



City of Arts & Innovation

Land Use Committee

TO: LAND USE COMMITTEE MEMBERS

DATE: NOVEMBER 12, 2024

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT
DEPARTMENT**

WARDS: ALL

**SUBJECT: DRAFT ZONING CODE AMENDMENTS RELATED TO INDUSTRIAL
DEVELOPMENT REGULATIONS INCLUDING WAREHOUSING AND
DISTRIBUTION FACILITIES**

ISSUE:

Review and provide feedback on proposed Zoning Code amendments related to industrial development regulations including warehousing and distribution facilities.

RECOMMENDATIONS:

That the Land Use Committee:

1. Receive and file an update on the proposed amendments to the City's industrial development regulations; and
2. Provide staff with direction as to whether to proceed with one or more of the options presented in this Report.

BACKGROUND:

Since 2022, staff have worked closely with the Land Use Committee (Committee) to address persistent community concerns related to the continued growth of industrial development in the region. In response to direction from the Committee and feedback from stakeholders, staff have identified several amendments to the Riverside Municipal Code which are presented to the Committee for review and additional direction. An update on activities of the State Legislature related to logistics and goods movement is also provided below.

The following timeline provides a brief overview of the policy context for this report:

- **January 25, 2022:** Former Committee Chair Plascencia requested a review of the zoning regulations for warehousing and distribution facilities within Riverside and other jurisdictions to be brought to a future meeting.
- **June 13, 2022:** Staff presented an update on Riverside's current industrial development regulations; a cross-jurisdictional regulatory analysis to determine best practices; vacant site analysis; ongoing regional and state regulatory efforts; and research on community benefits and sustainability standards. The Committee requested staff to initiate community outreach efforts and return for a future meeting with feedback. Throughout September and October

staff hosted five outreach events with a total participation of over 50 participants.

- **December 12, 2022:** Staff returned to the Committee following the community outreach efforts and additional analysis and presented proposed policy for consideration. The Committee requested staff to gather additional information related to the proposed policy updates including level of effort, timeline, and next steps and return to a future meeting.
- **February 13, 2023:** Staff presented a matrix of potential policy actions for Committee consideration and prioritization. Following discussion, the Committee recommended Staff return with a final prioritization of potential policy actions based on the direction given.
- **March 23, 2023:** Staff presented a three-phased approach to implementing the Committee's priorities for revisions to the City's policies and regulations related to industrial development, warehouses, and distribution facilities. Following discussion, the Committee directed staff to pursue phase one, which includes changes to the Riverside Municipal Code (RMC) over an estimated timeline of 12-18 months.
- **May 25 and 26, 2023:** Two stakeholder workshops were held to gather additional input on the policy priorities articulated by the Committee and to refine potential updates to the RMC.
- **June 22, 2023:** Staff held a workshop with the Planning Commission to review the proposed changes to the RMC (Attachment 1).
- **February 2023 - February 2024: Assembly Bills (AB) 1000 (Reyes) and AB 1748 (Ramos)**
 - AB 1000 was first introduced by Assembly Member Eloise Gomez Reyes in February 2023. The bill would establish an Inland region-wide (San Bernardino and Riverside County) Good Neighbor Policy and have the effect of prohibiting local agencies within the two counties from approving the development or expansion of "qualified logistics uses" (generally a warehouse 100,000 square feet or larger) within 1,000 feet of a sensitive receptor .
 - AB 1748, generally considered a competing bill to AB 1000, was first introduced by Assembly Member James Ramos in February 2023. The bill would require qualifying logistics uses over 400,000 square feet in gross floor area to provide a 300-foot setback from sensitive receptors within the Inland region.
 - Both bills died in committee and will not move forward. Assembly Speaker Robert Rivas convened a working group to review the issue and develop solutions that both protect vulnerable communities and support economic development.
- **March 2024:** Stakeholders and organizations previously involved in the outreach process were notified of the availability of the draft Zoning Code Amendments for review and were invited to provide comment to the Committee.
- **September 2024: Assembly Bill (AB) 98 (Carillo & Reyes)**
 - AB 98 was first introduced in the legislature as a placeholder bill and, as a result of the recommendations of the Working Group convened by Speaker Rivas, was amended by Assemblymembers Juan Carillo and Eloise Gomez Reyes. The amended bill establishes new warehousing regulations including requirements for establishing truck routes, loading bay and buffering setbacks, and green building practices; and requires certain data reporting metrics (Attachment 2). AB 98 was passed by the legislature in August. Further analysis in the subsequent sections.
 - On September 29, 2024, Governor Newsom signed AB 98 into law, which becomes effective January 1, 2026.

