

WINCO FINAL EIR

SCH#2003102045

City of Tracy | March 22, 2007



DESIGN, COMMUNITY & ENVIRONMENT

WINCO FINAL EIR

SCH#2003102045

City of Tracy | March 22, 2007



DESIGN, COMMUNITY & ENVIRONMENT

**1625 SHATTUCK AVENUE, SUITE 300
BERKELEY, CALIFORNIA 94709**

**TEL: 510 848 3815
FAX: 510 848 4315**

in association with
Bollard & Brennan
Don Ballanti

Fehr & Peers
GANDA

TABLE OF CONTENTS

1. INTRODUCTION	1
2. REPORT SUMMARY	5
3. REVISIONS TO THE DRAFT EIR.....	23
4. LIST OF COMMENTORS.....	26
5. COMMENTS AND RESPONSES.....	28

List of Tables

1	Summary of Potential Impacts and Recommended Mitigation Measures.....	12
---	---	----

CITY OF TRACY
WINCO FINAL EIR
TABLE OF CONTENTS

I INTRODUCTION

A. Purpose of the Environmental Impact Report

This document has been prepared in the form of an addendum to the Amendment to the WinCo Draft Environmental Impact Report (EIR Amendment) for the proposed WinCo retail grocery store and related amendments to the 1999 I-205 Corridor Specific Plan Amendment. The EIR Amendment contained new information in the areas of land use, traffic and circulation and air quality as well as a new energy analysis section. The EIR Amendment identified the likely environmental consequences associated with the project, and identified mitigation measures that help to reduce potentially significant impacts.

The Final EIR responds to comments on the Draft EIR Amendment and makes revisions to the document as necessary in response to these comments.

This document, together with the October 2005 Draft EIR, the April 2006 Final EIR and the December 2006 Draft EIR Amendment will constitute the Final EIR if the City of Tracy City Council certifies it as complete and adequate under the California Environmental Quality Act (CEQA). The changes and additions to the EIR Amendment, in response to comments do not constitute *significant new information* within the meaning of Public Resources Code section 21092.1, and therefore recirculation of the EIR Amendment for public review and comment is not required.

B. Environmental Review Process

According to CEQA, lead agencies are required to consult with public agencies having jurisdiction over a proposed project, and to provide the general public with an opportunity to comment on the Draft EIR. This Final EIR has been prepared to respond to those comments received on the Draft EIR Amendment and to clarify any errors, omissions or misinterpretations of discussions of findings in the Draft EIR Amendment.

The Draft EIR Amendment was made available for public review with the official State Clearinghouse review period commencing on December 29, 2006, and ending on February 13, 2007. The Draft EIR Amendment was distributed to local and State responsible and trustee agencies, and the general public was advised of the availability of the Draft EIR Amendment through public notice published in the local newspaper and posted by the County Clerk as required by law. Copies of all written comments received on the Draft EIR are contained in this document.

This Final EIR will be presented to the City Council for consideration of certification of the EIR as a full disclosure of potential environmental impacts, mitigation measures and alternatives.

C. Report Organization

This document is organized into the following chapters:

- ◆ **Chapter 1: Introduction.** This chapter discusses the use and organization of this Final EIR.
- ◆ **Chapter 2: Report Summary.** This chapter is a summary of the findings of the Draft EIR Amendment and the Final EIR. It has been reprinted from the Draft EIR Amendment with necessary changes made in this Final EIR shown in double underline and ~~striketrough~~.
- ◆ **Chapter 3: Revisions to the Draft EIR.** Corrections to the text and graphics of the Draft EIR are contained in this chapter. Double underline text represents language that has been added to the EIR; text with ~~striketrough~~ has been deleted from the EIR.
- ◆ **Chapter 4: List of Commentors.** Names of agencies and individuals who commented on the Draft EIR are included in this chapter.

- ◆ **Chapter 5: Comments and Responses.** This chapter contains reproductions of the letters received from agencies and the public on the Draft EIR. The responses are keyed to the comments which precede them.

CITY OF TRACY
WINCO FINAL EIR
INTRODUCTION

[This page left blank intentionally.]

2 REPORT SUMMARY

This summary presents an overview of the analysis contained in Chapter 4: Environmental Evaluation of the Draft EIR Amendment. CEQA requires that this chapter summarize the following: 1) areas of controversy; 2) significant impacts; 3) unavoidable significant impacts; 4) implementation of mitigation measures; and 5) alternatives to the project.

A. Project Under Review

The Draft EIR Amendment provides an assessment of the potential environmental consequences of the proposed project. The project site lies east of Power Road, west of Naglee Road, and north and south of Pavilion Parkway in the I-205 Corridor Specific Plan area in the City of Tracy. The site is presently vacant and is surrounded on three sides by developed or developing commercial uses and by County agricultural land on the west side. Pavilion Parkway is a four-lane paved roadway with a raised median that bisects the project site. The total area of the site, excluding Pavilion Parkway, is 21.3 acres. The portion of the site north of Pavilion Parkway (the Northern Parcel) is about 10.8 acres and the portion of the site south of Pavilion Parkway (the Southern Parcel) is about 10.5 acres. A 2.5-acre strip across the southernmost section of the Southern Parcel is currently designated as Commercial, and is not included in figures referring to the area to be re-designated.

The proposed project includes five actions for the project site:

- ◆ A General Plan amendment to re-designate the project site from Industrial to Commercial.
- ◆ A Specific Plan amendment to re-designate the project site from Light Industrial to General Commercial.
- ◆ A Conditional Use Permit for the proposed WinCo store.
- ◆ A Planned Unit Development, Preliminary and Final Development Plan for the Proposed WinCo store.

- ◆ Construction of a retail grocery store on the southern half of the project site (the Southern Parcel), south of Pavilion Parkway.

The development proposed for the Southern Parcel would consist of a WinCo retail grocery store with a total building area of 95,900 square feet and a footprint of about 92,000 square feet. The WinCo store would include approximately 65,500 square feet of retail space, 2,900 square feet of office space, and an area committed to receiving/warehouse/ service comprising approximately 27,500 square feet. The proposal includes approximately 262,400 square feet of paved area for 636 parking spaces. Additionally, 15 bicycle parking spaces would be located near the front of the store.

