



NOTICE OF REGULAR MEETING

Pursuant to Section 54954.2 of the Government Code of the State of California, a regular meeting of the **ENVIRONMENTAL SUSTAINABILITY COMMISSION** is hereby called for:

Date/Time: **Thursday, January 25, 2024, at 7:00 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
 - 5.A Review and approve the regular meeting minutes for October 26, 2023
 - 5.B Review and approve the regular meeting minutes for November 27, 2023
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
 - 6.B Review and approve an update to the ESC 2024 workplan
7. Informational Items
 - 7.A Information Item – California SB 746 (Eggman)
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 22, 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](#)



**ENVIRONMENTAL SUSTAINABILITY COMMISSION
REGULAR MEETING MINUTES**

**OCTOBER 26, 2023
7:00 PM**

1. CALL TO ORDER:

The meeting was called to order by Chairperson Nygard at 7:09 p.m.

2. ROLL CALL:

Present: Dotty Nygard, James Damasco, Tony Acosta, Nicholas Sese, and Navi Kahlon

Absent: None.

Staff Present: Karin Schnaider, Assistant City Manager
Stephanie Reyna-Hiestand, Assistant Director of Utilities
David Murphy, Assistant Director of Operations
John Newman, Operations Superintendent
Necy Lopez, Deputy City Clerk

Recorded by: Carla Sorich, Executive Assistant
Isabel Espinosa, Administrative Technician

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Nygard

4. ITEMS FROM THE AUDIENCE

None.

Chairperson Nygard asked if there were any items the Commission wished to be pulled. Vice-Chairperson Damasco requested that Item 6a be pulled.

Public Comment:

Veronica Vargas commented that she was very disappointed that this item was going to be pulled from the agenda without a discussion. She stated that she was working on this plan for 5 years, staff worked hard on this report. Allow due process so the public can have input on this item.

Commission questions and comments followed.

ACTION: Motion was made by Chairperson Nygard and seconded by Commissioner Kahlon to continue the presentation and discussion for tonight's meeting agenda as posted. All in favor; passed and so ordered. (5,0,0)

Approve – Nygard, Kahlon, Sese, Acosta, Damasco
Oppose - None
Abstain - None

5. APPROVAL OF MEETING MINUTES

5.A REVIEW AND APPROVE THE REGULAR MEETING MINUTES FROM SEPTEMBER 28, 2023

Public Comment: None

Commissioner questions and comments followed.

ACTION: Motion was made by Vice Chairperson Damasco and seconded by Commissioner Kahlon to approve the Regular Meeting Minutes from September 28, 2023. All in favor; passed and so ordered. (5,0,0)

Approve - Nygard, Kahlon, Sese, Acosta, Damasco
Oppose - None
Abstain - None

6. OLD BUSINESS

6.A THE COMMISSION, BY MOTION, RECOMMEND TO CITY COUNCIL TO ADOPT THE CITY-WIDE URBAN FOREST MANAGEMENT PLAN

John Newman, Operations Superintendent, provided the staff report.

Public Comment:

Jennie Wood had questions regarding the canopy spot percentages and stated that she is happy the plan includes protection, maintenance, and pest control for the trees.

Veronica Vargas a board member for the Tracy Tree Foundation commented she would like to see irrigation infrastructure maintenance and budget outline for irrigation added to the plan. There are lots of losses due to lack of irrigation and maintenance. She is requesting that language be added to the report to include that trees will be watered regardless of drought situation, and those restrictions only affect lawns. Thanked the Commission for the report.

Anthony Wahhab had questions regarding the significance of the different species of trees selected from a biology perspective. He also had questions regarding prevention of root encroachments on sidewalks.

Leah Shoaito had questions whether we are planting by seed, if the trees are genetically modified, and the maintenance plan.

John Newman replied to public questions.

Commission discussion continued.

ACTION: Motion was made by Chairperson Nygard and seconded by Commissioner Sese to recommend adoption of the City-Wide Urban Forest Management Plan with amendments to include: 1) guidelines regarding working with PG&E for power lines and tree trimming; 2) Slide 14 - Methodology behind numbers; 3) locations where fruit bearing trees could be located; 4) root barriers for all new trees 5) 10-20-30 impact on native trees; and 6) irrigation policy

ensuring trees have an adequate water supply. Roll call found four in favor and one against. Passed and so ordered. (4,0,1)

Approve - Nygard, Kahlon, Sese, Acosta
Oppose - Damasco
Abstain - None

7. NEW BUSINESS

7.A THE COMMISSION, BY MOTION, REVIEW AND APPROVE THE 2023-2024 CALENDAR YEAR REGULAR MEETING SCHEDULE.

Stephanie Reya-Hiestand, Assistant Director Utilities, provided the staff report.

Public Comment:

Anthony Wahhab and Leah Shoaito commented that school ends at 3:55 p.m. and that 7 p.m. meetings work fine. They also request that this committee takes into consideration civic clubs, and school related activities. They inquired about the meeting date in May.

