



## AB-98 Planning and zoning: logistics use: truck routes. (2023-2024)

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### Assembly Bill No. 98

#### CHAPTER 931

An act to add Section 65302.02 to, and to add Chapter 2.8 (commencing with Section 65098) to Division 1 of Title 7 of, the Government Code, and to add Sections 40458.5 and 40522.7 to the Health and Safety Code, relating to land use.

[ Approved by Governor September 29, 2024. Filed with Secretary of State September 29, 2024. ]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 98, Juan Carrillo. Planning and zoning: logistics use: truck routes.

(1) Existing law, the Planning and Zoning Law, sets forth various requirements relating to the review of development project permit applications and the issuance of development permits for specified classes of development projects.

This bill, beginning January 1, 2026, would prescribe various statewide warehouse design and build standards for any proposed new or expanded logistics use developments, as specified, including, among other things, standards for building design and location, parking, truck loading bays, landscaping buffers, entry gates, and signage. The bill would except from those design and build standards certain existing logistics use developments, proposed expansions of a logistics use development, and property currently in a local entitlement process to become a logistics use, under prescribed conditions. The bill would require a facility operator, prior to the issuance of a certificate of occupancy, to establish and submit for approval by a city, county, or city and county a truck routing plan to and from the state highway system based on the latest truck route map of the city, county, or city and county, as prescribed. The bill would require a facility operator to enforce the plan. The bill would provide for the revision of the plan in specified circumstances.

The bill would prohibit a city, county, or city and county from approving development of a logistics use that does not meet or exceed the standards outlined in the bill. The bill would require a city, county, or city and county to condition approval of a logistics use on 2-to-1 replacement of any demolished housing unit that was occupied within the last 10 years unless the housing unit was declared substandard by a building official, as specified, and payments to displaced tenants if residential dwellings are affected through purchase, as prescribed. The bill would define terms for these purposes.

(2) The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city and specified land outside its boundaries that includes, among other specified mandatory elements, a circulation element consisting of the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, any

military airports and ports, and other local public utilities and facilities, all correlated with the land use element of the plan. Existing law requires, upon any substantive revision of the circulation element, that the legislative body modify the element to address specified additional issues.

This bill would require a county or city, by January 1, 2028, except as provided, to update its circulation element, as prescribed, including identifying and establishing specific travel routes for the transport of goods, materials, or freight for storage, transfer, or redistribution to safely accommodate additional truck traffic and avoid residential areas and concentrations of sensitive receptors, as defined. The bill would establish specific standards for truck routes. The bill would require a county or city to provide for posting of conspicuous signage to identify truck routes and additional signage for truck parking and appropriate idling facility locations. The bill would require a county or city to make truck routes publicly available and share maps of the truck routes with warehouse operators, fleet operators, and truck drivers. The bill would authorize the Attorney General to enforce these provisions, as provided, including by imposition of a fine of up to \$50,000 every 6 months if the required updates have not been made.

(3) Existing law provides for the creation of the South Coast Air Quality Management District in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Existing law provides that the south coast district is governed by a board consisting of 13 members and requires the district to adopt rules and regulations to carry out the south coast district air quality management plan that are not in conflict with state and federal laws and rules and regulations.

This bill would require the south coast district to establish a process for receiving community input on how any penalties assessed and collected for violation of the Warehouse Indirect Source Rule are spent, as specified. The bill would require the south coast district, subject to an appropriation for this express purpose, to, beginning on January 1, 2026, and until January 1, 2032, deploy mobile air monitoring systems within the Counties of Riverside and San Bernardino to collect air pollution measurements in communities that are near operational logistics use developments. The bill would require the south coast district to use the data collected to conduct an air modeling analysis to evaluate the impact of air pollution on sensitive receptors from logistics use development operations and to submit its findings to the Legislature on or before January 1, 2033. The bill would also require the district to submit an interim report to the Legislature on or before January 1, 2028, to evaluate the impact of air pollution on sensitive receptors, as defined, from logistics use development operations in the Counties of Riverside and San Bernardino, as provided.

(4) By modifying the duties of local agencies with regard to the approval of logistics use development and requiring the revision of the circulation element of a general plan, the bill would impose a state-mandated local program.

