



NOTICE OF SPECIAL MEETING

Pursuant to Section 54956 of the Government Code of the State of California, a special meeting of the **ENVIRONMENTAL SUSTAINABILITY COMMISSION** is hereby called for:

Date/Time: **Thursday, February 1, 2024, at 6:30 p.m.**
(or as soon thereafter as possible)

Location: **City Hall Council Chambers**
333 Civic Center Plaza,
Tracy

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54954.3 WHICH STATES THAT EVERY PUBLIC MEETING SHALL PROVIDE AN OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE COMMISSION ON ANY ITEM, BEFORE OR DURING CONSIDERATION OF THE ITEM, HOWEVER, NO ACTION SHALL BE TAKEN ON ANY ITEM NOT ON THE AGENDA.

MEETING AGENDA

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Items from the Audience - In accordance with Council Meeting Protocols and Rules of Procedure, adopted by Resolution No. 2019-240, and last amended by Resolution No. 2021-049, a five-minute maximum time limit per speaker will apply to all individuals speaking during "Items from the Audience/Public Comment". For non-agendized items, the Commission may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Commission.
5. Consent Items - None
6. Actionable Items
 - 6.A Conduct a Public Meeting to solicit comments on the Recirculated Draft Environmental Impact Report Chapters for the Tracy Costco Depot Annex Project
7. Informational Items - None
8. Staff items (Verbal Report)
9. Items from the Commission – In accordance with Parliamentary Procedures, a commissioner who wishes to introduce an item to be considered must make a motion, obtain a second, and the Chair must call the vote. A majority vote is required for the motion to pass.
10. Adjournment

AGENDA POSTED: January 29, 2024

The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in public meetings. Persons requiring assistance or auxiliary aids in order to participate should call City Hall at (209) 831-6000 at least 24 hours prior to the meeting.

Any materials distributed to the Environmental Sustainability Commission regarding any item on this agenda will be made available for public inspection at City Hall located at 333 Civic Center Plaza, Tracy, during normal business hours.

Full copy of the agenda can be found at the Tracy Library as well on the City's Website:

[Environmental Sustainability Commission | City of Tracy, CA](#)

CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
February 1, 2024

AGENDA ITEM 6.A

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION CONDUCT A PUBLIC MEETING TO SOLICIT COMMENTS ON THE RECIRCULATED DRAFT ENVIRONMENTAL IMPACT REPORT CHAPTERS FOR THE TRACY COSTCO DEPOT ANNEX PROJECT

EXECUTIVE SUMMARY

Pursuant to the California Environmental Quality Act (CEQA), an environmental impact report (EIR) is required to be prepared for a project that is currently under review known as the Tracy Costco Depot Annex. As part of their EIR process, a 45-Day review and comment period is required. The EIR was originally circulated in 2022, however, due to a revision to data regarding air quality and green house gas emissions, several chapters of the document have been recirculated and a second 45-day review period has commenced, ending on February 5, 2024. This item was heard at the January 25, 2024, Environmental Sustainability Commission regular meeting where staff conducted a presentation and collected public comments (attached). The Commission determined the need for a continued public meeting and a special meeting was motioned and favorably approved to provide a second opportunity for the public to provide comments. This agenda item is to collect any comments on the recirculated draft EIR chapters from the Environmental Sustainability Commission (ESC), public, and other interested parties.

DISCUSSION

The City of Tracy, as the Lead Agency, has prepared a Recirculated Draft Environmental Impact Report (RDEIR) for the Tracy Costco Depot Annex Project to revise two chapters, the air quality and greenhouse gas data as they relate to models of emissions that changed due to an increase in the projected average trip length for all project trucks. All other chapters and sections of the previously circulated Draft Environmental Impact Report (DEIR) remain valid and are operative and effective parts of the overall DEIR.

The DEIR evaluates potential environmental impacts related to a proposed Tracy Costco Depot Annex project. Costco proposes to annex and develop approximately 104 acres of land for the development of up to 1,745,052 square feet of industrial uses known as the Tracy Costco Depot Annex project, application numbers AP19-0001 and D19-0014. The project is located at the 16000 West Schulte Road, and is located within the City's Sphere of Influence, as shown in Attachment A, location map.

The City solicited comments from public agencies, organizations, and members of the public regarding the findings of the original DEIR, along with environmental issues and project alternatives which are addressed in the DEIR in September through November 1, 2022. The project was also presented at the Planning Commission to solicit comments from the public and interested parties on October 12, 2022.

In accordance with CEQA Guidelines Section 15088.5 (c), if the revision 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. This Recirculated Draft EIR is shown in Attachment B and includes the following chapters:

- 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
- Chapter 5.0: References

These chapters will 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.

The 45-day public review period for the Recirculated Draft EIR chapters commenced on December 22, 2023, and ends on February 5, 2024. Notification of the review and comment period was provided on the City's website, published in the Tracy Press, and via mailer to neighboring property owners, trustee, and responsible agencies, and to the City's CEQA interested parties list. Additionally, the RDEIR itself, along with the technical appendices, has been posted on the City's website, and hard copies have been available at the Tracy Branch Library and City Hall since December 22, 2023.

As part of the RDEIR review process, staff brought this matter to the Environmental Sustainability Commission (ESC) at the January 25, 2024, meeting to collect comments on the two chapters updated in the DEIR. While not required, it is the City's practice to provide an opportunity at a public meeting as an additional method for interested parties and the public to provide comments on EIR documents. The ESC made a motion which was favorably passed to conduct a special meeting to provide a second opportunity for further public comments on this item on February 1, 2024, at 6:30 p.m.

Next Steps

Following the RDEIR comment period, the City's environmental consultant for the project, De Novo Planning Group, will address all comments received within a Final EIR. The full project will then be brought before the Planning Commission at a public hearing, where the Commission will be asked to make a recommendation on EIR certification and on the project development applications, including annexation/prezoning and a Development Review Permit, to the City Council.