A compilation of prior staff reports that provide more detail may be read in Attachment 3.

DISCUSSION:

For the last two years, staff has worked closely with the Committee and community stakeholders to review policies, identify potential revisions to Title 19, and gain input on the City's current industrial regulations which are regarded as some of the most robust in the region today. The City's regulations, including the 2020 Good Neighbor Guidelines ("2020 GNG"), have served as a model for other agencies to follow as strict but fair policy guidance that seeks to balance economic development with community wellbeing. Still, consistent with Committee and community feedback and in response to projects within both the City and the region, concern regarding the proximity and concentration of new industrial buildings adjacent to sensitive receptors and of the long-term health impacts of these facilities is growing.

Incorporating the issues and concerns raised led staff to present a three-phased approach intended to provide a workplan of different policy options (Attachment 4). The Committee directed staff to pursue the Phase One option which focuses on aligning the Zoning Code with stakeholder feedback and the Committee's policy direction. Phase One focuses on the following overarching goals:

- **Neighborhood compatibility:** Ensure that Development Standards and the 2020 Good Neighbor Guidelines include protections for additional Sensitive Receptor land uses and match the character of surrounding uses to the greatest extent possible.
- **Transparent processes:** Empower residents to provide project feedback at the earliest opportunity and increase overall project transparency.
- **Sustainable development:** Develop enhanced sustainable construction practices and alternative energy standards to help offset emissions from these facilities.

To help fully understand the effects of the proposed changes, a brief overview of the City's existing regulations for industrial development is provided. The proposed amendments focus on six policy topics. An overview of each policy topic will be shared followed by the proposed changes, anticipated effects and key decision points for the Committee's consideration. The policy topics covered are:

- Sensitive receptors;
- Maximum building size;
- Maximum number of allowed buildings on a given lot;
- Permitted land uses;
- Green building and construction practices;
- Landscaping requirements; and
- Project notification requirements.

The Committee may direct staff to proceed with some, all, or none of the proposed changes based on the analysis in the staff report. Copies of the associated text amendments to the Zoning Code are available for review in Attachment 5.

SENSITIVE RECEPTORS

I. Affected Zoning Code Chapters

- Chapter 19.910 – Definitions
- Chapter 19.130 – Industrial Zones
- Chapter 19.435 – Warehousing and Distribution Facilities

II. Current Code

Within the context of regulating industrial development, the term sensitive receptor is used both as a regulatory tool for practitioners and as a colloquial term by community groups used to generally describe areas or land uses which require additional protection from potentially harmful development. According to the California Air Resources Board (CARB), a sensitive receptor is defined as a land use where children, elderly, or other sensitive groups are at a heightened risk of negative health outcomes due to air pollution.

There are two regulatory frameworks to keep in mind when planning for new industrial development in the City. The first is the Zoning Code, which does not currently define sensitive receptors; instead, Chapter 19.130 (Industrial Zones) regulates all new industrial development by providing tiered development regulations based on a project's proximity to a residential zone or use. Tiered development standards such as maximum building height, maximum building size, landscaping and setbacks are applied based on this proximity. It is important to keep in mind that the tiered development regulations affect all new industrial development including warehousing and distribution facilities, research facilities, and manufacturing uses.

