

FINAL EIR

FOR THE

SCHULTE ROAD WAREHOUSE PROJECT (SCH # 2023120437)

JUNE 2025

Prepared for:

City of Tracy
Planning Division
333 Civic Center Plaza
Tracy, CA 95376

Prepared by:

De Novo Planning Group
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D e N o v o P l a n n i n g G r o u p

A Land Use Planning, Design, and Environmental Firm

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FINAL EIR

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INTRODUCTION

The City of Tracy, as the lead agency, determined that the proposed project, Schulte Road Warehouse, is a "project" within the definition of CEQA. CEQA requires the preparation of an environmental impact report (EIR) prior to approving any project, which may have a significant impact on the environment. For the purposes of CEQA, the term "project" refers to the whole of an action, which has the potential for resulting in a direct physical change or a reasonably foreseeable indirect physical change in the environment (CEQA Guidelines Section 15378[a]).

The State CEQA Guidelines identify several types of EIRs, each applicable to different project circumstances. This EIR has been prepared as a Project-level EIR is described in State CEQA Guidelines § 15161 as: "The most common type of EIR (which) examines the environmental impacts of a specific development project. This type of EIR should focus primarily on the changes in the environment that would result from the development project. The EIR shall examine all phases of the project including planning, construction, and operation. The project-level analysis considers the broad environmental effects of the proposed Project."

PROJECT DESCRIPTION

The following provides a brief summary and overview of the Project. Chapter 2.0 of the EIR includes a detailed description of the Project, including maps and graphics. The reader is referred to Chapter 2.0 for a more complete and thorough description of the components of the Project.

The Project site includes two distinct planning boundaries defined below. The following terms are used throughout the Draft EIR and Recirculated Draft EIR to describe the planning boundaries within the Project site:

- **Project Site (or Annexation Area)** – totals 21.92 acres and includes: (1) the proposed 20.92-acre Development Area (APN 209-230-250), and (2) the 1.00-acre Williams Communication Parcel along West Schulte Road (APN 209-230-260), which would not be developed as part of the proposed Project.
- **Development Area** – includes a 20.92-acre parcel (APN 209-230-250) that is intended for the development of up to 217,466-square foot (sf) of warehouse and office uses.

The Project would include the construction and subsequent operation of a 217,466-square-foot (sf) warehouse building. The 217,466-sf warehouse would include 206,593 sf of warehouse uses and 10,873-sf of office space. The City's General Plan land use designation for the project site is Industrial. Specific uses allowed in the industrial category range from flex/office space to manufacturing to warehousing and distribution. Although the tenants of the proposed warehouse are unknown at this time, this analysis assumes that business operations could occur 24 hours per day. No cold storage facilities or uses will be allowed on-site.

The proposed warehouse would include 31 dock level doors on the eastern side of the building. The maximum height of the one-story warehouse would be 42.6 feet, with the majority of the building at 40 feet. Landscaping would be provided throughout the site.

The principal objective of the proposed Project is the demolition of three single family residences and six ancillary structures and redevelopment of the Development Area with a one-story, 217,466 sf warehouse building and a surface parking lot.

The Project site is designated as Agriculture by San Joaquin County's General Plan Land Use Map and is zoned as AG-40 Agriculture by the County. The site currently has a City General Plan land use designation of Industrial (I). The San Joaquin County Local Agency Formation Commission (LAFCO) will require the Project site to be pre-zoned by the City of Tracy in conjunction with the proposed annexation. The City's pre-zoning will include the Light Industrial (M-1) zoning designation for the Project site. Additionally, the proposed Project would result in the annexation of the Annexation Area into the City of Tracy.

The principal objective of the proposed Project is the demolition of three single family residences and six ancillary structures and redevelopment of the Development Area with a one-story, 217,466 sf warehouse building and a surface parking lot.

ALTERNATIVES TO THE PROJECT

The CEQA Guidelines require an EIR to describe a reasonable range of alternatives to the Project or to the location of the Project which would reduce or avoid significant impacts, and which could feasibly accomplish the basic objectives of the proposed Project. Three alternatives to the proposed Project were developed based on input from City staff and the technical analysis performed to identify the environmental effects of the proposed Project. The alternatives analyzed in this EIR include the following three alternatives in addition to the proposed Project.

- **No Project (No Build) Alternative:** Under this alternative, development of the Project site would not occur, and the Project site would remain in its current existing condition and not be annexed into the City.
- **Truck Parking Alternative:** Under this alternative, a truck parking facility with truck and trailer parking spaces and restroom facilities would be developed the Project site.
- **Reduced Project Alternative:** Under this alternative, the proposed Project would be developed with the same types of industrial uses as described in the Project Description, but the industrial square footage would decrease by 25 percent and the amount of developed land would decrease by 25 percent.

Alternatives are described in detail in Chapter 5.0 of the Draft EIR. Table ES-1 provides a comparison of the alternatives using a qualitative matrix that compares each alternative relative to the other Project alternatives.

TABLE ES-1: COMPARISON SUMMARY OF ALTERNATIVES TO THE PROPOSED PROJECT

ENVIRONMENTAL ISSUE	NO PROJECT (NO BUILD) ALTERNATIVE	TRUCK PARKING ALTERNATIVE	REDUCED PROJECT ALTERNATIVE
Aesthetics and Visual Resources	Less (Best)	Slightly Less (2nd Best)	Slightly Less (3rd Best)
Agricultural Resources	Less (Best)	Equal (3rd Best)	Slightly Less (2nd Best)
Air Quality	Less (Best)	Less (2nd Best)	Less (3rd Best)
Biological Resources	Less (Best)	Equal (3rd Best)	Slightly Less (2nd Best)
Cultural and Tribal Resources	Less (Best)	Equal (3rd Best)	Slightly Less (2nd Best)
Geology and Soils	Less (Best)	Less (2nd Best)	Slightly Less (3rd Best)
Greenhouse Gases, Climate Change and Energy	Less (Best)	Less (2nd Best)	Less (3rd Best)
Hazards and Hazardous Materials	Less (Best)	Less (2nd Best)	Slightly Less (3rd Best)
Noise	Less (Best)	Less (2nd Best)	Less (3rd Best)
Transportation and Circulation	Less (Best)	Less (2nd Best)	Less (3rd Best)
Utilities and Service Systems	Less (Best)	Less (2nd Best)	Less (3rd Best)

GREATER = GREATER IMPACT THAN THAT OF THE PROPOSED PROJECT

LESS = LESS IMPACT THAN THAT OF THE PROPOSED PROJECT

EQUAL = NO SUBSTANTIAL CHANGE IN IMPACT FROM THAT OF THE PROPOSED PROJECT

A comparative analysis of the Project and each of the Project alternatives is provided in Table ES-1. As shown in the table, the No Project (No Build) Alternative is the environmentally superior alternative. However, as required by CEQA, when the No Project (No Build) Alternative is the environmentally superior alternative, the environmentally superior alternative among the others must be identified. The Truck Parking Alternative and Reduced Project Alternative both rank higher than the proposed Project. The Truck Parking Alternative would have approximately equal impacts in three areas, slightly less severe impacts in one area, and less severe impacts in eight areas. The Reduced Project Alternative would have slightly less severe impacts in six areas and less severe impacts in five areas. Therefore, the Reduced Project Alternative would be the next environmentally superior alternative. It is noted that the Reduced Project Alternative would not meet all of the Project objectives. See Section 5.4 in Chapter 5.0 of the Draft EIR for a comparative evaluation of the objectives for each alternative.

COMMENTS RECEIVED

This Draft EIR addresses environmental impacts associated with the proposed Project that are known to the City of Tracy, were raised during the NOP process, or raised during preparation of the Draft EIR. This Draft EIR discusses potentially significant impacts associated with aesthetics and visual resources, agricultural resources, air quality, biological resources, cultural and tribal resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, noise, transportation and circulation, and utilities.

The City of Tracy received written comment letters on the NOP for the proposed Project. Copies of those letters are provided in Appendix A of the Draft EIR. The commenting agency/citizen is provided below. The City also held a public scoping meeting on January 9, 2024. No written or verbal comments were provided at that scoping meeting.

- State of California Department of Justice (December 20, 2023);
- Jose Antonio Lopez Jr., Chevron Pipe Line Company (January 8, 2024);
- John Dyer, California Highway Patrol (January 10, 2024);
- Central Valley Regional Water Quality Control Board (January 16, 2024);
- Native American Heritage Commission (December 19, 2023);
- San Luis & Delta-Mendota Water Authority (January 11, 2023);
- San Joaquin Council of Governments (December 14, 2023);
- San Joaquin County Environmental Health Department (January 12, 2024);
- San Joaquin County Local Area Formation Commission (December 13, 2023);
- San Joaquin Valley Air Pollution Control District (January 16, 2024).

There were eight comment letters on the Draft EIR that were submitted to the City of Tracy during the 45-day public review period.

- California Department of Fish and Wildlife (October 14, 2024);
- Golden State Environmental Justice Alliance (October 9, 2024);
- San Joaquin Council of Governments, Inc. (September 4, 2024);
- San Joaquin County Environmental Health Department (October 7, 2024);
- San Joaquin LAFCO (October 7, 2024);
- San Joaquin Valley Air Pollution Control District (October 14, 2024);
- San Luis & Delta-Mendota Water Authority (October 3, 2024);
- Sierra Club, Delta-Sierra Group (October 3, 2024).

There were five comment letters on the Recirculated Draft EIR that were submitted to the City of Tracy during the 45-day public review period.

- California Department of Conservation (April 29, 2025);
- Chevron (April 23, 2025);
- Pacific Gas and Electric (April 25, 2025);
- San Joaquin County Environmental Health Department (April 3, 2025);
- San Joaquin Valley Air Pollution Control District (May 5, 2025).

This Final Environmental Impact Report (Final EIR) was prepared in accordance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines (Section 15132). The City of Tracy (City) is the lead agency for the environmental review of the Schulte Road Warehouse Project (Project) and has the principal responsibility for approving the Project. This Final EIR assesses the expected environmental impacts resulting from approval of the Project and associated impacts from subsequent development and operation of the Project, as well as responds to comments received on the Draft Environmental Impact Report (Draft EIR) and Recirculated Draft EIR.

1.1 PURPOSE AND INTENDED USES OF THE EIR

CEQA REQUIREMENTS FOR A FINAL EIR

This Final EIR for the Project has been prepared in accordance with the State CEQA Guidelines. State CEQA Guidelines Section 15132 requires that a Final EIR consist of the following:

- the Draft EIR or a revision of the draft;
- comments and recommendations received on the Draft EIR, either verbatim or in summary;
- a list of persons, organizations, and public agencies commenting on the Draft EIR;
- the responses of the lead agency to significant environmental concerns raised in the review and consultation process; and
- any other information added by the lead agency.

In accordance with State CEQA Guidelines Section 15132(a), the Draft EIR is incorporated by reference into this Final EIR.

An EIR must disclose the expected environmental impacts, including impacts that cannot be avoided, growth-inducing effects, impacts found not to be significant, and significant cumulative impacts, as well as identify mitigation measures and alternatives to the Project that could reduce or avoid its adverse environmental impacts. CEQA requires government agencies to consider and, where feasible, minimize environmental impacts of proposed development, and an obligation to balance a variety of public objectives, including economic, environmental, and social factors.

PURPOSE AND USE

The City, as the lead agency, has prepared this Final EIR to provide the public and responsible and trustee agencies with an objective analysis of the potential environmental impacts resulting from approval, construction, and operation of the Project. Responsible and trustee agencies that may use the EIR are identified in Chapters 1.0 and 2.0 of the Draft EIR.

The environmental review process enables interested parties to evaluate the Project in terms of its environmental consequences, to examine and recommend methods to eliminate or reduce potential adverse impacts, and to consider a reasonable range of alternatives to the Project. While CEQA requires that consideration be given to avoiding adverse environmental effects, the lead

1.0 INTRODUCTION

agency must balance adverse environmental effects against other public objectives, including the economic and social benefits of a project, in determining whether a project should be approved.

This EIR will be used as the primary environmental document to evaluate all aspects of construction and operation of the Project. The details and operational characteristics of the Project are identified in Chapter 2.0, Project Description, of the Recirculated Draft EIR (February 2025).

1.2 ENVIRONMENTAL REVIEW PROCESS

The review and certification process for the EIR has involved, or will involve, the following general procedural steps:

NOTICE OF PREPARATION AND INITIAL STUDY (2023)

The City circulated an Initial Study (IS) and Notice of Preparation (NOP) of an EIR for the proposed Project on December 15, 2023 to the State Clearinghouse, State Responsible Agencies, State Trustee Agencies, Other Public Agencies, Organizations and Interested Persons. A public scoping meeting was held on January 9, 2024 to present the project description to the public and interested agencies, and to receive comments from the public and interested agencies regarding the scope of the environmental analysis to be included in the Draft EIR. Concerns raised in response to the NOP were considered during preparation of the Draft EIR. The IS, NOP, and comments received on the NOP by interested parties are presented in Appendix A of the Draft EIR.

NOTICE OF AVAILABILITY AND DRAFT EIR (2024)

The City published a public Notice of Availability (NOA) for the Draft EIR on August 30, 2024 inviting comment from the general public, agencies, organizations, and other interested parties. The NOA was filed with the State Clearinghouse (SCH # 2023120437) and the San Joaquin County Clerk, and was published in a local newspaper pursuant to the public noticing requirements of CEQA. The 45-day public review period for the Draft EIR began on August 30, 2024 and ended on October 14, 2024 at 5:00 p.m.

The Draft EIR contains a description of the Project, description of the environmental setting, identification of Project impacts, and mitigation measures for impacts found to be significant, as well as an analysis of Project alternatives, identification of significant irreversible environmental changes, growth-inducing impacts, and cumulative impacts. The Draft EIR identifies issues determined to have no impact or a less-than-significant impact, and provides detailed analysis of potentially significant and significant impacts. Comments received in response to the NOP were considered in preparing the analysis in the Draft EIR.

NOTICE OF AVAILABILITY AND RECIRCULATED DRAFT EIR (2025)

Upon review of comment letters received on the Draft EIR during the prior (2024) public comment period, the City concluded that portions of the Draft EIR analysis should be revised and expanded to address issues raised in comment letters. Specifically, the City determined that the greenhouse

gas analysis and air quality analysis should be revised, and that an analysis of potential energy-related impacts should be included. These revisions and additional analysis have been prepared in response to letters received from the Sierra Club (October 3, 2024) and the Golden State Environmental Justice Alliance (October 9, 2024). The Recirculated Draft EIR (RDEIR) includes revisions to the air quality and greenhouse gas emissions analysis that address the issues raised in the above-referenced comment letters. The RDEIR also includes a discussion of the Project's energy impacts, which was not originally included in the Draft EIR. The revised analyses in Sections 3.3, Air Quality, and 3.7, Greenhouse Gases, Climate Change and Energy, of the RDEIR fully addresses the comments received on these topics for the (2024) Draft EIR.

In accordance with CEQA Guidelines Section 15088.5 (c), if a revision of a Draft EIR is limited to a few chapters or portions of the EIR, the lead agency need only recirculate the chapters or portions that contain significant new information. The RDEIR included the following chapters:

- Chapter ES: Executive Summary
- Chapter 1.0: Introduction
- Chapter 2.0: Project Description
- Section 3.2: Air Quality
- Section 3.7: Greenhouse Gases, Climate Change and Energy
- Chapter 4.0: Other CEQA-Required Topics

These chapters of the RDEIR substitute for and supersede those contained in the previously-circulated Draft EIR. Those chapters and sections of the previously-circulated Draft EIR that are not listed above remain valid and are operative and effective parts of the overall EIR. Because some of the Project's air quality, greenhouse gas emissions, and energy impacts are more severe than evaluated in the Draft EIR, the significance determinations in the RDEIR for some impacts have changed compared to those in the Draft EIR.

Upon completion of the RDEIR, the City published a public Notice of Availability (NOA) for the (Recirculated) Draft EIR on March 21, 2025 inviting comment from the general public, agencies, organizations, and other interested parties. The NOA was filed with the State Clearinghouse (SCH # 2023120437) and the San Joaquin County Clerk, and was published in a local newspaper pursuant to the public noticing requirements of CEQA. The 45-day public review period for the RDEIR began on March 21, 2025 and ended on May 5, 2025 at 5:00 p.m.

During the original 2024 Draft EIR comment period, the City received eight comment letters regarding the Draft EIR from public agencies and other parties. During the 2025 RDEIR comment period, the City received five comment letters regarding the RDEIR from private companies and other parties. All thirteen of these comment letters are identified in Table 2.0-1 of this Final EIR document. In accordance with CEQA Guidelines Section 15088 and 15088.5, this Response to Comments document responds to the written comments received on the Draft EIR and the RDEIR, as required by CEQA.

As indicated in the RDEIR, as to the chapters of the Draft EIR that were superseded by replacement chapters within the Recirculated Draft EIR, the City is under no obligation to respond to comments

1.0 INTRODUCTION

received on the Draft EIR pertaining to those chapters. However, in the interest of full disclosure and robust public review and response, though not required by CEQA, the lead agency has opted in this document to prepare a written response to all comments received on the Draft EIR, including those directed at superseded chapters. To be meaningful, the responses to such comments are framed so as to respond to the issues presented in the subject comments within the Final EIR as a whole, including the data in the later-published, superseding RDEIR chapters.

This Final EIR document also contains minor edits to the RDEIR, which are included in Chapter 3.0, Revisions. This document, as well as the RDEIR as amended herein, constitute the Final EIR.

CERTIFICATION OF THE EIR/PROJECT CONSIDERATION

The Tracy Planning Commission and City Council will review and consider the Final EIR. If the City Council finds that the Final EIR is "adequate and complete," the Council may certify the Final EIR in accordance with CEQA and City environmental review procedures and codes. The rule of adequacy generally holds that an EIR can be certified if:

- 1) The EIR shows a good faith effort at full disclosure of environmental information; and
- 2) The EIR provides sufficient analysis to allow decisions to be made regarding the proposed project which intelligently take account of environmental consequences.

Upon review and consideration of the Final EIR, the City Council may take action to approve, revise, or reject the Project. A decision to approve the Project, for which this EIR identifies significant environmental effects, must be accompanied by written findings in accordance with State CEQA Guidelines Sections 15091 and 15093. A Mitigation Monitoring and Reporting Program, as described below, would also be adopted in accordance with Public Resources Code Section 21081.6(a) and CEQA Guidelines Section 15097 for mitigation measures that have been incorporated into or imposed upon the project to reduce or avoid significant effects on the environment. This Mitigation Monitoring and Reporting Program has been designed to ensure that these measures are carried out during Project implementation, in a manner that is consistent with the EIR.

1.3 ORGANIZATION OF THE FINAL EIR

This Final EIR has been prepared consistent with Section 15132 of the State CEQA Guidelines, which identifies the content requirements for Final EIRs. This Final EIR is organized in the following manner:

CHAPTER 1.0 – INTRODUCTION

Chapter 1.0 briefly describes the purpose of the environmental evaluation, identifies the lead agency, summarizes the process associated with preparation and certification of an EIR, and identifies the content requirements and organization of the Final EIR.

CHAPTER 2.0 – COMMENTS ON THE DRAFT EIR AND RESPONSES

Chapter 2.0 provides a list of commenters, copies of written and electronic comments made on the Draft EIR (coded for reference), and responses to those written comments.

CHAPTER 3.0 – REVISIONS

Chapter 3.0 consists of minor revisions to the Draft EIR in response to comments received on the Draft EIR.

CHAPTER 4.0 – FINAL MMRP

Chapter 4.0 consists of a Mitigation Monitoring and Reporting Program (MMRP). The MMRP is presented in a tabular format that presents the impacts, mitigation measure, and responsibility, timing, and verification of monitoring.

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2.1 INTRODUCTION

No new significant environmental impacts or issues, beyond those already covered in the Draft EIR (DEIR) and Recirculated Draft EIR (RDEIR) for the Schulte Road Warehouse Project (Project), were raised during the comment period. Responses to comments received during the comment period do not involve any new significant impacts or add “significant new information” that would require recirculation of the DEIR pursuant to CEQA Guidelines Section 15088.5.

CEQA Guidelines Section 15088.5 states that: *New information added to an EIR is not “significant” unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project’s proponents have declined to implement.*

Sections 2.0 and 3.0 of this Final EIR include information that has been added to the EIR since the close of the public review period in the form of responses to comments and revisions.

2.2 LIST OF COMMENTERS

Table 2.0-1 lists the comment letters on the DEIR (2024) that were submitted to the City of Tracy (City) during the 45-day public review period for the DEIR (Letters A through H), and the comment letters on the RDEIR (2025) that were submitted to the City during the 45-day public review period for the RDEIR (Letters I through M). The assigned comment letter or number, letter date, letter author, and affiliation, if presented in the comment letter or if representing a public agency, are also listed. Letters received are coded with letters (A, B, etc.).

TABLE 2.0-1 LIST OF COMMENTERS ON DEIR

RESPONSE LETTER	INDIVIDUAL OR SIGNATORY	AFFILIATION	DATE
A	Erin Chappell	California Department of Fish and Wildlife	10-14-24
B	Gary Ho	Golden State Environmental Justice Alliance	10-9-24
C	Laurel Boyd	San Joaquin Council of Governments, Inc.	9-4-24
D	Aldara Salinas	San Joaquin County Environmental Health Department	10-7-24
E	J.D. Hightower	San Joaquin LAFCO	10-7-24
F	Tom Jordan	San Joaquin Valley Air Pollution Control District	10-14-24
G	Jaime McNeil	San Luis & Delta-Mendota Water Authority	10-3-24
H	Margo Praus, Eric Parfrey, Mary Elizabeth	Sierra Club, Delta-Sierra Group	10-3-24
I	Erwin Sison	California Department of Conservation	4-29-25
J	Jose Antonio Lopez Jr.	Chevron	4-23-25
K	Matthieu McNair	Pacific Gas and Electric	4-25-25
L	Aldara Salinas	San Joaquin County Environmental Health Department	4-3-25
M	Mark Montelongo	San Joaquin Valley Air Pollution Control District	5-5-25

2.3 COMMENTS AND RESPONSES

REQUIREMENTS FOR RESPONDING TO COMMENTS ON A DEIR

CEQA Guidelines Section 15088 requires that lead agencies evaluate and respond to all comments on the DEIR that raise a significant environmental issue. The written response must address the significant environmental issue raised and provide a detailed response, especially when lead agency's position is at variance with the specific comments or suggestions (e.g., additional mitigation measures). The written response must provide be a good faith and reasoned analysis. However, lead agencies need only to respond to significant environmental issues associated with the project and do not need to provide all the information requested by the commenter, as long as a good faith effort at full disclosure is made in the EIR (CEQA Guidelines Section 15204).

As noted in Chapter 1, under CEQA, the City is not required to respond to comments on those chapters of the DEIR that were superseded by replacement chapters in the RDEIR. However, in the interest of full disclosure and robust public review and response, the City has prepared written responses to all comments submitted on the DEIR and the RDEIR, including those directed at the superseded chapters of the DEIR. To be meaningful, the responses to such comments are framed so as to respond to the issues presented within the Final EIR as a whole, including the data in the later-published, superseding RDEIR chapters.

CEQA Guidelines Section 15204 recommends that commenters provide detailed comments that focus on the sufficiency of the DEIR in identifying and analyzing the possible environmental impacts of the project and ways to avoid or mitigate the significant effects of the project, and that commenters provide evidence supporting their comments. Pursuant to CEQA Guidelines Section 15064, an effect shall not be considered significant in the absence of substantial evidence.

CEQA Guidelines Section 15088 also recommends that revisions to the DEIR be noted as a revision in the DEIR or as a separate section of the Final EIR. Chapter 3.0 of this Final EIR identifies all revisions to the DEIR.

RESPONSES TO COMMENT LETTERS

Written comments on the DEIR are reproduced on the following pages, along with responses to those comments. To assist in referencing comments and responses, the following coding system is used:

- Each letter is lettered or numbered (i.e., Letter A) and each comment within each letter is numbered (i.e., comment A-1, comment A-2).

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State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
 Bay Delta Region
 2825 Cordelia Road, Suite 100
 Fairfield, CA 94534
 (707) 428-2002
www.wildlife.ca.gov

GAVIN NEWSOM, Governor
CHARLTON H. BONHAM, Director



October 14, 2024

Scott Claar, Senior Planner
 City of Tracy
 333 Civic Center Plaza
 Tracy, CA 95376
Scott.Claar@cityoftracy.org

Subject: Schulte Road Warehouse Project, Draft Environmental Impact Report,
 SCH No. 2023120437, San Joaquin County, City of Tracy

Dear Mr. Claar:

The California Department of Fish and Wildlife (CDFW) received a Notice of Availability of a draft Environmental Impact Report (EIR) from the City of Tracy for the Schulte Road Warehouse Project (Project) pursuant to the California Environmental Quality Act (CEQA) and CEQA Guidelines.¹

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CDFW is submitting comments on the draft EIR to inform the City of Tracy, as the Lead Agency, of our concerns regarding potentially significant impacts to biological resources associated with the Project.

CDFW ROLE

CDFW is a **Trustee Agency** with responsibility under CEQA (Pub. Resources Code, § 21000 et seq.) pursuant to CEQA Guidelines section 15386 for commenting on projects that could impact fish, plant, and wildlife resources. CDFW is also considered a **Responsible Agency** if a Project would require discretionary approval, such as permits issued under the California Endangered Species Act (CESA), Lake and Streambed Alteration (LSA) Program, or other provisions of the Fish and Game Code that afford protection to the state's fish and wildlife trust resources.

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REGULATORY AUTHORITY

California Endangered Species Act

Please be advised that a CESA Incidental Take Permit (ITP) must be obtained if the Project has the potential to result in "take" of plants or animals listed under CESA, either during construction or over the life of the Project. Issuance of a CESA ITP is subject to CEQA documentation; the CEQA document must specify impacts, mitigation measures,

¹ CEQA is codified in the California Public Resources Code in section 21000 et seq. The "CEQA Guidelines" are found in Title 14 of the California Code of Regulations, commencing with section 15000.

Conserving California's Wildlife Since 1870

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Scott Claar
City of Tracy
October 14, 2024
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and a mitigation monitoring and reporting program. If the Project will impact CESA listed species, early consultation is encouraged, as significant modification to the Project and mitigation measures may be required in order to obtain a CESA ITP.

Lake or Streambed Alteration

Pursuant to Fish and Game Code section 1600 et seq., an LSA notification is required for any activity that may substantially divert or obstruct the natural flow; change or use material from the bed, channel, or bank including associated riparian; or deposit or dispose of material where it may pass into a river, lake or stream. The Project proponent should submit a 1602 notification covering all activities subject to Fish and Game Code 1602 authority. CDFW will consider the CEQA document for the Project and may issue an LSA Agreement. CDFW may not execute the Final LSA Agreement (or ITP) until it has complied with CEQA as a Responsible Agency.

Fully Protected Species

Fully protected species, such as white-tailed kite (*Elanus leucurus*), may not be taken or possessed at any time and no licenses or permits may be issued for their take except as follows. The take is for necessary scientific research, efforts to recover a fully protected, endangered, or threatened species, live capture and relocation of a bird species for the protection of livestock, or if they are a covered species whose conservation and management is provided for in a Natural Community Conservation Plan (Fish & G. Code, §§ 3511, 4700, 5050, & 5515). Specified types of infrastructure projects may be eligible for an ITP for unavoidable impacts to fully protected species if certain conditions are met (Fish & G. Code §2081.15). Project proponents should consult with CDFW early in the Project planning process.

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cont'd

Raptors and Other Nesting Birds

CDFW has jurisdiction over actions that may result in the disturbance or destruction of active nest sites or the unauthorized take of birds. Fish and Game Code sections protecting birds, their eggs, and nests include sections 3503 (regarding unlawful take, possession or needless destruction of the nests or eggs of any bird), 3503.5 (regarding the take, possession or destruction of any birds of prey or their nests or eggs), and 3513 (regarding unlawful take of any migratory nongame bird).

PROJECT DESCRIPTION SUMMARY

Proponent: City of Tracy

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Project Description: The Project includes the demolition of three single family residences and six ancillary structures and construction and operation of a one-story

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Scott Claar
City of Tracy
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217,466-square-foot (sf) warehouse building and a surface parking lot. The 217,466-sf warehouse would include 206,593-sf of warehouse uses and 10,873-sf of office space.

Location: The Project site is located at 16286 West Schulte Road in unincorporated San Joaquin County, California. The Assessor's Parcel Numbers are 209-230-250 and 209-230-260. The larger parcel (APN 209-230-250) is proposed for development as part of the Project. The Project site is immediately south of the intersection of Bud Lyons Way and West Schulte Road. The Project site is bounded on the north by West Schulte Road, on the west by an unnamed driveway serving the adjacent rural residence, on the south by the Delta Mendota Canal, and on the east by vacant agricultural land. The Project site is located within Sections 35 of Township 2 South, Range 4 East Mount Diablo Base Meridian (MDBM).

A-3
cont'd

COMMENTS AND RECOMMENDATIONS

CDFW offers the comments and recommendations below to assist the Lead Agency in adequately identifying and/or mitigating the Project's significant, or potentially significant, direct and indirect impacts on fish and wildlife (biological) resources. Editorial comments or other suggestions may also be included to improve the document. Based on the Project's avoidance of significant impacts on biological resources with implementation of mitigation measures, including those CDFW recommends, CDFW concludes that an EIR is appropriate for the Project. Please see Attachment 1 Draft Mitigation and Monitoring Reporting Plan outlining the mitigation measures recommended by CDFW below.

A-4

COMMENT 1: Proposal of No Bumble Bees on the Project Site

Issue: Page 3.4-27 of the draft EIR states that Crotch's bumble bee (*Bombus crotchii*) and western bumble bee (*Bombus occidentalis*) are documented within the nine-quad region for the Project site, but they are not documented on the Project site. The habitat present on the Project site is not ideal natural habitat for these species and none are believed to be present.

A-5

The draft EIR disclosed that a simple field reconnaissance survey was conducted on the site April 16, 2022 to establish the existing conditions of the site. The draft EIR does not describe that focused surveys for bumble bees by a qualified entomologist were conducted on the site. Therefore, the presence or absence of bumble bees should be further investigated.

Recommendations: CDFW recommends the following mitigation measures to detect bumble bees on the Project site for avoidance and minimization.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

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Recommended Mitigation Measure 1: Habitat Assessment

CDFW recommends the draft EIR include a thorough habitat assessment for Crotch's and western bumble bee within the Project site and surrounding areas that may be impacted by Project construction and operations. The assessment should be conducted by a qualified entomologist knowledgeable with the life history and ecological requirements of Crotch's and western bumble bee, and include all areas of suitable overwintering, nesting, and foraging habitats.

Suitable habitat includes areas of grasslands and upland scrub that contain requisite habitat elements such as small mammal burrows and forage plants. Potential nest habitat (late February to late October) could contain underground abandoned small mammal burrows, perennial bunch grasses and/or thatched annual grasses, brush piles, old bird nests, dead trees, or hollow logs Williams et al. 2014; Hatfield et al. 2015). Overwintering sites (November through early February) utilized by mated queens in self-excavated hibernacula could be present in soft, disturbed soil (Goulson 2010), sand, well-drained, or loose soils, under leaf litter or other debris (Williams et al. 2014) with ground cover requisites such as barren areas, tree litter, bare patches within short grass in areas lacking dense vegetation.

Recommended Mitigation Measure 2: Surveys

The draft EIR should state that preconstruction surveys will be conducted within the Project site and surrounding areas which may be impacted by Project construction and/or operations. CDFW recommends following the guidance outlined in the California Bumble Bee Atlas Habitat surveys- Cali Bumble Bee Atlas – California Bumble Bee Atlas (<https://www.cabumblebeeatlas.org/habitat-surveys.html>).

The peak flying time for Crotch's bumble bee is March to August, but bees could be flying anytime between February 1 and October 31. Surveys between March and June are expected to have highest detection probability and are therefore the period recommended for pre-construction surveys. Surveys should be conducted no more than 30 days prior to start of Project construction activities, assessing all areas of suitable habitat for overwintering, nesting and foraging at, and within 100 feet of the proposed work area. Surveys should include a minimum of three survey efforts, over a three-day period within a temperature range of 15C and 30C although bumble bees can fly and forage at near freezing temperatures. If the surveyor suspects Crotch's bumble bee detection or occupancy, CDFW should be consulted immediately.

Goals of the surveys should be to potentially identify the bee species through non-take methods (close lens photography), foraging plants, and potential ground nest sites on site. Surveys should include examining flowering vegetation, any potential preferred nectar plants, small mammal burrows, bunch grasses, thatch, brush piles, old bird

A-5
cont'd

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bests, dead trees, or hollow logs. Survey results, after the protocol was followed, would be good for one year (until the next flying period season) but a pre-activity survey would still be needed prior to ground-disturbing activities.

A-5
cont'd

COMMENT 2: Crotch's Bumble Bee

Issue: The Project site is within the current known range of the Crotch's bumble bee; however, the draft EIR does not analyze potential impacts to this species, nor does it identify any mitigation measures. Potential adverse effects to this species from vegetation removal, clearing, grubbing, and grading work on-site may include direct mortality through crushing or filling of active bee colonies and hibernating bee cavities, reduced reproductive success, loss of suitable breeding and foraging habitats, and loss of native vegetation that may support essential foraging habitat.

Recommendation: CDFW recommends the EIR include an analysis of impacts to Crotch's bumble bee and identify avoidance, minimization and mitigation measures based on the analysis to ensure impacts are reduced to a level of less-than-significant. CDFW also recommends that the EIR include a mitigation measure that requires focused surveys for the species to be conducted during the colony active period (i.e., April through August) and when floral resources are in peak bloom. Bumble bees move nest sites each year, therefore, focused surveys should be conducted each year that Project work activities will occur. Further guidance on presence surveys can be found within *Survey Considerations for California Endangered Species Act (CESA) Candidate Bumble Bee Species* (<https://wildlife.ca.gov/Conservation/CESA>).

A-6

CDFW recommends that habitat removal (i.e. grading of floral resources) be conducted in a patchwork pattern to the extent feasible in occupied or suitable habitat, such that the entirety of the habitat is not removed and untreated portions of occupied or suitable habitat are retained.

COMMENT 3: Bumble Bees Not Covered in the San Joaquin Multi-Species Habitat Conservation and Open Space Plan

Issue: The draft EIR proposes that biological resource impacts will be mitigated to a less-than-significant level by participation in the San Joaquin Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP provides compensation for habitat impacts to covered species, avoidance and minimization of covered species, and take authority for covered species. However, Crotch's bumble bee (*Bombus crotchii*) and western bumble bee (*Bombus occidentalis*) are not species that are covered by the SJMSCP. The draft EIR does not provide avoidance and minimization measures or mitigation for impacts to bumble bees that may utilize the Project site.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

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Recommendations: CDFW recommends the following mitigation measures to avoid and mitigate direct and indirect impacts to Crotch's bumble bee and western bumble bee.

If surveys document presence of Crotch's bumble bee or their habitats within the Project site, due to the difficulty of completely avoiding take of individuals of the species, CDFW strongly recommends that the Project proponent apply for an ITP under CESA to provide take authorization for Crotch's bumble bee as a covered species.

Recommended Mitigation Measure 3: Avoidance of Nesting Colonies

CDFW recommends that inactive small mammal burrows and thatched/bunch grasses be avoided whenever feasible. If an inactive burrow may be disturbed by Project activities, it should be resurveyed for Crotch's bumble bee presence within seven days prior to the scheduled disturbance. If Crotch's bumble bee has been detected during surveys, the qualified entomologist should identify the location of all nests in or adjacent to the Project site. If nests are identified, 45-foot no-disturbance buffer zones should be established around nests to reduce the risk of disturbance or accidental take. If Project activities may result in disturbance or potential take, the qualified entomologist should expand the buffer zone as necessary to prevent disturbance or take.

A-6
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Recommended Mitigation Measure 5: Compensatory Mitigation

CDFW recommends that the draft EIR include compensatory mitigation for the loss of all suitable Crotch's bumble bee habitat. Bumble bee floral resources should be mitigated for permanent impacts in the absence of information regarding the compensatory mitigation site. Floral resources should be replaced as close to their original location as is feasible. If active Crotch's bumble bee nests have been identified and floral resources cannot be replaced within 600 feet of their original location, floral resources should be planted in the most centrally available location relative to identified nests. This location should be no more than 4,900 feet (1.5-km) from any identified nest. Replaced floral resources may be split into multiple patches to meet distance requirements for multiple nests. The draft EIR should state that mitigation lands will be protected in perpetuity under a conservation easement with an endowment established for long-term management of the lands.

A-7

ENVIRONMENTAL DATA

CEQA requires that information developed in environmental impact reports and negative declarations be incorporated into a database which may be used to make subsequent or supplemental environmental determinations. (Pub. Resources Code, § 21003, subd. (e)). Accordingly, please report any special-status species and natural communities detected during Project surveys to CNDDDB. The CNDDDB field survey form can be filled out and submitted online at the following link:

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<https://wildlife.ca.gov/Data/CNDDDB/Submitting-Data>. The types of information reported to CNDDDB can be found at the following link:
<https://www.wildlife.ca.gov/Data/CNDDDB/Plants-and-Animals>.

A-7
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ENVIRONMENTAL DOCUMENT FILING FEES

The Project, as proposed, would have an impact on fish and/or wildlife, and assessment of environmental document filing fees is necessary. Fees are payable upon filing of the Notice of Determination by the Lead Agency and serve to help defray the cost of environmental review by CDFW. Payment of the environmental document filing fee is required in order for the underlying Project approval to be operative, vested, and final. (See Cal. Code Regs, tit. 14, § 753.5; Fish & G. Code, § 711.4; Pub. Resources Code, § 21089).

A-8

CONCLUSION

CDFW appreciates the opportunity to comment on the draft EIR to assist the City of Tracy in identifying and mitigating Project impacts on biological resources. Questions regarding this letter or further coordination should be directed to Andrea Boertien, Environmental Scientist, at (707) 317-0388 or Andrea.Boertien@wildlife.ca.gov; or Sara Kern, Environmental Scientist (Supervisory), at (916) 531-4465 or Sara.Kern@wildlife.ca.gov.

A-9

Sincerely,

DocuSigned by:

Erin Chappell
Regional Manager
Bay Delta Region

ec: Office of Planning and Research, State Clearinghouse (SCH No. 2023120437)

REFERENCES

Goulson, D. 2010. Bumblebees: behaviour, ecology, and conservation. Oxford University Press, New York. 317pp.

Hatfield, R, S. Colla, S. Jepsen, L. Richardson, R. Thorp, and S. Foltz Jordan. 2014. Draft IUCN Assessments for North American *Bombus* spp. for the North American IUCN Bumble Bee Specialist Group. The Xerces Society for Invertebrate Conservation, www.xerces.org, Portland, OR.

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Hatfield, R., Jepsen, S., Thorp, R., Richardson, L., Colla, S. & Foltz Jordan, S. 2015.
Bombus occidentalis. The IUCN Red List of Threatened Species 2015.

Williams, P. H., R. W. Thorp, L. L. Richardson, and S.R. Colla. 2014. Bumble bees of North America: An Identification guide. Princeton University Press, Princeton, New Jersey. 208pp.

Response to Letter A: California Department of Fish and Wildlife

Response A-1: This comment serves as an introduction to the comment letter. No further response is necessary.

Response A-2: This comment describes the California Department of Fish and Wildlife (CDFW) regulatory role. No further response is necessary.

Response A-3: This comment correctly summarizes the proposed Project description. No further response is necessary.

Response A-4: See Responses A-5 through A-10 for detailed response regarding the Project's potentially significant impacts related to biological resources which are described in the body of the comment letter.

Response A-5: See Response A-6.

Response A-6: Crotch bumble bee (*Bombus crotchii*) is discussed on page 3.4-11 and in Impact 3.4-1 on pages 3.4-26 through 3.4-28 of Section 3.4, Biological Resources, of the DEIR. As shown in Table 3.4-2, no known CNDDDB occurrences within 3-miles of Project site and potential habitat is limited to non-existent within Project area. This determination is based on the field survey completed by Principal Biologist Steve McMurtry on April 16, 2022. The methodology of this survey is summarized on page 3.4-3.

Additionally, as discussed on page 3.4-287, while crotch bumble bee is documented within the nine-quad region for the Project site, they are not documented on the Project site. The habitat present on the project site is not ideal natural habitat for this species and none are believed to be present.

Response A-7: Any species or communities detected during the Project surveys will be reported to the CNDDDB.

Response A-8: Any species or communities detected during the Project surveys will be reported to the California Natural Diversity Database (CNDDDB).

Response A-9: The Project applicant will pay the applicable filing fees upon filing the Notice of Determination for the Project.

Response A-10: The City will provide the CDFW with any written notification of proposed actions and pending decisions regarding the proposed Project.

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October 9, 2024

Scott Claar
Senior Planner
City of Tracy Planning Division
333 Civic Center Plaza
Tracy, CA 95376

Via Email to:
Scott.Claar@cityoftracy.org

Subject: Comments on Schulte Road Warehouse Project EIR (SCH NO. 2023120437)

Dear Mr. Claar,

Thank you for the opportunity to comment on the Environmental Impact Report (EIR) for the proposed Schulte Road Warehouse Project. Please accept and consider these comments on behalf of Golden State Environmental Justice Alliance. Also, Golden State Environmental Justice Alliance formally requests to be added to the public interest list regarding any subsequent environmental documents, public notices, public hearings, and notices of determination for this project. Send all communications to Golden State Environmental Justice Alliance P.O. Box 79222 Corona, CA 92877.

B-1

1.0 Summary

The project proposes the demolition of existing onsite structures (three single family residences and six ancillary structures) and construction and operation of a 217,466 square foot (sf) industrial building, including 206,593 sf of warehouse area and 10,873 sf of office area. The EIR defines two separate areas- the “project site” and the “development area.” The project site totals 21.92 acres and includes: (1) the proposed 20.92-acre Development Area (APN 209-230-250), and (2) the 1.00-acre Williams Communication Parcel along West Schulte Road (APN 209-230-260). The Development Area includes a 20.92-acre parcel (APN 209-230-250) that is intended for the development of up to 217,466-square foot (sf) of warehouse and office uses.

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The Project site is located within unincorporated San Joaquin County. Per the San Joaquin County General Plan, the project site is designated General Agriculture (A/G). Per the City of Tracy General Plan, the project site is designated Industrial. The proposed Project would require the annexation of the Project site into the City of Tracy. The San Joaquin County Local Agency Formation Commission (LAFCo) will require the project site to be pre-zoned by the City of Tracy

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in conjunction with the proposed annexation. The City's pre-zoning for the project site will be the Light Industrial (M-1) zoning designation.

B-2
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1.0 Introduction: Effects Found Not to be Significant - Population and Housing

The EIR refers the reader to the Initial Study (IS) that concluded that the project would have less than significant impacts to population and housing. The IS does not provide any quantified analysis of the employees generated by the project during construction or operation. Appendix G: Transportation utilizes a calculation of 1,000 square feet per employee to conclude that the project will generate 217 employees during project operations. All sections of the EIR must be revised to utilize this methodology for analysis in order for the EIR to be an internally consistent document.