At this time, no specific development is proposed for the Northern Parcel. However, the Draft EIR evaluates the impacts of a hypothetical 141,130 square-foot commercial development, which would be allowed under the proposed General Plan and Specific Plan designations.

B. Areas of Controversy

The scoping period for the Draft EIR was October 8 to November 7, 2003, during which interested agencies and the public were requested to submit comments about the proposed project. The only comment letter received in response to the NOP was from Caltrans, dated November 5, 2003. The Draft EIR assesses all relevant scoping comments regarding the project. Although some scoping comments addressed economic and social issues, EIRs are not required to address social, economic or other impacts not related to the environment. As stated in Section 15382 of the CEQA Guidelines, social or economic impacts which do not contribute to, or are not caused by, physical impacts on the environment, are not substantial evidence of a significant environmental impact. Thus the evaluation of economic or social effects in this EIR is limited to a discussion in Chapter 4.1 of the Draft EIR of the potential for economic impacts to contribute to urban decay. There are no other known areas of particular controversy.

C. Significant Impacts

Under CEQA, a significant impact on the environment is defined as a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic and aesthetic significance.

The proposed project has the potential to generate significant environmental impacts in the following categories:

- ◆ traffic and circulation
- ◆ cultural resources
- ◆ geology, soils and seismicity
- ◆ biological resources
- ◆ air quality
- ◆ land use

As shown in Table 1, all but seven of the significant impacts in these areas would be reduced to a less-than-significant level if the mitigation measures recommended in this report are implemented.

D. Mitigation Measures

The Draft EIR suggests project-specific mitigation measures that would reduce the impacts identified above to less-than-significant levels, as summarized in Table 1 at the end of this chapter. Project-specific mitigation measures in the Draft EIR will form the basis of a project-specific mitigation monitoring and reporting program to be implemented in accordance with State law.

E. Unavoidable Significant Impacts

The proposed project would have three significant unavoidable impacts related to air quality. The proposed project would result in increases in emission of both ozone precursors and PM₁₀. This impact would be significant and unavoidable at the project level and cumulatively. Additionally, the proposed Specific Plan amendment and subsequent development would result in increased air emissions within an air basin that exceeds State and federal air quality standards, resulting in an unavoidable significant cumulative impact to air quality in the region. These impacts are discussed further in Section 4.11. In all three cases, potential mitigation measures are evaluated but are determined to be infeasible.

Additionally, the proposed project would have several significant unavoidable traffic impacts. The first impact listed below is project-specific, while the remaining cumulative impacts are related to traffic:

- ◆ The addition of project traffic to the Grant Line Road / Byron Road intersection in the Existing plus Project scenario would add traffic to an already deficient intersection that is operating at LOS F with more than 50 seconds of average delay.
- ◆ The addition of project traffic increases the average delay at the Grant Line Road / Lammers Road intersection from 54 to 57 seconds, resulting in an unacceptable LOS E.
- ◆ The addition of project traffic would increase the average delay at the Grant Line Road/Corral Hollow Road intersection from 35 to 42 seconds, degrading operations to LOS D. The City of Tracy level of service standard for this intersection is LOS C.
- ◆ The addition of project traffic to Eleventh Street/Corral Hollow Road intersection in the Cumulative plus Project scenario would add traffic to an already deficient intersection. The additional traffic would add 3 seconds of delay to the intersection.

F. Alternatives to the Project

The Draft EIR analyzes alternatives to the proposed project. Four alternatives to the proposed project are considered in Chapter 5 of the Draft EIR:

- ◆ **No Project Alternative.** Under this alternative, which is required under CEQA, the proposed project would not be constructed and the site would be left in its current state. The General Plan and zoning designations would not be amended.
- ◆ **Industrial Development Alternative.** Under this alternative, no General Plan or Specific Plan Amendment would occur and no WinCo grocery store would be constructed on the Southern Parcel. The existing General and Specific Plan land use designations allowing for industrial development would remain in place. Light industrial development would occur on both the Northern and Southern parcels, as allowed for under the I-205 Corridor Specific Plan. The Northern Parcel would have up to 235,224 square feet of industrial development and the Southern Parcel would have up to 228,690 square feet of industrial development.¹
- ◆ **Increased WinCo Store Size Alternative.** This alternative would propose the same General Plan and Specific Plan amendments as the proposed project. It would also propose a WinCo grocery store on the Southern Parcel. The design of the WinCo store would be maintained; however, the size of the proposed WinCo would increase to 114,345 square feet. This is based on the maximum allowable FAR under the Specific Plan for retail land uses, which is 0.25.² Parking would be decreased by 100 spaces over the proposed project, meaning there would be a total of 536 spaces.
- ◆ **Decreased Parking Alternative.** This alternative would be the same as the proposed project, except that the amount of land dedicated to parking

¹ Based on the maximum FAR allowed for industrial uses in the Specific Plan, which is 0.5.

² *City of Tracy: I-205 Corridor Specific Plan Amendment*, approved July 6, 1999, page 4-22.

would be decreased to 298 parking spaces instead of 636 spaces. The I-205 Corridor Specific Plan requires only 298 parking spaces for a development the size of the proposed WinCo store. The space for the extra 338 parking spaces from the proposed project would be used in this alternative for landscaping.

As shown in the alternatives analysis in Chapter 5 of the Draft EIR, the No Project Alternative has the least environmental impact and is therefore the environmentally superior alternative. CEQA guidelines require that if the alternative with the least environmental impact is the No Project Alternative, the EIR must also designate the next most environmentally superior alternative. After the No Project Alternative, the Decreased Parking Alternative is the next most environmentally superior alternative.

The foregoing range of alternatives was selected after careful consideration of the project objectives, the Tracy Municipal Code, and the I-205 Corridor Specific Plan. Because the project site is located within the I-205 Corridor Specific Plan Area and because it is surrounded by commercial development and somewhat isolated from the main Tracy community, the options for development on this site are relatively limited. Moreover, the Southern Parcel would be developed under a specific proposal, and its development would be specifically limited to that proposal. Furthermore, the options are limited because the proposed project has few significant impacts and alternatives must reduce or avoid at least one potentially significant effect. In summary, the foregoing range of alternatives represents the range of potential alternatives to the proposed project that could feasibly accomplish most of the basic objectives of the project and could avoid or substantially lessen one or more of the potentially significant effects of the project.