ACTION: Motion was made by Chairperson Nygard and seconded by Commissioner Kahlon to cancel December 2023 and July 2024 meeting, move November 2023 meeting to November 27, 2023 at 7 p.m.. All in favor, passed and so ordered. (5,0,0)

Approve - Nygard, Kahlon, Sese, Acosta, Damasco
Oppose - None
Abstain - None

7.B COMMISSION TO REVIEW AND PROVIDE INPUT ON THE ESC WORKPLAN BASED ON COUNCIL STRATEGIC PRIORITIES

- Sustainability Action Plan
- Environmental Compliance
 - Stormwater Pollution Prevention

Karin Schnaider, Assistant City Manager, provided the staff report.

This is a reoccurring item for board members and public to add items to the agenda. Most items will be 90 days out to allow for review and staff reports. Coordination with an outside department may take longer than 90 days depending on their availability.

Public Comment:

Veronica Vargas requesting optimizing environments, socioeconomic public health benefits. Senator Eggman SB 746 for Valley Link and the installation of the Hydrogen fuel facility in Tracy. Based on this new technology I would suggest this group to research how this affects our environment and the benefits. Creating a fuel income, taking vehicles off the road. TOD has impact of walkability, biking, hydrogen plant and workforce that it will bring.

Jenni Wood commented the housing element has been opened. Is it possible to bring that on an informational basis to this commission make suggestions on the housing

element. Are there any issues that may be detrimental to the environment. Specifically, under the purview of density, permeable roads, and sidewalks, development and overall policies.

ACM Schnaider responded it may be added to the workplan to bring back for comments.

Commission questions and comments followed.

Chair Nygard said she would like to see how to implement SB 746 with Valley Link and Hydrogen fuel facility and SB 335 to allow low-income housing and disadvantaged communities to take advantage of solar energy programs under quality of life and infrastructure.

ACTION: Motion was made by Chairperson Dotty Nygard and seconded by Vice Chairperson James Damasco to amend the ESC Workplan based on Council Strategic Priorities to include SB 355, SB 746/Hydrogen Facility Plant, EIR for Housing Element and commission. All in favor; passed and so ordered. (5,0,0)

Approve - Nygard, Kahlon, Sese, Acosta, Damasco
Oppose - None
Abstain - None

8. STAFF ITEMS

Karin Schnaider, Assistant City Manager, provided the staff report.

The City of Tracy has been working with California League of Cities regarding E-Commerce and tax dollars associated with warehousing in Tracy. Moving from point of sale to destination. We are working on something to start acting in the 12-24 months on the state level. The loss is between \$16-50 million dollars. It is a very significant loss.

9. **ITEMS FROM THE COMMISSION** – Youth commissioner, next steps. Two are selected, the other two will remain on eligibility list. Will move forward once appointed by City Council at their next meeting on November 7, 2023.

10. **ADJOURNMENT** – Time: 9:57 PM.

ACTION: Motion was made by Vice Chairperson Damasco and seconded by Commissioner Kahlon to adjourn. Roll call found all in favor; passed and so ordered. (5,0,0)

Approve - Nygard, Kahlon, Sese, Acosta, Damasco
Oppose - None
Abstain - None



**ENVIRONMENTAL SUSTAINABILITY COMMISSION
SPECIAL MEETING MINUTES**

**NOVEMBER 27, 2023
7:00 PM**

1. CALL TO ORDER:

a. The meeting was called to order by Vice Chairperson Damasco at 7:03 p.m.

2. ROLL CALL:

a. Present: Acosta, Khalon, Sese, Shoiato, Wahhab, Damasco

b. Absent: None.

c. Staff Present: Karin Schnaider, Assistant City Manager
Stephanie Reyna-Hiestand, Assistant Director of Utilities
David Murphy, Assistant Director of Operations
John Newman, Operations Superintendent
Necy Lopez, Deputy City Clerk

d. Recorded by: Carla Sorich, Executive Assistant
Isabel Espinosa, Administrative Technician

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Karin Schnaider.

4. ITEMS FROM THE AUDIENCE

Veronica Vargas welcomed the new youth commissioners and reminded commission members of their role in policy making.

Jennie Wood welcomed the new Youth Commissioners and requested status update of compliance related to SB379 Solar Access Act which provides streamlined permitting.

Dotty Nygard thanked all the commission members for the opportunity to serve on the commission and advised that she had to resign due to conflict of interest with her nonprofit. She reminded the commission that the Food Waste Program for Businesses begins in January 2024.

5. APPROVAL OF 10/26/2023 MEETING MINUTES

5.A Karin Schnaider, Assistant City Manager recommended that the minutes be pulled for corrections and brought back for approval at the January meeting.

ACTION: Motion was made by Vice Chair Damasco and seconded by Commissioner Kahlon to pull minutes from the October 26, 2023, meeting and bring them back for approval at the January meeting. Roll call found all in favor. All in favor, passed and so ordered. (5,0,0)

6. ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

Karin Schnaider, Assistant City Manager reviewed meeting protocols regarding voting on a new chairperson and vice-chairperson.

