DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
651 Bannon Street, Suite 400
Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

May 11, 2026

Alicia Velasco, Planning Director
City of Cypress
5275 Orange Avenue
Cypress, CA 90630

Dear Alicia Velasco:

RE: City of Cypress – Accessory Dwelling Unit (ADU) Ordinance Updates – Letter of Technical Assistance

The most recent ADU ordinance on file for the City of Cypress with the California Department of Housing and Community Development (HCD) is from 2023. Given the numerous changes to State ADU Law since the adoption of the ordinance, the ordinance may be outdated and out of compliance with State ADU Law. If HCD's records are incorrect, and a new ordinance has been adopted, please submit it to the ADU Portal for HCD's review.

Below are the changes to State ADU Law that have occurred in recent years and may warrant an update to the City of Cypress ADU ordinance:

Check out the updated 2026 ADU Handbook!

Changes to ADU Law in 2025:

- Specifies that if a JADU has shared sanitation facilities with the primary structure, owner-occupancy will be required. If the JADU does *not* have shared sanitation facilities, owner-occupancy will *not* be required (Gov. Code, § 66333, subd. (b)).
- Requires rental terms for JADUs for terms longer than 30 days (Gov. Code, § 66333, subd. (g)).
- Specifies that if a local agency fails to submit an adopted ADU ordinance to HCD within the 60-day timeline or fails to respond to HCD's findings regarding their ordinance within the 30-day timeline, that ordinance is null and void and the local agency must only apply State ADU Law when permitting ADUs (Gov. Code, § 66326, subd. (d)).

- Revises the definition of a “junior accessory dwelling unit” to require the size of a JADU to be no more than 500 square feet of interior livable space (Gov. Code, § 66313, subd. (d)).
- Revises the limitations on impact fees to, instead, prohibit impact fees upon the development of an ADU that has 750 square feet of interior livable space or less or a JADU that has 500 square feet of interior livable space or less, and to require that any impact fee on an ADU that has more than 750 square feet of interior livable space be charged proportionately in relation to the square footage of the primary dwelling unit (Gov. Code, § 66311.5, subds. (a) – (d)).
- Requires a permitting agency to determine whether an application for an ADU or JADU is complete and provide written notice of the determination not later than 15 business days after the permitting agency received the application (Gov. Code, § 66317, subd. (a)(2)(A)).
- Requires the permitting agency to provide the applicant with a list of incomplete items and a description of how the application can be made complete in the written notice, and authorizes the applicant to cure and address the application, as specified, if it is determined that an application is incomplete (Gov. Code, § 66317, subd. (a)(2)(B)).
- Requires the permitting agency to provide a process for the applicant to appeal a denied application, as provided, and requires the permitting agency to provide a final written determination by not later than 60 business days after receipt of the written appeal if a permit application is determined to be incomplete or is denied (Gov. Code, § 66317, subd. (d)(1)).
- Specifies that an ADU or JADU that contains less than 500 square feet of interior livable space does not increase assessable space.
- Revises size limitations to be based on the square footage of interior living space of the ADU (Gov. Code, § 66321, subds. (b)(2)(A), (b)(2)(B), and (b)(3)).
- Specifies the number of allowable ADUs per lot with a proposed or existing single-family dwelling (Gov. Code, § 66323, subd. (a).
- Clarifies that fire sprinklers are not required for a JADU if the primary residence does not have fire sprinklers and that the addition of a JADU cannot trigger the requirement for fire sprinklers (Gov. Code, § 66323, subd. (d)).
- Adds section 66333.5, which specifies that if a local agency fails to submit an adopted JADU ordinance to HCD within the 60-day timeline or fails to respond to HCD’s findings regarding their ordinance within the 30-day timeline, that ordinance is null and void and the local agency must only apply State ADU Law when processing applications for ADUs.
- Requires a local agency to issue a certificate of occupancy for an ADU constructed in a county that is subject to a proclamation of a state of emergency made by the Governor on or after February 1, 2025, even if the primary dwelling has not yet been issued a certificate of occupancy, if certain requirements are

met, including that the primary dwelling was substantially damaged or destroyed by an event referenced in the state of emergency proclamation (Gov. Code, § 66328).

- Creates an exception to areas that fall under the California Coastal Act by requiring a local government or the Coastal Commission, as specified, to either approve or deny a coastal development permit application for an ADU within 60 days of receiving a completed application (Gov. Code, § 66329, subd. (a).)
- Specifies that no reimbursement is required for school service charges, fees, or assessments sufficient to pay for the program or level of service within the meaning of Government Code section 17556 (Gov. Code, § 66329).
- Specifies that reasonable restrictions in covenants, restrictions, and conditions, as described in the Civil Code, shall not include any fees or other financial requirements (Civil Code, § 714.3, subd. (b)).

Changes to ADU Law in 2024:

- SB 477 (Chapter 7, Statutes of 2024) made changes to the numbering of the sections of the Government Code for State ADU and JADU Laws.
- Prohibits a local agency from denying a permit for an unpermitted ADU or JADU that was constructed before January 1, 2020, for building code violations, unless the local agency makes a finding that correcting the violation is necessary to comply with conditions that would otherwise deem a building substandard (Gov. Code, § 66332, subds. (a)-(c)).
- Defines “livable space” as a space in a dwelling intended for human habitation, as the term appears in Government Code sections 66313, subdivision (e), and 66323, subdivision (a)(3)(A).
- Provides that uncovered, off-street parking spaces demolished in conjunction with the construction of an ADU do not need to be replaced (Gov. Code, § 66314, subd. (d)(11)).
- Changes the allowable number of detached ADUs on a lot with an existing multifamily dwelling to eight detached ADUs, provided that the number of ADUs does not exceed the number of existing units on the lot (Gov. Code, § 66323, subd. (a)(4)(A)(ii)).
- Prohibits a local agency from imposing any objective development standards on 66323 Units that are not authorized by the provisions of Government Code section 66323, subdivision (a) (Gov. Code, § 66323, subd. (b)).

Changes to ADU Law in 2023:

- Sunsets a former prohibition on a local agency imposing an owner occupancy requirement on any ADU and instead prohibits a local agency from requiring owner occupancy for an ADU (Gov. Code, § 66315).

- Allows a local agency to adopt a local ordinance to allow the separate conveyance of the primary dwelling unit and ADU(s) as condominiums, subject to certain conditions (Gov. Code, §§ 66340-66342).

If an existing ADU ordinance fails to meet the requirements of State ADU Law, the ordinance is "null and void" and the local jurisdiction must apply the standards set forth in State ADU Law until it adopts an ordinance that complies with state law (Gov. Code, § 66316). HCD recommends that a local jurisdiction with a noncompliant ADU ordinance repeal the ordinance to provide clarity for ADU applicants who may otherwise rely on the outdated ordinance.

HCD requests a response by June 10, 2026 with either (1) a description of how the ADU ordinance continues to comply with State ADU Law despite the changes to the law, or (2) a plan and timeline to either repeal the current ordinance or adopt an amended, compliant ordinance and submit it to HCD for review.

If you have any questions or need additional information, please contact Mike VanGorder at Mike.Vangorder@hcd.ca.gov.

Sincerely,

Jamie Candelaria

Jamie Candelaria
Section Chief, ADU Policy
Housing Accountability Unit