Table 2-7: Development Anticipated Within Years 1-10 and Within Years 11-30 of the City's 2019 Municipal Services Review¹ (MSR) states that Planning Subarea 1 (which encompasses the proposed project site) will generate 480 jobs during years 1-10 and 184 jobs during years 11-30. The 10-Year Horizon of the MSR spans from 2018 to 2028 and the 30-Year Horizon addresses 2028 to 2048. The EIR states that, "Project construction was assumed to begin in 2025 and be completed in 2027." Utilizing Appendix G's calculation of 217 employees, the proposed project represents buildup of 45% of all jobs in Planning Subarea 1 over the 10-Year horizon period. This information is not discussed or presented for analysis in the EIR and must be included as part of a revised and recirculated EIR for public review. For example, the proposed project in tandem with one other project located in Planning Subarea 1, Costco Depot Annexation², will vastly exceed the growth provided for in the MSR. Utilizing the General Plan EIR's calculation of 1 employee per 1,000 square feet of industrial space, the Costco Depot Annexation project will generate 1,745 employees, which is more than 2.5 times the cumulative buildup of 664 jobs in Planning Subarea 1. The proposed project combined with the Costco Depot Annexation project will cumulatively generate 1,962 employees, which is nearly three times the cumulative buildup in Planning Subarea 1 and represents a 195% increase above the growth allowed for by the MSR. A revised EIR must include information and analysis regarding all projects proposed, pending, approved, and "in the pipeline" within Planning Subarea 1 in order to provide an adequate and accurate analysis regarding the buildup conditions of the City's MSR. A finding of significance must be made as the employment growth generated by the proposed project exceeds the growth capacity of the 2019 Municipal Services Review.

B-3

¹ City of Tracy 2019 Municipal Services Review <https://www.sjgov.org/docs/default-source/local-agency-information-commission-documents/municipal-services-and-spheres-of-influence/cities/tracy---july-2019.pdf?sfvrsn=aa988a63>

² <https://ceqanet opr.ca/Project/2020080531>

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The EIR must also provide a cumulative analysis discussion of projects approved since 2020 and projects “in the pipeline” to determine if the project will exceed SJCOG’s employment growth forecast for the City. The revised EIR must also provide demographic and geographic information on the location of qualified workers to fill these positions in order to provide an accurate environmental analysis. The City’s August 2024 Industrial and Commercial Pipeline Report³ provides updated information on current industrial activity:

Approved, Construction Not Started

Total: 1,004,464 sf

Under Review

Annexations: 3,841,004 sf

Overall Total: 9,698,494 sf

Cumulative Total: 10,702,958 sf

Utilizing a calculation of 1,000 square feet per employee and the development information provided by the August 2024 report, recent industrial development in the pipeline will generate approximately 10,703 employees and approximately 3,842 employees (35.8% of pipeline industrial employees) will be within areas requiring Annexation into the City limits. A revised EIR must be prepared to include analysis that demonstrates if the employees generated by the proposed project, current industrial development pipeline, and any industrial projects completed from the date of the City’s General Plan adoption that are not listed on the August 2024 pipeline list will exceed the growth forecasts of the General Plan and/or the City’s MSR.

SJCOG’s Population, Household, and Employment Projections⁴ notes that the City will add approximately 6,102 jobs between 2020 - 2045. Utilizing Appendix G’s calculation of 217 employees, the project represents 3.5% of the City’s employment growth from 2020 - 2045. A single project accounting for this amount of the projected employment growth over 25 years represents a significant amount of growth. Further, the August 2024 industrial development pipeline’s 10,703 employees represents 175% of the City’s employment growth from 2020 - 2045. The proposed project in combination with the current industrial development pipeline vastly

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³ City of Tracy August 2024 Industrial and Commercial Pipeline Report

<https://www.cityoftracy.org/home/showpublisheddocument/18512/638602885605370000>

⁴ SJCOG’s 2018 RTP/SCS Appendix R- Population, Household, and Employment Projections

<https://www.sjcoh.org/DocumentCenter/View/3722/Final-2018-RTPSCS-Technical-Appendix-R---Population-Household-and-Employment-Projections?bidId=>

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exceeds the City's projected employment growth and is a significant portion of its population growth. It must also be noted that since the project site (and others in the August 2024 pipeline list) are outside of the City limits, SJCOG did not include the sites for analysis in the City's growth projections. The EIR must be revised to include this analysis and also provide a cumulative analysis of projects approved since 2020 and projects "in the pipeline" to provide an adequate and accurate analysis regarding the proposed project in accordance with SJCOG, City General Plan, and City MSR growth forecasts for the City.

B-3
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1.0 Introduction: Effects Found Not to be Significant - Land Use and Planning

The IS/EIR does not provide a consistency analysis with any General Plan goals, policies, and objectives that the project has significant potential to conflict with due to errors in modeling, modeling without supporting evidence, and the EIR's determination that the project will have significant and unavoidable cumulatively considerable impacts to Aesthetics and Transportation (VMT), including but not limited to:

1. Objective LU-8.1 Policy 3 The City shall support existing San Joaquin County agricultural land use designations in the Planning Area and strongly oppose changes that result in increased urbanization.
2. Goal AQ1 Improved air quality and reduced greenhouse gas emissions.
3. Goal LU-9 Leadership in environmental, economic and social sustainability.
4. Objective LU-9.1 Undertake measures to reduce greenhouse gas emissions and improve the sustainability of actions by City government, residents and businesses in Tracy.
5. Objective AQ-1.1 Improve air quality and reduce greenhouse gas emissions through land use planning decisions.
6. AQ-1.1 Policy 1. The City shall promote land use patterns that reduce the number and length of motor vehicle trips.
7. AQ-1.1 Policy 2. To the extent feasible, the City shall maintain a balance and match between jobs and housing.
8. AQ-1.1 Policy 4. Employment areas should include a mix of support services to minimize the number of trips.
9. Objective AQ-1.2 Promote development that minimizes air pollutant and greenhouse gas emissions and their impact on sensitive receptors as a result of indirect and stationary sources.
10. AQ-1.2 Policy 2. The City shall assess through the CEQA process any air quality impacts of development projects that may be insignificant by themselves, but cumulatively significant.
11. AQ-1.2 Policy 3. Developers shall implement best management practices to reduce air pollutant emissions associated with the construction and operation of development projects.
12. AQ-1.2 Policy 6. Installation of solar voltaic panels on new homes and businesses shall be encouraged.

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13. AQ-1.2 Policy 12. New sources of toxic air pollutants shall prepare a Health Risk Assessment as required under the Air Toxics “Hot Spots” Act and, based on the results of the Assessment, establish appropriate land use buffer zones around those areas posing substantial health risks.
14. AQ-1.2 Policy 13. Dust control measures consistent with San Joaquin Valley Air Pollution Control District rules shall be required as a condition of approval for subdivision maps, site plans, and all grading permits.
15. AQ-1.2 Policy 14. Developments that significantly impact air quality shall only be approved if all feasible mitigation measures to avoid, minimize or offset the impact are implemented.
16. AQ-1.2 Policy 15. Encourage businesses to electrify loading docks or implement idling-reduction systems so that trucks transporting refrigerated goods can continue to power cab cooling elements during loading, layovers, and rest periods.
17. Objective AQ-1.4 Support local and regional air quality improvement efforts.
18. Goal CIR-1 A roadway system that provides access and mobility for all of Tracy’s residents and businesses while maintaining the quality of life in the community
19. Objective CIR-1.3 Adopt and enforce LOS standards that provide a high level of mobility and accessibility, for all modes, for residents and workers.
20. CIR-1 Policy 1. To the extent feasible, the City shall strive for LOS D on all streets and intersections, with the LOS standard for each facility to be defined in the Transportation Master Plan in accordance with the opportunities and constraints identified through the traffic projections and analysis performed for that Plan.
21. CIR-1 Policy 10. Exclusive right turn lanes in and out of major residential, commercial, industrial and office developments shall not reduce the width of public or private landscaping requirements.

B-4
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Due to errors in modeling and modeling without supporting evidence, as noted throughout this comment letter and attachments, and the EIR’s determination that the project will result in significant and unavoidable cumulatively considerable Aesthetics and Transportation (VMT) impacts, the proposed project is directly inconsistent with the goals, policies and objectives listed above adopted with the purpose of avoiding or mitigating an environmental effect. The EIR must be revised to include a consistency analysis with all General Plan goals, policies and objectives in order to provide an adequate and accurate environmental analysis.

Further, it must be noted that the horizon year of the City’s General Plan and its EIR⁵ is 2025. The project is proposed within less than one year of the General Plan buildout completion, and it is vital for the EIR to provide a cumulative analysis here to determine if the City has exceeded its General Plan buildout capacity. The General Plan EIR states that it will accommodate “11 million square feet of new industrial space,” and the City’s August 2024 pipeline report indicates that 10,702,958 square feet of industrial space has been recently approved, constructed, or is in the pipeline. The EIR must be revised to include a list of all industrial development approved,

⁵ <https://www.cityoftracy.org/home/showpublisheddocument/912/637451218798770000>

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constructed, and in the pipeline since the General Plan EIR 2005 baseline in order to adequately and accurately analyze all potentially significant environmental impacts.

Additionally, the IS/EIR also excludes discussion and analysis of the City's Municipal Services Review (MSR) and its 10-year Horizon. As stated above, the proposed project combined with the Costco Depot Annexation project will cumulatively generate 1,962 employees, which is nearly three times the cumulative buildout in Planning Subarea 1 and represents a 195% increase above the growth allowed for by the MSR. A revised EIR must include information and analysis regarding all projects proposed, pending, approved, and "in the pipeline" within Planning Subarea 1 in order to provide an adequate and accurate analysis regarding the buildout conditions of the City's MSR. A finding of significance must be made as the cumulative employment growth generated by the proposed project exceeds the growth capacity of the 2019 Municipal Services Review. There is no meaningful evidence to support the project will have less than significant impacts or that adequate public services can be provided within the required timeframes.

The EIR cannot conclude that the proposed project is consistent with all land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect, including SJ LAFCo regulations, and/or thresholds 1 - 5 within the Utilities and Service Systems section as the cumulative employment growth generated by the proposed project exceeds the growth capacity of the 2019 Municipal Services Review. There is no meaningful evidence to support the project will have less than significant impacts or that adequate public services can be provided within the required timeframes. Additionally, since approval of the annexation lies with SJ LAFCo and not the lead agency, an EIR cannot provide reasonable assurance that the annexation is within the scope of the MSR or will be approved and therefore the impact will remain significant and unavoidable necessitating a finding of significance in an EIR.

Further, the EIR does not provide any type of Zoning consistency analysis. The project does not comply with applicable requirements. As an example, Tracy Municipal Code Section 10.08.700 defines the dimensions of a Parking Space to be at least nine feet wide and twenty feet long. Tracy Municipal Code Section 10.08.3500 states that, "Parking areas containing twenty (20) or more spaces may include a maximum of thirty (30%) percent of the total number of spaces for compact cars." The project site includes 147 passenger car parking spaces (truck/trailer passenger car spaces are not required by the Municipal code and therefore must be excluded from calculations), with 6 parking spaces are designated for ADA and 20 parking spaces without dimensions on Figure 2.0-6. If it is assumed that the 20 spaces without dimensions are sized in accordance with Tracy Municipal Code Section 10.08.700, then 121 of the parking spaces are compact parking spaces. This is 82% of the total parking spaces, which vastly exceeds the 30% compact space allowance

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provided by Tracy Municipal Code Section 10.08.3500. The EIR must be revised to include a finding of significance as the project does not comply with this adopted policy.

B-4
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2.0 Project Description

The EIR does not include detailed building elevations, detailed site plan or a conceptual grading plan. The basic components of a Planning Application include a detailed site plan, floor plan, conceptual grading plan, written narrative, and detailed elevations. The Site Plan provided in Figure 2.0-4 has been edited for public review to remove meaningful information such as the legend, parking requirements, zoning compliance, floor area ratio, and site coverage. All of these basic items are necessary to conduct any type of analysis, and the EIR is inadequate as an informational document as it is not possible to ascertain any meaningful analysis based upon the information provided.

B-5

The renderings provided in Figure 2.0-5 Project Renderings do not provide meaningful information such as the building heights to their highest points, specific colors, or materials to be used. Further, there are no grading plans provided and the EIR does not provide any information regarding the required quantity of cut/fill material during the grading phase of construction. Providing the complete grading plan to verify the earthwork quantities is vital as this directly informs the quantity of necessary truck hauling trips due to soil import/export during the grading phase of construction. A revised EIR must be prepared to include wholly accurate and unedited detailed floor plan, grading plan, site plan, building elevations, and project narrative for public review.

Additionally, the City's 2019 Municipal Services Review (MSR) is not discussed in the EIR or included for public review. CEQA § 15150 (f) states that incorporation by reference is most appropriate for including long, descriptive, or technical materials that provide general background but do not contribute directly to the analysis of the problem at hand. The MSR contributes directly to the analysis of the problem at hand. Not including the MSR as an attachment for public review is in violation of CEQA § 15150 (f). The EIR must be revised and recirculated for public review including the MSR as an attachment.

B-6

3.3 Air Quality and 3.7 Greenhouse Gases, Climate Change and Energy

The EIR does not include for analysis relevant environmental justice issues in reviewing potential impacts, including cumulative impacts from the proposed project. The EIR provides general information about CalEnviroScreen but does not provide meaningful analysis regarding project census tract and the health impacts of pollution. This is in conflict with CEQA Guidelines Section 15131 (c), which requires that "Economic, social, and particularly housing factors shall be

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considered by public agencies together with technological and environmental factors in deciding whether changes in a project are feasible to reduce or avoid the significant effects on the environment identified in the EIR. If information on these factors is not contained in the EIR, the information must be added to the record in some other manner to allow the agency to consider the factors in reaching a decision on the project.” This is especially significant as the surrounding community is highly burdened by pollution.

According to CalEnviroScreen 4.0⁶, CalEPA’s screening tool that ranks each census tract in the state for pollution and socioeconomic vulnerability, the proposed project’s census tract (6077005207) ranks worse than 53% of the rest of the state overall in pollution burden. The surrounding community, including Kimball High School and residences to the east, and adjacent SB 535 Census Tract 6077005206 (north), bears the impact of multiple sources of pollution and is more polluted than average on every pollution indicator measured by CalEnviroScreen. For example, the project census tract ranks in the 91st percentile for groundwater threats. People who live near contaminated groundwater may be exposed to chemicals moving from the soil into the air inside their homes⁷. The census tract ranks in the 88th percentile for hazardous waste impacts. Contamination of air, water and soil near hazardous waste generators and facilities can harm the environment as well as people⁸. The census tract also ranks in the 53rd percentile for contaminated drinking water impacts. Poor communities and people in rural areas are exposed to contaminants in their drinking water more often than people in other parts of the state⁹.

The project census tract also ranks in the 61st percentile for ozone burden and the 70th percentile for traffic related impacts, which are attributed to heavy vehicular activity in the area. Ozone can cause lung irritation, inflammation, and worsening of existing chronic health conditions, even at low levels of exposure¹⁰. Exhaust fumes contain toxic chemicals that can damage DNA, cause cancer, make breathing difficult, and cause low weight and premature births¹¹.

Further, the census tract is a diverse community including 33% Asian-American, 4% African-American, and 27% Hispanic residents, which are especially vulnerable to the impacts of pollution. The community has a high rate of low educational attainment, meaning 60% of the census tract over age 25 has not attained a high school diploma, which is an indication that they

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⁶ CalEnviroScreen 4.0 <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

⁷ OEHHA Groundwater Threats <https://oehha.ca.gov/calenviroscreen/indicator/groundwater-threats>

⁸ OEHHA Hazardous Waste Generators and Facilities <https://oehha.ca.gov/calenviroscreen/indicator/hazardous-waste-generators-and-facilities>

⁹ OEHHA Contaminated Drinking Water <https://oehha.ca.gov/calenviroscreen/drinking-water>

¹⁰ OEHHA Air Quality: Ozone <https://oehha.ca.gov/calenviroscreen/indicator/air-quality-ozone>

¹¹ OEHHA Traffic Impacts <https://oehha.ca.gov/calenviroscreen/indicator/traffic-density>

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may lack health insurance or access to medical care. Medical care is vital for this census tract as it ranks in the 59th percentile for incidence of cardiovascular disease and 58th percentile for incidence of low birth weights.

The State of California lists three approved compliance modeling softwares¹² for non-residential buildings: CBECC-Com, EnergyPro, and IES VE. CalEEMod is not listed as an approved software. The CalEEMod modeling does not comply with the 2022 Building Energy Efficiency Standards and under-reports the project's significant Energy impacts and fuel consumption to the public and decision makers. Since the EIR did not accurately or adequately model the energy impacts in compliance with Title 24, it cannot conclude the project will generate less than significant impacts and a finding of significance must be made. A revised EIR with modeling using one of the approved software types must be prepared and circulated for public review in order to adequately analyze the project's significant environmental impacts. This is vital as the EIR utilizes CalEEMod as a source in its methodology and analysis, which is clearly not an approved software.

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It must also be noted that the City and/or SJCOG are not listed as a jurisdictions with local energy standards approved by the CA Energy Commission¹³. According to the CA Energy Commission, “Local jurisdictions are required to apply to the Energy Commission for approval, documenting the supporting analysis for how the local government has determined that their proposed Standards will save more energy than the current statewide Standards and the basis of the local government’s determination that the local standards are cost-effective.” Therefore, compliance with the City’s General Plan, Sustainability Action Plan, and/or SJCOG’s 2022 RTP/SCS does not comply with CA Energy Commission standards or AB 32/SB 32. The EIR is misleading to the public and decision makers by stating compliance with these standards when the local jurisdiction standards have not been approved by the CA Energy Commission. A revised EIR must be prepared with adequate analysis of project impacts utilizing an approved modeling software in order to be a reliable informational document in compliance with CEQA.

The EIR states that it analyzes the potentially significant impacts from Greenhouse Gas Emissions in a qualitative manner, assumably pursuant to CEQA Guidelines Section 15064.4. However, the consistency analysis provided is erroneous and does not demonstrate a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate or estimate the amount of

¹² California Energy Commission 2022 Energy Code Compliance Software
<https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/2022-building-energy-efficiency-1>

¹³ Local Ordinances Exceeding the 2022 CA Energy Code <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/2022-building-energy-efficiency-0>

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greenhouse gas emissions resulting from the project and its significance. Table 3.7-4: Consistency With SJCOG's 2022 RTP/SCS¹⁴ only provides analysis with the eight policies within the document and none of the associated implementation strategies. Further, the analysis provided in Table 3.7-4 does not accurately describe the proposed project and its significant impacts, which is erroneous misleading to the public and decision makers. For example, the EIR concludes the project is consistent with Policy 8: Improve the Quality of Life for Residents because the project is not "sited in an area that would be highly sensitive to the physical environmental impacts associated with the proposed Project, thereby maintaining quality of life for residents in the City of Tracy and the region." However, the EIR concludes that the project will have significant and unavoidable cumulatively considerable environmental impacts to Aesthetics and Transportation (VMT), which will degrade the environment and worsen quality of life for residents in Tracy and the region. The EIR only presents the project's mitigated GHG emissions, which are 2,814 MTCO2e, and this is underestimated due to inaccurate modeling and subsequent mitigation, does not further the State's goals of reducing GHG emissions 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050, and obstructs the State from attaining these goals. This is also not consistent with the following Policies and Strategies of the 2022 RTP/SCS:

1. Policy 1: Enhance the Environment for Existing and Future Generations and Conserve Energy
2. Strategy 1: Encourage efficient development patterns that maintain agricultural viability and natural resources
3. Strategy 3: Enhance the connection between land use and transportation choices through projects supporting energy and water efficiency.
4. Strategy 4: Improve air quality by reducing transportation-related emissions
5. Policy 2: Maximize Mobility and Accessibility
6. Policy 3: Increase Safety and Security
7. Strategy 10: Facilitate projects that reduce the number and severity of traffic incidents
8. Policy 4: Preserve the Efficiency of the Existing Transportation System
9. Strategy 12: Prioritize projects that make more efficient use of the existing road network.
10. Strategy 13: Support the continued maintenance and preservation of the existing transportation system.
11. Policy 8: Improve the Quality of Life for Residents
12. Strategy 30: Enhance public health through active transportation projects

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¹⁴ SJCOG 2018 RTP/SCS <https://www.sj cog.org/DocumentCenter/View/4156/Final-Compiled-RTPSCS-2018>

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3.10 Transportation

The EIR concludes that project implementation would not conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities because the City's Transportation Master Plan (TMP), "provides a complete review of the City's transportation system and serves as a comprehensive planning document that can be utilized to identify and implement required improvements to the existing roadway system. In addition, the TMP can serve as the baseline for incorporating expansion or accommodating future development consistent with the recent General Plan update. The proposed Project does not conflict with the City's TMP. The traffic analysis for the Project was completed consistent with the goals and policies of the TMP, including the required TDM Program." However, the EIR has not provided any quantified analysis or discussion of the specific requirements of the City's General Plan or TMP. Notably, the General Plan includes the following applicable items that have not been analyzed:

1. Objective CIR-1.3 Adopt and enforce LOS standards that provide a high level of mobility and accessibility, for all modes, for residents and workers.
2. CIR-1 Policy 1. To the extent feasible, the City shall strive for LOS D on all streets and intersections, with the LOS standard for each facility to be defined in the Transportation Master Plan in accordance with the opportunities and constraints identified through the traffic projections and analysis performed for that Plan.

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The EIR has not provided any quantified analysis, such as a complete trip generation analysis, to support the claim that project implementation will not conflict with the above listed General Plan items. The EIR attempts to mislead the public and decision makers in its narrative of the TMP and portraying it as the ultimate comprehensive planning document for the City's circulation system, while excluding any analysis of the General Plan. The EIR must be revised to include a finding of significance as there is no meaningful evidence to support a less than significant finding.

Appendix G: Transportation states that "Per OPR guidance, the VMT analysis excludes truck trips." The truck trips are excluded from analysis for both the proposed project and Alternative 2: Truck Parking Lot, which results in the EIR concluding that Alternative 2 is exempt from VMT analysis. However, the EIR does not provide a statutory source of exemption for medium/heavy trucks/trailers and/or freight. The EIR sources the OPR's 2018 Technical Advisory¹⁵ which states that "here, the term 'automobile' refers to on-road passenger vehicles, specifically cars and light trucks." However, the purpose of the OPR Technical Advisory document is purely advisory, stating in its introduction:

¹⁵ Governor's Office of Planning and Research Technical Advisory on Evaluating Transportation Impacts in CEQA https://opr.ca.gov/ceqa/docs/20190122-743_Technical_Advisory.pdf

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“The purpose of this document is to provide advice and recommendations, which agencies and other entities may use at their discretion. This document does not alter lead agency discretion in preparing environmental documents subject to CEQA. This document should not be construed as legal advice.”

The OPR document is not a legal interpretation, court decision, or amendment to the CEQA statute that clarifies the definition of automobile. The term “automobile” is not defined in the CEQA statute and application of the OPR interpretation is speculative and does not provide an analysis of the “worst-case scenario” for environmental impacts. Widespread public understanding and perception indicates that trucks, including medium/heavy-duty trucks/trailers and freight trips associated with the nature of industrial operations, are automobiles. The EIR must be revised to remove this misleading information and include all truck/freight activity for quantified VMT analysis. The operational nature of industrial uses involves high rates of truck/trailer/freight VMT due to traveling from large regional distribution centers to smaller industrial parks and then to their final delivery destinations. The project’s truck/trailer/freight activity is unable to utilize public transit or active transportation and it is misleading to the public and decision makers to exclude this activity from VMT analysis. A revised EIR must be prepared to reflect a quantified VMT analysis that includes all truck/trailer/freight activity to adequately and accurately analyze the potentially significant project transportation impacts for the proposed project and Alternative 2: Truck Parking Lot.

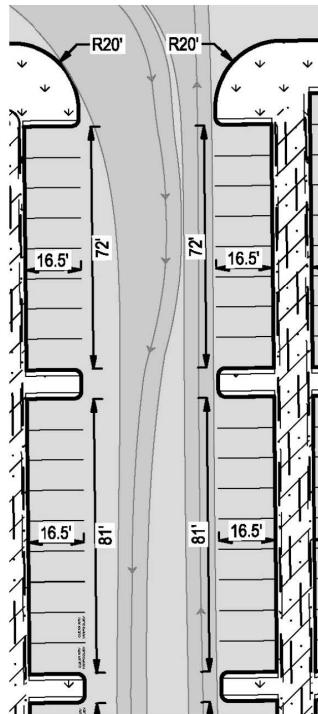
The EIR has not adequately analyzed the project’s potential to substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses; or the project’s potential to result in inadequate emergency access. The EIR has excluded any specific truck/trailer turning exhibits from public review. The EIR provides Figure 2.0-6. Paving and Dimensioning Plan that includes truck/trailer modeling layered on top of the additional paving/dimensioning modeling, resulting in inadequate modeling as the quantity of modeling lines to communicate multiple topics becomes unclear. The EIR does not include a queuing analysis of the available space onsite to accommodate trucks/trailers and passenger cars, which may result in queuing on the adjacent streets.

Several areas of potential conflicts between trucks/trailers and passenger cars exist at the streets adjacent to the project site and throughout the site itself. For example, the passenger car parking spaces are primarily compact size, varying between 15 feet and 16.5 feet in length. This indicates there will not be enough length for average size passenger vehicles in the parking space, and significant portions of passenger cars will extend into the access driveway. This is notable as the truck/trailer maneuvering modeling in Figure 2.0-6. Paving and Dimensioning Plan depicts

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truck/trailers utilizing the entirety of access driveway and abutting the edge of the compact parking spaces, as shown below.



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Additionally, Tracy Municipal Code Section 10.08.700 defines the dimensions of a Parking Space to be at least nine feet wide and twenty feet long. Tracy Municipal Code Section 10.08.3500 states that, “Parking areas containing twenty (20) or more spaces may include a maximum of thirty (30) percent of the total number of spaces for compact cars.” The project site includes 147 passenger car parking spaces (truck/trailer passenger car spaces are not required by the Municipal code and therefore must be excluded from calculations), with 6 parking spaces are designated for ADA and 20 parking spaces without dimensions on Figure 2.0-6. If it is assumed that the 20 spaces without dimensions are sized in accordance with Tracy Municipal Code Section 10.08.700, then 121 of the parking spaces are compact parking spaces. This is 82% of the total parking spaces, which vastly exceeds the 30% compact space allowance provided by Tracy Municipal Code Section 10.08.3500.

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The EIR must be revised to include a finding of significance as the project does not comply with this adopted policy.

The EIR states that, “the Project design would also be subject to the City’s Engineering Design & Construction Standards, which includes a section for Street Design Standards. These Project generated trips would be served by existing and planned facilities that are constructed to applicable design standards to serve these travel modes.” The EIR does not provide any meaningful evidence or analysis, such as the City’s Engineering Design & Construction Standards and demonstrating how the project does or does not meet these requirements, to support a less than significant finding. This does not comply with CEQA’s requirements for adequate informational documents and meaningful disclosure (CEQA § 15121 and 21003(b)). Deferring this environmental analysis required by CEQA to the construction permitting phase is improper mitigation and does not comply with CEQA’s requirement for meaningful disclosure and adequate informational documents. A revised EIR must be prepared to include a finding of significance as the EIR has not provided any meaningful evidence to support a less than significant finding.

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The EIR also provides inadequate analysis of emergency access, stating that “The internal circulation is designed to meet City code for emergency vehicle access and would maintain high levels of emergency vehicle accessibility and mobility, which ensures vehicles have the necessary access when responding to an emergency. Emergency vehicles arriving from West Schulte Road will have unimpeded access to the Project site.” The EIR does not provide any meaningful evidence or analysis, such as the “City Code” for emergency vehicles and requirements for accessibility and demonstrating how the project does or does not meet these requirements, to support a less than significant finding. This does not comply with CEQA’s requirements for adequate informational documents and meaningful disclosure (CEQA § 15121 and 21003(b)). Deferring this environmental analysis required by CEQA to the construction permitting phase is improper mitigation and does not comply with CEQA’s requirement for meaningful disclosure and adequate informational documents. A revised EIR must be prepared to include a finding of significance as the EIR has not provided any meaningful evidence to support a less than significant finding.

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3.11 Utilities and Service Systems

The EIR has not provided any information or analysis regarding the required annexation application to SJ LAFCo. The EIR concludes that because the proposed land use is consistent with the General Plan land use designation, it is therefore accounted for in utilities and service systems plans such as the Urban Water Management Plan, Water System Master Plan Update, Citywide Storm Drainage Master Plan, Wastewater Master Plan, and Citywide Public Facilities Master Plan

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Update, resulting in less than significant impacts. However, the EIR has not provided any meaningful evidence to support this claim. The EIR excludes discussion and analysis of the City's Municipal Services Review (MSR) and its 10-year Horizon. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure to support California's anticipated growth. The service review provides SJ LAFCo with a tool to study existing and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

As stated above, the proposed project combined with the Costco Depot Annexation project will cumulatively generate 1,962 employees, which is nearly three times the cumulative buildout in Planning Subarea 1 and represents a 195% increase above the growth allowed for by the MSR. A revised EIR must include information and analysis regarding all projects proposed, pending, approved, and "in the pipeline" within Planning Subarea 1 in order to provide an adequate and accurate analysis regarding the buildout conditions of the City's MSR.

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The EIR cannot conclude that the proposed project is consistent with all land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect, including SJ LAFCo regulations, and/or thresholds 1 - 5 within the Utilities and Service Systems section as the cumulative employment growth generated by the proposed project exceeds the growth capacity of the 2019 Municipal Services Review. There is no meaningful evidence to support the project will have less than significant impacts or that adequate public services can be provided within the required timeframes. Additionally, since approval of the annexation lies with SJ LAFCo and not the lead agency, an EIR cannot provide reasonable assurance that the annexation is within the scope of the MSR or will be approved and therefore the impact will remain significant and unavoidable necessitating a finding of significance in an EIR.

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4.0 Other CEQA Considerations

The EIR develops its cumulative analysis by utilizing a "list of past, present, and probable future projects used for this cumulative analysis is restricted to those projects that are planned to occur within the City of Tracy. The approved and/or pending projects are listed in the City's Project Pipelines Reports (March 2024)." The footnote reference to the March 2024 Pipeline Report links directly to the City's Planning Department homepage. The March 2024 Pipeline Report has been removed from the homepage and updated with the August 2024 Pipeline Report. The March 2024 Pipeline Report is not accessible by the public or decision makers during the public comment period on the EIR. This complete lack of information on the cumulative projects also does not comply with CEQA Guidelines Section 15130 (b)(4) that requires the EIR to include "a summary

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of the expected environmental effects to be produced by those projects with specific reference to additional information stating where that information is available.” The EIR must be revised to include a complete list of cumulative projects used for analysis within the text of the body of the document and a summary of the expected environmental effects to be produced by those projects with specific reference to additional information stating where that information is available in order to provide an adequate environmental analysis document.

Further, the EIR limits the scope of cumulative analysis to projects within the City of Tracy. This arbitrary limit does not comply with CEQA Guidelines Section 15130 (b)(3) that states, “Lead agencies should define the geographic scope of the area affected by the cumulative effect and provide a reasonable explanation for the geographic limitation used.” There is no explanation of the arbitrary geographic limitation used and the EIR does not provide an adequate or accurate cumulative analysis, notably as the project site is currently within the unincorporated San Joaquin County area, and must be revised at minimum to include all cumulative projects within the the unincorporated San Joaquin County area.

B-9
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4.1 Cumulative Impact Analysis

Any analysis or comment regarding cumulative impacts stated throughout this comment letter are hereby reincorporated and applicable to Section 4.1 Cumulative Impact Analysis within the EIR.

B-10

4.2 Significant Irreversible Environmental Effects

The EIR provides analysis here but does not make any concluding statements regarding the analysis in accordance with the bullet point list of irreversible effects. For example, the EIR provides a simple text description of the energy resource demands associated with project construction and operation (no quantified analysis is provided), but does not state whether the proposed consumption of resources is justified. The EIR must be revised to state conclusions regarding the list of significant irreversible environmental effects in order to provide an adequate informational document.

B-11

4.4 Growth-Inducing Impacts

The EIR states that, “the additional industrial uses in the City would not have the long-term effect of inducing population growth. The Project would result in an increase in employment opportunities by creating full-time job positions. The Project would also generate short-term construction employment opportunities, but these opportunities would not result in substantial population growth in the project region. Therefore, the proposed Project would not result in significant growth inducing impacts.” However, the EIR has not provided any meaningful evidence or quantified analysis to support these claims.

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The EIR does not adequately discuss or analyze the commitment of resources is not consistent with regional and local growth forecasts. The EIR does not discuss or analyze the project's compliance with the General Plan's Land Use Buildout Scenario. The horizon year of the City's General Plan and its EIR¹⁶ is 2025. The project is proposed within less than one year of the General Plan buildout completion, and it is vital for the EIR to provide a cumulative analysis here to determine if the City has exceeded its General Plan buildout capacity. The General Plan EIR states that it will accommodate "11 million square feet of new industrial space," and the City's August 2024 pipeline report indicates that 10,702,958 square feet of industrial space has been recently approved, constructed, or is in the pipeline. The EIR must be revised to include a list of all industrial development approved, constructed, and in the pipeline since the General Plan EIR 2005 baseline in order to adequately and accurately analyze all potentially significant environmental impacts.

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Additionally, the EIR also excludes discussion and analysis of the City's Municipal Services Review (MSR) and its 10-year Horizon. As stated above, the proposed project combined with the Costco Depot Annexation project will cumulatively generate 1,962 employees, which is nearly three times the cumulative buildout in Planning Subarea 1 and represents a 195% increase above the growth allowed for by the MSR. A revised EIR must include information and analysis regarding all projects proposed, pending, approved, and "in the pipeline" within Planning Subarea 1 in order to provide an adequate and accurate analysis regarding the buildout conditions of the City's MSR. A finding of significance must be made as the cumulative employment growth generated by the proposed project exceeds the growth capacity of the 2019 Municipal Services Review. There is no meaningful evidence to support the project will have less than significant impacts or that adequate public services can be provided within the required timeframes.

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5.0 Alternatives

The EIR is required to evaluate a reasonable range of alternatives to the proposed project which will avoid or substantially lessen any of the significant effects of the project (CEQA § 15126.6.) The only alternatives chosen for analysis include the CEQA required "No Project/No Build" alternative and only two other alternatives - Truck Parking Alternative and Reduced Project Alternative. The EIR does not evaluate a reasonable range of alternatives as only two alternatives beyond the required No Project alternative are analyzed. The EIR must be revised to include analysis of a reasonable range of alternatives and foster informed decision making (CEQA § 15126.6). This could include alternatives such as development of the site with a project that reduces all of the proposed project's significant and unavoidable impacts to less than significant

¹⁶ <https://www.cityoftracy.org/home/showpublisheddocument/912/637451218798770000>

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levels, or a mixed-use project that provides affordable housing and local-serving commercial uses, which may reduce VMT, GHG emissions, and improve Air Quality. The analysis for Alternative 2: Truck Parking Lot must also be revised to include a quantified VMT analysis as stated above.

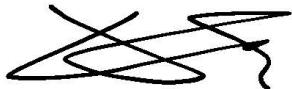
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Conclusion

For the foregoing reasons, GSEJA believes the EIR is flawed and a revised EIR must be prepared for the proposed project and circulated for public review. Golden State Environmental Justice Alliance requests to be added to the public interest list regarding any subsequent environmental documents, public notices, public hearings, and notices of determination for this project. Send all communications to Golden State Environmental Justice Alliance P.O. Box 79222 Corona, CA 92877.

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Sincerely,



Gary Ho
Blum, Collins & Ho LLP

Response to Letter B: Golden State Environmental Justice Alliance

Response B-1: This comment serves as an introduction to the comment letter. The commenter has been added to the City's public interest list regarding the Project.

Response B-2: The commenter correctly summarized the proposed Project.

Response B-3: The proposed Project would result in an increase in employment opportunities on the Project site, which is designated by the City's General Plan for industrial use. As noted by the commenter, impacts related to population and housing are discussed in the Initial Study, which is included as Appendix A of the DEIR. As noted in the Initial Study, the proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan. It would be speculative to identify where these employees currently reside (i.e., whether the employees currently reside in Tracy or would move to Tracy to be employed at the Project site).

The Project would result in an estimated 217 jobs within the City's Planning Subarea 1. This amount of jobs (217) is within the forecast of 664 jobs within 30-years. As noted throughout the DEIR, the Project site is within the Tracy Sphere of Influence (SOI) 10-Year Planning Horizon and is immediately adjacent to the Tracy city limits to the north of the site. As such, employment-generating uses have been assumed for the site by the City since the General Plan was adopted in 2011.

It is also noted that Planning Subarea 1 is largely already developed with urban uses. For example, the area west of Mountain House Parkway and east of Interstate 580 within this Subarea is currently developed and has been developed since prior to the adoption of the City's 2019 MSR. The Project site is one of the few undeveloped parcels within Subarea 1.

It is further noted that the Costco Depot Annex Project (also located in Subarea 1) would not result in 1,745 employees, as stated in the comment. The amount of jobs generated by the Costco Depot Annex Project would be 150 to 250.

Response B-4: A General Plan consistency analysis has been added to the Initial Study. See Chapter 3.0, Revisions, of this Final EIR. The Project would not conflict with any of the General Plan policies aimed at reducing an environmental impact.

Cumulative impacts are discussed in Chapter 4.0 of the DEIR. As discussed on page 4.0-3, there are two approaches to identifying cumulative projects and the associated impacts. The list approach identifies individual projects known to be occurring or proposed in the surrounding area in order to identify potential cumulative impacts. The projection approach uses a summary of projections in adopted General Plans or related planning documents to identify potential cumulative impacts. As noted previously, this EIR uses a list of past, present, and probable future projects within the City of Tracy to determine cumulative growth in the area. The list of past, present, and probable future projects used for this cumulative analysis is restricted to those projects that are planned to occur within the City of Tracy. The approved and/or pending projects are listed in the City's Project

Pipelines Reports (March 2024).¹ It is noted that, after the DEIR was released, the pipeline report was updated (May 2025).

With respect to employment generation, see Response B-3. Costco Depot Annex Project would not result in 1,745 employees, as stated in the comment. The amount of jobs generated by the Costco Depot Annex Project would be 150 to 250. As such, the cumulative buildout in Planning Subarea 1 is significantly lower than the commenter states.

The impact analysis in the Initial Study pertaining to Public Services is adequate and the commenter does not provide specific reasoning as to why the analysis is not adequate. The commenter's argument hinges on an incorrect assumption about employment generation in Planning Subarea 1.

With respect to the parking-related comments, parking is not a CEQA issue. As noted in Chapter 2.0, Project Description, of the DEIR, the proposed Project would be subject to Development Review Permit approval by the City, during which City staff would ensure that the proposed Project would comply with all applicable City regulations including, but not limited to, landscaping and visual screening. Development Review would occur as part of the building design and landscape review.

Response B-5: Appendix A of the RDEIR includes the complete Plan Set for the Project. It is also noted that Chapter 2.0 of the DEIR includes a site plan, renderings, paving and dimensioning plan, shrub and groundcover plan, and utility plan. See Figures 2.0-4 through 2.0-8 of the RDEIR.

Response B-6: The comment is noted. Firstly, the topics of "environmental justice" or "fair treatment" are not referenced in the CEQA Guidelines and are not required CEQA impact categories or thresholds of significance. Social and economic impacts that are not related to physical impacts are not considered within an environmental analysis. The RDEIR, however, does provide an analysis of environmental topics revolving around pollution (i.e. air quality pollution, water quality pollution, etc.) to inform elected officials of potential Project impacts as they deliberate on entitlement requests and their impacts on the community.

The RDEIR has evaluated each of the proposed Project's environmental impacts against the relevant significance thresholds and considered consistency with applicable plans. Moreover, the RDEIR has incorporated mitigation measures where applicable and feasible, made appropriate significance determinations, and evaluated cumulative impacts. As noted earlier in this response, CEQA does not use the terms "fair treatment" or "environmental justice". Rather, CEQA centers on whether a project may have a significant effect on the existing physical environment, regardless of socioeconomic conditions, including income levels of the residents. For instance, air quality impacts are measured against a threshold established for the region, which is not weighted or

¹ Available at: <https://www.cityoftracy.org/our-city/departments/planning>

modified up or down based on a socioeconomic condition. The threshold itself is a metric by which an analyst can make a determination of the physical environmental impact caused by a project. The thresholds are established by the Air District, whose responsibility is to maintain and/or improve ambient air quality conditions to state and federal levels for all people.

Nevertheless, CEQA does require a lead agency to consider whether a project's effects, while individually limited, are "cumulatively considerable" and therefore significant when combined with other projects. The RDEIR has appropriately analyzed the Project's cumulative impacts. See Chapter 4.0: Other CEQA Required Topics of the RDEIR for further detail.

Separately, regarding the commentor's concerns relating to energy software, CalEEMod was used (in part) to estimate Project energy usage; CalEEMod is the Air District's recommended model for estimating Project criteria air pollutant and greenhouse gas emissions for CEQA projects, and therefore makes logical sense to also use to estimate energy emissions.² It is noted that the Air District reviewed the proposed Project, and included a comment provided herein. Nowhere in its comment did the Air District suggest that a different model should be used for this analysis. There are no "approved energy compliance modeling softwares" for calculating energy consumption for the purposes of CEQA. California's Building Energy Code Compliance Software (CBECC), identified by the commentor, is not relevant to estimating energy consumption under CEQA. Rather, CBECC software is intended to demonstrate compliance with T24 Non-Residential Building Energy Efficiency Standards and is not a required software tool for purposes of evaluating potential energy usage for CEQA.

Moreover, the latest version of CalEEMod (CalEEMod Version 2022.1), which was used (in part) to estimate Project energy usage, accounts for the California 2019 Energy Efficiency Standards, according to Appendix A of the CalEEMod guidance,³ in contrast to the commentor's comment that CalEEMod does not comply with the California Building Energy Efficiency Standards. Moreover, since the 2019 Energy Efficiency Standards are less stringent than the latest 2022 Energy Efficiency Standards, the energy impacts associated with the proposed Project may be overestimated in comparison to their actual impacts, since at least part of the Project is anticipated to be built according to the 2022 Energy Efficiency Standards or later standards.

Regardless of whether or not the City of Tracy and/or SJCOG are listed as jurisdictions with local energy standards approved by the CA Energy Commission for either the 2019 or 2022 Energy Code, the proposed Project is required to comply with the applicable version of the Energy code, as provided within DEIR Chapter 3.7: Greenhouse Gases and

² See here: <https://www.valleyair.org/transportation/ceqaanalysislevels.htm>

³ See here: <http://www.aqmd.gov/docs/default-source/caleemod/user-guide-2021/appendix-a2020-4-0.pdf?sfvrsn=6>

Climate Change. Moreover, full analysis of the Project's consistency with AB 32 and SB 32 is provided within RDEIR Chapter 3.7: Greenhouse Gases and Climate Change.

