



CITY OF MENIFEE

SUBJECT: Assembly Bill 98 Overview, Warehouse Design and Build Standards

MEETING DATE: May 21, 2025

TO: Mayor and City Council

PREPARED BY: Doug Darnell, Principal Planner

REVIEWED BY: Orlando Hernandez, Acting Community Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Review and discuss the requirements and implications of Assembly Bill 98 regarding warehouse design and build standards.

DISCUSSION

In December 2024, the City Council requested a future agenda item for staff to provide an overview of Assembly Bill 98.

Assembly Bill (AB) 98 Overview

AB 98 was signed into law by Governor Newsom on September 29, 2024 and became effective on January 1, 2025. The law applies statewide and imposes minimum distances between logistics facilities (i.e. logistics warehouses) and sensitive sites. The purpose of AB 98 is to protect vulnerable residents from the negative impacts of Logistics Uses. In particular, the legislation targets the Inland Empire Region, which has over 1 billion square feet of warehouse space, and which, for decades has experienced a proliferation of logistics development, such as in the cities of Perris and Moreno Valley. The law addresses air quality, noise and traffic impacts to communities that are heavily impacted by the logistics industry (e.g., cities of Perris, Moreno Valley, etc.).

In general, AB 98 broadly applies to all new developments or expansions (20% or more) of Logistics Uses and imposes standards relating to logistics warehouse design and location, parking, truck loading bays, landscaping buffers, entry gates, and signage. AB 98 applies to Logistics Use projects based on size, zoning, and distance from sensitive receptors.

Logistics Use Definition

AB 98 defines “Logistic Use” as follows:

“Building in which cargo, goods, or products are moved or stored for later distribution to business or retail customers, or both, that does not predominantly serve retail customers for onsite purchases, and heavy-duty trucks are primarily involved in the movement of the cargo, goods, or products.”

Distance from Sensitive Receptors

Projects that are within 900 feet of a “sensitive receptor” are subject to the requirements of AB 98. Sensitive receptors include residential areas, schools, daycare, public parks, nursing homes, and hospitals.

Exceptions

AB 98 does not apply to projects that have commenced the local entitlement process by September 30, 2024 or projects that were approved prior to January 1, 2025.

Zoning & Warehouse Concentration Region

AB 98 applies different standards based on the zoning of the property on which the Logistics Use project is situated. Projects that require rezoning to industrial and projects located in the Southern California “warehouse concentration region”, must conform to all AB 98 siting and operational requirements, no matter how far that project is from a sensitive receptor. The “warehouse concentration region” includes:

“Unincorporated San Bernardino and Riverside Counties and the Cities of Chino, Colton, Fontana, Jurupa Valley, Moreno Valley, Ontario, Perris, Rancho Cucamonga, Redlands, Rialto, Riverside and San Bernardino.”

The law requires, commencing January 1, 2026, that all new or expanded warehouses 250,000 square feet or above to have their loading docks 300-500 feet from sensitive receptor property lines, depending on zoning and other factors based on the breakdown of categories shown in table on the following page.

TABLE 1: AB 98 TRUCK LOADING BAY SETBACKS

Category	Loading Bay Setback	Buffer Width*
CATEGORY 1 250,000 sf or more Site zoned for industrial uses within 900 feet of a sensitive receptor	Min. 300 ft from property line of nearest sensitive receptor to the nearest truck loading bay opening	50 ft
CATEGORY 2 250,000 sf or more Site not zoned for industrial uses / needs to be rezoned within 900 feet of a sensitive receptor	Min. 500 ft from property line of nearest sensitive receptor to the nearest truck loading bay opening	100 ft
CATEGORY 3 <i>All <u>Warehouse Concentration Region</u> logistics uses (not applicable to Menifee)</i>	Min. 500 ft from property line of nearest sensitive receptor to the nearest truck loading bay opening	100 ft
CATEGORY 4 Less than 250,000 sf	N/A	50 ft

*Buffer area must include:

- A solid wall or landscaped berm minimum 10 feet in height
- Drought tolerant natural ground landscaping with proper irrigation
- Solid-screen buffering trees

Requirements Applicable to All New or Expanded Logistics Uses

While many of AB 98’s requirements are triggered by the presence of a sensitive receptor within 900 feet of a project or the need for a rezone, the following requirements apply to all new or expanded logistics uses:

- Where a Logistics Use development involves demolishing any housing unit that was occupied within the previous 10 years, the City is required to impose a 2-to-1 replacement requirement as a condition of approval. The developer is also required to pay any evicted tenants the equivalent of 12 months’ rent at their current rate.
- Entry gates to the loading truck court must be positioned to allow a minimum of 50 feet of available stacking depth inside the property line. The stacking depth would increase by 70 feet for every 20 loading bays and beyond 50 loading bays, to the extent feasible.
- New Logistic Uses may only be located on roads designated as arterial roads, collector roads, major thoroughfare, or local roads that predominantly serve commercial uses. However, local jurisdictions are required to issue a waiver if there are no feasible alternative sites and certain additional criteria are met.

- Anti-idling signs must be installed at truck loading sites, the entrance to the development, and at all heavy-duty truck exit driveways directing drivers to the proper truck route.
- Facility operators must prepare and submit a truck routing plan to and from the state highway system based on the jurisdiction's latest truck map before receiving a certificate of occupancy. The plan must include information about the facility's operations as well as enumerated measures to prevent trucks from queuing, circling, stopping, and parking on public streets.

General Plan Requirements

In addition to the requirements above, AB 98 requires cities and counties to update the Circulation Element of their General Plans to establish designated truck routes that avoid residential areas and sensitive receptors. AB 98 requires that any new Logistics Use development to be sited on roadways that meet the following classifications:

- Arterial roads
- Collector roads
- Major thoroughfares
- Local roads that predominantly serve commercial uses.

Further, the law provides that major or minor collector streets and roads that predominantly serve commercially oriented uses shall be used for truck routes only when strictly necessary to reach existing industrial zones.

Other General Plan elements such as the Land Use, Safety and Environmental Justice Elements, may also need to be updated to address land use conflicts and separation of Logistics Uses from sensitive receptors. Jurisdictions within the "warehouse concentration region" have until January 1, 2026 to make these amendments. All other jurisdictions (inclusive of Menifee) must complete these revisions by January 1, 2028.

Conclusion

AB 98 limits local control by imposing strict siting criteria and design standards that will increase development costs and present significant challenges for development of Logistics Use projects. AB 98 has the potential to preclude redevelopment of existing Logistics Uses and prohibits construction of Logistics Uses over 250,000 square feet that cannot meet the bill's siting criteria and development standards.

There is currently proposed draft clean-up legislation with AB 735 (Carillo) and Senate Bill (SB) 415 (Reyes), which includes technical amendments to further clarify the provisions of AB 98. Because AB 98 targets many jurisdictions within our region, a Technical Assistance/Coordination Team comprised of the Western Riverside Council of Governments (WRCOG) in coordination with the San Bernardino County Transportation Authority, along with a consultant team of experts, have been working on efforts to provide AB 98 regional support and regional technical assistance to Riverside and San Bernardino County jurisdictions including General Plan updates, truck route conformance review, development review guidance and zoning checklist, and additional tools.

STRATEGIC PLAN OBJECTIVE

Connectivity and Mobility, Thriving Economy, Safe and Vibrant Community

FISCAL IMPACT

There is no fiscal impact associated with this recommended action.

ATTACHMENTS

There are no attachments.