

ORDINANCE NO. 2274

AN URGENCY ORDINANCE AMENDING ORDINANCE NO. 2272 TO EXTEND THE TEMPORARY MORATORIUM PROHIBITING PROCESSING OF PENDING, AND ACCEPTANCE OF NEW, DATA CENTER LAND USE APPLICATIONS WITHIN THE CITY OF MONTEREY PARK

The City Council for the City of Monterey Park does ordain as follows:

SECTION 1: This Ordinance is adopted pursuant to Government Code §§ 36937, 65858, and other applicable laws and is an extension of a moratorium adopted pursuant to Ordinance No. 2272

SECTION 2: *Findings.* The City Council finds, determines and declares as follows:

- A. The City may adopt and enforce all laws and regulations not in conflict with the general laws and the City holds all rights and powers established by California law.
- B. On November 6, 2024, the City Council adopted new regulations governing data centers in Saturn Park. As codified at Monterey Park Municipal Code (“MPMC”) § 21.14.220, data centers may only be permitted within Saturn Park pursuant to the terms of a development agreement approved by the City Council.
- C. While the provisions of the development agreement law (Government Code §§ 65864–65869.5) make it plain that any decision regarding data centers are completely discretionary for the City Council, additional regulations governing data center provide certainty to the public and private property owners regarding the City’s overall expectations for developing such land uses. Such regulations were first considered by the City Council on November 6, 2024 and should be reexamined to protect public health, safety, and welfare. The City requires additional time to study which regulations are in the public interest.
- D. To prevent frustration of these studies and the implementation of new regulations, the public interest, health, safety, and welfare require enactment of this Ordinance. The absence of this Ordinance would impair the orderly and effective implementation of contemplated MPMC amendments, and any further authorization of data center land uses within the City of Monterey Park during the period of the moratorium may conflict with or frustrate the contemplated updates and revisions of the MPMC.

- E. Based on the foregoing, the City finds that that this Ordinance is necessary in order to protect the City from the potential effects and impacts of data center land uses and the accompanying impacts from energy use, noise, air quality, aesthetic impacts to the City, and other similar or related effects on property values and the quality of life in the City's neighborhoods.
- F. The City Council further finds that this moratorium is a matter of local and City-wide importance and is not directed towards any business that currently seeks to utilize MPMC Chapter 21.14.
- G. The City Council finds that this Ordinance is authorized by the City's police powers. The City Council further finds that the length of the moratorium imposed by this Ordinance will not in any way deprive any person of rights granted by state or federal laws, because the moratorium is short in duration and essential to protect the public health, safety and welfare.

SECTION 3: *Environmental Assessment.* Adopting the draft Urgency Ordinance is exempt from further environmental review under the California Environmental Quality Act (California Public Resources Code §§ 21000, *et seq.*, "CEQA") and CEQA Guidelines (14 California Code of Regulations §§ 15000, *et seq.*) because it establishes temporary rules and procedures for minor alterations in land use. The Urgency Ordinance, therefore, is categorically exempt from further CEQA review under CEQA Guidelines § 15305. Further, the adoption of the Urgency Ordinance is also exempt from review under CEQA pursuant to CEQA Guidelines § 15061(b)(3) because the Ordinance is for general policies and procedure-making. This Ordinance does not authorize any new development entitlements. Any proposed project that will utilize the changes set forth in this Ordinance is subject to environmental review as part of the entitlement review of the project. The Ordinance will not adversely impact the environment and is therefore exempt from the provisions of CEQA.

SECTION 4: *Interim regulations.* The following provisions are adopted as interim requirements for issuing permits pursuant to the MPMC for data center land uses within the City of Monterey Park, and any construction or operation in the City in conflict with these provisions is expressly prohibited:

- A. **Restricted Activities.** For a period of 10 months and 15 days after adoption of this Ordinance, the City will not process any pending application for a data center land use within the City of Monterey Park or accept new applications for data center land uses.
- B. "Data center" is defined at MPMC § 21.14.210.

