

## NOTICE OF A REGULAR MEETING

Pursuant to Section 54954.2 of the Government Code of the State of California, a Regular meeting of the City of Tracy Planning Commission is hereby called for:

**Date/Time:** Wednesday, May 13, 2015  
7:00 P.M. (or as soon thereafter as possible)

**Location:** City of Tracy Council Chambers  
333 Civic Center Plaza

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the Planning Commission on any item, before or during consideration of the item, however no action shall be taken on any item not on the agenda.

### REGULAR MEETING AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

MINUTES APPROVAL

DIRECTOR'S REPORT REGARDING THIS AGENDA

ITEMS FROM THE AUDIENCE - *In accordance with Procedures for Preparation, Posting and Distribution of Agendas and the Conduct of Public Meetings, adopted by Resolution 2015-052 any item not on the agenda brought up by the public at a meeting, shall be automatically referred to staff. If staff is not able to resolve the matter satisfactorily, the member of the public may request a Commission Member to sponsor the item for discussion at a future meeting.*

1. OLD BUSINESS – None.
2. NEW BUSINESS
  - A. PUBLIC HEARING TO CONSIDER AN APPLICATION FOR A PRELIMINARY AND FINAL DEVELOPMENT PLAN TO CONSTRUCT A 795,732 SQUARE FOOT INDUSTRIAL DISTRIBUTION BUILDING WITH CORRESPONDING PARKING AND LANDSCAPE IMPROVEMENTS AND TO CONSIDER AN AMENDMENT TO THE I-205 SPECIFIC PLAN REGARDING BUILDING HEIGHT, LOCATED AT 8450 ARBOR AVENUE - APPLICANT IS DCT INDUSTRIAL OPERATING LLC; OWNERS ARE GREGG AND ROBERT CHRISTENSEN- APPLICATION NUMBERS D14-0028 AND SPA14-0002
3. ITEMS FROM THE AUDIENCE
4. DIRECTOR'S REPORT
5. ITEMS FROM THE COMMISSION
6. ADJOURNMENT

Posted: **May 7, 2015**

Planning Commission Agenda

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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 (209-831-6000), at least 24 hours prior to the meeting.

Any materials distributed to the majority of the Planning Commission regarding any item on this agenda will be made available for public inspection in the Development Services Department located at 333 Civic Center Plaza during normal business hours.

**MINUTES**  
**TRACY CITY PLANNING COMMISSION**  
**WEDNESDAY, MARCH 25, 2015**  
**7:00 P.M.**  
**CITY OF TRACY COUNCIL CHAMBERS**  
**333 CIVIC CENTER PLAZA**

**CALL TO ORDER** - Chair Orcutt called the meeting to order at 7:00 p.m., and led the Pledge of Allegiance.

**ROLL CALL** - Roll Call found Commissioners Ransom, Sangha, Tanner, Vice Chair Mitracos and Chair Orcutt, present. Also present were staff members Bill Dean, Assistant Development Services Director; Victoria Lombardo, Senior Planner; Scott Claar, Associate Planner; Bill Sartor, Assistant City Attorney; and Sandra Edwards, Recording Secretary.

**MINUTES APPROVAL** – It was moved by Commissioner Ransom and seconded by Commissioner Tanner to approve the minutes of January 28, 2015, as amended. Voice vote found all in favor; passed and so ordered.

**DIRECTOR’S REPORT REGARDING THIS AGENDA** – None.

**ITEMS FROM THE AUDIENCE** – None.

1. **OLD BUSINESS** – None.

2. **NEW BUSINESS**

- A. PUBLIC HEARING TO CONSIDER AN APPLICATION FOR A CONDITIONAL USE PERMIT TO ALLOW FOR THE INSTALLATION OF 60-FOOT TALL LIGHT POLES IN THE TRUCK COURTS AT THE FEDEX FACILITY LOCATED AT 120 S. HANSEN ROAD – APPLICANT IS PICKERING FIRM, INC. AND OWNER IS FEDEX GROUND- APPLICATION NUMBER CUP15-0001 – Victoria Lombardo, Senior Planner, provided the staff report.

Chair Orcutt opened the public hearing. There was no one wishing to address the Commission on the item.

Vice Chair Mitracos asked how far the project was from I-205. Ms. Lombardo stated the southern boarding street is Old Schulte Road, near the existing fire station.

Chair Orcutt stated he had provided a handout to the Commission regarding lighting standards for public parking lots.

**ACTION** It was moved by Vice Chair Mitracos and seconded by Commissioner Ransom that the Planning Commission approve the Conditional Use Permit application to allow for the installation of 60-foot tall light poles at 120 S. Hansen Road, Assessor Parcel Number 209-220-10 and 11, Application Number CUP15-0001, subject to the conditions and based on the findings contained in the Planning Commission Resolution. Voice vote found all in favor; passed and so ordered.

- B. PUBLIC HEARING TO CONSIDER A RENEWAL/EXTENSION OF THE CONDITIONAL USE PERMIT APPROVAL FOR APPLICATION NUMBER CUP13-0007 TO ALLOW THE CONSTRUCTION OF A NEW TELECOMMUNICATION FACILITY IN THE FORM OF A PINE TREE, KNOWN AS A MONOPINE, AND FOUR APPROXIMATELY 230 SQUARE FOOT EQUIPMENT SHELTERS, LOCATED APPROXIMATELY 1,000 FEET WEST OF CORRAL HOLLOW ROAD, SOUTH OF W. SCHULTE ROAD, ASSESSOR'S PARCEL NUMBER 240-010-07. APPLICANT IS SAC WIRELESS REPRESENTING AT&T AND SBA. PROPERTY OWNER IS THE UNION PACIFIC RAILROAD COMPANY - APPLICATION NUMBER EXT15-0002 – Scott Claar, Associate Planner, provided the staff report.

Commissioner Ransom asked if there were delays on the part of the City or the applicant. Mr. Claar indicated revisions were provided to the City and there was a delay in providing comments to the applicant. Mr. Claar added that the applicant also had changes in staffing which took the applicant some time to respond.

Vice Chair Mitracos asked if this application was unchanged from the original application. Mr. Claar stated yes.

Chair Orcutt opened the public hearing. There was no one wishing to address the Planning Commission on the item.

**ACTION:** It was moved by Commissioner Ransom and seconded by Commissioner Sangha that the Planning Commission approve a renewal/extension of the Conditional Use Permit approval for Application Number CUP13-0007 to allow the construction of a new telecommunication facility in the form of a pine tree, known as a monopine, and four approximately 230 square foot equipment shelters, located approximately 1,000 feet west of Corral Hollow Road and approximately 130 feet south of W. Schulte Road, Assessor's Parcel Number 240-010-07, Application Number EXT15-0002, based on the findings and subject to the conditions contained in the Planning Commission Resolution. Voice vote found all in favor; passed and so ordered.

3. ITEMS FROM THE AUDIENCE – None.

4. DIRECTOR'S REPORT

- A. CITY COUNCIL DIRECTION REGARDING PLANNING COMMISSION MINUTES – Bill Dean, Assistant Development Services Director, provided the staff report.

Vice Chair Mitracos stated he assumed the policy only related to the City Council.

Commissioner Ransom stated she would object because of the availability of digital recordings, adding that a summary does not provide enough information or the rationale for decisions that are made.

Vice Chair Mitracos voiced concerns regarding the availability of a recording.

5. ITEMS FROM THE COMMISSION – Chair Orcutt referred to the handout he provided to the Commission regarding light standards. Chair Orcutt also reminded the Commissioners of the due date for their Form 700's.
6. ADJOURNMENT – It was moved by Vice Chair Mitracos and seconded by Commissioner Sangha to adjourn. Voice vote found all in favor; passed and so ordered.

Time: 7:25 p.m.

The above are action minutes. A recording is available at the Development Services Department.

**TRACY PLANNING COMMISSION  
SPECIAL MEETING MINUTES  
WEDNESDAY, MARCH 25, 2015 - 7:15 P.M.  
CITY OF TRACY COUNCIL CHAMBERS  
333 CIVIC CENTER PLAZA**

1. **CALL TO ORDER** - Chair Orcutt called the meeting to order at 7:35 p.m.
2. **ROLL CALL** - Roll Call found Commissioners Ransom, Sangha, Tanner, Vice Chair Mitracos and Chair Orcutt, present. Also present were staff members Bill Dean, Assistant Development Services Director; Scott Claar, Associate Planner; and Bill Sartor, Assistant City Attorney.
3. **ITEMS FROM THE AUDIENCE** – None.
4. **STUDY SESSION TRACY HILLS PROJECT** – Bill Dean, Assistant Development Services Director, provided introductory remarks regarding the project.

