amended by AB 1154 (Chapter 507, Statutes of 2025), effective January 1, 2026.

²⁰ Nothing in this finding diminishes the property owner’s discretion to contract for a specific minimum rental term of longer than 30 days, if desired.

²¹ SB 543 (Chapter 520, Statutes of 2025), will add Government Code section 66339.5 to State JADU Law, effective, January 1, 2026. This section will indicate that State JADU Law does not limit a local agency’s authority to adopt less restrictive requirements on JADUs. If the City intends to waive the standards mentioned in this finding pursuant section 66339.5, that should be indicated in the City’s response letter.

13. Section 86.56.105.B.11.a. – *JADU Efficiency Kitchen* – The Ordinance states: “A junior accessory dwelling unit shall not exceed 500 square feet in size and shall contain at least an efficiency kitchen which includes cooking appliances (i.e., stove, oven, and microwave), refrigerator, a sink with garbage disposal, and a food preparation counter and storage cabinets that are of reasonable size in relation to the junior accessory dwelling unit.” However, State JADU Law requires a JADU ordinance to only include the following: “Require the permitted junior accessory dwelling unit to include an efficiency kitchen, which shall include all of the following: (1) A cooking facility with appliances. (2) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.”²² By specifying required cooking appliances, the Ordinance is more restrictive than the statute. While JADUs must comply with the California Building Standards Code, including kitchen appliances, statute merely requires cooking appliances in an efficiency kitchen and leaves the question of which cooking appliances to the applicant. The City must amend the Ordinance to remove specific cooking appliances in an efficiency kitchen.
14. Section 86.56.105.B.11.c. – *JADU Owner Occupancy* – The Ordinance requires for JADUs: “One of the dwellings on the lot must be the bona fide principal residence of at least one legal owner of the lot, as evidenced at the time of approval and upon demand thereafter of the junior accessory dwelling unit by appropriate documents of title and residency.” However, AB 1154 (Chapter 507, Statutes of 2025), effective January 1, 2026, will limit the scope of the owner-occupancy requirement as follows: “If the junior accessory dwelling unit has shared sanitation facilities with the existing structure, [the ordinance shall] require owner-occupancy in the single family residence in which the junior accessory dwelling unit will be permitted. The owner may reside in either the remaining portion of the structure or the newly created junior accessory dwelling unit. Owner-occupancy shall not be required if the junior accessory dwelling unit has separate sanitation facilities, or if the owner is another governmental agency, land trust, or housing organization.”²³ The Ordinance requires owner occupancy regardless of whether the JADU has shared sanitation facilities with the main house and disregards the exceptions to owner occupancy noted above. The City must amend the Ordinance to remove the owner occupancy requirement when the JADU has its own bathroom or when the property is owned by a governmental agency, land trust or housing organization.
15. Section 86.56.105.B.11.d.iii. – *JADU Short-Term Rental Prohibition* – The Ordinance states the JADU deed restriction shall include the following provision: “A prohibition against renting the junior accessory dwelling unit for fewer than six consecutive months.” However, AB 1154 requires: “that a rental of a junior accessory dwelling unit be for a term longer than 30 days,” effective January 1, 2026.²⁴ As noted in Finding 11, the statute does not authorize local

²² Gov. Code, § 66333, subd. (f).

²³ Gov. Code, § 66333, subd. (b).

²⁴ Gov. Code, § 66333, subd. (g).

agencies to impose a specific rental term longer than 30 days. The City must amend the Ordinance to remove the six-month rental requirement and require that if a JADU is rented the rental be for a term longer than 30 days.