There were no commissioner questions.

Vice Chair Damasco nominated Commissioner Acosta for Chairperson; Commissioner Acosta seconded.

Commissioner Kahlon nominated Commissioner Sese for Chairperson; Commissioner Shoaito seconded the motion.

No further nominations were made.

ACTION: Motion was made by Commissioner Kahlon and seconded by Commissioner Shoaito for the election of Commissioner Sese for Chairperson of the Environmental Sustainability Commission. Roll call found Commissioners Kahlon, Shoaito, Acosta, and Wahhab in favor, with Vice-Chairperson Damasco opposing. Passed and so ordered. (4, 0, 1)

7. OLD BUSINESS

7.A REVIEW AND UPDATE ESC 2024 WORKPLAN

- Sustainability Action Plan
- Environmental Compliance
 - Stormwater Pollution Prevention

Stephanie Reyna-Hiestand, Assistant Director -Utilities, provided an update to the Commission. On January 26 the Multi Generation Center Energy Efficiencies and SB746 Hydrogen Facility will be presented as informational items. Informational item on February 22 and the Environmental Sustainability Plan will be brought to the March 28, 2024, meeting.

Public Comment:

Veronica Vargas recommended that sustainability regarding irrigation, recycled water, dual usage of retention basins and parks be added to the work plan.

Dotty Nygard suggested that bike lanes and pedestrian paths be added to the Sustainability Action Plan to promote safe modes of transportation.

Commission questions and comments:

Chair Sese requested more information about bike lane and safety be added to the work plan. ACM Karin Schnaider responded it would have to be brought to the Transportation Advisory Committee.

Youth Commissioner Wahhab added when the Sustainability Action Plan is updated, we should add a way to make bikes a more attractive choice to help reduce emissions and improve public health.

Commissioner Kahlon supported Commissioners Wahhab and Sese regarding bike safety and added providing informational materials to the public would be helpful.

AMC Karin Schnaider clarified that the policy of bike lanes and routes are within the purview of the Transportation Advisory Committee. The Sustainability Action Plan is a Planning document, and the ESC works on policies. This item will be brought back in the future after it is discussed with Planning staff and added to the Work Plan.

Commissioner Kahlon requested a report on air quality in the City of Tracy to support the encouragement of riding bikes.

Commissioner Wahhab requested a report on vehicle miles travelled and how it has changed over time. Also, would like demographics included.

Vice Chair Damasco asked if the Bicycle Master Plan includes information about emissions and would it be possible to have it amended.

ACM Karin Schnaider summarized Commissioner comments and action items to be added to the Work Plan: bike lanes policy, air quality monitoring, vehicle use.

Commissioner Kahlon asked for a recap of public comment to add to work plan.

ACM Karin Schnaider summarized stormwater policies, irrigation, and recycled water, EBike policy.

ACTION: Motion was made by Chairperson Sese and seconded by Vice-Chairperson Damasco to update the ESC 2024 Workplan to include:

- AB1389 Food Recovery Program for Businesses
- Compliance related to SB379 Residential Solar Energy Systems
- Sustainability regarding irrigation, recycled water, dual usage of retention basins
- E-Bike policy recommendation to the Transportation Committee.
- Provide an air quality report related to E-Bike policy.

Roll call found all in favor, passed and so ordered. (5,0,0)

8. NEW BUSINESS

8.A SB355 (EGGMAN) MULTIFAMILY AFFORDABLE HOUSING SOLAR ROOFS PROGRAM

Stephanie Reyna-Hiestand, Assistant Director – Utilities, provided the informational update.

Commission questions and comments followed.

Commissioner Kahlon asked what the next steps would be to benefit the community and if we could send any informational flyers out.

Stephanie Reyna-Hiestand responded there isn't anything the City is able to do. Residents would have to work with local solar providers and power providers to find assistance, if funds are available.

ACM Karin Schnaider also commented that the solar providers typically work with their clients to determine any rebates available to property owners.

Public comment:

Veronica Vargas commented that PG&E has a designated representative for the City of Tracy and inquired if they could be contacted for a presentation on this subject. She also commented that there is not a lot of affordable housing available in Tracy.

Jenny Wood commented that the Commission should request a report of multifamily affordable housing available in Tracy and send out communication to promote this program. Specifically with public housing providers.

Benjamin commented on the importance of affordable housing, as housing in Tracy is as expensive as larger cities like San Francisco.

Dotty Nygard commented that municipal buildings should utilize grant money and transition to solar. She also suggested obtaining a report on grants that the City would qualify for.

Vice Chair Damasco asked what role the City would play in the solar program.

ACM Karin Schnaider clarified that it is an informational item, and it would not lead to policy.

Commissioner Shoaito asked if we could share information about the solar program.