Lastly, it should be noted that an RDEIR has been recirculated, subsequent to the release of the DEIR. Table 3.7-4 has been updated within the RDEIR (relative to the table within the DEIR) to demonstrate consistency with the entirety of the 2022 RTP/SCS, inclusive of each of the implementation strategies that are under the core policies. Refer to the revised Table 3.7-4 in the RDEIR, for detail. In contrast to the commentor's claim that the modeling for the project is erroneous and/or does not include supporting evidence, the modeling was conducted for the Project correctly and with adequate supporting evidence. No further response to this comment is warranted.

Response B-7: A General Plan level of service (LOS) analysis of the Project will be completed. The LOS analysis will include, among other items, trip distribution analysis for the study area roadways. Any improvements determined to be necessary from the LOS analysis will be required as a condition of approval for the Project. It is noted that LOS is not a CEQA issue. See Cal. Code Regs. tit. 14 § 15064.3(a).

Trip generation is included in Kimley-Horn's "16286 West Schulte Road Warehouse - CEQA Transportation Analysis" technical memorandum dated July 31, 2024. See Appendix G of the DEIR.

The Governor's Office of Planning and Research (OPR's) "Technical Advisory on Evaluating Transportation Impacts in CEQA" references Cal. Code Regs. tit. 14 § 15064.3, which states:

This section describes specific considerations for evaluating a project's transportation impacts. Generally, vehicle miles traveled is the most appropriate measure of transportation impacts. For the purposes of this section, "vehicle miles traveled" refers to the amount and distance of automobile travel attributable to a project. Other relevant considerations may include the effects of the project on transit and non-motorized travel. Except as provided in subdivision (b)(2) below (regarding roadway capacity), a project's effect on automobile delay shall not constitute a significant environmental impact.

(b) Criteria for Analyzing Transportation Impacts.

(1) Land Use Projects. Vehicle miles traveled exceeding an applicable threshold of significance may indicate a significant impact. Generally, projects within one-half mile of either an existing major transit stop or a stop along an existing high quality transit corridor should be presumed to cause a less than significant transportation impact. Projects that decrease vehicle miles traveled in the project area compared to existing conditions should be presumed to have a less than significant transportation impact.

(2) Transportation Projects. Transportation projects that reduce, or have no impact on, vehicle miles traveled should be presumed to cause a less than significant transportation impact. For roadway capacity projects, agencies have discretion to determine the appropriate measure of transportation impact consistent with CEQA and other applicable requirements. To the extent that such impacts have already been adequately addressed at a programmatic level, such as in a regional transportation plan EIR, a lead agency may tier from that analysis as provided in Section 15152.

(3) Qualitative Analysis. If existing models or methods are not available to estimate the vehicle miles traveled for the particular project being considered, a lead agency may analyze the project's vehicle miles traveled qualitatively. Such a qualitative analysis would evaluate factors such as the availability of transit, proximity to other destinations, etc. For many projects, a qualitative analysis of construction traffic may be appropriate.

(4) Methodology. A lead agency has discretion to choose the most appropriate methodology to evaluate a project's vehicle miles traveled, including whether to express the change in absolute terms, per capita, per household or in any other measure. A lead agency may use models to estimate a project's vehicle miles traveled, and may revise those estimates to reflect professional judgment based on substantial evidence. Any assumptions used to estimate vehicle miles traveled and any revisions to model outputs should be documented and explained in the environmental document prepared for the project. The standard of adequacy in Section 15151 shall apply to the analysis described in this section.

Therefore, the Code of Regulations, OPR, SB 743 and SB 375 reference only automobiles and light trucks for VMT analysis. The Project VMT analysis follows this precedent and only uses automobiles and light trucks for VMT analysis.

The use of employee passenger car VMT is an industry standard practice based on OPR's guidance. The City of Tracy's draft VMT guidelines and thresholds were created based on passenger car VMT. Therefore, to provide an equivalent metric, passenger cars were used in the Project's VMT analysis.

The impact of heavy vehicles is included in the greenhouse gas emissions, air quality, and noise analyses. Therefore, the impacts of heavy vehicles are considered under other CEQA sections outside of transportation.

A site plan review has been conducted to confirm the Project meets City design standards.

The Project does not include gated entries; therefore, no queuing will result from processing time due to entry gates. The Project will construct an eastbound right turn pocket for the Schulte Road driveway and a southbound left turn pocket for the Hansen Road driveway to facilitate deceleration and queuing storage for vehicles turning into the site. These improvements may potentially reduce hazards on the fronting roadways.

With respect to the parking-related comments, parking is not a CEQA issue. As noted in Chapter 2.0, Project Description, of the DEIR, the proposed Project would be subject to Development Review Permit approval by the City, during which City staff would ensure that the proposed Project would comply with all applicable City regulations including, but not limited to, landscaping and visual screening. Development Review would occur as part of the building design and landscape review.

Response B-8: See Response B-3 regarding employment growth in Planning Subarea 1. A General Plan consistency analysis has been added to the Initial Study. See Chapter 3.0, Revisions, of this Final EIR. The Project would not conflict with any of the General Plan policies aimed to reduce an environmental impact.

Impacts related to utilities are discussed in Section 3.11, Utilities and Service Systems, of the DEIR. The amount of wastewater, water demand, and solid waste generated by the Project were quantified, among other Project-specific analysis. The impact analysis in the DEIR pertaining to Utilities and Service Systems is adequate and the commenter does not provide specific reasoning as to why the analysis is not adequate. The commenter's argument appears to hinge on an incorrect assumption about population generation in Planning Subarea 1.

Response B-9: The approved and/or pending projects are listed in the City's Project Pipelines Reports (March 2024).⁴ It is noted that, after the DEIR was released, the pipeline report was updated (May 2025). The pipeline report is referenced in the footnote in the DEIR (reproduced below), and the link in the footnote shows the City's webpage which contains a link to the pipeline report. The updated pipeline report is included as Appendix A of this Final EIR.

The EIR does not limit the scope of the cumulative analysis to projects within Tracy, as claimed by the commenter. In addition to the cumulative growth projections included in Table 4.0-1, and the list of past, present, and probable future projects within the City of Tracy, each environmental topic discusses the cumulative context. As noted on page 4.0-3 of Chapter 4.0 of the DEIR, "Some cumulative impacts for issue areas are not quantifiable and are therefore discussed in general, qualitative terms as they pertain to development patterns in the surrounding region. Exceptions to this are traffic, utilities, noise and air quality (the latter two of which are associated with traffic volumes and operations associated with the proposed land uses), which may be quantified by estimating future traffic patterns, pollutant emitters, etc. and determining the combined

⁴ Available at: <https://www.cityoftracy.org/our-city/departments/planning>

effects that may result. In consideration of the cumulative scenario described above, the proposed Project may result in the following cumulative impacts.” For example, as noted on page 4.0-6, “The geographic context for air quality impacts is the San Joaquin Valley Air Basin (SJVAB), which consists of eight counties, stretching from Kern County in the south to San Joaquin County in the north. The SJVAB is bounded by the Sierra Nevada in the east, the Coast Ranges in the west, and the Tehachapi mountains in the south.” Further, as noted on page 4.0-8, the geographic context for biological resources includes the Project site and the greater San Joaquin County region.

Response B-10: This comment is noted.

Response B-11: Impacts related to significant irreversible environmental effects are discussed in Section 4.2 of Chapter 4.0 of the Recirculated DEIR. The Recirculated DEIR discloses the irreversible effects regarding each four bullet point referenced by the commenter. As discussed:

Implementation of the proposed Project would result in the conversion of the approximately 20.92-acre Development Area, which is comprised of vacant land previously used for agricultural purposes as well as residential uses in the southern portion of the site for the development of industrial uses. Development of the proposed Project would constitute a long-term commitment to these uses. It is unlikely that circumstances would arise that would justify the return of the land to its previous condition as agricultural or vacant rural land.

A variety of resources, including land, energy, water, construction materials, and human resources would be irretrievably committed for the initial construction, infrastructure installation and connection to existing utilities, and its continued maintenance. Construction of the proposed Project would require the commitment of a variety of other non-renewable or slowly renewable natural resources such as lumber and other forest products, sand and gravel, asphalt, petrochemicals, and metals.

Additionally, a variety of resources would be committed to the ongoing operation and life of the proposed Project. The introduction of an industrial use to the Project site will result in an increase in area traffic over existing conditions. Fossil fuels are the principal source of energy and the proposed Project will increase consumption of available supplies, including gasoline and diesel. These energy resource demands relate to initial Project construction, Project operation and site maintenance and the transport of people and goods to and from the Project site.

Response B-12: The proposed Project is consistent with the land use designation for the project site, as defined by the City’s General Plan.

As noted in Response B-9, the approved and/or pending projects are listed in the City's Project Pipelines Reports (March 2024).⁵ It is noted that, after the DEIR was released, the pipeline report was updated (May 2025). The pipeline report is referenced in the footnote in the DEIR, and the link in the footnote shows the City's webpage which contains a link to the pipeline report. The updated pipeline report is included as Appendix A of this Final EIR.

With respect to employment generation, see Response B-3. Costco Depot Annex Project would not result in 1,745 employees, as stated in the comment. The amount of jobs generated by the Costco Depot Annex Project would be 150 to 250.

Response B-13: As discussed on page 5.0-15 of Chapter 5.0, Alternatives to the Proposed Project, CEQA requires that an environmentally superior alternative be identified among the alternatives that are analyzed in the EIR. If the No Project (No Build) Alternative is the environmentally superior alternative, an EIR must also identify an environmentally superior alternative among the other alternatives (CEQA Guidelines Section 15126.6(e)(2)). The environmentally superior alternative is that alternative with the least adverse environmental impacts. The Truck Parking Alternative and Reduced Project Alternative both rank higher than the proposed Project. The Truck Parking Alternative would have equal impacts in three areas, slightly less impacts in one area, and less impacts in eight areas. The Reduced Project Alternative would have slightly less impacts in six areas and less impacts in five areas. Therefore, the Reduced Project Alternative would be the next environmentally superior alternative.

The commenter does not suggest an alternative which would reduce all significant and unavoidable impacts. The significant and unavoidable impacts are identified below:

- Impact 3.1-1: Project implementation may result in substantial adverse effects on scenic vistas;
- Impact 3.10-1: Project implementation may conflict with or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b);
- Impact 4.2: Cumulative Degradation of the Existing Visual Character of the Region;
- Impact 4.5: Cumulative Impact on the Region's Air Quality; and
- Impact 4.12: Under Cumulative conditions, the proposed Project would conflict with or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b).

The DEIR includes a reasonable range of alternatives which eliminate or reduce these significant and unavoidable impacts. Any development project alternative on the Project site would result in the loss of the visual appearance of the existing agricultural land on the site would change the visual character of the Project site in perpetuity.

⁵ Available at: <https://www.cityoftracy.org/our-city/departments/planning>

Response B-14: This comment serves as a conclusion to the comment letter. See Responses B-1 through B-13.



S J C O G, Inc.

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0574 • Email: boyd@sjcog.org

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

**SJMSCP RESPONSE TO LOCAL JURISDICTION (RTLJ)
ADVISORY AGENCY NOTICE TO SJCOC, Inc.**

To: Scott Claar, City of Tracy, Planning Division

From: Laurel Boyd, SJCOC, Inc. Phone: (209) 235-0574 Email: boyd@sjcog.org

Date: September 4, 2024

Local Jurisdiction Project Title: Notice of Availability of a Draft Environmental Impact Report for the Schulte Road Warehouse Project

Assessor Parcel Number(s): 209-230-25, -26

Local Jurisdiction Project Number: N/A

Total Acres to be converted from Open Space Use: Unknown

Habitat Types to be Disturbed: Agricultural Habitat Land

Species Impact Findings: Findings to be determined by SJMSCP biologist.

Dear Mr. Claar:

SJCOC, Inc. has reviewed the Notice of Availability of a Draft Environmental Impact Report for the Schulte Road Warehouse Project. This project consists of two distinct planning boundaries defined below:

- Project site – totals 21.92 acres and includes (1) the proposed 220.92-acre Development Area (209-230-25), and 2) 1.0 acre William Communication Parcel along West Schulte Road (APN: 209-230-26), which would not be developed as part of the proposed Project.
- Development Area – includes a 20.92-acre parcel (APN: 209-230-25) that is intended for the development of up to 217,466 square feet of warehouse and office space.

The Project would include the construction and subsequent operation of a 217,466 square foot warehouse building. The 217,466 square foot warehouse would include 206,593 square feet of warehouse uses and 10,873 square feet of office space. The City's General Plan land use designation for the project site is Industrial. The proposed warehouse would include 31 dock level doors on the eastern side of the building. Landscaping would be provided throughout the site.

The principal object of the proposed Project is the demolition of three single family residences and six ancillary structures and redevelopment of the Development Area with a one-story, 217,466 square foot warehouse building and a surface parking lot. The project site is located south of Schulte Road and east of Hansen Road, Tracy (APN: 209-230-25, -26 / 16286 West Schulte Road, Tracy).

The City of Tracy is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

This Project is subject to the SJMSCP. This can be up to a 30 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. <http://www.sjco.org>

Please contact SJMSCP staff regarding completing the following steps to satisfy SJMSCP requirements:

- Schedule a SJMSCP Biologist to perform a pre-construction survey **prior to any ground disturbance**
- SJMSCP Incidental take Minimization Measures and mitigation requirement:

C-1

C-2
cont'd

2 | S J C O G , Inc.

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, SJCOG, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:
 - a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
 - b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
 - c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
 - d. Purchase approved mitigation bank credits.
4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
 - a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
 - b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
 - c. Purchase approved mitigation bank credits.

Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

- Receive your Certificate of Payment and release the required permit

It should be noted that if this project has any potential impacts to waters of the United States [pursuant to Section 404 Clean Water Act], it would require the project to seek voluntary coverage through the unmapped process under the SJMSCP which could take up to 90 days. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

If you have any questions, please call (209) 235-0574.

C-2
cont'd

3 | S J C O G , Inc.

**S J C O G, Inc.***San Joaquin County Multi-Species Habitat Conservation & Open Space Plan*

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department, Other:

FROM: Laurel Boyd, S J C O G, Inc.

**DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT**

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

1) **SJMSCP Incidental Take Minimization Measures and mitigation requirement:**

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, S J C O G, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:
 - a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
 - b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
 - c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
 - d. Purchase approved mitigation bank credits.
4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
 - a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
 - b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
 - c. Purchase approved mitigation bank credits.

Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

C-3

Project Title: NOA of a Draft EIR for the Schulte Road Warehouse Project

Assessor Parcel #s: 209-230-25, -26

T _____, R _____, Section(s): _____

Local Jurisdiction Contact: Scott Claar

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

Response to Letter C: San Joaquin Council of Governments, Inc.

Response C-1: This comment correctly summarizes the proposed Project description. No further response is necessary.

Response C-2: The SJMSCP is discussed in Section 3.4, Biological Resources, of the DEIR. Tables 3.4-1 and 3.4-2 on pages 3.4-6 through 3.4-19 of Section 3.4 include columns that show whether each plant or animal species that has potential to occur on the Project site is covered by the SJMSCP. Background information and implementation strategies associated with the SJMSCP are also discussed on pages 3.4-23 through 3.4-25 of the DEIR. Mitigation Measure 3.4-1 on page 3.4-28 of the DEIR requires the Project proponent to seek coverage under the SJMSCP to mitigate for habitat impacts to covered special-status species. Coverage involves compensation for habitat impacts on covered species through implementation of incidental take and minimization Measures (ITMMs) and payment of fees for conversion of lands that may provide habitat for covered special status species. These fees are used to preserve and/or create habitat in preserves to be managed in perpetuity. Obtaining coverage for a Project includes incidental take authorization (permits) under the Endangered Species Act Section 10(a), California Fish and Game Code Section 2081, and the MBTA. Coverage under the SJMSCP would fully mitigate all habitat impacts on covered special-status species.

Response C-3: See Response C-2. Incidental Take Minimization Measures would be required for the Project.



SAN JOAQUIN
COUNTY
Greatness grows here.

Environmental Health Department

Jasjit Kang, REHS, Director

Muniappa Naidu, REHS, Assistant Director

PROGRAM COORDINATORS

Jeff Carruesco, REHS, RDI

Willy Ng, REHS

Steven Shih, REHS

Elena Manzo, REHS

Natalia Subbotnikova, REHS

October 7, 2024

To: City Of Tracy Planning Division
Attention: Scott Claar, Senior Planner

From: Aldara Salinas; (209) 616-3019
Environmental Health Specialist

RE: **Schulte Road Warehouse, EIR, SU-2400158**
16286 W Schulte Rd., Tracy

The following requirements have been identified as pertinent to this project. Other requirements may also apply. These requirements cannot be modified.

D-1

1. Written Confirmation is required from the Public Works Department that improvements have been constructed or financial arrangements have been made for any improvements for public sewer required by the agency. In addition, written confirmation from the Public Works Department that the agency has or will have the sewer capacity to serve the development is also required (San Joaquin County Development Title, Section 9-600.020).

D-2

2. The applicant shall provide written confirmation from the water providers that improvements have been constructed or financial arrangements have been made for any improvements required by the agency and that the agency has or will have the capacity to serve the proposed development. Said written confirmation shall be submitted prior to the issuance of a building permit (San Joaquin County Development Title, Section 9-602.010).

D-3

3. The existing wells and septic systems for the existing residential structures shall be destroyed under permit and inspection by the EHD (San Joaquin County Development Title, Section 9-605.010 & 9-601.020).

D-4

4. Any geotechnical drilling shall be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-601.010(b) and 9-601.020(i)).

D-5

5. Before any hazardous materials/waste can be stored or used onsite, the owner/operator must report the use or storage of these hazardous materials to the California Environmental Reporting System (CERS) at cers.calepa.ca.gov/ and comply with the laws and regulations for the programs listed below (based on quantity of hazardous material in some cases). The applicant may contact the Program Coordinator of the CUPA program, Elena Manzo (209) 953-7699, with any questions.

D-6

a. Any amount but not limited to the following hazardous waste; hazardous material spills, used oil, used oil filters, used oil-contaminated absorbent/debris, waste antifreeze, used batteries or other universal waste, etc. – **Hazardous Waste Program** (Health & Safety Code (HSC) Sections 25404 & 25180 et sec.)

b. Onsite treatment of hazardous waste – **Hazardous Waste Treatment Tiered Permitting Program** (HSC Sections 25404 & 25200 et sec. & California Code of Regulations (CCR), Title 22, Section 67450.1 et sec.)

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

Schulte Road Warehouse, EIR, SU-2400158
16286 W Schulte Rd., Tracy

Page 2 of 2
September 27, 2024

- c. Reportable quantities of hazardous materials-reportable quantities are 55 gallons or more of liquids, 500 pounds for solids, or 200 cubic feet for compressed gases, with some exceptions. Carbon dioxide is a regulated substance and is required to be reported as a hazardous material if storing 1,200 cubic feet (137 pounds) or more onsite in San Joaquin County – **Hazardous Materials Business Plan Program** (HSC Sections 25508 & 25500 et sec.)
- d. Any amount of hazardous material stored in an Underground Storage Tank – **Underground Storage Tank Program** (HSC Sections 25286 & 25280 et sec.)
 - i. If an underground storage tank (UST) system will be installed, a permit is required to be submitted to, and approved by, the San Joaquin County Environmental Health Department (EHD) before any UST installation work can begin.
 - ii. Additionally, an EHD UST permit to operate is required once the approved UST system is installed.
- e. Storage of at least 1,320 gallons of petroleum aboveground or any amount of petroleum stored below grade in a vault – **Aboveground Petroleum Storage Program** (HSC Sections 25270.6 & 25270 et sec.)
 - i. **Spill Prevention, Countermeasures and Control (SPCC) Plan requirement**
- f. Threshold quantities of regulated substances stored onsite - **California Accidental Release Prevention (CalARP) Program** (Title 19, Section 2735.4 & HSC Section 25531 et sec.)
 - i. **Risk Management Plan requirement for covered processes**

D-6
cont'd

Response to Letter D: San Joaquin County Environmental Health Department

Response D-1: This comment serves as an introduction to the comment letter. No further response is necessary.

Response D-2: Written confirmation from the Public Works Department that states that improvements have been constructed or financial arrangements have been made for any improvements for public sewer required by the Project will be obtained by the applicant prior to issuance of a building permit. Confirmation that sewer capacity to serve the Project exists will also be provided.

Response D-3: Written confirmation from the Public Works Department that states that improvements have been constructed or financial arrangements have been made for any improvements for water service required by the Project will be obtained by the applicant prior to issuance of a building permit. Confirmation that water capacity to serve the Project exists will also be provided.

Response D-4: This comment is noted. As noted in Section 3.8, Hazards and Hazardous Materials, of the DEIR, the site reconnaissance observed two water wells near the center of the property, with two associated aboveground storage tanks (referenced in Section 6.4). The EDR Radius Report includes records for two wells on the property with depths of 305 and 265 feet, respectively. The water supply wells do not represent a Recognized Environmental Condition (REC) for the property. It is the City's policy to require any wells to be abandoned shall be abandoned/destroyed under permit and inspection by the EHD (San Joaquin County Development Title, Section 9-1110.3 & 9-1110.4). This is an existing regulation that is in place and there is not a need for a measure requiring this existing requirement. The Project applicant will be required to comply with all applicable state and local (including both San Joaquin County and City of Tracy) requirements.

Response D-5: This comment is noted. It is the City's policy to require any geotechnical drilling to be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-1115.3 and 9-1115.6). This is an existing regulation that is in place and there is not a need for a measure requiring this existing requirement. The Project applicant will be required to comply with all applicable state and local (including both San Joaquin County and City of Tracy) requirements.

Response D-6: This comment is noted. As discussed in Section 3.8, Hazards and Hazardous Materials, the operational phase would occur after construction is completed and business operations commence on a day-to-day basis. The Project would include the construction and subsequent operation of a warehouse and distribution building to support distribution and commerce facilities in the area. The Project would not routinely transport, use, or dispose of hazardous materials, or present a reasonably foreseeable release of hazardous materials, with the exception of degreasers, lubricants, and common cleaning agents. If handled appropriately, these materials would not pose a significant risk. The DEIR

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

includes mitigation measures to ensure that impacts related to hazardous materials are less than significant.

While the risk of exposure to hazardous materials cannot be eliminated, measures can be implemented to reduce risk to acceptable levels. Adherence to existing regulations would ensure compliance with safety standards related to the use and storage of hazardous materials, and the safety procedures mandated by applicable federal, State, and local laws and regulations would ensure that risks resulting from the routine transportation, use, storage, or disposal of hazardous materials during the operational phase of the proposed Project would be less than significant.



Balancing Community and Commerce

44 N. SAN JOAQUIN STREET □ SUITE 374 □ STOCKTON, CA 95202 □ 209-468-3198

October 7, 2024

Scott Claar, Acting Planning Manager
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Via email: scott.claar@cityoftreacy.org

**SUBJECT: Comments on Notice of Availability of a Draft EIR
Schulte Road Warehouse Project, State Clearinghouse Number 2023120437**

Dear Mr. Claar:

Thank you for sending San Joaquin LAFCo the Notice of Availability for the *Draft Environmental Impact Report for the Schulte Road Warehouse Project*. San Joaquin LAFCo appreciates the opportunity to review and comment on the Draft EIR pursuant to the California Environmental Quality Act (Pub. Res. Code § 21000 et seq.: "CEQA") and the State CEQA Guidelines (14 C.C.R. § 15000 set seq.). LAFCo staff has reviewed this document and offers the following comments.

Schulte Road Warehouse Project

The project site is located at 16286 West Schulte Road in unincorporated San Joaquin County within the Tracy Sphere of Influence (SOI) 10-Year Planning Horizon. The Tracy city limits are immediately adjacent to the north of the site, which is proposed to be annexed into the City as part of the proposed project. The project includes demolition of three single-family residences and six agricultural structures, and construction of a one-story, 217,466 square foot (sf) warehouse building and surface parking lot. The existing County zoning for the property is AG-40, while the City's General Plan land use designation for the project site is Industrial.

E-1

The project site is bounded by Hansen Road to the west, West Schulte Road to the north, the Delta Mendota Canal to the south, and a private driveway and vacant land on the east. Surrounding land uses include the Cal Fire Station 26 and vacant land to the west, fallow agricultural land to the east, two industrial warehouses to the north, and the Delta Mendota Canal and active agricultural land to the south. It is noted that an industrial warehouse project, the Costco Depot Annexation Project, is currently proposed on the adjacent parcel to the east of the Project site. The area north of the project site is part of the Cordes Ranch Specific Plan Area, which is being developed with industrial and commercial uses pursuant to the Cordes Ranch Specific Plan the City approved in 2013.

LAFCo Responsibility

LAFCo is an independent, regulatory agency with discretion to approve, wholly, partially or conditionally, or disapprove, changes of organization or reorganizations. In accordance with the

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act"), LAFCo is required to consider various factors when evaluating a proposal, including, but not limited to, impacts to agricultural and open space lands, the provision of municipal services and infrastructure to the project site, timely and available supply of water, fair share of regional housing, consistency with regional plans, and other factors.

E-1
cont'd

The factors relating to boundary changes are contained in Government Code ("GC") §56668. Including an assessment of these factors in the County's environmental document will facilitate LAFCo's review and the LAFCo process. Deficiencies in the environmental document as required by LAFCo may result in the need for additional CEQA compliance work.

As a Responsible Agency pursuant to the CEQA, LAFCo would like to rely on the County's EIR in consideration of any local agency boundary change required for the project. LAFCo's approvals will be a fundamental part of the entitlements required for this project.

LAFCo Comments on the Draft EIR

Chapter 2.0: Project Description

1. Page 2.0-6: In the "Annexation" section:

- a. Please clarify the extent of the annexation boundaries with an annexation exhibit that identifies whether road frontages are proposed to be included in the annexation. The City's GIS Viewer shows Schulte Road, not Hansen Road, as within City limits, but the Final EIR should confirm this. Identify in the exhibit whether Schulte and Hansen Roads are private or public and whether they are City- or County maintained. See additional comments about annexation boundaries under "Land Use and Planning" below.
- b. The Final EIR should discuss the timing of annexation relative to timing of the proposed development plans. Typically, LAFCOs organization/reorganization processes will be required after project CEQA and entitlement approvals, and prior to issuance of any grading or improvement permits for the site.

E-2

Chapter 3.2: Agricultural Resources

2. Page 3.2-8: Although the Regulatory Setting of this chapter includes Government Code Section 56064 which is part of the CKH Act, the EIR should note that this definition of "prime agricultural land" is broader than that of the Department of Conservation. Lands not classified as "Prime Farmland" by the Department of Conservation can qualify as "prime agricultural land" under LAFCo law and trigger different LAFCo rules than non-prime agricultural land.

E-3

The EIR uses Appendix G of the CEQA Guidelines for thresholds of significance. As noted at the top of Appendix G:

"The following [environmental checklist] is a sample form and may be tailored to satisfy individual agencies' needs and project circumstances. It may be used to meet the requirements for an initial study when the criteria set forth in CEQA Guidelines have been met. Substantial evidence of potential impacts that are not listed on this form must also be considered. The sample questions in this form are intended to encourage thoughtful assessment of impacts, and do not necessarily represent thresholds of significance" [emphasis added].

The EIR should evaluate the project site to determine whether it meets the definition of "prime agricultural land" under Government Code Section 56064, indicate whether implementation of the project would result in a loss of such land, and provide mitigation as necessary to reduce the impact. LAFCo will use this information and the findings of the EIR to inform its decisions about the annexation process.

E-3
cont'd

3. Page 3.2-13/Impact 3.2-3: The Draft EIR concludes in Impact 3.2-3 that "the proposed Project would not involve other changes in the environment which, due to their location or nature, could result in conversion of adjacent agricultural Farmland, to non-agricultural use [. . .]" and finds the impact less than significant. As the project Draft EIR notes, the City of Tracy General Plan EIR determined that urbanization of agricultural lands in the City SOI is a significant and unavoidable impact of General Plan buildout. The development of the proposed project, although planned in the City's General Plan and included in the City's SOI, would directly convert agricultural lands to non-agricultural uses and contribute to the conversion of adjacent agricultural farmland, including Prime Farmland as classified by the USDA Farmland Mapping and Monitoring Program. These impacts occur even with implementation of the City's Right-to-Farm Ordinance and agricultural conversion fees. LAFCo therefore recommends that this impact be considered significant and unavoidable, and if the project is approved, findings of overriding consideration made. This approach provides the transparency that CEQA requires for public informational purposes and allowing the public the opportunity to consider any findings of overriding consideration.

E-4

Public Services (not included in Draft EIR)

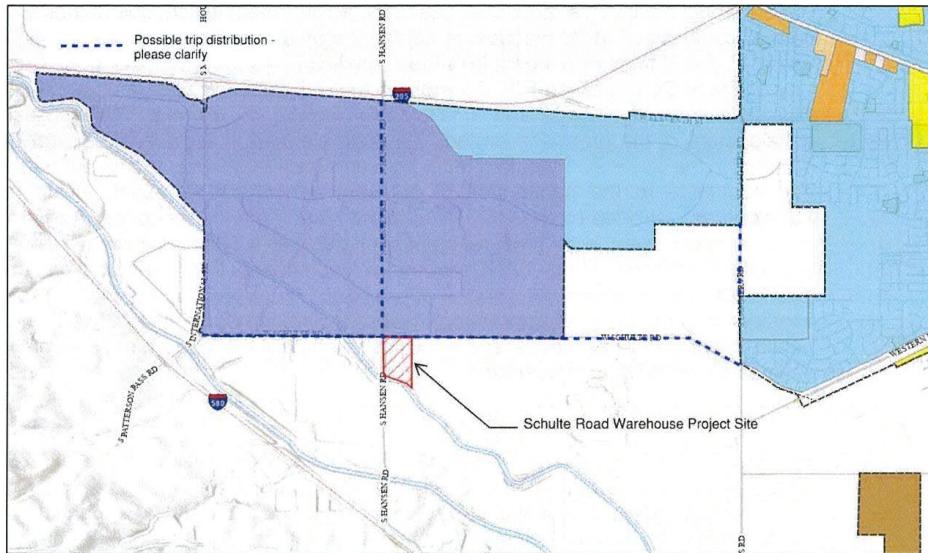
1. Per San Joaquin LAFCo's standards for annexation, "LAFCo will require cities to annex streets where adjacent lands that are in the city will generate additional traffic or where the annexation will isolate sections of county road. Cities shall include all contiguous public roads that can be included without fragmenting governmental responsibility by alternating city and county road jurisdiction over short section of the same roadway." Any annexation of the subject property should include surrounding roadways and rights of way to avoid illogical boundaries pursuant to Section 56668 of the CKH Act. In addition, when a boundary must follow a street, the boundary should include the complete right of way for the entire street. Any rights of way that could be stranded in the annexation should be considered for annexation to the City in coordination with the County Public Works Department.

E-5

To this end, trip distribution should be included in the transportation analysis so as to determine the impact to nearby County roads. If project traffic will primarily occur to the north on Hansen Road or to the west on Schulte Road, no additional rights of way will need to be annexed. However, if some trips will be distributed to the east, additional rights of way may need to be annexed for City maintenance so as not to isolate portions of County rights of way among mostly City-maintained streets, and to ensure City

responsibility for traffic generated within the City. Figure 1 below shows some possible trip distribution patterns.

Figure 1 – Rights of Way at Issue for Annexation

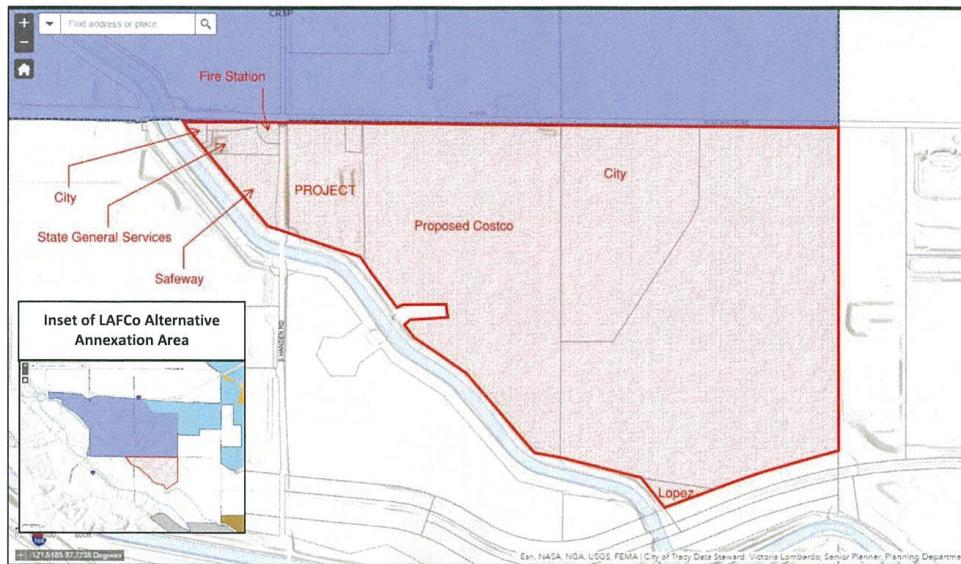


E-5
cont'd

2. Please address LAFCo's previous comment on the Notice of Preparation that the City should consider a larger annexation area that would include City and State properties as well as the proposed Costco site in order to provide for contiguous services to the proposed Schulte Road Warehouse site, as shown in Figure 2 below.

E-6

Figure 2 – LAFCo Alternative - Expanded Area to Consider for Annexation

E-6
cont'd

3. Pursuant to Section 56653 of the CKH Act, an annexation can only be approved if the applicable Municipal Services Review (MSR) and Plan for Services demonstrate that adequate services can be provided to the annexed area. An annexation proposal must include a Plan for Services consistent with the applicable MSR and must demonstrate that the City can provide the required services. While the project site was included in the 2019 City of Tracy SOI Plan/MSR and the MSR indicated that the City could meet all service needs for water, wastewater collection and treatment, stormwater, police protection, fire protection, and public works within its SOI, the EIR should evaluate whether the project is consistent with the MSR, as well as whether the MSR/SOI plan demonstrates that adequate services can be provided to the project so that LAFCo can make a determination as to whether the MSR will need to be updated.

4. The annexation will also require a Plan for Services consistent with the CKH Act and local LAFCo policies. Please note this requirement in the Final EIR or in the staff report and conditions of approval.

E-7

E-8

E-9

Thank you for the opportunity to comment on the Schulte Road Warehouse Project Draft EIR. Please contact the LAFCo office if you have any questions.

Yours Truly,

J.D. Hightower
Executive Officer

Response to Letter E: San Joaquin LAFCO

Response E-1: This comment serves as an introduction to the comment letter and discusses LAFCO's regulatory responsibility. See Responses E-2 through E-9.

Response E-2: As discussed in Chapter 2.0, Project Description, of the RDEIR, the Project site is currently within San Joaquin County, and within the City of Tracy's SOI 10-Year Planning Horizon. The proposed Project would result in the annexation of the Project site into the City of Tracy. The EIR analyzes the potential environmental effects from annexation of the Project site into the City of Tracy. Annexation of the Project site is consistent with the growth plans for the City of Tracy. The Project site is shown in Figure 2.0-3.

Response E-3: As noted on pages 3.2-8 and 3.2-9 of Section 3.2 of the DEIR, Government Codes defines "Prime agricultural land" as follows:

Prime agricultural land means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- Land that qualifies for rating 80 through 100 Storie Index Rating.
- Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

The Project site does not contain land that: has supported livestock used for the production of food or fiber; is planted with nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years; or has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years. Additionally, the site is not irrigated and irrigation of the site is not feasible.

As shown in Figure 3.6-1 in Section 3.6 of the DEIR, the entire site is made up of Capay clay, 0 to 1% slopes. The California Revised Storie Index for this soil type is Grade 4 – Poor. As such, the Project does not meet the "Prime agricultural land" definition. This

information has been added to Section 3.2 of the DEIR. See Chapter 3.0, Revisions, of this Final EIR.

Response E-4: As noted in Impact 3.2-3 of Section 3.2 of the DEIR, neighboring agricultural land, including Prime Farmland and Farmland of Local Importance, are located to the west, south, and east the Project site as shown on Figure 3.2-1. Industrial warehouses would be developed on the 20.92-acre Development Area with implementation of the proposed Project.

The City's General Plan anticipates that agricultural lands to the north, east, south, and west of the Project site would develop with urban uses. Existing agricultural lands that are located adjacent to the Project site to the east and south may be impacted by the increased human presence on the Project site. The City's Right-to-Farm Ordinance reduces the potential for conflict between existing agricultural lands and adjacent uses. The notification procedures in the ordinance serves to inform landowners and developers of non-agricultural uses in the area and the expectations with regard to agricultural activities in order to reduce complaints.

The City of Tracy General Plan Amendment to the DEIR (2006) identifies that the location or nature of the General Plan could result in the conversion of farmland to non-agricultural use and identified General Plan policies (i.e., OSC-2.1-P2, OSC-2.1-P3, OSC-2.2-P1, CC-4.1-P2, and CC-4.1-P3) to support the continuation of working farmland and agricultural land to maintain agricultural use adjacent to non-agricultural uses. However, the EIR concluded that implementation of the General Plan would result in a significant and unavoidable impact due to the additional and incompatible urban development adjacent to agricultural uses (City of Tracy General Plan Amendment to the DEIR, 2006, pp. 72).

General Plan Policy OSC-2.2-P-1 requires buffer zones, such as roads, setbacks and other physical boundaries, at the interface of urban development and farmland in order to minimize conflicts between the uses. These buffer zones are required to be of sufficient size to protect the agriculture operations from the impacts of incompatible development and be established based on the proposed land use, site conditions and anticipated agricultural practices. Additionally, Policy OSC-2.2-P-2 requires that the land uses near agricultural operations be limited to those not negatively impacted by dust, noise, and odors.

Neither the City's Right-to-Farm Ordinance nor its General Plan Policies define the width or specifics of desired buffer types for agricultural uses. Most of the proposed development would be buffered from existing agricultural operations by Old Schulte Road on the eastern side of the Project site and by the Delta Mendota Canal on the southern side of the Project site. Additionally, an industrial warehouse Project, the Costco Depot Annexation Project, is currently (as of November 2024) proposed adjacent east of the Project site. The proposed Project includes parking areas, stormwater drainage areas, and landscaping along the perimeter of the site. These areas would provide a buffer between

agricultural uses and the Project site. As discussed previously, the City's Right to Farm Ordinance is intended to reduce the occurrence of such conflicts between nonagricultural and agricultural land uses within the City through requiring the transferor of any property in the City to provide a disclosure statement describing that the City permits agricultural operations, including those that utilize chemical fertilizers and pesticides. The proposed project is not anticipated to lead to the permanent indirect conversion of offsite agricultural lands to a non-agricultural use. The project would not extend infrastructure or roadway access to offsite agricultural lands. Therefore, impacts associated with the potential to result in conflicts with adjacent agricultural lands or indirectly cause conversion of agricultural lands are less than significant.

Response E-5: A General Plan level of service (LOS) analysis of the Project will be completed. The LOS analysis will include, among other items, trip distribution analysis for the study area roadways. Any improvements determined to be required by the LOS analysis will be imposed as conditions of approval (COAs) for the Project. Should trips be distributed to the east of the Project, the City will consider whether or not additional right of way annexation will be required for City maintenance.

Response E-6: The proposed annexation area includes the Project site only. The City is actively considering a larger annexation area, separate from the proposed Project. Should the City determine that a larger annexation area which includes the proposed Project site be required, a Condition of Approval on the Project which requires annexation prior to issuance of a building permit or prior to when the traffic impacts are expected to occur will be required.

Response E-7: The proposed annexation will require a Plan for Services. The annexation proposal will include a Plan for Services consistent with the applicable MSR.

Response E-8: See Response E-7. The Plan for Services requirement will be noted in the staff report or conditions of approval for the Project.

Response E-9: This comment serves as a conclusion to the comment letter. No further response is necessary.



October 14, 2024

Scott Claar
City of Tracy
Planning Division
333 Civic Center Plaza
Tracy, CA 95376

Project: Draft Environmental Impact Report for Schulte Road Warehouse Project

District CEQA Reference No: 20241010

Dear Mr. Claar:

The San Joaquin Valley Air Pollution Control District (District) has reviewed the Draft Environmental Impact Report (DEIR) from the City of Tracy (City) for the project listed above. Per the DEIR, the project consists of a 217,466 square foot facility for warehouse and office development (Project). The Project is located at 16286 West Schulte Road in San Joaquin County, CA.

F-1

The District offers the following comments at this time regarding the Project:

F-2

1) Project Trip Length for Heavy-Heavy Duty Truck Travel

The Project consists of a warehouse development project that is expected to result in increased Heavy-Heavy Duty (HHD) truck trips, which have the potential to travel further distances. Based on the DEIR, specifically Appendix B for the California Emissions Estimator Model (Caleemod) air quality modeling results, the HHD truck trip length appears to be Caleemod default trip length of 14 miles. As a result, the Project operational emissions may have been underestimated. The District recommends the DEIR include a discussion justifying an appropriate trip length distance for off-site HHD truck travel to and from the Project site, incorporate the trip length into the emissions analysis, and include a discussion on the feasibility of incorporating a Voluntary Emission Reduction Agreement (VERA) should a reanalysis of Project operational emissions show that operational emissions would exceed District criteria pollutant significance thresholds.

Samir Sheikh
Executive Director/Air Pollution Control Officer

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2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

A VERA is a mitigation measure by which the project proponent provides pound-for-pound mitigation of emissions increases through a process that develops, funds, and implements emission reduction projects, with the District serving a role of administrator of the emissions reduction projects and verifier of the successful mitigation effort. To implement a VERA, the project proponent and the District enter into a contractual agreement in which the project proponent agrees to mitigate project specific emissions by providing funds for the District's incentives programs. The funds are disbursed by the District in the form of grants for projects that achieve emission reductions. Thus, project-related impacts on air quality can be mitigated. Types of emission reduction projects that have been funded in the past include electrification of stationary internal combustion engines (such as agricultural irrigation pumps), replacing old heavy-duty trucks with new, cleaner, more efficient heavy-duty trucks, and replacement of agricultural equipment with the latest generation technologies.

F-2
cont'd

In implementing a VERA, the District verifies the actual emission reductions that have been achieved as a result of completed grant contracts, monitors the emission reduction projects, and ensures the enforceability of achieved reductions. After the project is mitigated, the District certifies to the Lead Agency that the mitigation is completed, providing the Lead Agency with an enforceable mitigation measure demonstrating that project-related emissions have been mitigated.

