



Land Use Committee Memorandum

City of Arts & Innovation

TO: LAND USE COMMITTEE MEMBERS DATE: AUGUST 10, 2026

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARDS: ALL

SUBJECT: OPTIONS FOR REGULATING WOODEN PALLET STORAGE YARDS

ISSUE:

Review of potential options for regulating wooden pallet storage yards.

RECOMMENDATION:

That the Land Use Committee review options for regulating the outdoor storage of wooden pallets and provide direction to Staff.

BACKGROUND:

Title 19 (Zoning) of the Riverside Municipal Code (RMC) does not specifically regulate the storage, repair, assembly and disassembly of wooden pallets as a unique land use. Pallet storage yards and facilities are treated as general outdoor storage or indoor warehousing uses pursuant to Table 19.150.020(A) (Base Zones Permitted Land Uses Table). Outdoor storage uses are subject to minimum site improvement, screening, landscaping, lighting and fencing standards. In certain Zones, standalone outdoor storage uses are only permitted subject to the granting of a Minor Conditional Use Permit.

The storage of combustible materials such as lumber, including wooden pallets, are subject to the provisions of RMC Chapter 16.32 (Fire Prevention) and the 2025 California Fire Code (CFC) Chapter 315, local amendments included. The Riverside Fire Department (RFD) Fire Prevention Division will inspect pallet storage yards every four years for compliance and, should violations be observed, corrections and citations will be issued and the case will be referred to Code Enforcement for further inspection and enforcement. Where manufacturing, assembly and disassembly occur, building and electrical permits for occupancy and equipment are required, and stringent explosive dust control measures per the CFC apply.

Moratorium

Pursuant to California Government Code Section 65858, in order to protect the public safety, health, and welfare, the City may adopt an interim ordinance on an urgency basis prohibiting any uses that may be in conflict with a contemplated general plan, specific plan or zoning proposal that the legislative body, planning commission or the planning department is considering, studying, or intends to study within a reasonable time.

On May 19, 2026, the City Council adopted Ordinance No. 7769, which established a 45-day moratorium on the establishment or expansion of wooden pallet storage yards within the City to allow staff to study options for permanent regulations for such uses to protect the public health, safety and welfare (Attachment 1). On June 16, 2026, the City Council adopted Ordinance No. 7775 extending the moratorium for an

additional 10 months and 15 days, expiring on May 1, 2027 (Attachment 2).

DISCUSSION:

Unregulated and under-regulated stockpiling and storage of combustible wooden pallets has become a persistent issue in the City's industrial areas subject to Code Enforcement and Fire Department corrective action. The lack of Zoning standards exacerbates this issue, as the general standards applicable to all outdoor storage uses are not designed to address the specific hazards associated with wooden pallet storage yards, including but not limited to:

1. **Fire Risk:** Wooden pallet storage yards present an obvious fire hazard due to the storage of large quantities of wood, a combustible material, at a single site. Most recently, in March 2026, a large fire originating at a pallet storage yard in the Northside neighborhood damaged and destroyed multiple businesses, sending three Riverside Fire Department personnel to the hospital. According to RFD, since January 2025, there have been a total of 29 incidents involving pallet storage yards and requiring emergency response.
2. **Stacking Hazards:** Pallet storage yards often store wooden pallets in high stacks. Without adequate regulation of the location, height, and volume of these stacks, or the separation between these stacks, the health, safety, and welfare of the public may be endangered. The improper or unsafe stacking of wood pallets could also be a falling risk, endangering employees, and visitors to these sites, or may become a fire hazard, endangering the public and neighboring properties.

In addition, recent Code Enforcement activity related to pallet storage yards has highlighted aesthetic, neighborhood livability, and land use compatibility concerns. These arise from pallet storage yards and stacked pallets that are not properly screened from view of surrounding properties and public streets; do not provide adequate on- and off-site circulation for transportation of materials; do not provide adequate fencing, lighting, property maintenance, security, and pest control; and, in some cases, are engaged in unpermitted outdoor manufacturing activities such as assembling and disassembling pallets. Since 2023, Code Enforcement has issued a total of 36 Notices of Violation to 11 different pallet storage businesses throughout the City, nine of which have ongoing Code Enforcement cases as of the writing of this report.

Options for regulating pallet storage yards

Staff have preliminarily identified three potential options for regulating pallet storage yards to address safety and compatibility concerns. With direction from the Committee, Staff will develop a proposal to amend the Zoning Ordinance for further consideration along one of the following paths:

1. **No change.** This option would maintain the Zoning Ordinance's existing treatment of pallet storage yards as a general outdoor storage use. Pallet storage yards would continue to be subject to specific safety requirements for storage of combustible materials in RMC Chapter 16.32 (Fire Prevention) and CFC Chapter 315.
2. **Use-specific regulations.** Under this option, Staff will review best practices of peer jurisdictions around the state for regulating pallet storage yards and draft proposed Zoning language for further discussion. Draft language will address the following topics and solicit direction on the following questions:
 - a. *Permissible zones:* In which Zoning districts should pallet storage yards be allowed?
 - b. *Required permits/approvals:*
 - i. Should pallet storage yards be permitted as-of-right or subject to the granting of a Conditional or Minor Conditional Use Permit?
 - ii. What level of review and approving authority (Staff, CEDD Director, Planning Commission, City Council) is appropriate?
 - iii. What other procedures (e.g. public notification, neighborhood engagement, RFD consultation, etc.) should be required as part of the approval process?
 - c. *Site location, operation, and development standards:*
 - i. Should minimum separation requirements from other uses be required and, if so,

which uses and what distances are appropriate?

- ii. Should minimum standards be established for pallet stacking, screening, lighting, landscaping, security, fire suppression, emergency vehicle access or other concerns beyond those required for general outdoor storage uses?
- iii. Should fire safety requirements of RMC 16.32 and/or CFC Chapter 315 be further codified in the Zoning Ordinance?

3. **Prohibition.** Should the Committee direct staff to pursue this option, a Zoning amendment would be drafted to establish pallet storage yards as a use prohibited in all Zoning districts Citywide. Staff would seek further direction on the following matters:

- a. Should the prohibition apply retroactively or on a go-forward basis?
- b. If retroactive, should existing pallet storage yards be given a compliance period, and, if so, how long should it be?

Alternatives

Alternatively, the Committee may provide additional or substitute directions to the options outlined above.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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Concurs with:	Steve McKinster, Fire Chief

Attachments:

1. Ordinance No. 7769
2. Ordinance No. 7775
3. Presentation