Scott Claar, Associate Planner, provided an outline of the various applications involved with the project and a history of the study sessions to date.

John Palmer and Drew Kusnick, representing Tracy Hills, provided information regarding the Tracy Hills Specific Plan and Phase 1 of the project. Commission comments and questions followed related to application processing, changing concepts, infrastructure, water resources, property taxes, project goals in relation to General Plan policies, timing for high density housing, lot sizes, scenic highways, landscape plants, and cultural resources

Property owners/residents expressed concern regarding road placement, housing density, water retention, and the cost of utility connections.

This was a workshop; therefore, no action was required.

5. **ADJOURNMENT** – The Planning Commission adjourned the meeting at 9:14 p.m.

The above are action minutes. A recording is available at the Development Services Department.

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CHAIR

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STAFF LIAISON

AGENDA ITEM 2-A

REQUEST

**PUBLIC HEARING TO CONSIDER AN APPLICATION FOR A PRELIMINARY AND FINAL DEVELOPMENT PLAN TO CONSTRUCT A 795,732 SQUARE FOOT INDUSTRIAL DISTRIBUTION BUILDING WITH CORRESPONDING PARKING AND LANDSCAPE IMPROVEMENTS AND TO CONSIDER AN AMENDMENT TO THE I-205 CORRIDOR SPECIFIC PLAN REGARDING BUILDING HEIGHT, LOCATED AT 8450 ARBOR AVENUE - APPLICANT IS DCT INDUSTRIAL OPERATING LLC; OWNERS ARE GREGG AND ROBERT CHRISTENSEN- APPLICATION NUMBERS D14-0028 AND SPA14-0002**

DISCUSSION

Background

In 1990, the City Council adopted the I-205 Corridor Specific Plan within which the project area is located. The site is Zoned Planned Unit Development (PUD), and is designated Industrial by the General Plan, and Light Industrial by the Specific Plan.

Summary

Staff is requesting that the Planning Commission review and make recommendations for two actions on this project to the City Council as follows:

1. I-205 Corridor Specific Plan amendment to change the maximum allowable building height within the plan area for industrial buildings from 40 feet to 50 feet.
2. Preliminary and Final Development Plan approval for the construction of the industrial building and all of its related site improvements.

Site and Project Area Description

The project site is located east of Mac Arthur Drive, bordered on the north by Arbor Avenue and on the south by I-205 (Attachment A). The site is designated Light Industrial by the I-205 Corridor Specific Plan. The adjacent parcel to the west is also designated Light Industrial by the Specific Plan. To the north and east of the project is land outside of the current City Limits. The properties to the south of the project across the freeway are also within the I-205 Specific Plan and are designated General Commercial. Part of that area is developed with the outlet center (recently renamed to Shops at Northgate Village) and the remainder is vacant for the future expansion of the center.

Land Use

The project consists of the construction of a 795,732 square foot industrial distribution building with office areas, and the necessary parking and landscaping improvements (Attachment B). The tenant(s) of the building is not known at this time, and the building is designed with the vast majority of the floor plan for storage/distribution, with the ability to

have office areas at all four corners of the building, depending on the number of tenants that may occupy the building. The auto parking on the site is also designed in a manner to accommodate multiple tenants as necessary.

This is the first industrial building application to be considered within the I-205 Corridor Specific Plan area. When the plan was adopted 25 years ago, it included commercial, residential and industrial land use categories. Much of the Specific Plan area has been developed with a variety of land uses. The western portion of the plan area includes the West Valley Mall and its surrounding commercial uses, the Auto Plaza, The Pavilion, Tracy Marketplace, and residential units, including houses and apartments on the south side of the freeway and the Aspire Apartments under construction on Pavilion Parkway. The eastern portion of the I-205 Specific Plan allows for commercial and industrial uses, with the outlet center and the Chevron station at MacArthur Drive and Pescadero Avenue being the only sites developed thus far. The proposed industrial building is well suited for this location, as the site is located within the Light Industrial area of the I-205 Specific Plan in an area where roadways and infrastructure have been designed for industrial development. The surrounding sites are planned for similar uses.

The project, as proposed, has an overall floor area ratio (FAR) of 46.1 percent. This is in compliance with the I-205 Specific Plan's maximum FAR of 50 percent.

#### Architecture and Building Height

The proposed building is comprised primarily of concrete tilt-up panels and is enhanced with accent colors, reveals, glass features at each corner, as well as additional glazing on the south side of the building, visible from I-205 (Attachments B and C). The variation in the roofline, as well as the façade breaks at each office area help to add visual interest to the large building.

The roofline of the building varies in height, with vertical relief added by false parapets being stepped up and down in several locations, most noticeably at the corners, with the office areas of the buildings. The variation of architectural features adds visual interest to the buildings from each elevation view, as the reveals and accent colors have been carried around all four sides of the building.

The height of the building ranges from approximately 40 feet at the lowest point, to 44 feet at the highest point. This exceeds the 40 maximum height requirement as established by the I-205 Corridor Specific Plan in 1990. The applicant has requested an amendment to the I-205 Corridor Specific Plan standard to accommodate their building height. This additional height is requested because the building must be designed for typical warehouse use, which requires an internal clear height of 40 feet. The height requirement is exceeded because exterior parapet walls are given height to ensure both visual interest and the screening of roof-mounted equipment. Also, in recent years, the internal clear height for these typical distribution uses has increased industry-wide, resulting in the City approving taller building heights in both the Northeast Industrial Specific Plan area as well as in the Cordes Ranch Specific Plan area. Staff agrees with the rationale provided by the applicant and recommends approval of the amendment in building height, to apply throughout the I-205 Corridor Specific Plan area, as all warehouse buildings will have the same building height needs. Additionally, although the



applicant's proposed building only reaches a height of 44 feet, staff recommends increasing the allowable building height within the I-205 Specific Plan to 50 feet for industrial uses, in order to accommodate other potential industrial users in the future without undergoing further amendments to the plan.

In order to ensure that this large building does not create any negative visual impacts within the city, particularly along I-205, staff has worked with the applicant to design the project in a way that minimizes its industrial appearance. First, the building's office areas, one at each corner, are enhanced with façade breaks, a variation in building height, accent colors, glass, and awnings. In an effort to call attention to these enhanced corners and minimize the other less interesting portions of the large building, the landscape plan has been designed in a manner to provide screening of much of the building, with clusters of trees along I-205, while maintaining a more open view shed at the corners, where the entries and all of their features can be emphasized. Because the landscaping along I-205 is not intended to entirely screen the building, the freeway-facing façade has also been enhanced with additional glass in some of the panels.

The most notable design feature that minimizes the industrial feel of this distribution center project from the public view is that all of the dock doors and trucks will be screened from view of the freeway. The site plan (Attachment B) shows a concrete wall (recommended by staff to match in color and design with the building) that will screen the dock doors and the trucks from I-205. On the east, most exposed side of the site which is the eastern edge of the City Limits north of I-205, this wall will extend from the south end of the building approximately 500 feet to the north, screening most of the building, with the remainder of the exposed dock doors to be screened with a tube steel fence and landscaping. Along the west side of the building, where additional commercial and industrial buildings are ultimately expected to abut this site, the proposed screen wall will be placed only at the southwest corner of the building, with tube steel fencing and landscaping to screen the remainder of the building.

#### Landscape Areas

As shown on the preliminary landscape plan (Attachment B), the landscape areas proposed meet the requirements of Tracy Municipal Code Section 10.08.3560, and the requirements of the I-205 Specific Plan.

A combination of trees, shrubs and groundcover are proposed for the landscape areas. A recommended condition of approval requires the developer to submit a detailed landscape and irrigation plan for approval by the Development Services Director prior to the issuance of any building permits. All landscape and irrigation improvements are to be designed and installed in compliance with the requirements of the Water Efficient Landscape Guidelines, Tracy Municipal Code, I-205 Specific Plan, and all other applicable City standards. In addition, a recommended condition of approval requires that prior to the issuance of any building permits, an Agreement for Maintenance of Landscape and Irrigation Improvements is to be executed, and financial security submitted to the Development Services Department. The agreement will ensure maintenance of the on-site landscape and irrigation improvements for a period of two years.