2) Industrial/Warehouse Emission Reduction Strategies

The District recommends the City incorporate emission reduction strategies that can reduce potential harmful health impacts, such as those listed below:

- Require cleanest available heavy-duty trucks and off-road equipment (see comment 4)
- Require HHD truck routing patterns that limit exposure of residential communities and sensitive receptors to emissions (see comment 3)
- Require minimization of heavy-duty truck idling (see comment 6)
- Require solid screen buffering trees, solid decorative walls, and/or other natural ground landscaping techniques are implemented along the property line of adjacent sensitive receptors
- Orient loading docks away from sensitive receptors unless physically impossible
- Require loading docks a minimum of 300 feet away from the property line of sensitive receptor unless dock is exclusively used for electric trucks
- Incorporate signage and "pavement markings" to clearly identify on-site circulation patterns to minimize unnecessary on-site vehicle travel
- Require truck entries be located on streets of a higher commercial classification
- Require projects be designed to provide the necessary infrastructure to

F-3

support use of zero-emissions on-road vehicles and off-road equipment (see comment 5)

- Require all portions of roof tops that are not covered with solar panels are constructed to have light colored roofing material with a solar reflective index of greater than 78
- Ensure rooftop solar panels are installed and operated to supply 100% of the power needed to operate all non-refrigerated portions of the development project
- Require power sources at loading docks for all refrigerated trucks have “plugin” capacity, which will eliminate prolonged idling while loading and unloading goods
- Incorporate bicycle racks and electric bike plug-ins
- Require the use of low volatile organic compounds (VOC) architectural and industrial maintenance coatings
- Designate an area during construction to charge electric powered construction vehicles and equipment, if temporary power is available
- Prohibit the use of non-emergency diesel-powered generators during construction
- Inform the project proponent of the incentive programs (e.g., Carl Moyer Program and Voucher Incentive Program) offered to reduce air emissions from the Project
- Ensure all landscaping be drought tolerant

F-3
cont'd

3) Truck Routing

Truck routing involves the assessment of which roads HHD trucks take to and from their destination, and the emissions impact that the HHD trucks may have on residential communities and sensitive receptors. The Project consists of a warehouse development project that is expected to result in an increase of HHD truck trips. Therefore, the District recommends the City evaluate HHD truck routing patterns for the Project, with the aim of limiting exposure of residential communities and sensitive receptors to emissions. This evaluation would consider the current truck routes, the quantity and type of each truck (e.g., Medium Heavy-Duty, HHD, etc.), the destination and origin of each trip, traffic volume correlation with the time of day or the day of the week, overall Vehicle Miles Traveled (VMT), and associated exhaust emissions. The truck routing evaluation would also identify alternative truck routes and their impacts on VMT and air quality.

F-4

4) Cleanest Available Heavy-Duty Trucks

The San Joaquin Valley will not be able to attain stringent health-based federal air quality standards without significant reductions in emissions from HHD trucks, the single largest source of NOx emissions in the San Joaquin Valley. Accordingly, to meet federal air quality attainment standards, the District's ozone and particulate matter attainment plans rely on a significant and rapid transition of HHD fleets to zero or near-zero emissions technologies.

F-5

The Project consists of a warehouse that is expected to result in an increase in HHD truck trips, including HHD trucks traveling to-and-from the project location at longer trip length distances. As such, the District recommends that the following measures be considered by the City to reduce Project-related operational emissions:

- *Recommended Measure:* Fleets associated with operational activities utilize the cleanest available HHD trucks, including zero and near-zero technologies.
- *Recommended Measure:* All on-site service equipment (cargo handling, yard hostlers, forklifts, pallet jacks, etc.) utilize zero-emissions technologies.

5) Electric Infrastructure

F-6

The District recommends that the City require all nonresidential buildings be designed to provide electric infrastructure to support the use of on-road zero emissions vehicles, such as HHD trucks associated with the Project.

6) Reduce Idling of Heavy-Duty Trucks

F-7

The goal of this strategy is to limit the potential for localized PM2.5 and toxic air contaminant impacts associated with the idling of Heavy-Duty trucks. The diesel exhaust from idling has the potential to impose significant adverse health and environmental impacts. The District recommends the City consider the feasibility of implementing a more stringent 3-minute idling restriction and requiring appropriate signage and enforcement of idling restrictions.

7) Electric On-Site Off-Road and On-Road Equipment

F-8

Since the Project consists of warehouse development, the Project may have the potential to result in increased use of off-road equipment (e.g., forklifts) and on-road equipment (e.g., mobile yard trucks with the ability to move materials). The District recommends that the DEIR be revised to include requirements for project proponents to utilize electric or zero emission off-road and on-road equipment.

8) Health Risk Screening/Assessment

The District reviewed the health risk screening/Prioritization for the Project and has the following comment:

- Annual diesel particulate matter (DPM) emissions from operation were used in the Prioritization to reflect the Project's potential health impacts. However, emissions from both construction and operation should be evaluated when determining the maximum annual emission rate used in the screening tool.
- Using annual construction PM10 exhaust emissions from the CALEEMOD analysis as a surrogate for DPM emissions, the maximum annual DPM emissions during construction was estimated to be 120 pounds per year. This is considerably greater than the annual operation emission rate of 1.4 pounds per year. To better reflect potential health impacts, the maximum annual DPM emissions from construction should be used when calculating the Project's prioritization score. The District re-assessed the Project using this value and determined that the prioritization score remains less than significant.

F-9

9) On-Site Solar Deployment

It is the policy of the State of California that renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers by December 31, 2045. While various emission control techniques and programs exist to reduce air quality emissions from mobile and stationary sources, the production of solar energy is contributing to improving air quality and public health. The District suggests that the City consider incorporating solar power systems as an emission reduction strategy for the Project

F-10

10) District Rules and Regulations

The District issues permits for many types of air pollution sources, and regulates some activities that do not require permits. A project subject to District rules and regulations would reduce its impacts on air quality through compliance with the District's regulatory framework. In general, a regulation is a collection of individual rules, each of which deals with a specific topic. As an example, Regulation II (Permits) includes District Rule 2010 (Permits Required), Rule 2201 (New and Modified Stationary Source Review), Rule 2520 (Federally Mandated Operating Permits), and several other rules pertaining to District permitting requirements and processes.

F-11

The list of rules below is neither exhaustive nor exclusive. Current District rules can be found online at: <https://ww2.valleyair.org/rules-and-planning/current-district-rules-and-regulations>. To identify other District rules or regulations that apply to future

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

projects, or to obtain information about District permit requirements, the project proponents are strongly encouraged to contact the District's Small Business Assistance (SBA) Office at (209) 557-6446.

F-11
cont'd

10a) District Rules 2010 and 2201 - Air Quality Permitting for Stationary Sources

Stationary Source emissions include any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. District Rule 2010 (Permits Required) requires operators of emission sources to obtain an Authority to Construct (ATC) and Permit to Operate (PTO) from the District. District Rule 2201 (New and Modified Stationary Source Review) requires that new and modified stationary sources of emissions mitigate their emissions using Best Available Control Technology (BACT).

F-12

This Project may be subject to District Rule 2010 (Permits Required) and Rule 2201 (New and Modified Stationary Source Review) and may require District permits. Prior to construction, the Project proponent should submit to the District an application for an ATC. For further information or assistance, the project proponent may contact the District's SBA Office at (209) 557-6446.

10b) District Rule 9510 - Indirect Source Review (ISR)

The Project is subject to District Rule 9510 because it will receive a project-level discretionary approval from a public agency and will equal or exceed 25,000 square feet of light industrial development space.

F-13

The purpose of District Rule 9510 is to reduce the growth in both NOx and PM emissions associated with development and transportation projects from mobile and area sources; specifically, the emissions associated with the construction and subsequent operation of development projects. The ISR Rule requires developers to mitigate their NOx and PM emissions by incorporating clean air design elements into their projects. Should the proposed development project clean air design elements be insufficient to meet the required emission reductions, developers must pay a fee that ultimately funds incentive projects to achieve off-site emissions reductions.

Per Section 5.0 of the ISR Rule, an Air Impact Assessment (AIA) application is required to be submitted no later than applying for project-level approval from a public agency. As of the date of this letter, the District has not received an AIA application for this Project. Please inform the project proponent to immediately submit an AIA application to the District to comply with District Rule 9510 so that proper mitigation and clean air design under ISR can be incorporated into the Project's design.

Information about how to comply with District Rule 9510 can be found online at:
<https://ww2.valleyair.org/permitting/indirect-source-review-rule-overview>

F-13
cont'd

The AIA application form can be found online at:
<https://ww2.valleyair.org/permitting/indirect-source-review-rule-overview/forms-and-applications/>

District staff is available to provide assistance, and can be reached by phone at (559) 230-5900 or by email at ISR@valleyair.org.

10c) District Rule 9410 (Employer Based Trip Reduction)

The Project will be subject to District Rule 9410 (Employer Based Trip Reduction) since the Project will result in employment of 100 or more "eligible" employees. District Rule 9410 requires employers with 100 or more "eligible" employees at a worksite to establish an Employer Trip Reduction Implementation Plan (eTRIP) that encourages employees to reduce single-occupancy vehicle trips, thus reducing pollutant emissions associated with work commutes. Under an eTRIP plan, employers have the flexibility to select the options that work best for their worksites and their employees.

F-14

Information about District Rule 9410 can be found online at:
<https://ww2.valleyair.org/compliance/rule-9410-employer-based-trip-reduction/>.

For additional information, you can contact the District by phone at 559-230-6000 or by e-mail at etrip@valleyair.org

10d) District Rule 4002 (National Emissions Standards for Hazardous Air Pollutants)

The Project will be subject to District Rule 4002 since the Project will include demolition, renovation, and removal of existing structures. To protect the public from uncontrolled emissions of asbestos, this rule requires a thorough inspection for asbestos to be conducted before any regulated facility is demolished or renovated.

F-15

Any asbestos present must be handled in accordance with established work practice standards and disposal requirements.

Information on how to comply with District Rule 4002 can be found online at:
<https://ww2.valleyair.org/compliance/demolition-renovation/>.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

10e) District Rule 4601 (Architectural Coatings)

The Project will be subject to District Rule 4601 since it is expected to utilize architectural coatings. Architectural coatings are paints, varnishes, sealers, or stains that are applied to structures, portable buildings, pavements or curbs. The purpose of this rule is to limit VOC emissions from architectural coatings. In addition, this rule specifies architectural coatings storage, cleanup and labeling requirements. Additional information on how to comply with District Rule 4601 requirements can be found online at:

<https://ww2.valleyair.org/media/tkgjeusd/rule-4601.pdf>

F-16

10f) District Regulation VIII (Fugitive PM10 Prohibitions)

The project proponent may be required to submit a Construction Notification Form or submit and receive approval of a Dust Control Plan prior to commencing any earthmoving activities as described in Regulation VIII, specifically Rule 8021 – *Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities*.

Should the project result in at least 1-acre in size, the project proponent shall provide written notification to the District at least 48 hours prior to the project proponents intent to commence any earthmoving activities pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). Also, should the project result in the disturbance of 5-acres or more, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials, the project proponent shall submit to the District a Dust Control Plan pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). For additional information regarding the written notification or Dust Control Plan requirements, please contact District Compliance staff at (559) 230-5950.

F-17

The application for both the Construction Notification and Dust Control Plan can be found online at: <https://ww2.valleyair.org/media/fm3jrbsq/dcp-form.docx>

Information about District Regulation VIII can be found online at:
<https://ww2.valleyair.org/dustcontrol>

11) District Comment Letter

The District recommends that a copy of the District's comments be provided to the Project proponent.

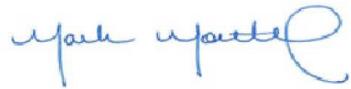
F-18

If you have any questions or require further information, please contact Jacob Torrez by e-mail at Jacob.torrez@valleyair.org or by phone at (559) 230-6558.

F-19

Sincerely,

Tom Jordan
Director of Policy and Government Affairs



Mark Montelongo
Program Manager

Response to Letter F: San Joaquin Valley Air Pollution Control District

Response F-1: This comment is noted, as this comment provides an introductory statement, introducing the comment letter and summarizing the Project details. No further response to this comment is warranted.

Response F-2: The commentor states that the operational emissions may have been underestimated, since the modeling conducted for the Project uses the CalEEMod default HHD truck trip length of approximately 14 miles. However, the usage of the CalEEMod default HHD truck trip length of approximately 14 miles is appropriate, since more precise information is not available.⁶

CalEEMod User's Guide⁷, page 1, states: "CalEEMod utilizes widely accepted methodologies for estimating emissions combined with default data that can be used when site-specific information is not available. Sources of these methodologies and default data include the United States Environmental Protection Agency's (USEPA) AP-42 emission factors, California Air Resources Board's (CARB) vehicle emission models, and studies commissioned by California agencies such as the California Energy Commission (CEC) and California Department of Resources Recycling and Recovery (CalRecycle). In addition, some local air districts provided customized values to support defaults and calculations for projects located in their jurisdictions."

Additionally, page 10 of the CalEEMod User's Guide states that "CalEEMod was designed with default assumptions supported by substantial evidence to the extent available at the time of programming. The functionality and content of CalEEMod is based on fully adopted methods and data. However, CalEEMod was also designed to allow the user to change the defaults to reflect site- or project-specific information, when available, provided that the information is supported by substantial evidence."

The CalEEMod User Guide states that default CalEEMod parameters shall be utilized, when more specific factors are not available. Since specific average heavy-duty truck travel trip lengths were not available, the default CalEEMod parameter was utilized, consistent with CalEEMod methodology. Therefore, the usage of the CalEEMod default trip length of 14 miles is appropriate for modeling for the proposed Project.

Separately, the commentor recommends that a Voluntary Emissions Reduction Agreement (VERA) should be included for the Project. The commentor provides details for what a VERA is and what it may include.

This comment is noted. Given that a VERA is a "Voluntary Agreement," the feasibility of entering into such an agreement cannot be measured because the terms of the agreement and the party's willingness to "agree" to such terms is not known and can not

⁶ The CalEEMod User's Guide states that CalEEMod defaults should be used when more project-specific information is not available. See: <https://www.caleemod.com/user-guide>

⁷ See: https://www.caleemod.com/documents/user-guide/01_User%20Guide.pdf

be guaranteed. A “voluntary agreement” cannot be mandated through CEQA because it cannot be guaranteed that the terms of the agreement would be agreeable to both parties. Nevertheless, the City recognizes that a VERA is one method that can be used to try to reduce emissions through implementing a variety of programs for onsite and offsite mitigation. The City can educate applicants on the benefits of a VERA, and recommend consulting with the Air District during the Indirect Source Review to see if such “voluntary agreement” can be reached. The SJVAPCD has established “thresholds” that are not net zero, but they do encourage VERAs to reduce air emissions beyond their thresholds.

It is noted that Rule 9510 is a regulation that is imposed by the SJVAPCD to collect fees for emissions that exceed the threshold of significance established by the SJVAPCD after all calculated onsite and offsite mitigation, from construction and operation of the building/end user, can be calculated and is applied. The proposed Project is subject to the SJVAPCD Rule 9510 (Indirect Source Review [ISR] rule), which could result in substantial mitigation of emissions beyond what is reflected in the modeling outputs provided in the EIR. The reductions are accomplished by the incorporation of measures into individual projects and/or by the payment of an Indirect Source Rule fee for any required reductions that have not been accomplished through Project mitigation commitments. The actual calculations will be accomplished by the SJVAPCD and project applicants through the regulatory permitting process as the Project (i.e., or portions of the Project) are brought forward for approval under Rule 9510. The Project applicant would be required to pay the ISR fee to the SJVAPCD at that time. Ultimately, the SJVAPCD utilizes the fees to fund offsite projects that reduce emissions to at, or below, the thresholds of significance established by the SJVAPCD. The performance-based metric for each individual case, is actual emissions compared to the threshold. No further response to this comment is warranted.

Response F-3: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measures are not warranted. Nevertheless, the Project applicant will consider the feasibility of the emissions reduction strategies that are listed by the commentor.

Response F-4: This comment is noted. It should also be noted that the Project site is located close to major freeways and there are no neighborhoods between the closest freeway exits and the project site. Moreover, HHD truck routes for the Project are relatively straightforward. Therefore, further analysis of HHD truck routes beyond what has already been conducted by Kimley Horn is not warranted. No further response to this comment is warranted.

Response F-5: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) (i.e. to require fleets associated with operational activities utilize the cleanest available HHD trucks, including zero and near-zero technologies) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response F-6: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response F-7: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the DEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response F-8: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the DEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response F-9: This comment is noted. The DEIR was recirculated under the RDEIR, and within the RDEIR, Section 3.3: Air Quality was updated to include an analysis of annual diesel particulate matter (DPM) emissions for construction. As identified by the commentor, incorporating this additional analysis did not change the 'less than significant' determination within the DEIR for this environmental impact. Refer to the RDEIR's Section 3.3: Air Quality, for further detail. No further response to this comment is warranted.

Response F-10: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response F-11: The commentor identifies various Air District rules and regulations that may be applicable to the proposed Project. No further response to this comment is warranted.

Response F-12: The commentor identifies that Air District Rule 2010 and 2201 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-13: The commentor identifies that Air District Rule 9510 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-14: The commentor identifies that Air District Rule 9410 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and

regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-15: The commentor identifies that Air District Rule 4002 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-16: The commentor identifies that Air District Rule 4601 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-17: The commentor identifies that Air District Regulation VIII may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response F-18: The commentor states that they recommend that a copy of the District's comments be provided to the Project proponent. All comments on the DEIR and RDEIR, including Letter F, have been forwarded to the Project proponent.

Response F-19: The commentor provides their contact information. No response to this comment is warranted.



October 3, 2024

Via E-Mail

Scott Claar, Senior Planner
Planning Division
333 Civic Center Plaza
Tracy, CA 95376
E-mail: Scott.Claar@cityoftracy.org

Re: Notice of Availability Schulte Road Warehouse - Environmental Impact Report (Comments)

Dear Mr. Claar:

The San Luis & Delta-Mendota Water Authority (SLDMWA) appreciates the opportunity to comment in response to the City of Tracy's Notice of Availability for the Schulte Road Warehouse - Draft Environmental Impact Report. The Schulte Road Warehouse Project (Project) proposes development that encroaches upon and/or is adjacent to the Delta-Mendota Canal (DMC) and its right-of-way (ROW). The DMC is an integral part of the federal Central Valley Project, conveying water for agricultural, municipal, industrial, and environmental uses. The continued safe and reliable operation of the DMC is critical to the communities and ecosystems that it serves.

The DMC and the DMC ROW are owned by the U.S. Bureau of Reclamation (Reclamation). SLDMWA operates and maintains (O&M) the DMC under a transfer agreement with Reclamation. Reclamation and SLDMWA work together to ensure that any infrastructure improvements and/or development activities on or near the DMC ROW will not have a negative impact on the DMC or on SLDMWA's ability to operate and maintain the DMC.

1. Project Planning and Design Must be Consistent with Reclamation's Guidelines

Development and construction that encroaches upon and/or is adjacent to the DMC must be consistent with Reclamation's Engineering and O&M Guidelines for Crossings, April 2008 (Reclamation's Guidelines).¹ Applicants requesting to encroach

G-1

15990 KELSO ROAD

BYRON, CA

94514

G-2

209 832-6200

209 833-1034 FAX

¹ Reclamation Guidelines available at https://www.usbr.gov/gp/mtao/canal_crossing_guidance.pdf.

Letter to Mr. Scott Claar
October 3, 2024
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upon Reclamation's land, such as the DMC ROW, must obtain a written land use authorization from Reclamation (Reclamation's Guidelines, Section 2.0; 43 C.F.R. § 429). It has been SLDMWA's experience that the most efficient way for applicants to ensure consistency with Reclamation's Guidelines is to proactively involve SLDMWA and Reclamation during a project's design and planning phase and for approving entities to require SLDMWA and/or Reclamation's approval as a condition of their approval.

Below is a non-inclusive list of requirements from Reclamation's Guidelines typically encountered by applicants during the plan review process that the developer must consider during planning and design activities and that the approving entities must require as a condition of their approval. Applicable sections from Reclamation's Guidelines are noted in parenthesis.

- The applicant shall not utilize the DMC ROW in any way without express approval by a land use agreement through Reclamation (Section 2.0), or temporary access permit from SLDMWA, where applicable (Section 3.2.6).
- All storm drainage shall be conveyed away from the DMC ROW (Sections 3.2.12, 3.2.13, and 4.4).
- Full compliance with NEPA is required for any improvements occurring within the DMC ROW.
- Fencing around the ROW boundaries shall be designed to protect the DMC from trespassers and vandalism. Proper fencing must be installed 1 foot outside of Reclamation's ROW and maintained by the new development (Section 4.5.3 and 4.5.8).
- At all roadway intersections, gates shall be designed and installed to prevent unauthorized access to DMC roadways (Section 4.1.10).
- Bridge crossings with public walkways must be designed to prevent unwanted debris from being discharged into the canal (Section 3.2.13).
- The modification of existing bridges, or the construction of new bridges shall take the existing O&M roads into consideration. American Association of State Highway and Transportation Officials (AASHTO) criteria for sight distances at the intersection of the O&M roads and roadways at new bridges shall be met to allow O&M vehicles to cross them safely (Section 4.1.4). Where existing or new proposed bridge crossings exceed 2 lanes of travel in either direction, additional

G-2
cont'd

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

Letter to Mr. Scott Claar
October 3, 2024
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requirements may be necessary to provide safe crossings. The proposed crossing modifications shall be reviewed and approved by Reclamation and SLDMWA.

- All new crossings shall be full span. No supports are allowed within the canal prism, and power poles shall be located outside of the ROW (Sections 4.6.2-2, 4.6.3.2).
- Subsidence is a wide spread issue on the DMC, and all new construction shall take subsidence impacts into consideration for the design life of the structure (Section 4.1.3). Consultation with SLDMWA and Reclamation will be required to discuss subsidence rates and future predicted elevations.
- All utility crossings of the DMC ROW shall be reviewed and approved by SLDMWA and Reclamation (Section 4.6).
- Existing drain inlets are to be plugged to the satisfaction of SLDMWA and Reclamation (Section 4.4.12). Refer to SLDMWA drawing No. 2202033 '*DRAIN INLET ABANDONMENT STANDARD PLAN*'. Note: All work required within the canal prism will be completed by SLDMWA staff at the applicant's expense. All other abandonment requirements will be responsibility of the applicant. Applicable fees shall apply.
- Existing turnouts are to be either plugged, or protected in place to the satisfaction of SLDMWA, Reclamation, and the appropriate water district (Section 4.4.12). Refer to SLDMWA drawing No. 2202034 '*TURNOUT ABANDONMENT STANDARD PLAN*'. Applicant will be required to work directly with the appropriate water district for all activities related to the turnouts. Note: All work required within the canal prism will be completed by SLDMWA staff at the applicant's expense. All other abandonment requirements will be the responsibility of the applicant. Applicable fee shall apply.

G-2
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2. Impacts of the Project on the DMC That Affect the Environment Must Be Analyzed in the Draft EIR

The Project's potential impact on the DMC may affect the environment in a way that must be considered in the Draft EIR. For example, Project construction may lead to an increase in erosion and, thus, sediment discharge into the DMC, and the existence of the Project in the long-term may lead to an increase in trash being discarded into the DMC. Both of these examples could negatively affect the water quality of the water

G-3

Letter to Mr. Scott Claar
October 3, 2024
Page 4 of 4

that is conveyed through the DMC for municipal, agricultural, and environmental uses. Such impacts must be analyzed and properly accounted for in the Draft EIR.

Lastly, please include the Reclamation Lands Division in Fresno on all future notices. Notices should be addressed to the following:

Bureau of Reclamation; Lands Division
Attn: Michael Inthavong
1243 N Street
Fresno, CA 93721-1813

G-3
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Conclusion

Thank you for this opportunity to submit these comments. SLDMWA looks forward to working with the City of Tracy to ensure that the Project is consistent with Reclamation's Guidelines and to reviewing the Draft EIR.

G-4

Any questions for SLDMWA can be sent to the Engineering Department at 15990 Kelso Rd, Byron, CA 94514. I can be reached for questions at (209) 832-6221 or through email at jaime.mcneil@sldmwa.org.

Sincerely,



Jaime McNeil, P.E.
Engineering Manager

Response to Letter G: San Luis & Delta-Mendota Water Authority

Response G-1: This comment serves as an introduction to the comment letter. No further response is necessary.

Response G-2: While encroachment upon the Delta Mendota Canal is not anticipated as part of the Project activities, should encroachment be required, the applicant will proactively involve the San Luis & Delta-Mendota Water Authority and U.S. Bureau of Reclamation. Should encroachment be required, the Reclamation Guideline requirements would be adhered to.

Response G-3: Impacts related to erosion and sediment discharge are discussed in the DEIR and Initial Study (Appendix A of the DEIR). Impact 3.11-5 of Section 3.11, Utilities and Service Systems, of the DEIR states that, because the proposed Project increases impervious surface area from an existing undeveloped and predominately previous site, the Project site could increase runoff significantly, Project impacts to stormwater are considered potentially significant. Onsite storm drainage would be installed to serve the proposed Project. Development of the proposed Project would include construction of a new storm drainage system, including a drainage collection system, and detention basins. Stormwater treatment/detention basins and stormwater bioretention treatment planters would be located throughout the Project site, mainly in the proposed landscaped areas and along West Schulte Road. Stormwater runoff from each of the drainage areas would be routed to a series of on-site stormwater bioretention treatment planters and treatment/detention basins. Best management practices (BMPs) will be applied to the proposed development to limit the concentrations of constituents in any site runoff to acceptable levels. Stormwater flows from the Project site would be directed to the proposed stormwater treatment basins, treatment planters, and bioretention areas by a new stormwater conveyance system on the Project site. Stormwater runoff would not be allowed to discharge directly to the existing storm drains in West Schulte Road without first discharging to the bioretention areas. The landscaping plan includes stormwater treatment plantings in the treatment/detention basins. Additionally, erosion and sediment control measures would be implemented during construction.

Further, Mitigation Measure 3.11-1 requires the Project applicant to install a drainage system that meets this performance standard and, prior to issuance of grading permits, provide a drainage plan and report to the City of Tracy for review and approval. The proposed Project would participate in the implementation of the Citywide Storm Drainage Master Plan through the payment of fees and/or the construction of Master Plan facilities with corresponding credits. The proposed storm drainage system, erosion and sediment control measures, and drainage plan would ensure that the Project would not increase erosion or sediment discharges into the Delta Mendota Canal.

Response G-4: This comment serves as a conclusion to the comment letter. No further response is necessary.



October 3, 2024

Scott Claar, Senior Planner
Tracy Community Development Department.
Via e-mail
Scott.Claar@cityoftracy.org

Re: Comments on the Draft Environmental Impact Report for the Schulte Road Warehouse Project

Mr. Claar et al:

The Sierra Club submits the following comments on the Draft Environmental Impact Report (DEIR) for the Schulte Road Warehouse Project.

Please ensure that all future digital notices regarding this and every other discretionary project that are pending with the City are sent to Eric Parfrey, Sierra Club, at parfrey@sbcglobal.net.

H-1

The project on a 21-acre parcel proposes the development of up to 217,466-square foot of warehouse and office uses

The DEIR Must be Augmented with New Analysis and Recirculated

In general, we are disappointed that this DEIR substantially understates, and fails to fully analyze, the severity and extent of significant project-related effects on air quality, greenhouse gas ("GHG") emissions, public health, transportation, among other issues. The environmental documentation for the Project is thus inadequate as an informational document and violates the minimum standards of adequacy under the California Environmental Quality Act ("CEQA"), Public Resources Code § 21000 et seq., and the CEQA "Guidelines," California Code of Regulations, title 14, § 15000 et seq. Moreover, the DEIR identifies virtually no substantial

H-2

mitigation measures to reduce the Project's impacts, even though such measures are readily available, feasible, and commonly required.

We will be monitoring carefully to ensure that the City requires additional analysis and mitigation before this project can move forward.

H-2
cont'd

We believe that additional work to reduce GHG emissions must be completed through the recirculation of a revised DEIR before the City may proceed. We strongly recommend that the City not attempt to add significant new analysis and information in the Final EIR at the last minute.

The DEIR's Analysis of the GHG Impacts is Insufficient and the Conclusion that Impacts are Less Than Significant is Unsupported.

The DEIR asserts that the greenhouse gas (GHG) emissions impacts from the Project would be less than significant despite the fact that GHG emissions were quantified and are substantial. The DEIR asserts that because Air District does not have an adopted threshold that has been updated, a simple consistency assessment with relevant plans is sufficient to reach a conclusion of less than significant and ignore the 2,814 metric tons of Project-generated GHG emissions released on an annual basis into the San Joaquin Valley air basin. (Emissions are expressed in annual metric tons of CO₂ equivalent units of measure (i.e., MT CO₂e), based on the global warming potential of the individual pollutants). An additional 498 tons would be generated during construction. See DEIR at 3.7-21.

H-3

This conclusory approach does not work. *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal. App. 4th 1099, 1109 ("in preparing an EIR, the agency must consider and resolve every fair argument that can be made about the possible significant environmental effects of a project, irrespective of whether an established threshold of significance has been met with respect to any given effect") dictates that the lead agency can't simply turn away from the volume of GHG emissions generated by the Project.

The Project generates substantial GHG emissions, is not in conformance with the City of Tracy's Sustainability Action Plan, and the DEIR makes no attempt to establish a threshold of significance against which the project can be measured. The lead agency's responsibility here cannot be ignored. The residents of Tracy are experiencing the effects of climate change related to manmade greenhouse gases.

The Project Fails to Meet the GHG Reduction Target in the Tracy SAP

The statement on page 3-7.20 that "The City of Tracy does not currently have a formal GHG emissions reduction plan or recommended emissions thresholds for determining significance associated with GHG emissions" is not true. The City has adopted the City of Tracy Sustainability Action Plan (SAP).¹ The SAP includes community and municipal GHG reduction targets, and no stated reason that the Project should not be in conformance with, and a party to, achieving these targets. Specifically, the SAP states: "This Sustainability Action Plan includes a community and municipal target for greenhouse gas (GHG) emissions by 2020, as listed below. In addition, the targets in each of the subsections below will support the overall reduction targets for GHG emissions.

The GHG emission targets in the SAP are as follows:

- Target #1: 15 percent reduction in per capita emissions from the 2006 baseline of 11.6 metric tons of carbon dioxide equivalent.
- Target #4a: 15 percent reduction in community energy consumption from 2006 baseline levels." See City of Tracy SAP4 at 4-1.

H-3
cont'd

To comply with CEQA's dictates and the City of Tracy SAP, the EIR must include an analysis of the project's per capita GHG emissions and whether it is achieving a 15% reduction from the City's 2006 baseline. If not, the DEIR must be revised and recirculated to conclude the Project is not in conformance with the SAP and therefore has significant GHG impacts. As a result, the Project must also be required to incorporate all feasible mitigation measures, including, but not limited to: (1) clean fleet and clean construction equipment requirements, (2) extensive use of on-site solar photovoltaic panels, and (3) installation of electric vehicle charging infrastructure. Additional proven feasible measures are attached to this letter.

By ignoring that the Project's emissions are significant, the DEIR fails to adopt even the most routine mitigation measures to reduce GHG emissions and contribute the Project's "fair share" of what will be required to achieve long-term climate goals for the State. Since 2010, it has become clear from a scientific perspective that any additional GHG emissions will contribute to

¹ City of Tracy Sustainability Action Plan (2011):
<https://www.cityoftracy.org/home/showpublisheddocument/2950/637514921184370000>

a serious and growing climate crisis.² Recognizing this reality, in 2018 Governor Brown signed Executive Order 55-18 calling for the state to achieve carbon neutrality as soon as possible and no later than 2045.³ Given these facts on the ground, the DEIR should establish a net zero threshold for new emissions. See e.g., CARB 2017 Scoping Plan at 101 (“Achieving no net additional increase in GHG emissions, resulting in no contribution to GHG impacts, is an appropriate overall objective for new development.”)⁴ Not only does the DEIR neglect to reference EO 55-18, it also fails to explain why this project should not be judged by a significance threshold requiring no net increase in GHG emissions, since that is the standard necessary to comply with the State’s climate change plans and policies.

H-3
cont’d

As the Supreme Court found in *Center for Biological Diversity v. California Dept. of Fish & Wildlife* (2015) 62 Cal.4th 204 (“Newhall Ranch”), new projects—such as this Project—may require a greater level of emission reduction because “[d]esigning new buildings and infrastructure for maximum energy efficiency and renewable energy use is likely to be easier, and is more likely to occur, than achieving the same savings by retrofitting of older structures and systems.” Newhall Ranch, 62 Cal.4th at 226.

Qualitative Analysis of GHG is Not Supported by Factual Evidence

With regard to the qualitative analysis on GHG impacts, the DEIR incorrectly and without supportive evidence asserts that the Project would not be inconsistent with the 2022 CARB Scoping Plan. Regardless, the unconvincing conclusion of consistency is based on no substantial evidence.

H-4

For example, the CARB policies on Mobile Source Strategy (Cleaner Technology and Fuels) state:

Reduce GHGs and other pollutants from the transportation sector through transition to zero-emission and low-emission vehicles, cleaner transit systems, and reduction of vehicle miles traveled.

² Summary for Policymakers (SPM) presents key findings of the Working Group I (WGI) contribution to the Intergovernmental Panel on Climate Change (IPCC): https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM.pdf

³ Executive Order to Achieve Carbon Neutrality: <https://www.ca.gov/archive/gov39/wp-content/uploads/2018/09/9.10.18-Executive-Order.pdf>

⁴ California’s 2017 Climate Change Scoping Plan:
https://ww2.arb.ca.gov/sites/default/files/classic/cc/scopingplan/scoping_plan_2017.pdf?utm_medium=email&utm_source=govdelivery

The DEIR unconvincingly concludes that "The Project would be consistent with this strategy by supporting the use of zero-emission and low-emission vehicles; refer to CALGreen Code discussion above."

Nowhere in this EIR are there any commitments from the applicant to employ zero emission vehicles. Nowhere is there any discussion of transitioning the truck fleet to ZEVs. The CALGreen Code does not (yet) mandate the use of ZEVs.

The DEIR then offers the following weak justification for the assertion that the GHG impacts are less than significant, again without citing any substantial evidence:

"The proposed Project would be consistent with relevant plans, policies, and regulations associated with GHGs, notably the 2022 Scoping Plan, and the SJCOG's 2022 RTP/SCS. Taking into account the proposed Project's emissions, and the progress being made by the State toward reducing emissions in key sectors such as transportation, industry, and electricity, the Project would be consistent with State GHG Plans and would not impede the State's goals of reducing GHG emissions 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. The proposed Project would make a reasonable fair share contribution to the State's GHG reduction goals, and therefore, the proposed Project's GHG emissions would be considered to have a less than significant impact." See DEIR at 3.7-28

H-4
cont'd

But these conclusory statements provide no evidence showing how a project that adds thousands of tons of GHG emissions every year could be consistent with the goal of reducing GHG emissions 40 percent below 1990 levels by 2030. Moreover, reliance on vague "project features" to support a less-than significant determination is problematic because, unless these features are detailed and clarified as required mitigation, there is no guarantee their implementation will be successful and cannot be considered enforceable mitigation pursuant to CEQA requirement.

The EIR Must Incorporate Additional Feasible Mitigation Measures

Because the project's mitigation measures fail to even come close to meeting a 15% reduction in GHG, numerous additional measures recommended by the San Joaquin Valley Air Pollution Control District, the State Attorney General, the California Air Resources Board and other regulatory agencies must be incorporated into the project.

H-5

At a minimum, a recirculated DEIR must include detailed, effective mitigation measures designed to reduce AQ, GHG and climate impacts by accomplishing the following:

- sufficient solar panels to provide power for the Project
- utilize a "clean fleet" of light vehicles/delivery vans/trucks (Class 2 through 6) at the onset of business operations
- adopt standards to provide 100% electrification of all heavy-duty trucks (Class 7 and 8) using the Project site by end of 2025 or when commercially available for the intended application, whichever date is later
- provide electric charging facilities on the Project site sufficient to charge all electric trucks and employee vehicles
- design the Project to include a setback of at least 1,000 feet from the nearest homes or sensitive receptors, as applicable
- provide a community benefits fund to assist local residents in upgrading air ventilation systems, if applicable

The world of logistics warehouse development and mitigation for air quality emissions and GHG has dramatically changed in California. Numerous court cases challenging CEQA documents in both the Inland Empire and in Northern California have set new standards. This revised DEIR must incorporate a meaningful discussion of these recent court cases and the most up to date measures that are being implemented by other distribution warehouse developers, largely at the urging of community activists and regulatory agencies.

Numerous advances have been made in terms of devising new programs and measures that would significantly reduce diesel emissions and GHG emissions from increased truck traffic. Major advances have also been made in solar and battery technology that will reduce GHG and reduce reliance on the existing PGE power grid.

We have attached the executed Settlement Agreement (Attachment A to this letter) between the Sierra Club, the City of Stockton, and Greenlaw Development, LLC (developer of the approved 203-acre Mariposa Industrial Park). The City of Stockton and the developer agreed to include all of the mitigation measures noted above. In addition, at the time, assurances from the city planning director were made to us that the Mariposa 2 and South Stockton Commerce Center projects would also agree to include these measures in each project's Final EIR and conditions of approval.

The Project DEIR for this speculative project must carefully consider all of the recommended mitigation measures outlined in the Attorney General's "Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act" guidelines (Attachment B), as well as recent warehouse settlement agreements. The recirculated DEIR

H-5
cont'd

must state which measures will be applied to this Project. If measures are not included, the DEIR must explain why the measures have been rejected.

We are making similar requests in comment letters on pending warehouse projects in the cities of Stockton, Lathrop, Manteca, and in unincorporated San Joaquin County.

If enacted by all jurisdictions in San Joaquin County, a standard set of air quality and greenhouse gas emission criteria will create a level playing field for all warehouse developers and protect the health of San Joaquin County residents, lessening the impacts of climate change.

In addition to the Mariposa settlement agreement, we have also appended a summary of the detailed measures that have been adopted for more recent warehouse projects (Attachment C). We demand that the new DEIR incorporate these minimal standards. If these common-sense measures are rejected by the EIR authors, we will seek to have the measures enforced through a settlement agreement negotiated between the applicant and the City.

In addition, the City must adopt a warehouse ordinance which would apply mitigation measures to all projects in the City. Thankfully, Governor Newsom has just signed AB 98, which will force Tracy and other recalcitrant jurisdictions to adopt much more stringent regulations for warehouse development (see Attachment D).

The DEIR Fails to Analyze Energy Impacts

Incredibly, this DEIR utterly fails to analyze energy impacts. Such an analysis often is included in the GHG and Climate Change section. This error in failing to quantify and disclose energy impacts of the project warrant a recirculation of the DEIR to comply with State law.

Air Quality Impacts at the Project Level and for Cumulative Conditions are Unmitigated

Portions of the air quality analysis in the DEIR are simply wrong and unsupported by the facts.

For example, the DEIR falsely claims on page 3-3.28 that:

The following analysis complies with all of the example best practices when studying air quality and greenhouse gas emissions, as cited by the California Department of Justice's Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. Specifically, the proposed Project complies with each of the example best practices when studying air quality and greenhouse gas impacts listed within the California Department of Justice's comment letter on the Project NOP on December 20, 2023, as follows:

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- Fully analyzing all reasonably foreseeable project impacts, including cumulative impacts;
- When analyzing cumulative impacts, thoroughly considering the project's incremental impact in combination with past, present, and reasonably foreseeable future projects, even if the project's individual impacts alone do not exceed the applicable significance thresholds;
- Preparing a quantitative air quality study in accordance with local air district guidelines;
- Preparing a quantitative health risk assessment in accordance with California Office of Environmental Health Hazard Assessment and local air district guidelines;
- Refraining from labeling compliance with CARB or air district regulations as a mitigation measure—compliance with applicable regulations is required regardless of CEQA;
- Disclosing air pollution from the entire expected length of truck trips. CEQA requires full public disclosure of a project's anticipated truck trips, which entails calculating truck trip length based on likely truck trip destinations, rather than the distance from the facility to the edge of the air basin, local jurisdiction, or other truncated endpoint. All air pollution associated with the project must be considered, regardless of where those impacts occur.
- Accounting for all reasonably foreseeable greenhouse gas emissions from the project, without discounting projected emissions based on participation in California's Cap-and-Trade Program

H-6
cont'd

Regarding the first two points above, the DEIR fails to quantify the cumulative impacts of the project plus all other recently constructed, approved, pending, and reasonably foreseeable future industrial projects in the area and in the City. The DEIR states that "this EIR uses a list of past, present, and probable future projects within the City of Tracy to determine cumulative growth in the area. The list of past, present, and probable future projects used for this cumulative analysis is restricted to those projects that are planned to occur within the City of Tracy. The approved and/or pending projects are listed in the City's Project Pipelines Reports (March 2024)" DEIR at 4-0.3.

But this list was not used to quantify cumulative AQ impacts.

The perfunctory cumulative impacts analysis for air quality states unconvincingly that "The increase in industrial square footage anticipated with buildup of the Project is generally consistent with growth projections assumed in the Tracy General Plan for the same time horizon. It is also noted that the proposed Project, as well as future projects in the City and County, will be subject to the requirements of the SJVAPCD. For these reasons, cumulative impacts related to air quality are less than significant." DEIR at 4-0.7

Regarding the fourth point, the DEIR fails to include a quantitative health risk assessment.

Thus, the DEIR's claim that the project "complies with each of the example best practices when studying air quality and greenhouse gas impacts" listed within the AG report is false and misleading.

For Mitigation Measure 3-3.1, the DEIR claims that the project would comply with the relevant Air Quality Attainment Plan (AQAP) without offering any supporting evidence of this claim. To claim consistency with the AQAP "The project must contain in its design all reasonably available and feasible air quality control measures." Clearly, this project has not included such measures. The Project Description does not include any control measures, and no air quality control measures are included as mitigation measures in this DEIR.

H-6
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The DEIR weakly argues that

The Project incorporates various policy and rule-required implementation measures that would reduce related emissions, including all of the current Air District rules and regulations. For example, the proposed Project would be required to implement Air District Rule 9510, which ensures that the Project would fulfill the Air District's emissions reduction commitments in the relevant PM 10 and Ozone Attainment plans. In addition, the Project would comply with all applicable stationary source permitting rules implemented by SJVAPCD, which further confirms the Project would not cause or contribute to any ambient air quality standard exceedances. Therefore, the proposed Project's potential impact relating to conflicts with the SJVAPCD's air quality plan is considered less than significant. DEIR at 3-3.29

However, there is no factual proof offered that justifies this unsupported conclusion. The DEIR fails to describe exactly which measures the proposed Project would be required to implement under Air District Rule 9510, thereby relying on a mitigation measure yet to be determined which is counter to CEQA requirements. The DEIR analysis fails to include preparation of an Air

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

Impact Assessment (AIA) report to comply with the Indirect Source Rule 9510 required by the San Joaquin Valley Air Pollution Control District. The AIA requires applicants to identify the specific measures incorporated into the Project to meet the standards set by the District for warehouses. The DEIR states that "To determine how an individual project would satisfy Rule 9510, each project would submit an air quality impact assessment (AIA) to the SJVAPCD as early as possible, but no later than prior to the project's final discretionary approval, to identify the project's baseline unmitigated emissions inventory for indirect sources: on-site exhaust emissions from construction activities and operational activities from mobile and area sources of emissions (excludes fugitive dust and permitted sources)." See DEIR at 3-3.23.