- C. Based upon a review of the City's entire administrative record including, without limitation, from the City Council's previous meetings in October and November 2024, along with a cursory review of information within the public domain, there is a plethora of substantial evidence demonstrating a reasonable argument exists that any proposed data center in California "may have a significant effect on the environment" necessitating a fair-argument that any application for a data center requires preparation of an environmental impact report (EIR). Publicly available materials document that large data centers have high and continuous electricity demand, often supported by diesel or gas backup generation with associated air quality, greenhouse gas, and noise impacts; that they may place significant demands on local water supplies for cooling; and that they can drive related infrastructure and land use changes, all of which have been specifically identified as needing robust CEQA analysis. In light of CEQA's requirement that an EIR be prepared whenever there is substantial evidence, in view of the whole record, that a project may cause a significant environmental effect, and the well-established "low threshold" nature of the fair-argument test, this body of evidence supports a finding that any data center proposal in California presents at least a reasonable argument of potentially significant environmental impacts such that an EIR is required.

- D. The City Manager, or designee, must review any application for a data center land use entitlement to determine compliance with the provisions of this Ordinance. City employees, and City boards and commissions, are directed to refrain from accepting or processing any application for any land use entitlement, including, without limitation, use permits, variances, building permits, licenses and certificates of occupancy, necessary for constructing, placing, or operating data centers within the City of Monterey Park, and to refrain from processing any land use entitlement for any pending applications already received. These prohibitions will remain effective for 10 months and 15 days following adoption of this Ordinance.

- E. The City Manager and City Attorney are directed to consider and study what regulations regarding data centers are necessary in Saturn Park as well as Citywide to protect the public interest, health, safety, and welfare. Noticing for a public hearing to consider adopting such proposed regulations should occur in accordance with application law to ensure timely public input regarding such regulations and provide certainty to private property owners contemplating data center developments within Saturn Park or elsewhere in the City regarding the City's expectations and

regulation of such land uses.

SECTION 5: Construction. This Ordinance must be broadly construed to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 6: Enforceability. Repeal of any provision of the MPMC does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 7: Validity of Previous Code Sections. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the MPMC or other city ordinance by this Ordinance will be rendered void and cause such previous MPMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 8: Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the city council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

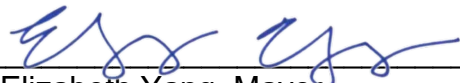
SECTION 9: Publication. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 10: Report. Pursuant to Government Code § 65858, the City Manager, or designee, must prepare a report for City Council consideration describing the measures taken to address the conditions which led to adoption of this Ordinance. This report must be provided to the City Council so that it may be considered and issued not later than 10 days before this Ordinance expires.

SECTION 11: Effective Date. This Ordinance will become effective immediately upon adoption pursuant to Government Code §§ 36937 and 65858 for the immediate preservation of the public peace, health, safety, and welfare. Pursuant to those statutes this Ordinance is adopted by a four-fifths vote.

SECTION 12: Expiration Date. After adoption, this Ordinance will be repealed by operation of law on January 21, 2027, unless a subsequent ordinance is adopted by the City Council that extends this date.


PASSED AND ADOPTED this 4th day of March, 2026.


Elizabeth Yang, Mayor

ATTEST:


Maychelle Yee, City Clerk

APPROVED AS TO FORM:



Karl H. Berger, City Attorney

State of California)
County of Los Angeles) §.
City Of Monterey Park)

I, Maychelle Yee, City Clerk of the City of Monterey Park, California, do hereby certify that the foregoing Urgency Ordinance No. 2274 was duly passed, approved and adopted at its regular meeting held on 4th day of March, 2026 by the following vote:

Ayes: Council Members: Ngo, Wong, Sanchez, Lo, Yang
Noes: Council Members: None
Absent: Council Members: None
Abstain: Council Members: None
Recusal: Council Members: None

Dated this 4th day of March, 2026.


Maychelle Yee, City Clerk