### Parking and Circulation

The site will utilize two driveways on Arbor Avenue, both of which will allow for automobile and truck access. Parking is distributed throughout the project site to accommodate the parking needs of the proposed building. The parking spaces proposed are based on the potential for multiple tenants, each with office areas to occupy the building, and the proposed number of parking spaces is in compliance with the I-205 Corridor Specific Plan for warehouse and accompanying office uses as shown. The site plan provides for adequate circulation movements on the site for employees and customer parking, as well as truck traffic (Attachment B).

### Environmental Document

The project is consistent with the Environmental Impact Report (EIR) that was prepared for the General Plan and certified on February 1, 2011. In accordance with CEQA Guidelines Section 15183, no further environmental assessment is required. An analysis of the project shows that there will be no significant on or off-site impacts as a result of this particular project that were not already discussed in the General Plan EIR. There is also no evidence of any significant impacts to occur off-site as a result of the project, including the proposed increase in height, as traffic, air quality, aesthetics, land use and other potential cumulative impacts have already been considered within the original environmental documentation. No new evidence of potentially significant effects has been identified as a result of this project.

### RECOMMENDATION

Staff recommends that the Planning Commission recommend that the City Council approve:

1. A minor amendment to the I-205 Corridor Specific Plan for building height to a maximum of 50 feet, Application Number SPA15-0002, subject to the conditions and based on the findings contained in the Planning Commission Resolution (Attachment D) dated May 13, 2015; and
2. The PUD Preliminary and Final Development Plan to develop a 795,732 square foot industrial distribution facility on a 39.58-acre site, and, located at 8450 Arbor Avenue, Application Number D14-0028, subject to the conditions and based on the findings contained in the Planning Commission Resolution (Attachment E) dated May 13, 2015.

### MOTION

Move that the Planning Commission recommend that the City Council approve:

1. A minor amendment to the I-205 Specific Plan for building height to a maximum of 50 feet, Application Number SPA15-0002, subject to the conditions and based on the findings contained in the Planning Commission Resolution (Attachment D) dated May 13, 2015; and
2. The PUD Preliminary and Final Development Plan to develop a 795,732 square foot industrial distribution facility on a 39.58-acre site, and, located at 8450 Arbor Avenue,

Application Number D14-0028, subject to the conditions and based on the findings contained in the Planning Commission Resolution (Attachment E) dated May 13, 2015.

Prepared by Victoria Lombardo, Senior Planner

Reviewed by Alan Bell, Interim Assistant Development Services Director

Approved by Bill Dean, Interim Development Services Director

ATTACHMENTS

- A— Location Map
- B— Site Plan, Floor Plans, Elevations, Landscape Plan
- C— Color Elevations
- D— Planning Commission Resolution for I-205 Specific Plan Amendment
- E— Planning Commission Resolution for PDP/FDP approval



**LOCATION MAP (8450 ARBOR AVE, TRACY, CA 95304)**

RESOLUTION 2015-\_\_\_\_\_

PLANNING COMMISSION RECOMMENDING CITY COUNCIL APPROVAL OF THE SPECIFIC PLAN AMENDMENT FOR MAXIMUM BUILDING HEIGHT THROUGHOUT THE I-205 CORRIDOR SPECIFIC PLAN AREA AND TO ALLOW FOR A MAXIMUM BUILDING HEIGHT OF 50 FEET FOR INDUSTRIAL BUILDINGS - APPLICATION NUMBER SPA15-0002

WHEREAS, The I-205 Corridor Specific Plan was approved by the City Council in 1990, and established the goals and standards and land uses for development within the area, and

WHEREAS, DCT Industrial Operating LLC, submitted an application for a Planned Unit Development Preliminary and Final Development Plan review (Application Number D14-0028) for a 795,732 square foot industrial building on December 29, 2014, and

WHEREAS, DCT Industrial Operating LLC, submitted an application for an amendment to the I-205 Corridor Specific Plan with regard to industrial building height (Application Number SPA15-0002) on April 29, 2015, and

WHEREAS, An amendment to the I-205 Corridor Specific Plan is required in order to approve the above project, including increasing the maximum height requirement for industrial buildings from 40 feet to 50 feet, and

WHEREAS, The Planning Commission conducted a public hearing to review and consider the applications on May 13, 2015;

NOW, THEREFORE BE IT RESOLVED, That the Planning Commission recommends that the City Council approve a Specific Plan Amendment increasing the maximum building height from 40 feet to 50 feet throughout the I-205 Corridor Specific Plan, Application Number SPA15-0002.

\* \* \* \* \*

The foregoing Resolution 2015-\_\_\_\_\_ was adopted by the Planning Commission on the 13<sup>th</sup> day of May, 2015, by the following vote:

AYES: COMMISSION MEMBERS:  
NOES: COMMISSION MEMBERS:  
ABSENT: COMMISSION MEMBERS:  
ABSTAIN: COMMISSION MEMBERS:

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
STAFF LIASON

RESOLUTION 2015-\_\_\_\_\_

RECOMMENDING CITY COUNCIL APPROVAL OF THE  
PRELIMINARY AND FINAL DEVELOPMENT PLAN FOR A 795,732 SQUARE FOOT  
INDUSTRIAL DISTRIBUTION FACILITY  
LOCATED ON A 39.58-ACRE SITE, LOCATED AT 8450 ARBOR AVENUE -  
ASSESSOR'S PARCEL NUMBER 213-060-03  
APPLICATION NUMBER D14-0028

WHEREAS, The subject property was annexed to the City of Tracy in 1990, received a zoning designation of Planned Unit Development, is designated Light Industrial in the I-205 Corridor Specific Plan, and is consistent with the General Plan designation of Industrial, and

WHEREAS, DCT Industrial Operating LLC, submitted an application for a Planned Unit Development Preliminary and Final Development Plan review (Application Number D14-0028) for a 795,732 square foot industrial building on December 29, 2014, and

WHEREAS, The subject property is located within the I-205 Corridor Specific Plan area, with a land use designation of Light Industrial, within which industrial land uses are permitted, and

WHEREAS, The Planning Commission conducted a public hearing to review and consider the application on May 13, 2015;

NOW, THEREFORE BE IT RESOLVED, That the Planning Commission recommends that the City Council approve the PUD Preliminary and Final Development Plan for a 795,732 square foot industrial building, Application Number D14-0028, subject to the conditions contained in Exhibit 1 to this Resolution, and based on the following findings:

1. The establishment, maintenance, and operation of the proposed use and associated structure is compatible with the land use, design, and operational characteristics of the neighboring properties. It will not, under the circumstances of the particular case or as conditioned, be injurious or detrimental to the health, safety, or general welfare of persons or property in the vicinity of the proposed use and its associated structure, or to the general welfare of the City because the project is consistent with the land use, design, and other elements of the I-205 Corridor Specific Plan, the City of Tracy General Plan, and applicable requirements of Chapter 10.08 of the Tracy Municipal Code.
2. The project will not adversely affect or impair the benefits of occupancy, most appropriate development, property value stability, or the desirability of property in the vicinity because the architectural elements of the project as designed and conditioned are a quality addition to the vacant parcel, and will not adversely visually impair the benefits of the properties in the vicinity. The project also includes greater setbacks than the required minimum, vertical and horizontal variation in the building faces, screen walls, and landscape improvements both adjacent to the building and the public rights-of-way.
3. The project, as designed and conditioned, will not cause any significant environmental impact, because it is consistent with the I-205 Corridor Specific Plan, and the General Plan and its Environmental Impact Report as adopted by the City Council in 2011. The project is

consistent with the land use, design, and other elements of the I-205 Corridor Specific Plan, the City of Tracy General Plan, and applicable requirements of the Tracy Municipal Code.