(5) The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Chapter 2.8 (commencing with Section 65098) is added to Division 1 of Title 7 of the Government Code, to read:

**CHAPTER 2.8. Warehouse Design and Build Standards**

**65098.** As used in this chapter:

(a) "21st century warehouse" means a logistics use that meets all of the following:

(1) Complies with or exceeds all requirements of the most current building energy efficiency standards specified in Part 6 (commencing with Section 100) of Title 24 of the California Code of Regulations and the California Green Building Standards Code (Part 11 of Title 24 of the California Code of Regulations), including, but not limited to, the following requirements related to:

(A) Photovoltaic system installation and associated battery storage.

(B) Cool roofing.

(C) Medium- and heavy-duty vehicle charging readiness.

(D) Light-duty electric vehicle charging readiness and installed charging stations.

(2) Has skylights in at least 1 percent of the roof area, or equivalent LED efficient lighting.

(3) Provides conduits and electrical hookups at all loading bays serving cold storage. Idling or use of auxiliary truck engine power to power climate control equipment shall be prohibited if the truck is capable of plugging in at the loading bay.

(4) Ensures that any heating, ventilation, and air-conditioning is high-efficiency.

(5) (A) Ensures that all classes of forklifts used on site, pursuant to State Air Resources Board's Zero-Emission Forklifts regulation, as drafted, shall be zero-emission by January 1, 2030, to the extent operationally feasible, commercially off-the shelf available, and adequate power available on site.

(B) (i) If not operationally feasible, commercially off-the shelf available, or if there is inadequate power available on site, the cleanest technology commercially available shall be used.

(ii) Cost shall not be a factor in determining operational feasibility pursuant to this subparagraph.

(6) (A) Ensures that equipment used on site utilizing small off-road engines shall be zero-emission, to the extent operationally feasible, commercially off-the shelf available, and adequate power available on site.

(B) (i) If not operationally feasible, commercially off-the shelf available, or if there is inadequate power available on site, the cleanest technology commercially available shall be used.

(ii) Cost shall not be a factor in determining operational feasibility pursuant to this subparagraph.

(C) Should any equipment used on site utilizing small off-road engines be contracted out, the logistics use facility shall preferentially contract for services utilizing zero-emission small off-road engines.

(b) "Expansion of an existing logistics use" means the expansion of an existing logistics use by 20 percent or more of the existing square footage. Office space shall not be included as part of the existing square footage or in the square footage for the 20-percent expansion threshold.

(c) "Heavy-duty truck" means a class 7 or class 8 truck. As used in this subdivision:

(1) "Class 7 truck" means a truck with a gross vehicle weight rating of 26,001 to 33,000 pounds.

(2) "Class 8 truck" means a truck with a gross vehicle weight rating of greater than 33,000 pounds.

(d) "Logistics use" means a 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. "Logistics use" does not include any of the following:

(1) Facilities where food or household goods are sold directly to consumers and are accessible to the public.

(2) A building primarily served by rail to move cargo goods or product.

(3) (A) A Strategic Intermodal Facility.

(B) For purposes of this subdivision, "Strategic Intermodal Facility" means a project that satisfies all of the following requirements:

(i) Logistics facilities, including warehousing and transloading facilities, served by rail.

(ii) Intermodal freight transport services.

(iii) All facility structures and related rail operations are located within a single site footprint.

(e) "Sensitive receptor" means one or more of the following:

(1) A residence, including, but not limited to, a private home, apartment, condominium unit, group home, dormitory unit, or retirement home.

(2) A school, including, but not limited to, a preschool, prekindergarten, or school maintaining kindergarten or any of grades 1 to 12, inclusive.

(3) A daycare facility, including, but not limited to, in-home daycare.

(4) Publicly owned parks, playgrounds, and recreational areas or facilities primarily used by children, unless the development of the park and recreation areas are included as a condition of approval for the development of a logistics use.

(5) Nursing homes, long-term care facilities, hospices, convalescent facilities, or similar live-in housing.

(6) Hospitals, as defined in Section 128700 of the Health and Safety Code.

(f) "Small off-road engines" means spark-ignition engines rated at or below 19 kilowatts.