ACM Karin Schnaider clarified it is an operational item and the Commission cannot direct staff or assign work.

ACTION: Informational item – does not require vote

9. STAFF ITEMS (VERBAL REPORT)

Karin Schnaider, Assistant City Manager, shared that during the January meeting, we will have an appointment from the eligibility list to fill a commissioner vacancy. Also, Tracy is the home of the first carbon capture facility, Heirloom Carbon Technologies, and they have offered to do an informational presentation to this Commission.

10. ITEMS FROM THE COMMISSION

Commissioner Wahhab commented he would like to see a report on affordable housing, how many homes qualify, rezoning of areas, grants for funding energy and solar related projects for municipal building.

Commissioner Acosta asked, relating to SB355, how many mobile home parks are in Tracy.

Commissioner Kahlon welcomed the two new youth commissioners and congratulated Chair Sese. She recommended the City look into additional grants for solar for municipal buildings. She also suggested collaborating with Chamber of Commerce on new mandate regarding food waste and using the app Too Good To Go. She also recommended creating an Ad Hoc committee to address and review the Sustainability Action Plan.

ACM Karin Schnaider reviewed meeting protocols with the Commission and clarified that one Commissioner cannot add anything to the work plan themselves, but with a second motion to have it added.

Vice Chair Damasco asked to review the East Bay Community Energy relationship with the City of Tracy during the January meeting.

Commissioner Shoaito suggested that information regarding AB1389 and the Too Good To Go app be added to the Work Plan.

11. ADJOURNMENT – Time: 8:20 PM

ACTION: Motion was made by Sese and seconded by Vice Chair Damasco to adjourn. Roll call found all in favor; passed and so ordered. (5,0,0)

CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
January 25, 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 agenda item is to collect any comments on the recirculated draft EIR chapters from the Environmental Sustainability Commission (ESC), general 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 the air quality and greenhouse gas data related 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 is bringing this matter to the Environmental Sustainability Commission at the January 25, 2024, meeting to collect comments on the document. 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.