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The foregoing Resolution 2015-\_\_\_\_ was adopted by the Planning Commission on the 13<sup>th</sup> day of May, 2015, by the following vote:

AYES:	COMMISSION MEMBERS:
NOES:	COMMISSION MEMBERS:
ABSENT:	COMMISSION MEMBERS:
ABSTAIN:	COMMISSION MEMBERS:

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
STAFF LIAISON

Exhibit 1 - Development Services Department, Conditions of Approval

**Conditions of Approval for DCT Industrial  
795,732 Square Foot Industrial Distribution Facility  
8450 Arbor Avenue  
Application Nos. D14-0028 and SPA15-0002  
May 13, 2015**

1. These Conditions of Approval shall apply to the real property described as DCT Industrial, a 795,732 square foot industrial distribution facility located at 8450 Arbor Avenue, Application Numbers D14-0028 and SPA 15-0002 (hereinafter "Project"), located on a 39.58-acre site, Assessor's Parcel Number 213-060-03.
2. The following definitions shall apply to these Conditions of Approval:
  - a. "Applicant" means any person, or other legal entity, defined as a "Developer".
  - b. "City Engineer" means the City Engineer of the City of Tracy, or any other duly licensed engineer designated by the City Manager, or the Development Services Director, or the City Engineer to perform the duties set forth herein.
  - c. "City Regulations" means all written laws, rules, and policies established by the City, including those set forth in the City of Tracy General Plan, the Tracy Municipal Code, I-205 Specific Plan, ordinances, resolutions, policies, procedures, and the City's Design Documents (including the Standard Plans, Standard Specifications, Design Standards, and relevant Public Facility Master Plans).
  - d. "Development Services Director" means the Development Services Director of the City of Tracy, or any other person designated by the City Manager or the Development Services Director to perform the duties set forth herein.
  - e. "Conditions of Approval" shall mean the conditions of approval applicable to DCT Industrial, a 795,732 square foot industrial distribution facility located at 8450 Arbor Avenue, Application Numbers D14-0028 and SPA15-0002. The Conditions of Approval shall specifically include all Development Services Department, including Planning Division and Engineering Division, conditions set forth herein.
  - f. "Project" means the real property consisting of approximately 39.58 acres located at 8450 Arbor Avenue, Assessor's Parcel Number 213-060-03.
3. The Developer shall comply with all laws (federal, state, and local) related to the development of real property within the Project, including, but not limited to: the Planning and Zoning Law (Government Code sections 65000, et seq.), the Subdivision Map Act (Government Code sections 66410, et seq.), the California Environmental Quality Act (Public Resources Code sections 21000, et seq., "CEQA"), and the Guidelines for California Environmental Quality Act (California Administrative Code, title 14, sections 1500, et seq., "CEQA Guidelines").



4. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all City Regulations.
5. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all mitigation measures identified in the General Plan Environmental Impact Report, dated February 1, 2011.
6. Pursuant to Government Code section 66020, including section 66020(d)(1), the City HEREBY NOTIFIES the Developer that the 90-day approval period (in which the Developer may protest the imposition of any fees, dedications, reservations, or other exactions imposed on this Project by these Conditions of Approval) has begun on the date of the conditional approval of this Project. If the Developer fails to file a protest within this 90-day period, complying with all of the requirements of Government Code section 66020, the Developer will be legally barred from later challenging any such fees, dedications, reservations or other exactions.
7. Except as otherwise modified herein, all construction shall be consistent with the site plan and architectural renderings received by the Development Services Department on May 7, 2015.
8. Prior to the issuance of a building permit, the applicant shall provide a detailed landscape and irrigation plan consistent with City landscape and irrigation standards, including, but not limited to Tracy Municipal Code Section 10.08.3560 I-205 Specific Plan, and Water Efficient Landscape Guidelines on private property, and the Parks and Parkways Design Manual for public property, to the satisfaction of the Development Services Director. Said landscape plans shall include documentation which demonstrates that there is no less than 10 percent of the parking area in landscaping, and 40 percent canopy tree coverage at tree maturity.
9. Where landscape planters are parallel and adjacent to vehicular parking spaces, the planter areas shall incorporate a 12-inch wide concrete curb along their perimeter that is adjacent to the parking space in order to allow access to vehicles without stepping into landscape planters.
10. Prior to the issuance of a building permit, an Agreement for Maintenance of Landscape and Irrigation Improvements shall be executed and financial security submitted to the Development Services Department. The Agreement shall ensure maintenance of the on-site landscape and irrigation improvements for a period of two years. Said security shall be equal to the actual material and labor costs for installation of the on-site landscape and irrigation improvements, or \$2.50 per square foot of on-site landscape area.
11. No roof mounted equipment, including, but not limited to, HVAC units, vents, fans, antennas, sky lights and dishes whether proposed as part of this application, potential future equipment, or any portion thereof, shall be visible from Arbor Avenue, Mac Arthur Drive, I-205, or any other public right-of-way. All roof-mounted equipment shall be screened from line of sight view from public right of way to the satisfaction of the Development Services Director

12. All vents, gutters, downspouts, flashing, electrical conduit, and other wall-mounted or building-attached utilities shall be painted to match the color of the adjacent surface or otherwise designed in harmony with the building exterior to the satisfaction of the Development Services Director.
13. Prior to final inspection or certificate of occupancy, on-site circulation signs shall be installed to the satisfaction of the Development Services Director.
14. Prior to final inspection or certificate of occupancy, all exterior and parking area lighting shall be directed downward or shielded, to prevent glare or spray of light into the public rights-of-way, to the satisfaction of the Development Services Director.
15. Prior to the issuance of a building permit, bicycle parking spaces shall be provided in accordance with Tracy Municipal Code Section 10.08.3510 to the satisfaction of the Development Services Director.
16. All PG&E transformers, phone company boxes, Fire Department connections, backflow preventers, irrigation controllers, and other on-site utilities, shall be vaulted or screened from view from any public right-of-way, behind structures or landscaping, to the satisfaction of the Development Services Director.
17. The applicant shall pay all applicable fees for the project, including, but not limited to, development impact fees, building permit fees, plan check fees, grading permit fees, encroachment permit fees, inspection fees, school fees, or any other City or other agency fees or deposits that may be applicable to the project.
18. All improvements shall be consistent with the Tracy Municipal Code, Standard Plans, and other applicable City Regulations.
19. No signs are approved as a part of this development application. Prior to the installation of any signs, the applicant shall submit a sign permit application and receive approval from the Development Services Director, and all signs shall be designed in compliance with the I-205 Specific Plan and Tracy Municipal Code Chapter 10.08, Article 35, Signs.
20. Prior to the issuance of a building permit, a detailed plan of the trash enclosures, at least eight feet in height, shall be submitted, showing solid metal doors, a solid roof, an interior concrete curb, and exterior materials and colors compatible with the adjacent building exterior.
21. Prior to the issuance of a building permit, a detailed plan of the screen walls shall be submitted, showing colors and details such as score lines, compatible with the adjacent building exterior.
22. The architectural elevations for all of the area contained within the PDP/FDP shall be consistent with the elevations received by the Development Services Department on May 7, 2015.

## Engineering Division Conditions of Approval

### C.1. General Conditions

C.1.1 Developer shall comply with the applicable recommendations of the technical analyses/ reports prepared for the Project listed as follows:

- a) *DCT Industrial Project Traffic Impact Study in the City of Tracy, prepared by TJKM Transportation Consultants, dated May 20, 2014 ("Traffic Analysis").*
- b) *Wastewater System Analysis for Properties at Arbor Road and MacArthur Drive, prepared by Ch2MHill, dated May 2014 ("Wastewater Analysis").*
- c) *Hydraulic Evaluation of I-205 Parcels M1 and M2 and Infill Parcel 7 and 13, prepared by West Yost Associates, dated July 7, 2014 ("Water Analysis").*
- d) *M2 Parcel Storm Drainage and Flood Protection Evaluation, prepared by Storm Water Consulting Inc., dated March 20, 2014 ("Storm Drainage Analysis"), and as updated per the Memorandum dated April 19, 2015.*

C.1.2 Developer shall comply with the requirements of the Finance Plan for M2 Parcel (39.58 Gross Acres), I-205 Industrial, approved by City Council.

C.1.3 Developer shall comply with the applicable requirements of Annexation and Development Agreement ("Development Agreement") dated October 29, 1990, recorded in the office of the San Joaquin County Recorder on November 5, 1990, Official Recorder No. 90109507

### C.2. Grading Permit

The City will not accept grading permit application for the Project as complete until the Developer has provided all relevant documents related to said grading permit required by the applicable City Regulations and these Conditions of Approval, to the satisfaction of the City Engineer, including, but not limited to, the following:

- C.2.1 Grading and Drainage Plans prepared on a 24" x 36" size polyester film (mylar). Grading and Drainage Plans shall be prepared under the supervision of, and stamped and signed by a Registered Civil Engineer.
- C.2.2 Payment of the applicable Grading Permit fees which include grading plan checking and inspection fees, and other applicable fees as required by these Conditions of Approval.
- C.2.3 Three (3) sets of the Storm Water Pollution Prevention Plan (SWPPP) for the Project with a copy of the Notice of Intent (NOI) submitted to the State Water Quality Control Board (SWQCB) and any relevant documentation or written

approvals from the SWQCB, including the Wastewater Discharge Identification Number (WDID#).