16. Section 86.56.105.B.11.d.vi. – *JADU Owner Occupancy, Deed Restriction* – The Ordinance states the JADU deed restriction shall include the following provision: “A requirement that either the primary residence or the junior accessory dwelling unit be the owner’s bona fide principal residence, unless the owner is a governmental agency, land trust, or housing organization.” However, as noted in Finding 14, State JADU Law only permits a JADU owner occupancy requirement when the JADU shares a bathroom with the main house, and does not permit an owner-occupancy requirement when the JADU is owned by a governmental agency, land trust, or housing organization.²⁵ The City must amend the Ordinance to remove the JADU owner occupancy requirement unless the JADU shares a bathroom with the main house.
17. Section 86.56.105.B.12.a. – *ADU Parking Requirements* – The Ordinance states: “To ensure compliance with the provisions of the California Coastal Act of 1976 and the approved Land Use Plan of the City’s Certified Local Coastal Program, the following parking requirements apply: a. A maximum of one parking space shall be required for each accessory dwelling unit, except that no spaces are required for accessory dwelling units deed restricted to be affordable to low, very low, and extremely low income households as defined in the City’s General Plan Housing Element.” However, State ADU Law includes several exceptions to ADU parking requirements that are absent from the Ordinance.²⁶ If applicable, the Ordinance must site the Coastal Act provisions that preclude State ADU Law parking exceptions.²⁷ The City should consider the barrier parking requirements place on ADU development, and whether there are less restrictive means available to facilitate coastal access, given the benefits ADUs provide for coastal access via public and active transportation.²⁸
18. Section 86.56.105.B.12.d. – *ADU Replacement Parking Requirements* – The Ordinance states: “If an ADU or JADU replaces an existing garage or other required parking, replacement spaces shall be provided.” However, State ADU Law limits replacement parking requirements: “When a garage, carport, covered parking structure, or uncovered parking space is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, the local agency shall not require that those off street parking

²⁵ Gov. Code, § 66333, subd. (b). As noted above, the changes made by AB 1154 take effect on January 1, 2026, including limiting the owner occupancy requirement to situations when the JADU shares a bathroom with the main house.

²⁶ Gov. Code, §§ 66314, subds. (d)(10) & (d)(11); 66322, subd. (a); & 66323, subd. (b).

²⁷ Gov. Code, § 66329.

²⁸ These benefits include increased opportunities for residents to walk and bike to the coast and adding density to support more frequent bus and ferry service to the coast. Public and active transportation also help to mitigate climate change and the many threats it poses to the coast.

spaces be replaced.”²⁹ While the standard may be justified under Government Code section 66329, for the reasons noted in Finding 17, the City should note those specific provisions of the Coastal Act and consider less restrictive means to achieve Coastal Act compliance commensurate with State ADU Law compliance.

19. Section 86.56.105.B.12.e. – *Carriage House Conversion* – The Ordinance states: “A maximum of one parking space shall be required for a carriage house converted to an accessory dwelling unit, except that no space is required for a converted unit deed restricted to be affordable to low, very low, and extremely low income households as defined in the City’s General Plan Housing Element.” However, as noted in Finding 17, there are several exceptions to parking requirements in State ADU Law, which the Ordinance fails to include. While the standard may be justified under Government Code section 66329, the City should note those specific provisions of the Coastal Act and consider less restrictive means to achieve Coastal Act compliance commensurate with State ADU Law compliance.

20. Section 86.56.105.B.13. – *Subjective Design Standards* – The Ordinance States: “A junior or accessory dwelling unit, whether attached or detached, shall utilize the same architectural style, exterior materials, and colors as the existing or proposed primary dwelling, and the quality of the materials shall be the same or exceed that of the primary dwelling.” However, State ADU Law requires development standards on ADUs to be objective and defines objective standards as: “standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.”³⁰ Furthermore, all JADUs, and certain ADUs which meet the criteria of Government Code section 66323, are exempt from development standards not included in that section.³¹ The requirements for the same architectural style and equal or greater quality materials are subjective. The City must amend the Ordinance to remove the subjective standards on architectural style and material quality.

