



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Angelica Frausto-Lupo, Community Development Director

**AGENDA DATE:** June 3, 2025

**TITLE:** MUNICIPAL CODE AMENDMENT (PEN25-0021) AND DEVELOPMENT AGREEMENT ANNUAL REPORT (REPORT OF: COMMUNITY DEVELOPMENT) (ALL DISTRICTS)

**TITLE SUMMARY:** Municipal Code Amendments To Amend Various Sections Within Title 3 Revenue And Finance, Title 8 Building And Construction, And Title 9 Planning And Zoning, Including Chapter 3.38 (Residential Development Impact Fees), Chapter 8.42 (Electric Vehicle Charging Station Review Process), Chapter 9.01 (Administration), Chapter 9.02 (Permits And Approvals), Chapter 9.03 (Residential Districts), Chapter 9.08 (General Development Standards), And Chapter 9.09 (Specific Use Development Standards), Of The Moreno Valley Municipal Code, And Development Agreement Annual Report.

**DISTRICT:** All Districts

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### Recommendation(s)

That the City Council:

1. Find that the proposed amendments to the Moreno Valley Municipal Code are exempt from the California Environmental Quality Act in accordance with Section 15061 (b)(3) of the CEQA Guidelines;

2. Introduce Ordinance No. [next in order] at the conclusion of the Public Hearing and adopt the same at a subsequent City Council meeting revising Title 3 (Revenue and Finance), specifically Chapter 3.38 (Residential Development Impact Fees);
3. Introduce Ordinance No. [next in order] at the conclusion of the Public Hearing and adopt the same at a subsequent City Council meeting revising Title 8 (Building And Construction), specifically Chapter 8.42 (Electric vehicle charging station review process);
4. Introduce Ordinance No. [next in order] at the conclusion of the Public Hearing and adopt the same at a subsequent City Council meeting revising Title 9 (Planning And Zoning), specifically Chapter 9.01 (Administration), Chapter 9.02 (Permits And Approvals), Chapter 9.03 (Residential Districts), Chapter 9.08 (General Development Standards), and Chapter 9.09 (Specific Use Development Standards); and
5. Receive and file the Development Agreement Annual Report

## **SUMMARY**

On May 8, 2025, the Planning Commission unanimously recommended that the City Council introduce and adopt the proposed Ordinance amending various sections of Title 9 based on the finding that the proposed amendments are exempt from the California Environmental Quality Act. However, since the proposed amendment to Title 3 and Title 8 are not within the purview of the Planning Commission, it was not presented to the Planning Commission for its consideration, but staff recommends that the City Council also introduce and adopt the proposed Ordinance amending Title 3 and Title 8, based too on the finding that the proposed amendments to Title 3 and Title 8 are exempt from the California Environmental Quality Act.

## **DISCUSSION**

The discussion of the sections below generally corresponds to the order of the text amendments set forth in the attached Ordinances.

### **Title 3 Amendment**

#### **Section 3.38.150 (Residential development public improvement and facility fees)**

This new section will establish procedures for the collection of fees imposed on a residential development project to fund public improvements or facilities, pursuant to Senate Bill 937 (SB937).

### **Title 8 Amendment**

#### **Chapter 8.42 (Electric vehicle charging station review process)**

The proposed revision to Chapter 8.42 (Electric Vehicle Charging Station Review Process) will add language to make proposed hydrogen fueling stations subject to the existing expedited permitting procedure for electric vehicle charging stations, consistent to the provisions of Senate Bill 1418 (SB1418).

## **Title 9 Amendments**

### *Section 9.01.030 (Applicability)*

This proposed amendment will add language to explicitly exempt City projects and City owned land from Title 9's zoning and development entitlement procedures, albeit City projects and the development of City land will continue to be subject to review under the California Environmental Quality Act. This will expedite City projects which will result in significant cost savings to the taxpayers.

### *Section 9.02.040 (General Plan Amendments)*

The proposed revisions to Section 9.02.040 (General Plan Amendments) will remove the "public benefits" requirement for general plan amendments, but public benefits may be negotiated with a developer via a development agreement. In addition, the Section 9.02.0240 is being amended to require the following findings be made for approval of general plan amendments: 1. The proposed general plan amendment will promote public health, safety, and welfare; 2. The proposed general plan amendment will not eliminate or omit any mandatory element of the general plan; 3. the proposed general plan amendment will not create any internal inconsistencies within the general plan; 4. The proposed general plan amendment was adequately reviewed under the California Environmental Quality Act; and 5. The proposed general plan amendment is in the public interest.

### *Section 9.02.050 (Amendments to Zoning Districts or other provisions of Title 9)*

The proposed revisions to Section 9.02.050 (Amendments to Zoning Districts or other Provisions of Title 9) will remove the "public benefits" requirement for general plan amendments, but public benefits may be negotiated with a developer via a development agreement.