RECOMMENDATION

Environmental Sustainability Commission conduct a public meeting to solicit comments on the Recirculated Draft Environmental Impact Report Chapters for the Tracy Costco Depot Annex Project

Prepared by: Genevieve Federighi, Associate Planner

Reviewed by: Scott Claar, Senior Planner

Bill Dean, Assistant Development Services Director

Stephanie Reyna-Hiestand, Assistant Director of Utilities

Karin Schnaider, Assistant City Manager

ATTACHMENT


























Attachment A – Location Map

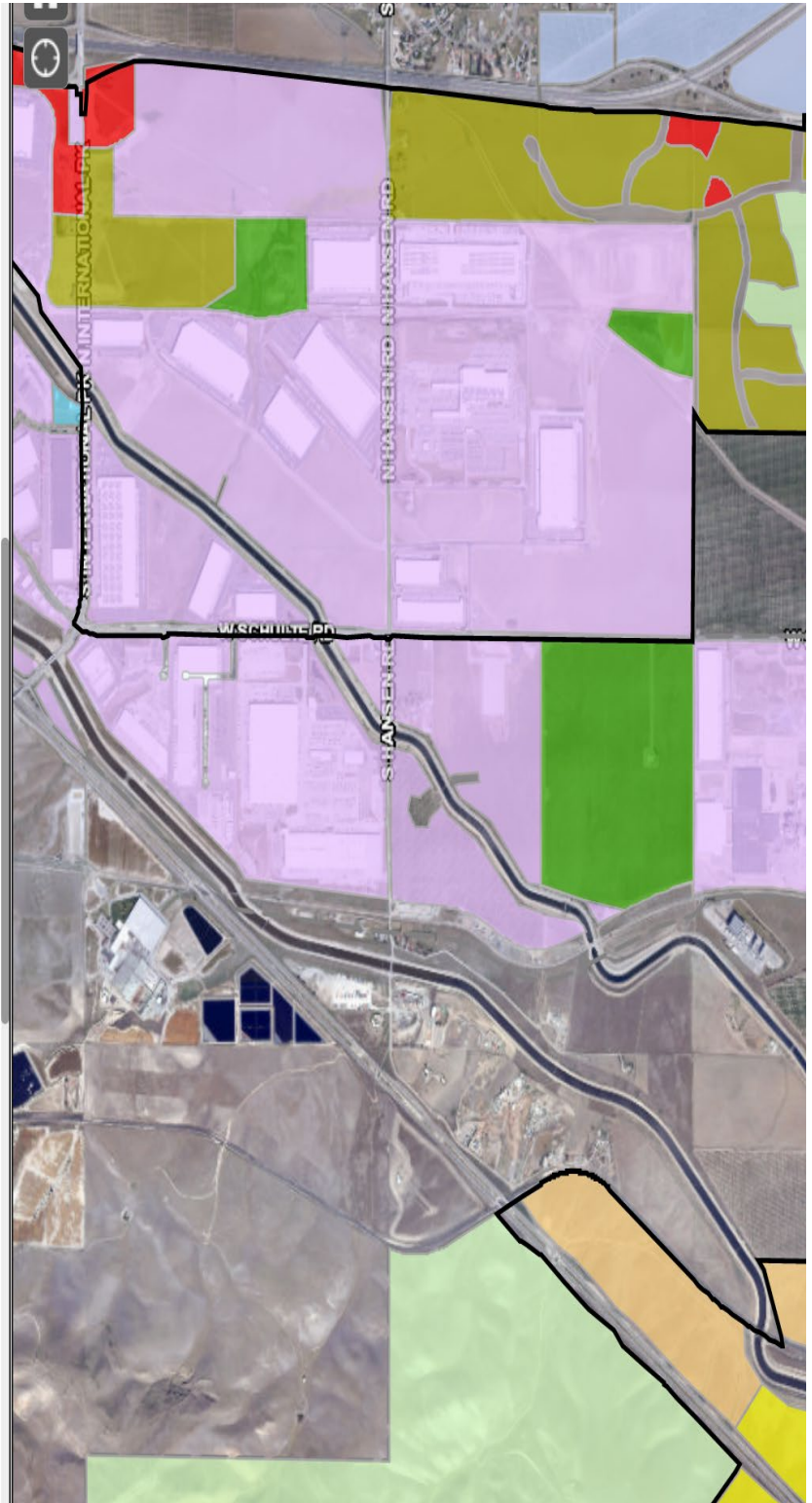
Attachment B – Tracy Costco Depot Annex Project Recirculated Draft EIR located here:

<https://www.cityoftracy.org/home/showpublisheddocument/16937/638387481314930000>

Attachment C – Public comments received on January 25, 2024, at the regular meeting of the ESC.

ATTACHMENT A – LOCATION MAP

-  Aggregate
-  Agriculture
-  Commercial
-  Downtown
-  Industrial
-  Office
-  Open Space
-  Park
-  Public Facilities
-  Residential High
-  Residential Low
-  Residential Medium
-  Residential Very Low
-  Traditional Residential - Ellis
-  Urban Reserve 1
-  Urban Reserve 10
-  Urban Reserve 3
-  Urban Reserve 4
-  Urban Reserve 5
-  Urban Reserve 6
-  Urban Reserve 7
-  Urban Reserve 9
-  Village Center
-  Hospital ...
-  I-205 Overlay Zone ...



