

ORDINANCE NO. 25-26-XX

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK EXTENDING A MORATORIUM ON THE PERMITTING OF SHORT-TERM RENTALS WITHIN CITY LIMITS PENDING THE DEVELOPMENT OF A PERMANENT ORDINANCE REGULATING SUCH RENTALS

WHEREAS, the City Council has previously considered the adoption of a Short-Term Rental (“STR”) Ordinance to establish permanent regulations for the use of privately-owned, single-family residential dwellings as STRs that minimize the negative secondary effects on the residential quality of surrounding neighborhoods.

WHEREAS, to date, in lieu of adopting a STR Ordinance, the City has issued conditional use permits (“CUPs”) with conditions for STRs, such as: (1) maintaining the exterior appearance of the vacation rental unit compatible with the single-family residence; (2) maintaining an adequate number of off-street parking spaces; (3) maintaining a valid City business license (4) paying the monthly transient occupancy tax (“TOT”) to the City; (5) providing the City with proof of insurance; (6) providing the City with a Site Plan and Floor Plan for the STR; (7) providing a completed checklist for fire safety; (8) ensuring the maximum number of overnight guests for an STR does not exceed two persons per bedroom; (9) complying with all standards and regulations stated in Chapter 10.50 of the City of Sutter Creek Municipal Code concerning noise; and (10) ensuring trash is not left in public view, except in proper containers.

WHEREAS, at its October 6, 2025 City Council meeting, City Staff reported to the Council that the City had approved 19 CUPs for STRs; and

WHEREAS, previously, the City Council determined that the City Council should revisit the adoption of a permanent STR Ordinance when it reaches 20 approved CUPs for STRs; and

WHEREAS, pursuant to the City of Sutter Creek’s police power, the City Council of the City of Sutter Creek 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, California Government Code Section 65858 provides that, without following the procedures otherwise required prior to the adoption of a zoning ordinance and for the purpose of protecting the public safety, health and welfare, the City Council may adopt, as an urgency measure, an interim ordinance prohibiting any uses that may be in conflict with “a contemplated general plan, specific plan, or zoning proposal that the City Council, planning commission or the planning department is considering or studying or intends to study within a reasonable time”; and

WHEREAS, consistent with the above authority, and in response to conditions and evidence of which it has become aware through the workshops and meetings described above, the City Council, at its January 20, 2026 meeting, adopted a 45-day moratorium on the permitting of STUs within city limits to allow for evaluation of their impact on the residential quality of neighborhoods and for consideration of adoption of a permanent ordinance establishing STR regulations.

WHEREAS, California Government Code Section 65858 further provides that the City Council, after providing notice pursuant to Government Code Section 65090, may extend the moratorium for 10 months and 15 days and subsequently extend the moratorium for one year; and that any extension shall also require a four-fifths (4/5) vote for adoption.

WHEREAS, for the reasons more fully described within, the City Council determines, by at least a four-fifths (4/5) vote, that extending this urgency ordinance for 10 months and 15 days is a matter of City-wide importance, is a reasonable and necessary measure designed for the immediate preservation and protection of the public health, safety, or welfare of the community; and is in accordance with the public purposes and provisions of applicable State and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUTTER CREEK DOES ORDAIN AS FOLLOWS:

SECTION 1. EXTENDED MORATORIUM FINDINGS.

A. Currently, the City issues CUPs with conditions for STRs and the City has nearly reached its limit of 20 STRs within city limits imposed by the City Council.

B. Without the extension of a temporary moratorium on STRs, the City may be required to process applications for STRs even though its existing conditions require updates, based on study and analysis, that result in recommendations of new standards and best practices for such uses.

C. There is a current and immediate threat to the public health, safety, and welfare of the City and its residents, thereby necessitating the immediate extension of this urgency moratorium, in that the approval of any additional CUPs for STRs in the City would be required to be processed under the City's existing conditions, without taking into consideration the potential negative impacts of STRs on the residential quality of neighborhoods.

D. The extension of this urgency moratorium is necessary to protect the City and its residents from the overgrowth of STRs, which can be contentious in certain neighborhoods and also infringe on the rights of neighbors.

E. Extension of this urgency moratorium will allow the City sufficient time to conclude the preparation of a comprehensive ordinance for the regulation of STRs moving forward. While the extended moratorium is in effect, the City seeks to consider a permanent ordinance that will balance the needs and rights of property owners and neighbors, ensure the health and safety of guests and residents, support tourism in a balanced way, and be economically beneficial to the City.

SECTION 2. EXTENSION OF MORATORIUM.

For so long as this extended ordinance is in effect, the City shall not receive, accept, process, or approve any application for any conditional use permit or other City-issued authorization concerning any STR.

SECTION 3. NOTICE.

Pursuant to California Government Code Section 65090, notice of the extended ordinance was published in a newspaper of general circulation within the City at least 10 days prior to the hearing.

SECTION 4. CEQA FINDING.

The City Council determines that the provisions of this extended 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 extension of this urgency ordinance would not have any significant impact on the environment.

SECTION 5. REPORT.

The City Manager, or designee, is authorized and directed to prepare the report required by paragraph (d) of California Government Code Section 65858 describing the measures taken to alleviate the condition which led to the extension of this ordinance for presentation to the City Council no later than ten days prior to the expiration of this ordinance.

SECTION 6. EFFECTIVE DATE; FOUR-FIFTHS VOTE REQUIRED.

This extended 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 10 months and 15 days, unless extended for a second time by the City Council, as provided in California Government Code Section 65858.

SECTION 7. PUBLICATION.

The City Clerk shall certify to the passage of this extended ordinance and shall cause this ordinance or a summary thereof to be printed once within fifteen (15) days after its adoption in a newspaper of general circulation, published and circulated in the City of Sutter Creek.

PASSED, APPROVED, AND ADOPTED this 2nd day of March 2026 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

APPROVED:

Claire Gunselman, Mayor

ATTEST:

Pam Caronongan, City Clerk

Date