

URGENCY ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 65858, ENACTING FOR A PERIOD OF FORTY-FIVE (45) DAYS A MORATORIUM ON THE APPROVAL OF ANY LAND USE ENTITLEMENTS AND/OR AGREEMENTS TO ALLOW THE OPERATION OF DATA CENTERS IN THE CITY OF COMMERCE.

WHEREAS, pursuant to the authority granted the City of Commerce ("City") by Article XI, Section 7 of the California Constitution, the City has the police power to regulate the use of land and property within the City in a manner designed to promote public convenience and general prosperity, as well as public health, welfare and safety; and

WHEREAS, California Government Code Section 65858 authorizes a city council to adopt, as an urgency measure, an interim ordinance prohibiting land uses that may conflict with contemplated general plan, specific plan, zoning, or development standard amendments that the City is studying or intends to study within a reasonable time; and

WHEREAS, California Government Code Section 65858 further requires that the City Council find that there exists a current and immediate threat to the public health, safety, or welfare, and that the approval of additional use permits, building permits, subdivisions, variances, or other entitlements would result in that threat to public health, safety, or welfare; and

WHEREAS, adoption and enforcement of comprehensive zoning regulations and other land use regulations lie within the City's police power; and

WHEREAS, data centers and similar high-intensity computing uses may require extraordinary electrical demand, substation or transmission improvements, substantial cooling systems, backup generators, water and wastewater capacity, and 24-hour operations, and may thereby create or exacerbate land use compatibility, noise, air quality, greenhouse gas, public health, public safety, increase heat/temperature around the data center, emergency response, low human job/work generation, and infrastructure capacity concerns; and

WHEREAS, such concerns may be especially significant when these uses are proposed in proximity to residential neighborhoods, schools, parks, community facilities, and other sensitive land uses; and

WHEREAS, a "data center" as defined herein in Section 2 below, without appropriate study and standards, could impose substantial and potentially, irreversible impacts on local water supplies, electrical infrastructure, air quality, and community character; and

WHEREAS, the Commerce Municipal Code currently does not define or otherwise regulate data centers; and

WHEREAS, the City's existing General Plan, Municipal Code, zoning regulations, and other applicable land use regulations currently do not comprehensively regulate data centers and similar high-intensity computing uses, including with respect to their permissible locations, size and intensity, utility demand, water consumption, cooling systems, backup generation, buffering, noise, environmental performance, decommissioning, and community benefits; and

WHEREAS, the City Council intends within a reasonable time to study, consider, and potentially adopt amendments to the City's General Plan, Municipal Code, zoning ordinance, specific plans, development standards, and other applicable regulations to address whether, where, and under what conditions data centers should be allowed within the City; and

WHEREAS, approval of new data centers under the City's current regulations during the period in which the City is studying and considering such policy and regulatory changes could result in developments that are inconsistent with or in conflict with the land use policies, zoning standards, infrastructure planning, or other regulations being contemplated, and could thereby frustrate or substantially undermine the effectiveness of any future updates; and

WHEREAS, the City Council finds that there is a current and immediate threat to the public health, safety, and welfare because, absent a temporary moratorium, applications for such uses may be accepted, processed, and approved under regulations that do not adequately address the potentially significant infrastructure, environmental, operational, and land use compatibility issues associated with such uses; and

WHEREAS, the City Council further finds that the approval of additional entitlements, permits, or other approvals for such uses during the period of study would result in that threat to the public health, safety, and welfare by allowing the commitment of land, utility capacity, water resources, and related infrastructure before the City can determine and adopt appropriate standards and safeguards; and

WHEREAS, City staff needs time to develop appropriate development standards and study data centers to properly address secondary negative effects and the business in general; and

WHEREAS, based upon all evidence contained in the administrative record, the City Council hereby finds that this interim urgency ordinance is necessary to avoid current and immediate threats to public health, safety, and welfare pending completion of the studies and regulatory actions described herein.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1: The foregoing recitals are true and correct and are herein adopted by this reference. Based on the foregoing recitals, evidence, findings and conclusions which are all deemed true and correct, this Urgency Ordinance is urgently needed for the immediate preservation of the public safety, health, and welfare.

SECTION 2: The City of Commerce shall not issue or approve any General Plan Amendment, Specific Plan Amendment, zone change, building permit, occupancy permit, conditional use permit, variance, subdivision map or other land use entitlement, agreement or permit or regulatory license or permit required to comply with the provisions of the City of Commerce Municipal Code for the construction, operation or development of a “data center” by any private or public entity on any property within the City during the time that this Urgency Ordinance is in effect, and continuing for the time set forth in any action taken to extend this moratorium.

For purposes of this Urgency Ordinance, “data center” shall mean a structure or site used primarily for the storage, management, processing, and transmission of digital data and that houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data storage, processing, and related operations. Data center uses include data storage facilities, small data storage facilities, server farms, artificial intelligence training or processing, image processing, cloud computing, email servicing, and other similar uses and appurtenant facilities.

SECTION 3: The City Council determines that the provisions of this Urgency Ordinance are exempt from the California Environmental Quality Act (“CEQA”) because the instant ordinance involves continuing administrative activities and thus is not a project, as CEQA defines, pursuant to Section 15378(b)(2) of the CEQA Guidelines. To the extent the adoption of this Ordinance constitutes a project, the City Council finds pursuant to CEQA Guideline Section 15061(b)(3) that the project is exempt from environmental review because it can be seen with certainty that the adoption of the Urgency Ordinance would not have any significant impact on the environment.

SECTION 4: The City Manager, or designee, is authorized and directed to prepare the report required by subdivision (d) of California Government Code Section 65858 describing the measures taken to alleviate the condition which led to adoption of this Ordinance—for presentation to the City Council—no later than ten (10) days prior to the expiration of this Urgency Ordinance.

SECTION 5: This Urgency Ordinance shall become effective immediately upon adoption if adopted by at least a four-fifths (4/5) vote of the total members of the City Council and shall be in effect for forty-five (45) days from the date of adoption, unless extended by the City Council as provided in California Government Code Section 65858.

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SECTION 6: The City Clerk of the City of Commerce shall certify to the passage of the Urgency Ordinance and shall cause the same to be posted in the manner required by law.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2026.

Kevin Lainez

Mayor

ATTEST:

Eduardo Samiento

City Clerk