The second regulatory framework is the 2020 GNG which provides policy guidance to be implemented by the Zoning Code and outlines desired outcomes for all new warehousing and distribution facilities. These policies are intended to be applied to development adjacent to sensitive receptors defined more broadly as residential neighborhoods, schools, parks, playgrounds, day care centers, nursing homes, hospitals, and other public places where residents are most likely to spend time. The 2020 GNG are implemented by Chapter 19.435 (Warehousing and Distribution Facilities) and provide specific site location and operational standards based on the size of the facility, generally increasing in requirements as the building size increases.

There is ambiguity between the Zoning Code and the 2020 GNG related to proximity of land uses considered to be sensitive receptors which causes confusion for property owners seeking to build new industrial development. The land uses listed as sensitive receptors in the 2020 GNG are not consistent with land uses that trigger more restrictive development standards for new industrial development in Chapter 19.130 – Industrial Zones.

III. Proposed Change

Chapter 19.910 (Definitions) includes a new definition for sensitive receptors which resolves this inconsistency and incorporates land uses which are listed as sensitive receptors within the 2020 GNG. The proposed definition includes:

- A residential zone or use (*existing*);
- K-12 public, private and charter schools (*proposed*);
- Designated parks and open space (*proposed*);
- Adult and child day care facilities (*proposed*);
- Assisted living facilities (*proposed*); and
- Hospitals (*proposed*).

Furthermore, Chapter 19.130 (Industrial Zones) is amended to replace any reference to “a residential zone or use” with “sensitive receptor” consistent with the proposed sensitive receptor definition.

Chapter 19.435 (Warehousing and Distribution Facilities) is amended to replace the land uses listed in the 2020 GNG with “sensitive receptor” to be consistent with Chapter 19.130.

IV. Anticipated Effects

The proposed sensitive receptor definition will have the effect of expanding protections to additional land uses beyond residential zones or uses. As a result, more restrictive development requirements will affect a greater quantity of industrially zoned land.

Tiered development standards including maximum building height, maximum building size, floor

area ratio (FAR), and building & landscape setbacks based on distance to sensitive receptors will apply to more industrially zoned land. The preparation of a Health Risk Assessment (HRA) will also be required for new industrial development within 1,000 feet of any sensitive receptor where the current code only requires an HRA when 1,000 feet of a residential zone or use.

V. Committee Decision Points

- Should the proposed definition of sensitive receptor be expanded to include additional land uses consistent with the GNG 2020 or maintain tiered development standards near residential zones only?
- Should the proposed sensitive receptor definition apply to some or all of the development standards?

MAXIMUM BUILDING SIZE

I. Affected Zoning Code Chapters

- Chapter 19.130 – Industrial Zones

II. Current Code

Tiered maximum building size provisions apply to any new industrial development in all Industrial Zones depending on its proximity to a residential zone or use.

Maximum Building Size			
Distance from a Residential Zone or use	Industrial Zone		
	BMP	I	AIR
< 200 feet	10,000 sq. ft.		
< 800 feet	100,000 sq. ft.		
> 800 feet	Per FAR		

For new industrial development beyond 800 feet of a residential zone or use, there is no set maximum. Instead, the building would need to abide by the Floor Area Ratio (FAR) of the underlying zone. FAR is defined as the amount of allowable building area allowed on a given lot based on the size of the lot. For example, a 100,000-square-foot lot with a maximum FAR of 0.5 would permit building floor area up to 50,000 square feet.

III. Proposed Change

Tiered maximum building size is changed to include the expanded definition of sensitive receptors. Additionally, two new proximity categories are created to regulate building sizes within 800 and 1,500 feet of a sensitive receptor where the current code only regulates within 800 feet of a residential zone or use. The additional proximity categories were created in response to feedback staff received from stakeholder engagement and from the Committee.

- For any building within 800 – 1,500 feet of a sensitive receptor, the maximum building size would be limited to 400,000 square feet. The 400,000-square-foot threshold is consistent with thresholds established by surrounding jurisdictions and recommended guidance from

the California Air Resources Board (CARB).

- For parcels located 1,500 feet or more away from a sensitive receptor, there is no maximum building size and instead would continue to be governed by the FAR of the underlying zone.