(g) "Tier 1 21st century warehouse" means a logistics use that meets all of the following:

(1) Complies with or exceeds all requirements of the most current building energy efficiency standards specified in Part 6 (commencing with Section 100) of Title 24 of the California Code of Regulations and the California Green Building Standards Code (Part 11 of Title 24 of the California Code of Regulations), including, but not limited to, the following requirements related to:

(A) (i) Photovoltaic system installation and associated battery storage.

(ii) For purposes of the photovoltaic system installation requirement in clause (i), all warehouse square footage should be considered conditioned space.

(B) Cool roofing.

(C) Medium- and heavy-duty vehicle charging readiness.

(D) Light-duty electric vehicle charging readiness and installed charging stations.

(2) Has skylights in at least one percent of the roof area, or equivalent LED efficient lighting.

(3) Has a microgrid-ready switchgear system capable of supporting distributed energy resources.

(4) Is advanced smart metering ready.

(5) Has a minimum of 50 percent of all passenger vehicle parking spaces preinstalled with conduit and all necessary physical infrastructure to support future charging of electric vehicles.

(6) Has a minimum of 10 percent of all passenger vehicle parking spaces installed with electric vehicle charging stations.

(7) Provides conduits and electrical hookups at all loading bays serving cold storage. Idling or use of auxiliary truck engine power to power climate control equipment shall be prohibited if the truck is capable of plugging in at the loading bay.

(8) Ensures that any heating, ventilation, and air-conditioning is high-efficiency.

(9) (A) Ensures that all classes of forklifts used on site, pursuant to State Air Resources Board's Zero-Emission Forklifts regulation, as drafted, shall be zero-emission by January 1, 2028, to the extent operationally feasible, commercially off-the shelf available, and adequate power available on site.

(B) (i) If not operationally feasible, commercially off-the shelf available, or if there is inadequate power available on site, the cleanest technology commercially available shall be used.

(ii) Cost shall not be a factor in determining operational feasibility pursuant to this subparagraph.

(10) (A) Ensures that equipment used on site utilizing small off-road engines shall be zero-emission, to the extent operationally feasible, commercially off-the shelf available, and adequate power available on site.

(B) (i) If not operationally feasible, commercially off-the shelf available, or if there is inadequate power available on site, the cleanest technology commercially available shall be used.

(ii) Cost shall not be a factor in determining operational feasibility pursuant to this subparagraph.

(C) Should any equipment used on site utilizing small off-road engines be contracted out, the logistics use facility shall preferentially contract for services utilizing zero-emission small off-road engines.

(h) "Warehouse concentration region" includes the Counties of Riverside and San Bernardino and the Cities of Chino, Colton, Fontana, Jurupa Valley, Moreno Valley, Ontario, Perris, Rancho Cucamonga, Redlands, Rialto, Riverside, and San Bernardino.

**65098.1.** (a) Commencing January 1, 2026, any proposed new or expanded logistics use development 250,000 square feet or more where the loading bay is within 900 feet of a sensitive receptor that is utilizing a site zoned for industrial use or any site where an application was submitted to the jurisdiction by September 30, 2024, to rezone as industrial and the rezone to industrial was ultimately approved shall comply with all of the following:

- (1) Include all Tier 1 21st century warehouse design elements described in subdivision (g) of Section 65098.
- (2) Orient truck loading bays on the opposite side of the logistics use development away from sensitive receptors, to the extent feasible.
- (3) Locate truck loading bays a minimum of 300 feet from the property line of the nearest sensitive receptor to the nearest truck loading bay opening using a direct straight-line method.
- (4) Have a separate entrance for heavy-duty trucks accessible via a truck route, arterial road, major thoroughfare, or a local road that predominantly serves commercial oriented uses.
- (5) Locate truck entry, exit, and internal circulation away from sensitive receptors. Heavy-duty diesel truck drive aisles shall be prohibited from being used on sides of the building that are directly adjacent to a sensitive receptor property line.
- (6) Include buffering and screening to mitigate for light and noise, as described in Section 65098.2.