21. Section 86.56.105.B.14. – *Utility Connection Requirements* – The Ordinance states: “Except as provided in subsection (B)(16) of this section, accessory dwelling units shall provide a new or separate utility connection directly between the accessory dwelling unit and the utility.” However, subsection (B)(16) deals with fire sprinklers, not utility connections. It appears that the reference may have been intended for subsection (B)(15) instead. The City must correct and clarify this reference.³²

²⁹ Gov. Code, § 66314, subd. (d)(11).

³⁰ Gov. Code, §§ 66314, subd. (b)(1); 66313, subd. (i).

³¹ Gov. Code, § 66323, subd. (b).

³² The related requirements in State ADU Law are located in Gov. Code, § 66324, which will be amended and renumbered by SB 543 (Chapter 520, Statutes of 2025), effective January 1, 2026.

22. Section 86.56.105.B.17. – *Impact Fees* – The Ordinance states: “No impact fees may be imposed on a junior or accessory dwelling unit that is less than 750 square feet in size.” However, SB 543 clarifies that: “A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit that has 750 square feet of interior livable space or less or a junior accessory dwelling unit that has 500 square feet of interior livable space or less.”³³ The Ordinance lacks specificity required by State ADU Law regarding the interior livable space. The City must amend the Ordinance to indicate 750 square feet **or** less or 500 square feet of interior livable space or less for the exemption from impact fees.

23. Section 86.56.105.C.1.d. – *Misplaced Reference* – The Ordinance requires: “Any junior accessory dwelling unit complies with subsection (B)(12) of this section.” However, subsection (B)(12) deals with parking requirements. The section of statute that corresponds to this part of the Ordinance refers to development standards that apply specifically to JADUs.³⁴ Therefore, it appears that the Ordinance intends to refer to subsection (B)(11), which is a list of JADU-specific development standards. The City should amend the Ordinance to refer to subsection (B)(11).

24. Section 86.56.105.C.2. – *66323 Units, Single-Family Detached ADU* – The Ordinance allows: “One new accessory dwelling unit not larger than 800 square feet or more than 16 feet high, with side and rear yard setbacks of at least four feet on a lot with an existing or proposed single-family dwelling. A junior accessory dwelling unit complying with subsection (B)(12) of this section may be developed on the same lot.” However, Government Code section 66323, subdivision (a)(2)(B) states the local agency may impose: “A height limitation as provided in subparagraph (A), (B), or (C) of paragraph (4) of subdivision (b) of Section 66321, as applicable.”³⁵ State ADU Law allows an ADU height of 18 feet or 20 feet if needed to match roof pitch if the ADU is within ½ mile walking distance of a major transit stop or high-quality transit corridor.³⁶ As noted in Finding 23, the reference to subsection (B)(12) appears to be intended for subsection (B)(11), where the Ordinance locates many of its JADU development standards. The City must amend the Ordinance to: 1) allow the greater ADU height allowance described in State ADU Law for units within ½ mile of a major transit stop or high-quality transit corridor and 2) reference the JADU development standards in the correct subsection, (B)(11).

³³ SB 543 (Chapter 520, Statutes of 2025) amends and renumbers Gov. Code, § 66324 to 66311.5 subd. (c)(1) effective January 1, 2026.

³⁴ Gov. Code, § 66323, subd. (a)(1)(D).

³⁵ Gov. Code, § 66323, subd. (a)(2)(B).

³⁶ For example, Coronado’s ferry terminal meets the statutory definition of a major transit stop. Pub. Res. Code, § 21155, subd. (b).

