

Staff Report

DATE: FEBRUARY 19, 2026
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ROD BUTLER, CITY MANAGER
BY: PETER M. THORSON, CITY ATTORNEY
SUBJECT: AGENDA ITEM NO. A
**A TOLLING AGREEMENT WITH PYRITE LEASING, LLC FOR
INSURANCE AUTO AUCTION SITE AT 3500 PYRITE ROAD**

RECOMMENDATION

That the City Council approve the Tolling Agreement between the City of Jurupa Valley and Pyrite Leasing, LLC for the Insurance Auto Auction site at 3500 Pyrite Road in substantially the form submitted to the City Council and authorize the City Manager to execute the Tolling Agreement on behalf of the City.

BACKGROUND

Pyrite Leasing, LLC (“Pyrite”) is the owner of property located at 3500 Pyrite Rd. in the City of Jurupa Valley (“Property”). Pyrite leases to Insurance Auto Auctions (“IAA”) who operates a salvage vehicle storage and auction facility since at least 2009 without a formal land use entitlement.

The Property is located in the proposed North Pyrite Master Plan (“NPMP”) area, which is located in the lower portion of North Pyrite Canyon downstream from the Stringfellow Superfund Site. The Stringfellow Site was an industrial waste disposal site that accepted approximately 35 million gallons of bulk liquid hazardous wastes between 1956 and 1972.

During the City Council meeting on August 7, 2025, Councilmembers expressed serious concerns regarding the absence of comprehensive environmental data for the area and the need to protect future employees and residents from potential exposure risks. The City Council emphasized that no new land use entitlements or construction approvals should proceed until independent, area-wide environmental assessments identify which portions of the proposed NPMP area are safe for development and which may require long-term restrictions or mitigation.

On August 27, 2025, the Planning Commission adopted Resolution No. PC-2025-19, on a unanimous vote, recommending that the City Council deny Master Application 19016 (MA19016), which included Change of Zone (CZ19001) to change the zone of the Property from Rural Residential (R-R) Zone and Controlled Development Areas (W-2) Zone to Manufacturing–Medium (M-M) Zone, and a Conditional Use Permit (CUP19002).

On December 4, 2025, the City Council unanimously voted to adopt Resolution No. 2025-162, to deny Master Application 19016 (MA19016), which included Change of Zone (CZ19001) to change the zone of the Property from Rural Residential (R-R) Zone and Controlled Development Areas (W-2) Zone to Manufacturing–Medium (M-M) Zone, and a Conditional Use Permit (CUP19002) that would have authorized the use of the Property for auto auctions.

A dispute exists between the City and Pyrite/IAA with respect to the Property. During the public hearings before the Planning Commission and City Council, City Staff maintained that IAA has been operating at the Property illegally for years and has not made the necessary health and safety changes at the Property during the entitlement process. Moreover, Fire Department comments regarding fire safety at the Property remain unaddressed. The City has typically allowed businesses to operate in good faith during the entitlement process, however, Staff recommended that, due the unusually long duration of this case, resolution is required. Pyrite contends that they have sought proper land entitlements beginning with the County in 2009, the City following incorporation in 2011, and again from the City beginning in 2019, but the City failed to adequately process their applications. Pyrite also contends that IAA use is a viable use of the Property until further safety and environmental studies are conducted.

City Council and Pyrite both agree that more safety and environmental studies are needed in the NPMP area due to the extremely negative impacts from the Stringfellow Site in order to advance the potential development of potential manufacturing and office uses in the proposed NPMP area for the benefit of both the City and Pyrite. Pyrite understands that IAA must adhere to certain health and safety standards in order to continue operating pending completion of the studies and EIR. Moreover, Pyrite seeks to help the City with commercial marketing efforts after the environmental studies are completed in order to pursue future users that align with the City’s preferred direction.

Therefore, the City Council also directed Staff to bring back a Tolling Agreement with Pyrite to allow IAA to continue operating their business until the studies are done within the NPMP.



ANALYSIS

Under the proposed Tolling Agreement, Pyrite and the City agree not to sue each other for the term of the Agreement to allow the safety studies and EIR to be completed. These studies and the EIR are expected to lead to the resolution of the dispute between them.

