From: Board of Supervisors (BOS)

To: BOS-Supervisors; BOS-Legislative Aides

Cc: Calvillo, Angela (BOS); Somera, Alisa (BOS); Ng, Wilson (BOS); De Asis, Edward (BOS); Mchugh, Eileen (BOS);

BOS-Operations, BOS Legislation, (BOS), Carroll, John (BOS)

**Subject:** FW: public comment re item 10, ADU ordinance, for the BOS meeting of Nov. 18, 2025

Date:Monday, November 17, 2025 4:32:17 PMAttachments:San Francisco - ADU Ordinance - 17 Nov 2025.pdf

Hello,

Please see below and attached for communication from California Housing Defense Fund regarding File No. 250892, which is Item No. 10 on tomorrow's Board of Supervisors meeting agenda.

File No. 250892: Ordinance amending the Planning Code and Business and Tax Regulations Code to modify the City's State-mandated Accessory Dwelling Unit ("ADU") approval process and conform to changes to State ADU law, including by removing any appeal to the Board of Appeals, and increasing size limits for certain detached, new construction ADUs on a lot containing a single-family dwelling; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302. (Mayor, Mahmood)

Sincerely,

Joe Adkins
Office of the Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

Phone: (415) 554-5184 | Fax: (415) 554-5163 board.of.supervisors@sfgov.org | www.sfbos.org

From: James Lloyd <james@calhdf.org>
Sent: Monday, November 17, 2025 4:07 PM

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Dear San Francisco Board of Supervisors and Planning Department,

The California Housing Defense Fund ("CalHDF") submits this letter as a public comment regarding item 10 for the Board of Supervisors meeting of November 18, 2025, an update to provisions of the City's zoning code governing the construction of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs").

Sincerely,

James M. Lloyd
Director of Planning and Investigations
California Housing Defense Fund
<a href="mailto:james@calhdf.org">james@calhdf.org</a>
CalHDF is grant & donation funded
Donate today - <a href="mailto:https://calhdf.org/donate/">https://calhdf.org/donate/</a>



Nov 17, 2025

City of San Francisco 49 S Van Ness Ave Suite 1400 San Francisco, CA 94103

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**CC:** <u>cityattorney@sfcityatty.org</u>; <u>sarah.dennis-phillips@sfgov.org</u>; <u>cpc.adu@sfgov.org</u>; <u>Natalia.Fossi@sfgov.org</u>

**Re:** Required Amendments to the City's ADU Regulations

Dear San Francisco Board of Supervisors and Planning Department,

The California Housing Defense Fund ("CalHDF") submits this letter as a public comment regarding item 10 for the Board of Supervisors meeting of November 18, 2025, an update to provisions of the City's zoning code governing the construction of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs").

As the City of San Francisco ("City") is aware, the passage of AB 130 on June 30, 2025 placed certain duties on the City regarding the City's regulations for the development of accessory dwelling units ("ADUs") and junior accessory dwelling units ("JADUs"), as well as a legal duty to approve certain ADUs via building permit only.

However, the proposed ADU code violates state ADU law, as it incorporates by reference a Planning Director bulletin that violates state law.

#### Background

The law gives local governments authority to enact zoning ordinances that implement a variety of development standards on ADUs. (Gov. Code, § 66314.) The standards in these local ordinances are limited by state law so as not to overly restrict ADU development. (See *id.*) Separately from local ADU ordinances, Government Code section 66323 establishes a narrower set of ADU types that local governments have a ministerial duty to approve. "Notwithstanding Sections 66314 to 66322 ... a local agency shall ministerially approve" these

types of ADUs. (*Id.* at subd. (a).) This means that ADUs that satisfy the minimal requirements of section 66323 must be approved regardless of any contrary provisions of the local ADU ordinance. (*Ibid.*) Local governments may not impose their own standards on such ADUs. (Gov. Code, § 66323, subd. (b) ["A local agency shall not impose any objective development or design standard that is not authorized by this section upon any accessory dwelling unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a)."].)

In addition, ADUs that qualify for the protections of Government Code section 66323, like other ADUs, must be processed by local governments within 60 days of a complete permit application submittal. (Gov. Code, § 66317, subd. (a).)

State law also prohibits creating regulations on ADU development not explicitly allowed by state law. 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."

Until June 30th of this year, section 66323 contained a narrow carveout. Cities that had adopted local ADU ordinances "providing for the approval of accessory dwelling units in multifamily dwelling structures" were allowed to "impose objective standards including, but not limited to, design, development, and historic standards on" section 66323 ADUs. (Gov. Code, § 66317, subd. (g).) San Francisco was one of the few cities in California that had enacted such a local ADU ordinance, and has therefore maintained the ordinance imposing development standards on ADUs qualifying for section 66323(a)(1) through (4). Assembly Bill 130, approved by the Governor on June 30th, and effective immediately, removed the previous subdivision (g) from section 66323, requiring all cities in California to comply fully with state ADU law.

Given this recent development, San Francisco's existing ADU ordinance was preempted and rendered "null and void" on June 30th, 2025. (Gov. Code, § 66316.)