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

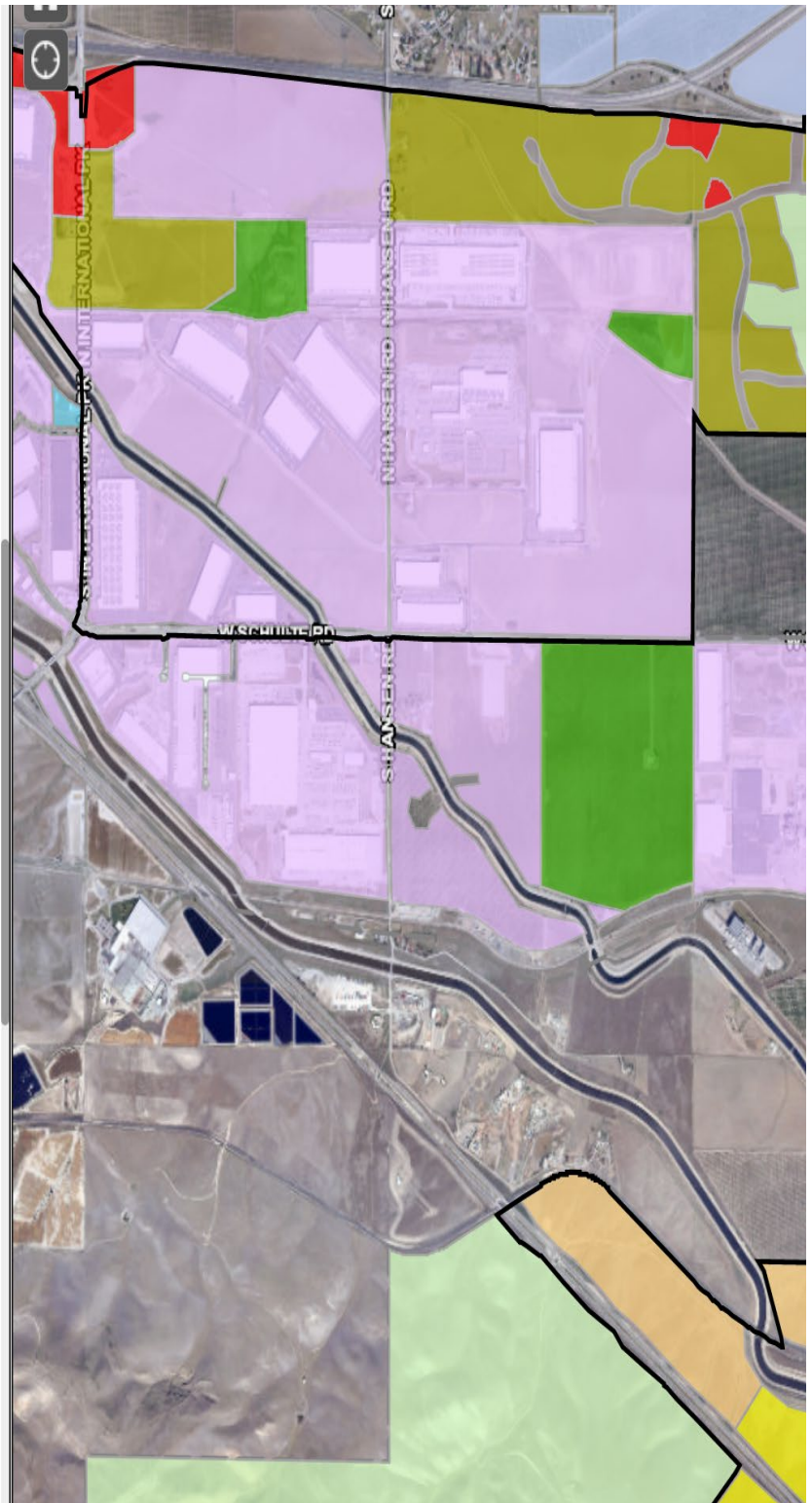
Attachment A – Location Map

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

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

ATTACHMENT 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**



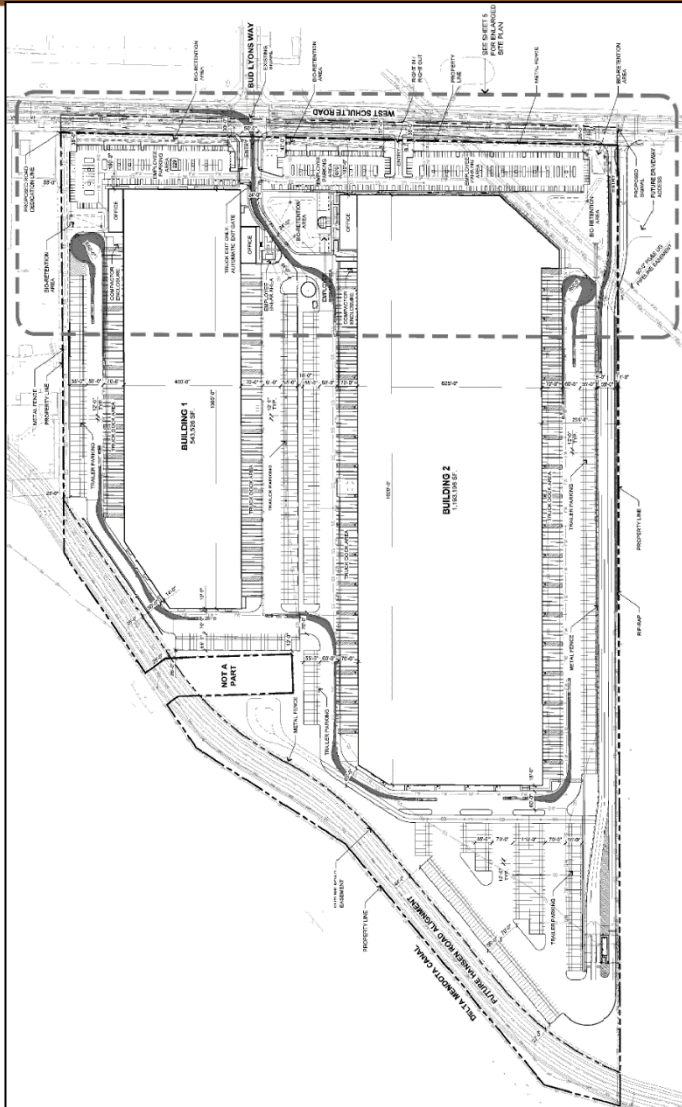
Environmental Sustainability Commission
Tracy Costco Depot Annex
Recirculated Draft Environmental Impact Report