The term of the Tolling Agreement will be from January 15, 2026 until the date the safety studies and EIR are presented to the City Council. After that date, the City or Pyrite may terminate the Tolling Agreement on 60-days written notice to the other.

Additionally, Pyrite agrees to ensure that IAA complies with the following health and safety standards that are described in Tolling Agreement:

1. The Tolling Agreement shall remain in effect until the City's safety studies and Environmental Impact Report (EIR) for the North Pyrite area are presented to the City Council.
2. Following presentation of the safety studies and EIR, either the City or Pyrite may terminate the Tolling Agreement upon sixty (60) days' written notice to the other party.
3. Pyrite shall ensure that Insurance Auto Auctions (IAA) complies with interim health and safety requirements during the term of the Tolling Agreement.
4. The agreement limits the total number of vehicles stored on the property to the maximum specified in the Tolling Agreement.
5. Vehicle storage is prohibited in designated areas of the site as identified in the Tolling Agreement.
6. General public access to the site is prohibited; access is limited to employees, contractors, regulators, and emergency responders.
7. On-site staffing levels are limited to the maximum number specified in the Tolling Agreement.
8. A fire safety plan meeting Riverside County Fire Department requirement must be prepared, implemented, and maintained.
9. Site access must be maintained for emergency responders and regulatory agencies.
10. Specified roadway and access improvements must be completed within the timeframes established in the Tolling Agreement.
11. Failure to comply with the interim requirements constitutes a breach of the Tolling Agreement and does not limit the City's enforcement authority.
12. Limited extensions of specific compliance deadlines may be granted by the City Manager or designee in accordance with the Tolling Agreement.



Pyrite and IAA would not be required to construct aesthetic improvements to the Property, such as landscaping or walls, during the term of the Tolling Agreement as would have otherwise been required had a permanent use been approved.

Recognizing the potential development of potential manufacturing and office uses in the proposed NPMP area for the benefit of both the City and Pyrite, Pyrite agrees to pay to the City \$300,000.00 to contribute to the City's safety and environmental study of the proposed NPMP area. Pyrite also agrees to work with other owners in the proposed NPMP area to obtain contributions from them for the City's safety and environmental studies.

FINANCIAL IMPACT

The proposed Tolling Agreement will have no financial impact on the City. The City would receive \$300,000 from Pyrite as a contribution to the City's safety and environmental study of the proposed NPMP area.

ALTERNATIVES

The City Council may elect not to approve the proposed Tolling Agreement, provide Staff will alternate direction, or request further information.

*****SIGNATURES ON FOLLOWING PAGE*****



Prepared by:



Peter M. Thorson
City Attorney

Reviewed by:



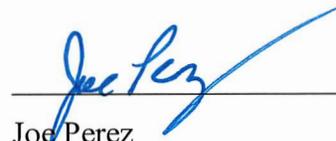
Rod B. Butler
City Manager

Reviewed by:



Michael Flad
Assistant City Manager

Reviewed by:



Joe Perez
Assistant City Manager/Director of
Community Development

Reviewed by:



Dianne Guevara
Deputy Director of Community
Development

Attachments:

1. Draft Tolling Agreement



ATTACHMENT NO. 1
IAA Tolling Agreement

Tolling Agreement

This Tolling Agreement ("Agreement"), dated as of last date of the signatures below (the "Effective Date"), is entered into by and between Pyrite Leasing, LLC, a California Limited Liability Company ("Pyrite"), on the one hand, and City of Jurupa Valley, a California general law city ("City"). on the other hand, each of which is referred to individually as a "Party" and collectively as the "Parties."

RECITALS:

A. Pyrite is the owner of property located at 3500 Pyrite Rd. (APNS 173-180-024 AND 173-180-029) in the City of Jurupa Valley ("Property"). Pyrite leases to Insurance Auto Auctions ("IAA") who operates a salvage vehicle storage and auction facility since at least 2009 without a formal land use entitlement.

B. The Property is located in the proposed North Pyrite Master Plan ("NPMP") area, which is located in the lower portion of North Pyrite Canyon downstream from the Stringfellow Superfund Site ("Stringfellow Site"). The Stringfellow Site was an industrial waste disposal site that accepted approximately 35 million gallons of bulk liquid hazardous wastes between 1956 and 1972.

