



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE:** January 27, 2026

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARDS:** ALL
DEPARTMENT

SUBJECT: PLANNING CASE PR-2023-001523: ZONING CODE TEXT AMENDMENTS TO
IMPLEMENT UPDATES TO INDUSTRIAL DEVELOPMENT REGULATIONS

ISSUE:

Consider amendments to Title 19 (Zoning) of the Riverside Municipal Code (RMC), including but not limited to Articles V (Base Zones and Related Use and Development Provisions), VII (Specific Land Use Provisions), and X (Definitions). The proposed amendments implement recent changes to state law and policy direction from the City Council Land Use Committee related to industrial development.

RECOMMENDATIONS:

That the City Council:

1. Determine that Planning Case PR-2023-001523 (Zoning Text Amendment) is exempt from further California Environmental Quality Review pursuant to Section 15061(b)(3) (General Rule), as it can be seen with certainty that approval of the project will not have a significant effect on the environment, and not subject to CEQA to the extent it implements changes in state law and thus not a discretionary approval, pursuant to Section 15002(i);
2. Approve Planning Case PR-2023-001523 (Zoning Text Amendment) based on the findings summarized in the Planning Commission Staff Report; and
3. Introduce and subsequently adopt the attached Ordinance amending Title 19 (Zoning) of the Riverside Municipal Code.

COMMITTEE RECOMMENDATION:

The Land Use Committee met on November 12, 2024 and provided staff with policy direction on proposed Zoning Code amendments related to the City's industrial development standards. After discussion the Committee directed staff to proceed with the identified text amendments to the City Planning Commission and City Council for further consideration.

PLANNING COMMISSION RECOMMENDATION:

On February 13, 2025, the Planning Commission voted unanimously to recommend the City Council approve text amendments to the Zoning Code implementing an update to the City's industrial development standards based on Land Use Committee direction and community feedback.

BACKGROUND:

For several years, there has been growing concern within the City and across the state regarding the concentration of new warehousing and distribution facilities and their proximity to sensitive areas like residential neighborhoods and schools. The following presents a brief summary of efforts to review, revise and update the City's industrial development policies and regulations in response to these concerns.

- March 2020: Staff conducts a workshop with the Land Use Committee (LUC) on 2008 Good Neighbor Guidelines for Industrial Development. LUC directs Staff to prepare an update.
- November 2020: Updated Good Neighbor Guidelines (2020 GNG) and related industrial zoning regulations adopted by City Council. 2020 GNG and zoning regulations remain in place today.
- January 2022: The Sycamore Hills Distribution Center project is approved by Council after significant community opposition. Following decision, Council requests a review of 2020 GNG and related zoning regulations to see how they might be strengthened and improved.
- March 2022 through August 2024: Staff conduct extensive community and stakeholder outreach on potential revisions to 2020 GNG and zoning regulations. Multiple presentations are given to LUC and Planning Commission for feedback and direction.
- January 2023: State Assembly introduces Assembly Bill (AB) 98 prescribing various statewide standards for any proposed new or expanded logistics use. The legislation is subsequently converted to a two-year bill, meaning it would not be subject to a final vote until 2025.
- March 2024: Draft updates to industrial zoning regulations are released for public review.
- May 2024: The LUC requests further action on revisions to 2020 GNG and zoning regulations be paused while AB 98 is pending.
- September 2024: AB 98 is passed by the legislature and signed into law.
- November 2024: LUC reviews final proposed updates to industrial zoning regulations and votes to forward them to Planning Commission for consideration and recommendation.
- February 2025: Planning Commission votes unanimously to recommend the City Council adopt the proposed updates to industrial development regulations developed through this process.
- February 2025: Two AB 98 “fix-it” bills, AB 735 (Juan Carillo) and Senate Bill (SB) 415 (Gomez-Reyes) are introduced in the legislature.
- May 2025: Planning Commission recommends adoption revised industrial zoning regulations presented to Council for consideration.

On August 19, 2025, staff presented an update to the City Council on pending legislation and a detailed analysis of AB 98 and SB 415. The analysis explained how the City's existing and proposed standards either comply with, exceed, or need adjustment to meet the requirements of AB 98 and the related bills.