Maximum Building Size			
Distance from Sensitive Receptor	Industrial Zone		
	BMP	I	AIR
< 200 feet	10,000 sq. ft. (EXISTING)		
< 800 feet	100,000 sq. ft. (EXISTING)		
< 1,500 feet	400,000 sq. ft. (PROPOSED)		
> 1,500 feet	Per FAR (EXISTING)		

IV. Anticipated Effects

New industrial buildings within 1,500 feet of any sensitive receptor will now be limited to 400,000 square feet where the current code may or may not have allowed a greater building size depending on the size of the lot and FAR of the underlying zone.

V. Committee Decision Points

General feedback welcomed.

MAXIMUM NUMBER OF ALLOWED BUILDINGS

I. Affected Zoning Code Chapters

- Chapter 19.130 – Industrial Zones

II. Current Code

The Zoning Code does not provide a set maximum on the number of buildings on a given lot. Instead, all industrial development must abide by the Floor Area Ratio (FAR) of the underlying zone. The FAR is defined as the allowable amount of building floor area on a particular parcel relative to the size of the parcel. This building floor area may be contained in a single structure or multiple, depending on the characteristics of the proposed development. The table below provides the FAR values for each industrial zone and the general building area capacity.

Industrial Zone	Floor Area Ratio (FAR)	Building Area Capacity
Business Manufacturing Park (BMP)	1.5	A parcel with an FAR of 1.5 allows a cumulative floor area equal to lot area, plus 50%.
General Industrial (I)	0.6	A parcel allows a cumulative floor area equal to 60% of lot area.
Airport (AIR)	0.6	

The following example illustrates a theoretical building capacity with current FAR values:

- In the General Industrial (I) Zone (maximum FAR of 0.6), a 100,000 square foot parcel (roughly 2.3 acres) within 200 feet of a residential zone or use would limit the size of individual buildings to 10,000 square feet and may not exceed a cumulative floor area of 60,000 square feet (per the FAR).
- Since the current Zoning Code does not limit the number of buildings, this parcel may be developed with one or more buildings, each not exceeding the maximum building size of 10,000 square feet and all buildings not exceeding the cumulative 60,000 square feet. Assuming the lot accommodates all associated development standards, a total of six 10,000-square-foot buildings would be permitted.

The existing requirements purposefully do not provide a fixed value for the number of buildings on a parcel within industrial zones. The intent is to promote lower-intensity uses such as offices, research laboratories and small manufacturing businesses, which often require less space and generate fewer truck trips than warehousing and distribution uses. These lower-intensity uses can serve as a buffer between new warehousing and distribution facilities and adjacent sensitive receptors while permitting an appropriate degree of flexibility in site design.

Recent community feedback and direction from the Committee has sparked interest in evaluating if establishing a maximum number of buildings is necessary to ensure compatibility with the surrounding environment and reduce overall truck traffic.

III. Proposed Changes

The current FAR row in Table 19.130.030.A is repealed and is replaced by a new FAR table under section 19.130.030.B. The proposed FAR table regulates a parcel’s maximum FAR based on:

- 1) The distance to a sensitive receptor (200 feet – 1,500 feet and beyond); and
- 2) The size of the parcel (less than 2 acres – 4 acres and greater).

Adjusting FAR values limits the cumulative building area for uses which may have an impact on surrounding sensitive receptors. As proposed below, a lower FAR value would apply to larger parcels, thus reducing the amount of building area permitted on the parcel. Smaller lots will have a higher FAR value which will allow more building area relative to the lot size. The revised FAR values also provide a higher FAR value for parcels that are further away from a sensitive receptor.

The proposed revisions to FAR and maximum building size are intended to work together and do not preclude one another. The FAR establishes the total allowable building area for a parcel, while the maximum building size regulates the layout and dimensions of individual buildings.