- C.2.3.1 After the completion of the Project, the Developer is responsible for filing the Notice of Termination (NOT) required by SWQCB. The Developer shall provide the City with a copy of the completed Notice of Termination.
- C.2.3.2 The cost of preparing the SWPPP, NOI and NOT, including the filing fee of the NOI and NOT, shall be paid by the Developer.
- C.2.3.3 The Developer shall comply with all the requirements of the SWPPP and applicable Best Management Practices (BMPs) and the applicable provisions of the City's Storm Water Management Program.
- C.2.4 Two (2) sets of the Project's Geotechnical Report signed and stamped by a licensed Geo-technical Engineer licensed to practice in the State of California. The technical report must include relevant information related to soil types and characteristics, soil bearing capacity, percolation rate, and elevation of the highest observed groundwater level.
- C.2.5 A copy of the Approved Fugitive Dust and Emissions Control Plan that meets San Joaquin Valley Air Pollution Control District (SJVAPCD).
- C.2.6 Documentation of any necessary authorizations from Regional Water Quality Control Board (RWQCB) such as NOI and WDID and documents such as SWPPP.
- C.2.7 Two (2) sets of Hydrologic and Storm Drainage Calculations for the design of the on-site storm drainage system and for determining the size of the project's storm drainage connection, as required in Condition C.4.2.3(b) below.
- C.2.8 Executed hold-harmless agreement relieving the City of liability associated with flooding of portions of the parking areas as required in Condition C.11.3 below.
- C.3. Encroachment Permit - No applications for encroachment permit will be accepted by the City as complete until the Developer provides all relevant documents related to said encroachment permit required by the applicable City Regulations and these Conditions of Approval, to the satisfaction of the City Engineer, including, but not limited to, the following:
  - C.3.1. Improvement Plans prepared on a 24" x 36" size 4-mil thick polyester film (mylar) that incorporate all the requirements described in these Conditions of Approval. Improvement Plans shall be prepared under the supervision of, and stamped and signed by a Registered Civil, Traffic, Electrical,

Mechanical Engineer, and Registered Landscape Architect for the relevant work.

- C.3.2. Two (2) sets of structural calculations, as applicable, signed and stamped by a Structural Engineer licensed in the State of California, as required in Condition C.4.1.(b), below.
- C.3.3. Signed and stamped Engineer's Estimate that summarizes the cost of constructing all the public improvements shown on the Improvement Plans.
- C.3.4. Signed and notarized Offsite Improvement Agreement (OIA) and Improvement Security, to guarantee completion of the identified public improvements that are necessary to serve the Project as required by these Conditions of Approval. The form and amount of Improvement Security shall be in accordance with Section 12.36.080 of the Tracy Municipal Code (TMC), and the OIA. The Developer's obligations in the OIA shall be deemed to be satisfied upon City Council's acceptance of the public improvements and release of the Improvement Security.
- C.3.5. Signed and notarized Deferred Improvement Agreement (DIA) and Improvement Security, to allow deferment of completion of improvements as required by these Conditions of Approval. The form and amount of Improvement Security shall be in accordance with the DIA and Section 12.36.080 of the TMC, or pursuant to the terms of the Development Agreement, as appropriate. The Developer's obligations in the DIA shall be deemed to be satisfied upon the release of the Improvement Security.
- C.3.6. Check payment for the applicable engineering review fees which include plan checking, permit and agreement processing, testing, construction inspection, and other applicable fees as required by these Conditions of Approval. The engineering review fees will be calculated based on the fee rate adopted by the City Council on April 15, 2014, per Resolution 2014-059.
- C.3.7. Traffic Control Plan signed and stamped by a Registered Civil Engineer or Traffic Engineer licensed in the State of California.

C.4. Improvement Plans - Improvement Plans shall contain the design, construction details and specifications of public improvements that are necessary to serve the Project. The Improvement Plans shall be drawn on a 24" x 36" size 4-mil thick polyester film (mylar) and shall be prepared under the supervision of, and stamped and signed by a Registered Civil, Traffic, Electrical, Mechanical Engineer, and Registered Landscape Architect for the relevant work. The Improvement Plans shall be completed to comply with City Regulations, these Conditions of Approval, and the following requirements:

C.4.1. Site Grading

- a) Include all proposed erosion control methods and construction details to be employed and specify materials to be used. All grading work shall be performed and completed in accordance with the recommendation(s) of the Project's Geotechnical Engineer. A copy of the Project's Geotechnical Report must be submitted with the Grading and Storm Drainage Plans.
- b) When the grade of the Project Site is higher than the adjacent property(s) by more than 12 inches, a reinforced concrete or masonry block, or engineered retaining wall is required for retaining soil. The Grading Plan shall show construction detail(s) of the retaining wall or masonry wall. The entire retaining wall and footing shall be constructed within the Project Site. A structural calculation shall be submitted with the Grading and Storm Drainage Plans.
- c) An engineered fill may be accepted as a substitute of a retaining wall, subject to approval by the City Engineer. The Grading and Storm Drainage Plans must show the extent of the slope easement(s). The Developer shall be responsible for obtaining permission from owner(s) of the adjacent and affected property(s). The slope easement must be recorded, prior to the issuance of the final building certificate of occupancy.
- d) Grading for the site shall be designed such that the Project's storm water can overland release to a public street that has a functional storm drainage system with adequate capacity to drain storm water from the Project Site, in the event that the on-site storm drainage system fails or it is clogged. The storm drainage release point is recommended to be at least 0.70 foot lower than the building finish floor elevation and shall be improved to the satisfaction of the City Engineer.

C.4.2 Storm Drainage

C.4.2.1 Permanent Drainage System

- a) The development shall construct an initial phase of DET 13 to include

4.7 AF of storage within the Project boundaries, a pump station having a capacity of 1 cfs, and a force main outfall along Arbor Avenue to discharge to the Eastside Channel. DET 13 shall be a fully functioning initial phase of completion with the only retrofit needed being its expansion in area and volume in conjunction with adjacent new development in the future.

The Developer shall design and install Detention Basin DET13 in accordance with the Citywide Storm Drainage Master Plan ("Storm Drainage Master Plan"), Storm Drainage Analysis, and the City of Tracy's Engineering Design & Construction Standards. The Developer shall submit improvement plans and obtain approval of the plans by the City Engineer prior to beginning work. The improvement plans for DET13 shall include concept level plans for the ultimate configuration (build-out condition) of DET13. The developer shall receive fee credits for the dedication of land, installation of pump station, and all costs associated with constructing DET13 as outlined in the Finance Plan.

In order for the above storage volumes requirements to be valid, it will be necessary to construct a 24" storm drain force main extending west in Arbor Avenue from DET13 to the City's existing Eastside Channel west of MacArthur Drive outfall to the Eastside Channel. The Developer shall be eligible to receive fee credits and/or reimbursements for the cost of this force main per the Finance Plan.

- b) Fee Credits and/or reimbursements for design and construction of DET13 and Downstream Improvements shall be as determined by the Finance Plan, and included in the OIA.
- c) The DET13 improvements will be accepted by the City upon completion of construction of the storm drainage facilities from DET13 to Eastside Channel.
- d) All Layout and design of Access Easements and maintenance access roads required to access DET13 and all off-site storm drains and structures to be dedicated to the City shall be per the requirements of Public Works Department and City Regulations.
- e) Parcel maps, Grant Deed documents or other instruments for dedication of the storm drainage basin parcel to the City shall be prepared and executed by the Developer. Acceptance of the basin parcel by the City will be upon completion of the downstream facilities as listed in Condition 4.2.1 (a) above, and upon the determination by the City Engineer that the basin is constructed and operational per the Master Plan and City Standards.
- f) The public street system serving the project site will need to include storm water quality treatment provisions that conform to the City's Manual of Stormwater Quality Control ("SWQC") Standards for New

Development and Redevelopment. Design of DET13 shall include measures to provide measures for storm water quality treatment for the public streets.