After discussion, the City Council directed staff to move forward with implementing the proposed amendments recommended by the Committee and Planning Commission, with modifications. Per Council direction, the scope of these amendments is to be narrowly focused on warehousing and logistics uses, in alignment with AB 98. Additionally, the Council instructed staff to review the proposed standards and identify opportunities to make them more flexible where appropriate.

On October 3, 2025, Governor Newsom signed SB 415 into law, thus codifying changes to the previously adopted AB 98. The changes are reflected in the proposed amendments.

DISCUSSION:

The proposed amendments are presented in the following manner for the Council's consideration:

- **The “New Baseline”**
 - These amendments reflect implementation and requirements of AB 98 (and SB 415) and are codified within RMC Chapter 19.435 – Warehousing and Distribution Facilities and Chapter 19.910 – Definitions.
- **City Council and Land Use Committee Policy Direction**
 - These amendments reflect the implementation of the policy direction provided by the City Council and Land Use Committee. These changes are codified in various chapters throughout Title 19 (Zoning Code) including Chapter 19.130 – Industrial Zones, Chapter

- 19.150 – Permitted Land Uses, Chapter 19. 435 – Warehousing and Distribution Facilities, 19. 670 – Public Hearing and Notification Requirements, and Chapter 19.910 – Definitions.
- Per Council direction, staff revised certain provisions of the proposed standards to be more flexible. The Council may choose to proceed as is or modify the standards. These areas are identified and discussed in the proceeding section.

THE NEW BASELINE

AB 98 is effective January 1, 2026, and establishes various development standards for warehousing and logistics facilities within a Warehouse Concentration Region, which includes San Bernardino and Riverside counties. These standards include building design and siting requirements, parking, truck loading bay orientation, landscaping buffers, entry gate requirements, and signage. AB 98 provides varying requirements based on the size of the 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 known as the *21st century warehouse design elements* would apply to all new or expanded (20% or greater) logistics uses. A stricter set of regulations apply to buildings 250,000 square feet or greater known as the *Tier 1 21st century warehouse design elements*. AB 98 also requires that the City update its General Plan Circulation Element to include designated truck routes by January 1, 2026. SB 415 establishes safe harbor provisions for jurisdictions in a Warehouse Concentration Region from potential penalties if they are making a good faith effort to comply, even though they may be unable to complete the required General Plan amendment to establish truck routes by January 1, 2026.

As a general matter, there are various provisions of the City's existing and proposed regulations that meet or exceed the provisions established in AB 98. However, to avoid confusion and ensure full implementation of state law, the following amendments ensure compliance with AB 98/SB 415. These are the minimum RMC amendments required to comply with state law.

A. CHAPTER 19.910 – DEFINITIONS

- ***Amendment 1: Revision to Warehousing and Distribution Facility definition***

- The definition of "Warehousing and Distribution Facility" has been revised to align with the "logistics use" definition established by AB 98. The bill defines a logistic use development as a building that primarily uses a warehouse for the movement or the storage of goods, and where heavy-duty trucks are primarily involved in the movement of said goods. This definition is distinctive of other industrial development because it specifies that the primary role of the building is to store good for later distribution, then move the materials with heavy duty trucks. This definition ensures that the provisions of AB 98 are applied consistently and helps clarify that only warehouses and distribution facilities are subject to AB 98. The updated definition reflects City Council direction and will support the implementation of proposed amendments that go beyond AB 98 requirements, as directed by the Council. These amendments will be discussed in the next section of this report.

- ***Amendment 2: New Sensitive Receptor definition***

- A new definition for "sensitive receptor" consistent with AB 98, and the land uses identified per City Council and Land Use Committee Direction is incorporated within Chapter 19.910. The current code regulates development adjacent to a residential zone or use but does not encompass other sensitive uses. The proposed sensitive receptor definition includes uses such as a residential zone or use; K-12 public, private and charter schools; designated parks and open space as defined by the General Plan; adult and child day care facilities; assisted living facilities, nursing homes, and hospices.