————— = City Limit

***All areas without a color designation are outside of the City's Sphere of Influence**

ATTACHMENT C

Comments received on the:

<u>Costco letter</u>		PG	NO
1	Ensure that the Tree mitigation matches UFMP		
2	Significance of Tree canopy layer and how it impacts nearby residents		
3	Costco Lighting - Is it LED		
4	Vegetation native to California; non-invasive plants		
5	Measures to meet SB 1383 organic waste and waste compost	2	13
6	Bicycle parking: include EV bikes; traffic calming measures that support bicycle usage and storage to prevent theft; charging stations for EV Bikes; how many locations for bicycle parking throughout the facility; infrastructure connectivity offsite;	3	17
7	Food provisions: ways to encourage the employees to stay onsite, picnic tables outdoors; consideration of food nutrition	4	20
8	EV charging stations and future capacity for growth; why only ADA and Van Pool location	6	30
9	Limiting truck idling - what is the onsite enforcement		31
10	Commitment to construction go to City regulations for dust control; have the higher of City or SJAVPD commitment	9	41-47
11	During Construction - provide a Landscape plan; revegetate the landscape after construction. Can plans be added to the EIR	9	45
12	SWPPP storm water standards - compliance	9	47-48
13	Other AQ and GHG Rule 9510: provide summary on the rule	10	56
14	Installing solar: how much of the roof space is being utilized and what is the estimated portion of their energy that will be mitigated by solar		
15	Limiting parking supply - lower than minimum; impacts on the environment;		18
16	Ride share program: how will they meet this - provide shuttles/tracer partnership		19
17	Shuttle service to local transit: what is Costco commitment to running their own service		19
18	Low EV - location of priority parking and impacts to environment consideration		32
19	Costco should be held to a higher standard than the 2010 Emissions standards		24
20	There is no #25		25
RDEIR:			
1	NOX emission: reliance on carb standards appear to outdated reference new 2024 standards		



Members of the Environmental Sustainability Commission
c/o Carla Sorich
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Sent via email: carla.sorich@cityoftracy.org

Re: Costco Depot Annex Project Recirculated Draft EIR Hearing

Dear Members of the Environmental Sustainability Commission:

I am writing with respect to your scheduled hearing this Thursday evening, January 25, 2024, to receive comments from the public concerning the Recirculated Draft EIR (“**RDEIR**”) for Costco’s proposed Tracy Costco Depot Annex Project (the “**Project**”). The purpose of this letter is to give you some background information about the Project and highlight the steps Costco has taken to ensure that the Project meets ambitious environmental sustainability standards. As you likely know, the California Environmental Quality Act (“**CEQA**”)¹ requires that a draft environmental impact report be circulated for public review so that members of the community and interested agencies and organizations may submit comments on the contents of the document. No public hearing is required, but sometimes a public hearing is conducted to provide a convenient forum for interested people to appear and orally provide their comments. All comments made in writing or at such a public hearing are then responded to in writing by the City’s expert consultants as part of the final environmental impact report that is considered by the Project decision-makers. In the interest of furthering public participation, your commission has scheduled the upcoming public hearing to accept comments from the public on the RDEIR.

The Project site is located at 16000 West Schulte Road (APN 209-230-02) in unincorporated San Joaquin County, California. Costco proposes that the site be annexed into the City of Tracy (the “**City**”) consistent with the City’s General Plan, which designates the site for Industrial use. The Project site totals approximately 104.46 acres of undeveloped land. A portion of the site has been used for temporary parking of Costco truck trailers since 2020.

The proposed Project would include the construction and operation of two warehouse buildings that would serve as an annex to the existing Costco Depot located approximately 1.5-miles to the west of the Project and as a delivery distribution center (“**DDC**”). The two buildings (approximately 543,526 sf for Building 1 and 1,193,198 sf for Building 2) would total

¹ CEQA (the statute at Public Resources Code Section 21000 et seq. and CEQA Guidelines at 14 Cal. Code Regs 15000 et seq.) requires that the City analyze the environmental effects of a proposed development project before considering approval of that project. Here, the City prepare a full environmental impact report, which is the most comprehensive and robust of the possible types of CEQA documents.

approximately 1,736,724 sf on the Project site. The smaller Building 1 is anticipated to serve as an annex by providing additional storage for high-turnover merchandise processed through the nearby Costco Depot, a pallet repair facility, and a return to vendor facility for large items returned to a Costco warehouse. The larger Building 2 is anticipated to serve as a DDC, an ecommerce distribution center primarily for large and bulky items ordered online by Costco members for direct delivery through Market Delivery Operations (“MDO”) located in the Northern California region. DDC warehouses distribute ordered goods to MDOs for delivery by appointment to Costco members. The proposed Project would not include cold storage; hence, no refrigeration would be included.

Costco has worked diligently with the City of Tracy to ensure full and open analysis of the environmental impacts of the Project under CEQA and to advance short- and long-term environmental sustainability. On August 28, 2020, the City published a Notice of Preparation (“NOP”) informing the public that the City would prepare an Environmental Impact Report (“EIR”) for the Project. Over the next two years, Costco provided the City the necessary information for the City and its consultant team to complete the Draft EIR, which was published on September 16, 2022. During the 45-day public comment period, various parties submitted concerns and comments on the Draft EIR. Costco takes very seriously its pledge toward sustainability (see <https://www.costco.com/sustainability-introduction.html>) and thus carefully considered the comments requesting that myriad sustainability efforts be made in connection with Project design and implementation. As a result, Costco embraced nearly all of the sustainability ideas suggested by commenters and modified the Project to incorporate them. Attached hereto is a letter that I submitted to the City with a list of all environmental sustainability commitments Costco made in response to comments on the Draft EIR.

To further ensure fully-informed and conservative CEQA review, the City opted to modify the Draft EIR to take a stricter analytic approach, incorporating inputs that meet or exceed the assumptions suggested by commenters such as the Sierra Club. The RDEIR (which will be the subject of the hearing before your commission to accept comments) was published on December 22, 2023. The 45-day public comment period on the RDEIR closes on February 5, 2024.