H-6
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Rather than preparing the AIA now and including it in the DEIR with appropriate mitigation measures to meet the regulatory goals set by the SJVAPCD, the AQ analysis ignores the issue. Failing to include this critical information in the DEIR's analysis amounts to deferring mitigation needed to reduce impacts to a later time, which is in violation of CEQA statutes and case law. The AIA, if completed now, could yield information that could lead to measures to reduce emissions and therefore reduce Project impacts. Therefore, it must be completed now and included in a recirculated EIR along with necessary mitigation measures.

Potential Impacts to Some Endangered Species Have Not been Studied or Mitigated

The DEIR fails to adequately analyze or mitigate potentially significant impacts to some listed species, such as the threatened Swainson's hawk and burrowing owl. The DEIR simply repeats the old refrain that coverage of the project under the San Joaquin County Multi-Species Habitat Conservation Plan (SJMSCP) will automatically reduce any impacts to a less than significant level. This is unacceptable. The project applicant should have performed field surveys for these critical bird species.

H-7

The DEIR concludes that Mitigation Measure 3.4-1 which requires participation in the SJMSCP would ensure that potential impacts to special status birds are reduced to a less than significant level.

We must remind you that the City of Tracy is the lead agency for complying with the California Environmental Quality Act (CEQA) for this project, not the SJCOG. In the event the SJCOG does not accept this project for SJMSCP coverage, the biological mitigation measures should explicitly require the developer to perform the protocol surveys now to determine the absence or

presence of these bird species and implement the standard mitigation required by the agencies before any grading occurs.

H-7
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Conclusion

As set forth above, the DEIR does not satisfy CEQA's requirements. At a fundamental level, it fails to provide an adequate and complete analysis of Project impacts and feasible mitigation measures. For these reasons, the Sierra Club respectfully requests that the City recommend that the DEIR not be certified as written, but be recirculated. All of these impacts must be more fully analyzed and mitigated before the City may approve the Project.

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We will be monitoring carefully to ensure that the City requires additional analysis and mitigation before this project can move forward. Additional work to reduce GHG emissions must be completed through the recirculation of a revised DEIR before the City may proceed. We will strenuously object to any attempt to add significant new analysis and information in the Final EIR at the last minute without adequate public review.

Sincerely,

s/s Margo Praus, Chair,

Eric Parfrey, member

Mary Elizabeth M.S., R.E.H.S., Conservation Chair

Delta-Sierra Group, Sierra Club

cc: Robert Swanson, California Attorney General's Office
Stanley Armstrong, California Air Resources Board
Patia Siong and Harout Sagherian, San Joaquin Valley Air Pollution Control
District
Heather Minner and Winter King, Shute, Mihaly, & Weinberger
Aaron Isherwood and Joya Manjur, Sierra Club Environmental Law Program
Tracy City Council
Tracy Planning Commission

Attachments:

- A. Settlement Agreement between the Sierra Club, the City of Stockton, and Greenlaw Development, LLC (developer of the approved 203-acre Mariposa Industrial Park)
- B. Attorney General “Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act”
- C. Detailed Mitigation Measures from Other Recent Warehouse Projects
- D. Los Angeles Times, “Gavin Newsom signs controversial bill regulating California warehouse development,” September 29, 2024

Attachments A, B, and D
(see separate attached PDF files)

Attachment A (Settlement Agreement between the Sierra Club, the City of Stockton, and Greenlaw Development, LLC [developer of the approved 203-acre Mariposa Industrial Park]):

Comment H-9

Attachment B (Attorney General “Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act”):

Comment H-10

Attachment D (Los Angeles Times, “Gavin Newsom signs controversial bill regulating California warehouse development,” September 29, 2024):

Comment H-11

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release of All Claims (“Agreement”) is entered into by and between the Sierra Club, a California nonprofit public benefit association, the City of Stockton (“City”), a municipal services corporation, and Greenlaw Development, LLC, a California limited liability company (“Developer”), (collectively referred to as “Parties” or singularly “Party”), to terminate fully and finally all disputes concerning the matters set forth below.

RECITALS

WHEREAS, Developer, proposes to develop an approximately 203-acre site in the South Stockton area commonly known as the Mariposa Industrial Park for light industrial land uses (the “Project”). The conceptual site plan proposes construction and operation of 3,616,870 square feet of warehouse and ancillary office uses, approximately 1,831 auto parking spaces, 1,107 truck and trailer parking spaces, and related infrastructure. Developer has applied to the City for the following project approvals: (1) adoption of a Resolution certifying the Mariposa Industrial Park Environmental Impact Report (SCH #2020120283) (“EIR”), including a Statement of Overriding Considerations, and adoption of a Mitigation Monitoring and Reporting Program (“MMRP”); and (2) adoption of an Ordinance for the Pre-zoning of APNs 179-220-10; -11; -12; -13; -16; -17; -18; -19; and -24 (the “Property”) to Industrial, Limited (IL); and (3) adoption an Ordinance for a Development Agreement; and (4) adoption of a Resolution authorizing the filing of an annexation application with the San Joaquin Local Agency Formation Commission (collectively the “Project Approvals”); and

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WHEREAS, The Sierra Club and the California Attorney General submitted comments on the EIR requesting that additional air quality and other mitigation measures be included in the EIR and MMRP for the Project and that a fund to mitigate impacts on affected residents be created; and

WHEREAS, the Parties wish to resolve fully and finally all disputes which may exist between the Parties concerning the Project Approvals.

NOW, THEREFORE, based upon the foregoing recitals and the terms, conditions, covenants, and agreements contained above and incorporated in full below, the Parties agree as follows:

AGREEMENT

For good and valuable consideration, the receipt of which is acknowledged by each Party hereto, the Parties promise and agree as follows:

1. If the City approves the Project, and (i) the certified EIR and adopted MMRP include all of the Mitigation Measures in the attached Mariposa Industrial Project Enhanced Measures, and (ii) the authorized Development Agreement includes all of the revised terms in the attached Mariposa Industrial Project Enhanced Measures, then (iii) neither the Sierra Club nor any of its affiliates will file any complaints, claims, grievances, special proceedings or any other actions against the City or Developer with any state,

federal, or local agency or court challenging the Project Approvals or the proposed annexation of the Project site to the City of Stockton. If an affiliate of the Sierra Club is determined to have made a challenge to the Project Approvals or the proposed annexation of the Project site to the City of Stockton in violation of this Section 1, such violation shall constitute a breach of this Agreement by the Sierra Club.

2. The City will draft and consider a comprehensive Warehouse Sustainability Ordinance for future projects that establishes development standards for the construction of industrial warehousing and distribution facilities that exceed 100,000 square feet subject to periodic review for consistency with current regulatory agency recommendations before December 31, 2023. The City may incorporate the addition of warehouse sustainability requirements through its current Development Code revision/update process, provided that the ordinance is considered before December 31, 2023. City staff shall recommend adoption of the ordinance.
3. The City agrees that the Mitigation Measures in the attached Mariposa Industrial Project Enhanced Measures are designed to mitigate potentially significant environmental impacts of warehouse projects. If, prior to adopting the Warehouse Sustainability Ordinance, the City considers approving a project that proposes to develop industrial warehousing or distribution facilities that exceed 100,000 square feet, the City shall include all such applicable measures from the Mariposa Industrial Project Enhanced Measures in any Environmental Impact Report or Mitigated Negative Declaration for the project and consider requiring the project to comply with them.
4. Developer agrees to comply with the attached Mariposa Industrial Project Enhanced Measures and will comply with all applicable City building code requirements.
5. If the City approves the Project, the City will coordinate with the County of San Joaquin to develop and install signage prohibiting non-emergency vehicle access to the project site from Clark Drive or Marfargoa Road. Developer will be responsible for the costs of signage determined to be appropriate by the City and the County.
6. Developer shall pay Sierra Club \$34,350 as reimbursement for Sierra Club's attorney's fees and costs incurred in the administrative phase of the Project Approvals. Payment shall be made to the Shute, Mihaly & Weinberger LLP trust account. Developer shall make this payment within ten (10) days of the expiration of the statute of limitations set forth in Section 21167 of the Public Resources Code on actions or proceedings to attack, review, set aside, void, or annul the City of Stockton's determination of CEQA compliance for the Project Approvals, provided that no such action or proceeding has been initiated by the Sierra Club or its affiliates.
7. This Agreement shall be effective and binding upon the Parties only after the execution of both (1) this Agreement by all parties, and (2) the execution of a Memorandum of Understanding between the California Attorney General and the City relating to the City considering an ordinance to establish development standards for industrial warehouse land uses.

8. Miscellaneous.

- a. Exclusive Remedies. The Parties' sole and exclusive remedy for breach of this Agreement shall be an action for specific performance or injunction. In no event shall any Party be entitled to monetary damages for breach of this Agreement. In addition, no legal action for specific performance or injunction shall be brought or maintained until: (a) the non-breaching Party provides written notice to the breaching Party which explains with particularity the nature of the claimed breach, and (b) within thirty (30) days after receipt of said notice, the breaching Party fails to cure the claimed breach or, in the case of a claimed breach which cannot be reasonably remedied within a thirty (30) day period, the breaching Party fails to commence to cure the claimed breach within such thirty (30) day period, and thereafter diligently complete the activities reasonably necessary to remedy the claimed breach.
- b. All notices and other communications required to be provided pursuant to this Agreement shall be by electronic mail and by first class mail to the following persons at the following addresses:

SIERRA CLUB:

Margo Praus
Delta-Sierra Group
P.O. Box 9258
Stockton, CA 95208
margopraus@msn.com

with copy to:

Sierra Club
Aaron Isherwood, Coordinating Attorney
2101 Webster St., Suite 1300
Oakland, CA 94612
aaron.isherwood@sierraclub.org

with copy to:

Shute, Mihaly & Weinberger LLP
Heather Minner
396 Hayes Street
San Francisco, CA 94102
minner@smwlaw.com

GREENLAW DEVELOPMENT, LLC:

Greenlaw Partners
18301 Von Karmen Avenue, Suite 250
Irvine, CA 92612
Attn: Rob Mitchell
Email: rob@greenlawpartners.com

with copy to:

Cochran Law Group
18301 Von Karman Avenue, Suite 270
Irvine, California 92612
Attn: Thia Cochran
Email: thia@cochranlawgroup.com

with copy to:

Law Office of Daniel P. Doporto
Daniel P. Doporto
3478 Buskirk Avenue, Suite 1000
Pleasant Hill, CA 94523
Email: ddoporto@doportolaw.com

CITY OF STOCKTON:

City Attorney's Office
425 N. El Dorado Street
Stockton, CA 95202
City.attorney@stocktonca.gov

with copy to:

City Manager's Office
425 N. El Dorado Street
Stockton, CA 95202
City.manager@stocktonca.gov

c. Binding on Successors. The terms, covenants, and conditions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assignees of the respective Parties. Developer shall record a copy of this Agreement against the Property. Developer will provide a copy of the recorded Agreement to Sierra Club within fifteen (15) days of such recording. The Parties shall give notice to all other Parties of any successor or assignee to the Party.

- d. Non-Admission of Liability. The Parties acknowledge and agree that this Agreement is a settlement of disputed claims. Neither the fact that the Parties have settled nor the terms of this Agreement shall be construed in any manner as an admission of any liability by any Party.
- e. Assistance of Counsel. The Parties each specifically represent that they have consulted to their satisfaction with and received independent advice from their respective counsel prior to executing this Agreement concerning the terms and conditions of this Agreement.
- f. Waiver. Failure to insist on compliance with any term, covenant or condition contained in this Agreement shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power contained in this Agreement at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.
- g. Severability. Should any portion, word, clause, phrase, sentence or paragraph of this Agreement be declared void or unenforceable, such portion shall be considered independent and severable from the remainder, the validity of which shall remain unaffected.
- h. Governing Law and Venue. This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced and governed under the laws of said State without giving effect to conflicts of laws principles. Any action to enforce, invalidate, or interpret any provision of this Agreement shall be brought in San Joaquin County Superior Court.
- i. Entire Agreement. This Agreement constitutes the entire agreement between the Parties who have executed it and supersedes any and all other agreements, understandings, negotiations, or discussions, either oral or in writing, express or implied between the Parties to this Agreement. No representation, inducement, promise, agreement or warranty not contained in this Agreement, including, but not limited to, any purported supplements, modifications, waivers, or terminations of this Agreement shall be valid or binding, unless executed in writing by all of the Parties to this Agreement.
- j. Each of the signatories hereto represents and warrants that he or she is competent and authorized to enter into this Agreement on behalf of the Party for whom he or she purports to sign.
- k. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original but all of which shall constitute one agreement.

[SIGNATURES COMMENCE ON FOLLOWING PAGE]

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

IN WITNESS WHEREOF, the undersigned execute this Settlement Agreement and Release, and hereby agree to all terms and condition herein, on the dates set forth below.

SIERRA CLUB

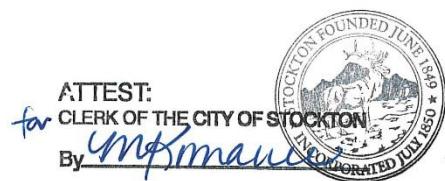
By: Mark Paus
Name: Mark Paus
Its: Chair, Delta-Sierra Group
Date: 11/11/2022

GREENLAW DEVELOPMENT, LLC

By: Rob Mitchell
Name: Rob Mitchell
Its: Partner
Date: 11/20/22

CITY OF STOCKTON

By: Harry Black
Name: Harry Black
Its: City Manager
Date: 12/22/22



APPROVED AS TO FORM

By: Taryn Jones
Name: Taryn Jones
City Attorney
Date: 12/22/22

Attachment (1): Mariposa Industrial Project Enhanced Measures
1585908.7

MARIPOSA INDUSTRIAL PROJECT
ENHANCED MEASURES**The Final EIR Mitigation Measures will be revised to include the following:**

AMM AIR-1: Solar Power: Owners, operators or tenants shall include with the building permit application, sufficient solar panels to provide power for the operation's base power use at the start of operations and as base power use demand increases. Project sponsor shall include analysis of (a) projected power requirements at the start of operations and as base power demand increases corresponding to the implementation of the "clean fleet" requirements, and (b) generating capacity of the solar installation.

AMM AIR-1 (continued): CDD shall verify the size and scope of the solar project based upon the analysis of the projected power requirements and generating capacity as well as the available solar panel installation space. The photovoltaic system shall include a battery storage system to serve the facility in the event of a power outage to the extent required by the 2022 or later California Building Standards Code.

AMM AIR-1 (continued): In the event sufficient space is not available on the subject lot to accommodate the needed number of solar panels to produce the operation's base or anticipated power use, the applicant shall demonstrate how all available space has been maximized (e.g., roof, parking areas, etc.). Areas which provide truck movement may be excluded from these calculations unless otherwise deemed acceptable by the supplied reports.

AMM AIR-1 (continued): The developer or tenant, or qualified solar provider engaged by the developer or tenant shall timely order all equipment and shall install the system when the City has approved building permits and the necessary equipment has arrived. The developer or tenant shall commence operation of the system when it has received permission to operate from the utility. The photovoltaic system owner shall be responsible for maintaining the system(s) at not less than 80% of the rated power for 20 years. At the end of the 20-year period, the building owner shall install a new photovoltaic system meeting the capacity and operational requirements of this measure, or continue to maintain the existing system, for the life of the project.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

MARIPOSA INDUSTRIAL PROJECT ENHANCED MEASURES

EMN AIR-1: Prior to the issuance of the first building permit, the applicant/developer shall demonstrate compliance with the SJVAPCD Rule 9510 (Indirect Source Review) to reduce growth in both NOx and PM10 emissions, as required by SJVAPCD and City requirements.

AMM AIR-1: Architectural Coatings: Construction plans shall require that architectural and industrial maintenance coatings (e.g., paints) applied on the project site shall be consistent with a VOC content of <10 g/L. Developer or tenant is not expected to exercise control over materials painted offsite by a third party.

AMM AIR-3: Construction Worker Trip Reduction: Project construction plans and specifications will require contractor to provide transit and ridesharing information for construction workers.

AMM AIR-2: SJVAPCD Regulation VIII Compliance: Construction plans and specifications shall include a Dust Control Plan incorporating the applicable requirements of Regulation VIII, which shall be submitted to the SJVAPCD for review and approval prior to beginning construction in accordance with the requirements of Regulation VIII.

AMM AIR-2: Emission Standards for Heavy-Duty Trucks: The following mitigation measures shall be implemented during all on-going business operations and shall be included as part of contractual lease agreement language to ensure the tenants/lessees are informed of all on-going operational responsibilities.

The property owner/tenant/lessee shall ensure that all heavy-duty trucks (Class 7 and 8) domiciled on the project site are model year 2014 or later from start of operations and shall expedite a transition to zero-emission vehicles, with the fleet fully zero-emission by December 31, 2025 or when commercially available for the intended application, whichever date is later.

A zero-emission vehicle shall ordinarily be considered commercially available if the vehicle is capable of serving the intended purpose and is included in California's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, <https://californiahvip.org/> or listed as available in the US on the Global Commercial Vehicle Drive to Zero inventory,

MARIPOSA INDUSTRIAL PROJECT
ENHANCED MEASURES

<https://globaldrivezero.org/>. The City shall be responsible for the final determination of commercial availability, based on all the facts and circumstances at the time the determination is made, and may (but is not required to) consult with the California Air Resources Board before making such final determination. In order for the City to make a determination that such vehicles are commercially unavailable, the operator must submit documentation from a minimum of three (3) EV dealers identified on the californiahvip.org website demonstrating the inability to obtain the required EVs or equipment needed within 6 months.

"Domiciled at the project site shall mean the vehicle is either (i) parked or kept overnight at the project site more than 70% of the calendar year or (ii) dedicated to the project site (defined as more than 70% of the truck routes (during the calendar year) that start at the project site even if parked or kept elsewhere)

Zero-emission heavy-duty trucks which require service can be temporarily replaced with model year 2014 or later trucks. Replacement trucks shall be used for only the minimum time required for servicing fleet trucks.

AMM AIR-3: Zero Emission Vehicles: The property owner/tenant/lessee shall utilize a "clean fleet" of vehicles/delivery vans/trucks (Class 2 through 6) as part of business operations as follows: For any vehicle (Class 2 through 6) domiciled at the project site, the following "clean fleet" requirements apply: (i) 33% of the fleet will be zero emission vehicles at start of operations, (ii) 65% of the fleet will be zero emission vehicles by December 31, 2023, (iii) 80% of the fleet will be zero emission vehicles by December 31, 2025, and (iv) 100% of the fleet will be zero emission vehicles by December 31, 2027.

"Domiciled at the project site" shall mean the vehicle is either (i) parked or kept overnight at the project site more than 70% of the calendar year or (ii) dedicated to the project site (defined as more than 70% of the truck routes (during the calendar year) that start at the project site even if parked or kept elsewhere).

Zero-emission vehicles which require service can be temporarily replaced with alternate vehicles. Replacement vehicles shall be used for only the minimum time required for servicing fleet vehicles.

The property owner/tenant/lessee shall not be responsible to meet "clean fleet" requirements for vehicles used by common carriers operating under their own authority that provide delivery services to or from the project site.

MARIPOSA INDUSTRIAL PROJECT
ENHANCED MEASURES

AMM AIR-4: Demonstrate Compliance with Clean Fleet Requirements: The applicant, property owner, tenant, lessee, or other party operating the facility (the "Operator") shall utilize the zero emission vehicles/trucks required to meet the "clean fleet" requirements in AMM AIR-2 (for Class 7 and 8 vehicles) and AMM AIR-3 (for Class 2 through 6 vehicles) above. Within 30-days of occupancy, the Operator shall demonstrate to the satisfaction of CDD staff, that the applicable clean fleet requirements are being met.

AMM AIR-4 (continued): In the event that vehicles/trucks are not commercially available for the intended application, the "clean fleet requirements" may be adjusted as minimally as possible by the CDD to accommodate the unavailability of commercially available vehicles/trucks.

AMM AIR 4 (continued) The City shall quantify the air pollution and GHG emissions resulting from any modification of this condition. Within 12 months of failing to meet a "clean fleet" requirement the property owner/tenant/lessee shall implement a Voluntary Emissions Reduction Agreement (VERA) providing pound for pound mitigation of the criteria pollutant, toxic air contaminants, and GHG emissions quantified by the City through a process that develops, funds, and implements emission reduction projects, with the Air District serving a role of administrator of the emission reduction projects and verifier of the successful mitigation effort. The VERA shall prioritize projects in the South Stockton and surrounding area. Property owner/tenant/lessee shall continue to fund the VERA each year in an amount necessary to achieve pound for pound mitigation of emissions resulting from not meeting the clean fleet requirements until the owner/tenant/lessee fully complies.

AMM AIR-4 (continued): The Operator shall implement the proposed measures after CDD review and approval. Any extension of time granted to implement this condition shall be limited to the shortest period of time necessary to allow for 100% electrification under the clean fleet requirements. The CDD staff may seek the recommendation of the California Air Resources Board in determining whether there has been a manufacturing disruption or insufficient vehicles/trucks commercially available for the intended application.

AMM AIR-4 (continued): Construction Meal Destinations: Project construction plans and specifications will require the contractor to establish one or more locations for food or catering truck service to construction workers and to cooperate with food service providers to provide consistent food service.

MARIPOSA INDUSTRIAL PROJECT
ENHANCED MEASURES

AMM AIR-5: Condition of Approved Compliance Report: The Operator shall submit a condition of approval compliance report within 30 days of, but not later than, the following dates: December 31, 2023, December 31, 2025, and December 31, 2027. The report shall outline clean fleet requirements applicable at each report interval and include documentation demonstrating compliance with each requirement. The City shall consider each report at a noticed public hearing and determine whether the Operator has complied with the applicable clean fleet requirements. If the Operator has not met each 100% clean fleet requirement by December 31, 2027, then the Operator shall submit subsequent reports every year until the 100% clean fleet requirement is implemented. The City shall consider each subsequent report at a noticed public hearing and determine whether the Operator has complied with the clean fleet requirements, including any minimal adjustments to the requirements by the CDD to accommodate the manufacturing disruption or unavailability of commercially available vehicles/trucks, as described in the previous paragraph. Notice of the above hearings shall be provided to all properties located within 1,000 feet of the project site and through the ASK Stockton list serve.

AMM AIR-5 (continued): After the 100% clean fleet requirement has been implemented and confirmed by the CDD, the Operator shall submit to the CDD an on-going compliance report every three years containing all necessary documentation to verify that the Operator is meeting the clean fleet requirements. At the time it confirms that the 100% clean fleet requirement has been implemented, the CDD will establish the due date for the first on-going compliance report. Each subsequent on-going compliance report shall be due within 30 days of, but not later than, the three-year anniversary of the preceding due date. The on-going compliance reports and accompanying documentation shall be made available to the public upon request.

AMM AIR-6: Zero Emission Forklifts, Yard trucks and Yard Equipment: Owners, operators or tenants shall require all forklifts, yard trucks, and other equipment used for on-site movement of trucks, trailers and warehoused goods, as well as landscaping maintenance equipment used on the site, to be electrically powered or zero-emission. The owner, operator or tenant shall provide on-site electrical charging facilities to adequately service electric vehicles and equipment

AMM AIR-7: Truck Idling Restrictions: Owners, operators or tenants shall be required to make their best effort to restrict truck idling onsite to a maximum of three minutes, subject to exceptions defined by CARB in the document: *commercial vehicle idling requirements July 2016*. Idling restrictions shall be enforced by highly-visible posting at the

MARIPOSA INDUSTRIAL PROJECT
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site entry, posting at other on-site locations frequented by truck drivers, conspicuous inclusion in employee training and guidance material and owner, operator or tenant direct action as required.
AMM AIR-8: Electric Truck Charging: At all times during project operation, owners, operators or tenants shall be required to provide electric charging facilities on the project site sufficient to charge all electric trucks domiciled on the site and such facilities shall be made available for all electric trucks that use the project site.
AMM AIR-9: Project Operations, Food Service: Owners, operators or tenants shall establish locations for food or catering truck service and cooperate with food service providers to provide consistent food service to operations employees.
AMM AIR-10: Project Operations, Employee Trip Reduction: Owners, operators or tenants shall provide employees transit route and schedule information on systems serving the project area and coordinate ride sharing amongst employees.
AMM AIR-11: Yard Sweeping: Owners, operators or tenants shall provide periodic yard and parking area sweeping to minimize dust generation
AMM AIR-12: Diesel Generators: Owners, operators or tenants shall prohibit the use of diesel generators, except in emergency situations, in which case such generators shall have Best Available Control Technology (BACT) that meets CARB's Tier 4 emission standards.
AMM AIR-13: Truck Emission Control: Owners, operators or tenants shall ensure that trucks or truck fleets domiciled at the project site be model year 2014 or later, and maintained consistent with current CARB emission control regulations.
AMM AIR-14: All tenant lease agreements for the project site shall include a provision requiring the tenant/lessee to comply with all applicable requirements of the MMRP, a copy of which shall be attached to each tenant/lease agreement.
AMM AIR-14 (continued): SmartWay: Owners, operators or tenants shall enroll and participate the in SmartWay program for eligible businesses
AMM AIR-15: Designated Smoking Areas: Owners, operators or tenants shall ensure that any outdoor areas allowing smoking are at least 25 feet from the nearest property line.
AMM AIR-16: Project construction shall be subject to all adopted City building codes, including the adopted Green Building Standards Code, version July 2022 or later. Prior to the issuance of building permits, the applicant/developer

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shall demonstrate (e.g., provide building plans) that the proposed buildings are designed and will be built to, at a minimum, meet the Nonresidential Voluntary Measures of the California Green Building Standards code, Divisions A5.1, 5.2 and 5.5, including but not limited to the Tier 2 standards in those Divisions, where applicable, such as the Tier 2 advanced energy efficiency requirements as outlined under Section A5.203.1.2.

EMM AG-1: The project shall participate in and comply with the City's Agricultural Lands Mitigation Program, under which developers of the property shall contribute agricultural mitigation land or shall pay the Agricultural Land Mitigation Fee to the City.

The City and Applicant will revise the proposed Development Agreement to provide the following:

In the DA text and in Exhibit B, to clarify that cold storage facilities are prohibited on the site and transport refrigeration units (TRUs) may not enter the site. In the DA text provide that any future proposal to construct cold storage facilities on the site or to allow TRUS to enter the site would require an amendment to the Development Agreement that shall be deemed and processed as a Major Modification to the Development Agreement, an application to the City for a conditional use permit, and be subject to review under the California Environmental Quality Act and Stockton Municipal Code Chapter 16.168.

Section 8.3 of the DA will be revised as follows:

8.3 Mitigation Measures. Developer agrees to and shall comply with all applicable mitigation measures attached hereto as Exhibit C and with all applicable mitigation measures in the MIP EIR, as described in the Mitigation Monitoring/Reporting Program approved by the City on _____, 2023. Developer shall include in all tenant lease agreements for the project site a provision requiring the tenant/lessee to comply with all applicable requirements of the measures in this Section 8.3, a copy of which shall be attached to each to each tenant/lease agreement.

Section 10.1 of the DA will be revised as follows:

10.1 Annual Review. As required by California Government Code Section 65865.1 and pursuant to Section 16.128.110 of the Development Agreement Ordinance, the City of Stockton Planning Commission shall review

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this Agreement and all actions taken pursuant to the terms of this Agreement with respect to the development of the Project every twelve (12) months at a duly-noticed public hearing to determine good faith compliance with this Agreement (“Annual Review”). Specifically, the Annual Review shall be conducted for the purposes of determining good faith compliance with the terms and/or conditions of this Agreement, including compliance with the mitigation measures in Section 8.3 of this Agreement. Each Annual Review shall also document the status of Project development. In the event the Planning Commission recommends modification or termination of this Agreement in connection with such Annual Review, the action to effectuate such modification or termination must be taken by City Council.

In the DA text, to require the City to coordinate with the County to develop and install signage prohibiting non-emergency vehicle access to the project site from Clark Drive or Marfargoa Road. The Applicant will be responsible for the costs of the signage determined to be appropriate by the City and the County.

In the text, to require the following:

Construction plans shall include a 10-foot by 65-foot landscaped berm along the 623-lineal foot and 493-lineal foot portions of the west line of the site, located north and south of Marfargoa Road, which will be required by and shown on Exhibit B to the Development Agreement. Landscaping of the berm shall include fast-growing evergreen trees to provide maximum visual screening, as determined by a qualified landscape architect. Construction plans shall also include a 10-foot wall along the 881-lineal foot and 1,316-lineal foot portions of the west line of the site, located north and south of Clark Drive, which will be required by and shown on Exhibit B to the Development Agreement. Construction plans shall also identify a 60-foot “no truck” zone along the entire length of the west line of the site, which will be required by and shown on Exhibit B to the Development Agreement. Construction plans shall also identify and prohibit building construction within a setback area located a minimum of 300 feet from the property line of residential properties along Marfargoa Road and Clark Drive. Notwithstanding the foregoing, the stairwells of ancillary/accessory buildings may encroach into the 300-foot setback area.

In the text, to provide that, prior to the issuance of a grading permit, the Applicant will provide \$200,000 to a non-profit organization serving disadvantaged residents of San Joaquin County approved by the City’s Community Development Director, to fund a program to reduce exposure to emissions and noise from vehicle and truck traffic and industrial operations, for residents located within the geographic area bounded by Munford Avenue, Mariposa Road, Little John’s Creek and the SR99 Frontage Road. The program may fund or reimburse home air filtration systems, HVAC

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modifications, window replacements, weather stripping, or similar improvements; publicly available electric vehicle charging station(s); and/or air quality monitoring sensors with publicly available real time data (such as PurpleAir censors).

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ROB BONTA
Attorney General

State of California
DEPARTMENT OF JUSTICE



Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act

H-10

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In carrying out its duty to enforce laws across California, the California Attorney General's Bureau of Environmental Justice (Bureau)¹ regularly reviews proposed warehouse projects for compliance with the California Environmental Quality Act (CEQA) and other laws. When necessary, the Bureau submits comment letters to lead agencies regarding warehouse projects, and in rare cases the Bureau has filed litigation to enforce CEQA.² This document builds upon the Bureau's work on warehouse projects, collecting information gained from the Bureau's review of hundreds of warehouse projects across the state.³ It is meant to help lead agencies pursue CEQA compliance and promote environmentally-just development as they confront warehouse project proposals.⁴ While CEQA analysis is necessarily project-specific, this document provides information on feasible best practices and mitigation measures, nearly all of which have been adapted from actual warehouse projects in California.

I. Background

In recent years, the proliferation of e-commerce and rising consumer expectations of rapid shipping have contributed to a boom in warehouse development.⁵ California, with its ports, population centers, and transportation network, has found itself at the center of this trend. In 2020, the Ports of Los Angeles, Long Beach, and Oakland collectively accounted for over 34% of all United States international container trade.⁶ The Ports of Los Angeles and Long Beach alone generate about 35,000 container truck trips every day.⁷ Accordingly, the South Coast Air Basin now contains approximately 3,000 warehouses of over 100,000 square feet each, with a total warehouse capacity of approximately 700 million square feet, an increase of 20 percent over the last five years.⁸ This trend has only accelerated, with e-commerce growing to

¹ <https://oag.ca.gov/environment/justice>.

² <https://oag.ca.gov/environment/ceqa>; *People of the State of California v. City of Fontana* (Super. Ct. San Bernardino County, No. CIVSB2121829); *South Central Neighbors United et al. v. City of Fresno et al.* (Super. Ct. Fresno County, No. 18CECG00690).

³ This September 2022 version revises and replaces the prior March 2021 version of this document.

⁴ Anyone reviewing this document to determine CEQA compliance responsibilities should consult their own attorney for legal advice.

⁵ As used in this document, “warehouse” or “logistics facility” is defined as a facility consisting of one or more buildings that stores cargo, goods, or products on a short- or long-term basis for later distribution to businesses and/or retail customers.

⁶ Data from the Bureau of Transportation Statistics, Container TEUs (Twenty-foot Equivalent Units) (2020), <https://data.bts.gov/stories/s/Container-TEU/x3fb-aeda/> (Ports of Los Angeles, Long Beach, and Oakland combined for 14.157 million TEUs, 34% of 41.24 million TEUs total nationwide) (last accessed September 18, 2022).

⁷ U.S. Dept. of Transportation, Federal Highway Administration, *FHWA Operations Support – Port Peak Pricing Program Evaluation* (2020), available at <https://ops.fhwa.dot.gov/publications/fhwahop09014/sect2.htm> (last accessed September 18, 2022).

⁸ South Coast Air Qual. Mgmt. Dist., *Final Socioeconomic Assessment for Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program and Proposed Rule 316 – Fees for Rule 2305*, at 7-8, 41 (May 2021).

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13% of all retail sales and 2021 being a second consecutive record year for new warehouse space leased.⁹ The latest data and forecasts predict that the next wave of warehouse development will be in the Central Valley.¹⁰

When done properly, these activities can contribute to the economy and consumer welfare. However, imprudent warehouse development can harm local communities and the environment. Among other pollutants, diesel trucks visiting warehouses emit nitrogen oxide (NO_x)—a primary precursor to smog formation and a significant factor in the development of respiratory problems like asthma, bronchitis, and lung irritation—and diesel particulate matter (a subset of fine particulate matter that is smaller than 2.5 micrometers)—a contributor to cancer, heart disease, respiratory illnesses, and premature death.¹¹ Trucks and on-site loading activities can also be loud, bringing disruptive noise levels during 24/7 operation that can cause hearing damage after prolonged exposure.¹² The hundreds, and sometimes thousands, of daily truck and passenger car trips that warehouses generate contribute to traffic jams, deterioration of road surfaces, and traffic accidents.

These environmental impacts also tend to be concentrated in neighborhoods already suffering from disproportionate health impacts and systemic vulnerability. For example, a comprehensive study by the South Coast Air Quality Management District found that communities located near large warehouses scored far higher on California’s environmental justice screening tool, which measures overall pollution and demographic vulnerability.¹³ That

⁹ U.S. Census Bureau News, Quarterly Retail E-Commerce Sales 4th Quarter 2021 (February 22, 2022), https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf (last accessed September 18, 2022); CBRE Research, *2022 North America Industrial Big Box Report: Review and Outlook*, at 2-3 (March 2022), available at <https://www.cbre.com/insights/reports/2022-north-america-industrial-big-box#download-report> (last accessed September 18, 2022).

¹⁰ CBRE Research, *supra* note 9, at 4, 36; New York Times, *Warehouses Are Headed to the Central Valley, Too*, (Jul. 22, 2020), available at <https://www.nytimes.com/2020/07/22/us/coronavirus-ca-warehouse-workers.html>.

¹¹ California Air Resources Board, Nitrogen Dioxide & Health, <https://ww2.arb.ca.gov/resources/nitrogen-dioxide-and-health> (last accessed September 18, 2022) (NO_x); California Air Resources Board, Summary: Diesel Particulate Matter Health Impacts, <https://ww2.arb.ca.gov/resources/summary-diesel-particulate-matter-health-impacts> (last accessed September 18, 2022); Office of Environmental Health Hazard Assessment and American Lung Association of California, Health Effects of Diesel Exhaust, <https://oehha.ca.gov/media/downloads/calenviroscreen/indicators/diesel4-02.pdf> (last accessed September 18, 2022) (DPM).

¹² Noise Sources and Their Effects, <https://www.chem.psu.edu/chemsafety/Training/PPETrain/dblevels.htm> (last accessed September 18, 2022) (a diesel truck moving 40 miles per hour, 50 feet away, produces 84 decibels of sound).

¹³ South Coast Air Quality Management District, “Final Socioeconomic Assessment for Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program and Proposed Rule 316 – Fees for Rule 2305” (May 2021), at 4-5.

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study concluded that, compared to the South Coast Air Basin averages, communities in the South Coast Air Basin near large warehouses had a substantially higher proportion of people of color; were exposed to more diesel particulate matter; had higher rates of asthma, cardiovascular disease, and low birth weights; and had higher poverty and unemployment rates.¹⁴ Each area has its own unique history, but many of these impacts and vulnerabilities reflect historic redlining practices in these communities, which devalued land and concentrated poverty, racial outgroups, and pollution into designated areas.¹⁵

II. Proactive Planning: General Plans, Local Ordinances, and Good Neighbor Policies

To systematically guide warehouse development, we encourage local governing bodies to proactively plan for logistics projects in their jurisdictions. Proactive planning allows jurisdictions to prevent land use conflicts before they materialize and direct sustainable development. Benefits also include providing a predictable business environment, protecting residents from environmental harm, and setting consistent expectations jurisdiction-wide.

Proactive planning can take many forms. Land use designation and zoning decisions should channel development into appropriate areas. For example, establishing industrial districts near major highway and rail corridors but away from sensitive receptors¹⁶ can help attract investment while avoiding conflicts between warehouse facilities and residential communities. Transition zones with lighter industrial and commercial land uses may also help minimize conflicts between residential and industrial uses.

In addition, general plan policies, local ordinances, and good neighbor policies should set minimum standards for logistics projects. General plan policies can be incorporated into existing economic development, land use, circulation, or other related general plan elements. Many jurisdictions alternatively choose to consolidate policies in a separate environmental justice element. Adopting general plan policies to guide warehouse development may also help

¹⁴ *Id.* at 5-7.

¹⁵ Beginning in the 1930s, federal housing policy directed investment away from Black, immigrant, and working-class communities by color-coding neighborhoods according to the purported “riskiness” of loaning to their residents. In California cities where such “redlining” maps were drawn, nearly all of the communities where warehouses are now concentrated were formerly coded “red,” signifying the least desirable areas where investment was to be avoided. See University of Richmond Digital Scholarship Lab, Mapping Inequality, <https://dsl.richmond.edu/panorama/redlining/#loc=12/33.748/-118.272&city=los-angeles-ca> (Los Angeles), <https://dsl.richmond.edu/panorama/redlining/#loc=13/32.685/-117.132&city=san-diego-ca> (San Diego), <https://dsl.richmond.edu/panorama/redlining/#loc=11/37.81/-122.38&city=oakland-ca> (Oakland), <https://dsl.richmond.edu/panorama/redlining/#loc=13/37.956/-121.326&city=stockton-ca> (Stockton), <https://dsl.richmond.edu/panorama/redlining/#loc=12/36.751/-119.86&city=fresno-ca> (Fresno) (all last accessed September 18, 2022).

¹⁶ In this document, “sensitive receptors” refers to residences, schools, public recreation facilities, health care facilities, places of worship, daycare facilities, community centers, or incarceration facilities.

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jurisdictions comply with their obligations under SB 1000, which requires local government general plans to identify objectives and policies to reduce health risks in disadvantaged communities, promote civil engagement in the public decision making process, and prioritize improvements and programs that address the needs of disadvantaged communities.¹⁷

Local ordinances and good neighbor policies that set development standards for all warehouses in the jurisdiction are a critical and increasingly common tool that serve several goals. When well-designed, these ordinances direct investment to local improvements, provide predictability for developers, conserve government resources by streamlining project review processes, and reduce the environmental impacts of industrial development. While many jurisdictions have adopted warehouse-specific development standards, an ordinance in the City of Fontana provides an example to review and build upon.¹⁸ Good neighbor policies in Riverside County and by the Western Riverside Council of Government include additional measures worth consideration.¹⁹

The Bureau encourages jurisdictions to adopt their own local ordinances that combine the strongest policies from those models with measures discussed in the remainder of this document.

III. Community Engagement

Early and consistent community engagement is central to establishing good relationships between communities, lead agencies, and warehouse developers and tenants. Robust community engagement can give lead agencies access to community residents' on-the-ground knowledge and information about their concerns, build community support for projects, and develop creative solutions to ensure new logistics facilities are mutually beneficial. Examples of best practices for community engagement include:

- Holding a series of community meetings at times and locations convenient to members of the affected community and incorporating suggestions into the project design.
- Posting information in hard copy in public gathering spaces and on a website about the project. The information should include a complete, accurate project description, maps and drawings of the project design, and information about how the public can provide input and be involved in the project approval process. The

¹⁷ For more information about SB 1000, see <https://oag.ca.gov/environment/sb1000>.

¹⁸ <https://oag.ca.gov/system/files/attachments/press-docs/Final%20Signed%20Fontana%20Ordinance.pdf> (last accessed September 18, 2022).

¹⁹ For example, the Riverside County policy requires community benefits agreements and supplemental funding contributions toward additional pollution offsets, and the Western Riverside Council of Governments policy sets a minimum buffer zone of 300 meters between warehouses and sensitive receptors. <https://www.rivcocob.org/wp-content/uploads/2020/01/Good-Neighbor-Policy-F-3-Final-Adopted.pdf> (last accessed September 18, 2022) (Riverside County); <http://www.wrcog.cog.ca.us/DocumentCenter/View/318/Good-Neighbor-Guidelines-for-Siting-Warehouse-Distribution-Facilities-PDF?bidId=> (last accessed September 18, 2022) (Western Riverside Council of Governments).

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information should be in a format that is easy to navigate and understand for members of the affected community.

- Providing notice by mail to residents and schools within a certain radius of the project and along transportation corridors to be used by vehicles visiting the project, and by posting a prominent sign on the project site. The notice should include a brief project description and directions for accessing complete information about the project and for providing input on the project.
- Providing translation or interpretation in residents' native language, where appropriate.
- For public meetings broadcast online or otherwise held remotely, providing for access and public comment by telephone and supplying instructions for access and public comment with ample lead time prior to the meeting.
- Partnering with local community-based organizations to solicit feedback, leverage local networks, co-host meetings, and build support.
- Considering adoption of a community benefits agreement, negotiated with input from affected residents and businesses, by which the developer provides benefits to the affected community.
- Creating a community advisory board made up of local residents to review and provide feedback on project proposals in early planning stages.
- Identifying a person to act as a community liaison concerning on-site construction activity and operations, and providing contact information for the community liaison to the surrounding community.
- Requiring signage in public view at warehouse facilities with contact information for a local designated representative for the facility operator who can receive community complaints, and requiring any complaints to be answered by the facility operator within 48 hours of receipt.

IV. Warehouse Siting and Design Considerations

The most important consideration when planning a logistics facility is its location.