B. CHAPTER 19.435 – WAREHOUSING AND DISTRIBUTION FACILITIES

- ***Amendment 1: Separating Warehousing and Distribution Facility Development Standards in Chapter 19.435 from Chapter 19.130***

- To ensure that AB 98 and City Council policy direction are applied specifically to warehousing and distribution facilities without affecting other types of industrial development, the amendments separate the development, site planning, and operational

standards for warehousing from Chapter 19.130 (Industrial Zones) and incorporate them into new or revised sections within Chapter 19.435 (Warehousing and Distribution Facilities). This approach allows regulations to be tailored to warehousing and distribution uses, as directed by Council and required by law, while preserving flexibility for other industrial developments. It also creates a more adaptable framework for future policy updates.

- **Amendment 2: AB 98 Provisions Applicability**

- Chapter 19.435 includes language stating that the provisions of AB 98 apply broadly to all new or modified warehousing and distribution facilities, as required by law. It also clarifies that, if there is a conflict or a topic not addressed between AB 98 and Chapter 19.435, the stricter provision will prevail. This ensures that any gaps or inconsistencies are resolved by applying the more stringent standard.

- **Amendment 3: Site Planning Standards**

- Language is incorporated throughout Chapter 19.435 which address the following site planning, design and building efficiency standards of AB 98:
 - 21st Century or Tier 1 21st Century development standards:
 - Building energy efficiency standards of the CA Green Building Code
 - Truck loading bay location requirements
 - Integration of truck entrance and exits and internal circulation requirements
 - Landscaping buffer requirements
 - Wall heights when abutting a sensitive receptor
 - Building siting requirements such as new or modified facilities being located on certain roadways of the City as identified in the General Plan Circulation Element

- **Amendment 4: Truck Routing Plan**

- Language is incorporated which requires that a truck routing plan, consistent with the City's established truck routes, be approved by the City prior to a certificate of occupancy being issued to a warehouse operator.

- **Amendment 5: Replacement Housing and Other Standards**

- Language is incorporated including reference to any replacement housing assistance requirements in the event that housing is demolished to facilitate the development of a new or modified warehousing and distribution facility consistent with AB 98.

C. GENERAL PLAN UPDATE – CIRCULATION ELEMENT TO ADOPT TRUCK ROUTES

The City is currently undergoing a comprehensive update of the General Plan with a horizon year of 2050. As part of this process, the Circulation Element will identify and establish truck routes consistent with AB 98. Although this update has not yet occurred, substantial effort is expected throughout 2026 and adoption is anticipated in 2027. Robust community outreach and stakeholder engagement will be conducted before any truck routes are formally adopted, consistent with the requirements of AB 98 and with City policy.

CITY COUNCIL AND LAND USE COMMITTEE POLICY DIRECTION

For several years, staff has worked closely with various neighborhood residents, environmental groups, community interest groups, labor unions, real estate professionals, and developers of industrial projects to identify proposed amendments to the Zoning Code. This consultation process identified growing concern within the City and across the state regarding the concentration of new warehousing and distribution facilities and their proximity to sensitive areas like residential neighborhoods and schools.

As a result of this effort, staff identified various provisions intended to address community feedback and City Council policy direction. These proposed amendments were presented to the Planning Commission City Council for recommendation and approval.

Most of the proposed amendments are tailored to regulating warehousing and distribution facilities, but there are a few provisions which apply broadly to all industrial development as noted in Chapter 19.130 below.

The following changes are not intended to implement, and would exceed the requirements of, AB 98.

