

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) SECTIONS 15061(b)(3) AND 15308 EXEMPTION MEMORANDUM**

### **Moreno Vally Logistics Use Facility Mitigation Measure Ordinance**

#### **1.0 INTRODUCTION**

The City of Moreno Valley (City), as the Lead Agency, is initiating an amendment to the Moreno Valley Municipal Code (Municipal Code), Title 9 (Planning and Zoning) to incorporate the Moreno Valley Logistics Use Facility Mitigation Measures Ordinance (Project), which establishes development and design standards for new or expanded logistics facilities in adherence to Assembly Bill (AB) 98 and Senate Bill (SB) 415 for compliance with CEQA. The Project also incorporates certain air quality mitigation measures, as negotiated between the California Attorney General's Office (AGO) and the City, necessary to ensure compliance with the Statement of Decision, embodied in the Judgment and Writ issued on May 6, 2024, in *Sierra Club v. The City of Moreno Valley, Case No. CVRI2103300* (CEQA Case). The Project is exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3) and 15308, which is further described below.

#### **Purpose of Exemption**

State CEQA Guidelines, Article 19, includes a list of classes of projects that the State has already determined would not have a significant effect on the environment, and therefore, streamlines the CEQA environmental review process. This memorandum demonstrates that the Project would qualify for a CEQA categorical exemption under CEQA Guidelines Section 15308 and the CEQA common sense exemption under CEQA Guidelines Section 15061(b)(3).

#### **2.0 BACKGROUND**

On September 29, 2024, AB 98 was signed into law by Governor Newsom, and requires jurisdictions within the State's designated warehouse concentration regions (including the City) to update their Circulation Elements by January 1, 2026, to identify and establish designated truck routes for the movement of goods. The truck routes must avoid residential areas and sensitive receptors, maximize use of interstates, highways, and arterials, and include conspicuous signage for truck routes, truck parking, and truck idling restrictions. Later, on October 3, 2025, Governor Newsom also signed into law SB 415, which defined various standards initially introduced in AB 98.<sup>1</sup> SB 415 defines specific warehouse development standards, truck route ordinance requirements, and environmental protection requirements, including those pertaining to air quality and health impacts.

---

<sup>1</sup> California Legislative Information, Assembly Bill No. 415, Planning and Zoning, Logistics Use Development Truck Routes, [https://leginfo.ca.gov/faces/billNavClient.xhtml?bill\\_id=202520260SB415](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB415). Accessed January 8, 2026

At the time AB 98 and SB 415 were signed into law, the City was in the process of preparing and adopting the Revised Final Program Environmental Impact Report (RFEIR) for the 2024 Moreno Valley General Plan Update (2024 GPU), associated Zoning Text Amendments to Title 9 of the Municipal Code and the Zoning Atlas Amendments, and the 2024 Climate Action Plan (CAP), which together constitute the MoVal 2040 Project. The MoVal 2040 Project was initiated to revise the 2021 General Plan Update (2021 GPU), which was subject to the CEQA lawsuit filed by the Sierra Club, and later joined by the AGO. The CEQA Case challenged the validity of the CAP and the 2021 GPU Environmental Impact Report in the Riverside County Superior Court. The Court granted the petition limited to the issues of baseline (existing conditions analysis), air quality, climate change (GHG emissions), and energy use, but rejected and denied the arguments regarding the issues of land use analysis and zoning. Some of these issues overlap with the objectives and requirements included in AB 98 and SB 415.

The RFEIR and a public hearing notice for the 2040 MoVal Project were published and made available to the public on September 19, 2025. In response, the AGO provided two letters dated October 7, 2025, and November 17, 2025, recommending incorporation of additional air quality mitigation measures. The City and the AGO proceeded to engage in settlement negotiations over the subject mitigation measures, which concluded in April 2026. During the negotiations, the City informed the AGO that the City was unable to meet the January 1, 2026, deadline because the mitigation measures to the 2024 GPU would successfully implement requirements of AB 98 and SB 415. Thus, the City completed the adoption of the 2024 GPU without the ordinances needed to fully implement AB 98 and SB 415. As such, the City is now working to adopt development and design standards that are both consistent with AB 98 and SB 415 and incorporates air quality mitigation measures applicable to all logistics use facilities developed under the 2024 GPU as identified in the Mitigation Monitoring and Reporting Program (MMRP) of the RFEIR adopted on April 21, 2026.

Notably, the Project exceeds and enhances both the basic development and operational standards of AB 98 and SB 415 as well as the air quality mitigation measures negotiated with the AGO. Therefore, the Project presents more stringent requirements than what is legally required by law and the settlement of the CEQA Case.

### **3.0 STATUTORY AUTHORITY & REQUIREMENTS**

#### **CEQA Guidelines Section 15061 – Review for Exemption**

Once it has been determined that an activity is a project subject to CEQA, it is then determined whether a project qualifies for a CEQA exemption. Pursuant to CEQA Guidelines Section 15061(b), a project is exempt from CEQA if:

- 1) The project is exempt by statute; see CEQA Guidelines Article 18, commencing with Section 15260.

