

INTERIM URGENCY ORDINANCE NO. 823

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE MAKING FINDINGS AND EXTENDING BY TEN (10) MONTHS AND FIFTEEN (15) DAYS THE TERMS AND PROVISIONS OF ORDINANCE NO. 821 ESTABLISHING A CITYWIDE MORATORIUM PROHIBITING THE APPROVAL, EXPANSION, INTENSIFICATION OR RELOCATION OF ANY NEW OR EXISTING HOME-SHARING PURSUANT TO GOVERNMENT CODE 65858

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, Section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public peace, morals, and welfare of the City and its residents; and

WHEREAS, implicit in any plan or regulation is the City's interest in maintaining the quality of life and the character of the City's neighborhoods, without well-planned neighborhoods, areas of the City can quickly deteriorate, with consequences to social, environmental and economic value; and

WHEREAS, the City of Commerce Municipal Code ("CMC") sets forth all the regulatory and penal ordinances and certain administrative ordinances of the City to promote and protect the public health, safety, peace, comfort and general welfare in conformance with the City's General Plan; and

WHEREAS, recently, a complaint was received regarding a property where an unpermitted vacation rental that was advertising over forty bunk beds for rent on a hosting platform called Airbnb; and

WHEREAS, the current provisions of the CMC allow home-sharing and set forth certain standards for such businesses. The CMC provisions require review, study, and possible revision in order to respond to recent concerns relating to the impacts of these businesses surrounding residents, businesses, and properties; and

WHEREAS, the State of California continues to experience a state-wide housing shortage and home-sharing and vacation rentals reduce the number of available housing units that could be occupied by families on a long-term basis; and

WHEREAS, on January 7, 2025, Governor Gavin Newsom issued Executive Order N-2- 25 proclaiming a State of Emergency to exist in Los Angeles and Ventura Counties due to the Palisades fire and windstorm conditions; and

WHEREAS, as a result of the catastrophic Palisades fire and Eaton fire in Los Angeles County more than 10,000 structures have been destroyed leaving over 40,000 residents displaced further exacerbating the State's housing shortage crisis; and

WHEREAS, on August 23, 2025, Interim Urgency Ordinance No. 821, which is incorporated herein by reference, was adopted to enact a 45-day moratorium prohibiting the advertisement and operation of home-sharing and vacation rentals within the City; and

WHEREAS, there continued to be an immediate threat to the public health, safety and welfare of the community resulting from the potential establishment or expansion of home-sharing and vacation rentals within the City without increased regulations in place, and, absent the adoption of this Urgency Ordinance, it is likely that the establishment or expansion of such uses without appropriate controls in place to regulate impacts on the community will result in harmful effects to businesses, property owners, and residents of the City, especially those located near home-sharing and vacation rentals; and

WHEREAS, the City Council finds a current and immediate threat to the public health, safety, and welfare would result if the City of Commerce issues permits,

business licenses, or other applicable permits to allow for the establishment of or relocation of home-sharing and vacation rentals prior to the City's study of impacts; and

WHEREAS, based on the foregoing, it is urgent that the City extend the moratorium by ten (10) months and fifteen (15) days and adopt regulations in order to minimize impacts of home-sharing and vacation rentals may have on surrounding residential properties and the City's limited law enforcement resources; and

WHEREAS, notice of the City Council's September 23, 2025, public hearing to extend the Urgency No. 821 by ten (10) months and fifteen (15) days was published in the Los Cerritos News on September 12, 2025, in compliance with Government Code Section 65090; and

WHEREAS, on September 23, 2025, the City Council of the City of Commerce conducted a duly noticed public hearing and considered all written and oral testimony; and

WHEREAS, for reasons set forth above, this ordinance is declared by the City Council to be necessary for immediate preservation of the public peace, health, and safety, and the recitals above taken together constitute the City Council's reasons for such necessity and urgency.