Costco is proud to have developed a project slated to boost the local economy in a manner compatible with principles of environmental sustainability. We look forward to hearing public comments presented to the Environmental Sustainability Commission and to continuing to work with the City of Tracy as the Project progresses.

Regards,



Christine Lasley

Director – Costco Wholesale Corporation, Real Estate

Enc: Letter to City of Tracy with Mitigation Table

Cc: Victoria Lombardo, Genevieve Federighi, Teresa Jones, David Messner, Eric Orren, Ali Moayeri, Tim Anderson



Victoria Lombardo
Senior Planner
City of Tracy, Planning Division
333 Civic Center Plaza
Tracy, CA 95376

Sent via email: Victoria.Lombardo@cityoftracy.org

Re: Updated Costco Mitigation Commitments for Depot Annex Project

Dear Ms. Lombardo:

On May 8, 2023, Costco Wholesale (“Costco”) submitted a chart outlining the strategies that Costco would include in its Tracy Costco Depot Annex Project as project features. Costco has updated this chart to reflect minor changes in the commitments as result of detailed project design work. As to each embraced project feature, the chart summarizes the requested commitment, indicates the number of comments that requested such commitment, references the specific comments, and specifies the Costco commitment in response. Please accept and employ this chart instead of the one provided on May 8.

We welcome any questions concerning these commitments and request that the City assume in the EIR and the subsequent decision-making process that such features will be components of the project. Costco takes very seriously its pledge toward sustainability (see <https://www.costco.com/sustainability-introduction.html>) and is pleased to reflect such emphasis within the Tracy Costco Depot Annex project.

Regards,

A handwritten signature in blue ink that appears to read "Christine Lasley" followed by the date "11/28/2023".

Christine Lasley
Director – Costco Wholesale Corporation, Real Estate

Enc: Mitigation Table

Cc: Teresa Jones, David Messner, Eric Orren, Ali Moayeri, Tim Anderson

Requested Commitment	# of Commitment Citations	Comment Reference	Costco Commitment
Building Features			
1	8	Sierra Club: Comment G-7, Appendix A, Appendix B, Appendix C, Appendix D, Appendix E, Appendix F SJVAPCD: Comment H-5, H-10 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this. Solar PV panels will be installed on the roof of the buildings and/or elsewhere on site (e.g., awnings or canopies in parking areas) to generate approximately 3 MW of renewable electricity for use on site. Batteries will also be installed to store some of that electricity for on-site energy needs.
2	2	Sierra Club: Comment G-7, Appendix C	Yes, Costco can commit to this. A solar microgrid is being designed into this project with adequate battery storage.
3	1	Sierra Club: Comment G-11, Appendix A	Yes, Costco can commit to this. HVAC is all electric such that the need for natural gas on site has been substantially reduced.
4	5	Sierra Club: Appendix D, Appendix E, Appendix F SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this. To the extent emergency back-up generators are needed, only Tier IV diesel generator or natural gas-powered engines will be used.
5	1	SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this so long as such fuel is commercially available.
6	4	Sierra Club: Appendix C, Appendix E	Yes, there is perimeter landscaping as well

	tree canopy improvements for site and nearby residents. Construct vegetated barriers.		SJVAPCD: Comment H-5, Comment H-9 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	as parking in the parking field. Costco will install vegetation and tree canopy on the Costco site. Site perimeter and parking lot landscaping will provide vegetated buffers that will include trees, tree canopies and other vegetation.
7	Exceed Title 24 Building Envelope Energy Efficiency Standards (California Building Standards Code).	2	Sierra Club: Appendix B SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, overall, the site's building energy efficiency will exceed Title 24 Building Envelope Energy Efficiency Standards by at least 1%.
8	Install efficient appliances (water heaters, cooking equipment, refrigerators, furnaces, boiler units, etc.) beyond Title 24 requirements.	1	Sierra Club: Appendix B	Yes, Costco can commit to this. All appliances to be installed will meet or exceed Title 24 requirements.
9	Install energy efficient lighting.	1	Sierra Club: Appendix B	Yes, Costco can commit to this.
10	Implement cool roofs.	1	SJVAPCD: Comment H-5	Yes, Costco can commit to this to the extent that it doesn't conflict with other roof designs (e.g., solar).
11	Utilize low-VOC coatings.	2	Sierra Club: Appendix F SJVAPCD: Comment H-S	Yes, Costco can commit to this.
12	Maintain dust in parking lots by sweeping to remove road dust, tire wear, brake dust, and other contaminants.	2	Sierra Club: Appendix D, Appendix F	Yes, Costco can commit to this.
13	Demonstrate compliance with SB 1383 (Organic waste reduction; https://calrecycle.ca.gov/orga		Sierra Club: Appendix F	Yes, Costco can commit to this. Wood, cardboard, and plastics will be recycled.

	pics/slcp/ .				
14	Install HEPA (High Efficiency Particulate Air) filters.	1	Sierra Club: Appendix B	Yes, the HVAC systems will use High Efficiency MERV filters.	
Mobile – TDM					
15	Provide pedestrian network improvements.	3	Sierra Club: Appendix B, Appendix C SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco will provide a separate employee parking area accessible by its own curb cut entry. A flashing lit sidewalk will connect the employee parking with the DDC Office and other depot building, located across the drive aisle from the employee parking lot	
16	Provide traffic calming measures.	2	Sierra Club: Appendix B SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco will provide a clearly delineated, separate pedestrian pathway for employees connecting project buildings to the employee parking area. Such path will include a lit crosswalk with flashing indicator lights where the path crosses the vehicle route.	
17	Provide bike parking and encourage bicycle usage.	4	Sierra Club: Appendix B SJVAPCD: Comment 11-5 CalTrans: Comment B-3	Yes, bicycle parking will be available in the employee parking lot and at the front entry of each depot building.	
18	Limit parking supply.	2	Sierra Club: Appendix B SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco will decrease the number of planned parking spaces to the minimum number of spaces required by City code and will work with the City to explore whether an even lower number of spaces is feasible.	
19	Provide rideshare/transit options to employees. Provide shuttle services to transit options.	7	Sierra Club: Comment G-9, Appendix B, Appendix C, Appendix E CalTrans: Comment B-3 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney	Costco will participate in a ride share program.	