G. Summary Table

Table-1 presents a summary of the potential impacts and mitigation measures identified in this report. It is organized to correspond with the environmental impact categories discussed in Chapter 4 of the Draft EIR.

The table is arranged in four columns: 1) environmental impacts; 2) significance prior to mitigation; 3) mitigation measures; and 4) significance after mitigation. A series of mitigation measures is noted where more than one mitigation measure may be required to achieve a less-than-significant impact. For a complete description of potential impacts and suggested mitigation measures, please refer to the specific discussions in Chapter 4 of the Draft EIR. Additionally, this summary does not detail the timing of mitigation measures. Timing will be further detailed in the mitigation monitoring program, which would be made a condition of any project approval.

TABLE I **SUMMARY OF POTENTIAL IMPACTS AND RECOMMENDED MITIGATION MEASURES**

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
LAND USE AND ECONOMICS			
<i>There are no significant land use and economics impacts.</i>			
COMMUNITY SERVICES			
<i>There are no significant community services impacts.</i>			
TRAFFIC & CIRCULATION			
Impact TRA-1: The addition of project traffic to the Grant Line Road / Byron Road intersection in the Existing Plus Project scenario would add traffic to an already deficient intersection that is operating at LOS F with more than 50 seconds of average delay.	S	<u>Mitigation Measure TRA-1:</u> Install a signal and require signal preemption and coordination with the rail road crossing and detection system.	SU
Impact TRA-2: The addition of project traffic during the PM peak hour would increase the average delay at the Naglee Road/Pavilion Parkway intersection from 18 to over 80 seconds, shifting the level of service from LOS B to F. The City of Tracy level of service standard for this intersection is LOS D.	S	<u>Mitigation Measure TRA-2:</u> Add a second left turn lane on northbound Naglee Road and optimize the signal timing to reduce the average delay at this intersection to 52 seconds.	LTS

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Impact TRA-3: The addition of project traffic would increase the average delay at the Grant Line Road/Corral Hollow Road intersection from 44 to over 80 seconds, shifting the level of service from LOS D to F. The City of Tracy level of service standard for this intersection is LOS C.</p>	S	<p><u>Mitigation Measure TRA-3a:</u> Create an exclusive free-flow right-turn lane of 450 feet on eastbound Grant Line Road approaching the intersection with a receiving lane of 400 feet extending south from the intersection on Corral Hollow Road.</p> <p><u>Mitigation Measure TRA-3b:</u> Change the existing shared through-right to an exclusive through and free-flow right-turn of 300 feet on southbound Corral Hollow Road and a receiving lane extending west of the intersection along Grant Line Road of 400 feet, and add a second left turn on westbound Grant Line Road.</p> <p><u>Mitigation Measure TRA-3c:</u> Optimize the signal timing for Existing Plus Project traffic volumes.</p>	LTS
<p>Cumulative Impact TRA-4: The addition of project traffic increases the average delay at the Grant Line Road / Lammers Road intersection from 54 to 57 seconds, resulting in an unacceptable LOS E.</p>	S	<p><u>Mitigation Measure TRA-4:</u> Optimize the signal timing for the Cumulative Plus Project traffic.</p>	SU

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Cumulative Impact TRA-5: The addition of project traffic would result in unacceptable operations at the Grant Line Road/Naglee Road/I-205 WB On-Ramp intersection, increasing the delay from 39 seconds (LOS D) to 76 seconds (LOS E).</p>	S	<p><u>Mitigation Measure TRA-5:</u> Implementation Mitigation Measure TRA-8, as described below, or implement the following improvements:</p> <ul style="list-style-type: none"> ◆ Utilize the second eastbound left turn lane on Grant Line Road that is currently hatched out ◆ Optimize the signal timing ◆ All roadway features within Caltrans right-of-way, such as signs, pavement delineation, and pavement surface will be protected during construction or maintained in a temporary condition and restored following construction. ◆ The City of Tracy will secure all appropriate permits and associated studies necessary at applicant’s expense. 	LTS
<p>Cumulative Impact TRA-6: The addition of Project traffic results in unacceptable operations at the Naglee Road/Pavilion Parkway intersection, increasing the delay from 48 seconds (LOS D) to over 80 seconds (LOS F).</p>	S	<p><u>Mitigation Measure TRA-6:</u> The following improvements shall be made:</p> <ul style="list-style-type: none"> ◆ Add a second left turn lane from northbound Naglee Road to westbound Pavilion Parkway ◆ Optimize signal timing 	LTS

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Cumulative Impact TRA-7: The addition of project traffic would result in unacceptable operations at the Grant Line Road/I-205 EB Ramps intersection, increasing the delay from 51 seconds (LOS D) to 66 seconds (LOS E).</p>	S	<p><u>Mitigation Measure TRA-7:</u> Implement Mitigation Measure TRA-8, as described below, or implement the following improvements:</p> <ul style="list-style-type: none"> ◆ Change the existing right turn lane to a free right on I-205 eastbound off-ramp with a receiving/acceleration lane of 400 feet on eastbound Grant Line Road ◆ Optimize the signal timing ◆ All roadway features within Caltrans right-of-way, such as signs, pavement delineation, and pavement surface will be protected during construction or maintained in a temporary condition and restored following construction. ◆ The City of Tracy will secure all appropriate permits and associated studies necessary at the applicant's expense. 	LTS
<p>Cumulative Impact TRA-8: The addition of project traffic results in unacceptable operations at all three intersections of the Grant Line Road/I-205 interchange.</p>	S	<p><u>Mitigation Measure TRA-8:</u> Implement the next phase of the Grant Line/I-205 interchange improvements. The next phase of the interchange consists of the following:</p> <ul style="list-style-type: none"> ◆ Adding loop ramps to the interchange ◆ Re-aligning the interchange ◆ All roadway features within Caltrans right-of-way, such as signs, pavement delineation, and pavement surface will be protected during construction or maintained in a temporary condition and restored following construction. ◆ The City of Tracy will secure all appropriate permits and associated studies necessary. <p>Note: Implementation of Mitigation Measure TRA-8 would supersede Mitigation Measures TRA-5 and TRA-7, which are part of the same interchange.</p>	LTS

