

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

651 Bannan Street, Suite 400  
Sacramento, CA 95811  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



August 14, 2025

Minye Pak, Chief of Development Services  
Development Services  
City of Los Angeles  
201 N. Figueroa St, Suite 1030  
Los Angeles, CA 90012

Dear Minye Pak:

**RE: City of Los Angeles – State Accessory Dwelling Unit Law (ADU) – Letter of Technical Assistance**

The California Department of Housing and Community Development (HCD) received an inquiry from a developer regarding the relationship between Government Code section 66332, which governs legitimization of unpermitted ADUs, and section 66323, which requires ministerial approval of ADUs that meet specific standards described in that section. Both sections allow multiple units with existing multifamily structures, so the question arose as to how many units State ADU Law allows when both sections are applied to a specific property.

**Background**

The application concerns a multifamily primary dwelling that was built in the 1950s. The building was originally permitted with eight units on two floors; there was also a guest room that did not include a kitchen and two attached covered parking spaces. At some point between 1960 and 2020, the four larger units on the top floor were split into two units each, and the guest room was converted to a full dwelling unit, adding five units and giving the building a total of 13 units. These changes were unpermitted. The owners wish both to convert the parking spaces into two ADUs through Government Code section 66323, subdivision (a)(3), *and* to legitimize the five unpermitted units through Government Code section 66332, yielding a proposed total of 15 units.

***Section 66332 – Permitting Unpermitted ADUs***

Government Code section 66332 was recently chaptered by AB 2533 (Chapter 834, Statutes of 2024) and provides a path to approval for unpermitted ADUs created before January 1, 2020. Section 66332, subdivision (a), states:

Notwithstanding any other law, and except as otherwise provided in subdivision (b), a local agency shall not deny a permit for an unpermitted accessory dwelling unit or unpermitted junior accessory dwelling unit that was constructed before January 1, 2020, due to either of the following:

(1) The accessory dwelling unit or junior accessory dwelling unit is in violation of building standards pursuant to Article 1... the Health and Safety Code.

(2) The accessory dwelling unit or junior accessory dwelling unit does not comply with this article or Article 3 (commencing with Section 66333), as applicable, or any local ordinance regulating accessory dwelling units or junior accessory dwelling units.

In addition, local agencies must approve the permits necessary to correct noncompliance with health and safety standards, and denials are allowed only when the local jurisdiction determines that the building is substandard.<sup>1</sup>

### ***Section 66323 – Ministerial Approval of “State Exempt” Units***

Government Code section 66323 contains four types of ADUs that must be ministerially approved, provided they meet the requirements of that section. This specific inquiry involves an existing multifamily dwelling, which is covered by section 66323, subdivision (a)(3), which requires a local jurisdiction to ministerially approve the following:

- (A) Multiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.
- (B) A local agency shall allow at least one accessory dwelling unit within an existing multifamily dwelling and shall allow up to 25 percent of the existing multifamily dwelling units.

### **Analysis**

HCD understands that the City’s position on this issue is the following: Section 66323, subdivision (a)(3)(B) allows up to 25 percent “attached ADUs” within an existing multifamily dwelling. The ADUs that are legitimized under section 66332 are “attached ADUs.” If they meet or exceed the 25 percent limit, then the limit in section 66323, subdivision (a)(3)(B) is already met. If there is still a reserve to reach that 25 percent limit, the City would allow additional attached ADUs up to that limit. If the number of unpermitted ADUs exceed the 25 percent limit, the City still allows them to be legitimized under section 66332, but the City asserts that there is no language in State ADU Law which allows a combination of the two sections.

While the City is correct that the statute does not explicitly address a combination of sections 66323 and 66332, section 66332 does not limit the number of ADUs that must be approved pursuant to that section, and neither section precludes the approval of

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<sup>1</sup> Gov. Code, § 66332, subds. (b) and (c).

ADUs pursuant to other parts of State ADU Law. In other words, approving ADUs pursuant to section 66323 does not mean that ADUs must not also be approved pursuant to section 66332, and vice versa.

The units that must be provided with a pathway to compliance through section 66332 are only those that were in existence before January 1, 2020, but there is no upper limit to that number in the statute. Therefore, State ADU Law requires the approval of any and all unpermitted ADUs through the provisions of section 66332 if they are habitable<sup>2</sup> and if they meet the definition of an ADU – “an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.”<sup>3</sup>

In addition, the unpermitted units in this situation were created out of existing *habitable* space – namely, portions of existing apartments. They are therefore not eligible under section 66323, subdivision (a)(3), which permits the conversion of *nonhabitable* space. In the July 27, 2025, email, the City uses the phrase “attached ADUs” as a citation to section 66323, subdivision (a)(3)(B). However, this is a term of art that does not appear in that section but does appear in several other parts of the statute. Instead, section 66323, subdivision (a)(3)(A) refers to “[m]ultiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space.” The reference to “within portions of existing” structures is distinct from “attached” ADUs.

## Conclusion

The City must process applications under Government Code sections 66332 and 66323 according to the requirements of each section and may not use one section to preclude units under the other.

HCD appreciates the opportunity to provide technical assistance to the City and requests a written response to this letter by September 13, 2025, explaining how the City plans to implement the guidance contained in this letter when processing ADU applications. Please feel free to contact Mike Van Gorder at [Mike.VanGorder@hcd.ca.gov](mailto:Mike.VanGorder@hcd.ca.gov) if you have any questions or need additional assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Zisser', with a long horizontal stroke extending to the right.

David Zisser  
Assistant Deputy Director  
Local Government Relations and Accountability

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<sup>2</sup> Gov. Code, § 66332, subd. (b).

<sup>3</sup> Gov. Code, § 66313, subd. (a).