Warehouses located in residential neighborhoods or near sensitive receptors expose community residents and those using or visiting sensitive receptor sites to the air pollution, noise, traffic, and other environmental impacts they generate. Therefore, placing facilities away from sensitive receptors significantly reduces their environmental and quality of life harms on local communities. The suggested best practices for siting and design of warehouse facilities does not relieve lead agencies' responsibility under CEQA to conduct a project-specific analysis of the project's impacts and evaluation of feasible mitigation measures and alternatives; lead agencies' incorporation of the best practices must be part of the impact, mitigation and alternatives analyses to meet the requirements of CEQA. Examples of best practices when siting and designing warehouse facilities include:

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- Per California Air Resources Board (CARB) guidance, siting warehouse facilities so that their property lines are at least 1,000 feet from the property lines of the nearest sensitive receptors.²⁰
- Providing adequate amounts of on-site parking to prevent trucks and other vehicles from parking or idling on public streets and to reduce demand for off-site truck yards.
- Establishing setbacks from the property line of the nearest sensitive receptor to warehouse dock doors, loading areas, and truck drive aisles, and locating warehouse dock doors, loading areas, and truck drive aisles on the opposite side of the building from the nearest sensitive receptors—e.g., placing dock doors on the north side of the facility if sensitive receptors are near the south side of the facility.
- Placing facility entry and exit points from the public street away from sensitive receptors—e.g., placing these points on the north side of the facility if sensitive receptors are adjacent to the south side of the facility.
- Ensuring heavy duty trucks abide by the on-site circulation plans by constructing physical barriers to block those trucks from using areas of the project site restricted to light duty vehicles or emergency vehicles only.
- Preventing truck queuing spillover onto surrounding streets by positioning entry gates after a minimum of 140 feet of space for queuing, and increasing the distance by 70 feet for every 20 loading docks beyond 50 docks.
- Locating facility entry and exit points on streets of higher commercial classification that are designed to accommodate heavy duty truck usage.
- Screening the warehouse site perimeter and onsite areas with significant truck traffic (e.g., dock doors and drive aisles) by creating physical, structural, and/or vegetative buffers that prevent or substantially reduce pollutant and noise dispersion from the facility to sensitive receptors.
- Planting exclusively 36-inch box evergreen trees to ensure faster maturity and four-season foliage.
- Requiring all property owners and successors in interest to maintain onsite trees and vegetation for the duration of ownership, including replacing any dead or unhealthy trees and vegetation.
- Posting signs clearly showing the designated entry and exit points from the public street for trucks and service vehicles.
- Including signs and drive aisle pavement markings that clearly identify onsite circulation patterns to minimize unnecessary onsite vehicle travel.
- Posting signs indicating that all parking and maintenance of trucks must be conducted within designated on-site areas and not within the surrounding community or public streets.

²⁰ CARB, Air Quality and Land Use Handbook: A Community Health Perspective (April 2005), at ES-1. CARB staff has released draft updates to this siting and design guidance which suggests a greater distance may be warranted in some scenarios. CARB, Concept Paper for the Freight Handbook (December 2019), available at https://ww2.arb.ca.gov/sites/default/files/2020-03/2019.12.12%20-%20Concept%20Paper%20for%20the%20Freight%20Handbook_1.pdf (last accessed September 18, 2022).

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V. Air Quality and Greenhouse Gas Emissions Analysis and Mitigation

Emissions of air pollutants and greenhouse gases are often among the most substantial environmental impacts from new warehouse facilities. CEQA compliance demands a proper accounting of the full air quality and greenhouse gas impacts of logistics facilities and adoption of all feasible mitigation of significant impacts. Although efforts by CARB and other authorities to regulate the heavy-duty truck and off-road diesel fleets have made excellent progress in reducing the air quality impacts of logistics facilities, the opportunity remains for local jurisdictions to further mitigate these impacts at the project level. Lead agencies and developers should also consider designing projects with their long-term viability in mind. Constructing the necessary infrastructure to prepare for the zero-emission future of goods movement not only reduces a facility's emissions and local impact now, but it can also save money as demand for zero-emission infrastructure grows. In planning new logistics facilities, the Bureau strongly encourages developers to consider the local, statewide, and global impacts of their projects' emissions.

Examples of best practices when studying air quality and greenhouse gas impacts include:

- Fully analyzing all reasonably foreseeable project impacts, including cumulative impacts. In general, new warehouse developments are not ministerial under CEQA because they involve public officials' personal judgment as to the wisdom or manner of carrying out the project, even when warehouses are permitted by a site's applicable zoning and/or general plan land use designation.²¹
- When analyzing cumulative impacts, thoroughly considering the project's incremental impact in combination with past, present, and reasonably foreseeable future projects, even if the project's individual impacts alone do not exceed the applicable significance thresholds.
- Preparing a quantitative air quality study in accordance with local air district guidelines.
- Preparing a quantitative health risk assessment in accordance with California Office of Environmental Health Hazard Assessment and local air district guidelines.
- Refraining from labeling compliance with CARB or air district regulations as a mitigation measure—compliance with applicable regulations is required regardless of CEQA.
- Disclosing air pollution from the entire expected length of truck trips. CEQA requires full public disclosure of a project's anticipated truck trips, which entails calculating truck trip length based on likely truck trip destinations, rather than the distance from the facility to the edge of the air basin, local jurisdiction, or other truncated endpoint. All air pollution associated with the project must be considered, regardless of where those impacts occur.

²¹ CEQA Guidelines § 15369.

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- Accounting for all reasonably foreseeable greenhouse gas emissions from the project, without discounting projected emissions based on participation in California's Cap-and-Trade Program.

Examples of measures to mitigate air quality and greenhouse gas impacts from construction are below. To ensure mitigation measures are enforceable and effective, they should be imposed as permit conditions on the project where applicable.

- Requiring off-road construction equipment to be hybrid electric-diesel or zero-emission, where available, and all diesel-fueled off-road construction equipment to be equipped with CARB Tier IV-compliant engines or better, and including this requirement in applicable bid documents, purchase orders, and contracts, with successful contractors demonstrating the ability to supply the compliant construction equipment for use prior to any ground-disturbing and construction activities.
- Prohibiting off-road diesel-powered equipment from being in the “on” position for more than 10 hours per day.
- Using electric-powered hand tools, forklifts, and pressure washers, and providing electrical hook ups to the power grid rather than use of diesel-fueled generators to supply their power.
- Designating an area in the construction site where electric-powered construction vehicles and equipment can charge.
- Limiting the amount of daily grading disturbance area.
- Prohibiting grading on days with an Air Quality Index forecast of greater than 100 for particulates or ozone for the project area.
- Forbidding idling of heavy equipment for more than three minutes.
- Keeping onsite and furnishing to the lead agency or other regulators upon request, all equipment maintenance records and data sheets, including design specifications and emission control tier classifications.
- Conducting an on-site inspection to verify compliance with construction mitigation and to identify other opportunities to further reduce construction impacts.
- Using paints, architectural coatings, and industrial maintenance coatings that have volatile organic compound levels of less than 10 g/L.
- Providing information on transit and ridesharing programs and services to construction employees.
- Providing meal options onsite or shuttles between the facility and nearby meal destinations for construction employees.

Examples of measures to mitigate air quality and greenhouse gas impacts from operation include:

- Requiring all heavy-duty vehicles engaged in drayage²² to or from the project site to be zero-emission beginning in 2030.

²² “Drayage” refers generally to transport of cargo to or from a seaport or intermodal railyard.

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- Requiring all on-site motorized operational equipment, such as forklifts and yard trucks, to be zero-emission with the necessary charging or fueling stations provided.
- Requiring tenants to use zero-emission light- and medium-duty vehicles as part of business operations.
- Forbidding trucks from idling for more than three minutes and requiring operators to turn off engines when not in use.
- Posting both interior- and exterior-facing signs, including signs directed at all dock and delivery areas, identifying idling restrictions and contact information to report violations to CARB, the local air district, and the building manager.
- Installing solar photovoltaic systems on the project site of a specified electrical generation capacity that is equal to or greater than the building's projected energy needs, including all electrical chargers.
- Designing all project building roofs to accommodate the maximum future coverage of solar panels and installing the maximum solar power generation capacity feasible.
- Constructing zero-emission truck charging/fueling stations proportional to the number of dock doors at the project.
- Running conduit to designated locations for future electric truck charging stations.
- Unless the owner of the facility records a covenant on the title of the underlying property ensuring that the property cannot be used to provide refrigerated warehouse space, constructing electric plugs for electric transport refrigeration units at every dock door and requiring truck operators with transport refrigeration units to use the electric plugs when at loading docks.
- Oversizing electrical rooms by 25 percent or providing a secondary electrical room to accommodate future expansion of electric vehicle charging capability.
- Constructing and maintaining electric light-duty vehicle charging stations proportional to the number of employee parking spaces (for example, requiring at least 10% of all employee parking spaces to be equipped with electric vehicle charging stations of at least Level 2 charging performance)
- Running conduit to an additional proportion of employee parking spaces for a future increase in the number of electric light-duty charging stations.
- Installing and maintaining, at the manufacturer's recommended maintenance intervals, air filtration systems at sensitive receptors within a certain radius of facility for the life of the project.
- Installing and maintaining, at the manufacturer's recommended maintenance intervals, an air monitoring station proximate to sensitive receptors and the facility for the life of the project, and making the resulting data publicly available in real time. While air monitoring does not mitigate the air quality or greenhouse gas impacts of a facility, it nonetheless benefits the affected community by providing information that can be used to improve air quality or avoid exposure to unhealthy air.
- Requiring all stand-by emergency generators to be powered by a non-diesel fuel.
- Requiring facility operators to train managers and employees on efficient scheduling and load management to eliminate unnecessary queuing and idling of

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trucks.

- Requiring operators to establish and promote a rideshare program that discourages single-occupancy vehicle trips and provides financial incentives for alternate modes of transportation, including carpooling, public transit, and biking.
- Meeting CalGreen Tier 2 green building standards, including all provisions related to designated parking for clean air vehicles, electric vehicle charging, and bicycle parking.
- Designing to LEED green building certification standards.
- Providing meal options onsite or shuttles between the facility and nearby meal destinations.
- Posting signs at every truck exit driveway providing directional information to the truck route.
- Improving and maintaining vegetation and tree canopy for residents in and around the project area.
- Requiring that every tenant train its staff in charge of keeping vehicle records in diesel technologies and compliance with CARB regulations, by attending CARB-approved courses. Also require facility operators to maintain records on-site demonstrating compliance and make records available for inspection by the local jurisdiction, air district, and state upon request.
- Requiring tenants to enroll in the United States Environmental Protection Agency's SmartWay program, and requiring tenants who own, operate, or hire trucking carriers with more than 100 trucks to use carriers that are SmartWay carriers.
- Providing tenants with information on incentive programs, such as the Carl Moyer Program and Voucher Incentive Program, to upgrade their fleets.

VI. Noise Impacts Analysis and Mitigation

The noise associated with logistics facilities can be among their most intrusive impacts to nearby sensitive receptors. Various sources, such as unloading activity, diesel truck movement, and rooftop air conditioning units, can contribute substantial noise pollution. These impacts are exacerbated by logistics facilities' typical 24-hour, seven-days-per-week operation. Construction noise is often even greater than operational noise, so if a project site is near sensitive receptors, developers and lead agencies should adopt measures to reduce the noise generated by both construction and operation activities.

Examples of best practices when studying noise impacts include:

- Preparing a noise impact analysis that considers all reasonably foreseeable project noise impacts, including to nearby sensitive receptors. All reasonably foreseeable project noise impacts encompasses noise from both construction and operations, including stationary, on-site, and off-site noise sources.
- Adopting a lower significance threshold for incremental noise increases when baseline noise already exceeds total noise significance thresholds, to account for the cumulative impact of additional noise and the fact that, as noise moves up the decibel scale, each decibel increase is a progressively greater increase in sound

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pressure than the last. For example, 70 dBA is ten times more sound pressure than 60 dBA.

- Disclosing and considering the significance of short-term noise levels associated with all aspects of project operation (i.e. both on-site noise generation and off-site truck noise). Considering only average noise levels may mask noise impacts sensitive receptors would consider significant—for example, the repeated but short-lived passing of individual trucks or loading activities at night.

Examples of measures to mitigate noise impacts include:

- Constructing physical, structural, or vegetative noise barriers on and/or off the project site.
- Planning and enforcing truck routes that avoid passing sensitive receptors.
- Locating or parking all stationary construction equipment as far from sensitive receptors as possible, and directing emitted noise away from sensitive receptors.
- Verifying that construction equipment has properly operating and maintained mufflers.
- Requiring all combustion-powered construction equipment to be surrounded by a noise protection barrier
- Limiting operation hours to daytime hours on weekdays.
- Paving roads where truck traffic is anticipated with low noise asphalt.
- Orienting any public address systems onsite away from sensitive receptors and setting system volume at a level not readily audible past the property line.

VII. Traffic Impacts Analysis and Mitigation

Warehouse facilities inevitably bring truck and passenger car traffic. Truck traffic can present substantial safety issues. Collisions with heavy-duty trucks are especially dangerous for passenger cars, motorcycles, bicycles, and pedestrians. These concerns can be even greater if truck traffic passes through residential areas, school zones, or other places where pedestrians are common and extra caution is warranted.

Examples of measures to mitigate traffic impacts include:

- Designing, clearly marking, and enforcing truck routes that keep trucks out of residential neighborhoods and away from other sensitive receptors.
- Installing signs in residential areas noting that truck and employee parking is prohibited.
- Requiring preparation and approval of a truck routing plan describing the facility's hours of operation, types of items to be stored, and truck routing to and from the facility to designated truck routes that avoids passing sensitive receptors. The plan should include measures for preventing truck queuing, circling, stopping, and parking on public streets, such as signage, pavement markings, and queuing analysis and enforcement. The plan should hold facility operators responsible for violations of the truck routing plan, and a revised plan should be required from any new tenant that occupies the property before a business license

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is issued. The approving agency should retain discretion to determine if changes to the plan are necessary, including any additional measures to alleviate truck routing and parking issues that may arise during the life of the facility.

- Constructing new or improved transit stops, sidewalks, bicycle lanes, and crosswalks, with special attention to ensuring safe routes to schools.
- Consulting with the local public transit agency and securing increased public transit service to the project area.
- Designating areas for employee pickup and drop-off.
- Implementing traffic control and safety measures, such as speed bumps, speed limits, or new traffic signs or signals.
- Placing facility entry and exit points on major streets that do not have adjacent sensitive receptors.
- Restricting the turns trucks can make entering and exiting the facility to route trucks away from sensitive receptors.
- Constructing roadway improvements to improve traffic flow.
- Preparing a construction traffic control plan prior to grading, detailing the locations of equipment staging areas, material stockpiles, proposed road closures, and hours of construction operations, and designing the plan to minimize impacts to roads frequented by passenger cars, pedestrians, bicyclists, and other non-truck traffic.

VIII. Other Significant Environmental Impacts Analysis and Mitigation

Warehouse projects may result in significant environmental impacts to other resources, such as to aesthetics, cultural resources, energy, geology, or hazardous materials. All significant adverse environmental impacts must be evaluated, disclosed and mitigated to the extent feasible under CEQA. Examples of best practices and mitigation measures to reduce environmental impacts that do not fall under any of the above categories include:

- Appointing a compliance officer who is responsible for implementing all mitigation measures, and providing contact information for the compliance officer to the lead agency, to be updated annually.
- Creating a fund to mitigate impacts on affected residents, schools, places of worship, and other community institutions by retrofitting their property. For example, retaining a contractor to retrofit/install HVAC and/or air filtration systems, doors, dual-paned windows, and sound- and vibration-deadening insulation and curtains.
- Sweeping surrounding streets on a daily basis during construction to remove any construction-related debris and dirt.
- Directing all lighting at the facility into the interior of the site.
- Using full cut-off light shields and/or anti-glare lighting.
- Requiring submission of a property maintenance program for agency review and approval providing for the regular maintenance of all building structures, landscaping, and paved surfaces.
- Using cool pavement to reduce heat island effects.

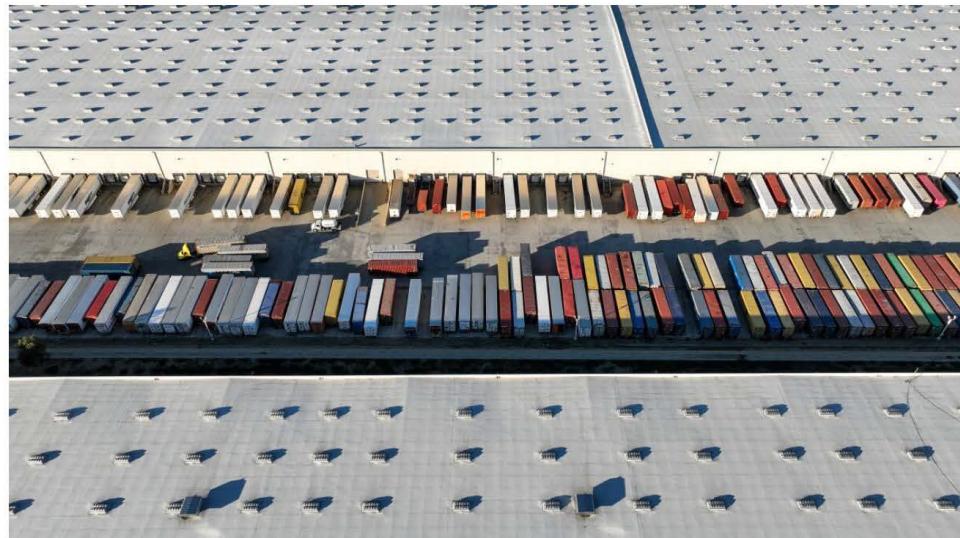
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- Planting trees in parking areas to provide at least 35% shade cover of parking areas within fifteen years to reduce heat island impacts.
- Using light colored roofing materials with a solar reflective index of 78 or greater.
- Including on-site amenities, such as a truck operator lounge with restrooms, vending machines, and air conditioning, to reduce the need for truck operators to idle or travel offsite.
- Designing skylights to provide natural light to interior worker areas.
- Installing climate control and air filtration in the warehouse facility to promote worker well-being.

IX. Conclusion

California's world-class economy, ports, and transportation network position it at the center of the e-commerce and logistics industry boom. At the same time, California is a global leader in environmental protection and environmentally just development. The guidance in this document furthers these dual strengths, ensuring that all can access the benefits of economic development. The Bureau will continue to monitor proposed projects for compliance with CEQA and other laws. Lead agencies, developers, community advocates, and other interested parties should feel free to reach out to us as they consider how to guide warehouse development in their area.

Please do not hesitate to contact the Environmental Justice Bureau at ej@doj.ca.gov if you have any questions.

Gavin Newsom signs controversial bill regulating California warehouse development

A Walmart distribution center along Interstate 15 in Eastvale in the Inland Empire.

H-11

(Robert Gauthier/Los Angeles Times)

By [Rebecca Plevin](#) Staff Writer

Sept. 29, 2024 5:46 PM P

Gov. Gavin Newsom has signed a controversial bill that establishes siting and design standards for industrial warehouses that, according to supporters, would better protect the health of nearby residents.

The legislation comes as developers have [converted large swaths](#) of property along Inland Empire freeways into a logistics corridor for e-commerce, connecting goods shipped into Southern California ports with online shoppers across the nation. Although proponents of the developments say they bring jobs and infrastructure improvements, many residents living in the shadow lament the pollution, traffic and neighborhood disruption.

Beginning in 2026, Assembly Bill 98 will prohibit cities and counties from approving new or expanded distribution centers unless they meet specified standards. New warehouse developments will need to be located on major thoroughfares or local roads that mainly serve commercial uses. And warehouses will need to be set back several hundred feet from so-called "sensitive sites" such as homes, schools and healthcare facilities.

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Additionally, if a developer demolishes housing to make way for a warehouse, the bill will require two new units of affordable housing for each unit that is destroyed. The developer will have to provide displaced tenants with 12 months' rent.

Assemblymember Juan Carrillo (D-Palmdale), co-author of the legislation, previously described the measure as a "very delicate compromise" that resulted from lengthy negotiations among a group that included labor, health, environmental and business representatives.

While some labor organizations supported the bill, environmental, community and civic groups statewide objected to the secrecy in which the bill was crafted in the final days of the session and said it fails to hold warehouse developers to higher standards.

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Several cities also opposed the legislation, which, according to an analysis by the Senate Appropriations Committee, requires general plan updates that could result in one-time costs for cities and counties ranging from tens of millions to potentially hundreds of millions of dollars.

The League of California Cities is committed to fixing this "costly, burdensome bill" during next year's legislative session, President Daniel Parra said in a statement Sunday.

"AB 98 is a massive unfunded mandate that will harm our cities, stifle job growth, and threaten the economic lifeblood of communities throughout California," he said.

Environmental advocates are especially concerned about the bill's setback requirements for projects involving warehouses 250,000 square feet and larger that are within 900 feet of homes, schools, parks or healthcare facilities.

In those cases, the bill requires that truck loading bays are located at least 300 feet from the property line in areas zoned for industrial use and 500 feet from the property line in areas not zoned for industrial use. Warehouses would also need to comply with design and energy efficiency standards.

Advocates argued the bill would simply enshrine current warehouse development practices into law and undermine local efforts to advocate for the much bigger setbacks recommended by state agencies.

In [a 2022 report](#) on best practices for warehouse projects under the state's environmental laws, the state attorney general's office recommends locating warehouse facilities so that their property lines are at least 1,000 feet from the property lines of sensitive sites such as homes and schools. It cites the [State Air Resources Board](#), which in 2005 estimated an 80% drop-off in pollutant concentrations at approximately 1,000 feet from a distribution center.

In a statement issued Sunday, environmental groups and community organizations called on the governor and Legislature to work with them next year to get "real protections for our communities."

"This is disappointing for our communities who will have to bear the brunt of weak standards," said Andrea Vidaurre, co-founder and policy analyst for the People's Collective for Environmental Justice in San Bernardino.

Comment H-12

Attachment C**Detailed Mitigation Measures for
Recent Warehouse Projects****Solar**

Developer shall install the maximum amount of on-site rooftop solar generation permitted under applicable law. On-site rooftop solar generation shall be in an amount sufficient to meet the Project's electricity demand, including but not limited to all building electrical demand, all warehouse equipment electrical demand (including yard goats, hostlers, sweepers, forklifts, and all other equipment required to be electric by these terms), and all electrical demand related to on-site charging of clean fleet and passenger electric vehicles. Under no circumstances shall onsite solar generation supply less than 50 percent of the Project's electricity demand. If rooftop space is insufficient to meet this solar generation requirement, Developer shall where feasible install additional solar photovoltaic panels on covered automobile parking spaces.

If the on-site solar photovoltaic system will not be able to supply the Project's full operational electricity demand, including demand resulting from EV charging requirements, Developer shall provide documentation prior to the issuance of any certificate of occupancy demonstrating that the additional electrical demand will be supplied with 100 percent carbon-free electricity sources for the life of the facility.

Prior to the issuance of any certificate of occupancy, Developer shall install an operational battery storage system that provides sufficient battery storage to support at least 4 hours of Project operation or is scaled to the size of the Project's on-site solar photovoltaic array as required by the current California Energy Code, whichever is greater

Facility Electrification

Building operations, including but not limited to HVAC, water heating, refrigeration, and automated equipment shall be powered by electricity for the lifetime of the Project. Neither natural gas nor propane shall be used.

Diesel-powered backup generators shall be prohibited during construction and for the lifespan of the facility unless required by the Fire Department for an onsite fire pump, in which case a generator shall be the minimum size necessary to support the fire pump and shall be used only for that fire pump in the event of a fire emergency.

All on-site equipment and vehicles, including but not limited to yard hostlers, yard equipment, forklifts, yard trucks, tractors, and pallet jacks shall be electric from the start of operations.

The Developer shall provide sufficient charging and other infrastructure to support all electric vehicles and equipment.

Parking and EV Charging

At least 15 percent of all passenger vehicle parking spaces shall be equipped with working Level 2 quick-charge electric vehicle (EV) charging stations that are installed and operational, prior to building occupancy. Level 2 quick-charge units shall generate at least 19kW of charging output power. These stations shall be maintained or replaced with equivalent or better-performing stations for the life of the Project. At minimum, an additional 25 percent of all passenger vehicle parking spaces shall be "EV Ready," as defined by the 2022 Green Building Code, and/or may be equipped with working Level 2 EV quick charge stations. Developer shall convert EV Ready spaces to working Level 2 EV quick charge stations at a rate of at least two spaces per year.

A minimum of 10 percent of heavy-duty truck loading docks shall be equipped with EV charging infrastructure for future use by electric trucks. Developer shall design such infrastructure to facilitate future expansion. At least one electric heavy-duty (Class 7 and 8) truck charger shall be installed by or before two years from the first final certificate of occupancy issued for a Project building. Conduit to support medium-duty vehicle, delivery van, and truck (Class 2 through 6) charging shall be installed during initial Project construction, and at least one charger shall be installed and operational prior to issuance of any final certificate of occupancy.

Air Quality and Clean Fleet Requirements

Developer shall ensure that all heavy-duty trucks (Class 7 and 8) serving the Project comply with model year 2014 or later emissions standards from start of operations and shall transition to electric vehicles (EVs), with the fleet fully electric within three (3) years of the issuance of the first final certificate of occupancy for the Project, or when widely commercially available for the intended application, whichever date is later. An EV shall ordinarily be considered widely commercially available if the vehicle is capable of serving the intended purpose and is widely available for purchase for less than 150% the cost of a Class 7 or 8 heavy-duty combustion-engine truck meeting the emissions standards in place at the time the comparison is made (model year 2014 or later emissions standards). For the purpose of this cost comparison, "cost" shall mean the total vehicle cost for the first five (5) years of ownership, including any purchase incentives, rebates, and fuel and electricity costs. Any comparison must be like-for-like, i.e., must compare an EV with a new production combustion-engine truck of the same class and substantially similar trim level that is widely available for purchase at the time the comparison is made.

In order to demonstrate that such vehicles are not widely commercially available, Developer must submit documentation to Petitioners from a minimum of three (3) EV dealers identified on the <https://californiahvip.org> website demonstrating the inability to obtain the required EVs or equipment meeting the above standard within 6 months ("Offer of Proof"). An Offer of Proof by Developer creates a rebuttable presumption that EVs are not widely commercially available for the intended application.

Developer shall ensure that all vehicles/delivery vans/trucks (Class 2 through 6) serving the Project meet the following requirements: (i) 33% of the fleet will be EVs at start of operations, (ii) 50% of the fleet will be EVs within two years of the first certificate of occupancy for the Project, (iii) 65% of the fleet will be EVs within four years of issuance of the first certificate of occupancy for the Project, (iv) 80% of the fleet will be EVs within five (5) years of issuance of the first certificate of occupancy, and (v) 100% of the fleet will be EVs within seven years of issuance of the first certificate of occupancy.

Response to Letter H: Sierra Club, Delta-Sierra Group

Response H-1: Any future digital notices regarding this and every discretionary project that is pending with the City will be sent to Eric Parfrey at the Sierra Club.

Response H-2: The commenter's letter is fully addressed in the RDEIR. The DEIR was recirculated as an RDEIR, in part to address some of the comments provided by this comment letter, and consistent with the commentor's request within this comment. For detailed responses regarding the air quality, greenhouse gas (GHG), transportation, public health, and other issues raised by the commenter, see Responses H-3 through H-12.

Response H-3: The commentor states that the DEIR's analysis of GHG impacts is insufficient and that the conclusion that impacts are less than significant is unsupported. This is incorrect.

As stated on page 3.7-20 of the RDEIR, the vast majority of individual projects do not generate sufficient GHG emissions to create a project-specific impact through a direct influence to climate change; therefore, the issue of climate change typically involves an analysis of whether a project's contribution towards an impact is cumulatively considerable. "Cumulatively considerable" means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, other current projects, and probable future projects (CEQA Guidelines, Section 15355).

For individual proposed projects, the significance of GHG emissions may be evaluated based on locally adopted quantitative thresholds, or consistency with a regional GHG reduction plan (such as a Climate Action Plan).

The Supreme Court's decision in *Center for Biological Diversity v. California Dept. of Fish & Wildlife* (2015) 62 Cal.4th 204 ("Newhall Ranch") determined that comparative analysis of GHG emissions could be applicable based on local or regional data of the project location. However, the court did not specify in detail what kind of comparative (quantitative) analysis would be considered adequate. An alternative way to satisfy the greenhouse gas requirements is to rely on a locally qualified Climate Action Plan (CAP) if it is adequately supported.

More recently, in the *Golden Door Properties, LLF v. County of San Diego* ("Golden Door") case, the court indicated that, in order for a use of a quantitative threshold for GHGs to be applicable, the quantitative threshold must be adopted by the City via resolution, ordinance, or regulation, needs to undergo include a public review process, and must be supported by substantial evidence. The City of Tracy has not adopted a quantitative threshold for GHGs that satisfy these requirements. Therefore, the use of a quantitative threshold to analyze GHGs is not available for the Project.

Rather, the approach utilized is an analysis of the Project's consistency with the applicable GHG-related plans, policies, and regulations, which represents an appropriate approach to analyzing the potential for the Project to generate significant impacts related to GHGs.

This approach was taken in Section 3.7: Greenhouse Gases, Climate Change and Energy, of the RDEIR, and is consistent with current case law (including the *Newhall Ranch* and *Golden Door* cases).

Overall, the analysis provided in Section 3.7: Greenhouse Gases, Climate Change and Energy of the RDEIR provides a qualitative assessment of the Project's compliance with the applicable plans, policies, and regulations for the purposes of reducing greenhouse gas emissions. This analysis determined that the proposed Project would be consistent with relevant plans, policies, and regulations associated with GHGs, notably the most recent version of the CARB's Scoping Plan and the SJCOP's 2022 RTP/SCS. This would ensure that the proposed Project would be consistent with, and would not impair, the State's carbon neutrality standard by year 2045 as established under AB 1279. Separately, disclosure of the Project's estimated construction and operation-related GHG emissions are provided for the purposes of disclosure. This approach does not ignore the volume of GHG emissions generated by the project; instead, the Project's emissions are disclosed and the Project is evaluated based on its consistency with the applicable plans, policies, and regulations that are in place and have been designed to ensure that the Project would not generate significant GHG emissions.

Moreover, with the included analysis of the Project's consistency with the 2022 Scoping Plan, the RDEIR addresses whether the project is consistent with AB 1279, since the 2022 Scoping Plan has been designed consistent with the requirements of AB 1279, including the requirement to achieving carbon neutrality as soon as possible, but no later than 2045, and maintaining net negative GHG emissions thereafter, as well as to ensure that California reduces GHG emissions to 85 percent below 1990 levels by 2045. As provided in the RDEIR, the Project would be consistent with the 2022 Scoping Plan, and would thereby be consistent with the requirements of AB 1279.

Lastly, with regard to the Tracy Sustainability Action Plan (SAP), as stated on page 3.7-20 of the RDEIR, the sustainability measures included with the City of Tracy Sustainability Action Plan do not apply to land use projects. Moreover, the Tracy SAP only includes sustainability targets for year 2020, which has now come and passed. Therefore, the Tracy SAP is longer an applicable document for the purposes of analyzing GHGs.

It should be noted that, subsequent to publication of the DEIR, a recirculated and revised Section 3.7: Greenhouse Gases, Climate Change, and Energy was included in the RDEIR. The recirculated Section 3.7 includes some updated text and analysis. For example, Additional information was added to describe how the relevance of the *Golden Door* case, including under the discussion relating to the Tracy SAP; additional consistency analysis was added within Table 3.7-3 (Project Consistency with CARB 2022 Scoping Plan); revisions were made to the Table 3.7-4 (Project Consistency with SJCOP's 2022 RTP/SCS); several new GHG mitigation measures were included; the energy topic was included, which analyzes the Project's energy-related impacts in relation to the applicable CEQA thresholds of significance.

Response H-4: The commentor states that the qualitative analysis of GHGs is not supported by factual evidence. This is incorrect.

As stated on page 3.7-20 of the RDEIR, the vast majority of individual projects do not generate sufficient GHG emissions to create a project-specific impact through a direct influence to climate change; therefore, the issue of climate change typically involves an analysis of whether a project's contribution towards an impact is cumulatively considerable. "Cumulatively considerable" means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, other current projects, and probable future projects (CEQA Guidelines, Section 15355).

Overall, the analysis provided in Section 3.7: Greenhouse Gases, Climate Change and Energy of the RDEIR provides a factually based and appropriate assessment of the Project's compliance with the applicable plans, policies, and regulations for the purposes of reducing greenhouse gas emissions, to evaluate whether Project implementation would or would not generate GHGs that have a significant impact on the environment. Ultimately, statewide policies are largely responsible for ensuring that the state achieves its long-term GHG emissions goals. This analysis determined that the proposed Project would be consistent with relevant plans, policies, and regulations associated with GHGs, notably the most recent version of the CARB's Scoping Plan, and the SJCOG's 2022 RTP/SCS, thus ensuring that the Project would not generate GHGs that have a significant impact on the environment.

For example, Table 3.7-3 demonstrates that the Project would be consistent with the 2022 Scoping Plan, since it would not conflict with the applicable 2022 Scoping Plan policies included within the plan, in order to ensure consistency with the AB 1279 GHG reduction targets of achieving carbon neutrality by 2045, and reducing anthropogenic emissions to 85 percent below 1990 levels by 2045 (it should also be noted that this table was updated for the RDEIR). The proposed Project's operational emissions would be further reduced as regulations are implemented by the CARB and other State agencies to comply with the statewide GHG reduction targets. Many of these regulations are already identified in the 2022 Scoping Plan. Similarly, Table 3.7-4 demonstrates how the Project would not conflict with SJCOG's 2022 RTP/SCS (it should also be noted that this table was also updated for the RDEIR).

This would ensure that the proposed Project would be consistent with, and would not impair, the State's carbon neutrality standard by year 2045 as established under AB 1279. Separately, disclosure of the Project's estimated construction and operation-related GHG emissions are provided for the purposes of disclosure. This approach does not ignore the volume of GHG emissions generated by the project; instead, the Project's emissions are disclosed and the Project is evaluated based on its consistency with the applicable plans, policies, and regulations that are in place and have been designed to ensure that the Project would not generate significant GHG emissions.

Response H-5: The commentor states that the EIR must incorporate additional feasible mitigation measures. This is incorrect.

Mitigation measures for GHG impacts are not required or appropriate, since the proposed Project would have a ‘less than significant’ impact associated with GHG impacts (as provided in Section 3.7: Greenhouse Gases and Climate Change of the RDEIR). As described under Comment Response H-3, for individual proposed projects, the significance of GHG emissions may be evaluated based on locally adopted quantitative thresholds, or consistency with a regional GHG reduction plan (such as a Climate Action Plan). The City of Tracy does not have a current regional GHG reduction plan. The Supreme Court’s decision in *Center for Biological Diversity v. California Dept. of Fish & Wildlife* (2015) 62 Cal.4th 204 (“Newhall Ranch”) determined that comparative analysis of GHG emissions could be applicable based on local or regional data of the project location. However, the court did not specify in detail what kind of comparative (quantitative) analysis would be considered adequate. An alternative way to satisfy the greenhouse gas requirements is to rely on a locally qualified Climate Action Plan (CAP) if it is adequately supported. More recently, in the *Golden Door Properties, LLF v. County of San Diego* (“Golden Door”) case, the court indicated that, in order for a use of a quantitative threshold for GHGs to be applicable, the quantitative threshold must be adopted by the City via resolution, ordinance, or regulation, needs to undergo include a public review process, and must be supported by substantial evidence. The City of Tracy has not adopted a quantitative threshold for GHGs that satisfy these requirements. Therefore, the use of a quantitative threshold to analyze GHGs is not appropriate for the Project.

Rather, the analysis approach utilized is an analysis of the Project’s consistency with all other applicable GHG-related plans, policies, and regulations, which represents an appropriate approach to analyzing the potential for the Project to generate significant impacts related to GHGs. This approach was taken in Section 3.7: Greenhouse Gases, Climate Change and Energy of the RDEIR, and is consistent with current case law (including the *Newhall Ranch* and *Golden Door* cases).

Overall, the analysis provided in Section 3.7 of the RDEIR provides a qualitative assessment of the Project’s compliance with the applicable plans, policies, and regulations for the purposes of reducing greenhouse gas emissions. This analysis determined that the proposed Project would be consistent with relevant plans, policies, and regulations associated with GHGs, notably the most recent version of the CARB’s Scoping Plan, and the SJCOG’s 2022 RTP/SCS. This would ensure that the proposed Project would be consistent with, and would not impair, the State’s carbon neutrality standard by year 2045 as established under AB 1279. Separately, disclosure of the Project’s estimated construction and operation-related GHG emissions are provided for the purposes of disclosure. Therefore, neither a specific quantitative reduction in GHG emissions associated with the Project, nor implementation of mitigation measures for GHG emissions, are required. No further response to this comment is warranted.

Moreover, it should be noted that, subsequent to publication of the DEIR, a revised and recirculated Section 3.7: Greenhouse Gases, Climate Change, and Energy was included in the RDEIR. The recirculated Section 3.7 includes some updated text and analysis, as well as additional mitigation measures. For example, Additional information was added to describe how the relevance of the *Golden Door* case, including under the discussion relating to the Tracy SAP; additional consistency analysis was added within Table 3.7-3 (Project Consistency with CARB 2022 Scoping Plan); revisions were made to the Table 3.7-4 (Project Consistency with SJCOG's 2022 RTP/SCS); several new GHG mitigation measures were included (i.e. Mitigation Measure 3.3-1 through 3.3-3 in order to make a reasonable fair share contribution to the State's GHG reduction goals); the energy topic was included, which analyzes the Project's energy-related impacts in relation to the applicable CEQA thresholds of significance. No further response to this comment is warranted.

Response H-6: This comment is noted. In contrast to the commentor's claim, the Project complies with all of the examples of best practices for studying air quality and greenhouse gas emissions, as cited by the California Department of Justice's Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. It should also be noted that the DEIR was revised and recirculated, and the RDEIR includes a new table (Table 3.3-8) that specifically analyzes the proposed Project's consistency with the State of California Department of Justice Best Practices When Studying Air Quality and Greenhouse Gas Emissions. This includes the best practice, when analyzing cumulative impacts, to thoroughly consider the project's incremental impact in combination with past, present, and reasonably foreseeable future projects, even if the project's individual impacts do not exceed the applicable significance thresholds. Regarding cumulative impacts, the Project's cumulative impacts are analyzed on page 4.0-6 through 4.0-8 of the RDEIR. As stated there, the SJCOG RTP/SCS growth projections provide for future employment/population factors. The development of the SJVAPCD AQAP is based in part on the land use general plan projections of the various cities and counties that constitute the Air Basin. The City of Tracy General Plan Land Use Element designates the Project site as Industrial, which is intended to accommodate flex/office space, manufacturing, warehousing and distribution, and ancillary uses for workers' needs. Therefore, the proposed Project, which involves the development of light industrial, warehouse and distribution and related uses, is considered consistent with the site's General Plan land use designation and its traffic would be included in volumes projected for analysis of the General Plan. Moreover, the proposed Project's cumulative impacts were included as part of the cumulative analysis contained within the City of Tracy General Plan EIR, since the City of Tracy General Plan Land Use Element designates the Project site as Industrial, which is consistent with the Project.

With regard to the commentor's claim the EIR fails to include a quantitative health risk assessment, this is true only because it was determined, pursuant to the SJVAPCD screening methodology and California Office of Environmental Health Hazard Assessment (OEHHA) guidance, a full quantitative health risk assessment is not required for the

Project. As described on pages 3.3-389 through 3.3-40 of the RDEIR, the SJVAPCD has established a screening calculator entitled the “Prioritization Calculator”. An estimate of operational DPM emissions generated by the heavy-duty trucks and delivery vans associated with the proposed project was calculated for on-site mobile and idling emissions, and off-site mobile emissions 0.25 miles from the Project site, in accordance with OEHHA guidance, as recommended by the SJVAPCD. The estimate of DPM emissions were based on the data provided in the Traffic Analysis for the proposed project, and with diesel particulate matter mobile emission rates from CARB’s EMFAC2021 database (for year 2022, San Joaquin County; emission rates for DPM; 10 MPH for on-site truck travel and 55 MPH for off-site truck travel), and from standard heavy-duty truck idling emission rates from CARB. Additionally, as provided on pages 3.3-40 and 3.3-41 of Section 3.3 of the RDEIR, construction-related DPM was analyzed along with operational-related DPM with the SJVAPCD’s screening calculator, and overall risks associated with TACs were found to well below the SJVAPCD threshold of 10 that would require development of air toxics Health Risk Assessment (HRA) that includes air dispersion modeling (see the discussion below for further detail).

Overall, the results of the screening analysis show that the cancer and non-cancer risks associated with the proposed project are below the SJVAPCD screening thresholds contained within their Prioritization Calculator. Specifically, the Prioritization Calculator estimates that the prioritization score associated with total cancer risk from proposed project operational and construction-related DPM (combined) would be approximately 0.122, well below the SJVAPCD threshold of 10 that would require development of air toxics Health Risk Assessment (HRA) that includes air dispersion modeling.. Analysis of the Project’s health risks associated with Project construction were included within the RDEIR; that is, the RDEIR analyzes the combination of operational and construction-related TACs would remain below the Prioritization Calculator thresholds. Therefore, a full quantitative health risk assessment is not necessary for the Project.

Regarding the commentor’s statement that the EIR does not provide evidence of the claim that the Project would comply with the relevant AQAP, this is untrue. As stated on pages 3.3-30 and 3.3-31 of the RDEIR, the Project is in conformance with the CARB’s three-step approach to determine project conformity with the AQAP. Specifically, the SJVAPCD has implemented the current, modified 2016 8-hour AQAP as approved by CARB and approved by USEPA for the 2008 8-hour O₃ standard; the SJCOG RTP/SCS growth projections provide for future employment/population factors. The development of the SJVAPCD AQAP is based in part on the land use general plan projections of the various cities and counties that constitute the Air Basin. The City of Tracy General Plan Land Use Element designates the Project site as Industrial, which is intended to accommodate flex/office space, manufacturing, warehousing and distribution, and ancillary uses for workers’ needs. Therefore, the proposed Project, which involves the development of light industrial, warehouse and distribution and related uses, is considered consistent with the site’s General Plan land use designation and its traffic would be included in volumes projected for analysis of the General Plan. The SJVAPCD AQAP is based on the growth

assumptions of the City of Tracy General Plan and SJCOG RTP/SCS. Since the Project is consistent with the SJCOG RTP/SCS, and SJCOG RTP/SCS projections are incorporated into the SIP, the Project is also consistent with the SIP; the Project incorporates various policy and rule-required implementation measures that would reduce related emissions, including all of the current Air District rules and regulations. For example, the proposed Project would be required to implement Air District Rule 9510, which ensures that the Project would fulfill the Air District's emissions reduction commitments in the relevant PM₁₀ and Ozone Attainment plans. In addition, the Project would comply with all applicable stationary source permitting rules implemented by SJVAPCD, which further confirms the Project would not cause or contribute to any ambient air quality standard exceedances.

Lastly, with regard to the measures that would be required to be implemented under Air District Rule 9510, this is not determined at this time, nor are such measures required to be determined at the time of the publication of the RDEIR. Moreover, it should be noted that, air quality impacts are found in the RDEIR to be 'less than significant', even without any consideration of the potential reduction in emissions that may be associated with the development of an AIA under Air District Rule 9510, and therefore, no mitigation measures for the air quality topic are warranted. Therefore, the concerns stated by the commentor on this issue are moot. No further response to this comment is warranted.

Response H-7: Swainson's hawk and burrowing owl are discussed on pages 3.4-13, 3.4-14, and 3.4-33 through 3.4-35 of Section 3.4, Biological Resource, of the DEIR. Additionally, as discussed on page 3.4-3 of the DEIR, the project site was subject to a field survey by Principal Biologist Steve McMurtry on April 16, 2022. The site reconnaissance survey served several purposes. First, it served as reconnaissance of the site to establish the existing conditions of the site and to verify information gathered in the pre-field investigation. This included identification of the habitat types, hydrologic features, topography, soil characteristics, and vegetation. The field investigations followed the Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Natural Communities (CDFW 2009). Habitat was recorded. Visibility during each survey was excellent.