#### C.4.2.2 Temporary Retention ("Interim Drainage")

If Developer does not construct DET13 and Down Stream Improvements as listed in Condition C.4.2.1 (a) then, the Developer may construct as Interim Drainage as follows:

- a) Per requirements cited in the Storm Drainage Analysis, DET13 may need to function as a Temporary Retention Basin ("Interim Drainage") serving this development until such time as the components of the Eastside Channel System that will ultimately discharge storm runoff from the Project to the Eastside Channel ("Downstream Improvements") are completed and operational. For the Interim Drainage, at a minimum, the basin shall be designed to retain storm water run-off from the Project resulting from 200% of the 10-year, 48-hour storm event in compliance with Sections 5.06 and 5.07 of City of Tracy Design Standards.
- b) The Developer shall provide a geotechnical investigation with respect to the Temporary Retention Basin that validates that percolation rates for the subsurface soils that exist at and below the bottom of the basin are acceptable.
- c) Developer shall be responsible for conceptual design of the modifications needed to bring the configuration and design of the basin to the ultimate configuration per the Master Plan. Developer shall be eligible for reimbursements for basin improvements that comply with the ultimate configuration per the Master Plan. Reimbursement of costs shall be in accordance with Chapter 13.08 of Tracy Municipal Code.
- d) Developer shall be responsible for maintenance of DET13 as a Retention Basin until the downstream drainage facilities are installed and accepted by the City. The Developer shall sign an improvement agreement (Deferred Improvement Agreement), to assure completion of the Developer's obligation to repair and maintain said basin(s) while the storm drainage retention basin is in service and then to modify storm drainage retention basin to conform to Master Plan requirements at such time they are no longer needed due to the construction of the above-referenced permanent facilities.
- e) The Developer shall record a temporary storm drainage easement to grant rights to the City to access the temporary storm drainage retention basin(s) for any necessary emergency repair or maintenance work the City may have to perform within the basin



site. Said temporary access easement shall include a sunset clause that such easement will automatically be terminated at such time as the above-referenced permanent storm drainage improvements are completed.

#### C.4.2.3 Onsite Drainage

- a) The design and construction details of the Project's storm drainage system and treatment facilities shall meet City Regulations in affect at the time of this approval and shall comply with the applicable requirements of the City's Storm Water Quality Control Standards and storm water regulations that were adopted by the City Council in 2008 and any subsequent amendments. Catch basin Filter inserts shall be permitted as an acceptable method of storm water quality due to the high groundwater present at the site.
- b) Calculations related to the design and sizing of on-site storm water treatment facilities must be submitted with the Grading and Storm Drainage Plans, and approved by City's Stormwater Coordinator prior to issuance of the Grading Permit for the Project.
- c) Prior to the final inspection of the building the Developer shall submit a signed and notarized Stormwater Treatment Facilities Maintenance Agreement (STFMA) as a guarantee for the performance of Developer's responsibility towards the repair and maintenance of on-site storm water treatment facilities.

C.4.3. The Developer shall arrange for a site sub-surface investigation for determining the presence of irrigation and drainage tile drains within and around the Project Site, if any, and submit a report prepared and signed by a Geotechnical Engineer. In the event that tile drains exist within and around the Project Site, the Developer has the option to either relocate or abandon the on-site tile drains as required for the proposed development. All existing tile drains and proposed improvements for the relocation or removal of tile drains must be shown on the Grading and Storm Drainage Plans. Any tile drains under the proposed buildings shall be abandoned or relocated as may be required, to the satisfaction of the City. The Developer or the property owner(s) will be responsible for maintenance of tile drains to remain or the relocated tile drains and associated improvements. Additionally, the Developer will be responsible for monitoring the groundwater levels, and for the mitigations, if any, that may be required, by any applicable laws and regulations.

#### C.4.4. Sanitary Sewer Improvement Plans

- a) As recommended in the Wastewater Analysis, the Developer shall design and install an 8-inch sewer line from the Project in Arbor Avenue to MacArthur Drive, a 10" line in MacArthur Drive to a new manhole on

MacArthur Drive west of the existing MacArthur pump station, and a small section of 21-inch sewer line between the new manhole and existing manhole.

Since the proposed 8-inch and 10-inch diameter sewer lines are not part of the City's Wastewater Master Plan, these improvements are considered part of the Project's off-site sewer improvements and no fee credits will be issued. However, these lines do serve adjacent parcels and the developer will be eligible for reimbursement per the Finance Plan from the M1 Parcel as well as Infill Parcel Numbers 7 and 13 when these parcels develop.

All new sewer lines and associated appurtenances shall meet the City of Tracy Design Standards including minimum flow velocity requirement.

The Developer is responsible for the cost of installing the Project's permanent sewer connection(s) including but not limited to, replacing asphalt concrete pavement, application of 2" thick asphalt concrete overlay (25 feet on both sides of the utility trench) where required, restoring pavement marking and striping, and other improvements that are disturbed as a result of installing the Project's sewer connection. This pavement repair requirement is applicable when connections are perpendicular to the street direction, when the new sewer line is placed in the street parallel to the street direction; the width of overlay to be the width of the affected lane.

#### C.4.5. Water Distribution System

a) Off-site Water Line Improvements:

The developer shall design and install a 12-inch line in MacArthur Drive from the terminus of the existing 12-inch water line just north of I-205 to Arbor Ave, and 12-inch water line in Arbor Avenue from MacArthur Drive to the eastern property boundary of the Project. The developer is also responsible for constructing a 16-inch water line from the existing water line in Pescadero Avenue north, crossing under the freeway and continuing along the eastern edge of the Project and connecting to the new 12-inch line on Arbor Avenue. Alternatively, the 16" line may cross under the freeway on the western side of the Project and continue along the western edge of the Project. The actual location of the new line may be a variation of these, or any other location as approved by the City. The improvements are required to be complete, in place and operational, prior to the issuance of the final certificate of occupancy for the Project.

b) Since the proposed water lines are not considered master plan improvements, no fee credits will be issued. However, the developer

will be eligible from reimbursement per the finance plan from the M1 parcel, Infill Parcel Numbers 7 and 13, the Eastside Industrial development, the Chrisman Road property and all NEI Phase 3 properties at such time as these properties develop.

- c) During the construction phase of the Project, the Developer is responsible for providing water infrastructure (temporary or permanent) capable of delivering adequate fire flows and pressure appropriate to the various stages of construction and as required by the City of Tracy Fire Code Official.
- d) Prior to issuance of building permit, the Developer shall submit calculations and plans as required by the Fire Department and obtain approvals for the proposed fire system.
- e) In order to guarantee completion of the Offsite Water Line Improvements, the Developer shall enter into an improvement agreement (Offsite Improvement Agreement or OIA) and post an improvement security in the amounts and form in accordance with section 12.36.080 of the TMC, and as required by these Conditions of Approval. The Developer shall submit the signed and notarized OIA with the necessary improvement security, prior to the issuance of the Grading Permit.
- f) All public improvements to be installed within the jurisdiction of the Caltrans and San Joaquin County (County) will require encroachment permit and a maintenance agreement with the respective agencies.

The Developer is required to coordinate with Caltrans and obtain approval of the design of the water line crossing under the I-205 freeway. The Developer shall comply with all the applicable requirements of Caltrans and County in connection therewith, obtain any necessary encroachment permit(s), and pay applicable permit processing, plan checking and inspection fees, prior to starting work.

- g) All costs associated with the installation of the Project's permanent water connection(s) as identified in the Water Analysis including acquisition of right-of-way and/or easements, the cost of removing and replacing asphalt concrete pavement, pavement marking and striping such as crosswalk lines and lane line markings, replacing traffic detecting loops, conduits, and wires, relocating existing utilities that may be in conflict with the water connection(s), and other improvements shall be paid by the Developer subject to terms of the Finance Plan.
- h) The portion of the new City water lines that run through existing agricultural properties may be run beneath existing dirt access roads. The City shall be granted a 15' easement for these pipelines even though the access roads may be as narrow as 10' to accommodate

those existing agricultural activities. The access roads to have an all-weather surface.