C. During City Council meetings on August 7 and August 23, 2025, Councilmembers expressed serious concerns regarding the absence of comprehensive environmental data for the area and the need to protect future employees and residents from potential exposure risks.

D. The City Council emphasized that no new land use entitlements or construction approvals should proceed until independent, area-wide environmental assessments identify

which portions of the proposed NPMP area are safe for development and which may require long-term restrictions or mitigation.

E. On August 27, 2025, the Planning Commission adopted Resolution No. PC-2025-19, on a unanimous vote, recommending that the City Council deny Master Application 19016 (MA19016), which included Change of Zone (CZ19001) to change the zone of the Property from Rural Residential (R-R) Zone and Controlled Development Areas (W-2) Zone to Manufacturing–Medium (M-M) Zone, and a Conditional Use Permit (CUP19002). A copy of the Resolution is attached as Exhibit 1 to this Agreement.

F. During the public hearing, staff maintained that IAA has been operating at the Property illegally for years, and has not made the necessary health and safety changes at the Property during the entitlement process. Moreover, Fire Department comments regarding fire safety at the Property remain unaddressed. The City has typically allowed businesses to operate in good faith during the entitlement process, however staff recommended that, due the unusually long duration of this case, resolution is required. Pyrite contends that they have sought the proper land entitlements beginning with the County in 2009, the City following incorporation in 2011, and again from the City beginning in 2019, but the City failed to adequately process their applications (“Dispute on Operation”).

G. On December 4, 2025, the City Council unanimously voted to adopt Resolution No. 2025-162, entitled

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JURUPA VALLEY, CALIFORNIA, DENYING MASTER APPLICATION (MA) NO. 19016 CONSISTING OF A CHANGE OF ZONE (CZ19001) FROM CONTROLLED DEVELOPMENT AREAS (W-2) AND RURAL RESIDENTIAL (R-R) TO MEDIUM-MANUFACTURING (M-M), AND A CONDITIONAL USE PERMIT (CUP19002) TO ALLOW THE LEGALIZATION OF INSURANCE AUTO AUCTIONS (IAA), AN OUTDOOR VEHICLE STORAGE AND ONLINE-ONLY AUTO AUCTION OPERATION

WITH CAPACITY FOR UP TO 8,500 VEHICLES, INCLUDING OFFICE SPACE AND CUSTOMER PARKING LOCATED AT 3500 PYRITE STREET (APNS 173-180-024 AND 173-180-029); AND MAKING FINDINGS PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(4);”

H. The City Council also directed staff to bring back a Tolling Agreement with Pyrite to allow IAA to continue operating their business until the studies are done within the NPMP.

I. Pyrite agrees that more environmental studies are needed in the NPMP area due to the extremely negative impacts from the Stringfellow Site, and desires to assist the City in its efforts to evaluate the environmental quality of the NPMP area.

J. Pyrite understands that IAA must adhere to certain health and safety standards in order to continue operating under this tolling agreement.

K. Moreover, Pyrite seeks to help the City with commercial marketing efforts after the environmental studies are completed in order to pursue future users that align with the City’s preferred direction.

L. The Parties wish to enter into this Agreement in order to provide additional time for the Parties to continue seeking an amicable resolution and avoid the time and expense associated with litigation.

AGREEMENT:

1. Beginning as of the Effective Date, any and all statutes of limitation or statutes of repose or statutory claims limitations periods relating to the Dispute on Operation are tolled so that the time period during which the tolling is in effect cannot be counted or used in any calculation of any such statutes of limitation that may be applicable to claims arising from or related to the Dispute on Operation ("Dispute on Operation Claims").

2. The Parties agree that consideration for the City's agreement to not engage in code enforcement at the Property includes Pyrite's agreement to ensure IAA follow the health and safety standards described in the conditions set forth in Exhibit 2 of this Agreement, which is incorporated as if fully stated herein.

3. In order to advance the potential development of potential manufacturing and office uses in the proposed North Pyrite Master Plan area for the benefit of both the City and Pyrite, Pyrite agrees to pay to the City the sum of three hundred thousand dollars (\$300,000.00) within 90 days to contribute to the City's safety and environmental study of the proposed NPMP area. Pyrite also agrees to work with other owners in the proposed NPMP area to obtain contributions from them for the City's safety and environmental studies.