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

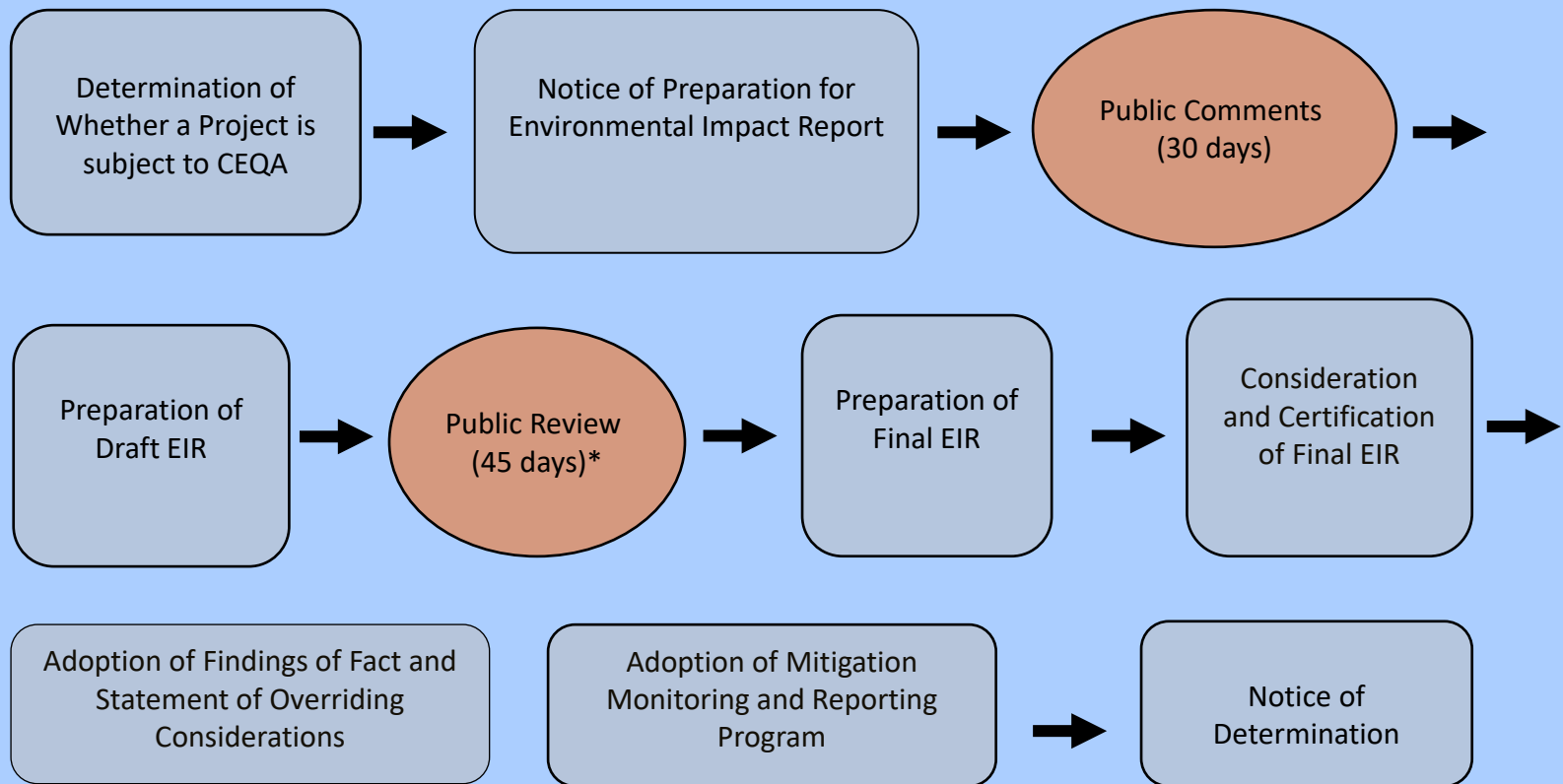
- Notice of Preparation and Initial Study: August 28, 2020
 - Public Scoping Meeting: September 9, 2020
 - Public Comment Period: August 28 – September 30, 2020
- Draft EIR: September 16, 2022
 - Public Comment Period: September 16 – October 31, 2022
- Recirculated Draft EIR: December 22, 2023
 - Public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



CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
January 25, 2024

AGENDA ITEM 6.B

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION REVIEW AND APPROVE AN UPDATE TO THE 2024 ENVIRONMENTAL SUSTAINABILITY COMMISSION WORKPLAN WITH ACTION ITEMS FROM PRIOR MEETINGS

EXECUTIVE SUMMARY

The commission and public make recommendations each meeting that are moved forward and approved for submission to the Environmental Sustainability Commission annual workplan. There were five (5) items moved forward from the November 27, 2023, ESC meeting under Item 7.A which have been updated to the workplan and require approval by the commission. This item requests that the ESC review and approve the updates to the ESC workplan from the November ESC meeting.

DISCUSSION

During the November 27, 2023, Environmental Sustainability Commission (ESC) meeting, there was discussion and comment from both the Commission and the public regarding various topics. Under Item 7.A, a motion was made and favorably passed to update the ESC 2024 Workplan to include the following:

- AB1389 Food Recovery Program for Businesses
- Compliance related to SB379 Residential Solar Energy Systems
- Sustainability regarding irrigation, recycled water, dual usage of retention basins
- E-Bike policy recommendation to the Transportation Committee.
- Provide an air quality report related to E-Bike policy.

Staff has updated the workplan to include a presentation from the City of Tracy Operations Division (Connie Lopes) at the February 22, 2024, meeting on the AB1389 Food Recovery Program for Businesses. There will also be a presentation at that meeting on the City's compliance with SB379 Residential Solar Permit Reporting from staff.

The workplan also includes a change in the presentation schedule for the January 25, 2024, meeting. The Parks and Recreation Department informed they could not conduct their presentation on the Multi-Generational Recreation Center on this date and asked to move it on the workplan to March. It is now scheduled for presentation on March 28, 2024.