Proposed Floor Area Ratio Table

Distance from Sensitive Receptor	Lot Size								
	< 2 acres			2-4 Acres			> 4 Acres		
	BMP	I	AIR	BMP	I	AIR	BMP	I	AIR
< 200 feet	.50	.50	.60	.35	.35	.60	.25	.25	.60
< 800 feet	.75	.60	.60	.50	.50	.60	.35	.35	.60

< 1,500 feet	1.5	.60	.60	1.0	.60	.60	.75	.60	.60
> 1,500 feet	1.5	.60	.60	1.5	.60	.60	1.5	.60	.60

Three factors will affect the application of a parcel’s allowable FAR:

1. The lot size;
2. The distance from a sensitive receptor; and
3. The zoning designation of the parcel.

For example, a 100,000 square foot parcel (~2.3 acres) located within 200 feet of a sensitive receptor in the General Industrial (I) zone would have a maximum FAR of 0.35. The cumulative building area must not exceed 35,000 square feet with each building limited to 10,000 square feet given its proximity to a sensitive receptor. By comparison, the same size parcel in the same zone but located between 200 and 800 feet from a sensitive receptor would allow a cumulative building area of 50,000 square feet (0.50 FAR), which could comprise a single or multiple smaller buildings.

Discussion – FAR Methodology

In determining the new FAR values, factors considered were: 1) What are the current development yields for industrial development? and 2) Which values would ensure compatibility with surrounding land uses?

To analyze this, Staff used geospatial modeling software to calculate and visualize projected FAR values on a parcel’s building potential on real vacant parcels in the City. There are approximately 370 vacant industrially zoned parcels that would be affected by the change in FAR.

The size of the parcels is broken down as follows:

- Lots < 2 Acres: 293
- Lots 2-4 Acres: 39
- Lots > 4 Acres: 38

Under the current FAR standards, there is a cumulative industrial building potential of 38,658,131 square feet (exclusive of development standards which may reduce the maximum building capacity). With the proposed tiered FAR standards, the cumulative building potential is reduced to 21,770,778 square feet, or a -44% percent change (Attachment 9). This reduction in developable square footage would be absorbed by the industrial land closest to sensitive receptors.

An assessment of current and past industrial development projects revealed that most parcels are not developed to the maximum FAR allowed; the average FAR actually realized by development projects ranging from .30 to .50 where the underlying zone allowed up to 1.5 (BMP Zone) or .60 (I Zone). The values within the proposed FAR table reflect realistic development yields while providing a mechanism to ensure industrial development is compatible with sensitive receptors.

IV. Anticipated Effects

The additional 1,500-foot buffer requirement for buildings over 400,000 square feet and the new FAR table will reduce the overall development intensity and achievable gross floor area of industrial land within the city. This may result in smaller buildings and less intense development for industrial land within 1,500 feet of any sensitive receptor, as defined.

V. Committee Decision Points

General feedback welcomed.

PERMITTED LAND USES

I. Affected Zoning Code Chapters

- Chapter 19.150 – Permitted Land Uses

II. Current Code

Chapter 19.150 (Base Zones Permitted Land Uses) establishes permit requirements for warehousing & distribution facilities based on building size to provide greater discretion and oversight commensurate with potential impacts to air quality, noise, and neighborhood character, which have a proportional relationship to building size.

Building Size	Permit
10,000 sq. ft. or less	P/MC
10,000 sq. ft. - 100,000 sq. ft.	MC/C
100,000 sq. ft. or greater	C

P = Permitted by right; MC = Minor Conditional Use Permit; C = Conditional Use Permit

For reference, if a project complies with all development standards, then an entitlement and/or discretionary review is not required (permitted by right) for buildings 10,000 square feet or less. A Minor Conditional Use Permit is required for buildings between 10,000 and 100,000 square feet that meet all development standards. A Conditional Use Permit must be approved by the Planning Commission for any warehouse & distribution facility over 100,000 square feet.

If the project design does not meet the development standards, then additional discretionary review of an entitlement (MCUP or CUP) is required.

III. Proposed Changes

Changes include amending the permitted uses table to reflect that warehousing and distribution facilities between 100,000 square feet through 400,000 square feet are allowed in all industrial zones subject to a Conditional Use Permit.

A fourth building size category is created to prohibit warehousing and distribution facilities greater than 400,000 square feet in all industrial zones except for the General Industrial (I) zone, where the General Plan anticipates heavier industrial uses.

