



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Manager

SUBJECT: PUBLIC HEARING TO CONSIDER AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE ENACTING ZONING ORDINANCE TEXT AMENDMENT ("ZTA") NO. 25-05 AMENDING TITLE 19 (ZONING) CHAPTER 19.07 OF THE COMMERCE MUNICIPAL CODE ("CMC") TO AMEND ACCESSORY DWELLING UNIT ("ADU") PROVISIONS TO COMPLY WITH STATE LAW.

MEETING DATE: October 28, 2025

RECOMMENDATION:

It is recommended that the City Council consider:

1. Opening the public hearing and taking testimonial and documentary evidence;
2. After closing the public hearing and considering the submitted evidence:
 - a. Introducing and waiving first reading of Ordinance No. _____ enacting ZTA No. 25-05 amending Title 19 (Zoning), Chapter 19.07 of the Commerce Municipal Code ("CMC") to amend the ADU provisions to comply with State law; and
 - b. Adopting a Categorical Exemption under the provisions of the California Environmental Quality Act (Public Resources Code §§ 21000, et seq. "CEQA") and the regulations promulgated thereunder (14 Cal. Code of Regs. §§ 15000, et seq., the "CEQA Guidelines") (CEQA Guidelines § 15303 Class 3 Categorical Exemption; and Public Resources Code § 21080.17 Statutory Exemption)
3. Taking such additional, related, action that may be desirable

PUBLIC NOTICE REQUIREMENTS:

Chapter 19.39.140 of the CMC requires the City of Commerce (the "City") to publish a notice of the public hearing including the time and place of the public hearing in a newspaper of general circulation in the City not less than ten (10) days prior to the date of the public hearing. Said notice was published in the Los Cerritos Community News on October 8, 2025.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The proposed zone ordinance text amendment is both categorically and statutorily exempt from the California Environmental Quality Act ("CEQA"). Under California Public Resources Code § 21080.17, CEQA does not apply to the adoption of an ordinance by a city or county implementing the provisions of § 65852.2 of the Government Code, which is California's ADU law, and which also regulates junior ADUs ("JADUs"), as defined by § 65852.22. Therefore, the proposed ordinance is statutorily exempt from CEQA in that the proposed ordinance implements the state's ADU law. In addition to being statutorily exempt from CEQA, the proposed ordinance is also categorically exempt from CEQA under the Class 3 exemption set forth in state CEQA Guidelines §15303. The Class 3 exemption categorically exempts from CEQA, among other things, the construction and location of new, small structures and the conversion of existing small structures from one use to another. §15303 specifically lists the construction of appurtenant accessory structures and garages as examples of activity that expressly falls within this exemption. Here, the ordinance is categorically exempt under the Class 3 exemption because the ordinance regulates the conversion of existing structures into, and the new construction of, ADUs and JADUs, which are, by definition, structures that are accessory to a primary dwelling on the lot and which are limited in size.

BACKGROUND:

On September 17, 2025 at a noticed public hearing, the Planning Commission reviewed the Ordinance for ZTA No. 25-05 and recommended that the City Council: 1) adopt the draft Ordinance amending ADU provisions; and 2) adopt a Categorical Exemption under the provisions of CEQA with a 4-0-1 vote.

The California Department of Housing and Community Development (HCD) has recognized ADUs as an affordable form of housing because they do not require the purchase of additional land or significant new infrastructure. ADUs also provide homeowners with flexibility to create independent living areas for family members or renters, allowing seniors to age in place and enabling extended families to live nearby while maintaining privacy. Recent changes to state law have expanded and streamlined the development of ADUs and JADUs, requiring that local jurisdictions adopt regulations consistent with state standards.

On August 4, 2020, the City Council adopted Ordinance No. 761, which amended Title 19 (Zoning) of the CMC to comply with then-current state requirements for ADUs. Since that adoption, additional state laws have taken effect that further modify ADU and JADU requirements.

On May 2, 2024, HCD completed a review of Ordinance No. 761 and determined that the City's ordinance is outdated and no longer in compliance with state law. State law further specifies that any local ordinance that does not meet current statutory requirements is considered null and void, and that jurisdictions must thereafter apply the state standards directly.

To ensure local regulations remain valid and enforceable, the City must update its zoning provisions to conform with Government Code Sections 66310–66342. The proposed ordinance amending the CMC is therefore necessary to bring the City's regulations into full compliance with state law.

ANALYSIS:

The following changes are recommended to the Commerce Zoning Ordinance, in order to be compliant with state law. Specifically, Section 19.07.090 will be repealed and replaced in its entirety and replaced with the language shown below. The proposed new language is underlined:

19.07.090 Accessory Dwelling Units and Junior Accessory Dwelling Units.

19.07.090. Adoption of Provisions of State Law Related to Accessory Dwelling Units and Junior Accessory Dwelling Units.

Sections 66310 - 66342 of the California Government Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

FISCAL IMPACT

This activity can be carried out without additional impact on the current operating budget.

ALTERNATIVES:

1. Approve recommendation;
2. Reject recommendation; or
3. Provide staff with further direction.

RELATIONSHIP TO STRATEGIC GOALS:

This item relates to the 2016 Strategic Action Plan's goal of: Economic growth - Guiding Principle 2 to "Ensure that the City's development services are continually streamlined, efficient, customer focused and responsive to efficiently support local and economic growth," and Guiding Principle 3 to "Support a long-range planning vision through the City's General Plan, zoning ordinance, and related land use planning documents that incorporate community and stakeholder input and provide a compass for strategic economic growth, infrastructure investments and city fiscal planning."

Recommended by: Jessica Serrano, Director of Community Development
Approved as to form: Noel Tapia, City Attorney
Respectfully submitted: Ernie Hernandez, City Manager

ATTACHMENTS:

1. Ordinance No. ____
2. Notice of Categorical Exemption