

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **October 7, 2025**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Karen Decker, Economic and Community Vitality Manager
Catherine Enberg, City Attorney

TITLE: COMMERCIAL VITALITY ORDINANCE – STUDY SESSION

RECOMMENDATION:

Receive a presentation on the Draft Commercial Vitality Ordinance establishing standards for blighted and empty commercial storefronts, provide feedback, and direct staff on any revisions or next steps.

FISCAL IMPACT:

There is no fiscal impact associated with this study session.

STRATEGIC ELEMENTS:

This action supports all of the Strategic Plan Elements including *Infrastructure and Environment, Healthy Communities and Public Safety, Fiscal Sustainability, and Inclusive Governance.*

BACKGROUND:

In March 2025, the City Council held its annual Priorities Setting Workshop following a series of community listening sessions. During these discussions, concerns were raised by Council members and community members regarding blighted and vacant commercial properties. Empty or neglected storefronts contribute to urban decay, diminish property values, deter investment, discourage responsible property ownership, and pose risks to public health and safety.

To address these issues, Staff is introducing a draft Commercial Vitality Ordinance (Attachment 1), designed to support local businesses and ensure Half Moon Bay’s commercial areas remain welcoming, clean, and vibrant. The ordinance seeks to preserve and enhance the aesthetic, economic, and social vitality of the City’s commercial districts by preventing the negative effects of commercial blight and vacancy.

In preparation for this study session, Staff reviewed existing ordinances from several jurisdictions including Saratoga, San Jose, San Francisco, Santa Cruz, Berkeley, and Patterson,

and engaged local stakeholders in the development of the draft. Businesses participating in the Downtown Association's monthly meetings expressed strong support for the initiative. An early draft was also shared with leadership from the Downtown Association and the Chamber of Commerce. Extensive feedback was provided by a local commercial real estate broker representing the point of view of property owners.

The proposed ordinance builds on the City's existing codes and the State's Health and Safety Code. It requires property owners, or their designated representatives, to notify the City when commercial property becomes vacant (Attachment 2) and to adhere to maintenance standards for empty or neglected storefronts. The City's Compliance Officer and other staff will work collaboratively with property owners to achieve compliance. When necessary, the City will have the authority to impose fines and pursue nuisance abatement.

DISCUSSION:

Staff's review of ordinances from other jurisdictions demonstrated that effective programs balance property owner accountability with opportunities for collaboration and education. The proposed ordinance draws from models adopted in other jurisdictions but has been tailored to Half Moon Bay's local needs and resources. For instance, many jurisdictions require property owners to register vacant storefronts with the City, but these agencies typically deal with an inventory volume that necessitates multiple staff positions dedicated to administration and enforcement. Staff are recommending that property owners be required to inform the City when a storefront is vacated by using a form that prioritizes ease of use for the property owner and standardization provided by the City.

The proposed ordinance includes standard content that includes the purpose, definitions, maintenance requirements for empty storefronts; noticing requirements; and enforcement. Additional sections such as neglected storefronts and the exteriors of all commercial properties were added as a result of community and Council feedback with respect to trash and other refuse that contribute to blight.

The bulk of the draft ordinance provides a list of what a property owner must do to avoid an empty property falling into neglected status, which would make it subject to enforcement. The ordinance requires owners to notify the City of empty storefronts which helps the City monitor compliance. A section titled, "All Commercial Properties – Exteriors" (Section 7.65.070) applies to all commercial properties (whether vacant or not) and creates a neatness / appearance requirement. It also specifically regulates trash and donation bins, which are concerns that have been raised by Council members and the community. The section focused on enforcement

explains the Compliance Officer's authority and relies on the City's general code enforcement provisions. Consequences could include daily fines or nuisance abatement proceedings.

While much of the ordinance reflects existing health, safety, and nuisance standards, several provisions represent new policy decisions that can benefit from Council guidance:

- **Definitions:** The ordinance defines an "empty storefront" as one not consistently occupied or open for business, and a "neglected storefront" as one that is dilapidated or maintained in a way that substantially detracts from surrounding properties. Council may wish to consider whether these definitions should include more specific thresholds (e.g., length of vacancy or minimum business hours) to reduce subjectivity.
- **Maintenance Standards:** Property owners of empty storefronts would be required to maintain contact information on-site, perform monthly inspections, and prevent conditions that create the appearance of neglect. After 30 days of vacancy, storefronts must also feature an active display such as art, cultural exhibits, or temporary business simulation. Some questions for Council to consider are: Should the City pre-approve displays? Will the City provide assistance or resources for displays (e.g., templates, examples)?
- **Notification and Reporting:** Owners must notify the City within 30 days of vacancy and provide updated information every 90 days. Council direction is needed on whether these timelines strike the right balance between accountability and flexibility.
- **Applicability to All Commercial Properties:** In addition to regulating empty and neglected storefronts, the ordinance requires all commercial properties to maintain landscaping, exteriors, and receptacle areas in a neat and orderly manner. Council may wish to consider whether the ordinance should apply broadly to all commercial properties or focus more narrowly on vacant or neglected sites.
- **Enforcement:** The Compliance Officer is authorized to conduct inspections, ensure compliance, and apply penalties under the City's existing code. Council may wish to discuss the intended enforcement approach — whether it should be primarily complaint-driven and education-focused or include more proactive inspections which may require additional resources.

Staff's intent is to strike a balance between supporting property owners through collaboration and education, while ensuring the City has the tools to address persistent blight issues. Council feedback on the above policy considerations will help refine the ordinance before returning for a first reading.

NEXT STEPS:

Based on Council feedback, staff will revise the draft ordinance as directed and return with the ordinance for formal introduction and first reading at an upcoming Council meeting.

ATTACHMENTS:

1. Draft Commercial Vitality Ordinance
2. Vacant Storefront Form