

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

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March 16, 2026

Gabriel Perez, Community Development Director
Community Development Department
City of South Gate
8650 California Ave
South Gate, CA 90280

Dear Gabriel Perez:

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

Thank you for submitting the City of South Gate (City) ADU Ordinance No. 2025-01-CC (Ordinance), adopted October 22, 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 fails to comply with State ADU Laws 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 April 15, 2026 with a plan to either amend the current ordinance or adopt a resolution with findings.¹ Responses should be submitted formally on agency letterhead.

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

1. Please note, recent legislation has amended State ADU Law. Language relevant to these changes should be incorporated into the Ordinance. The bills referenced below are relevant to State ADU Law since the Ordinance was adopted:
 - 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. 11.43.020.L. and 11.43.050.N.2. – *JADU Size* – The Ordinance states, "Junior Accessory Dwelling Unit" means a unit that is no more than 500 square feet in size and contained entirely within a single-family residence" (emphasis added) and that a JADU "shall be no more than five hundred square feet in floor area." However, the definition of "junior accessory dwelling unit" at Government Code section 66313, subdivision (d) has been updated. A JADU is now defined as "a

¹ Gov. Code, § 66326, subd. (b)(2)(B).

unit that is no more than 500 square feet of interior livable space in size and contained entirely within a single-family residence.” The City must amend the Ordinance so the definition of JADU uses “interior livable space” to set the 500 square feet size limit in alignment with State ADU Law.

3. 11.43.030.B.1. – *Number of ADUs Allowed on Single-Family Lots* – The Ordinance states, “On lots with one existing or proposed single-family dwelling or two single-family dwelling, detached from each other, one Accessory Dwelling Unit and one Junior Accessory Dwelling Unit may be permitted”, as specified and that “As an alternative to (but not in addition to) the number allowed by paragraph B.1. (a) above, on lots with one existing or proposed single-family dwelling, one detached, new construction, Accessory Dwelling Unit that does not exceed four-foot side and rear yard setbacks may be permitted.” However, this does not fully reflect what current State ADU Law allows. Under Government Code section 66323 (a)(1), a property owner may create both one JADU and one conversion ADU within an existing or proposed single-family dwelling or within the existing space of an accessory structure. In addition, Government Code section 66323(a)(2) allows one newly constructed detached ADU.

SB 543, effective January 1, 2026, clarifies that these ADUs - those allowed under section 66323 (a)(1) and (2) - may be combined on the same lot. State law also allows a property owner to build an additional ADU under Government Code section 66314. Section 66314 authorizes one ADU - detached, attached, or conversion - subject only to the objective standards in a local ordinance. Those objective standards may regulate the physical characteristics of the ADU and certain review procedures, but do not allow a jurisdiction to prohibit an ADU otherwise authorized by state law.

Therefore, nothing in section 66314 permits a local jurisdiction to prevent an ADU allowed under that section from being built in combination with the ADUs authorized under section 66323.

4. 11.43.030.B.2. – *MFD Unit Allowances* – The Ordinance correctly describes the number and types of ADUs that may be created pursuant to Government Code section 66323 subdivisions (a)(3) and (4). However, the Ordinance shall also establish that a property owner may combine an ADU created pursuant to Government Code section 66314 with the ADUs described in Government Code section 66323 subdivisions (a)(3) and (4). Government Code section 66314 authorizes the creation of at least one detached, attached, or conversion ADU that is subject to the objective standards in a local ADU ordinance. Nothing in Government Code section 66314 permits a local jurisdiction to prohibit an ADU authorized under that section from being constructed in combination with the ADUs authorized under Government Code section 66323. Therefore, the City must amend the Ordinance to accurately describe the combination of ADUs allowed on a lot with a proposed or existing multifamily dwelling by Government Code sections 66314 and 66323, subdivisions (a)(3) and (4).

5. 11.43.040.G.2. – *Junior Accessory Dwelling Units* – The Ordinance includes owner occupancy requirement for JADUs. However, AB 1154 (Carillo, Statutes of 2025), Government Code section 66333, subdivision (b), which went into effect on January 1, 2026, amends State ADU Law to remove owner occupancy requirements for JADUs that do not share sanitation facilities with the existing primary dwelling. Therefore, the City must amend the Ordinance to remove owner occupancy requirements for JADUs that do not share sanitation facilities with the existing primary dwelling.
6. 11.43.040.H.5. – *Separate Utilities Required* – The Ordinance states, “If requested by a utility providing service to the primary dwelling, the accessory dwelling unit shall have a separate water, sewer, and/or electrical connection to that utility.” However, Government Code section 66311.5 states, “For an accessory dwelling unit or a junior accessory dwelling unit described in paragraph (1) of subdivision (a) of Section 66323, a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the unit and the utility or impose a related connection fee or capacity charge, unless the unit was constructed with a new single-family dwelling, or upon separate conveyance of the accessory dwelling unit pursuant to Section 66342.” Therefore, the City must amend the Ordinance to exempt ADUs created pursuant to Government Code section 66323, subdivision (a)(1) from being required by a utility to install a separate water, sewer, and/or electrical connection to that utility.
7. 11.43.050.A. – *ADU Floor Area Restrictions* – The Ordinance states that, “The total floor area of an Accessory Dwelling Unit shall not exceed 850 square feet if the Accessory Dwelling Unit has one bedroom or less, and shall not exceed 1,000 square feet if the Accessory Dwelling Unit has more than one bedroom.” The Ordinance establishes a maximum square footage requirement for all ADU types, including ADUs that would be developed within a proposed or existing dwelling or convert an accessory structure. However, State ADU Law states a local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units.² Conversion ADUs that would be developed within a proposed or existing dwelling or convert an accessory structure shall not be required to meet the floor area restriction under this section of the Ordinance. In addition, State ADU Law establishes that a local agency shall not impose objective development or design standards that are not authorized by Government Code section 66323 upon ADUs that meet the requirements of Government Code section 66323, subdivision (a).³ Government Code section 66323, subdivision (a)(4) provides for the creation of detached ADUs on multifamily lots, and does not establish a maximum square footage. The Ordinance does not clearly state that the maximum square footage shall not apply to ADUs that are created under Government Code section 66323, subdivision (a)(4).

