

## ORDINANCE NO. XXXX

### AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, EXTENDING A MORATORIUM ON SHORT-TERM RENTALS WITHIN THE CITY OF FULLERTON FOR AN ADDITIONAL 22 MONTHS AND 15 DAYS

THE CITY COUNCIL OF THE CITY OF FULLERTON ORDAINS AS FOLLOWS:

SECTION 1. PURPOSE AND AUTHORITY. This Urgency Ordinance extends the moratorium on pending and new Short-Term Rentals (STRs) within the City of Fullerton to protect public safety, health and welfare, while City staff evaluates STR impacts and revises reasonable regulations to mitigate such impacts. The increasing number and concentration of STRs have revealed gaps in policy related to long-term housing impacts, operating standards, enforcement capacity and neighborhood compatibility. The extension is necessary to preserve housing availability and ensure future STRs align with revised Citywide priorities. This ordinance will take effect immediately following adoption by a simple majority vote of the City Council of the City of Fullerton.

SECTION 2. FINDINGS. The City Council of the City of Fullerton makes the following findings to protect the public safety, health and welfare in support of the immediate adoption and application of this Urgency Ordinance:

- A. The City of Fullerton is experiencing an increase in privately-owned residential dwellings used as Short-Term Rentals. While Short-Term Rentals provide a benefit by expanding the number and type of available lodging facilities, their exponential increase continues to cause adverse impacts which causes a current and immediate threat to the health, safety and welfare of residents and guests and the very environment and resources that attract visitors to the City. An extension of the moratorium is necessary to provide staff sufficient time to study the issue and to ensure neighborhood compatibility and reduce conflicts within surrounding residential neighborhoods, to facilitate economic growth within the City and to protect the health, safety and general welfare of City residents.
- B. The City of Fullerton is located along Interstates 91 and 57, characterized by mobile home subdivisions, single-family residential neighborhoods and residential developments. Infrastructure within the residential neighborhoods remains urban in nature. Multiple new housing bills and a surge in development along with aging infrastructure have impacted available parking in certain neighborhoods. Concentrations of Short-Term Rentals in certain residential neighborhoods have resulted in unpermitted improvements and unpermitted Short-Term Rentals that create public safety concerns and adverse impacts to quality of life. The City has approximately 180 unpermitted Short-Term Rentals, indicating a need for heightened operating standards and enforcement. Without proper regulation, continued concentration of Short-Term Rentals in the City of Fullerton jeopardizes the health, safety and welfare of guests and the residential

community.

- C. The City is studying and considering various legislative proposals to address issues associated with concentrations of Short-Term Rentals to reduce risks to public safety, health and welfare.
- D. Concentrations of Short-Term Rentals in certain areas of the City can have an adverse impact on residential character, neighborhood stability, public safety and quality of life, demonstrating the need to consider different processes or regulations, such as separating, eliminating or modifying caps on the number of Short-Term Rentals in certain areas of the City.
- E. Issuing numerous Short-Term Rental permits that may be subject to future limits, caps or additional regulations would undermine City efforts to protect the public health, safety and welfare from the negative impacts of improperly sited, over-concentrated or under regulated Short-Term Rentals.
- F. Issuing numerous Short-Term Rental certificates that may be subject to future limits, caps or additional regulations would also create further confusion and potentially cause the need to unwind many Short-Term Rental permits.
- G. City Council adopted by a four-fifths vote, an Urgency Ordinance declaring and imposing a 45-day Citywide moratorium on the Short-Term Rentals during a noticed public hearing on May 20, 2025.
- H. California Government Code Section 65858(b) expressly authorizes City Council to extend the moratorium for a period of 10 months and 15 days by four-fifths vote, at a noticed public hearing.
- I. After an initial 45-day moratorium adopted at a noticed public hearing, City Council may extend the moratorium for an additional 22 months and 15 days pursuant to Government Code Section 65858(a).
- J. Staff prepared and presented a report describing the measures taken to alleviate the condition which led to establishing the moratorium to City Council on June 22, 2025, ten days prior to expiration of the interim ordinance, pursuant to Government Code Section 65858(d). The City posted a copy of the report on the City website.
- K. Staff published notice of the public hearing for the moratorium extension on July 5, 2025 pursuant to Government Code Section 65090.
- L. City Council held a public hearing on this extension on July 15, 2025.
- M. Extension of the moratorium is necessary to mitigate or avoid the ongoing impacts to the public health, safety and welfare of Fullerton residents and visitors and supports the ongoing City effort to strengthen

the existing STR ordinance and evaluate amendments that reflect community priorities, including housing preservation, enforcement and neighborhood compatibility. There is no feasible alternative apart from this moratorium at this time.

N. New facts, circumstances and set of occurrences exist which constitute a threat to public health, safety and welfare which did not exist at the time of adoption of the original ordinance which justify this extension as follows:

- Public noticing for STR applications has generated extensive opposition from neighboring property owners, at times exceeding 30 complaints.
- Costs for staff time to review STR applications and provide public notice to neighboring property owners exceeds the set application fee.
- Converting residential units from full time habitation to short-term rentals contradicts state mandates to provide more permanent housing, particularly when the City of Fullerton Regional Housing Needs Assessment (RHNA) totals 13,209 units and the City is unlikely to meet this number during the 6<sup>th</sup> Cycle (2021-2029).

**SECTION 3.** MORATORIUM EXTENDED. City Council hereby finds, determines and declares the moratorium described herein set to expire on July 2, 2025 extended for an additional 22 months and 15 days and that such extension is justified and necessary due to a current threat to the health and safety of residents as set forth in Section 2 of this ordinance.

**SECTION 4.** CEQA Exemption. This ordinance does not have the potential to cause significant effects on the environment because: 1) It reduces construction that might otherwise occur, 2) this ordinance is temporary in duration and therefore will not have a significant effect on the environment 3) this ordinance will affect a limited number of single family lots and 4) any effect on the environment as a result of this ordinance would be speculative at best and cannot currently be analyzed. Therefore, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regulations Section 15061(b)(3). There is no possibility that the proposed ordinance will have a significant effect on the environment.

**SECTION 5.** EFFECTIVE DATE. This extension shall take effect immediately upon adoption of this ordinance.

**SECTION 6.** SEVERABILITY. If any provision, clause, sentence or paragraph of this ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

INTRODUCED AND ADOPTED BY THE FULLERTON CITY COUNCIL ON JULY 15,  
2025.

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Fred Jung  
Mayor

ATTEST:

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Lucinda Williams, MMC  
City Clerk

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Date