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Cumulative Impact TRA-9: The addition of project traffic would increase the average delay at the Grant Line Road/Corral Hollow Road intersection from 35 to 42 seconds, degrading operations to LOS D. The City of Tracy level of service standard for this intersection is LOS C.</p>	S	<p><u>Mitigation Measure TRA-9:</u> There are environmental and development constraints associated with construction of a SPUI at this intersection. An interchange could take 400 feet of right-of-way, which would affect approximately 30 homes, a drug store, and pending commercial/office development at the intersection. Additional right of way would also be required to redesign the circulation pattern at the interchange. In addition, the interchange ramps could block public views of the hills to the west, and create physical and visual barriers between points north and south of the interchange. The City intends on making a finding that the mitigation is not feasible, therefore the impact is significant and unavoidable.</p>	SU
<p>Cumulative Impact TRA-10: The addition of project traffic to Eleventh Street/Corral Hollow Road intersection in the Cumulative plus Project scenario would add traffic to an already deficient intersection. The additional traffic would add 3 seconds of delay to the intersection.</p>	S	<p><u>Mitigation Measure TRA-10:</u> The addition of project traffic to Eleventh Street/Corral Hollow Road intersection in the Cumulative plus Project scenario would add traffic to an already deficient intersection. The additional traffic would add 3 seconds of delay to the intersection. This would be a <i>significant</i> impact, There are environmental and development constraints associated with construction of a SPUI at this intersection. An interchange could take 400 feet of right-of-way, which would affect approximately 10 homes, two gas stations, a major hardware retailer, and a Caltrans maintenance yard. Additional right of way would also be required to redesign the circulation pattern at the interchange. In addition, the interchange ramps could block public views of the hills to the west, and create physical and visual barriers between points north and south of the interchange. The City intends on making a finding that the mitigation is not feasible, therefore the impact is significant and unavoidable.</p>	SU

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
Implementation of mitigation measures for all cumulative impacts excepting Cumulative Impacts TRA-1, TRA-4 TRA-9 and TRA-10.		<u>Mitigation Measure TRA-11:</u> Prior to issuance of any building permit for the project, an update to the FIPs for the I-205 Corridor Specific Plan Area shall be completed in order to update the list of impacted intersections and estimates of the costs to make necessary roadway improvements as identified in Table 4.3-6 (Cumulative No Project Intersection Improvements), and the additional improvements shown in Table 4.3-17 (Cumulative Plus WinCo Intersection Mitigation Measures). The project proponents shall be subject to the fair share of the increase in costs to roadway improvements that will result from the update of the FIPs as to the roadway improvements for the intersections identified in TRA-5, TRA-6 and TRA-7. The project proponents shall pay its fair share of the increase in costs that result from the FIPs as to those intersections identified in TRA-5, TRA-6 and TRA-7. With the exception of impacts TRA-4, TRA-9, and TRA-10 (which are significant and unavoidable), cumulative impacts are less than significant with implementation of Mitigation Measures TRA-5, TRA-6 and TRA-7, (implementation of TRA-5, TRA-6, and TRA-7 will reduce same impacts addressed by TRA-8 to a less than significant level.)	
INFRASTRUCTURE			
<i>There are no significant infrastructure impacts.</i>			
HAZARDOUS MATERIALS			
<i>There are no significant hazardous materials impacts.</i>			
AESTHETICS			
<i>There are no significant aesthetics impacts.</i>			

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
CULTURAL RESOURCES			
Impact CUL-1: Subsurface or buried archaeological materials may be discovered during construction, grading, trenching or other activities associated with implementation of the proposed project. Destruction or disturbance of such undiscovered resources constitutes a potentially significant impact.	S	<p><u>Mitigation Measure CUL-1a:</u> If evidence of archeological artifacts is discovered during construction, all operations within an area at and adjacent to the discovered site shall be halted until a qualified archeologist determines the extent and significance of the finds and recommends appropriate mitigation measures and those measures are implemented.</p> <p><u>Mitigation Measure CUL-1b:</u> If human remains are discovered during construction, all construction and excavation activity shall cease and the County coroner shall be notified, pursuant to Section 7050.5 of California's Health and Safety Code. If the remains are of a Native American, the coroner shall notify the California Native American Heritage Commission within 24 hours, which in turn will inform a most likely descendent pursuant to Section 5097.98 of the State Resources Code. The descendent shall recommend the appropriate disposition of the remains and any associated grave goods.</p>	LTS
GEOLOGY, SOILS AND SEISMICITY			
Impact GEO-1: Future development could be subjected to moderate to strong groundshaking.	S	<p><u>Mitigation Measure GEO-1a:</u> California Building Code and City of Tracy standards shall be applied as minimum standards for all construction.</p> <p><u>Mitigation Measure GEO-1b:</u> All structures shall be designed to withstand strong seismic ground shaking.</p> <p><u>Mitigation Measure GEO-1c:</u> Fill material shall meet requirements of City, County and State grading ordinances.</p>	LTS
Impact GEO-2: Surficial soils on the site have a high shrink/swell potential and could result in differential settlement.	S	<u>Mitigation Measure GEO-2:</u> Highly expansive soils shall be removed or covered with non-expansive soils. Surface water control and specialized foundation systems shall be used.	LTS

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Impact GEO-3: Project development could result in increased erosion and/or loss of topsoil. The inclusion of erosion control Best Management Practices (BMPs) in the project construction plans and implementation of these BMPs during project construction can reduce these potential impacts to less than significant levels.</p>	S	<p><u>Mitigation Measure GEO-3:</u> Applicable erosion control BMPs for the construction phase of the WinCo store and the Northern Parcel shall be implemented, including:</p> <ul style="list-style-type: none"> ◆ Soil stabilization techniques such as hydroseeding and short-term biodegradable erosion control blankets. ◆ Silt fences or some kind of inlet protection at downstream storm drain outlets. ◆ Post-construction inspection of all drainage facilities for accumulated sediment. ◆ Post-construction clearing of all drainage structures of debris and sediment. 	LTS

HYDROLOGY AND FLOODING

There are no significant hydrology and flooding impacts.