(b) Commencing January 1, 2026, except as provided for in subdivision (c), any proposed new or expanded logistics use development that is on land that is not zoned industrial, whether developed or undeveloped, or land that needs to be rezoned, where the loading bay is within 900 feet of a sensitive receptor, shall comply with all of the following:

- (1) If the logistics use development is 250,000 square feet or more it shall include all Tier 1 21st century warehouse design elements described in subdivision (g) of Section 65098. If the logistics use development is less than 250,000 square feet it shall include all 21st century warehouse design elements described in subdivision (a) of Section 65098.
- (2) Orient truck loading bays on the opposite side of the logistics use development away from sensitive receptors, to the extent feasible.
- (3) Locate truck loading bays a minimum of 500 feet from the property line of the nearest sensitive receptor to the nearest truck loading bay opening using a direct straight-line method.
- (4) Have a separate entrance for heavy-duty trucks accessible via a truck route, arterial road, major thoroughfare, or a local road that predominantly serves commercial oriented uses.
- (5) Locate truck entry, exit, and internal circulation away from sensitive receptors. Heavy-duty diesel truck drive aisles shall be prohibited from being used on sides of the building that are directly adjacent to a sensitive receptor property line.
- (6) Include buffering and screening to mitigate for light and noise, as described in Section 65098.2.

(c) Commencing January 1, 2026, any proposed new or expanded logistics use development that is on land that is not zoned industrial, whether developed or undeveloped, or land that needs to be rezoned, and is located in the warehouse concentration region, shall comply with all of the following:

- (1) If the logistics use development is 250,000 square feet or more it shall include all Tier 1 21st century warehouse design elements described in subdivision (g) of Section 65098. If the logistics use development is less than 250,000 square feet it shall include all 21st century warehouse design elements described in subdivision (a) of Section 65098.
- (2) Orient truck loading bays on the opposite side of the logistics use development away from sensitive receptors, to the extent feasible.

(3) Locate truck loading bays a minimum of 500 feet from the property line of the nearest sensitive receptor to the nearest truck loading bay opening using a direct straight-line method.

(4) Have a separate entrance for heavy-duty trucks accessible via a truck route, arterial road, major thoroughfare, or a local road that predominantly serves commercial oriented uses.

(5) Locate truck entry, exit, and internal circulation away from sensitive receptors. Heavy-duty diesel truck drive aisles shall be prohibited from being used on sides of the building that are directly adjacent to a sensitive receptor property line.

(6) Include buffering and screening to mitigate for light and noise, as described in Section 65098.2.

(d) Commencing January 1, 2026, any proposed new or expanded logistics use development less than 250,000 square feet where the loading bay is within 900 feet of a sensitive receptor that is utilizing a site zoned for industrial use or any site where an application was submitted to the jurisdiction by September 30, 2024, to rezone as industrial and the rezone to industrial was ultimately approved shall comply with all of the following:

(1) Orient truck loading bays on the opposite side of the logistics use development away from sensitive receptors, to the extent feasible.

(2) Locate truck entry, exit, and internal circulation away from sensitive receptors. Heavy-duty diesel truck drive aisles shall be prohibited from being used on sides of the building that are directly adjacent to a sensitive receptor property line.

(3) Include buffering and screening to mitigate for light and noise, as described in Section 65098.2.

(4) Complies with or exceeds all requirements of the most current building energy efficiency standards specified in Part 6 (commencing with Section 100) of Title 24 of the California Code of Regulations and the California Green Building Standards Code (Part 11 of Title 24 of the California Code of Regulations), including, but not limited to, the following requirements related to:

(A) Photovoltaic system installation and associated battery storage.

(B) Cool roofing.

(C) Medium- and heavy-duty vehicle charging readiness.

(D) Light-duty electric vehicle charging readiness and installed charging stations.

(5) Provides conduits at loading bays equal to one truck per every loading bay serving cold storage. Idling or use of auxiliary truck engine power to power climate control equipment shall be prohibited if the truck is capable of plugging in at the loading bay.

(6) Ensures that any heating, ventilation, and air-conditioning is high-efficiency.

(7) Have a separate entrance for heavy-duty trucks accessible via a truck route, arterial road, major thoroughfare, or a local road that predominantly serves commercial oriented uses.

(e) (1) Except as provided in paragraph (2), on or before January 1, 2028, a city, county, or city and county shall update its circulation element to include truck routes, as specified in Section 65302.02.

(2) On or before January 1, 2026, all cities and counties in the warehouse concentration region shall update its circulation element to include truck routes, as specified in Section 65302.02.