CalHDF applauds the City for advancing a zoning code amendment to address this issue. However, as discussed *infra*, the code amendment fails to satisfy state law because it incorporates by reference a Planning Director bulletin that violates state law.

### Incorporation of Planning Director Bulletin No. 3

Proposed code section 207.2(c) allows the development of ADUs pursuant to Government Code section 66323, with slight modifications to grant more generous size and height limits than what are required by state law. This is laudable.

However, proposed code section 207.2(b) incorporates by reference a bulletin from the Planning Director:

Planning Director Bulletin No. 3, entitled "State Accessory Dwelling Unit Program," sets forth a comprehensive list of State and local requirements applicable to ADUs approved under this Section 207.2.

This reference is problematic, as Planning Director <u>Bulletin No. 3</u> imposes restrictions on section 66323 ADUs that are not allowed by state law.

# Impermissible Application of Historic Standards to Section 66323 ADUs

Planning Director Bulletin No. 3 provides the following on page 9:

No subjective design review except for standards that prevent adverse impacts on any real property that is listed in the California Register of Historic Resources or a property designated individually or as part of a historic or conservation district pursuant to Article 10 or Article 11.

This is plainly forbidden by Government Code section 66323, subdivision (b), which explicitly exempts statewide exemption ADUs from all local standards: "A local agency shall not impose any objective development or design standard that is not authorized by this section upon any accessory dwelling unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a)."

HCD reaffirms this requirement of state law on page 20 of the January 2025 HCD ADU Handbook:

A local agency may not impose development or design standards, including both local standards and standards found in State ADU Law, on 66323 Units that are not specifically listed in Government Code section 66323. (Gov. Code, § 66323, subds. (a), (b).) This includes, but is not limited to, parking, height, setbacks, or other zoning provisions (e.g., lot size, open space, floor area ratio, etc.).

The City must amend the bulletin (or the code) to make clear that local standards, including historic standards, do not apply to any ADUs eligible for processing pursuant to Government Code section 66323.

# Impermissible Size Limit on Detached ADUs on Multifamily Properties

Page 6 of Planning Director Bulletin No. 3 (reflected in Table 2 on page 8) restricts detached ADUs on multifamily parcels to 850 square feet if they are studios or 1-bedroom units, or 1,000 square feet if they are 2+ bedroom units.

These size limits are not allowed for ADUs subject to the protections of Government Code section 66323, subdivisions (a)(4). For ADUs developed pursuant to section 66323, subdivisions (a)(4), state law does not allow a size limitation for new construction, detached ADUs constructed on multifamily properties, provided they comply with the specified height and setback requirements. This is because Government Code section 66323, subdivision (b) forbids the application of any standards not prescribed by section 66323, and section 66323 contains no size restriction for detached ADUs on multifamily parcels.

The City must amend this bulletin (or code) to remove this impermissible size limit on section 66323 ADUs.

### The City Must Allow Conversions of Commercial Space

Planning Director Bulletin No. 3 forbids the conversion of commercial space into ADUs on page 6. This is an illegal prohibition, and it has no basis in state law.

State law allows for conversion of space within multifamily buildings that is not used as "livable space." (Gov. Code, § 66323, subd. (a)(1)(3)).)

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.

The City is required to allow for conversion of such space to ADUs, and allow additional units equalling 25 percent of the existing units in the building. The City's ordinance restricts the space available for conversion by excluding spaces that would clearly qualify under state law. In particular, there can be no doubt that commercial space within a residential building is not being used as livable space. No one lives in commercial space in a residential building, and there is really no serious argument otherwise.

San Francisco suffers from a massive shortage of housing, leading to an acute housing affordability crisis, and an extensive homelessness crisis. increase in the supply of low-cost housing, such as ADUs, directly benefits tenants by reducing rents and making more housing units available. Conversion of commercial space in mixed-use buildings should be embraced as a low-cost way to help reduce the housing shortage.

We ask that the City allow conversions of commercial space into ADUs, as is required by state law. (See Gov. Code, § 66323, subd. (a)(3)).)

ADUs are a valuable source of naturally lower-cost housing. Fully 20% of new housing units across California are ADUs. They are incredibly important for <u>intergenerational</u> living and aging in place.

For years, San Francisco was allowed to impose additional standards on section 66323 ADUs. The City took advantage of this allowance and restricted the development of section 66323 ADUs. The result was less ADU production and higher rents. But we are in a new era. AB 130 removed the City's special dispensation, and now the City must obey Government Code section 66323, like every other local agency in California.

The City must amend Planning Bulletin No. 3 (or the proposed zoning code) to obey state law. This is a basic task that has been accomplished by hundreds of less well-resourced cities across the state.

CalHDF is a 501(c)(3) non-profit corporation whose mission includes advocating for increased access to housing for Californians at all income levels, including low-income households. You may learn more about CalHDF at <a href="https://www.calhdf.org">www.calhdf.org</a>.

Sincerely,

Dylan Casey

**CalHDF Executive Director** 

James M. Lloyd

CalHDF Director of Planning and Investigations