BIOLOGICAL RESOURCES

<p>Impact BIO-1: Development activity on either the Northern or Southern Parcel could adversely affect the burrowing owl pair nesting on the Northern Parcel, if site improvements are made during the breeding season which is between February 1 and August 31. Modifying the habitat of a species listed as a California species of special concern and a federal species of concern, and protected under the Migratory Bird Treaty Act constitutes a significant impact.</p>	S	<p><u>Mitigation Measure BIO-1:</u> The project proponent shall consult with the CDFG on an appropriate buffer for avoiding impacts to burrowing owls during the breeding season (February 1 to August 31), if construction is proposed during that time. Alternatively, the owls shall be passively excluded by a qualified biologist, in consultation with the CDFG prior to the breeding season. If construction is proposed after the nesting season, then an additional field survey shall be conducted to determine the absence or presence of the species, prior to issuance of development permits on the property.</p>	LTS
---	---	---	-----

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
Impact BIO-2: Development on the Northern and Southern Parcels could adversely affect Swainson’s hawk foraging habitat.	LTS	The Swainson’s hawk is a species covered by the SJMSCP. The proposed project is covered by the SJMSCP, which is intended to reduce impacts to biological resources, including Swainson’s hawk, resulting from the project to a less-than-significant level. Therefore, no additional mitigation measure is required beyond participation in the SJMSCP, and payment of \$2,100 per acre as established in City Council Resolution 91-928, which satisfies the requirements of the SJMSCP.	LTS

AIR QUALITY

Impact AQ-1: Implementation of the proposed project would result in temporarily increased particulate matter levels in the immediate vicinity during construction.	<p><u>Mitigation Measure AQ-1:</u> The following measures are appropriate dust control strategies that shall be implemented and go beyond the requirements of SJVAPCD Regulation VIII:</p> <ul style="list-style-type: none"> ◆ Limit traffic speeds on unpaved roads to 15 mph. ◆ Install wheel washers for all exiting trucks, or wash off all trucks and equipment leaving the site. ◆ Suspend excavation and grading activities when winds exceed 20 mph. ◆ Limit size of area subject to excavation, grading or other construction activity at any one time to avoid excessive dust. ◆ Install sandbags or other erosion control measures to prevent silt runoff to public roadways from sites with a slope greater than one percent. ◆ Expeditiously remove the accumulation of mud or dirt from adjacent public streets at least once every 24 hours when operations are occurring. 	LTS
---	--	-----

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
<p>Impact AQ-2: Development of the project would result in increases in emissions of both ozone precursors and PM10.</p>	S	<p><u>Mitigation Measure AQ-2:</u> Require the following design features to be implemented:</p> <ul style="list-style-type: none"> ◆ Use energy efficient design including automated control system for heating/ air conditioning and energy efficiency, utilize lighting controls and energy efficient lighting in buildings and use light colored roof materials to reflect heat. ◆ Plant deciduous trees on the south and westerly facing sides of buildings. ◆ Provide low NOx emitting and/or high efficiency water heaters. ◆ Appropriate easements should be reserved to provide for future improvements such as bus turnouts, loading areas, and shelters. ◆ Purchase low-emission, alternatively-fueled or electrical-driven maintenance vehicles and equipment. ◆ Promote pedestrian, bicycle and transit modes of travel through informational programs and provision of amenities such as transit shelters, secure bicycle parking and attractive pedestrian pathways. ◆ Designate an on-site Transportation System Management Coordinator. ◆ Implement carpool/vanpool program, e.g., carpool ride-matching for employees, assistance with vanpool formation, provision of vanpool vehicles, etc. ◆ Provide lockers for employees bicycling or walking to work. <p>The suburban location and character of the proposed project limits the potential for further reducing regional air quality impacts. Available air quality mitigation strategies for commercial development are most effective on employee work trips, which comprise a very small fraction of total project trips. Parking restrictions or fees as a means of reducing vehicle trips are impractical unless imposed regionally.</p>	SU

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

Significant Impact	Significance Before Mitigation	Mitigation Measures	Significance With Mitigation
Cumulative Impact AQ-1: Development of the project, together with the rapid pace of development in the region would result in increases in emission of both ozone precursors and PM ₁₀ .	S	This impact is considered an unavoidable significant cumulative impact.	SU
Cumulative Impact AQ-2: The proposed General Plan and Specific Plan amendments and subsequent development would result in increased air emissions within an air basin that exceeds State and Federal air quality standards, resulting in an unavoidable significant cumulative impact to air quality in the region.	S	This impact is considered an unavoidable significant cumulative impact.	SU
NOISE			
<i>There are no significant noise impacts.</i>			

LTS = Less Than Significant S = Significant SU = Significant Unavoidable Impact

3 REVISIONS TO THE DRAFT EIR

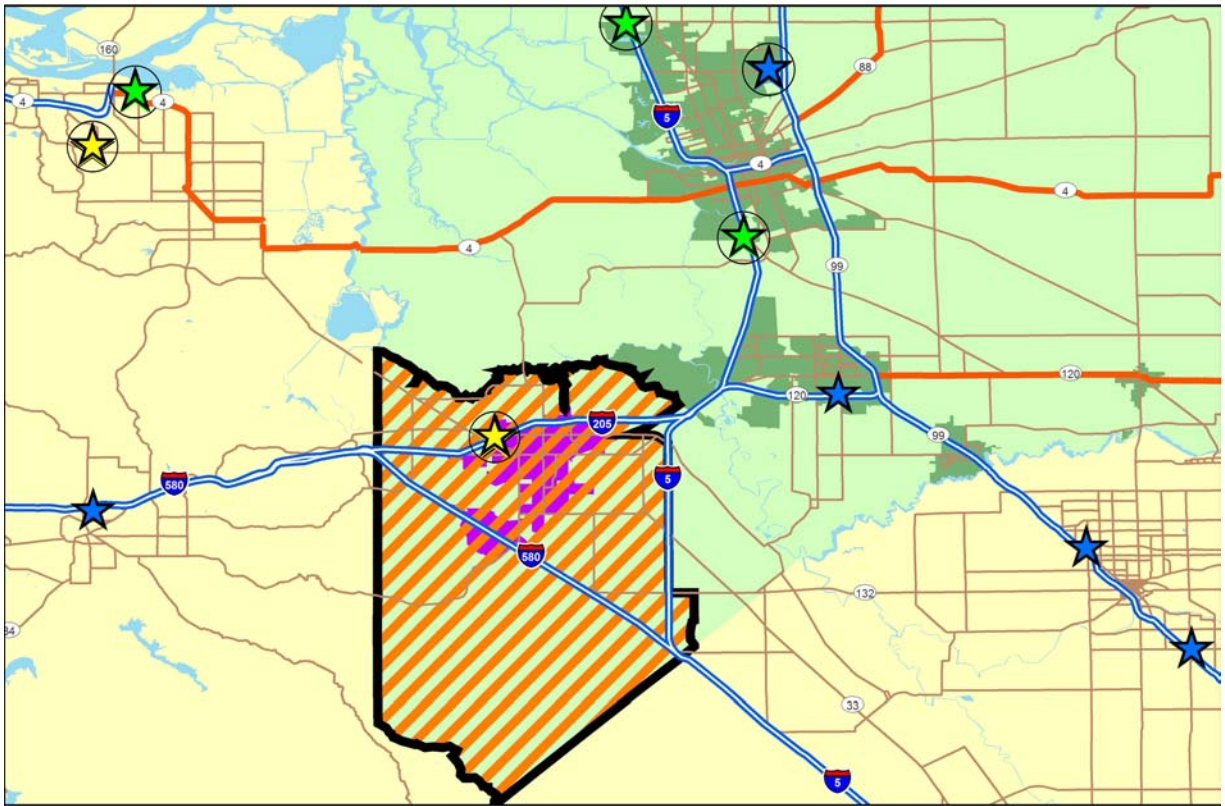
This chapter presents specific changes to the text of the Draft EIR Amendment that are being made in response to comments made by the public and/or reviewing agencies. In each case, the revised page and location on the page is set forth, followed by the textual revision. None of the changes constitute significant changes to the Draft EIR Amendment, so the Draft EIR Amendment does not need to be recirculated.