Building Size	Permit
10,000 sq. ft. or less	P/MC
10,000 sq. ft. - 100,000 sq. ft.	MC/C
100,000 sq. ft. - 400,000 sq. ft.	C
400,000 sq. ft. or greater	C (Only in I Zone)

The addition of a 400,000-square-foot tier is consistent with the new proposed maximum building size of 400,000 square feet within 1,500 feet of a sensitive receptor and is thus incorporated throughout.

IV. Anticipated Effect

Very large warehouses and logistics facilities over 400,000 square feet will no longer be permitted in the Business & Manufacturing Park, Air Industrial (AI) and Airport (AIR) Zones.

V. Committee Decision Points

General feedback welcomed.

LANDSCAPING REQUIREMENTS

I. Affected Zoning Code Chapters

- Chapter 19.130 – Industrial Zones

II. Current Code

Landscaped setbacks are required for all front yards in all industrial zones. Additional landscaping buffers apply for parcels adjacent to a residential zone or use. For example, in the Business Manufacturing Park (BMP) zone, 20 feet of the required 50-foot front yard setback must be landscaped when adjacent to a residential zone or use. Additionally, 15 feet of the required 60-foot side and rear yard setback must be landscaped when adjacent to a residential zone or use.

III. Proposed Changes

Changes to landscaping requirements reflect an increase from 15 to 20 feet for side and rear landscape buffer requirements when the project site is adjacent to a sensitive receptor.

A new landscaping section dedicated to buffering between industrial development and sensitive receptors outlines the dimensions and plant material requirements for industrially zoned parcels which share a property line with a sensitive receptor.

IV. Anticipated Effect

The additional landscaping buffer will create a natural gradient between the industrial use and adjacent sensitive receptors and improve compatibility.

V. Committee Decision Points

General feedback welcomed.

GREEN BUILDING AND CONSTRUCTION PRACTICES

I. Affected Zoning Code Chapters

- Chapter 19.435 – Warehousing and Distribution Facilities

II. Current Code

The Zoning Code does not require any renewable energy or sustainable construction practices requirements beyond what the California Green Building Code requires such as solar roof

installation, cool roofing and heavy-duty electric vehicle charging readiness. Exploring sustainable operation and construction practices was an area of interest identified by the Committee and community feedback.

III. Proposed Changes

A new section for renewable energy and construction practices is proposed. Changes include requiring all warehousing and distribution facility building roofs be solar-ready and be constructed with solar reflective material. Additionally, for buildings greater than 100,000 square feet, solar photovoltaic systems must be installed to power 100% of the non-refrigerated portions of the facility and any parking areas. Other proposed changes include requiring the applicant to utilize electric-powered tools and CARB Tier IV- or higher-rated off-road construction equipment.

IV. Anticipated Effect

Additional staff review will be needed to verify and monitor use of electric powered tools and construction equipment. There may also be additional costs borne by the project applicant to fulfill these requirements.

V. Committee Decision Points

- Should the renewable energy and sustainable construction practices be modified to be more flexible?

PROJECT NOTIFICATION REQUIREMENTS

I. Affected Zoning Code Chapters

- Chapter 19.670 – Public Hearings and Notice Requirements

II. Current Code

For projects that require a Minor Conditional Use Permit (MCUP) but not a public hearing, mailed postcards are required to be sent to property owners within 300 feet of the project site. For projects that require a public hearing before the Planning Commission or City Council, mailed postcards must be sent to property owners within 300 feet of the project site and notice must be published in one newspaper cycle 10 days prior to the public hearing. There is no requirement to notify occupants of multi-tenant properties such as renters living within an apartment complex.

The Zoning Code does not require a physical sign for project notification to be posted on-site for any project. In certain circumstances, a physical placard may be placed at a project site for right-of-way vacations as required by the California Streets and Highways Code.

III. Proposed Changes

Proposed amendments include requiring that the mailed notification radius be extended from 300 to 1,000 feet for any new development project requiring a MCUP or CUP within the Business Manufacturing Park (BMP) and General Industrial (I) Zones.