- i) City will use its power of eminent domain, if necessary, to secure an easement for the City water line described herein across the small parcel situated between the Project and the Caltrans freeway property, or between Caltrans and the parcels immediately to the east or west of the Project. All costs of the eminent domain procedures shall be paid for by the Developer. However, the developer will be eligible from reimbursement per the Finance Plan from the M1 parcel, Infill Parcel Numbers 7 and 13, the Eastside Industrial development, the Chrisman Road property and all NEI Phase 3 properties at such time as these properties develop.
- j) Interruption to the water supply to the existing businesses and other users shall be kept to a minimum to facilitate construction of off-site improvements related to the Project. Prior to starting the work described in this section, the Developer shall submit a Work Plan acceptable to the City that demonstrates no interruptions to the water supply, and Traffic Control Plan to be used during the installation of the offsite water mains and connections. The Developer shall be responsible for notifying business owner(s) and users, regarding construction work. The written notice, as approved by the City Engineer, shall be delivered to the affected residents or business owner(s) at least 72 hours before start of work.
- k) Domestic and Irrigation Water Services – The Developer shall design and install domestic and irrigation water service connection, including a remote-read master water meter (the water meter to be located within City's right-of-way) and a Reduced Pressure Type back-flow protection device in accordance with City Regulations. The domestic and irrigation water service connection(s) must be completed before the final inspection of the building. Sub-metering will be allowed within private property. The City will not perform water consumption reading on sub-meters. The Developer will be responsible for relocating or reinstalling water sub-meters. The City shall maintain water lines from the master water meter to the point of connection with the water distribution main (inclusive) only. Repair and maintenance of all on-site water lines, laterals, sub-meters, valves, fittings, fire hydrant and appurtenances shall be the responsibility of the Developer.
- l) Fire Service Line - The Developer shall design and install fire hydrants at the locations approved by the City's Fire Safety Officer and Chief Building Official. Prior to the approval of the Improvement Plans, the Developer shall obtain written approval from the City's Fire Safety Officer and Chief Building Official, for the design, location and construction details of the fire service connection to the Project, and

for the location and spacing of fire hydrants that are to be installed to serve the Project.

C.4.6. Street Improvements:

- a) Prior to issuance of the final certificate of occupancy, the Developer shall complete construction of improvements identified in the Traffic Analysis, and satisfy all applicable requirements specified in these Conditions of Approval, I-205 Specific Plan and City Regulations.
- b) The Developer shall be responsible for design and construction of Frontage Improvements on the south side of Arbor Avenue for the full length of frontage of the Project. If any of the Frontage Improvements are not constructed prior to approval of the temporary certificate of occupancy, the Developer shall enter into a DIA with security to guarantee completion of such improvements. Scope of work and timing of completion of Frontage Improvements shall be subject to the approval of the City Engineer.
- c) The Developer shall design and install improvements to widen Arbor Avenue for the full frontage of the Project. The ultimate roadway section per the Roadway Master Plan will include one eastbound and one westbound travel lanes with a 16-foot wide raised median and a 10' wide Class 1 bicycle path on the north side of Arbor Avenue.

The roadway improvements to be constructed with this Project shall include, but are not limited to, concrete curb, gutter and sidewalk, accessible ramps, asphalt concrete pavement, signing and striping, storm drains, catch basins, fire hydrants, LED street lights, street trees with automatic irrigation system, barricade and guardrail, and other improvements as determined by the City Engineer that are necessary for a safe transition from a newly improved street to existing street sections on the east and west ends. The Project obligation will be to build the southern side of Arbor Avenue, a striped 11' median and one westbound lane to edge of pavement condition. The Arbor Avenue lane transitions to the west and east of the Project will be paved to an edge of pavement condition with appropriate striping. Other improvements will be provided by the appropriate land owner on which those improvements front.

The Developer shall submit geotechnical recommendations and pavement design calculations to the City to demonstrate adequacy and integrity of the existing structural street section on Arbor Avenue, and construct improvements as required to support STAA truck traffic. At a minimum, in addition to the widening, the Developer shall complete grinding and overlay of existing Arbor Street pavement with a 2" asphalt concrete overlay for the entire street width for the project frontage.

Prior to approval of Grading or Encroachment Permits, the Developer shall submit improvement plans for Arbor Avenue with the locations of

all utilities including water, recycled water, sanitary sewer, storm drainage lines that will be installed within the right-of-way.

All underground facilities within the southerly half street section proposed to be built with the Project shall be completed prior to issuance final certificate of occupancy.

- d) For Arbor Avenue and the intersection improvements at Arbor Avenue/MacArthur Drive improvements, structural section of the roadway, turning radius and travel lane storage requirements for STAA Trucks are to be considered in the design of these roadway improvements. Adequate Acceleration and deceleration lanes shall be provided where required.

Intersection improvements at MacArthur Drive and Arbor Avenue shall include the installation of four-way stop signs, stop bars, and legend, pavement transition, lane line marking(s), pavement markings, traffic sign(s) and other improvements are necessary for the safe operation of a four-way stop intersection as recommended in the traffic study prepared by TJKM Transportation Consultants, dated May 20, 2014.

- e) Right-of-Way on Arbor Avenue: The Developer shall dedicate 7-foot wide right-of-way along the entire frontage of the Property on Arbor Avenue to conform to the street sections shown on the *City of Tracy Citywide Roadway and Transportation Master Plan* prepared by RBF Consulting, November 2012 ("TMP"). Per the TMP, Arbor Avenue is designated as two-lane Arterial with Two-Way Left-Turn Lanes (TWLTL), (Figure 4.15(c) of TMP), and Right-of-way width of 84 feet. Additional right-of-way dedication may be required for turn lanes as identified in the Traffic Analysis and TMP and as shown on the Revised Preliminary Site Plan prepared by Kier & Wright Engineers, titled DCT Industrial Warehouse for DCT Industrial, dated April, 2014, "Interim & Ultimate Striping Plan of Arbor Ave", prepared by Kier & Wright, dated March 24, 2015, "N. MacArthur Drive at Arbor Ave Right Lane STAA turning Exhibit", prepared by Kier & Wright, dated February 11, 2015, "Potable Water Line Exhibit", prepared by Kier & Wright, dated March 24, 2015. Design of the improvements on Arbor Avenue shall be approved by the City Engineer.
- f) Right-of-Way at Arbor Avenue and N. MacArthur Drive Intersection: As recommended in the Traffic Analysis, the Developer shall acquire and dedicate required right-of-way at the intersection of Arbor Avenue and N. MacArthur Drive to accommodate STAA trucks. Final configuration of the right-of-way dedication shall be as approved by the City Engineer.
- g) The Developer shall execute a Grant Deed to convey the land in fee title and submit legal description and plat map that describes the area to be dedicated, prior to City Council's acceptance of the public

improvements. The cost of right-of-way dedication including the cost of preparing the legal description and plat map will be paid by the Developer. The City will use its right of eminent domain, if necessary, to obtain the right of way dedications along Arbor Avenue and MacArthur Drive that are required to satisfy the interim and ultimate build-out of those streets to serve this Project as anticipated by the I-205 Specific Plan and the City's Master Plan. All costs of the eminent domain procedures shall be paid for by the Developer. However the developer will be eligible for reimbursement pursuant to the Finance Plan.

- h) The roadway improvements described in this sub-section (Offsite Roadway Improvements) must be designed and constructed by the Developer to meet the applicable requirements of the latest edition of the California Department of Transportation Highway Design Manual (HDM) and the California Manual of Uniform Traffic Control Devices (MUTCD), the applicable City Regulations, and these Conditions of Approval. Design and construction details of the Offsite Roadway Improvements must be shown on the Improvement Plans.
  - i) In order to guarantee completion of the Offsite Roadway Improvements, the Developer is required to enter into an Offsite Improvement Agreement (OIA) with the City and post improvement security in the amounts approved by the City Engineer, prior to the Encroachment Permit. The OIA requires authorization from the City Council. The Developer shall pay applicable engineering review fees such as plan checking, agreement and permit processing, testing, and construction inspection fees based on current charge rate and as required by these Conditions of Approval and shall be reimbursed in accordance with the Finance Plan.
  - j) The City will assume responsibility to maintain the public improvements and accept the offer of dedication for right-of-way on Arbor Avenue after the City Council accepts the public improvements.
  - k) Arbor Avenue is not an I-205 Specific Plan program-funded street. Hence, all improvements required for the Project as identified in the Traffic Analysis and these Conditions of Approval shall be completed by the Developer, and no fee credits shall be given. Per the Finance Plan, the developer shall be eligible for reimbursements from Parcel M1 and Infill Parcel Numbers 7 and 13 at the time these parcels develop for improvements constructed at the intersection of Arbor Avenue and N. MacArthur Drive.
- C.4.7. Project Driveways: Developer shall construct driveways to comply with the recommendations of the Traffic Analysis and City Regulations. Project driveways shall be designed for STAA truck access and provide adequate deceleration lanes on Arbor Avenue and safe site distances.

- C.4.8 Joint Utility Trench Plans – All future utilities along the frontage of the Project on Arbor Avenue shall be placed in an underground facility. If required, the Developer shall relocate existing utility poles after obtaining approval of affected utility companies and the City. No fee credits or reimbursements shall be applicable for utility pole relocations.