4. This Agreement will remain in effect (the "Tolling Period"), until the submission of the City's safety and environmental report on the NPMP to the City Council. Thereafter either party may terminate this Agreement on sixty (60) days prior written notice to the other in accordance with the notice provisions of Section 10 below.

5. Nothing in this Agreement shall affect any defense available to any Party prior to the Effective Date, and this Agreement shall not be deemed to revive any claim that is already time-barred prior to the Effective Date. Nothing in this Agreement, or in the circumstances that gave rise to this Agreement, shall be construed as an acknowledgment by any Party that any claim has or has not heretofore been barred by the statute of limitations, laches, or other defense based upon the lapse of time.

6. This Agreement contains the entire agreement of the Parties with respect to the tolling of the statute of limitations and the doctrine of laches or other defense based upon the lapse of time.

7. This Agreement shall not operate as an admission of liability or wrongdoing by any Party. This Agreement shall not be used or referred to in any proceeding except solely for the purpose of establishing, if the matter is contested, the tolling of the statutes of limitations and repose or other defense based on lapse of time as provided herein.

8. This Agreement shall apply and inure to the benefit of and be binding on the Parties and their heirs, successors, representatives and assigns.

9. The Parties represent, warrant, and state that all legal action necessary for the effectuation and execution of this Agreement has been validly taken, and that the attorneys whose signatures appear below are duly authorized to execute this instrument on their behalf.

10. All notices or other communications under the terms of this Agreement shall be delivered in writing to the following representatives at the following addresses, or to such other individual(s) and/or address(es) as may be designated in writing that complies with this Paragraph, and shall be effective three (3) days after sending by certified mail and electronic mail:

For Pyrite :

Jonathan Shardlow
Allen Matkins
2010 Main Street, 8th Floor
Irvine, CA 92614
Email: jshardlow@allenmatkins.com

For City:

Rod Butler
City Manager
8930 Limonite Ave.
Jurupa Valley, CA 92509

Peter M. Thorson
Richards Watson & Gershon

350 S. Grand Avenue, 37th Floor
Los Angeles, CA 90071
E-mail: pthorson@rwglaw.com

11. This Agreement may be signed in multiple counterparts or duplicated signatures shall have the same effect as an original signature. This Agreement may only be amended by writing signed by counsel for the Parties.

IN WITNESS WHEREOF, the undersigned execute this Agreement upon the date set forth opposite their signatures.

Dated: February 3, 2026



JONATHAN SHARDLOW
Attorney for Pyrite Leasing, LLC

Dated: [INSERT DATE]

ROD BUTLER
City Manager

PETER M. THORSON
Attorney for City of Jurupa Valley

EXHIBIT 1

PLANNING COMMISSION RESOLUTION NO. PC-2025-19

RESOLUTION NO. PC-2025-19

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF JURUPA VALLEY RECOMMENDING THE CITY COUNCIL OF THE CITY OF JURUPA VALLEY DENY MASTER APPLICATION (MA) NO. 19016 CONSISTING OF A CHANGE OF ZONE (CZ) NO. 19001 FROM RURAL RESIDENTIAL (R-R ZONE) AND CONTROLLED DEVELOPMENT AREAS (W-2 ZONE) TO MEDIUM MANUFACTURING (M-M ZONE) AND A CONDITIONAL USE PERMIT (CUP) NO. 19002 FOR THE LEGALIZATION OF AN OUTDOOR SALVAGE VEHICLE STORAGE AND ONLINE-ONLY AUTO AUCTION USE CONSISTING OF AN AUTOMOBILE STORAGE YARD, ONLINE AUCTION OPERATIONS WITH NO IN-PERSON BIDDING, AND SUPPORTING OFFICE SPACE WITH CUSTOMER PARKING LOCATED AT APNS 173-180-024 AND -029 AND FINDING THE PROJECT EXEMPT FROM CEQA

THE PLANNING COMMISSION OF THE CITY OF JURUPA VALLEY DOES RESOLVE AS FOLLOWS:

Section 1. **Project.** Insurance Auto Auctions (“Applicant”) operates a non-conforming outdoor storage yard for salvaged vehicles and online auctions by Applicant on Assessor’s Parcel Number (“APN”) 173-180-024 and -029 and is seeking to legalize the use located on APNs 173-180-024 and -029. (the “Project”). The Applicant has applied for MA No. 19016 which consists of Change of Zone (CZ19001) to change the zone from Rural Residential (R-R Zone) and Controlled Development Areas (W-2 Zone) to Medium Manufacturing (M-M Zone), and Conditional Use Permit (CUP19002) for the legalization of an outdoor vehicle storage and online-only auto auction use consisting of an automobile storage yard, online auction operations with no in-person bidding, and supporting office space with customer parking at a 60 acres property located APNs 173-180-024 and -029.

Section 2. **Change Zone.**

(a) The Applicant has applied for Change of Zone No. 19001 to change of the zone of APNs 173-180-024 and -029 located from Rural Residential (R-R Zone) and Controlled Development Areas (W-2 Zone) to Medium Manufacturing (M-M Zone).

(b) Section 9.285.040.(1) of the Jurupa Valley Municipal Code provides that the Planning Commission shall hold a public hearing on proposed amendments to the City’s Zoning Ordinance that propose to change property from one zone to another.

(c) Section 9.285.040.(3) of the Jurupa Valley Municipal Code provides that after closing the public hearing the Planning Commission shall render its decision within a reasonable time and transmit it to the City Council in the form of a written recommendation, which

shall contain the reasons for the recommendation and, if the recommendation is to change a zone classification on property, the relationship of the proposed amendment to applicable general and specific plans. A copy of the recommendation shall be mailed to the applicant and proof thereof shall be shown on the original transmitted to the City Council. If the Planning Commission does not reach a decision due to a tie vote, that fact shall be reported to the City Council and the failure to reach a decision shall be deemed a recommendation against the proposed amendment.

(d) Section 9.285.040.(4)(b) of the Jurupa Valley Municipal Code provides that upon receipt of a recommendation for denial by the Planning Commission, the Planning Commission's recommendation shall be filed with the city Clerk, who shall place the decision on the next agenda of the City Council held five (5) or more days after the Clerk receives the decision. The decision of the Planning Commission is considered final and no action by the City Council is required unless the applicant files an appeal, accompanied by the fee set forth in county Chapter 3.65, within ten (10) days after the decision of the Planning Commission appears on the City Council's agenda, or the City Council orders the matter set for public hearing. If the City Council so orders, or if the applicant appeals, the city Clerk shall set the matter for public hearing before the City Council at the earliest convenient day and shall give notice of the time and place of the hearing in the same manner as is provided for giving notice of the hearing before the Planning Commission.

Section 3. Conditional Use Permit.

(a) The Applicant is seeking approval of Conditional Use Permit No. 19002 to legalize an outdoor vehicle storage and online-only auto auction use consisting of an automobile storage yard, online auction operations with no in-person bidding, and supporting office space with customer parking at a 60 acres property located at APNs 173-180-024 and -029.

(b) Section 9.240.530 of the Jurupa Valley Municipal Code provides that salvage yard is permitted in the M-M (Manufacturing-Medium) Zone provided a conditional use permit is approved pursuant to the provisions of Section 9.240.280 of the Jurupa Valley Municipal Code.

(c) Section 9.240.280.(3) of the Jurupa Valley Municipal Code provides that for the hearing on any conditional use permit that requires approval of a change of zone shall be heard in accordance with the provisions of Section 9.285.040, as detailed above, and all of the procedural requirements and rights of appeal as set forth therein shall govern the hearing.

(d) Section 9.240.280.(4) of the Jurupa Valley Municipal Code provides that a conditional use permit shall not be granted unless the applicant demonstrates that the proposed use will not be detrimental to the health, safety, or general welfare of the community. Any permit that is granted shall be subject to such conditions as shall be necessary to protect the health, safety, or general welfare of the community.

Section 4. Procedural Findings. The Planning Commission of the City of Jurupa Valley does hereby find, determine and declare that:

(a) The application for MA No. 19016 was processed including, but not limited to, a public notice, in the time and manner prescribed by State law and Jurupa Valley Ordinances.