- 2) The project is exempt pursuant to a Categorical Exemption (see CEQA Guidelines Article 19, commencing with Section 15300) and the application of that Categorical Exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2.
- 3) The activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
- 4) The project will be rejected or disapproved by a public agency.
- 5) The project is exempt pursuant to the provisions of Article 12.5 – Exemptions for Agricultural Housing, Affordable Housing, and Residential Infill Projects.

#### **CEQA Guidelines Article 19 – Categorical Exemptions**

As discussed above, CEQA Guidelines Article 19 includes a list of classes of projects, which have been determined not to have a significant effect on the environment and, therefore, are exempt from CEQA.

- i. CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment (Class 8 Categorical Exemption).

The Class 8 Categorical Exemption consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.

- ii. CEQA Guidelines Section 15300.2 - Exceptions.

The following conditions are exceptions that bar the application of a Categorical Exemption:

- a) **Location.** Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, State, or local agencies.
- b) **Cumulative Impact.** All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

- c) **Significant Effect.** A Categorical Exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.
- d) **Scenic Highways.** A Categorical Exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a State scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified Environmental Impact Report (EIR).
- e) **Hazardous Waste Sites.** A Categorical Exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.
- f) **Historical Resources.** A Categorical Exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

#### 4.0 PROJECT DESCRIPTION

The Project would implement the requirements of AB 98 and SB 415 by establishing clear, objective standards for all logistics use facilities within the City that would be reviewed and entitled under the 2024 GPU. The Project would implement regulations intended to incorporate State-mandated requirements into the City's Municipal Code s in a manner consistent with State law and integrated into the City's existing land use framework. The proposed design and development standards are also intended to exceed the AGO-negotiated mitigation measures, as memorialized in the MMRP for the RFEIR. Specifically, the development standards established by the Ordinance include requirements for:

- Setbacks and height;
- Building and landscape design standards;
- Buffers for sensitive receptors;
- Location and proximity to roadways;
- Site access and circulation;
- Electric vehicle charging infrastructure;
- Transportation refrigeration units;
- Construction and operational emission controls;
- Operational health assessments;
- Bicycle parking;
- Signage; and

- Training and complaints.

Additionally, the Project would establish a City-designated Heating, Ventilation, and Air Conditioning (HVAC) and Air Filtration Abatement Fund. Logistics use facility project applicants would be required to pay a one-time air quality abatement fee to subsidize air filtration and/or HVAC systems for any existing structures constituting, or situated within, a sensitive receptor located within 1,000 feet of the property line of the proposed logistics use facility or within 1,000 feet of a dedicated truck route, measured from the closest curb to the respective project. Therefore, the Project is intended to minimize adverse impacts on sensitive receptors, protect public health and safety, and provide predictable and enforceable requirements for applicants, staff, and decision-makers.

## 5.0 FINDINGS CONCERNING CEQA COMPLIANCE

Kimley-Horn has completed the Project's CEQA compliance review and summarized the findings below.

### Exemption Justification

#### i. Class 8 Categorical Exemption

As described in **Section 3.0: Project Description** above, the Project would be an amendment implementing the ordinance into the Municipal Code that would adopt Statewide warehouse design and build standards for any new or expanded logistics developments in adherence to AB 98 and SB 415 and incorporates mitigation measures negotiated by the AGO for consistency with the MMRP for the 2024 GPU RFEIR. As described above, the Project would include various development standards that establish buffers, siting requirements, landscaped screening, site access and circulation restrictions, and the development of an abatement fund. These requirements aim to protect sensitive receptors by distancing them from logistic use facilities operations. It also requires facility operators to contribute to an abatement fund proportional to their emissions to subsidize air filtration and/or HVAC systems for any existing structures located within 1,000 feet of a logistics facility use development or an established truck route. The Project also promotes public safety by restricting how truck traffic must circulate and requires training for those operating vehicles to and from the proposed logistics use facilities.

The Project also protects the environment by implementing stricter construction and operational emission controls, thereby reducing future air quality impacts and emissions. These emission controls included in the Project consist of zero-emission equipment and vehicle requirements, limits on idling, restrictions on the use of diesel generators, the prohibition of earth-moving activities on days with a high Air Quality Index, and promotion of employee use of transit, carpool, and zero-emission vehicles. The Project also requires the installation of truck and vehicle charging infrastructure. Therefore, the Project would result in the maintenance, restoration, and

enhancement of air quality and the protection of the environment and would be categorically exempt from CEQA analysis pursuant to CEQA Guidelines Section 15308.

ii. Common-Sense Exemption

The common sense exemption applies only to projects for which it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The Project would include additional warehouse design and build standards for logistics facilities throughout the City and does not propose any specific development activity. All future logistics use facility development projects would continue to be subject to an administrative site plan review, where a project-specific analysis based on location and development program would be conducted. These projects would also be subject to CEQA review depending on the type and scale of development proposed. Therefore, implementation of the Project would not result in a significant effect on the environment, and the Project would not be subject to CEQA pursuant to CEQA Guidelines Section 15061(b)(3).