City may form a Utility Underground District and complete the undergrounding of overhead utilities within Arbor Avenue right-of-way in the future in accordance with the applicable section(s) of Tracy Municipal Code.

Developer shall prepare joint trench plans in compliance with utility companies' requirements and City regulations, and obtain approval of the plans. All private utility services to serve Project such as electric, telephone and cable TV to the building must be installed underground, and to be installed at the location approved by the respective owner(s) of the utilities.

The Developer shall submit Joint Utility Trench Plans for the installation of electric, gas, telephone and TV cable main and service lines that are necessary to be installed to serve the Project. These utilities shall be installed within the 10-foot wide Public Utility Easement (PUE) that will be offered for dedication to the City. The Developer shall coordinate, as feasible, with the respective owner(s) of the utilities for the design of these underground utilities to ensure they can be installed within the 10-foot wide PUE to the extent feasible (and except in the event, that additional space beyond the 10-foot PUE is required, as determined by the utilities owner(s)).

- C.4.9 Pavement cuts or utility trench(s) on existing street(s) for the installation of water distribution main, storm drain, sewer line, electric, gas, cable TV, and telephone will require the application of 2" asphalt concrete overlay and replacement of pavement striping and marking that are disturbed during construction. The limits of asphalt concrete overlay shall be 25 feet from both sides of the trench, and shall extend over the entire width of the adjacent travel lane(s) if pavement excavation encroaches to the adjacent travel lane or up to the street centerline or the median curb. If the utility trench extends beyond the street centerline, the asphalt concrete overlay shall be applied over the entire width of the street (to the lip of gutter or edge of pavement, whichever applies). This pavement repair requirement is applicable when cuts or trenches are perpendicular to the street direction; when the new joint trench is placed in the street parallel to the street direction; the width of overlay is to be the width of the affected lane.

- C.5. Building Permit - No building permit will be approved by the City until the Developer demonstrates, to the satisfaction of the City Engineer, compliance with all required Conditions of Approval, including, but not limited to, the following:

- C.5.1 Check payment of the applicable development impact fees including City Wide Roadway and Traffic, Water, Recycled Water, Wastewater, Storm Drainage, Public Safety, Public Facilities, and Park Development Impact Fees per the Finance Plan.



- C.5.2 Check payment of any applicable Regional Transportation Impact Fees (RTIF)
  - C.5.3 Check payment of any applicable Agricultural Conversion or Mitigation Fee as required in Chapter 13.28 of the Tracy Municipal Code
  - C.5.4 Approval of the Finance Plan by the City Council.
- C.6. Acceptance of Public Improvements - Public improvements will not be accepted by the City Council until after the Developer completes construction of the relevant public improvements, and also demonstrates to the City Engineer satisfactory completion of the following:
- C.6.1 Correction of all items listed in the deficiency report prepared by the assigned Engineering Inspector relating to public improvements subject to City Council's acceptance.
  - C.6.2 Certified "As-Built" Improvement Plans (or Record Drawings). Upon completion of the construction by the Developer, the City shall temporarily release the originals of the Improvement Plans to the Developer so that the Developer will be able to document revisions to show the "As Built" configuration of all improvements.
  - C.6.3 Signed and notarized Grant Deeds and /or Grant of Easement(s) including legal description and plat map(s), relating to the offer of dedication for the storm drainage detention basin, Arbor Avenue right-of-way, and utility easements, as required in these Conditions of Approval.
  - C.6.4 Reasonable written permission from irrigation district or affected owner(s), if applicable. The cost of relocating and/or removing irrigation facilities and/or tile drains is the sole responsibility of the Developer.
- C.7. Temporary or Final Building Certificate of Occupancy - No Final Building Certificate of Occupancy will be issued by the City until after the Developer provides reasonable documentation which demonstrates, to the satisfaction of the City Engineer, that:
- C.7.1. The Developer has satisfied all the requirements set forth in Conditions C.5 and C.6 above.
  - C.7.2. The Developer has completed construction of all required public facilities for the building for which a certificate of occupancy is requested and all the improvements required in these Conditions of Approval. Unless specifically provided in these Conditions of Approval, or some other applicable City Regulations, the Developer shall use diligent and good faith efforts in taking all actions necessary to construct all public facilities required to serve the Project, and the Developer shall bear all costs related to construction of the public facilities (including all costs of design, construction, construction

management, plan check, inspection, land acquisition, program implementation, and contingency).

- C.8. Improvement Security – The Developer shall provide improvement security for all public facilities, as required by the OIA, DIA, and these Conditions of Approval. The form of the improvement security may be a surety bond, letter of credit or other form in accordance with section 12.36.080 of the TMC and the Development Agreement. The amount of improvement security shall be as follows:
- C.8.1. Faithful Performance (100% of the estimated cost of constructing the public facilities),
  - C.8.2. Labor & Materials (100% of the estimated cost of constructing the public facilities), and
  - C.8.3. Warranty (10% of the estimated cost of constructing the public facilities)
- C.9. Release of Improvement Security - Improvement Security(s) described herein shall be released to the Developer after City Council's acceptance of public improvements, and after the Developer demonstrates, to the satisfaction of the City Engineer, compliance of these Conditions of Approval, and completion of the following:
- C.9.1. Improvement Security for Faithful Performance, Labor & Materials, and Warranty shall be released to the Developer in accordance with Section 12.36.080 of the TMC.
  - C.9.2. Written request from the Developer and a copy of the recorded Notice of Completion.
- C.10. Benefit District – The Developer may make a written request to the City for the formation of a Benefit District, prior to the approval of improvement plans for the public facility(s) considered to be oversized that benefits other property(s) or development(s). Reimbursement request(s) will be processed in accordance with Chapter 12.60 of the TMC.
- C.11. Special Conditions
- C.11.1 All streets and utilities improvements within City's right-of-way shall be designed and constructed in accordance with City Regulations, and City's Design documents including the City's Facilities Master Plan for storm drainage, roadway, wastewater and water adopted by the City, or as otherwise specifically approved by the City.
  - C.11.2 When street cuts are made for installation of utilities, the Developer is required to install 2 inches thick asphalt concrete overlay with reinforcing fabric at least 25 feet from all sides and for the entire length of the utility

trench. A 2 inches deep grind on the existing asphalt concrete pavement will be required where the asphalt concrete overlay will be applied and shall be uniform thickness in order to maintain current pavement grades, cross and longitudinal slopes. If the utility trench extends beyond the median island, the limit of asphalt concrete overlay shall be up to the lip of existing gutter located along that side of the street. This pavement repair requirement is when cuts/trenches are perpendicular to the street direction; when the street cut is parallel to the street direction, the width of overlay to be the width of the affected lane.

- C.11.3 The Developer shall execute a hold-harmless agreement with the City relieving the City of any liability associated with flooding of portions of the parking areas and other site improvements contiguous to the proposed building that will be constructed below the base flood elevation of 22 feet for Old River depicted on the existing FEMA Flood Insurance Rate Map covering this area.
- C.11.4 All existing on-site wells, if any, shall be abandoned or removed in accordance with the City and San Joaquin County requirements. The Developer shall be responsible for all costs associated with the abandonment or removal of the existing well(s) including the cost of permit(s) and inspection. The Developer shall submit a copy of written approval(s) or permit(s) obtained from San Joaquin County regarding the removal and abandonment of any existing well(s), prior to the issuance of the Grading Permit.
- C.11.5 The Developer shall abandon or remove all existing irrigation structures, channels and pipes, if any, as directed by the City after coordination with the irrigation district, if the facilities are no longer required for irrigation purposes. If irrigation facilities including tile drains, if any, are required to remain to serve existing adjacent agricultural uses, the Developer will design, coordinate and construct required modifications to the facilities to the satisfaction of the affected agency and the City. Written permission from irrigation district or affected owner(s) will be required to be submitted to the City prior to the issuance of the Grading Permit. The cost of relocating and/or removing irrigation facilities and/or tile drains is the sole responsibility of the Developer.
- C.11.6 Nothing contained herein shall be construed to permit any violation of relevant ordinances and regulations of the City of Tracy, or other public agency having jurisdiction. This Condition of Approval does not preclude the City from requiring pertinent revisions and additional requirements to the Grading Permit, Encroachment Permit, Building Permit, Improvement Plans, OIA, and DIA, if the City Engineer finds it necessary due to public health and safety reasons, and it is in the best interest of the City. The Developer shall bear all the cost for the inclusion, design, and implementations of such additions and requirements, without reimbursement or any payment from the City.