25. Section 86.56.105.C.4. – *66323 Units, ADUs Detached from a Multifamily Dwelling* – The Ordinance allows: “Up to two detached accessory dwelling units on a lot with an existing multiple-family dwelling structure, provided that the height does not exceed 16 feet and that four-foot side and rear yard setbacks are maintained.” However, the corresponding section of State ADU Law provides for ministerial approval of: “On a lot with an existing multifamily dwelling, not more than eight detached accessory dwelling units. However, the number of accessory dwelling units allowable pursuant to this clause shall not exceed the number of existing units on the lot.”³⁷ When there is a proposed multifamily dwelling, the maximum number of ADUs allowed which are “detached from [the] multifamily dwelling” is two.³⁸ As noted in Finding 24, the applicable height allowances for detached ADUs are listed in Government Code section 66321, subdivision (b)(4), subparagraphs (A), (B) and (C), and two of those allow heights greater than 16 feet. The Ordinance does not allow up to eight ADUs detached from an existing multifamily dwelling and does not specify the two scenarios where the detached ADU height allowance is greater than 16 feet. The City must amend the Ordinance to allow the correct and maximum number of detached ADUs from an existing multifamily dwelling and to acknowledge all three detached ADU height allowances described in statute.
26. Section 86.56.105.D. – *Carriage House Conversions* – The Ordinance states: “Any existing or proposed carriage house that complies with the standards in CMC Section 86.56.110 may be converted to an accessory dwelling unit by installing permanent provisions for living, sleeping, eating, cooking, and sanitation and must continue to comply with all standards in CMC Section 86.56.110 except for Section 86.56.110.Q.” However, State ADU Law requires: “No local ordinance, policy, or regulation, other than an accessory dwelling unit ordinance consistent with this article shall be the basis for the delay or denial of a building permit or a use permit under this section.”³⁹ Many of the development standards the Ordinance applies to carriage houses are more restrictive than those allowed by State ADU Law. If a carriage house is converted to an ADU, it becomes an ADU and must be permitted as an ADU. The City must amend the Ordinance to remove the requirement for these ADUs to comply with all standards in CMC section 86.56.110.
27. Section 86.56.105.E. – *Review Procedure* – The Ordinance states: “If the permit application for a junior or accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the application for the junior or accessory dwelling unit shall not be acted upon until the City acts on the permit application for the new single-family dwelling, but thereafter shall be ministerially processed within 60 days of receipt of a complete application and approved if it meets the requirements of this section.” However, State ADU Law provides: “If the permit application to create or serve

³⁷ Gov. Code, § 66323, subd. (a)(4)(A)(ii).

³⁸ Gov. Code, § 66323, subd. (a)(4)(A)(iii).

³⁹ Gov. Code, § 66317, subd. (c).

an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family or multifamily dwelling on the lot, the permitting agency may delay approving or denying the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency approves or denies the permit application to create the new single-family or multifamily dwelling, but the application to create or serve the accessory dwelling unit or junior accessory dwelling unit shall be considered without discretionary review or hearing.”⁴⁰ The Ordinance’s use of “acted upon,” “acts on” and “processed” do not match the statutory language “approving or denying.” Namely, State ADU Law allows either the approval or denial of an ADU application to be delayed until the primary dwelling is approved or denied. The City must amend the Ordinance to 1) replace the words or phrases “acted upon,” “acts on” and “processed” with “approved or denied” “approves or denies” and “approved or denied” respectively; 2) remove the 60 day delay; and 3) require the ADU or JADU application to be approved or denied no later than the date the primary dwelling is approved or denied.

28. Section 86.56.105.E.⁴¹ – *Replacement Parking Requirements* – The Ordinance states: “Replacement parking for the demolished garage shall be provided pursuant to subsection (B)(12)(d) of this section.” However, see Finding 18 regarding subsection (B)(12)(d). While the standard may be justified under Government Code section 66329, for the reasons noted in Finding 17, the City should note those specific provisions of the Coastal Act and consider less restrictive means to achieve Coastal Act compliance commensurate with State ADU Law compliance.