(b) On August 13, 2025, the Planning Commission of the City of Jurupa Valley held a duly noticed public hearing on MA No. 19016, at which time all interested persons were given an opportunity to be heard; following discussion, the Commission continued the public hearing to a date certain of August 27, 2025.

(c) On August 27, 2025, the Planning Commission of the City of Jurupa Valley reconvened and held the continued public hearing on MA No. 19016 (continued from August 13, 2025, to a date certain), at which time all interested persons were given an opportunity to be heard and the Commission considered all testimony and evidence in the record.

(d) All legal preconditions to the adoption of this Resolution have occurred.

Section 5. California Environmental Quality Act Findings. The Planning Commission, based on its own independent judgment, does hereby find, determine and declare that the Project is exempt from the requirements of the California Environmental Quality Act (“CEQA”) (Cal. Pub. Res. Code, § 21000 *et seq.*) and the State Guidelines (the “CEQA Guidelines”) (14 Cal. Code Regs. § 15000 *et seq.*) pursuant to Sections 15061(b)(4) and 15270(a) of the CEQA Guidelines because CEQA does not apply to projects which a public agency rejects or disapproves.

Moreover, the project site is located within the Stringfellow Reclamation Area and is identified on the State’s Cortese List, rendering it ineligible for a categorical exemption under CEQA Guidelines Section 15300.2(e). While the Applicant has submitted several technical reports—including a biological resources study, cultural resources assessment, MSHCP Consistency Analysis, and a hydrology and drainage study, the full set of documentation required to initiate an Initial Study remains incomplete.

Section 6. Findings for Denial of Change of Zone. The Planning Commission of the City of Jurupa Valley does hereby recommend that the City Council of the City of Jurupa Valley find and determine that Change of Zone No. 19001 should be denied because:

(a) A change of zone is proposed to change the zone for the Project site from Rural Residential (R-R Zone) and Controlled Development Areas (W-2 Zone) to Medium Manufacturing (M-M Zone) to allow for use of a salvage vehicle yard and administrative offices. The change of zone should be denied because it is inconsistent with Chapter 9.285 of the Jurupa Valley Municipal Code due to the following:

1) Incompatibility with Surrounding Zoning and Land Use Context – The proposed use is not permitted under the site's current Rural Residential (R-R) and Controlled Development Areas (W-2) zoning. To proceed, the Planning Commission would need to recommend a Change of Zone to Manufacturing–Medium (M-M), where such uses may be allowed with a Conditional Use Permit. However, legalizing a salvage vehicle storage operation in a largely undeveloped, rural area that lacks infrastructure is incompatible with the surrounding land uses. Additionally, even if the General Plan supports industrial use, the proposed operation lacks the necessary design, screening, environmental protections, or public benefit expected for such a use.

2) Moreover, the site is located within the Stringfellow Reclamation Area Overlay, adjacent to a former Superfund Site with a history of hazardous contamination. The area remains under DTSC and EPA oversight. Expanding outdoor storage of salvage vehicles could further impact already compromised soil and groundwater conditions. Given the site's environmental sensitivity and zoning inconsistency, staff does not find the proposed use compatible.

3) Finally, a zone change is a legislative act that requires a development plan with a clear demonstration of public benefit, project design, or a compelling land use rationale. The proposed project does not provide sufficient evidence that it would serve the broader public interest or merit a departure from the existing zoning framework.

4) Noncompliance with Development Standards – The proposed use does not comply with several mandatory development standards of the M-M (Manufacturing–Medium) zone, including perimeter screening, landscaping, outdoor storage setbacks, trash enclosure requirements, and undergrounding of utilities. Without compliance or approved exceptions, the project does not conform to basic zoning development standards intended to protect the public health and visual character.

5) Unresolved Fire and Life Safety Issues – The Riverside County Fire Department has identified multiple deficiencies in site access and emergency circulation, including insufficient fire lane widths, lack of turnarounds, and missing fire hydrant and flow information. These deficiencies create unacceptable risks for emergency response and further demonstrate that the site is not adequately designed to support the proposed use.

6) Incomplete Environmental Review (CEQA) – Because the site is listed on the State's Cortese List due to its proximity to the Stringfellow Superfund Site, a full CEQA review is required. The applicant has not submitted all necessary technical studies, and the City cannot certify that environmental impacts have been properly assessed or mitigated. Approval of the CUP in the absence of CEQA compliance would be premature and contrary to state law.