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

SECTION 1: The City Council hereby finds, determines and declares that the immediate preservation of the public peace, health, safety and welfare necessitates the enactment of this Ordinance as an urgency ordinance. The City Council further finds there is a current and immediate threat to the public health, safety and welfare necessitating the adoption of this Ordinance as an Interim Zoning Ordinance under Section 65858. Said findings are as follows:

- a) Home-sharing is currently permitted within the City subject to certain operating conditions.
- b) The City of Commerce is actively updating its General Plan. One major focus of the plan is to provide for neighborhood-servicing uses when within proximity to residential uses, among other things.
- c) It is necessary to study the adoption of amendments to the Commerce Municipal Code in order to adopt legislation to regulate home-sharing and vacation rentals and the compatibility of such uses with the City's future plans.
- d) The City of Commerce is already laboring with the negative effects of various industrial land uses surrounding the immediate area of such uses.
- e) As a result of the catastrophic Palisades Fire and Eaton Fire in Los Angeles County, displaced persons are seeking decent, safe, sanitary, and long-term housing within the City.
- f) City staff and the City Attorney's office require a period of time to study and determine the appropriate scope of regulations that may be developed for inclusion into the City's Municipal Code, which is anticipated, among other measures, to provide for the public health, safety and welfare, relating to short-term vacation rentals and home-sharing.
- g) Issuing a business license or building permit for new, relocating or expanding home-sharing and vacation rentals prior to the completion of the City's study of the impacts of such facilities poses a current and immediate threat to the public health, safety and welfare.
- h) The best method of protecting public safety, health and welfare is to establish a moratorium on home-sharing and vacation rentals to ensure the threat to public health, safety and welfare does not materialize while the City studies the adoption of amendments to the CMC.

- i) Pursuant to the provisions of Government Code Section 65858, the City may extend a moratorium ordinance after a noticed public hearing, to prohibit uses of land which may conflict with a contemplated general plan, specific plan or zoning proposal which the legislative body, planning commission, or planning department is considering or studying, or intends to consider or study within a reasonable period of time.
- j) The City will take steps to update its Code and Zoning Ordinance to ensure the City's laws are consistent with the goals, policies and standards of the General Plan, State law, and the goals of the City Council, all which are meant to protect the public health, safety, and welfare.
- k) The City seeks an extension on the moratorium established by Ordinance No. 821 to provide the City time to study and plan its approach to regulate vacation rentals and home-share.
- l) To continue completion of a thorough policy and legal review, develop clear, enforceable, and effective regulations, and to allow for more meaningful public input, City Council approves a first extension to the moratorium allowing for an additional ten (10) months and fifteen (15) days from September 27, 2025.

SECTION 2: In accordance with the authority granted pursuant to Government Code Section 65858, from and after the effective date of this Ordinance, no use permit, variance, building permit, business license or other applicable entitlement for use shall be approved or issued for home-sharing and vacation rentals for a period of ten (10) months and fifteen (15) days from September 27, 2025, pending the completion of zoning or other regulations that are needed to alleviate a current and actual threat to the public health, safety and welfare. Affected pre-existing home-sharing and vacation rentals are prohibited from expansion during the time of this Ordinance.

SECTION 3: This ordinance is exempt from California Environmental Quality Act (CEQA) Guidelines based on the following findings:

- a) This ordinance is not a project within the meaning of Section 15061(b)(3) of the CEQA Guidelines because it has no potential of resulting in a physical change in the environment, directly or indirectly.
- b) This ordinance is categorically exempt for CEQA under Section 15308 of the CEQA Guidelines as it is a regulatory action taken by the City pursuant to its police power and in accordance with Government Code Section 65858, to assure maintenance and protection of the environment and adoption of contemplated local legislation, regulation and policies.
- c) This ordinance is not subject to CEQA under the general rule set forth in Section 15061(b)(3) of the CEQA Guidelines that CEQA only applies to projects which have the potential for causing a significant effect on the environment. For the reasons set forth in subparagraphs (1) and (2) above, it can be seen with certainty that there is no possibility that this ordinance will have a significant effect on the environment.

SECTION 4: This Ordinance is an Interim Zoning Ordinance enacted pursuant to Section 65858 of the Government Code of the State of California, and in accordance therewith, shall be of no further force and effect ten (10) months and fifteen (15) days from September 27, 2025, unless extended in accordance with Section 65858 of the Government Code.

SECTION 5: Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance and/or the code adopted thereby is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Commerce City Council hereby declares that it would have adopted this ordinance and the code adopted thereby and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions thereof may be declared invalid or unconstitutional.

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

SECTION 7: This Ordinance is an urgency ordinance and shall take effect immediately upon a 4/5 vote of the City Council.

PASSED, APPROVED and ADOPTED this 23rd day of September, 2025.

Ivan Altamirano
Mayor

ATTEST:

Lena Shumway
City Clerk