A new section is proposed requiring that a Notice of Filing sign be posted at the project site for new development projects requiring a MCUP or CUP within the BMP and I Zones. The sign must meet certain timing, size specifications and maintenance requirements to adequately allow community members more time to respond throughout the initial stages of project review. A sign template and informational form has been created to streamline the application of this new requirement

(Attachment 10).

Notice requirements are also extended to tenant occupants in addition to real property owners for any project subject to notice requirements.

IV. Effect

Expands the type and extent of public noticing required for new industrial development beyond what is required for other land use entitlements. The additional notification requirements for tenants and the Notice of Filing sign will provide residents with greater opportunities to provide feedback during the initial stages of a project.

III. Committee Decision Points

- Should the current project notification requirements remain in place?
- Should the proposed project notification requirements be modified to only apply to certain project types or remain as is?
- Is the current distance requirement adequate or should the proposed distance be modified?

ASSEMBLY BILL 98 ANALYSIS

AB 98 passed the State assembly in August 2024 was signed into law by Governor Newsom on September 29, 2024. The bill establishes various warehouse development standards within San Bernardino and Riverside counties including building design and location, parking, truck loading bays, landscaping buffers, entry gates, and signage.

Notably, AB 98 provides varying requirements based on the size of the logistics use building and whether the logistics use is situated on an existing industrially zoned parcel or if the parcel needs to be rezoned. A base set of regulations would apply to all new or expanded (20% of greater) logistics uses but a stricter set of regulations apply to buildings 250,000 square feet or greater.

Staff has identified several provisions of AB 98 where the proposed development regulations detailed in this report meet or exceed the new requirements set forth by the bill.

Development Regulation	City Meets or Exceeds	AB 98	City of Riverside (proposed)
Regulations Applicability	✓	New or expanded logistics use buildings <u>250,000 sq. ft. or larger</u>	Any new or expanded Industrial use including warehousing and distribution buildings <u>regardless of size</u>
Sensitive Receptor Definition	✓	Residence, school, daycare facility, publicly owned parks, nursing homes & hospitals	A residential zone or use; K-12 public, private and charter schools; designated parks and open space; adult and child day care facilities; assisted living facilities; and hospitals
Maximum	✓	Not addressed	35 feet if within 200 ft of a sensitive receptor; 45 ft all

Development Regulation	City Meets or Exceeds	AB 98	City of Riverside (proposed)
Building Height			other locations
Maximum Building Size	✓	Not addressed	10,000 sq. ft. – 400,000 sq. ft. depending on proximity to sensitive receptor (within 1,500 ft)
Health Risk Assessment (HRA) Preparation	✓	Not addressed	Requires preparation of HRA if project site 1,000 ft of sensitive receptor

There are various provisions within AB 98 which the City currently does not meet or address within the current and proposed regulatory framework. The table below provides an overview of key development regulations where there is variation between the City and AB 98.

Development Regulation	City Meets or Exceeds	AB 98	City of Riverside
Landscaping Buffer	X	50 or 100 ft landscaped buffer within 900 feet of sensitive receptor including 10 ft solid decorative wall	60 ft side and rear yard setback if adjacent to sensitive receptor; at least 20 ft must be landscaped with 8 ft solid decorative wall
Building Efficiency & Construction Standards	X	Meet CA Green Building Code, Zero-Emission forklifts by 2030, advanced smart metering, proportion of EV charger ready & EV charger installed parking spaces, high-efficiency ventilation	Meet CA Green Building Code, cool surface treatments, use of CARB Tier 4 equipment during construction, solar ready roofs, solar panel installation for buildings > 100,000 sq. ft.
Loading Bay Setbacks	X	Building < 250k sq. ft. – no setback Building > 250k sq. ft. – 300 ft or 500ft setback from adjacent sensitive receptor	No setback. Loading bays must be situated on opposite side of property or be fully screened
Truck Routing Plan	X	Requires the preparation of truck routing plan prior to certificate of occupancy	The City does not regulate. Various vehicle weight and axle restrictions apply for certain roadways throughout the City.
Building Siting Criteria	X	Requires new logistics uses to be located on specific roadways like arterial roads, collector roads, major throughfares, local roads	