Additionally, as noted on pages 3.4-31 and 3.4-32 of the DEIR, powerlines located in the vicinity and trees on-site represent potentially suitable nesting habitat for a variety of special-status birds. Powerlines exist throughout the region and mature trees are located on the Project site. Least Bell's vireos, a riparian species, depends on dense, low-growing thickets of willows, mulefat, mugwort, and California wild rose. Vireos inhabit areas where an overstory of taller willows, cottonwoods, and sycamores is also present. During the winter, they are known to occur in mesquite scrub vegetation. Foraging sometimes takes place in adjacent chaparral and coastal sage scrub. Nesting or foraging habitat for least Bell's vireo is not found on-site; as such, this species has no potential to be present.

The agricultural land represents potentially suitable nesting habitat for the ground-nesting birds. The CNDB currently contains nesting records for Swainson's hawk and

burrowing owl in the vicinity of the Project site. In addition to the species described above, common raptors and migratory birds may nest in or adjacent to the Project site.

These two bird species are both covered species under the San Joaquin County Multi-Species Habitat Conservation Plan (SJMSCP). Mitigation Measure 3.4-1 requires the applicant to seek coverage under the SJMSCP, which would involve compensation for habitat impacts on covered species through implementation of incidental take and minimization measures (ITMMs) and payment of fees for conversion of lands that may provide habitat for covered special status species. These fees are used to preserve and/or create habitat in preserves to be managed in perpetuity. Additionally, as part of the SJMSCP, SJCOG requires preconstruction surveys for projects that initiate grading activities during the avian breeding season (March 1 – August 31). When active nests are identified, the biologists develop buffer zones around the active nests as deemed appropriate until the young have fledged.

There is no reason to believe that the Project would not be covered under the SJMSCP. Further, the California Department of Fish and Wildlife submitted a DEIR comment letter (Letter A in this chapter); their letter did not indicate that additional mitigation for this species should be provided.

Response H-8: For detailed responses to the commenter's concerns provided in this comment, please see Responses H-2 through H-7.

Response H-9: This comment does not warrant a response as it includes information regarding a settlement agreement that is not related to this Project and does not address or pertain to the proposed Project or EIR.

Response H-10: This comment does not warrant a response as it includes information regarding the Attorney General "Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act" and does not address or pertain to the proposed Project or EIR. It should be noted that the DEIR was revised and recirculated, and the RDEIR includes a new table (Table 3.3-8) that specifically analyzes the proposed Project's consistency with the State of California Department of Justice Best Practices When Studying Air Quality and Greenhouse Gas Emissions.

Response H-11: This comment does not warrant a response as it includes a news article about Gavin Newsom signing a controversial bill regulating California warehouse development and does not address or pertain to the proposed Project or EIR.



04/29/2025

City: Tracy - Planning Division
Scott Claar
333 Civic Center Plaza, Tracy, CA 95376, USA
scott.claar@cityoftracy.org

Construction Site Well Review (CSWR) ID: 1013252

Assessor Parcel Number(s): 209230250, 209230260

Property Owner(s): Abbie Wertheim

Project Location Address: 16286 West Schulte Road Tracy, California 95376

Project Title: 2023120437 Schulte Road Warehouse Project

Public Resources Code (PRC) § 3208.1 establishes well reabandonment responsibility when a previously plugged and abandoned well will be impacted by planned property development or construction activities. Local permitting agencies, property owners, and/or developers should be aware of, and fully understand, that significant and potentially dangerous issues may be associated with development near oil, gas, and geothermal wells.

I-1

The California Geologic Energy Management Division (CalGEM) has received and reviewed the above referenced project dated 4/21/2025. To assist local permitting agencies, property owners, and developers in making wise land use decisions regarding potential development near oil, gas, or geothermal wells, the Division provides the following well evaluation.

The project is located in San Joaquin County, within the boundaries of the following fields:

N/A

I-2

SCH 2023120437

Our records indicate there are no known oil or gas wells located within the project boundary as

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

identified in the application.

- Number of wells Not Abandoned to Current Division Requirements as Prescribed by Law and Projected to Be Built Over or Have Future Access Impeded by this project: 0
- Number of wells Not Abandoned to Current Division Requirements as Prescribed by Law and Not Projected to Be Built Over or Have Future Access Impeded by this project: 0
- Number of wells Abandoned to Current Division Requirements as Prescribed by Law and Projected to Be Built Over or Have Future Access Impeded by this project: 0
- Number of wells Abandoned to Current Division Requirements as Prescribed by Law and Not Projected to Be Built Over or Have Future Access Impeded by this project: 0

The Division categorically advises against building over, or in any way impeding access to, oil, gas, or geothermal wells. Impeding access to a well could result in the need to remove any structure or obstacle that prevents or impedes access including, but not limited to, buildings, housing, fencing, landscaping, trees, pools, patios, sidewalks, roadways, and decking. Maintaining sufficient access is considered the ability for a well servicing unit and associated necessary equipment to reach a well from a public street or access way, solely over the parcel on which the well is located. A well servicing unit, and any necessary equipment, should be able to pass unimpeded along and over the route, and should be able to access the well without disturbing the integrity of surrounding infrastructure.

I-2
cont

There are no guarantees a well abandoned in compliance with current Division requirements as prescribed by law will not start leaking in the future. It always remains a possibility that any well may start to leak oil, gas, and/or water after abandonment, no matter how thoroughly the well was plugged and abandoned. The Division acknowledges wells plugged and abandoned to the most current Division requirements as prescribed by law have a lower probability of leaking in the future, however there is no guarantees that such abandonments will not leak.

The Division advises that all wells identified on the development parcel prior to, or during, development activities be tested for liquid and gas leakage. Surveyed locations should be provided to the Division in Latitude and Longitude, NAD 83 decimal format. The Division expects any wells found leaking to be reported to it immediately.

Failure to plug and reabandon the well may result in enforcement action, including an order to perform reabandonment well work, pursuant to PRC § 3208.1, and 3224.

PRC § 3208.1 give the Division the authority to order or permit the re-abandonment of any well where it has reason to question the integrity of the previous abandonment, or if the well is not accessible or

visible. Responsibility for re-abandonment costs may be affected by the choices made by the local permitting agency, property owner, and/or developer in considering the general advice set forth in this letter. The PRC continues to define the person or entity responsible for reabandonment as:

1. The property owner - If the well was plugged and abandoned in conformance with Division requirements at the time of abandonment, and in its current condition does not pose an immediate danger to life, health, and property, but requires additional work solely because the owner of the property on which the well is located proposes construction on the property that would prevent or impede access to the well for purposes of remedying a currently perceived future problem, then the owner of the property on which the well is located shall obtain all rights necessary to reabandon the well and be responsible for the reabandonment.
2. The person or entity causing construction over or near the well - If the well was plugged and abandoned in conformance with Division requirements at the time of plugging and abandonment, and the property owner, developer, or local agency permitting the construction failed either to obtain an opinion from the supervisor or district deputy as to whether the previously abandoned well is required to be reabandoned, or to follow the advice of the supervisor or district deputy not to undertake the construction, then the person or entity causing the construction over or near the well shall obtain all rights necessary to reabandon the well and be responsible for the reabandonment. I-2
cont
3. The party or parties responsible for disturbing the integrity of the abandonment - If the well was plugged and abandoned in conformance with Division requirements at the time of plugging and abandonment, and after that time someone other than the operator or an affiliate of the operator disturbed the integrity of the abandonment in the course of developing the property, then the party or parties responsible for disturbing the integrity of the abandonment shall be responsible for the reabandonment.

No well work may be performed on any oil, gas, or geothermal well without written approval from the Division. Well work requiring approval includes, but is not limited to, mitigating leaking gas or other fluids from abandoned wells, modifications to well casings, and/or any other re-abandonment work. The Division also regulates the top of a plugged and abandoned well's minimum and maximum depth below final grade. CCR §1723.5 states well casings shall be cut off at least 5 feet but no more than 10 feet below grade. If any well needs to be lowered or raised (i.e. casing cut down or casing riser added) to meet this regulation, a permit from the Division is required before work can start.

The Division makes the following additional recommendations to the local permitting agency, property owner, and developer:

1. To ensure that present and future property owners are aware of (a) the existence of all wells

located on the property, and (b) potentially significant issues associated with any improvements near oil or gas wells, the Division recommends that information regarding the above identified well(s), and any other pertinent information obtained after the issuance of this letter, be communicated to the appropriate county recorder for inclusion in the title information of the subject real property.

I-2
cont

2. The Division recommends that any soil containing hydrocarbons be disposed of in accordance with local, state, and federal laws. Please notify the appropriate authorities if soil containing significant amounts of hydrocarbons is discovered during development.

As indicated in PRC § 3106, the Division has statutory authority over the drilling, operation, maintenance, and abandonment of oil, gas, and geothermal wells, and attendant facilities, to prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil, gas, and geothermal deposits; and damage to underground and surface waters suitable for irrigation or domestic purposes. In addition to the Division's authority to order work on wells pursuant to PRC §§ 3208.1 and 3224, it has authority to issue civil and criminal penalties under PRC §§ 3236, 3236.5, and 3359 for violations within the Division's jurisdictional authority. The Division does not regulate grading, excavations, or other land use issues.

I-3

If during development activities, any wells are encountered that were not part of this review, the property owner is expected to immediately notify the Division's construction site well review engineer in the Northern district office, and file for Division review an amended site plan with well casing diagrams. The District office will send a follow-up well evaluation letter to the property owner and local permitting agency.

Should you have any questions, please contact me at (916) 203-7734 or via email at Erwin.Sison@conservation.ca.gov.

Sincerely,

Erwin Sison
Supervisor

cc: Scott Claar - Plan Checker

Response to Letter I: California Department of Conservation

Response I-1: This comment is noted. This comment serves as an introduction to the comment letter. No further response is necessary.

Response I-2: Impacts associated with hazardous materials, including the possible contamination associated with wells or the release of hazardous materials, are discussed in Section 3.8, Hazards and Hazardous Materials, of the DEIR. As discussed in Impact 3.8-1 of Section 3.8 of the DEIR, Mitigation Measure 3.8-7 requires proper well abandonment measures to be completed under permit and inspection by the San Joaquin County Environmental Health Department. Any on-site well or septic system would be required to be properly destroyed or removed in accordance with State, County, and City standards and regulations. Pursuant to existing County regulations, the Project applicant would be required to obtain a well destruction permit from the County Environmental Health Department.

Response I-3: This comment serves as a conclusion to the comment letter. No further response is necessary.

From: Lopez, Jose
To: Planning Admin
Cc: Victoria Lombardo
Subject: RE: Public Notice - NOA and RDEIR for Schulte Warehouse - Interested Parties
Date: Friday, April 25, 2025 12:54:07 PM
Attachments: image001.mng

Caution: This is an external email. Please take care when clicking links or opening attachments.

No objections from Chevron.

Please forward construction plans when available.

J-1

Thank you,

Jose Antonio Lopez, Jr. (Tony)
Sr. Land Representative

Chevron Pipeline & Power
Chevron Pipe Line Company
2360 Buchanan Rd.
Pittsburg, CA 94565
Office: (925) 753-2002
Mobile: (925) 309-0240
tonylopez@chevron.com

From: Planning Admin <PlanningAdmin@cityoftracy.org>
Sent: Thursday, March 20, 2025 5:43 PM
Cc: Victoria Lombardo <Victoria.Lombardo@cityoftracy.org>; Planning Admin <PlanningAdmin@cityoftracy.org>
Subject: [**EXTERNAL**] Public Notice - NOA and RDEIR for Schulte Warehouse - Interested Parties

Be aware this external email contains an attachment and/or link.
Ensure the email and contents are expected. If there are concerns, please submit suspicious messages to the Cyber Intelligence Center using the Report Phishing button.

Hello Interested Parties,

Please see the link below to documents posted this week including a Notice of Availability and a Recirculated Draft EIR for Schulte Warehouse.

[Specific Plans, Environmental Impact Reports, and Initial Studies | City of Tracy, CA](#)

If you have questions regarding this project you can reach out to Victoria Lombardo, Senior Planner, by email victoria.lombardo@cityoftracy.org or by phone (209) 831-6428.

Thank you,

Miranda Aguilar | City of Tracy
Planning Technician
Community & Economic Development – Planning Division
333 Civic Center Plaza | Tracy, CA 95376
Office: (209) 831.6421 | Miranda.Aguilar@cityoftracy.org



Response to Letter J: Chevron

Response J-1: The commenter states that they have no objections and to forward construction plans when available. This comment is noted. The City will forward the final construction plans to the commenter.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES



Pacific Gas and Electric Company
PGEPlanReview@pge.com
Land Management
300 Lakeside Drive
Oakland, CA 94612

April 23, 2025

Re: Gas and Electric Transmission and Distribution

Dear Victoria Lombardo,

Thank you for providing PG&E the opportunity to review your proposed plans for Schulte Road Warehouse. Our review indicates the proposed work and/or improvements appear to directly interfere with PG&E's existing facilities and land rights.

PG&E has existing electric distribution facilities in the area where this proposed development project is taking place. These facilities appear to need to be modified/relocated to complete this project, please contact the Service Planning Department to have this request processed.

To request delineation maps for review of PG&E's existing facilities, please submit to the following mailbox for gas maps: DelineationMapRequests@pge.com. For electric maps, submit through PG&E's JUMP Portal: [Joint Use Map Portal](#). Please note, when a request is submitted, the Delineation Team will confirm if a Nondisclosure Agreement needs to be completed.

For any requests to modify or relocate PG&E's existing facilities, or to request gas and/or electric service, please submit an application to PG&E's Service Planning department through PG&E's Your Project Portal: [Sign In \(yourprojects-pge.com\)](#).

As a reminder, before any digging or excavation occurs, please contact Underground Service Alert (USA) by dialing 811 a minimum of two (2) working days prior to commencing any work. This free and independent service will ensure that all existing underground utilities are identified and marked on-site.

If you have any questions regarding this response, please contact me at (925) 804-5736 or M71A@pge.com

K-1

Sincerely,

Matthieu McNair
Land Management

Response to Letter K: Pacific Gas and Electric

Response K-1: This comment is noted. The applicant will request delineation maps for PG&E's facilities if any electric distribution facilities require modification or relocation. Similarly, should any digging or excavation occur, the Underground Service Alert (USA) will be contacted a minimum of 2 working days prior to commencing any work. No further response is necessary.

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES



Environmental Health Department

Jasjit Kang, REHS, Director

Muniappa Naidu, REHS, Assistant Director

PROGRAM COORDINATORS

Jeff Carruesco, REHS, RDI

Willy Ng, REHS

Steven Shih, REHS

Elena Manzo, REHS

Natalia Subbotnikova, REHS

April 3, 2025

To: City Of Tracy Planning Division
Attention: Victoria Lombardo

From: Aldara Salinas; (209) 616-3019 *gmy*
Environmental Health Specialist

RE: Schulte Road Warehouse Recirculated EIR Draft, Referral, SU-2400158
16286 W Schulte Rd., Tracy; APN: 20923025

The San Joaquin County Environmental Health Department (EHD) has reviewed the Recirculated Environmental Impact Report Draft and has no additional comments at this time. All conditions of approval shall be complied with as stated in the EHD conditions of approval, dated March 4, 2025.

L-1

The following requirements have been identified as pertinent to this project. Other requirements may also apply. These requirements cannot be modified.

1. Written Confirmation is required from the Public Works Department that improvements have been constructed or financial arrangements have been made for any improvements for public sewer required by the agency. In addition, written confirmation from the Public Works Department that the agency has or will have the sewer capacity to serve the development is also required (San Joaquin County Development Title, Section 9-600.020). L-2
2. The applicant shall provide written confirmation from the water providers that improvements have been constructed or financial arrangements have been made for any improvements required by the agency and that the agency has or will have the capacity to serve the proposed development. Said written confirmation shall be submitted prior to the issuance of a building permit (San Joaquin County Development Title, Section 9-602.010). L-3
3. The existing wells and septic systems for the existing residential structures shall be destroyed under permit and inspection by the EHD (San Joaquin County Development Title, Section 9-605.010 & 9-601.020). L-4
4. Any geotechnical drilling shall be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-601.010(b) and 9-601.020(i)). L-5
5. Before any hazardous materials/waste can be stored or used onsite, the owner/operator must report the use or storage of these hazardous materials to the California Environmental Reporting System (CERS) at cers.calepa.ca.gov/ and comply with the laws and regulations for the programs listed below (based on quantity of hazardous L-6

material in some cases). The applicant may contact the Program Coordinator of the CUPA program, Elena Manzo (209) 953-7699, with any questions.

- a. Any amount but not limited to the following hazardous waste; hazardous material spills, used oil, used oil filters, used oil-contaminated absorbent/debris, waste antifreeze, used batteries or other universal waste, etc. – **Hazardous Waste Program** (Health & Safety Code (HSC) Sections 25404 & 25180 et sec.)
- b. Onsite treatment of hazardous waste – **Hazardous Waste Treatment Tiered Permitting Program** (HSC Sections 25404 & 25200 et sec. & California Code of Regulations (CCR), Title 22, Section 67450.1 et sec.)
- c. Reportable quantities of hazardous materials-reportable quantities are 55 gallons or more of liquids, 500 pounds for solids, or 200 cubic feet for compressed gases, with some exceptions. Carbon dioxide is a regulated substance and is required to be reported as a hazardous material if storing 1,200 cubic feet (137 pounds) or more onsite in San Joaquin County – **Hazardous Materials Business Plan Program** (HSC Sections 25508 & 25500 et sec.)
- d. Any amount of hazardous material stored in an Underground Storage Tank – **Underground Storage Tank Program** (HSC Sections 25286 & 25280 et sec.)
 - i. If an underground storage tank (UST) system will be installed, a permit is required to be submitted to, and approved by, the San Joaquin County Environmental Health Department (EHD) before any UST installation work can begin.
 - ii. Additionally, an EHD UST permit to operate is required once the approved UST system is installed.
- e. Storage of at least 1,320 gallons of petroleum aboveground or any amount of petroleum stored below grade in a vault – **Aboveground Petroleum Storage Program** (HSC Sections 25270.6 & 25270 et sec.)
 - i. **Spill Prevention, Countermeasures and Control (SPCC) Plan requirement**
- f. Threshold quantities of regulated substances stored onsite - **California Accidental Release Prevention (CalARP) Program** (Title 19, Section 2735.4 & HSC Section 25531 et sec.)
 - i. **Risk Management Plan requirement for covered processes**

L-6
cont'd

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

Response to Letter L: San Joaquin Environmental Health Department

Response L-1: See response to comment D-1.

Response L-2: See response to comment D-2.

Response L-3: See response to comment D-3.

Response L-4: See response to comment D-4.

Response L-5: See response to comment D-5.

Response L-6: See response to comment D-6.



May 5, 2025

Victoria Lombardo
City of Tracy
Planning Division
333 Civic Center Plaza
Tracy, CA 95376

Project: Recirculated Draft Environmental Impact Report (RDEIR) Schulte Road Warehouse

District CEQA Reference No: 20250352

Dear Ms. Lombardo:

The San Joaquin Valley Air Pollution Control District (District) has reviewed the Recirculated Draft Environmental Impact Report (RDEIR) from the City of Tracy (City) for the proposed project. Per the RDEIR, the project consists of a 217,466 square-foot warehouse (Project). The Project is located at 16286 West Schulte Road in San Joaquin County, CA.

M-1

The District offers the following comments at this time regarding the Project:

M-2

1) Project Trip Length for Heavy-Heavy Duty Truck Travel

The Project consists of a warehouse development project that is expected to result in increased Heavy-Heavy Duty (HHD) truck trips, which have the potential to travel further distances. Based on the DEIR, specifically Appendix B for the California Emissions Estimator Model (CalEEMod) air quality modeling results, the HHD truck trip length is the CalEEMod default trip length of 14 miles. As a result, the Project operational emissions may have been underestimated. The District recommends the DEIR include a discussion justifying an appropriate trip length distance for off-site HHD truck travel to and from the Project site, incorporate the trip length into the emissions analysis, and include a discussion on the feasibility of incorporating a Voluntary Emission Reduction Agreement (VERA) should a reanalysis of Project operational emissions show that operational emissions would exceed District criteria pollutant significance thresholds.

Samir Sheikh
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585

www.valleyair.org www.healthyairliving.com

Printed on recycled paper.

A VERA is a mitigation measure by which the project proponent provides pound-for-pound mitigation of emissions increases through a process that develops, funds, and implements emission reduction projects, with the District serving a role of administrator of the emissions reduction projects and verifier of the successful mitigation effort. To implement a VERA, the project proponent and the District enter into a contractual agreement in which the project proponent agrees to mitigate project specific emissions by providing funds for the District's incentives programs. The funds are disbursed by the District in the form of grants for projects that achieve emission reductions. Thus, project-related impacts on air quality can be mitigated. Types of emission reduction projects that have been funded in the past include electrification of stationary internal combustion engines (such as agricultural irrigation pumps), replacing old heavy-duty trucks with new, cleaner, more efficient heavy-duty trucks, and replacement of agricultural equipment with the latest generation technologies.

M-2
cont'd

In implementing a VERA, the District verifies the actual emission reductions that have been achieved as a result of completed grant contracts, monitors the emission reduction projects, and ensures the enforceability of achieved reductions. After the project is mitigated, the District certifies to the Lead Agency that the mitigation is completed, providing the Lead Agency with an enforceable mitigation measure demonstrating that project-related emissions have been mitigated.

2) Industrial/Warehouse Emission Reduction Strategies

The District recommends the City incorporate emission reduction strategies that can reduce potential harmful health impacts, such as those listed below:

- Require cleanest available heavy-duty trucks and off-road equipment (see comment 4 and 6)
- Require HHD truck routing patterns that limit exposure of residential communities and sensitive receptors to emissions (see comment 3)
- Require minimization of heavy-duty truck idling (see comment 5)
- Require solid screen buffering trees, solid decorative walls, and/or other natural ground landscaping techniques are implemented along the property line of adjacent sensitive receptors
- Orient loading docks away from sensitive receptors unless physically impossible
- Require loading docks a minimum of 500 feet away from the property line of the nearest truck loading bay opening, unless dock is exclusively used for electric trucks
- Incorporate signage and "pavement markings" to clearly identify on-site circulation patterns to minimize unnecessary on-site vehicle travel
- Require truck entries be located on streets of a higher commercial classification

M-3

- Locate and require truck entry, exit, and internal circulation away from sensitive receptors
- Prohibit Heavy-Duty diesel truck drive aisles from being used on sides of the building that are directly adjacent to a sensitive receptor property line
- Require 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
- Require projects be designed to provide the necessary infrastructure to support use of zero-emissions on-road vehicles and off-road equipment (see comment 7)
- Require all building roofs are solar-ready
- Require all portions of roof tops that are not covered with solar panels are constructed to have light colored roofing material with a solar reflective index of greater than 78
- Ensure rooftop solar panels are installed and operated to supply 100% of the power needed to operate all non-refrigerated portions of the development project
- Install solar photovoltaic systems and associated battery storage on the project site
- Require power sources at loading docks for all refrigerated trucks have “plugin” capacity, which will eliminate prolonged idling while loading and unloading goods
- Incorporate bicycle racks and electric bike plug-ins
- Require the use of low volatile organic compounds (VOC) architectural and industrial maintenance coatings
- Designate an area during construction to charge electric powered construction vehicles and equipment, if temporary power is available
- Prohibit the use of non-emergency diesel-powered generators during construction
- Inform the project proponent of the incentive programs (e.g., Carl Moyer Program and Voucher Incentive Program) offered to reduce air emissions from the Project
- Ensure all landscaping be drought tolerant

M-3
cont'd

3) Truck Routing

Truck routing involves the assessment of which roads Heavy Heavy-Duty (HHD) trucks take to and from their destination, and the emissions impact that the HHD trucks may have on residential communities and sensitive receptors. The Project consists of warehouse development, and is expected to increase HHD truck traffic in the Project area.

M-4

The District recommends the City evaluate HHD truck routing patterns for the Project, with the aim of limiting exposure of residential communities and sensitive

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

receptors to emissions. This evaluation would consider the current truck routes, the quantity and type of each truck (e.g., Medium Heavy-Duty, HHD, etc.), the destination and origin of each trip, traffic volume correlation with the time of day or the day of the week, overall Vehicle Miles Traveled (VMT), and associated exhaust emissions. The truck routing evaluation would also identify alternative truck routes and their impacts on VMT and air quality.

M-4
cont'd

4) Cleanest Available Heavy-Duty Trucks

The San Joaquin Valley will not be able to attain stringent health-based federal air quality standards without significant reductions in emissions from HHD trucks, the single largest source of NOx emissions in the San Joaquin Valley. Accordingly, to meet federal air quality attainment standards, the District's ozone and particulate matter attainment plans rely on a significant and rapid transition of HHD fleets to zero or near-zero emissions technologies.

M-5

The Project consists of warehouse development that is expected to result in an increased HHD truck trips, including HHD trucks traveling to-and-from the project location at longer trip length distances. As such, the District recommends that the following measures be considered by the City to reduce Project-related operational emissions:

- *Recommended Measure:* Fleets associated with operational activities utilize the cleanest available HHD trucks, including zero and near-zero technologies.
- *Recommended Measure:* All on-site service equipment (cargo handling, yard hostlers, forklifts, pallet jacks, etc.) utilize zero-emissions technologies.

5) Reduce Idling of Heavy-Duty Trucks

The goal of this strategy is to limit the potential for localized PM2.5 and toxic air contaminant impacts associated with the idling of Heavy-Duty trucks. The diesel exhaust from idling has the potential to impose significant adverse health and environmental impacts. The District recommends the City consider the feasibility of implementing a more stringent 3-minute idling restriction and requiring appropriate signage and enforcement of idling restrictions.

M-6

6) Electric On-Site Off-Road and On-Road Equipment

Since the Project consists of warehouse development, the Project may have the potential to result in increased use of off-road equipment (e.g., forklifts) and on-road equipment (e.g., mobile yard trucks with the ability to move materials). The District recommends that the RDEIR include requirements for project proponents to utilize electric or zero emission off-road and on-road equipment.

M-7

7) Electric Infrastructure

The District recommends that the City require all nonresidential buildings be designed to provide electric infrastructure to support the use of on-road zero emissions vehicles, such as HHD trucks associated with the Project.

M-8

To support and accelerate the installation of electric vehicle charging equipment and development of required infrastructure, the District offers incentives to public agencies, businesses, and property owners of multi-unit dwellings to install electric charging infrastructure (Level 2 and 3 chargers). The purpose of the District's Charge Up! Incentive program is to promote clean air alternative-fuel technologies and the use of low or zero-emission vehicles.

Please visit <https://ww2.valleyair.org/grants/charge-up> for more information.

8) District Rules and Regulations

The District issues permits for many types of air pollution sources, and regulates some activities that do not require permits. A project subject to District rules and regulations would reduce its impacts on air quality through compliance with the District's regulatory framework. In general, a regulation is a collection of individual rules, each of which deals with a specific topic. As an example, Regulation II (Permits) includes District Rule 2010 (Permits Required), Rule 2201 (New and Modified Stationary Source Review), Rule 2520 (Federally Mandated Operating Permits), and several other rules pertaining to District permitting requirements and processes.

M-9

The list of rules below is neither exhaustive nor exclusive. Current District rules can be found online at: <https://ww2.valleyair.org/rules-and-planning/current-district-rules-and-regulations>. To identify other District rules or regulations that apply to future projects, or to obtain information about District permit requirements, the project proponents are strongly encouraged to contact the District's Small Business Assistance (SBA) Office at (209) 557-6446.

8a) **District Rules 2010 and 2201 - Air Quality Permitting for Stationary Sources**

Stationary Source emissions include any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. District Rule 2010 (Permits Required) requires operators of emission sources to obtain an Authority to Construct (ATC) and Permit to Operate (PTO) from the District. District Rule 2201 (New and Modified Stationary Source Review) requires that new and modified stationary sources of emissions mitigate their emissions using Best Available Control Technology (BACT).

M-10

2.0 COMMENTS ON DEIR AND RDEIR AND RESPONSES

This Project may be subject to District Rule 2010 (Permits Required) and Rule 2201 (New and Modified Stationary Source Review) and may require District permits. Prior to construction, the Project proponent should submit to the District an application for an ATC. For further information or assistance, the project proponent may contact the District's SBA Office at (209) 557-6446.

M-10
cont'd

8b) District Rule 9510 - Indirect Source Review (ISR)

The Project is subject to District Rule 9510 because it will receive a project-level discretionary approval from a public agency and will equal or exceed 25,000 square feet of light industrial development space.

The purpose of District Rule 9510 is to reduce the growth in both NOx and PM emissions associated with development and transportation projects from mobile and area sources; specifically, the emissions associated with the construction and subsequent operation of development projects. The ISR Rule requires developers to mitigate their NOx and PM emissions by incorporating clean air design elements into their projects.

Should the proposed development project clean air design elements be insufficient to meet the required emission reductions, developers must pay a fee that ultimately funds incentive projects to achieve off-site emissions reductions.

M-11

Per Section 5.0 of the ISR Rule, an Air Impact Assessment (AIA) application is required to be submitted no later than applying for project-level approval from a public agency. As of the date of this letter, the District has not received an AIA application for this Project. Please inform the project proponent to immediately submit an AIA application to the District to comply with District Rule 9510 so that proper mitigation and clean air design under ISR can be incorporated into the Project's design.

Information about how to comply with District Rule 9510 can be found online at:
<https://ww2.valleyair.org/permitting/indirect-source-review-rule-overview>

The AIA application form can be found online at:
<https://ww2.valleyair.org/permitting/indirect-source-review-rule-overview/forms-and-applications/>

District staff is available to provide assistance, and can be reached by phone at (559) 230-5900 or by email at ISR@valleyair.org.

8c) District Rule 9410 (Employer Based Trip Reduction)

The Project may be subject to District Rule 9410 (Employer Based Trip Reduction) if the project would result in employment of 100 or more "eligible" employees. District Rule 9410 requires employers with 100 or more "eligible" employees at a worksite to establish an Employer Trip Reduction Implementation Plan (eTRIP) that encourages employees to reduce single-occupancy vehicle trips, thus reducing pollutant emissions associated with work commutes. Under an eTRIP plan, employers have the flexibility to select the options that work best for their worksites and their employees.

M-12

Information about District Rule 9410 can be found online at:
<https://ww2.valleyair.org/compliance/rule-9410-employer-based-trip-reduction/>.

For additional information, you can contact the District by phone at 559-230-6000 or by e-mail at etrip@valleyair.org

8d) District Rule 4002 (National Emissions Standards for Hazardous Air Pollutants)

The Project will be subject to District Rule 4002 since the Project will include demolition, renovation, and removal of existing structures. To protect the public from uncontrolled emissions of asbestos, this rule requires a thorough inspection for asbestos to be conducted before any regulated facility is demolished or renovated. Any asbestos present must be handled in accordance with established work practice standards and disposal requirements.

M-13

Information on how to comply with District Rule 4002 can be found online at:
<https://ww2.valleyair.org/compliance/demolition-renovation/>.

8e) District Rule 4601 (Architectural Coatings)

The Project will be subject to District Rule 4601 since it is expected to utilize architectural coatings. Architectural coatings are paints, varnishes, sealers, or stains that are applied to structures, portable buildings, pavements or curbs. The purpose of this rule is to limit VOC emissions from architectural coatings. In addition, this rule specifies architectural coatings storage, cleanup and labeling requirements. Additional information on how to comply with District Rule 4601 requirements can be found online at:
<https://ww2.valleyair.org/media/tkgjeusd/rule-4601.pdf>

M-14

8f) District Regulation VIII (Fugitive PM10 Prohibitions)

The project proponent may be required to submit a Construction Notification Form or submit and receive approval of a Dust Control Plan prior to commencing any earthmoving activities as described in Regulation VIII, specifically Rule 8021 – *Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities*.

Should the project result in at least 1-acre in size, the project proponent shall provide written notification to the District at least 48 hours prior to the project proponents intent to commence any earthmoving activities pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). Also, should the project result in the disturbance of 5-acres or more, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials, the project proponent shall submit to the District a Dust Control Plan pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). For additional information regarding the written notification or Dust Control Plan requirements, please contact District Compliance staff at (559) 230-5950.

M-15

The application for both the Construction Notification and Dust Control Plan can be found online at: <https://ww2.valleyair.org/media/fm3jrb5q/dcp-form.docx>

Information about District Regulation VIII can be found online at:
<https://ww2.valleyair.org/dustcontrol>

9) District Comment Letter

The District recommends that a copy of the District's comments be provided to the Project proponent.

M-16

If you have any questions or require further information, please contact Jacob Torrez by e-mail at jacob.torrez@valleyair.org or by phone at (559) 230-6558.

M-17

Sincerely,



Mark Montelongo
Director of Policy and Government Affairs

Response to Letter M: San Joaquin Valley Air Pollution Control District

Response M-1: This comment is noted. This comment serves as an introduction to the comment letter. No further response is necessary.

Response M-2: The commentor states that the operational emissions may have been underestimated, since the modeling conducted for the Project uses the CalEEMod default HHD truck trip length of approximately 14 miles. However, the usage of the CalEEMod default HHD truck trip length of approximately 14 miles is appropriate, since more precise information is not available.⁸

CalEEMod User's Guide⁹, page 1, states: "CalEEMod utilizes widely accepted methodologies for estimating emissions combined with default data that can be used when site-specific information is not available. Sources of these methodologies and default data include the United States Environmental Protection Agency's (USEPA) AP-42 emission factors, California Air Resources Board's (CARB) vehicle emission models, and studies commissioned by California agencies such as the California Energy Commission (CEC) and California Department of Resources Recycling and Recovery (CalRecycle). In addition, some local air districts provided customized values to support defaults and calculations for projects located in their jurisdictions."

Additionally, page 10 of the CalEEMod User's Guide states that "CalEEMod was designed with default assumptions supported by substantial evidence to the extent available at the time of programming. The functionality and content of CalEEMod is based on fully adopted methods and data. However, CalEEMod was also designed to allow the user to change the defaults to reflect site- or project-specific information, when available, provided that the information is supported by substantial evidence."

The CalEEMod User Guide states that default CalEEMod parameters shall be utilized, when more specific factors are not available. Since specific average heavy-duty truck travel trip lengths were not available, the default CalEEMod parameter was utilized, consistent with CalEEMod methodology. Therefore, the usage of the CalEEMod default trip length of 14 miles is appropriate for modeling for the proposed Project.

Separately, the commentor recommends that a Voluntary Emissions Reduction Agreement (VERA) should be included for the Project. The commentor provides details for what a VERA is and what it may include.

This comment is noted. Given that a VERA is a "Voluntary Agreement," the feasibility of entering into such an agreement cannot be measured because the terms of the agreement and the party's willingness to "agree" to such terms is not known and can not be guaranteed. A "voluntary agreement" cannot be mandated through CEQA because it

⁸ The CalEEMod User's Guide states that CalEEMod defaults should be used when more project-specific information is not available. See: <https://www.caleemod.com/user-guide>

⁹ See: https://www.caleemod.com/documents/user-guide/01_User%20Guide.pdf

cannot be guaranteed that the terms of the agreement would be agreeable to both parties. Nevertheless, the City recognizes that a VERA is one method that can be used to try to reduce emissions through implementing a variety of programs for onsite and offsite mitigation. The City can educate applicants on the benefits of a VERA, and recommend consulting with the Air District during the Indirect Source Review to see if such “voluntary agreement” can be reached. The SJVAPCD has established “thresholds” that are not net zero, but they do encourage VERAs to reduce air emissions beyond their thresholds.

It is noted that Rule 9510 is a regulation that is imposed by the SJVAPCD to collect fees for emissions that exceed the threshold of significance established by the SJVAPCD after all calculated onsite and offsite mitigation, from construction and operation of the building/end user, can be calculated and is applied. The proposed Project is subject to the SJVAPCD Rule 9510 (Indirect Source Review [ISR] rule), which could result in substantial mitigation of emissions beyond what is reflected in the modeling outputs provided in the EIR. The reductions are accomplished by the incorporation of measures into individual projects and/or by the payment of an Indirect Source Rule fee for any required reductions that have not been accomplished through Project mitigation commitments. The actual calculations will be accomplished by the SJVAPCD and project applicants through the regulatory permitting process as the Project (i.e., or portions of the Project) are brought forward for approval under Rule 9510. The Project applicant would be required to pay the ISR fee to the SJVAPCD at that time. Ultimately, the SJVAPCD utilizes the fees to fund offsite projects that reduce emissions to at, or below, the thresholds of significance established by the SJVAPCD. The performance-based metric for each individual case, is actual emissions compared to the threshold. No further response to this comment is warranted.

Response M-3: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measures are not warranted. Nevertheless, the Project applicant will consider the feasibility of the emissions reduction strategies that are listed by the commentor.

Response M-4: This comment is noted. It should also be noted that the Project site is located close to major freeways and there are no neighborhoods between the closest freeway exits and the project site. Moreover, HHD truck routes for the Project are relatively straightforward. Therefore, further analysis of HHD truck routes beyond what has already been conducted by Kimley Horn is not warranted. No further response to this comment is warranted.

Response M-5: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response M-6: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response M-7: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response M-8: This comment is noted. The proposed Project does not require mitigation measures for air quality or greenhouse gas emissions impacts, since all such impacts were found in the RDEIR to be less than significant. Therefore, the recommended mitigation measure(s) are not warranted. Nevertheless, the Project applicant will consider the feasibility of this measure.

Response M-9: The commentor identifies various Air District rules and regulations that may be applicable to the proposed Project. No further response to this comment is warranted.

Response M-10: The commentor identifies that Air District Rule 2010 and 2201 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-11: The commentor identifies that Air District Rule 9510 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-12: The commentor identifies that Air District Rule 9410 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-13: The commentor identifies that Air District Rule 4002 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-14: The commentor identifies that Air District Rule 4601 may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-15: The commentor identifies that Air District Regulation VIII may be applicable to the proposed Project. The proposed Project will comply with all applicable Air District rules and regulations, including those cited by the commentor (as applicable). No further response to this comment is warranted.

Response M-16: This comment request that a copy of the District's comments be provided to the Project proponent. This has been done. No further response is necessary.

Response M-17: This comment serves as a conclusion to the comment letter. No further response is necessary.

This section includes minor edits and changes to the Draft EIR and RDEIR. These modifications resulted from responses to comments received during the public review period for the Draft EIR, as well as City staff-initiated edits to clarify the details of the project.

Revisions herein do not result in new significant environmental impacts, do not constitute significant new information, nor do they alter the conclusions of the environmental analysis that would warrant recirculation of the Draft EIR pursuant to State CEQA Guidelines Section 15088.5.

Other minor changes to various sections of the Draft EIR and RDEIR are also shown below. These changes are provided in revision marks with underline for new text and ~~strike out for deleted text~~.

3.1 REVISIONS TO THE DRAFT EIR

0.0 EXECUTIVE SUMMARY

The conclusion for Impact 3.2-1 was erroneously labeled as significant and unavoidable. As discussed in Chapter 3.2 of the Draft EIR, impacts related to the conversion of Important Farmland were determined to be less than significant. This chapter corrects the error in the Executive Summary table.

The following changes were made to page ES-5 of Chapter ES of the Recirculated Draft EIR:

<i>ENVIRONMENTAL IMPACT</i>	<i>LEVEL OF SIGNIFICANCE WITHOUT MITIGATION</i>	<i>MITIGATION MEASURE</i>	<i>RESULTING LEVEL OF SIGNIFICANCE</i>
Impact 3.2-1: The proposed Project would not result in the conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural uses.	<u>PSLTS</u>		<u>SU-</u>

1.0 INTRODUCTION

No changes were made to Chapter 1.0 of the Recirculated Draft EIR.

2.0 PROJECT DESCRIPTION

No changes were made to Chapter 2.0 of the Recirculated Draft EIR.

3.1 AESTHETICS AND VISUAL RESOURCES

No changes were made to Section 3.1 of the Draft EIR.

3.0 REVISIONS

3.2 AGRICULTURAL RESOURCES

The following changes were made to page 3.2-7 the Draft EIR:

A Custom Soil Survey was completed for the Project site using the NRCS Web Soil Survey program. The NRCS Soils Map is provided on Figure 3.6-1 in Section 3.6, Geology and Soils. As shown in Figure 3.6-1, capay clay, zero to one percent slopes, is the only soil type within the Project site. The Capay series consists of very deep, moderately well and somewhat poorly drained soils that formed in fine textured alluvium derived from mostly sandstone and shale. Capay soils are on flood basins, alluvial fans, interfan basins and basin rims. They formed in fine textured alluvium derived from sandstone and shale or other mixed rock sources. They have a moderately well and somewhat poor drainage and a slow to very slow permeability. Common uses for this series include: growing irrigated crops such as tomatoes, sugar beets, beans or grain sorghum, dry farmed to small grains, and irrigated and dryland pasture. Native vegetation is a dense stand of annual grasses and forbs.

As noted in the Regulatory Setting, Government Codes defines “Prime agricultural land” as follows:

Prime agricultural land means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- Land that qualifies for rating 80 through 100 Storie Index Rating.
- Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

The Project site does not contain land that: has supported livestock used for the production of food or fiber; is planted with nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years; or has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years. Additionally, the site is not irrigated currently.

As shown in Figure 3.6-1 in Section 3.6 of the Draft EIR, the entire site is made up of Capay clay, 0 to 1% slopes. The California Revised Storie Index for this soil type is Grade 4 – Poor. As such, the Project does not meet the “Prime agricultural land” definition.

3.3 AIR QUALITY

No changes were made to Section 3.3 of the Draft EIR.

3.4 BIOLOGICAL RESOURCES

No changes were made to Section 3.4 of the Draft EIR.

3.5 CULTURAL AND TRIBAL RESOURCES

No changes were made to Section 3.5 of the Draft EIR.

3.6 GEOLOGY AND SOILS

No changes were made to Section 3.6 of the Draft EIR.

3.7 GREENHOUSE GASES, CLIMATE CHANGE, AND ENERGY

No changes were made to Section 3.7 of the Draft EIR.

3.8 HAZARDS AND HAZARDOUS MATERIALS

No changes were made to Section 3.8 of the Draft EIR.

3.9 NOISE

No changes were made to Section 3.9 of the Draft EIR.

3.10 TRANSPORTATION AND CIRCULATION

No changes were made to Section 3.10 of the Draft EIR.

3.11 UTILITIES AND SERVICE SYSTEMS

No changes were made to Section 3.11 of the Draft EIR.

4.0 OTHER CEQA-REQUIRED TOPICS

No changes were made to Chapter 4.0 of the Draft EIR.

5.0 ALTERNATIVES TO THE PROPOSED PROJECT

No changes were made to Chapter 5.0 of the Draft EIR.

6.0 REPORT PREPARERS

No changes were made to Chapter 6.0 of the Draft EIR.

3.0 REVISIONS

7.0 REFERENCES

No changes were made to Chapter 7.0 of the Draft EIR.

This document is the Final Mitigation Monitoring and Reporting Program (FMMRP) for the Schulte Road Warehouse Project (Project). This FMMRP has been prepared pursuant to Section 21081.6 of the California Public Resources Code, which requires public agencies to “adopt a reporting and monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment.” A FMMRP is required for the proposed Project because the EIR has identified significant adverse impacts, and measures have been identified to mitigate those impacts.