			General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	
20	Provide on-site meal options for workers	3	Sierra Club: Appendix B, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco will provide Micro Market vending machines that offer drink and food for sale in a breakroom.
21	Train managers and employees on efficient scheduling and load management to minimize queuing and idling.	3	Sierra Club: Appendix C, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this.
22	Include signage at docks, delivery areas, and truck routes to facilitate traffic and limit idling.	5	Sierra Club: Appendix C, Appendix E, Appendix F SJVAPCD: Comment 11-5 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this.
23	Evaluate and design truck routes, access points, and loading docks to minimize exposure to air pollution.	2	Sierra Club: Appendix C SJVAPCD: Comment H-5	Yes, Costco can commit to this. The Costco team at the Depot utilizes the most efficient truck routes wherever possible. In addition, the project will relocate key depot operations from Costco's Stockton location to this proposed location very close to the existing Tracy

				Depot, thus maximizing efficiency and minimizing truck trips.
Mobile – Technology				
24 Model Year Requirement for heavy duty diesel hauling trucks (Identified two MY requirement suggestions from suggested mitigations: >=MY2010 or >=MY2024)	4	Sierra Club: Appendix A, Appendix E, Appendix F SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act		Yes, Costco can commit to this. Trucks owned or leased by Costco that access the project site will be >= MY2010.
26 Electric or zero emission on-site equipment and charging infrastructure (forklifts, yard trucks, yard hostlers, yard tractors, pallet jacks).	8	Sierra Club: Comment G-7, Appendix B, Appendix C, Appendix D, Appendix E, Appendix F SJVAPCD: Comment H-8 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act		Yes, Costco can commit to this. All exclusively on-site vehicles (i.e., forklifts, yard goats, pallet jacks, etc.) will be electric or zero-emission vehicles.
28 Install electric charging infrastructure for electric trucks.	6	Sierra Club: Comment G-11, Appendix A, Appendix C, Appendix D, Appendix E, Appendix F SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act		Yes, in terms of both building/site infrastructure and provision of power, Costco is designing the project to facilitate conversion of truck docks to serve electric trucks. Electric charging infrastructure will be installed on the property to facilitate the conversion of the truck fleet to zero-emission electric trucks as they become available in the market and used for truck deliveries to and from the facility.
29 Install electric charging Infrastructure for TRUs.	7	Sierra Club: Appendix A, Appendix C, Appendix D, Appendix E, Appendix F SJVAPCD: Comment H-5 SWAPE (Golden Station Environmental		This is not applicable; there will be no TRUs on the project site since the project does not include cold storage.

			Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	
30	Install light-duty EV charging stations.	7	Sierra Club: Comment G-7, Comment G-11, Appendix B, Appendix C, Appendix E, Appendix F SJVAPCD: Comment H-11 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this. Costco will install two (2) EV chargers next to the ADA and van pool parking stalls.
31	Limit truck idling to a maximum of 2 minutes.	6	Sierra Club: Appendix B, Appendix C, Appendix D, Appendix E SJVAPCD: Comment H-7 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this and will install appropriate signage.
32	Provide priority parking to low-emission, fuel-efficient, or car/vanpool vehicles equivalent to Tier 1 non-residential voluntary standards.	4	Sierra Club: Appendix 8, Appendix C, Appendix D, Appendix F	Yes, Costco can commit to this. Costco will install two (2) EV chargers next to the ADA and van pool parking stalls.
33	Comply with AQ standards/regulations (State, local).	4	Sierra Club: Appendix C, Appendix D, Appendix F SJVAPCD: Comment H-12	Costco will comply with the applicable laws.
Construction				
34	Clean Off-Road Construction Equipment	7	Sierra Club: Comment G-7, Comment G-11, Appendix B, Appendix D, Appendix E	Yes, Costco can commit to employing Tier IV-compliant engines or better for off-road

	(zero emission, or Tier IV), Use of a Clean Construction Fleet.		SJVAPCD: Comment 11-2 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	construction equipment greater than 50 horsepower.
35	Provide electric hookups to avoid use of diesel generators for electric construction equipment.	6	Sierra Club: Comment G-11, Appendix C, Appendix E SJVAPCD: Comment H-5 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this. Electric hookups will be provided to reduce the need for diesel generators for electric construction equipment and, should diesel generators be needed, all such diesel generators will be equipped with emission control technology verified by EPA and/or CARB to reduce PM emissions by a minimum of 85%.
36	Model Year Requirement for heavy duty diesel hauling trucks (MY 2010 or better).	2	Sierra Club: Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this.
37	Prepare a construction traffic control plan.	4	Sierra Club: Appendix D, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this.
38	Diesel generators shall be	1	SWAPE (Golden Station Environmental	Yes, Costco can commit to this. Should

	equipped with emission control technology verified by EPA or CARB to reduce PM emissions by a minimum of 85% (DPF).		Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	diesel generators be needed, all such diesel generators will be equipped with emission control technology verified by EPA and/or CARB to reduce PM emissions by a minimum of 85%.
40	Limit idling of heavy-duty equipment (i.e., maximum of 2 or 5 minutes), idling signage.	6	Sierra Club: Appendix B, Appendix C, Appendix D, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco will limit heavy duty construction equipment to no longer than 2 minutes, and in no instance shall such idling exceed 5 minutes.
41	Limit grading as possible, consider AQI during grading days, limit grading during high windspeed events.	4	Sierra Club: Appendix B, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act, (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this consistent with SJVAPCD regulations.
42	Comply with SJVAPCD Fugitive Dust Rule (Regulation VIII).	5	Sierra Club: Comment G-7, Appendix B, Appendix D, Appendix F SJVAPCD: Comment H-17	Yes, Costco can commit to this consistent with SJVAPCD regulations.
43	Cover hauling trucks and stabilize dirt pile surfaces.	2	Sierra Club: Appendix D SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this consistent with SJVAPCD regulations.
44	Minimize vehicle fugitive PM10 from unpaved surfaces - limit unpaved	2	Sierra Club: Appendix D SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020	Yes, Costco can commit to this consistent with SJVAPCD regulations.