Development Regulation	City Meets or Exceeds	AB 98	City of Riverside
		which predominately serve commercial uses	
Update to General Plan Circulation Element	X	Prior to January 2026, the City must update its Circulation Element to establish truck routes	

Notably, since the City is located in what AB 98 refers to as a “warehouse concentration region,” the City is required to update its General Plan Circulation Element in order to designate truck routes by January 1, 2026. A key item to note is the establishment of designating truck routes may have the unintended consequence of encouraging cut-through traffic from surrounding areas. Additionally, this compliance date would conflict with the ongoing effort to prepare a comprehensive update of the City’s General Plan for 2050, which is currently anticipated to be completed in early 2027. Previous City Council direction and community feedback shared concern about designating roadways for non-local truck traffic. Instead, the City maintains vehicle weight and axle limitations for certain roadways to prevent the concentration of heavy-duty vehicles on roadways.

Furthermore, AB 98 requires new logistics uses to be situated on specific roadways like arterial roads, collector roads, major throughfares, local roads where the roads are primarily served by commercial uses. This is a new requirement which will affect the permitted location for new logistics uses in the City in a manner that may not be consistent with the Zoning Code and General Plan.

OPTIONS MOVING FORWARD

Option 1:

Proceed with the implementation of the proposed amendments as is, or with modifications.

Option 2:

No changes. Existing development regulations remain.

Option 3:

Alternative work path as recommended by the Committee.

Option 4 - STAFF RECOMMENDATION:

As new or revised legislation may come forward, pause the effort for additional six to nine months, monitor legislative activity and provide the Land Use Committee with an update on any new legislation to determine whether additional modifications are needed and/or proceed with Options 1, 2, or 3.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 3 – Economic Opportunity** and **Goal 3.1 – Facilitate partnerships and programs to develop, attract and retain innovative business sectors,** and **Strategic Priority 5 – High Performing Government** and **Goal 5.3 – Enhance communication and collaboration with community members to improve transparency, build public trust, and encourage shared decision-making.**

This Project aligns with the following Cross-Cutting Threads:

1. **Community Trust** – The update on industrial development regulations is presented at an open public meeting and contains transparent information on City processes and regulations.
2. **Equity** – The update on industrial development regulations seeks to promote environmental justice so that impacts of new facilities are minimized on residents.
3. **Fiscal Responsibility** – The update on industrial development regulations will not have any fiscal impact to the City.
4. **Innovation** – The update on industrial development regulations is seeking best practices that will innovate how the City addresses these facilities in the future.
5. **Sustainability & Resiliency** – The update on industrial development regulations seeks to minimize environmental impacts of these facilities in the future.

FISCAL IMPACT:

There is no fiscal impact related to receiving this report.

Prepared by: Daniel Palafox, Associate Planner
Approved by: Jennifer Lilley, Community & Economic Development Director
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Mike Futrell, City Manager
Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. June 22, 2023 – Planning Commission Staff Report
2. Assembly Bill 98 Bill Text
3. Staff Report Compilation
4. Three-Phase Workplan
5. Redline Text: Chapter 19.910 – Definitions
 - a. Chapter 19.910 – Definitions
 - b. Chapter 19.130 – Industrial Zones (BMP, I, AI and AIR)
 - c. Chapter 19.150 – Base Zones Permitted Land Uses
 - d. Chapter 19.435 – Warehousing and Distribution Facilities
 - e. Chapter 19.670 – Public Hearings and Notice Requirements
6. FAR Comparison Matrix
7. Sample Notice of Filing Sign Requirement
8. Map – Current Industrially Zoned Land
9. Map – Vacant Lots
10. Map – Current Development Protection Areas
11. Map – Proposed Sensitive Receptor Land Area
12. Map – Existing Distance Protection Measures
13. Map – Proposed Distance Protection Measures
14. Map – Hunter Business Park
15. Map – Sycamore Canyon Business Park