² Gov. Code, § 66321, subd. (b).

³ Gov. Code, § 66323, subd. (b).

In addition, State ADU Law has been updated so that the “maximum square footage” for ADUs and JADUs shall be calculated based on the “interior livable space” of an ADU.⁴ The City must update the Ordinance to list the types of ADUs discussed above that are exempt, by State ADU Law, from the maximum square footage requirements established in this section, and that the square footage calculation for all ADU shall be based on interior livable space.

8. 11.43.050.D. – *Building Separation Requirements* – The Ordinance states, “There shall be a minimum of six feet separating all construction of the detached Accessory Dwelling Unit from the main building(s) or other accessory structure(s) on the same lot; however, the building separation shall not preclude the development of an 800 square foot Accessory Dwelling Unit, per Government Code Section 66323, subdivision (a)(2).” However, State ADU Law establishes that a local agency shall not impose objective development or design standards that are not authorized by Government Code section 66323 upon ADUs that meet the requirements of Government Code section 66323, subdivision (a).⁵ Government Code section 66323 does not include specific minimum separation requirements for detached or attached ADUs. No separation beyond what is required for fire and safety shall be required for detached and attached ADUs developed pursuant to Government Code section 66323, subdivision (a). The City must amend the Ordinance to clarify that this provision shall not apply to ADUs developed pursuant to Government Code section 66323.
9. 11.43.050.L. – *Applicable Design Standards* – The Ordinance states, “The following design standards shall apply to all Accessory Dwelling Units; however, the façade limitation shall not preclude the development of an 800 square foot or less Accessory Dwelling Unit, per Government Code Section 66323, subdivision (a)(1)-(4).” However, State ADU Law establishes that a local agency shall not impose objective development or design standards that are not authorized by Government Code section 66323 upon ADUs that meet the requirements of Government Code section 66323, subdivision (a).⁶ None of the requirements included in this section shall apply to ADUs that meet the requirements of Government Code section 66323, subdivision (a). Therefore, the City must amend the Ordinance to state this exception.
10. 11.43.050.L.3-5. – *Subjective Design Standards* – The Ordinance establishes design standards that are subjective using terms such “consistent with design and character”, “substantially the same” and “similar to and compatible” when describing the relationship between elements of the ADU and the primary dwelling. However, Government Code section 66314, subdivision (b)(1), allows local jurisdictions to “Impose objective standards on accessory dwelling units”. Government Code section 66313, subdivision (h), 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

⁴ Gov. Code, § 66321, subd. (b)(2); Gov. Code, § 66313, subd. (d).

⁵ Gov. Code, § 66323, subd. (b).

⁶ Gov. Code, § 66323, subd. (b).

or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.” Therefore, the City must amend the Ordinance to include only objective standards.

- 11.1.43.050.Q.4. – *Impact Fees* – The Ordinance states, “The city shall not impose any impact fee upon the development of an Accessory Dwelling Unit less than 750 *square feet*. Any impact fees charged for an Accessory Dwelling Unit of 750 *square feet* or more shall be charged proportionately in relation to the square footage of the primary dwelling unit” (emphasis added). However, Government Code section 66311.5, subdivision (c) states, “ 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. Any impact fees charged for an accessory dwelling unit that has more than 750 square feet of interior livable space shall be charged proportionately in relation to the square footage of the primary dwelling unit” (emphasis added). Due to recent updates to State ADU Law, the calculation to determine whether an ADU is subject to impact fees shall be based on ‘the square feet of interior livable space’. The City must amend the Ordinance to align its requirements with this change to State ADU Law.
- 12.11.43.060.A. – *Approve or Deny* – The Ordinance states, “if the permit application to create an Accessory Dwelling Unit or a Junior Accessory Dwelling Unit is submitted with a permit application to create a new single-family dwelling on the lot, the city may delay acting on the permit application for the Accessory Dwelling Unit or the Junior Accessory Dwelling Unit until the city *acts on* the permit application to create the new single-family dwelling, but the application to create the Accessory Dwelling Unit or Junior Accessory Dwelling Unit shall be considered without discretionary review or hearing” (*emphasis added*). However, Government Code section 66317, subdivision (a)(3) states, “If the permit application to create or serve an 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 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 shall be considered without discretionary review or hearing” (emphasis added). Therefore, the City must amend the Ordinance so that when a permit application to create an ADU or JADU 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 until the permitting agency approves or denies the permit application to create the new single-family or multifamily dwelling.

The City has two options in response to this letter.⁷ The City can either 1) amend the Ordinance to comply with State ADU Law⁸ or 2) 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.⁹ If the City fails to take either course of action, or if HCD finds that the newly adopted Ordinance remains out of compliance with State ADU Law despite the City findings and explanations, 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.¹⁰

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 Auzzie Sheard at Auzzie.Sheard@hcd.ca.gov if you have any questions or wish to discuss any of HCD's findings.

Sincerely,



Jamie Candelaria
Section Chief, ADU Policy
Housing Accountability Unit

⁷ Gov. Code, § 66326, subd. (c)(1).

⁸ Gov. Code, § 66326, subd. (b)(2)(A).

⁹ Gov. Code, § 66326, subd. (b)(2)(B).

¹⁰ Gov. Code, § 66326, subd. (c)(1).