7) Ongoing Unpermitted Operations and Pattern of Noncompliance – The Applicant continues to operate the salvage vehicle auction business for several years without obtaining the required land use entitlements. Despite three formal review cycles and clear direction from staff, the Applicant has not demonstrated meaningful progress toward bringing the Project into compliance. The application remains incomplete, and the most recent submittal does not include updated plans or materials addressing the key deficiencies previously identified.

8) While additional time could be granted to resolve the outstanding issues, the project has a long-standing history of operating in violation of the JVMC. The City has an obligation to act on such cases and bring projects forward once a clear recommendation can be made.

9) This long-standing violation, coupled with the Applicant's failure to resolve outstanding issues, undermines the City's planning authority and code enforcement obligations. The City must act in a timely and consistent manner on violations of its zoning code.

Section 7. Findings for Denial of Conditional Use Permit. The Planning Commission of the City of Jurupa Valley does recommend that the City Council of the City of Jurupa Valley find and determine that Conditional Use Permit No. 19002 should be denied because the proposed use:

(a) Will be detrimental to the health, safety, and general welfare as it poses a hazard risk to the general vicinity including the residential uses and residentially zoned property within 375 to 721 feet of the site. Specifically, the Project is:

1) The proposed use is incompatible with the existing Rural Residential (R-R) and Controlled Development Areas (W-2) zoning and lacks compatibility with surrounding land uses.

2) Even with a Change of Zone to Manufacturing–Medium (M-M), the proposed use would remain incompatible due to noncompliance with development standards, insufficient buffering, and environmental sensitivity of the site.

3) The site is located within the Stringfellow Reclamation Area Overlay (SRO), adjacent to a Superfund site, raising environmental concerns related to contamination and hazardous materials.

4) The proposed project does not demonstrate a clear public benefit, compelling land use rationale, or adequate site design to justify a zone change or CUP approval.

5) The project does not comply with key development standards of the Manufacturing–Medium (M-M Zone), including outdoor storage screening, landscaping buffers, utility undergrounding, and trash enclosure requirements.

6) The site has unresolved fire and life safety issues identified by the Riverside County Fire Department, including inadequate fire lanes, turnarounds, and missing hydrant and flow information.

7) Environmental review under CEQA remains incomplete; the site is on the State’s Cortese List, and required technical studies have not been submitted.

8) The applicant has a long history of unpermitted operations and has failed to demonstrate meaningful progress toward compliance despite multiple review cycles and City directives.

Section 8. Findings of Recommendations for Denial of Master Application No. 19016. Based on the foregoing, the Planning Commission of the City of Jurupa Valley hereby recommends the City Council of the City of Jurupa Valley deny Change of Zone (CZ19001) to change the zone from Rural Residential (R-R Zone) and Controlled Development Areas (W-2 Zone) to Medium Manufacturing (M-M Zone), and Conditional Use Permit (CUP19002) for the legalization of an outdoor vehicle storage and online-only auto auction use consisting of an automobile storage yard, online auction operations with no in-person bidding, and supporting office space with customer parking at a 60 acres property located at APNs 173-180-024 and -029.

Section 9. **Certification.** The Community Development Director shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED by the Planning Commission of the City of Jurupa Valley on this 27th day of August 2025.



Arleen Pruitt
Chair of Jurupa Valley Planning Commission

ATTEST:



Joe Perez
Community Development Director/Secretary to the Planning Commission

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF JURUPA VALLEY)

I, Joe Perez, Community Development Director of the City of Jurupa Valley, do hereby certify that the foregoing Resolution No. PC-2025-19 was duly adopted and passed at a meeting of the Planning Commission of the City of Jurupa Valley on the 27th day of August, 2025, by the following vote, to wit:

AYES: COMMISSION MEMBERS: **Chair Pruitt, Chair Pro Tem Shultz, Commissioners De La Torre, Newman and Rosales**

NOES: COMMISSION MEMBERS:

ABSENT: COMMISSION MEMBERS:

ABSTAIN: COMMISSION MEMBERS:



JOE PEREZ
COMMUNITY DEVELOPMENT DIRECTOR

EXHIBIT 2

This Exhibit 2 is incorporated into and made part of the Tolling Agreement between Pyrite Leasing, LLC ("Pyrite") and the City of Jurupa Valley ("City"). During the Tolling Period, Pyrite shall ensure that Insurance Auto Auctions ("IAA") complies with the following interim health and safety commitments as a condition of continued operation at the Property located at 3500 Pyrite Road.

