

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

November 17, 2025

Erica Roess, Senior Planner
Community Development Department
City of Laguna Niguel
30111 Crown Valley Parkway
Laguna Niguel, CA 92677

Dear Erica Roess:

RE: Review of Laguna Niguel's Accessory Dwelling Unit (ADU) Ordinance under State ADU Law (Gov. Code, §§ 66313 - 66342)

Thank you for submitting the City of Laguna Niguel (City) ADU Ordinance No. 2024 - 232 (Ordinance), adopted January 21, 2025, to the California Department of Housing and Community Development (HCD). HCD has reviewed the Ordinance and submits these written findings pursuant to Government Code section 66326, subdivision (a). HCD finds that the Ordinance does not comply with State ADU Law as noted below. Under 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 December 16, 2025.

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

1. Please note, there is recent legislation that amended State ADU Law. Language relevant to these changes should be incorporated into the Ordinance as it is updated. The bills referenced below are relevant to State ADU Law:
 - Assembly Bill (AB) 130 – Effective June 30, 2025
 - AB 462 – Effective October 10, 2025
 - AB 1154 – Effective January 1, 2026
 - Senate Bill (SB) 9 – Effective January 1, 2026
 - SB 543 – Effective January 1, 2026
2. Section 9-1-35.26 (d) –*Development Standards* – The Ordinance states, “The development standards set forth below shall apply to all ADUs. In addition, for any development standard not explicitly identified below, the requirements of

the underlying zoning district shall apply, unless superseded by State Law." However, local development standards provided by Government Code sections 66314 through 66322 may not preclude a unit created subject to section 66323. The City must note that only the development standards provided in Government Code section 66323 can be applied to units constructed under 66323.¹

3. Section 9-1-35.26 (d)(4) – *Front Setbacks* – The Ordinance states, "...if a front yard setback is the only location on the lot where an ADU may be lawfully constructed, then the ADU may encroach into a required front yard setback as necessary to enable the construction of an 800 square foot unit." However, Government Code section 66321, subdivision (b)(3), states clearly, "...a local agency shall not establish by ordinance... Any requirement for a zoning clearance 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 at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards." Therefore, the City must remove the misleading language "if a front yard setback is the only location on the lot where an ADU may be lawfully constructed" for ADUs up to 800 square feet in size.
4. Section 9-1-35.26 (d)(8)(a) – *Parking Exceptions* – The Ordinance provides five conditions under which parking may not be required but fails to reference two other conditions pursuant to Government Code section 66322, subdivisions (a)(2) and (a)(5): "Where the accessory dwelling unit is located within an architecturally and historically significant historic district" and "When there is a car share vehicle located within one block of the accessory dwelling unit." The City must amend the Ordinance to provide for the parking exemptions reflected in subdivisions (a)(2) and (a)(5).
5. Section 9-1-35.26 (d)(13)(b) – *Construction Requirements* – The Ordinance states, "All ADUs must meet the requirements of the California Building/Residential Code, as adopted and amended by Title 8 of the City of Laguna Niguel Municipal Code." Government Code section 66313, subdivision (a)(2) defines an accessory dwelling unit to include "A manufactured home, as defined in Section 18007 of the Health and Safety Code." Therefore, ADUs may also be constructed to Manufactured Housing standards. The City must amend the Ordinance to note the entire definition of an ADU, including a manufactured home.

¹ Gov. Code, § 66323, subd.(b).

Please note that the City has two options in response to this letter.² The City can either amend the Ordinance to comply with State ADU Law³, or adopt the Ordinance without changes and include findings in its resolution adopting the Ordinance that explain the reasons the City believes that the Ordinance complies with State ADU Law despite HCD's findings.⁴ 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.⁵

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 contact Mike Van Gorder, of our staff, at Mike.VanGorder@hcd.ca.gov if you have any questions or would like HCD's technical assistance in these matters.

Sincerely,



Jamie Candelaria
Section Chief, ADU Policy
Housing and Policy Development Division

² Gov. Code, § 66326, subd. (c)(1).

³ Gov. Code, § 66326, subd. (b)(2)(A).

⁴ Gov. Code, § 66326, subd. (b)(2)(B).

⁵ Gov. Code, § 66326, subd. (c)(1).