	travel, stabilize roads, and sweep paved streets.		RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	
45	Revegetate disturbed land from construction.	2	Sierra Club: Appendix D SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this consistent with SJVAPCD regulations.
46	Use watering truck during construction to minimize fugitive PM emissions.	2	Sierra Club: Appendix D SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this consistent with SJVAPCD regulations.
47	Install sandbags or other erosion control measures to prevent silt runoff from public roadways.	2	Sierra Club: Appendix B, Appendix D	Yes, Costco can commit to this consistent with SJVAPCD regulations.
48	The project must control construction debris.	1	Sierra Club: Appendix D	Yes, Costco will follow the San Joaquin Air Pollution Control District and stormwater requirements.
49	The project must have a dust and litter program in place.	1	Sierra Club: Appendix D	Yes, Costco will follow the San Joaquin Air Pollution Control District and stormwater requirements.
50	Include signage on unpaved roads to limit vehicle speeds to < 15 mph.	2	Sierra Club: Appendix B SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this.
51	Utilize low-VOC coatings.	3	Sierra Club: Appendix E SJVAPCD: Comment H-5 SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to	Yes, Costco can commit to this consistent with SJVAPCD regulations.

				Comply with the California Environmental Quality Act	
52	Provide on-site meal options or shuttling for construction workers.	3		Sierra Club: Appendix E, Appendix F SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to providing on-site food options during construction.
53	Implement noise mitigations for construction.	3		Sierra Club: Appendix D, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to taking steps to minimize noise. For instance, concrete delivery vehicles will have low frequency back up beepers, all fleet equipment will have mufflers and noise-minimizing devices, and personal radios will not be allowed onsite.
54	Maintain maintenance records and certifications for equipment on site.	3		Sierra Club: Appendix D, Appendix E SWAPE (Golden Station Environmental Justice Alliance): (1) State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act	Yes, Costco can commit to this consistent with SJVAPCD regulations.
55	Undertake construction equipment, vehicles, and generator recordkeeping (equipment details, hours of operation, fuel usage and deliveries).	2		Sierra Club: Appendix B SWAPE (Golden Station Environmental Justice Alliance): (2) SCAG's 2020 RTP/SCS PEIR's Air Quality Project Level Mitigation Measures	Yes, Costco can commit to this consistent with SJVAPCD regulations.
Other AQ/GHG					
56	Comply with Rule 9510 (indirect source rule).	2		Sierra Club: Appendix F SJVAPCD: Comment H-14	Costco will comply with Rule 9510.
57	n/a	n/a	n/a		The Project intends to supply 100% of its electricity demand from renewable sources associated with a combination of onsite

				generation and direct source renewable purchased energy. Costco has entered into direct source renewable purchase contracts sufficient to supply these needs.
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Notes:

Sierra Club Mitigation Measure Appendix References:

Appendix A: Baseline Environmental Consulting Analysis

Appendix B: San Joaquin Valley Air Pollution Control District Land Use Design Element and Mitigation Measures

Appendix C: California Sustainable Freight Initiative Freight Handbook Concept Paper (December 2019)

Appendix D: Conditions of Approval for CenterPoint Properties (May 2022)

Appendix E: State Attorney General's Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act

Appendix F: Suggested Mitigation Measures



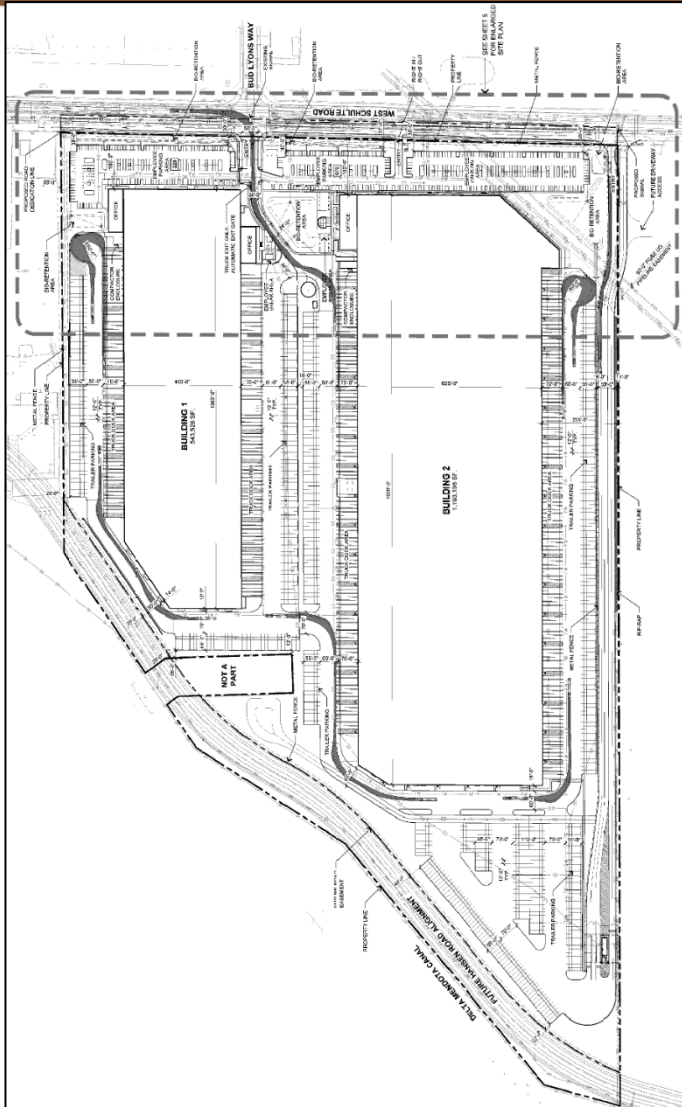
Environmental Sustainability Commission
Tracy Costco Depot Annex
Recirculated Draft Environmental Impact Report

Thursday, January 25, 2024 7:00 p.m.