**65098.1.5.** (a) (1) Notwithstanding any other provision of law, any existing logistics use development in existence as of September 30, 2024, shall not be subject to the requirements described in paragraph (3) of subdivision (a) of, paragraph (3) of subdivision (b) of, or paragraph (3) of subdivision (c) of Section 65098.1, as applicable, if a new sensitive receptor is constructed, established, or permitted after the effective date of this chapter.

(2) Notwithstanding any other provision of law, if, by September 30, 2024, a proposed expansion of a logistics use development is in a local entitlement process, then the proposed expansion shall not be subject to the requirements described in paragraph (3) of subdivision (a) of, paragraph (3) of subdivision (b) of, or paragraph (3) of subdivision (c) of Section 65098.1, as applicable, if a sensitive receptor is constructed, established, or permitted after the effective date of this chapter.

(3) Notwithstanding any other provision of law, if, by September 30, 2024, a property is currently in a local entitlement process to become a logistics use, then the proposed logistics use development shall not be subject to the requirements described in paragraph (3) of subdivision (a) of, paragraph (3) of subdivision (b) of, or paragraph (3) of subdivision (c) of Section 65098.1, as applicable, if a sensitive receptor is constructed, established, or permitted after the effective date of this chapter.

(b) (1) Any new logistics use developments that require the rezoning of land and must undergo a municipal entitlement process shall not be subject to the requirements described in paragraph (3) of subdivision (a) of, paragraph (3) of subdivision (b) of, or paragraph (3) of subdivision (c) of Section 65098.1, as applicable, if the start of the entitlement process for the logistics use began before any sensitive receptor started its own entitlement or permitting process, unless the proposed sensitive receptor was an existing allowable use according to local zoning regulations.

(2) During a logistics use development's entitlement process for a new or expanded logistics use, if a new sensitive receptor is proposed or established within the distances required by paragraph (3) of subdivision (a) of, paragraph (3) of subdivision (b) of, or paragraph (3) of subdivision (c) of Section 65098.1, as applicable, then those distance requirements shall not apply to the logistics use development so long as the logistics use development was not already subject to those requirements prior to the new sensitive receptor being proposed or established.

(c) This chapter shall not apply to any logistics projects that were subject to a commenced local entitlement process prior to September 30, 2024.

(d) The protection afforded by this section shall remain in effect from the time of the initial application submission through the completion of the entitlement process, including any necessary rezoning actions and through the development period. If no development activity occurs within five years of entitlement approvals, the protections shall be waived.

(e) This chapter shall not apply to a logistics project that received an approval by a local agency prior to the effective date of this chapter. For purposes of this subdivision, "approval" shall have the same meaning as set forth in subdivision (a) of Section 15352 of Chapter 3 of Division 6 of Title 14 of the California Code of Regulations.

**65098.2.** (a) Any new logistics use facility within 900 feet of a sensitive receptor shall have a buffer as follows:

(1) If the logistics use development is subject to the requirements of subdivision (a) or (d) of Section 65098.1, the buffer shall be 50 feet in width measured from the property line of all adjacent sensitive receptors that fully screen the project from the sensitive receptor.

(2) If the logistics use development is subject to either subdivision (b) or subdivision (c) of Section 65098.1, the buffer shall be 100 feet in width measured from the property line of all adjacent sensitive receptors that fully screen the project from the sensitive receptor.

(b) Buffer areas shall include a solid decorative wall, landscaped berm and wall, or landscaped berm 10 feet or more in height, drought tolerant natural ground landscaping with proper irrigation, and solid-screen buffering trees as described in subdivision (c).

(c) Trees shall be used as part of a solid-screen buffering treatment and planted in two rows along the length of the property line adjacent to the sensitive receptor. Trees used for this purpose shall be evergreen, drought tolerant, to the extent feasible, composed of species with low biogenic emissions, of a minimum 36-inch box size at planting, and spaced at no greater distance than 40 feet on center. Palm trees shall not be utilized.

**65098.2.5.** The entry gates into the loading truck court for a new or expanded logistics use facility shall be positioned after a minimum of 50 feet of total available stacking depth inside the property line. The stacking depth shall be increased by 70 feet for every 20 loading bays beyond 50 loading bays, to the extent feasible.

**65098.2.7.** (a) The purpose of this section is to ensure that logistics use developments, beginning January 1, 2026, are sited in locations that minimize adverse impacts on residential communities and enhance transportation efficiency. This is achieved by restricting logistics use development to roadways that are suited to handle the associated traffic and that predominantly serve commercial uses.