A second table has been added to the workplan in a new tab identifying action items from prior meetings that are To Be Scheduled (TBS), the status of the item, and the date it was requested. Three of the items identified to be added to the workplan from the November meeting are contained in this new section. Those items are in progress but not scheduled for a meeting pending availability of the agency, department, or division to present or supply the information necessary to report out. The three items TBS are:

- Sustainability regarding irrigation, recycled water, dual usage of retention basins
- E-Bike policy recommendation to the Transportation Committee.

- Provide an air quality report related to E-Bike policy.

These items will be scheduled for a future meeting once the information is obtained or the presenter has identified a future meeting that they are available.

RECOMMENDATION

The Environmental Sustainability Commission review and approve an update to the 2024 Environmental Sustainability Commission workplan with action items from prior meetings.

Prepared by: Stephanie Reyna-Hiestand, Assistant Director of Utilities

Reviewed by: Karin Schnaider, Assistant City Manager

ATTACHMENT

2024 Environmental Sustainability Commission Workplan

Agenda Item 6.B

MEETING DATE	DISCUSSION ITEMS	COUNCIL STRATEGIC PRIORITY RELATION	TASKS/ACTION	ASSIGNMENT / SUBCOMMITTEE	TIMELINE	STATUS
2024						
January 25, 2024	SB746 - CALIFORNIA GREEN HYDROGEN AND RAIL AUTHORITY	Transportation	Informational Item	Stephanie Reyna-Hiestand	One-Time	
	ESC CONDUCT A PUBLIC MEETING TO SOLICIT COMMENTS ON THE RECIRCULATED DRAFT EIR FOR THE TRACY COSTCO DEPOT ANNEX PROJECT	Good Governance	Action - Conduct a Public Meeting and solicit comments	William Dean/Victoria Lombardo	One-Time	
	ESC WORKPLAN FOR CY 2024	Good Governance	Action - Review and Approve	ESC	monthly	on-going
FEBRUARY 22, 2024	SUSTAINABILITY ACTION PLAN	Quality of Life	Informational Item	Planning Division	One-Time	
	HEIRLOOM - CARBON CAPTURE FACILITY AND SUSTAINABILITY	Quality of Life	Informational Item	HEIRLOOM - BICKRUM	One-Time	
	SB379 RESIDENTIAL SOLAR PERMIT REPORTING COMPLIANCE.	Quality of Life	Informational Item	Building Permit Division	One-Time	
	SB1383 JURISDICTIONAL FOOD RECOVERY PROGRAM	Quality of Life	Informational Item	Operations Division - Connie Lopes	One-Time	
	ESC WORKPLAN FOR CY 2024	Good Governance	Action - Review and Approve	ESC	monthly	on-going
MARCH 28, 2024	ESC WORKPLAN FOR CY 2024	Good Governance	Action - Review and Approve	ESC	monthly	on-going
	MULTI-GENERATIONAL RECREATION CENTER - SUSTAINABLE PRACTICES	Quality of Life Good Governance	Informational Item	Richard Joaquin	One-Time	
APRIL 25, 2024	INFORMATIONAL ITEM PRESENTATION - ENV. COMP AND SWPPP	Quality of Life Good Governance	Informational Item	Stephanie Reyna-Hiestand/Tasha Cheney	One-Time	
	ESC WORKPLAN FOR CY 2024	Good Governance	Action - Review and Approve	ESC	monthly	on-going
MAY 23, 2024						
	ESC WORKPLAN FOR CY 2024	Good Governance	Action - Review and Approve	ESC	monthly	on-going
JUNE 27, 2024						

CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
January 25, 2024

AGENDA ITEM 7.A

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION ACCEPT AN INFORMATIONAL REPORT ON SENATE BILL 746 (SB 746 – EGGMAN): ENERGY CONSERVATION CONTRACTS: ALTERNATE ENERGY EQUIPMENT: GREEN HYDROGEN: TRI-VALLEY-SAN JOAQUIN VALLEY REGIONAL RAIL AUTHORITY.

EXECUTIVE SUMMARY

On October 26, 2023, a motion was passed to add an informational item related to SB 746 (Eggman) to the Commission's workplan. Informational only items will be presented to the Commission as they relate to the Council's Strategic Priorities and their alignment with the City's adopted legislative platform. SB 746 (Eggman) authorizes the Tri-Valley San Joaquin Valley Regional Rail Authority (TVSJVRRA) to enter into contracts related to green electrolytic hydrogen and became effective on January 1, 2024. This item was determined by the City's consultant, Townsend Public Affairs, Inc. (Townsend) to align with the City's adopted legislative platform statement no. 64, which states, "*Support the preservation and expansion of transportation grant funding opportunities to help incorporate new transportation technologies and practices into local transportation networks.*"

DISCUSSION

During the October 26, 2023, Environmental Sustainability Commission (ESC) meeting, there was discussion and comment from both the Commission and the public regarding SB 746 (Eggman). The Commission requested that staff bring back an informational report on SB 746 (Eggman) and it was added to the ESC Workplan. All informational items requested for this Commission will be presented as they relate to the Council's Strategic Priorities and alignment with the City's adopted legislative platform. Staff requested the City's legislative consultant to analyze SB 746 (Eggman), summarize the bill, determine if it aligns with the City's adopted legislative platform and submit a report. The attached report from Townsend Public Affairs, Inc. provides that information.