### *Section 9.02.200 (Public hearing and notification procedures)*

This proposed amendment will add language requiring that public hearing notices for Planning Commission hearings on a proposed zoning ordinance or amendment to a zoning ordinance be published, mailed, and/or advertised at least 20 calendar days prior to the public hearing.

### *Section 9.02.230 (Lapse of approvals and extensions of time)*

This proposed amendment will repeal and replace Section 9.02.230 (Lapse of approvals and extensions of time) in its entirety with a new section titled "Expiration Dates and Extensions of Time." Other than general plan amendments, zone changes, specific plans, specific plan amendments, development agreements, tentative tract maps, and parcel maps, all permits issued under Chapter 9.02 (Permits and Approvals) will expire 36 months from the permit's approval date, unless a different expiration date is specifically established as a condition of approval by state or federal law. The permit, however, shall not expire if a building permit has been validly issued and remains operative and in good standing. The permits subject to these new provisions include conditional use permits, plot plans, and variances.

Section 9.03.050 (Density bonus program for affordable housing)

This proposed amendment will add language to address several State legislative bills (AB 323, AB 2694 and AB 3116). The proposed amendment will address the following: 1. Purchase of density units by nonprofit housing organizations and civil actions; 2. Residential care facilities for the elderly/seniors; and 3. Student housing.

Section 9.03.070 (Streamlined ministerial approval process (Senate Bill 35))

This proposed amendment will extend the sunset date of SB 35 to January 1, 2036, as well as add additional qualifying requirements for the streamlined ministerial review and public oversight process of SB 35 applications, consistent with Senate Bill 423 (SB 423).

Section 9.03.090 (Streamlined ministerial process for parcel maps, Senate Bill 684))

This proposed amendment will revise and add language in Section 9.03.090 to expand the allowed multifamily project locations to include vacant and single-family zoned lots that are not larger than 1 and one-half acres pursuant to the provisions of Senate Bill 1123 (SB 1123).

Section 9.08.160 (Seismic hazards)

This proposed amendment will repeal and replace Section 9.08.160 (Seismic hazards) in its entirety to address Alquist-Priolo Earthquake Fault Zoning Act exemptions and additional updates pursuant to Assembly Bill 1046 (AB 1046).

Section 9.09.130 (Accessory dwelling units (ADUs))

This proposed amendment revises language in Section 9.09.130 to address several State legislative bills (AB 2533, SB 477, SB 1211, AB 976 and AB 1033). Some of the key requirements of State law that are addressed by the amendments to Section 9.09.130 include the following:

1. Provide guidance on the legalization of an unpermitted ADU/JADU that was constructed before January 1, 2018, if the denial is based on the ADU/JADU not complying with applicable building, state or local ADU/ JADU standards;
2. Increases the quantity of detached ADUs that lots with an existing multifamily dwelling can have and adds a definition for livable space; and
3. Allow ADUs to be sold or otherwise conveyed separately from the primary residence as a condominium.

Section 9.09.300 (SB 9 Two-unit residential developments)

This proposed amendment will add language requiring SB 9 applications to be denied or approved within 60 days from the date the City receives a completed application, along with additional updates pursuant to Senate Bill 450 (SB 450).

Section 9.09.310 (Supportive and transitional housing)

This proposed amendment will add language to require supportive housing development to provide onsite supportive services, revise the definition of supportive housing and define administrative office space, pursuant to Assembly Bill 1801 (AB 1801).

Section 9.09.320 (Low barrier navigation centers)

This proposed amendment revises the definition of “Low Barrier Navigation Center” and

removes the January 1, 2027 repeal date, thereby extending operation of these provisions indefinitely, pursuant to Senate Bill 1395.

*Section 9.09.350 (Affordable housing units on religious facility sites)*

This new section will establish a ministerial review process for properties owned by religious institutions, pursuant to the provisions of Senate Bill 4 (SB 4) to allow and encourage the development of affordable housing units.

*Section 9.09.360 (Extremely affordable adaptive reuse projects)*

This new section will establish a review process for affordable multifamily development projects that involve retrofitting and repurposing of a residential or commercial building pursuant to the provisions of Assembly Bill 1490 (AB 1490).

*Section 9.09.370 (Community Clinic)*

This new section will establish a ministerial review process for community clinics that provide reproductive health services pursuant to the provisions of Assembly Bill 2085 (AB 2085).

## **DEVELOPMENT AGREEMENT ANNUAL REPORT**

The following Development Agreements are currently active and are in good standing:

*World Logistic Center (WLC)*

On July 7, 2020, the City Council adopted Ordinance No. 967 approving Development Agreement PEN20-0018. Development Agreement PEN20-0018 incorporates a negotiated “Public Benefit” for the City that includes the annexation of 85 acres of land into the City and the Community Services District; Developer’s payment of Development Impact Fees will cover costs associated with City Police Facilities, City Hall Facilities, the City’s Corporate Yard Facilities and Maintenance Equipment; Developer’s right to sell, transfer, or assign certain parts of the World Logistics Center (WLC) Project will be subject to the City’s prior written approval; Developer will be required to pay for all development services provided by the City once the City designates a WLC Coordinator; Any costs associated with using qualified private entities or persons will be the responsibility of Developer; Developer will be responsible for paying for or constructing all traffic circulation related improvements, except for those that are paid by fees imposed on other developers for their fair share of the cost of particular improvements needed to accommodate their respective projects; Developer will be required, at its own cost, to provide a fully constructed, fully equipped fire station and fire station site, including fire trucks, as specified by the City’s Fire Chief; Developer will establish a WLC Local Hiring Program, at Developer’s cost to identify, align and facilitate educational interests and programs with workforce development programs that facilitate the hiring of Moreno Valley residents for job opportunities at the WLC Project, and associated jobs in industries that support the WLC Project; Developer will require its contractors, suppliers and tenants to be active participants in Moreno Valley Employment Resource Center, today known as the Business and Employment Resource Center (BERC) programs including, but not

limited to, utilizing the job opportunity announcements program; Developer will actively participate in the Hire MoVal Incentive Program; Developer will contribute up to \$6,993,000, to be used by the City to provide and enhance educational and workforce development training in the logistics industries; and Developer will contribute up to \$500,000 to develop freeway related landscaping, bridge architectural concepts, engineering and freeway signage regulations. On February 18, 2025, the first installation payment of \$1,000,000 was made to be used by the City to provide and enhance educational and workforce development training in the supply chain and logistics industries. To date, Development Agreement PEN20-0018 is in compliance with the requirements of the agreement and is in good standing.

#### *Aquabella Specific Plan Amendment*

On December 3, 2024, the City Council adopted Ordinance No. 1018 approving Development Agreement PEN23-0119 for a master planned community (Aquabella Specific Plan) to accommodate the development of 15,000 multi-family and workforce housing units, a 24-acre mixed-use commercial and retail town center (with a 300-room hotel), 80 acres of parks, and 40 acres for schools. Development Agreement PEN23-0119 incorporates a negotiated “Public Benefit” for the City that includes the development of a turn-key Senior Center by the Applicant on land that will be dedicated to the City by the Applicant at no cost to the City and requires the Applicant to pay certain development impact fees in effect at the time. To date, Development Agreement PEN23-0119 is in compliance with the requirements of the agreement and is in good standing.

#### *Freeway Oriented Sign*

On January 7, 2025, the City Council adopted Ordinance No. 1020 approving Development Agreement PEN24-0080 for the installation of a double-faced digital display Freeway Oriented Sign located on the northeast portion of the City of Moreno Valley at 28720 Spruce Avenue (APN 488-310-011), which is currently occupied by StorQuest RV and Boat Storage. Development Agreement PEN24-0080 incorporated a negotiated “Public Benefit for the City that includes a one-time donation of \$500,000 to the Moreno Valley Foundation, a twenty percent (20%) profit-sharing with the City of Moreno Valley for 30-years (term of Development Agreement), and access to use the Freeway Sign for public service announcements (PSA) as requested by the City of Moreno Valley and approved by both parties. To date, Development Agreement PEN24-0080 is in compliance with the requirements of the agreement and is in good standing.

### **ENVIRONMENTAL**

The proposed Municipal Code Amendments (PEN25-0021) are exempt from the California Environmental Quality Act in accordance with Section 15061(b)(3) of the CEQA Guidelines in that the amendments involve general policy and procedure making, and it can be seen with certainty that there is no possibility that the amendments will have a

### **ALTERNATIVES**

1. **Staff's Preferred Alternative** – Introduce the Ordinance as presented to and recommended by the Planning Commission and adopt the Ordinance at a subsequent City Council meeting.
2. **Staff Non-Preferred Alternative** - Do not introduce and adopt the Ordinance.

### **FISCAL IMPACT**

There are no fiscal impacts anticipated from the approval and adoption of the proposed Ordinances. However, it is anticipated that the proposed modifications will streamline business and development regulations, which is expected to have a positive impact on business and development which will result in a positive fiscal impact for the City.

### **NOTIFICATION**

The proposed Municipal Code Amendments (PEN25-0021) is City-wide. As such, the public hearing notice for the proposed Municipal Code Amendments was published in the Press-Enterprise newspaper on May 23, 2025.

### **PREPARATION OF STAFF REPORT**

Prepared By:  
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Department Head Approval:  
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### **CITY COUNCIL GOALS**

### **CITY COUNCIL STRATEGIC PRIORITIES**

1. **Economic Development**
2. **Public Safety**
3. **Library**
4. **Infrastructure**
5. **Beautification, Community Engagement, and Quality of Life**
6. **Youth Programs**

## Report Approval Details

Document Title:	STAFFREPORT_CDD_PLANNING_MUNICIPAL CODE AMENDMENT.docx
Attachments:	- Ordinance No.____Title 3.pdf - Ordinance No.____Title 8.pdf - Ordinance No.____Title 9.pdf
Final Approval Date:	May 29, 2025

This report and all of its attachments were approved and signed as outlined below:

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