(b) (1) Any new logistics use development shall be sited on roadways that meet the following classifications:

- (A) Arterial roads.
- (B) Collector roads.
- (C) Major thoroughfares.
- (D) Local roads that predominantly serve commercial uses.

(2) For purposes of this chapter, local roads shall be considered to predominantly serve commercial uses if more than 50 percent of the properties fronting the road within 1000 feet are designed for commercial or industrial use according to the local zoning ordinance.

(c) A waiver may be granted where siting on the designated roadways pursuant to subdivision (b) is impractical due to unique geographic, economic, or infrastructure-related reasons. The waiver shall be approved by the city, county, or city and county, provided that the applicant demonstrates all of the following:

- (1) There is no feasible alternative site that exists within the designated roadways.
- (2) A traffic analysis has been completed and submitted to the local approving authority.
- (3) The site is an existing industrial zone.
- (4) The proposed site will incorporate mitigations to minimize traffic and environmental impacts on residential areas to the greatest extent feasible.

**65098.3.** (a) Anti-idling signs indicating a three-minute heavy-duty truck engine idling restriction shall be posted at logistics use developments along entrances to the site and at the truck loading bays.

(b) Signs shall be installed at all heavy-duty truck exit driveways directing truck drivers to the truck route as indicated in the truck routing plan, as described in Section 65098.4, and in the state highway system.

**65098.4.** Prior to the issuance of a certificate of occupancy, a facility operator shall establish and submit for approval to the planning director or equivalent position for the city, county, or city and county a truck routing plan to and from the state highway system based on the latest truck route map of the city, county, or city and county. The truck routing plan shall describe the operational characteristics of the use of the facility operator, including, but not limited to, hours of operation, types of items to be stored within the building, and proposed truck routing to and from the facility to designated truck routes that, to the greatest extent possible, avoid passing sensitive receptors. The truck routing plan shall include measures, such as signage and pavement markings, queuing analysis, and enforcement, for preventing truck queuing, circling, stopping, and parking on public streets. The facility operator shall be responsible for enforcement of the truck routing plan. A revised truck routing plan shall be submitted to the planning director or equivalent position prior to a business license being issued by the city, county, or city and county for any new tenant of the property. The planning director or equivalent position shall have discretion to determine if changes to the truck routing plan are necessary, including, but not limited to, any additional measures to alleviate truck routing and parking issues that may arise during the life of the facility.

**65098.5.** (a) A city, county, or city and county shall not approve development of a logistics use that does not meet or exceed the standards outlined in this chapter.

(b) This section shall not be construed to restrict the existing authority of a city, county, or city and county to deny a logistics use facility altogether.

**65098.6.** A city, county, or city and county shall condition approval of a logistics use on the following:

(a) Two-to-one replacement of any demolished housing unit that was occupied within the last 10 years, unless the housing unit was declared substandard by a building official, pursuant to Section 17920.3 of the Health and Safety Code, prior to purchase by the developer. For each housing unit demolished, regardless of market value of the unit, two units of affordable housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that are deed-restricted shall be built within the jurisdiction. Funds from any fee imposed for the replacement of demolished housing units shall be placed in a housing-specific set-aside account and shall be used for housing within three years of collection.

(b) If residential dwellings are affected through purchase, the developer shall be required to provide any displaced tenant with an amount equivalent to 12 months' rent at the current rate.



**65098.7.** Nothing in this chapter shall be construed to supersede mitigation measures required by the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

**65098.8.** The Legislature finds and declares that the movement and storage of freight and the impact of this activity on public health and communities across the state as set forth in this chapter is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this chapter applies to all cities, including charter cities.

**65098.9.** The provisions of this chapter shall not apply to a logistics use development if it meets both of the following:

(a) The logistics use development is a mixed-use development that may create sensitive receptors on the site of the new logistics use development.

(b) There are no existing sensitive receptors within 900 feet of the loading bay.

**SEC. 2.** Section 65302.02 is added to the Government Code, to read:

**65302.02.** By January 1, 2028, except as provided for in subdivision (h), a county or city shall update its circulation element, as required by subdivision (b) of Section 65302, to do all of the following:

(a) Identify and establish specific travel routes for the transport of goods, materials, or freight for storage, transfer, or redistribution to safely accommodate additional truck traffic and avoid residential areas and sensitive receptors, as defined by Section 65098.