Page 4.3-75 is hereby amended as follows:


Mitigation Measure TRA-11: Prior to issuance of any building permit for the project, an update to the FIPs for the I-205 Corridor Specific Plan Area shall be completed in order to update the list of impacted intersections and estimates of the costs to make necessary roadway improvements as identified in Table 4.3-6 (Cumulative No Project Intersection Improvements), and the additional improvements shown in Table 4.3-17 (Cumulative Plus WinCo Intersection Mitigation Measures). The project proponents shall be subject to the fair share of the increase in costs to roadway improvements that will result from the update of the FIPs as to the roadway improvements for the intersections identified in ~~TRA-2, TRA-3~~, TRA-5, TRA-6 and TRA-7. The project proponents shall pay its fair share of the increase in costs that result from the FIPs as to those intersections identified in ~~TRA-2, TRA-3~~, TRA-5, TRA-6 and TRA-7. With the exception of impacts TRA-4, TRA-9, and TRA-10 (which are significant and unavoidable), cumulative impacts are less than significant with implementation of Mitigation Measures ~~TRA-2, TRA-3~~, TRA-5, TRA-6 and TRA-7, (implementation of TRA-5, TRA-6, and TRA-7 will reduce same impacts addressed by TRA-8 to a less than significant level.)

Page 5 of the BAE Appendix A, Market Impact Analysis is hereby re-printed for clarification to better represent the trade area.

Figure 1: WinCo Trade Area



 Proposed Tracy WinCo

 Existing WinCo Stores

Wal-Marts


 Existing Discount Store

 Existing Supercenter


 Existing Discount Store - Proposed Expansion to Supercenter

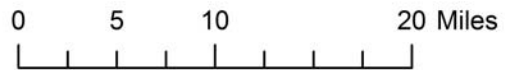
 Proposed New Supercenter

 Other San Joaquin County Cities

 San Joaquin County

 Trade Area

 City of Tracy



Page 14 of the BAE Appendix A, Market Impact Analysis is hereby amended as follows:

TABLE 8: **CALCULATION OF ANNUAL DEMAND FOR NEW RETAIL SPACE IN TRADE AREA**

2002	
Total Taxable Retail Sales (a)	\$756,389,316 <u>\$465,406,943</u>
Trade Area Population (b)	79,141
Sales per capita	\$5,881 <u>\$9,557</u>
2009	
Trade Area Population , 2009 (c)	113,501
Estimated Total Taxable Sales (d)	\$1,084,784,672 <u>\$667,468,865</u>
Increase in Taxable Sales, 2002-2009	\$328,395,356 <u>\$202,061,922</u>
Sales per Square Foot, All Stores (e)	\$286.46
Estimated Additional Annual Retail Square Feet Demand	463,770 <u>100,768</u>

(a) From Appendix C of the BAE report. All amounts in 2003 dollars. Includes only taxable sales in Tracy, thus is a conservative estimate of total sales in Trade Area. Excludes automotive sector and service stations.

(b) Calculated using estimated annual average growth rate from 2000-2004 for Trade Area.

(c) From Table 1 of the BAE report.

(d) 2009 population x per capita sales.

(e) Based on median sales per square foot for all stores in community shopping centers in the West, *ULI Dollars & Cents of Shopping Centers, 2004*.

Sources: BAE, using data from Urban Land Institute, State Board of Equalization, and Claritas.

4 LIST OF COMMENTORS

A. *Written Comments*

Agencies

1. Terry Roberts, Director, State Clearinghouse. State of California, Governor's Office of Planning and Research. February 23, 2007.
2. Tom Dumas, Chief, Office of Intermodal Planning. State Department of Transportation. January 18, 2007.
3. Christopher Huit, Staff Environmental Scientist, Floodway Protection Section. State Department of Water Resources. January 23, 2007.
4. Kevin Boles, Environmental Specialist, Rail Crossings Engineering Section, Consumer Protection and Safety Division. State Public Utilities Commission. January 24, 2007.
5. Andrea Vallejo, Associate Planner. San Joaquin County Public Works. February 9, 2007.

Members of the Public, Small Businesses, and Their Representatives

6. Sarah Ellen Owsowitz. Cox, Castle & Nicholson. February 12, 2007.
7. Jim Watt. Retail Strategies. February 12, 2007.

CITY OF TRACY
ADDENDUM TO THE WINCO FINAL EIR
LIST OF COMMENTORS

[This page left blank intentionally.]

5 COMMENTS AND RESPONSES

This chapter includes a reproduction of, and responses to, each letter received during the public review period. Each letter is reproduced in its entirety, and is immediately followed by responses to the comments in it. Letters are categorized by type of commentor, with state and regional agencies first and written comments from members of the public second. Within each category, letters are arranged in chronological order. Each comment and response is labeled with a reference number in the margin.

Where the same comment has been made more than once, a response may direct the reader to another numbered comment and response. Where a response required revisions to the Draft EIR Amendment, these revisions are shown in Chapter 3 of this Final EIR.



