

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

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October 28, 2025

Chris Vasquez, Community Development Director
Community Development Department
City of Walnut
21201 La Puente Road
P.O. Box 682
Walnut, CA 91789

Dear Chris Vasquez:

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

Thank you for submitting the City of Walnut (City) ADU Ordinance No. 25-04 (Ordinance), adopted June 15, 2025, to the California Department of Housing and Community Development (HCD). The Ordinance was received on August 15, 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 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 November 27, 2025.

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

1. Section 6.08.210.D.6 – *Rental Income Reporting* – The Ordinance states, “In order to facilitate the City's obligation to identify adequate sites for housing ... each Building Permit application must include an estimate of the projected annualized rent that will be charged for the ADU or JADU.” However, a report of an estimate of the projected annualized rent that will be charged cannot be imposed on an ADU as a condition for a permit. Government Code section 66315 states, “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.” A requirement for a report of “projected annualized rent” as a condition for a permit would be an “additional standard” and thus cannot be imposed. Therefore, the City must remove this provision from the Ordinance as a condition for a permit.

2. Section 6.08.210.G.2 – *Unpermitted ADUs and JADUs* – The Ordinance provides for the legalization of qualifying unpermitted ADUs and JADUs required by Government Code section 66332. However, the City must also “...inform the public about the provisions of this section through public information resources, including permit checklists and the local agency’s internet website.”¹ As of the time of this review, HCD could not find evidence of the City’s required public information regarding legalization of ADUs and JADUs on the agency’s website. The City should ensure that the required checklist and public notice is available on the City’s website.

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 accompanying 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 feel free to contact Jamie Candearia at Jamie.Candelaria@hcd.ca.gov if you have any questions.

Sincerely,



Jamie Candelaria
Section Chief, ADU Policy
Housing Policy Development Division

¹ Gov. Code, § 66332, subd. (d).

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).