(b) Maximize the use of interstate or state divided highways as preferred routes for truck routes. The county or city shall also maximize use of arterial roads, major thoroughfares, and predominantly commercially oriented local streets when state or interstate highways are not utilized. Truck routes shall comply with the following:

(1) 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.

(2) Trucks shall be routed via transportation arteries that minimize exposure to sensitive receptors.

(3) On and after January 1, 2028, all proposed development of a logistics use development, as defined in subdivision (d) of Section 65098, shall be accessible via arterial roads, major thoroughfares, or roads that predominantly serve commercially oriented uses.

(A) The purpose of this section is to ensure that logistics use developments are sited in locations that minimize adverse impacts on residential communities and enhance transportation efficiency. This is achieved by restricting logistics use developments to roadways that are suited to handle the associated traffic and that predominantly serve commercial uses.

(B) For purposes of this section, local roads shall be considered to predominantly serve commercial uses if more than 50 percent of the properties fronting the road within 1000 feet are designated for commercial or industrial use according to the local zoning ordinance.

(c) The county or city may consult with the Department of Transportation and the California Freight Advisory Committee for technical assistance.

(d) The county or city shall provide for posting of conspicuous signage to identify truck routes and additional signage for truck parking and appropriate idling facility locations.

(e) The county or city shall make truck routes publicly available in geographic information system (GIS) format and share GIS maps of the truck routes with warehouse operators, fleet operators, and truck drivers.

(f) The city or county shall provide opportunities for the involvement of citizens, California Native American Indian tribes, public agencies, public utility companies, and civic, educational, and other community groups through public hearings and any other means the planning agency deems appropriate, consistent with Section 65351.

(g) The city or county shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the changes required pursuant to this section.

(h) The warehouse concentration region, as defined in Section 65098, shall implement the provisions of this section by January 1, 2026.

(i) The Attorney General may enforce this section.

(1) The Attorney General may impose a fine against a jurisdiction that is in violation of this section of up to fifty thousand dollars (\$50,000) every six months if the required updates have not been made.

(2) Upon appropriation by the Legislature, any fines collected shall be distributed by the Attorney General and returned to the local air quality management district in which the fine was imposed and be used for the district's efforts to improve air quality.

**SEC. 3.** Section 40458.5 is added to the Health and Safety Code, to read:

**40458.5.** (a) Subject to an appropriation for this express purpose, the south coast district shall, beginning on January 1, 2026, and until January 1, 2032, deploy mobile air monitoring systems within the Counties of Riverside and San Bernardino to collect air pollution measurements in communities that are near operational logistics use developments.

(b) The south coast district shall use the data collected pursuant to subdivision (a) to conduct an air modeling analysis to evaluate the impact of air pollution on sensitive receptors, as defined in Section 65098 of the Government Code, from logistics use development operations in the Counties of Riverside and San Bernardino, including relative pollution concentrations from logistics use developments at varying distances from sensitive receptors.

(c) The south coast district shall submit its findings to the Legislature on or before January 1, 2033. On or before January 1, 2028, the south coast district shall submit an interim report to evaluate the impact of air pollution on sensitive receptors, as defined in Section 65098 of the Government Code, from logistics use development operations in the Counties of Riverside and San Bernardino, including relative pollution concentrations from logistics use developments at varying distances from sensitive receptors. This report shall be used to assess the effectiveness of setbacks on public health.

(d) (1) The requirement for submitting a report imposed pursuant to subdivision (c) is inoperative on January 1, 2040, pursuant to Section 10231.5 of the Government Code.

(2) A report to be submitted pursuant to subdivision (c) shall be submitted in compliance with Section 9795 of the Government Code.

**SEC. 4.** Section 40522.7 is added to the Health and Safety Code, to read:

**40522.7.** The south coast district shall establish a process for receiving community input on how any penalties assessed and collected for violations of the Warehouse Indirect Source Rule are spent. The south coast district shall ensure a wide range of community groups are included in the process and that groups represent the geographic areas where there are high numbers of warehouse facilities.

**SEC. 5.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.