STATE OF CALIFORNIA
 Governor's Office of Planning and Research
 State Clearinghouse and Planning Unit



Arnold Schwarzenegger
 Governor

Cynthia Bryant
 Director

February 14, 2007

RECEIVED

FEB 23 2007

CITY OF TRACY

Alan Bell
 City of Tracy Development and Engineering Services Dept.
 520 Tracy Boulevard
 Tracy, CA 95376

Subject: WinCo Draft EIR (formerly known as WinCo I-205 Corridor Specific Plan Amendment)
 SCH#: 2003102045

Dear Alan Bell:

The State Clearinghouse submitted the above named Supplemental EIR to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on February 13, 2007, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

Please note that Section 21104(c) of the California Public Resources Code states that:

"A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Terry Roberts
 Director, State Clearinghouse

Enclosures
 cc: Resources Agency

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

LETTER 1: Terry Roberts, Director, State Clearinghouse, State of California, Governor's Office of Planning and Research. February 23, 2007.

- 1-1 The comment acknowledges that circulation of the Draft EIR Amendment was done in compliance with the California Environmental Quality Act. No response is required.

DEPARTMENT OF TRANSPORTATION

P.O. BOX 2048 STOCKTON, CA 95201
(1976 E. CHARTER WAY/1976 E. DR. MARTIN
LUTHER KING JR. BLVD. 95205)
TTY: California Relay Service (800) 735-2929
PHONE (209) 941-1921
FAX (209) 948-7194



*Flex your power!
Be energy efficient!*

RECEIVED

JAN 18 2007

CITY OF TRACY

January 18, 2007

10-SJ-205-PM 5.3
SCH 2003102045
(Recirculated DEIR) WinnCo

Alan Bell
City of Tracy
520 Tracy Boulevard
Tracy, CA 95376

Dear Mr. Bell:

The California Department of Transportation (Department) appreciates the opportunity to review the Recirculated Draft Environmental Impact Report (DEIR) for the proposed 95,900 square foot grocery store with 636 parking stalls. This project is proposed to be located at Pavillion Parkway, approximately 1,500 feet north from the Interstate-205 (I-205)/Grant Line Road interchange. The Department requests the following information to complete the review of this project:

- The Department **requires** an electronic copy of the travel demand forecast model the City of Tracy (City) used to prepare the traffic impact study (TIS).
- The Department **requires** a proposed project only select zone analysis - trip generation and assignment for build-out of general plan.

Additional comments will be provided after the receipt of and opportunity to review this additional information.

If you have any questions or would like to discuss our comments in more detail, please contact Dan Brewer at (209) 948-7142 ([e-mail: dan.brewer@dot.ca.gov](mailto:dan.brewer@dot.ca.gov)) or me at (209) 941-1921.

Sincerely,


TOM DUMAS, Chief
Office of Intermodal Planning

c: SMorgan CA Office of Research and Planning

"Caltrans improves mobility across California"

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

LETTER 2: Tom Dumas, Chief, Office of Intermodal Planning. State Department of Transportation. January 18, 2007.

- 2-1 The comment summarizes the project components and no response is required.
- 2-2 The comment requests a copy of the travel demand forecast model used by the City to prepare the Traffic Impact Study. An electronic copy of the travel demand forecast model (including project only select zone analysis) used to prepare the traffic impact study was transmitted to the Department of Transportation on 1/26/2007.
- 2-3 Project-only select zone analysis was conducted to determine Project trip distribution and assignment under existing and future cumulative scenarios.
- 2-4 The comment states that additional comments will be provided, however none were received.

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 942360001
(916) 653-5791

**RECEIVED****JAN 23 2007****CITY OF TRACY**

January 17, 2007

Alan Bell, Senior Planner
City of Tracy, Development and Engineering Services
520 Tracy Boulevard
Tracy, California 95376

WinCo Draft EIR (formerly known as Winco I-205 Corridor Specific Plan Amendment
State Clearinghouse (SCH) Number: 2003102045

The project corresponding to the subject SCH identification number has come to our attention. The limited project description suggests your project may be an encroachment on the State Adopted Plan of Flood Control. You may refer to the California Code of Regulations, Title 23 and Designated Floodway maps at <http://recbd.ca.gov/>. Please be advised that your county office also has copies of the Board's designated floodways for your review. If indeed your project encroaches on an adopted food control plan, you will need to obtain an encroachment permit from the Reclamation Board prior to initiating any activities. The attached Fact Sheet explains the permitting process. Please note that the permitting process may take as much as 45 to 60 days to process. Also note that a condition of the permit requires the securing all of the appropriate additional permits before initiating work. This information is provided so that you may plan accordingly.

If after careful evaluation, it is your assessment that your project is not within the authority of the Reclamation Board, you may disregard this notice. For further information, please contact me at (916) 574-1249.

Sincerely,

A handwritten signature in black ink, appearing to read "Chy L Huitt".

Christopher Huitt
Staff Environmental Scientist
Floodway Protection Section

cc: Governor's Office of Planning and Research
State Clearinghouse
1400 Tenth Street, Room 121
Sacramento, CA 95814

Encroachment Permits Fact Sheet

Basis for Authority

State law (Water Code Sections 8534, 8608, 8609, and 8710 – 8723) tasks the Reclamation Board with enforcing appropriate standards for the construction, maintenance, and protection of adopted flood control plans. Regulations implementing these directives are found in California Code of Regulations (CCR) Title 23, Division 1.

Area of Reclamation Board Jurisdiction

The adopted plan of flood control under the jurisdiction and authority of the Reclamation Board includes the Sacramento and San Joaquin Rivers and their tributaries and distributaries and the designated floodways.

Streams regulated by the Reclamation Board can be found in Title 23 Section 112. Information on designated floodways can be found on the Reclamation Board's website at http://recbd.ca.gov/designated_floodway/ and CCR Title 23 Sections 101 - 107.

Regulatory Process

The Reclamation Board ensures the integrity of the flood control system through a permit process (Water Code Section 8710). A permit must be obtained prior to initiating any activity, including excavation and construction, removal or planting of landscaping within floodways, levees, and 10 feet landward of the landside levee toes. Additionally, activities located outside of the adopted plan of flood control but which may foreseeable interfere with the functioning or operation of the plan of flood control is also subject to a permit of the Reclamation Board.