29. Section 86.56.105.E. – *Certificates of Occupancy* – The Ordinance states: “Occupancy of the junior or accessory dwelling unit shall not be allowed until the City approves occupancy of the primary dwelling.” However, the corresponding section of State ADU Law was recently amended to create an exception to the general rule that the primary dwelling must have a certificate of occupancy before, or concurrently with, the ADU or JADU.⁴² The exception applies to ADUs when the Governor makes an emergency proclamation, the primary dwelling is substantially damaged or destroyed by the emergency event, and certain other conditions are met, as specified in Government Code section 66328. The City must amend the Ordinance to note the exception in section 66328.

⁴⁰ Gov. Code, § 66317, subd. (a). Note that this section will be amended by SB 543, effective January 1, 2025. However, the finding remains valid for both ADUs and JADUs when considering Gov. Code, §§ 66317 & 66335 together.

⁴¹ Note that the Ordinance has two different paragraphs designated “E” under section 86.56.105.

⁴² Gov. Code, § 66328 was amended by AB 462 (Chapter 491, Statutes of 2025), effective October 10, 2025

30. Section 86.56.105.E. – *Covenant Requirement* – The Ordinance states: “Prior to the issuance of a building permit for a junior or accessory dwelling unit, the property owner shall record a covenant with the County Recorder’s Office, the form and content of which is satisfactory to the City Attorney. The covenant shall notify future owners of the owner occupancy requirements, prohibition on the separate conveyance, the approved size and attributes of the unit, and minimum rental period restrictions. This covenant shall remain in effect so long as the junior or accessory dwelling unit exists on the lot.” While this is a valid requirement to impose on a *JADU*,⁴³ it is not an authorized requirement to impose on an *ADU*. State ADU Law provides: “Section 66314 establishes the maximum standards that a local agency shall use to evaluate a proposed accessory dwelling unit on a lot that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer.”⁴⁴ Covenants and deed restrictions exceed the permissible ADU development standards in Government Code section 66314. The City must amend the Ordinance to remove the deed restriction requirement for ADUs.

31. Section 86.70.120. – *Concurrent Processing* – The Ordinance states: “If a coastal permit is required for a project or activity, building permits shall not be issued for the project or activity prior to issuance of the coastal permit.” However, State ADU Law provides: “The process to approve or deny a coastal development permit application under this subdivision shall happen concurrently with the process to approve or deny an application for an accessory dwelling unit under Section 66317.”⁴⁵ The Ordinance fails to specify that the review processes for the coastal development permit and ADU construction permits happen concurrently unless the applicant requests otherwise.⁴⁶ The City must amend the Ordinance to clarify that the review of the coastal development permit application and the construction permit application for an ADU happen concurrently.

⁴³ Gov. Code, § 66333, subd. (c).

⁴⁴ Gov. Code, § 66315.

⁴⁵ Gov. Code, § 66329, subd. (a).

⁴⁶ Pursuant to Gov. Code, § 66317, subd. (a), the applicant may request a delay in the processing of any part of the application.

The City has two options in response to this letter.⁴⁷ The City can either amend the Ordinance to comply with State ADU Law⁴⁸ or adopt the Ordinance without changes and include findings in its resolution accompanying the Ordinance that explain the reasons the City believes that the Ordinance complies with State ADU Law despite HCD's findings.⁴⁹ If the City fails to take either course of action and bring the Ordinance into compliance with State ADU Law, HCD must notify the City and may notify the California Office of the Attorney General that the City is in violation of State ADU Law.⁵⁰

HCD appreciates the City's efforts in the preparation and adoption of the Ordinance and welcomes the opportunity to assist the City in fully complying with State ADU Law. Please feel free to contact David Barboza at david.barboza@hcd.ca.gov if you have any questions.

Sincerely,



Jamie Candelaria
Section Chief, ADU Policy
Housing Accountability Unit

⁴⁷ Gov. Code, § 66326, subd. (c)(1).

⁴⁸ Gov. Code, § 66326, subd. (b)(2)(A).

⁴⁹ Gov. Code, § 66326, subd. (b)(2)(B).

⁵⁰ Gov. Code, § 66326, subd. (c)(1).