The numbering of the individual mitigation measures follows the numbering sequence as found in the Draft EIR.

4.1 MITIGATION MONITORING AND REPORTING PROGRAM

The FMMRP, as outlined in the following table, describes mitigation timing, monitoring responsibilities, and compliance verification responsibility for all mitigation measures identified in this Final EIR.

The City of Tracy will be the primary agency responsible for implementing the mitigation measures and will continue to monitor mitigation measures that are required to be implemented during the operation of the Project.

The FMMRP is presented in tabular form on the following pages. The components of the FMMRP are described briefly below:

- **Mitigation Measures:** The mitigation measures are taken from the Draft EIR in the same order that they appear in that document.
- **Mitigation Timing:** Identifies at which stage of the project mitigation must be completed.
- **Monitoring Responsibility:** Identifies the agency that is responsible for mitigation monitoring.
- **Compliance Verification:** This is a space that is available for the monitor to date and initial when the monitoring or mitigation implementation took place.

TABLE 4.0-1: MITIGATION MONITORING AND REPORTING PROGRAM

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
BIOLOGICAL RESOURCES				
Impact 3.4-1: The proposed Project has the potential to have a direct or indirect effect on special-status invertebrate species.	Mitigation Measure 3.4-1: Prior to commencement of any grading activities, the Project proponent shall obtain coverage under the SJMSCP to mitigate for habitat impacts to covered special status species. Coverage involves compensation for habitat impacts on covered species through implementation of incidental take and minimization Measures (ITMMs) and payment of fees for conversion of lands that may provide habitat for covered special status species. These fees are used to preserve and/or create habitat in preserves to be managed in perpetuity. Obtaining coverage for a Project includes incidental take authorization (permits) under the Endangered Species Act Section 10(a), California Fish and Game Code Section 2081, and the MBTA. Coverage under the SJMSCP would fully mitigate all habitat impacts on covered special-status species.	City of Tracy Planning Department San Joaquin Council of Governments	Prior to commencement of any grading activities	
Impact 3.4-2: The proposed Project has the potential to have direct or indirect effects on special-status reptile and amphibian species.	Implement Mitigation Measure 3.4-1.	See Mitigation Measure 3.4-1	See Mitigation Measure 3.4-1	
Impact 3.4-3: The proposed Project has the potential to have direct or indirect effects on special-status bird species.	Implement Mitigation Measure 3.4-1.	See Mitigation Measure 3.4-1	See Mitigation Measure 3.4-1	
Impact 3.4-4: The proposed Project has the potential to result in direct or indirect effects on special-status mammal species.	Implement Mitigation Measure 3.4-1.	See Mitigation Measure 3.4-1	See Mitigation Measure 3.4-1	
Impact 3.4-9: The proposed Project has the potential to conflict with an adopted Habitat Conservation Plan.	Implement Mitigation Measure 3.4-1.	See Mitigation Measure 3.4-1	See Mitigation Measure 3.4-1	
CULTURAL AND TRIBAL RESOURCES				
Impact 3.5-1: Project implementation has the potential to cause a substantial adverse change to a significant historical resource, as defined in CEQA Guidelines §15064.5.	Mitigation Measure 3.5-1: Prior to the demolition of the existing residential structures, a comprehensive evaluation of the structures shall be conducted to identify and document any aspects of historical significance. This evaluation shall be carried out by qualified professionals in cultural resources management or historic preservation, in accordance with the standards of the California Office of Historic Preservation. The assessment	City of Tracy Community Development Department, qualified professional in	Prior to the demolition of the existing residential structures	

MITIGATION MONITORING AND REPORTING PROGRAM

4.0

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
	<p><i>shall include, but not be limited to, an examination of architectural features, historical records, oral histories, and any other relevant sources of information to determine the historical significance of the residential structures. The findings from the assessment shall be recorded and documented in accordance with the standards set forth by the California Office of Historic Preservation. This documentation shall be submitted to the City of Tracy Community Development Department for review and approval prior to the issuance of any permits for demolition.</i></p> <p><i>In the event that significant historical or cultural resources are identified, appropriate measures shall be implemented in consultation with the project applicant to mitigate any adverse impacts to these resources to the extent feasible. The applicant shall submit a final report summarizing the implementation of this mitigation measure, including any findings, documentation, and compliance verification activities, to the City of Tracy Community Development Department for cultural resources management.</i></p> <p><i>Mitigation Measure 3.5-2:</i> <i>If any historical resources, cultural resources, including prehistoric or historic artifacts, or other indications of archaeological resources, are found during grading and construction activities during any phase of the Project, all work shall be halted immediately within a 200-foot radius of the discovery until an archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards in prehistoric or historical archaeology, as appropriate, has evaluated the find(s).</i></p> <p><i>Work shall not continue at the discovery site until the archaeologist conducts sufficient research and data collection to make a determination that the resource is either 1) not cultural in origin; or 2) not potentially significant or eligible for listing on the NRHP or CRHR; or 3) not a significant Public Trust Resource.</i></p> <p><i>In addition, if the resource(s) identified is cultural or tribal in nature, the Confederated Villages of Lisjan shall be contacted to review and identify the resource, prior to work continuing at the discovery site.</i></p> <ul style="list-style-type: none"> ○ <i>If Native American resources are identified, a Native American monitor, following the Guidelines for Monitors/Consultants of Native American Cultural, Religious, and Burial Sites established by the Native American Heritage Commission, would also be required and, if Native American resources are identified, shall be retained at the</i> 	<p>cultural resources management or historic preservation</p> <p>City of Tracy Community Development Department, qualified archaeologist, Native American monitor</p>	<p>In the event that significant historical or cultural resources are identified</p> <p>If any historical resources, cultural resources, including prehistoric or historic artifacts, or other indications of archaeological resources, are found during grading and construction activities during any phase of the Project</p>	

4.0

MITIGATION MONITORING AND REPORTING PROGRAM

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
Impact 3.5-2: Project implementation has the potential to cause a substantial adverse change to a significant archaeological resource, as defined in CEQA Guidelines §15064.5, or a significant tribal cultural resource, as defined in Public Resources Code §21074.	<p><i>Project applicant's expense.</i></p> <p><i>Implement Mitigation Measure 3.5-2.</i></p> <p>Mitigation Measure 3.5-3: <i>If human remains are discovered during the course of construction during any phase of the Project, work shall be halted at the site and at any nearby area reasonably suspected to overlie adjacent human remains until the San Joaquin County Coroner has been informed and has determined that no investigation of the cause of death is required. If the remains are of Native American origin, either of the following steps will be taken:</i></p> <ul style="list-style-type: none"> • <i>The coroner shall contact the Native American Heritage Commission and the Confederated Villages of Lisjan in order to ascertain the Most Likely Descendant (MLD) from the deceased individual. If a MLD is identified, the MLD, with the permission of the owner of the land, or his or her authorized representative, in accordance with the law, may inspect the site discovery site and recommend to the landowner, or his or her representative, means for the treatment or disposition, with appropriate dignity' of the human remains and any associated grave goods. The landowner has no legal obligation to allow the MLD accesses to the property for the purpose of making a recommendation. The MLD must complete their inspection and make their recommendation within 48 hours of their notification by the NAHC. The recommendation may include the scientific removal and analysis of human remains and items associated with Native American burials. The coroner shall make a recommendation to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods, which may include obtaining a qualified archaeologist or team of archaeologists to properly excavate the human remains.</i> • <i>The landowner shall retain a Native American monitor, and an archaeologist, if recommended by the Native American monitor, and rebury the Native American human remains and any associated grave goods, with appropriate dignity, on the property and in a location that is not subject to further subsurface disturbance when any of the following conditions occurs:</i> <ul style="list-style-type: none"> ○ <i>The Native American Heritage Commission and Confederated Villages of Lisjan is unable to identify a</i> 	See Mitigation Measure 3.5-2 City of Tracy Community Development Department, San Joaquin County Coroner, Native American Heritage Commission, Confederated Villages of Lisjan	See Mitigation Measure 3.5-2 If human remains are discovered during the course of construction during any phase of the Project	

MITIGATION MONITORING AND REPORTING PROGRAM

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ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
	<ul style="list-style-type: none"> ○ <i>descendent.</i> ○ <i>The descendant identified fails to make a recommendation.</i> <p><i>The City of Tracy or its authorized representative rejects the recommendation of the descendant, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.</i></p>			
Impact 3.5-3: Project implementation has the potential to disturb human remains, including those interred outside of formal cemeteries.	<p>Implement Mitigation Measure 3.5-3.</p>	See Mitigation Measure 3.5-3	See Mitigation Measure 3.5-3	
GEOLOGY AND SOILS				
Impact 3.6-3: The proposed Project has the potential to be located on a geologic unit or soil that is unstable, or that would become unstable as a result of Project implementation, and potentially result in landslide, lateral spreading, subsidence, liquefaction or collapse.	<p>Mitigation Measure 3.6-1: All site preparation, grading operations, and construction design shall be conducted in conformance with the recommendations included in the Preliminary Geotechnical Engineering Study – Proposed New One- Story Warehouse Building, 16286 W. Schulte Road [APN: 209-280-250], Tracy, California (Condor Earth Technologies, Inc., 2020). Specific recommendations in the Geotechnical Engineering Report generally address the following:</p> <ol style="list-style-type: none"> 1. General grading and site preparation; 2. Overexcavation; 3. Subgrade Preparation; 4. Fill materials; 5. Engineered fill placement; 6. Lime treatment; 7. Excavations; 8. Earthwork shrinkage; 9. Underground utility trenches; 10. Surface drainage control; 11. General foundation; 12. Shallow foundation design 13. Lateral resistance; 14. Construction considerations; 15. Interior concrete slabs; 16. Exterior concrete slabs; 17. Retaining walls; 	City of Tracy Building Safety and Fire Prevention Division	Prior to the approval of Project improvement plans	

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MITIGATION MONITORING AND REPORTING PROGRAM

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
	<p>18. Pavements; 19. Corrosion potential.</p> <p><i>Additional site testing and final design evaluation shall be conducted by the Project Geotechnical Consultant to refine and enhance these requirements as part of a final Geotechnical Evaluation. The Project Applicant/Developer shall require the Project Geotechnical Consultant to assess whether the requirements in that report need to be modified or refined to address any changes in the Project features that occur prior to the start of grading. If the Project Geotechnical Consultant identifies modifications or refinements to the requirements, the Project Applicant/Developer shall require appropriate changes to the final Project design and specifications. These requirements shall be incorporated into the final Geotechnical Evaluation.</i></p>			
Impact 3.6-4: The proposed Project has the potential for expansive soils to create substantial risks to life or property.	Implement Mitigation Measure 3.6-1 .	See Mitigation Measure 3.6-1	See Mitigation Measure 3.6-1	
Impact 3.6-5 The proposed Project has the potential to directly or indirectly destroy a unique paleontological resource or site or unique geologic feature.	<p>Mitigation Measure 3.6-2: <i>If any paleontological resources are found during grading and construction activities of the Project, all work shall be halted immediately within a 200-foot radius of the discovery until a qualified paleontologist has evaluated the find. A paleontologist is a scientist with an advanced degree (Master's or Doctorate) who studies the history of life on Earth through the fossil record.</i></p> <p><i>Work shall not continue at the discovery site until the paleontologist evaluates the find and makes a determination regarding the significance of the resource and identifies recommendations for conservation of the resource, including preserving in place or relocating on the Project site, if feasible, or collecting the resource to the extent feasible and documenting the find with the University of California Museum of Paleontology. The paleontologist recommendations shall be implemented.</i></p>	City of Tracy Community Development Department, qualified paleontologist	If any paleontological resources are found during grading and construction activities of the Project	
HAZARDS AND HAZARDOUS MATERIALS				
Impact 3.8-1: Potential to create a significant hazard through the routine transport, use, or disposal of hazardous materials or through the reasonably foreseeable upset and accident conditions involving the release	Mitigation Measure 3.8-1: <i>In the event that hazardous materials are encountered during construction, a Soils Management Plan (SMP) shall be submitted and approved by the San Joaquin County Department of Environmental Health. The SMP shall establish management practices for handling hazardous materials, including fuels, paints, cleaners, solvents, etc., during construction. The approved SMP shall be posted and maintained onsite during construction activities and all construction personnel shall</i>	San Joaquin County Department of Environmental Health	In the event that hazardous materials are encountered during construction	

MITIGATION MONITORING AND REPORTING PROGRAM

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ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
of hazardous materials into the environment.	<p><i>acknowledge that they have reviewed and understand the plan.</i></p> <p><i>Mitigation Measure 3.8-2:</i> <i>Prior to bringing hazardous materials onsite, the applicant shall submit a Hazardous Materials Business Plan (HMBP) to San Joaquin County Environmental Health Department (CUPA) for review and approval. If during the construction process the applicant or its subcontractors generates hazardous waste, the applicant must register with the CUPA as a generator of hazardous waste, obtain an EPA ID# and accumulate, ship and dispose of the hazardous waste per Health and Safety Code Ch. 6.5. (California Hazardous Waste Control Law).</i></p> <p><i>Mitigation Measure 3.8-3:</i> <i>Prior to the issuance of grading permits, the applicant shall hire a qualified consultant to perform site-specific soil sampling to determine if chemicals of potential concern associated with the historical agricultural uses at the Project site are present in shallow soil at concentrations that would pose a threat to human health. In order to achieve this, a soil sampling and analysis workplan shall be submitted for approval by the San Joaquin County Department of Environmental Health prior to the work. The sampling and analysis plan shall meet the requirements of the Department of Toxic Substances Control Interim Guidance for Sampling Agricultural Properties (2008).</i></p> <p><i>If the sampling results indicate the presence of agrichemicals that exceed commercial screening levels, a removal action workplan shall be prepared in coordination with San Joaquin County Department of Environmental Health. The removal action workplan shall include a detailed engineering plan for conducting the removal action, a description of the onsite contamination, the goals to be achieved by the removal action, and any alternative removal options that were considered and rejected and the basis for that rejection. A no further action letter shall be issued by San Joaquin County Department of Environmental Health upon completion of the removal action. The removal action shall be deemed complete when the confirmation samples exhibit concentrations below the commercial screening levels, which will be established by the agencies.</i></p> <p><i>Mitigation Measure 3.8-4:</i> <i>Prior to the issuance of grading permits or demolition permits, the septic tank shall be abandoned and removed under permit from the San Joaquin County Department of Environmental Health.</i></p>	<p>San Joaquin County Environmental Health Department</p> <p>San Joaquin County Environmental Health Department</p> <p>San Joaquin County Environmental Health Department</p>	<p>Prior to bringing hazardous materials onsite</p> <p>Prior to the issuance of grading permits</p> <p>Prior to the issuance of grading permits or demolition permits</p>	

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MITIGATION MONITORING AND REPORTING PROGRAM

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
	<p>Mitigation Measure 3.8-5: Prior to ground disturbing activities, the applicant shall ensure that all debris/miscellaneous nonhazardous solid waste observed at the site during the Phase 1 Environmental Site Assessment be collected and disposed at an appropriate Solid Waste/Landfill facility.</p> <p>Mitigation Measure 3.8-6: Prior to any renovations or demolition of the existing structures within the Project site, surveys shall be conducted for the presence of lead-based paints or products, radon, mold, asbestos containing materials, as recommended by the Phase 1 ESA (dated November 4, 2020) prepared by ATC for the West Schulte Road property. The intent of the additional testing is to investigate whether any buildings, facilities, or soils contain hazardous materials, including petroleum products, agrochemical (including pesticides, herbicides, diesel, petrochemicals, etc.), asbestos, etc. If asbestos-containing materials and/or lead are found in buildings, an Operations and Maintenance (O&M) Program shall be implemented in order to safely manage the suspect ACMs and LBP located at the subject property, and a California Occupational Safety and Health Administration (Cal/OSHA) certified asbestos containing building materials (ACBM) and lead based paint contractor shall be retained to remove the asbestos-containing materials and lead in accordance with EPA and Cal/OSHA standards. In addition, all activities (construction or demolition) in the vicinity of these materials shall comply with Cal/OSHA asbestos and lead worker construction standards. The ACBM and lead shall be disposed of properly at an appropriate offsite disposal facility.</p> <p>Mitigation Measure 3.8-7: Prior to any ground disturbance activities within 50 feet of a well on the Project site, the applicant shall hire a licensed well contractor to obtain a well destruction permit for any wells to be abandoned from the San Joaquin County Environmental Health Department, and properly abandon the on-site well(s) Any related subsurface piping, pursuant to review and approval by the City Engineer and the San Joaquin County Environmental Health Department.</p>	City of Tracy Planning Department	Prior to ground disturbing activities	
NOISE				
Impact 3.9-1: The proposed Project has the potential to generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Project in excess of standards established in the local	<p>Mitigation Measure 3.9-1: To reduce potential construction noise impacts during Project construction, the following multi-part mitigation measure shall be implemented for the Project:</p> <ul style="list-style-type: none"> • All construction equipment powered by internal combustion engines shall be properly muffled and maintained. • Quiet construction equipment, particularly air compressors, shall 	City of Tracy Building Safety and Fire Prevention Division	Prior to the approval of Project improvement plans	

MITIGATION MONITORING AND REPORTING PROGRAM

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ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
general plan or noise ordinance, or applicable standards of other agencies.	<p><i>be selected whenever possible.</i></p> <ul style="list-style-type: none"> • <i>All stationary noise-generating construction equipment such as generators or air compressors shall be located as far as is practical from existing residences. In addition, the Project contractor shall place such stationary construction equipment so that emitted noise is directed away from sensitive receptors nearest the Project site.</i> • <i>Unnecessary idling of internal combustion engines shall be prohibited.</i> • <i>The construction contractor shall, to the maximum extent practical, locate on-site equipment staging areas so as to maximize the distance between construction-related noise sources and noise-sensitive receptors nearest the Project site during all Project construction.</i> • <i>Construction shall be limited to 7:00 a.m. to 10:00 p.m.</i> • <i>Staging areas on the Project site shall be located in areas that maximize, to the extent feasible, the distance between staging activity and sensitive receptors.</i> <p><i>These requirements shall be noted on the Project improvement plans.</i></p>			
TRANSPORTATION AND CIRCULATION				
Impact 3.10-1: Project implementation would conflict with or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b).	<p><i>Mitigation Measure 3.13-1:</i> <i>Prior to commencement of any operational activities, the project proponent shall implement either "Option 1" or "Option 2", as provided in the CEQA Transportation Analysis prepared by Kimley Horn on July 22, 2022. "Option 1" includes a combination of TDM measures plus a VMT Mitigation Banking Fee for the Project to achieve 15% VMT reductions (assuming the VMT Mitigation Banking Fee Program is adopted by the time the proposed project is ready to apply for permits). Alternatively, as described under "Option 2", if the VMT Mitigation Banking Fee Program is not adopted at the time the proposed project is ready to apply for permits), the proposed project would be required to provide TDM measures that fully reduce the VMT by 15%. See Table 2 of the CEQA Transportation Analysis prepared by Kimley Horn for the proposed list of TDM measures under this option.</i></p> <p><i>The TDM Plan shall be submitted to the City for review prior to approval of improvement plans, and the effectiveness of the TDM Plan shall be evaluated, monitored, and revised, if determined necessary by the City. The TDM Plan shall include the TDM strategies that will be implemented during the lifetime of the proposed Project and shall outline the anticipated effectiveness of the strategies. The anticipated effectiveness of the TDM Plan may be monitored</i></p>	City of Tracy Planning Department	Prior to commencement of any operational activities	

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MITIGATION MONITORING AND REPORTING PROGRAM

ENVIRONMENTAL IMPACT	MITIGATION MEASURE	MONITORING RESPONSIBILITY	TIMING	VERIFICATION (DATE/INITIALS)
	<p>through annual surveys to determine employee travel mode split and travel distance for home-based work trips, and/or the implementation of technology to determine the amount of traffic generated by and home-based work miles traveled by employees, which shall be determined in coordination with the City. The frequency and duration of the anticipated effectiveness would depend on the ultimate strategy determined in coordination with the City. Additionally, the Project applicant shall pay any VMT banking fee in effect at the time of building permit issuance to secure VMT credits of a total of 15 percent for the subject building, taking into account the stated percent efficacy for the TDM measures above.</p>			
UTILITIES AND SERVICE SYSTEMS				
Impact 3.11-5: The proposed Project has the potential to require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects.	<p>Mitigation Measure 3.11-1: Prior to the issuance of a building or grading permit, the Project applicant shall submit a drainage plan to the City of Tracy for review and approval. The plan shall include an engineered storm drainage plan that demonstrates attainment of pre-Project runoff requirements prior to release at the outlet canal and describes the volume reduction measures and treatment controls used to reach attainment consistent with the Citywide Storm Drainage Master Plan.</p>	City of Tracy Planning Department	Prior to the issuance of a building or grading permit	

APPENDIX A

City of Tracy Pipeline Reports

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

APPROVED AND UNDER CONSTRUCTION

Name	Application #	Type	Zoning	Bldg. S.F.	Lot Acreage	Location / Parcel	Approved	Owner/Applicant	Planner
Marriott Hotel (108 Rooms)	D16-0022	Comm.	I-205 SP	58,800	2.69	3550 N. MacArthur Dr.	2/21/2017	Reza Kabul/ Arvind Iyer	Staff (209)831-6400
GH Logistics Truck Repair	D17-0004	Industrial	M-1	6,000	1.40	1428 Mariani Ct.	7/6/2017	Kulwant S & Sarbjit Mander/ Wayne Bogart	Staff (209)831-6400
Starbucks, Popeyes, Gasoline Station & Store, Car Wash	D19-0012 D23-0011	Comm.	GHC	5,584	0.94	630 E. 11th St.	1/13/2020	Mila S Padilla TR/Sunny Ghai	Kenny Lipich (209)831-6443
Central Green (Cordes Ranch)	D20-0015	Private Park	CRSP	1,350,360	31.00	Cordes Ranch	1/20/2022	Prologis/ David Babcock	Scott Claar (209)381-6429
Triad One Story Medical Office Building	D20-0016	Comm.	GHC	10,000	1.00	Orchard Pkwy. And Grant Line Road	4/6/2021	Richard Needham/ Triad Tracy II LP	Staff (209)831-6400
Renewable Energy Power Plant	D21-0032	Industrial	M-1		1.71	9251 W Arbor Ave	4/12/2022	City of Tracy/ Frank Schubert	Scott Claar (209)381-6429
Carbon Dioxide Removal Facility	D22-0039	Industrial	M-1	14,252	2.20	4750 Holly Dr	12/14/22	Heirloom Carbon Technologies & TRE, LLC.	Scott Claar (209)381-6429
Tracy Lakes Amenity Center	D23-0001	Amenity Center	TVSP	14,185	5.00	1958 Valpico Rd	6/20/2023	DRP CA 6 LLC/ Alex Raymond	Victoria Lombardo (209)831-6428
Tracy Honda Remodel	D24-0007	Comm.	I-205 SP	25,707.00	4.09	3450 Auto Plaza Way	7/25/2024	Ken Harvey / Carl Chrisman	Martin E. Vargas (209)831-6438
La Quinta Hotel (87 Rooms)	PUD18-0004 D18-0033	Comm.	PUD	48,845	1.91	565 Clover Rd.	7/7/2020	Skyline Hospitality, Inc./Ajaypal Sidhu	Genevieve Federighi (209)831-6435
IPC 20 (Cordes Ranch Building 20) - 1,300,256 sqft bldg.	D24-0018	Industrial	CRSP	1,300,256	66.06	Hopkins Road & Bud Lyons Way	N/A	Prologis, LP / HPA, Inc.	Craig Hoffman (209)831-6426

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

Gas Station, Car Wash, Retail and QSRs (Triangle Plaza)	D21-0006	Comm.	HS	18,035	1.91	3788 N. Tracy Blvd.	06/28/23	3788 Tracy LLC/Tecta Associates	Staff (209)831-6400
Total				2,852,024	119.91				

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

APPROVED AND NOT YET UNDER CONSTRUCTION

Name	Application #	Type	Zoning	Bldg. S.F.	Lot Acreage	Location / Parcel	Approved	Owner/Applicant	Planner
Marriott Courtyard (Cordes Ranch - West Parkway Village) (101 Rooms)	D20-0024	Comm.	CRSP	60,074	3.37	International Pkwy./I-205	9/1/2021	Robert F. Tuttle Architects	Staff (209)831-6400
Single-Story Car Wash Building and Vacuum Stalls	D21-0009	Comm.	GHC	3,343	0.73	150 W. Grant Line Rd.	4/13/22	Jatinder Randhawa/API Architecture Plus	Staff (209)831-6400
RNG Fueling Station and Parking Lot	CUP21-0007 D21-0023	Industrial	NEI	N/A	5.00	2200 N. Chrisman Rd.	5/25/22	L&C Eagle Properties, LLC/Don Wood	Staff (209)831-6400
Retail Building	CUP21-0009 D21-0034	Comm.	GHC	3,180	0.32	316 Eleventh St.	10/12/22	Saad Patah & Eric Boehm / Community Veterans of Tracy LLC	Staff (209)831-6400
Commercial Building Shell	D19-0021 CUP21-0003	Comm.	I-205 SP	27,336	1.87	Auto Plaza Dr. west of Naglee Rd.	10/26/22	Tracy Auto Plaza Investors PTP/Masood Feroz	Genevieve Federighi (209)831-6435
3-Story Retail and Office Building	D22-0024 D23-0012	Comm.	CBD	12,512	0.15	28 W 8th Street	4/25/24	Indus Capital Management Group LLC / Schack & Company, Inc.	Kenny Lipich (209)831-6443
3-Story Multi Use Building	D22-0048	Comm.	CBD	14,641	0.11	1000 N Central Ave	4/10/23	1000 N Central Ave LLC / Schack & Company, Inc.	Kenny Lipich (209)831-6443
4-Story Hotel (Extended Stay America Premier Suites) (124 Rooms)	D22-0020	Comm.	GHC	54,902	3.91	N Side of Joe Pombo Pkwy, N of Grant Line Rd	04/26/23	Tracy Orchard Plaza LP / Stacie Quoi	Staff (209)831-6400
Retail Building	D22-0030 CUP22-0013	Comm.	CBD	4,000	0.36	60 E 10th Street	05/24/23	Moe, Richard D Susan E TR / Manzanita of Tracy LLC	Staff (209)831-6400
Golden State Fire - Fire Apparatus	D22-0033	Industrial	M-1	55,226	4.73	3501, 3601, 3701 Mars Way	07/25/23	Wright Family Holdings, LLC. / Shack & Company, Inc.	Kenny Lipich (209)831-6443
4-Story Hotel (Tru by Hilton) (78 Rooms)	D22-0018 GPA22-0004	Comm.	PUD	40,190	1.96	2605 N. Corral Hollow Rd.	09/19/23	Hemkunt Group LLC / Anand Kotecha	Staff (209)831-6400

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

Seefried LI Building (NEI)	D22-0045	Industrial	NEI	335,157	19.30	1651 E Grant Line Rd	3/5/2024	Linda Massone, Trustee / Seefried Industrial Properties	Victoria Lombardo (209)831-6428
Cordes Ranch Building 28	D22-0002	Industrial	CRSP	524,081	26.50	5390 Promontory Pkwy	3/5/2024	Prologis, LP	Staff (209)831-6400
IPC 16 Guard Shack Addition	D23-0008	Industrial	BPI	48	66.70	5051 Promontory Pkwy	3/5/2024	Prologis LP/HPA Inc.	Staff (209)831-6400
Tracy Toyota Service Center Expansion	D23-0018	Comm.	I-205 SP	35,562	6.23	2895 Naglee Rd.	5/8/2024	Tracy Autoland LLC/Devcon Contructin Inc.	Martin E. Vargas (209)831-6438
Chevron CNG	D24-0012	Comm.	PUD	3,952	3.95	3940 N. Tracy Blvd and W. Larch	9/24/2024	H&S Energy LLC / Robert Picard C/O Stantec Architecture Inc.	Martin E. Vargas (209)831-6438
Island Gourmet Market and Deli	D24-0016	Comm.	GHC	4,868	0.50	1450 W. 11th Street	9/24/2024	Virgilio Escobar, Jr. & Eleanor Escobar / Schack & Company	Craig Hoffman (209)831-6426
Eastgate Business Park Phase 2	D24-0001	Industrial	M-1	26,019	1.35	1398 Mariani Court	10/16/2024	Horizon Tracy, LLC	Genevieve Federighi (209)831-6435
St Paul Lutheran Church Two Modular Building Additions	D24-0006 CUP24-0002	Comm.	LDR	2,880.00	5.34	1635 Chester Drive	N/A	St. Paul's Evangelical Lutheran Church / Rod Thompson	Martin E. Vargas (209)831-6438
Montessori Building Addition	D24-0011 CUP24-0005	Comm.	ISP	4,753	0.70	120 Murrieta Way	N/A	TR 120 LLC / Grow Builders Inc. C/O Jeff Antrim	Martin E. Vargas (209)831-6438

Parkway Plaza Starbucks	D24-0014	Comm.	CRSP	2,250	0.64	1102 North International Pkwy	N/A	R&B Delta II, LLC / Ryan Abraham	Genevieve Federighi (209)831-6435
Birla Mixed-Use Center	D24-0002	Comm.	CBD	46,554.00	1.07	160 & 306 W Sixth Street	N/A	Sai Properties Tracy 306, LLC / Schack & Company, Inc.	Genevieve Federighi (209)831-6435
NEI Building 21	D24-0009	Industrial	NEI	246,470	12.60	Paradise Rd. & Grant Line Rd.	N/A	Prologis, LP / HPA, Inc.	Martin E. Vargas (209)831-6438
Corral Hollow Car Wash	D22-0044 CUP24-0006	Comm.	NS	4,455	1.29	4600 S Corral Hollow Rd	N/A	Harpreet Singh & Varinder Pal Singh / API Architecture Plus	Genevieve Federighi (209)831-6435

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

2 Industrial Buildings (Costco Annexation)	A/P19-0001 D19-0014	Industrial	Not yet	1,812,279	103.00	16000 W. Schulte Rd.	N/A	Costco Wholesale Corporation	Genevieve Federighi (209)831-6435
IPC Building 5	D24-0028	Industrial	CRSP	176,082	158.00	5731 Promontory	N/A	Prologis, LP / HPA, Inc.	Kellie Jones (209)831-6432
New Creation Bible Fellowship Modular Addition	D24-0027 CUP24-0013	Comm.	LDR	960	1.61	500 N Corral Hollow Rd	N/A	New Creation Bible Church	Christina Delgadillo (209)831-6433
Verizon Monopole	D24-0023 CUP24-0007	Industrial	M-2		0.04	724 E. Grant Line Rd	N/A	Anderson Enterprises LLC/The Derna Group	Kenny Lipich (209)831-6443
Total				3,501,774	431.33				

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

UNDER CITY REVIEW (NOT YET APPROVED)

Name	Application #	Type	Zoning	Bldg. S.F.	Lot Acreage	Location / Parcel	Approved	Owner/Applicant	
Tracy Hills Commerce Center	SPA21-0004 D21-0012	Industrial	THSP	1,690,000	97.53	29592 S. Corral Hollow Rd.	N/A	Amanjit Sandu and Gurcharan Takar/Ridgeline Property Group	Scott Claar (209)381-6429
Westside Specific Plan	SPN19-0001	Comm.	Not yet	24,821	535.00	SWC Lammers Rd. and Eleventh St.	N/A	Nachhatar Singh Chandi & Susan Chandi/Chandi Enterprises LLC	Craig Hoffman (209)831-6426
Schulte Warehouse/Annexation	A/P21-0001 D21-0020	Industrial	Not yet	217,466	20.92	16286 W. Schulte Rd.	N/A	D & D Pombo LLC/PDC Sacramento LPIV, LLC	Scott Claar (209)381-6429
Cordes Ranch Building 18	D21-0037	Industrial	CRSP	1,319,092	63.90	5070 Promontory Pkwy	N/A	Prologis, LP	Genevieve Federighi (209)831-6435
Hollingsworth Trailer Lot and Guardhouse	D22-0014	Industrial	NEI	260	11.30	2259 E. Grant Line Rd	N/A	Matt Sims / Jun Lee	Martin E. Vargas (209)831-6438
Dual Hotels (Avid Hotel & Candlewood Suites Hilton Garden Inn) (107 Rooms Avid & Candlewood) (70 Rooms Hilton Garden Inn)	D22-0021 SPA23-0001	Comm.	PUD	110,512	3.17	3095 N Corral Hollow Rd	N/A	Manteca Hospitality Inc / Arvind S Iyer	Kenny Lipich (209)831-6443
San Joaquin County Car Wash	D22-0022	Comm.	GHC	4,500	0.85	430 W 11th Street	N/A	Big Bear Acquisitions Inc / Alan Mok	Martin E. Vargas (209)831-6438
Paradise Pointe Business Park	D22-0038	Industrial	NEI	718,165	52.01	3601 Pescadero	N/A	Ridge Tracy Land Partners No. 2, LLC. /	Victoria Lombardo (209)831-6428
Martin's Paving Inc. New Building	D23-0002	Comm.	M-1	6,438	1.34	3880 Holly Dr	N/A	Martin's Paving Inc- Maritin Soto / Artifex West Studio - Nader Rahamanian	Kenny Lipich (209)831-6443
Cambria Hotel and Event Center (90 Rooms)	D23-0010	Comm.	HS	18,062	1.77	747 W Larch Rd.	N/A	Navdeep Grewal	Martin E. Vargas (209)831-6438

CITY OF TRACY NEW CONSTRUCTION INDUSTRIAL & COMMERCIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

Larch Road 5 Parcel TSM	TSM23-0004	Comm.	CRS	0.00	8.41	10722 & 10792 W. Larch Rd.	N/A	Byron Alvarez & Christine Vezies & Brian Alvarez/Schack & Company Inc	Kenny Lipich (209)831-6443
T-Mobile Cell Site - Tracy Sports Complex	D24-0004 CUP24-0001	Comm.	PUD	255.00	27.020	955 Crossroads Drive	N/A	City of Tracy / T-Mobile	Martin E. Vargas (209)831-6438
Costco Cold Distribution Center	AP24-0001 D24-0005	Industrial	AG-40	557,488.00	12.79	26301 S. Hansen Road	N/A	Costco Wholesale Corporation	Genevieve Federighi (209)831-6435
ZEV (Truck) Hub	D24-0008 CUP24-0003	Industrial	CRSP	1,440	4.36	9752 Hopkins Road	N/A	Prologis LP/HPA Inc.	Genevieve Federighi (209)831-6435
Tracy Northeast Business Park	D24-0013 AP24-0002 SPA24-0001	Industrial	Not yet	1,811,259	93.10	6103, 3281, 6301 & 6599 Grant Line Rd.	N/A	Tracy Land Partners Holdco LLC & Suvik Farms LLC / Dermody Properties	Victoria Lombardo (209)831-6428
Morgan Auto Repair	CUP22-0005 D22-0011	Comm.	M-1	4,940	1.50	115 W Larch Rd	N/A	Mike West	Kenny Lipich (209)831-6443
NEW 10,000 SQ FT WAREHOUSE	D25-0001 SPA25-0001	Industrial	NEI	10,000	0.52	1485 E Grant Line Rd	N/A	Chansareena Grewal ETAL / Shack & Company	Kenny Lipich (209)831-6443
Tracy Community Church Modular Additions	D24-0025 CUP24-0011	Comm.	LDR	4,016	8.13	1790 Sequoia Blvd	N/A	Tracy Community Chruch	Kenny Lipich (209)831-6443
Parkway Plaza Panda Express	D25-0002	Comm.	CRSP	2,700	1.13	1296 International Pkwy	N/A	R & B Delta II LLC / Ruben Rodela	Christina Delgadillo (209)831-6433
Dutch Bros. Coffee w/Drive Thru	D25-0003	Comm.	CS	1,265	19,432	2695 N Tracy Blvd		McCorduck Prop LLC / Brianna Uy-BCE	Kellie Jones (209)831-6432
Total				6,502,679	20376.75				

CITY OF TRACY RESIDENTIAL DEVELOPMENT PIPELINE REPORT

Status as of May 2025

APPROVED AND UNDER CONSTRUCTION

Name	Application #	Zoning	Lot Acreage	# of Units	Location	Developer/Builder	Planner
Diaz Duplexes	D19-0028	MDR	0.3	4	4th and C St.	Javier Diaz	Kenny Lipich (209)831-6443
Tracy Hills Phase 1B	TSM18-0006 TSM18-0007 SPA19-0002 GPA19-0001	THSP	161	434	Tracy Hills Drive west of Phase 1A	Lennar	Scott Claar (209)381-6429
Tracy Hills KT Project (Hillview)	GPA19-0003 SPA19-0004 SPA20-0008 TSM20-0002	THSP	36	214	Tracy Hills Drive east of Corral Hollow Rd.	Lennar	Scott Claar (209)381-6429
Valpico Glenbriar Apartments	D19-0018	HDR	11.62	264	351 E. Valpico Road	Gaurdian Capital	Staff (209)831-6400
Collin Avenue Duplexes	D18-0015	HDR	0.4	10	178 Collin Avenue	Abdul Chashmawala	Genevieve Federighi (209)831-6435
Tracy Village	TSM17-0003 A/P13-0002 GPA13-0005 SPA18-0001	TVSP	135	594	SEC Valpico Rd. & Corral Hollow Rd.	Toll Brothers	Victoria Lombardo (209)831-6428
Tracy Hills Phase 2	GPA21-0001 SPA21-0003 TSM20-0003	THSP	493	1,517	Tracy Hills south of I-580	Integral Communities	Scott Claar (209)381-6429
Byron Road Duplexes	D21-0035	MDR	0.89	6	3030 Byron Rd	Schack & Company, Inc.	Scott Claar (209)381-6429
Total			838.21	3,043			

APPROVED AND NOT YET UNDER CONSTRUCTION							
Name	Application #	Zoning	Lot Acreage	# of Units	Location	Developer/Builder	Planner
East 8th Street Apartments	ZA17-0003 D16-0036	CBD	0.23	5	21, 25, & 29 E. 8th Street	Frank Aufdermaur, Jr.	Scott Claar (209)381-6429
Ellis RE Lots/Limited Use Area	TSM21-0002	ESP	41.87	9	SE area of Ellis SP	Surland	Staff (209)831-6400
SANSUB Apartments	D20-0021	MDR	0.76	9	2480 W. Byron Rd.	Panchaksha Patel	Staff (209)831-6400
4-Story Commercial & Affordable Apartments (The Junction)	D22-0027	CBD	0.47	46	601 N. Central Ave	CRP Affordable Housing	Scott Claar (209)381-6429
West Street Senior Housing	D22-0043 GPA22-0008 R22-0005	MDR	1.94	110	301 West St	Artifex West, Inc.	Kenny Lipich (209)831-6443
Byron Road TSM	R22-0004 TSM22-0003	MDR	5	38	2660 W Byron Rd	Schack & Company, Inc.	Kenny Lipich (209)831-6443
Tracy Hills Phase 2A HOA Facility	D23-0009	THSP	3	2	Corner of Emery Street and White Hart Ave	Lennar Homes	Scott Claar (209)381-6429
Mount Oso Townhomes (Formerly known as 15 Duplexes, 2 Triplexes and 1 SFD)	D22-0029 CUP23-0003 TSM23-0003	MDR	3.38	37	SWC W. Mt Diablo Ave & S. C St	Byrum Investment, LLC.	Kenny Lipich (209)831-6443
Tracy Hills Phase 2B(1) - Villages 11-14	D24-0019	THSP	N/A	326	Stanek & Sierra View Dr.	Lennar Homes of California, LLC	Christina Delgadillo (209)831-6433
Avenues	TSM21-0001 EXT24-0001	ESP	95.83	480	12650 W. Valpico Rd.	Surland	Kenny Lipich (209)831-6443
Total			152.28	1,062			

UNDER CITY REVIEW (NOT YET APPROVED)

Name	Application #	Zoning	Lot Acreage	# of Units	Location	Developer/Builder	Planner
Tracy Hills Phase 5	SPA21-0007 GPA21-0005 TSM22-0002	THSP	284	1390	Lammers Rd between the Delta Mendota Canal & California Aqueduct	Integral Communities	Scott Claar (209)381-6429
Tracy Hills Phase 1C	TSM22-0001	THSP	121	293	Lammers Rd. SE of California Aqueduct	Lennar	Scott Claar (209)381-6429
Tracy Apartments	D22-0023	MDR	0.81	11	2450 & 2460 Byron Rd.	Tenacious AAK, Inc.	Genevieve Federighi (209)831-6435
Westside Ranch	TSM22-0005	PUD	71.6	415	SEC 11th Street and Lamm	South Parcel Investors, LLC	Genevieve Federighi (209)831-6435
Tracy Hills Apartments	D23-0004 CUP23-0001	TH-Mixed Use Business Park	14.6	375	Tracy Hills Specific Plan, Phase 1A 253-380-050	Tracy BPS, LLC/ MCE Partners	Scott Claar (209)381-6429
Tracy Pavilion	D22-0028	-	129.7	751	Lammers Rd, N of Grant Line	MLC Holdings, Inc.	Victoria Lombardo (209)831-6428
The Triway Project	D24-0003 R24-0001 TSM24-0001	M-1	29	275	Valpico Rd APNs 246-130-030, 040, 060 & 270	Brookfield Bay Area Holdings, LLC	Genevieve Federighi (209)831-6435
The Grant Line Condos	D24-0010 CUP24-0004 TSM24-0002	GHC	0.68	20	508 & 522 W Grant Line Rd.	Schack & Company, Inc.	Genevieve Federighi (209)831-6435
Sierra Gardens Condominiums	D24-0017 TSM24-0003	MDR	0.55	8	310 W. Mt Diablo Ave	Sierra Investment LLC	Christina Delgadillo (209)831-6433
Legacy Estates	AP24-0003 GPA24-0003 TSM24-0004	-	58.4	326	12100 West Valpico Rd.	CB Empire Properties	Kenny Lipich (209)831-6443
Tracy Hills Phase 3 & 4	TSM25-0001	THSP	653	1551	East of Lammers Rd, South of I-580	Various Owners	Craig Hoffman (209) 831-6426
Total			1,363.17	5,415			

ADDITIONAL CITY & SOI (SPHERE OF INFLUENCE) PROPERTIES						
Name	Application #	Zoning/GP Designation	Lot Acreage	# of Units	Location	Developer/Builder
Bright		UR 5	170	886	11th Street & Lammers Road	Bright
Bright/Castro		PUD/UR 7	107	606	Josephine Drive & Tennis Lane	Bright
UR1		UR 1	780	2929	MacArthur Drive & Schulte Road	Various Owners
Tracy Hills (other future phases)		THSP	647	2162	Corral Hollow Road & 580	Integral Communities / Others
Gateway/Westside Specific Plan		PUD	535	857	Lammers Road & 11th Street	Various Owners
I-205 Expansion		Commercial/Res Low	172	1748	Naglee and Larch Roads	Various Owners
Larch Clover		Commercial	442	1197	Larch/Clover	Various Owners
Rocha		Res Low/Medium	91	727	MacArthur Drive and Eastlake	Rocha
Berg/Byron remainder		MDR/GHC	56	411	Berg/Byron Roads	Various Owners
Total			3,000	11,523		