Project Location



Project Description



The project would include the construction and subsequent operation of two Costco warehouse and distribution buildings (approximately 543,526 sf for Building 1 and 1,193,198 sf for Building 2) total approximately 1,736,724 sf on the project site. The project would also include the required circulation, parking, and utility improvements.

The project includes pre-zoning, annexation, a development review permit for design.

Project History

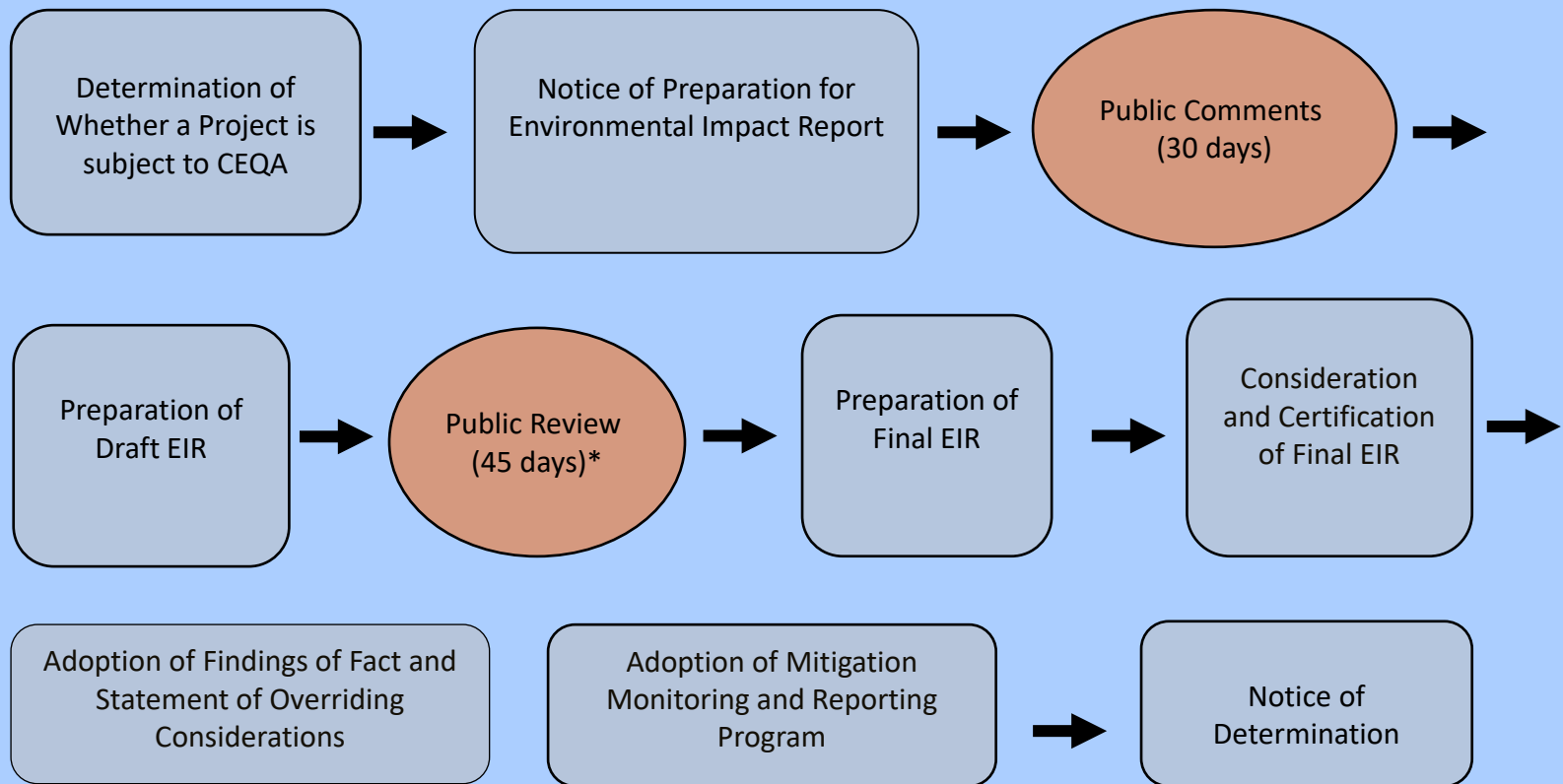
- Notice of Preparation and Initial Study: August 28, 2020
 - Public Scoping Meeting: September 9, 2020
 - Public Comment Period: August 28 – September 30, 2020
- Draft EIR: September 16, 2022
 - Public Comment Period: September 16 – October 31, 2022
- Recirculated Draft EIR: December 22, 2023
 - Public Comment Period: December 22, 2023 – February 5, 2024

ENVIRONMENTAL REVIEW PROCESS

- **What is an EIR?**
 - An informational document describing the anticipated environmental effects of implementing a project, as required by CEQA.
 - Acts as a forum for public participation in the environmental review process.
 - An EIR includes Mitigation Measures to reduce potential adverse environmental impacts.
 - An EIR does not advocate or promote the project.