Compliance with these conditions does not constitute approval, entitlement, or legalization of the use and does not limit the City's regulatory or enforcement authority.

1. **Limit on Vehicle Storage.**

- a. **Effective immediately upon execution of the Agreement,** IAA shall limit the total number of vehicles stored on the Property to no more than 3,500 vehicles at any particular day during the Tolling Period.
- b. Lead Department(s): Community Development Department (Planning) and Code Enforcement may conduct site inspections and review inventory documentation to confirm compliance with this condition.

2. **Prohibition of Storage on the West Side of the Property.**

- a. **Effective immediately upon execution of the Agreement,** IAA shall not store and shall prohibit the storage of vehicles on the west side of the Property during the Tolling Period. The west side of the Property is delineated as Assessor's Parcel Number 173-180-029 and a portion of Assessor's Parcel Number 173-180-028.
- b. Lead Department(s): Community Development Department (Planning), Code Enforcement; site inspections as needed.

3. **Prohibition of General Public Access.**

- a. **Effective immediately upon execution of the Agreement,** IAA shall prohibit access to the Property by the general public. Operations shall be limited to employees, contractors, regulators, and emergency responders only.
- b. Lead Department(s): Community Development Department (Planning), Code Enforcement; coordination with Riverside County Fire Department and law enforcement as necessary.

4. **Regulatory and Emergency Access.**

- a. **Within 30 days of the effective date,** IAA shall maintain access to the Property sufficient to allow access by the U.S. Environmental Protection Agency ("EPA") and other regulatory or emergency response agencies, as necessary, consistent with applicable safety and access requirements.

- b. Lead Department(s): Engineering and Public Works Department; Riverside County Fire Department; U.S. Environmental Protection Agency (as applicable).

5. Employee Limitation.

- a. **Within 30 days of the effective date,** IAA shall limit on-site staffing to no more than twenty (20) employees at any one time during the Tolling Period.
- b. Community Development Department (Planning), Code Enforcement; verification through operational records if requested.

6. Fire Safety.

- a. **Within 60 days of the effective date,** IAA shall prepare, implement, and maintain a fire safety plan that meets the Riverside County Fire Department's requirements. The fire safety plan shall address, at a minimum, emergency access, fire prevention measures, and operational practices associated with outdoor salvage vehicle storage.
- b. Lead Department(s): Riverside County Fire Department; coordination with Community Development Department as needed.

7. Roadway Improvements.

- a. **Within one hundred twenty (120) days of the Effective Date,** IAA shall pave the roadway from the southern boundary of the Property into the site, in a manner sufficient to improve access, circulation, and safety during the Tolling Period.
- b. Lead Department(s): Engineering and Public Works Department; Riverside County Fire Department (for access clearance).

8. Enforcement and Reservation of Rights.

- a. Failure to comply with any commitment set forth in these conditions shall constitute a breach of the Tolling Agreement. Nothing herein limits the City's authority to take immediate action in response to an imminent threat to public health or safety or to enforce applicable laws upon expiration or termination of the Tolling Agreement.
- b. Lead Department(s): City Manager; Community Development (Code Enforcement); Fire Department; Engineering and Public Works.

9. Extension of Compliance Deadlines.

- a. The City Manager, or designee, may grant a written extension of any compliance deadline set forth in these conditions upon a finding that (1) Pyrite and IAA have made good-faith efforts toward compliance, (2) the extension is reasonable and necessary due to circumstances beyond their control, and (3) the extension will not pose an imminent threat to public health or safety.

- b. Any request for an extension shall be submitted in writing prior to the applicable deadline and shall identify the condition for which the extension is requested and the proposed revised compliance date. No extension shall be implied, and failure to meet a deadline without an approved extension shall constitute a breach of the Tolling Agreement. Granting an extension shall not be construed as a waiver, amendment, or approval of the use.