In the report, Townsend provided background informing that existing law authorizes local governments to enter into energy service contracts intended to provide favorable financing for energy conservation projects. To address limited public transit options and expanding commuter traffic, the legislature passed AB 758 (Eggman) that created the TVSJVRRA to oversee the creation of a connecting service between the Bay Area Rapid Transit and Altamont Corridor Express. In 2022, the TVSJVRRA purchased land from the City intended for development of a hydrogen facility to provide the power for the Valley Link rail system and fuel other hydrogen fuel cell vehicles and trucks.

Townsend further summarized the bill informing that it was a new, narrow authorization for the TVSJVRRA to enter into contracts related to green electrolytic hydrogen. However, there is existing law that may already permit local governments to enter into contracts for hydrogen energy services. As a result, it is not clear that this bill limits energy service contracts for hydrogen to only green electrolytic hydrogen in all cases, and it is not clear that the TVSJVRRA is the only local entity that may enter into contracts for hydrogen services. However, as SB 746 (Eggman) aligns with statement no. 64, given that it expands access to

new transportation technologies for the Tri-Valley San Joaquin Valley Regional Rail Authority, and specifically aides the use of green electrolytic hydrogen via the City's development agreement with Linde Engineering. This measure could provide sizable economic benefits to the City of Tracy, should it serve as the development hub for hydrogen for procurement from the Tri-Valley San Joaquin Valley Regional Rail Authority Rail Authority.

RECOMMENDATION

Environmental Sustainability Commission accept an informational report on Senate Bill 746 (SB 746 – Eggman): Energy conservation contracts: alternate energy equipment: green hydrogen: Tri-Valley-San Joaquin Valley Regional Rail Authority.

Prepared by: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Reviewed by: Karin Schnaider, Assistant City Manager

ATTACHMENT

Townsend Public Affairs, Inc. Memorandum on SB 746 (Eggman)

MEMORANDUM

To: City of Tracy

From: Townsend Public Affairs, Inc.

Date: January 17, 2024

Subject: SB 746 (Eggman): Energy conservation contracts: alternate energy equipment: green hydrogen: Tri-Valley-San Joaquin Valley Regional Rail Authority.

On October 7, 2023, the Governor signed SB 746 (Eggman), into law. The bill authorizes the Tri-Valley San Joaquin Valley Regional Rail Authority to enter into contracts related to green electrolytic hydrogen. SB 746 became effective January 1, 2024.

Background

Existing law authorizes local governments to enter into energy service contracts as part of broader state policy to encourage energy savings and reduced fossil fuel use by local governments. These contracts are intended to provide local agencies with favorable financing terms for energy conservation projects by allowing these agencies to justify upfront expenditures on energy conservation projects through projected energy savings and avoided costs. Many local governments have used these contracts to facilitate energy efficient building retrofits and on-site generation.

To address the limited public transit options and growth of commuters traveling between the San Joaquin Valley and the Bay Area, the Legislature previously passed AB 758 (Eggman, Statutes of 2017) to create the Tri-Valley San Joaquin Valley Regional Rail Authority and tasked the authority with overseeing the creation of connecting service between the Bay Area Rapid Transit (BART) and Altamont Corridor Express (ACE), known as Valley Link.

In 2022, the Tri-Valley San Joaquin Valley Regional Rail Authority purchased a parcel of land in the city of Tracy and entered into an agreement with Linde Engineering to plan the development of an electrolytic hydrogen facility that can provide power for the Valley Link rail system and also fuel other hydrogen fuel cell transit vehicles and trucks.

SB 746 provides a new, narrow authorization for the Tri-Valley San Joaquin Valley Regional Rail Authority to enter into contracts related to green electrolytic hydrogen. However, this bill does not modify existing law that may already permit local governments to enter into contracts for hydrogen energy services. As a result, it is not clear that this bill limits energy service contracts for hydrogen to only green electrolytic hydrogen in all cases, and it is not clear that the Tri-Valley San Joaquin Valley Regional Rail Authority is the only local entity that may enter into contracts for hydrogen services.

Alignment with Legislative Platform

The City's adopted legislative platform includes statement no. 64, which states, *"Support the preservation and expansion of transportation grant funding opportunities to help incorporate new transportation technologies and practices into local transportation networks."*

SB 746 aligns with this policy statement, given that it expands access to new transportation technologies for the Tri-Valley San Joaquin Valley Regional Rail Authority, and specifically aides the use of green electrolytic hydrogen via the City's development agreement with Linde Engineering. This measure could provide sizable economic benefits to the City of Tracy, should it serve as the development hub for hydrogen for procurement from the Tri-Valley San Joaquin Valley Regional Rail Authority Rail Authority.