A. CHAPTER 19.150 – PERMITTED LAND USES

- ***Amendment 1: Warehousing and Distribution Facility as a permitted use***
 - The *current* zoning code permits any facility over 100,000 square feet with a Conditional Use Permit (CUP). As *proposed*, facilities 400,000 square feet or greater would be prohibited in all industrial zones except the General Industrial (I) zone, where they may be permitted with a CUP.
 - As a general note: the maximum allowable building size for warehousing and distribution facilities is based on the distance between the proposed building and the property line of the nearest sensitive receptor. Under the proposed standards, building sizes may range from 10,000 to 400,000 square feet, with larger buildings allowed at greater distances from sensitive receptors. The closer a facility is to a sensitive receptor, the stricter the size limits; the further away, the more flexibility is allowed.
- ***Amendment 2: Warehousing, Storage as an Incidental Use***
 - Per City Council direction, flexibility to allow warehousing as an incidental use for primary permitted industrial uses such as manufacturing and technology is included in the proposed amendments. Currently, the Incidental Uses Table does not address ancillary warehousing. This update would authorize ancillary warehousing while ensuring it complies with the development standards outlined in Chapter 19.130, rather than the more restrictive standards of Chapter 19.435, which implements AB 98. This will allow greater flexibility for economic development drivers that are not logistic uses by supporting their ancillary uses.

B. CHAPTER 19.435 – WAREHOUSING AND DISTRIBUTION FACILITIES

- ***Amendment 1: New Floor Area Ratio (FAR) Table***
 - Feedback received during the outreach process indicated a desire to limit the number of warehousing buildings on a particular parcel. Currently, the FAR determines the cumulative building area allowed based on the zoning designation.
 - In order to address this feedback, the proposed FAR table applies specifically to warehousing and distribution facilities and sets limits on the allowable building space based on factors such as the parcel's size, its proximity to the nearest sensitive receptor, and its underlying zoning designation. Parcels closer to a sensitive receptor will have stricter limits on building area and smaller buildings. In contrast, parcels farther away from a sensitive receptor are allowed more flexibility, with larger buildings and more space permitted. Similarly, smaller parcels will be permitted to have buildings that occupy a larger proportion of their site than larger parcels, which will be more limited in buildable area.
- ***Amendment 2: Increased Project Notification Radius for Warehousing Projects***
 - Feedback from the community outreach efforts indicated the current 300-foot project notification radius is not enough to adequately inform residents of new warehousing projects. The proposed amendment increases the notification radius to 1,000 feet for new warehousing and distribution facilities. At the August 19, 2025 City Council meeting, the Council directed staff to remain flexible on the notification radius, initially set at ½ mile or 2,640 feet. The 1,000-foot radius aligns with guidance from neighboring agencies and with other notification requirements already established in the Zoning Code.

C. CHAPTER 19.130 – INDUSTRIAL ZONES

The following proposed amendments will apply broadly to all new or modified industrial development.

- ***Amendment 1 – Increased Landscaping Requirements***

- Side & rear yard setback
 - Any new industrial development adjacent to a residential zone or use must provide at least 20 feet of landscaping in the side and rear yard setback area where the current code requires 15 feet.
- Buffering between uses
 - In addition to any required setback, any industrially zoned lot which shares a property line with a residential zone or use will be required to provide at least 20 feet of a landscape buffer comprised of various trees and alternative planting materials along the property line which is shared with the residential zone or use.
- **Amendment 2 – Increased Wall Height Requirements**
 - Any parcel adjacent to a residential zone or use must provide a minimum of 10-foot-high solid masonry wall where the current code requires a minimum of 8 feet.

D. CHAPTER 19. 670 – PUBLIC HEARING AND NOTICE REQUIREMENTS

- ***On-site Project Notification Signage and Increased Notice Recipients***

- For any new industrial development project within the BMP and I Industrial zones that requires a Minor Conditional Use Permit (MCUP) or Conditional Use Permit (CUP), a new section will require posting a Notice of Filing sign at the project site. This aims to increase project transparency early in the process. The sign must meet specific timing, size, and maintenance standards to ensure community members have sufficient time to respond during the initial stages of project review.
- The amendments also revise notice requirements to include tenant occupants, in addition to property owners, for any project subject to notification. This ensures renters in multi-tenant properties receive the same project notifications as property owners during the review process.

PUBLIC OUTREACH AND COMMENT:

Notice was published in the Press Enterprise on October 30, 2025. As of the writing of this report, Staff has not received public comments regarding this project.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Staff Report Compilation
2. Senate Bill 415 Bill Text
3. Proposed Ordinance
4. ALUC Letter of Consistency
5. Presentation