**Exceptions to Categorical Exemptions**

As previously noted, a project is exempt from CEQA pursuant to a Categorical Exemption provided the application of that Categorical Exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2. The following demonstrates the Project does not meet any of the exceptions that would bar a Categorical Exemption.

- a) **Location.** Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

The Project would qualify for a Categorical Exemption under Class 8. It does not propose any specific development activity. Therefore, the exception under CEQA Guidelines Section 15300.2(a) is not applicable to the Project.

- b) **Cumulative Impact.** All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

Under this exception, exemptions for these classes are not applicable when the cumulative impact of successive projects of the same type in the same place over time is significant. As discussed in **Section 3.0, Project Description**, the Project is an amendment implementing the ordinance into the Municipal Code to include new logistics use development standards in accordance with AB 98 and SB 415 and the air quality mitigation measures negotiated by the AGO for the 2024 GPU RFEIR. The Project would result in more restrictive development standards for industrial uses, promoting safety and the protection of the environment.

Each of these components, individually and cumulatively, do not result in the possibility of creating significant cumulative impacts on the environment. Additionally, construction of any future development projects would be subject to discretionary review with separate CEQA documentation, which would require cumulative impacts analyses as applicable. As a result, there would be no significant cumulative impacts from successive projects of the same type in the same place over time. Therefore, the exception under CEQA Guidelines Section 15300.2(b) does not apply to the Project.

- c) **Significant Effect.** A Categorical Exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

There are no known unusual circumstances that are applicable to the Project that may result in a significant effect on the environment. The Project consists of an amendment implementing the ordinance into the Municipal Code to add new development standards in accordance with AB 98 and SB 415 and air quality mitigation measures negotiated by the AGO for the 2024 GPU RFEIR. As previously discussed, the Project exceeds the development and operational standards that the State and the AGO have required for the development of logistics use facility projects. These regulations are intended to incorporate the State-mandated required into the City's Municipal Code in a manner that is consistent with State law and integrated with the City's existing land use framework. Therefore, the Project does not involve any unusual circumstances, nor does the Project Site, and the exception under CEQA Guidelines Section 15300.2(c) does not apply to the Project.

- d) **Scenic Highways.** A Categorical Exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.

There are no State-designated scenic highways within the City's vicinity.<sup>2</sup> The closest eligible State scenic highway is the portion of State Route 243 (SR 243), located 13-miles east of the City's eastern boundary, and the closest officially designated State scenic highway is the portion of State Route 74 (SR 74) 20-miles southeast of the City's southern boundary. The Project is an amendment implementing the ordinance into the Municipal Code with no specific development proposed and would not involve construction activities within the City boundaries and would not impact any scenic resources along SR 243 or SR 74. Therefore, the exception under CEQA Guidelines Section 15300.2(d) does not apply to the Project.

- e) **Hazardous Waste Sites.** A Categorical Exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

Government Code Section 65962.5 refers to the Hazardous Waste and Substances Site List, commonly known as the Cortese List, maintained by the California Department of Toxic Substances Control (DTSC). According to Chapter 4.9, Hazards and Hazardous Materials, of the City of Moreno Valley Revised Draft EIR (RDEIR) for the 2024 GPU, there are a total of 10 hazardous materials sites located throughout the Planning Area.<sup>3</sup> The Project does not propose any specific development activity; however, any new development or redevelopment that involves contaminated property would necessitate cleanup and/or remediation of the property in accordance with federal, State, regional, and local requirements. No construction would be permitted at such locations until a "no further action" clearance letter has been issued by the responsible agency.

Furthermore, all future development projects would continue to be subject to an administrative site plan review, where a project-specific analysis based on location and development program would be conducted. These projects would also be subject to CEQA review depending on the type and scale of development proposed. Therefore, adherence to applicable clean-up and/or remediation requirements and regulations would ensure that any future logistics use facility developments developed that would be subject to the Project would not create a significant hazard associated with known hazardous materials sites. As such, the exception under CEQA Guidelines Section 15300.2(e) does not apply to the Project.

- f) **Historical Resources.** A Categorical Exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

The Project is an amendment implementing the ordinance into the Municipal Code that does not propose any specific development activity, and thus, would not impact historical resources. According to Chapter 4.5, Cultural and Tribal Cultural Resources, of the RDEIR, a review of records

---

<sup>2</sup> California Department of Transportation (Caltrans), California State Scenic Highway System Map, <https://caltrans.maps.arcgis.com/apps/webappviewer/index.html?id=465dfd3d807c46cc8e8057116f1aaca>. Accessed January 8, 2026.

<sup>3</sup> City of Moreno Valley, Hazards and Hazardous Materials, <https://www.moval.org/cdd/pdfs/projects/mv2040/RevisedDraftProgramEIR.pdf>. Accessed January 8, 2026.

search from the Eastern Information Center (EIC) and recent aerial photography identified 48 existing historical resources. All future logistics use facility development projects subject to the Project would continue to be subject to an administrative site plan review and would require separate CEQA documentation where a review of historical resources would be conducted. Therefore, the exception under CEQA Guidelines Section 15300.2(f) does not apply to the Project.