ENVIRONMENTAL REVIEW PROCESS



ISSUES ADDRESSED IN THE DRAFT EIR (2022)

The following environmental topics identified in Appendix G of the State CEQA Guidelines were analyzed in the Draft EIR (2022):

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural and Tribal Resources
- Geology and Soils
- Greenhouse Gases, Climate Change, and Energy
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Public Services
- Transportation
- Utilities and Service Systems
- Cumulative Impacts
- Growth Inducing Impacts



DRAFT EIR (2022) KEY FINDINGS

The following issues were determined to result in significant and unavoidable impacts in the Draft EIR:

- Impact 3.1-1: Scenic vistas and resources
- Impact 3.2-1: Conversion of Farmlands to non-agricultural uses
- Impact 3.3-1: Net increase of a criteria pollutant
- Impact 3.3-2: Cumulative net increase of a criteria pollutant
- Impact 3.11-1: Substantial temporary or permanent increase in ambient noise levels
- Impact 3.13-1: CEQA Guidelines Section 15064.3, subdivision (b) (VMT)
- Impact 4.2: Cumulative degradation of the existing visual character of the region
- Impact 4.4: Cumulative impact on agricultural resources
- Impact 4.5: Cumulative impact on the region's air quality
- Impact 4.15: Cumulative exposure of existing noise-sensitive land uses to increased noise
- Impact 4.17: Cumulative impacts related to CEQA Guidelines Section 15064.3, subdivision (b)



DRAFT EIR (2022) MITIGATION MEASURES

All mitigation measures included in the Draft EIR are presented in the Executive Summary. Mitigation Measures address the following:

- Agricultural buffer and notification of agricultural operations
- Newer or cleaner engines for heavy-duty trucks during construction
- Coverage under the SJMSCP
- Stop-work if cultural or historical resources are found on-site
- Stop-work if human remains are found on-site during construction
- Stop-work if paleontological resources are found on-site during construction
- Final geotechnical evaluation
- Soils Management Plan
- Hazardous Materials Business Plan
- Facilitation of site cleanup if subsurface contamination as a result of leaks from the crude oil pipeline is detected
- SWPPP
- Site Project Stormwater Quality Control Plan
- Construction noise measures
- Sound walls/barriers if the residence to the west exists during construction
- Transportation Demand Management strategies to decrease VMT
- Construction Traffic Control Plan



DRAFT EIR (2022) PUBLIC COMMENTS

The following public comments on the Draft EIR were received:

- Blum Collins & Ho LLP (10-31-22)
- California Department of Transportation (10-31-22)
- Central Valley Regional Water Quality Control Board (10-31-22)
- Resident of Tracy (10-21-22)
- Project Applicant – Costco Wholesale (Burke, Williams, and Sorensen LLP) (10-31-22)
- San Joaquin Council of Governments (9-22-22)
- Shute Mihaly & Weinberger LLP (10-31-22)
- San Joaquin Valley Air Pollution Control District (11-1-22)



RECIRCULATED DRAFT EIR (2023)

The **air quality and greenhouse gas quantitative analyses** was revised to employ more conservative assumptions concerning the distance that project trucks may travel. The Recirculated Draft EIR employs models of emissions that have been rerun assuming that the **average trip length** for all project truck trips is 29 miles. This reflects the average truck trip length within the **county transportation model** (a three-county model covering San Joaquin, Stanislaus and Merced Counties). *Because the increased truck travel distances lead to air quality impacts that are substantially more severe than indicated in the Draft EIR, the City has prepared this Recirculated Draft EIR.*

In addition, the Project applicant responded to the comments on the Draft EIR by incorporating into the proposed Project numerous **new and additional sustainability measures and strategies** to reduce emissions and vehicle trips. The Project Description chapter and the other sections herein have been updated to reflect such Project commitments, as well as other Project refinements (such as construction schedule, etc.).



ISSUES ADDRESSED IN THE RDEIR (2023)

The following environmental topics identified in Appendix G of the State CEQA Guidelines were analyzed in the RDEIR:

- Air Quality
- Greenhouse Gases, Climate Change, and Energy
- Cumulative Impacts
- Significant Irreversible Effects
- Growth Inducing Impacts



RDEIR (2023) KEY FINDINGS AND MITIGATION

The following issues were determined to result in significant and unavoidable impact in the RDEIR:

- Impact 3.3-1: Net increase of a criteria pollutant
- Impact 3.3-2: Cumulative net increase of a criteria pollutant
- Impact 4.5: Cumulative impact on the region's air quality
- Impact 4.15: Cumulative exposure of existing noise-sensitive land uses to increased noise
- Impact 4.17: Cumulative impacts related to CEQA Guidelines Section 15064.3, subdivision (b)

The unavoidable impacts from the Draft EIR still apply and were not changed in the RDEIR.

One mitigation measure included in the RDEIR addresses the following:

- Newer or cleaner engines for heavy-duty trucks during construction



FINAL ENVIRONMENTAL IMPACT REPORT (FEIR)

- The FEIR will include all comments received on the DEIR, responses to these comments, minor corrections (if warranted), minor supplemental analysis/information (if warranted), and the MMRP.
- RDEIR 45-day public review period – December 22, 2023 to February 5, 2024
- Comments from the public or interested parties can be submitted:
 - **Today (orally or in writing)**
 - **By email (Genevieve.Federighi@cityoftracy.org)**
 - **By mail (City Hall, attention Development Service, Planning)**



NEXT STEPS

- **Final EIR**
 - Written responses to comments
 - Changes made to the Draft EIR.
- **Planning Commission Hearings**
 - Recommendation to City Council
- **City Council Hearings**
 - EIR Certification
 - Project Consideration





Recommendation to the Commission:

**Receive any comments from
the public and any interested parties**



Thank you!