Details regarding the permitting process and the regulations can be found on the Reclamation Board's website at <http://recbd.ca.gov/> under "Frequently Asked Questions" and "Regulations," respectively. The application form and the accompanying environmental questionnaire can be found on the Reclamation Board's website at <http://recbd.ca.gov/forms.cfm>.

Application Review Process

Applications when deemed complete will undergo technical and environmental review by Reclamation Board and/or Department of Water Resources staff.

Technical Review

A technical review is conducted of the application to ensure consistency with the regulatory standards designed to ensure the function and structural integrity of the adopted plan of flood control for the protection of public welfare and safety. Standards and permitted uses of designated floodways are found in CCR Title 23 Sections 107 and Article 8 (Sections 111 to 137). The permit contains 12 standard conditions and additional special conditions may be placed on the permit as the situation warrants. Special conditions, for example, may include mitigation for the hydraulic impacts of the project by reducing or eliminating the additional flood risk to third parties that may caused by the project.

Additional information may be requested in support of the technical review of

your application pursuant to CCR Title 23 Section 8(b)(4). This information may include but not limited to geotechnical exploration, soil testing, hydraulic or sediment transport studies, and other analyses may be required at any time prior to a determination on the application.

Environmental Review

A determination on an encroachment application is a discretionary action by the Reclamation Board and its staff and subject to the provisions of the California Environmental Quality Act (CEQA) (Public Resources Code 21000 et seq.). Additional environmental considerations are placed on the issuance of the encroachment permit by Water Code Section 8608 and the corresponding implementing regulations (California Code of Regulations – CCR Title 23 Sections 10 and 16).

In most cases, the Reclamation Board will be assuming the role of a “responsible agency” within the meaning of CEQA. In these situations, the application must include a certified CEQA document by the “lead agency” [CCR Title 23 Section 8(b)(2)]. We emphasize that such a document must include within its project description and environmental assessment of the activities for which are being considered under the permit.

Encroachment applications will also undergo a review by an interagency Environmental Review Committee (ERC) pursuant to CCR Title 23 Section 10. Review of your application will be facilitated by providing as much additional environmental information as pertinent and available to the applicant at the time of submission of the encroachment application.

These additional documentations may include the following documentation:

- California Department of Fish and Game Streambed Alteration Notification (<http://www.dfg.ca.gov/1600/>),
- Clean Water Act Section 404 applications, and Rivers and Harbors Section 10 application (US Army Corp of Engineers),
- Clean Water Act Section 401 Water Quality Certification, and
- corresponding determinations by the respective regulatory agencies to the aforementioned applications, including Biological Opinions, if available at the time of submission of your application.

The submission of this information, if pertinent to your application, will expedite review and prevent overlapping requirements. This information should be made available as a supplement to your application as it becomes available. Transmittal information should reference the application number provided by the Reclamation Board.

In some limited situations, such as for minor projects, there may be no other agency with approval authority over the project, other than the encroachment permit by Reclamation Board. In these limited instances, the Reclamation Board

may choose to serve as the "lead agency" within the meaning of CEQA and in most cases the projects are of such a nature that a categorical or statutory exemption will apply. The Reclamation Board cannot invest staff resources to prepare complex environmental documentation.

Additional information may be requested in support of the environmental review of your application pursuant to CCR Title 23 Section 8(b)(4). This information may include biological surveys or other environmental surveys and may be required at anytime prior to a determination on the application.

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

LETTER 3: Christopher Huitt, Staff Environmental Scientist, Floodway Protection Section. State Department of Water Resources. January 23, 2007.

- 3-1 The comment addresses the requirements for projects that encroach into the State Adopted Plan of Flood Control. Since the project does not encroach, no further response is required.

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 22, 2007

RECEIVED
JAN 24 2007
CITY OF TRACY

Alan Bell
Senior Planner
City of Tracy
520 Tracy Boulevard
Tracy, CA 95376

RE: WinCo Draft EIR, SCH# 2003102045

Dear Mr. Bell:

As the state agency responsible for rail safety within California, we recommend that any development projects planned adjacent to or near the rail corridor in the City be planned with the safety of the rail corridor in mind. New developments may increase traffic volumes not only on streets and at intersections, but also at at-grade highway-rail crossings. This includes considering pedestrian circulation patterns/destinations with respect to railroad right-of-way.

Safety factors to consider include, but are not limited to, the planning for grade separations for major thoroughfares, improvements to existing at-grade highway-rail crossings due to increase in traffic volumes and appropriate fencing to limit the access of trespassers onto the railroad right-of-way.

Of specific concern is the potential impact on the existing at-grade highway-rail crossing on Grant Line Road.

The above-mentioned safety improvements should be considered when approval is sought for the new development. Working with Commission staff early in the conceptual design phase will help improve the safety to motorists and pedestrians in the City.

If you have any questions in this matter, please call me at (415) 703-2795.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kevin Boles".

Kevin Boles
Environmental Specialist
Rail Crossings Engineering Section
Consumer Protection and Safety Division

cc: Terrel Anderson, Union Pacific Railroad

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

LETTER 4: Kevin Boles, Environmental Specialist, Rail Crossings Engineering Section, Consumer Protection and Safety Division. State Public Utilities Commission. January 24, 2007.

- 4-1 The comment provides information for projects located close to rail corridors. Since the project is not located near a rail corridor, no additional response is required.

Alan Bell

From: Andrea Vallejo [avallejo@sjgov.org]
Sent: Friday, February 09, 2007 2:43 PM
To: Alan Bell
Subject: WinCo Comments

Hi Alan, below is a draft of the County's comment letter to this re-circulated study. The hard copy will be mailed to you next week, we just wanted to ensure that we met the 2/12 deadline.

Thanks and have a great weekend!

Andrea Vallejo
 Associate Planner
 SJC Public Works
 209.468.8494
 avallejo@sjgov.org

The San Joaquin County Department of Public Works has reviewed the above-referenced document and has the following comments:

From Transportation Planning:

1. Page 2-8 of Summary for Impact TRA-1; please revise the mitigation measure to show the LOS and delay *with* the proposed traffic signal and railroad preemption. The mitigation section should state that the project shall pay its fair share to San Joaquin County for the signalization of Grant Line Road and Byron Road, including the railroad preemption. The City of Tracy shall condition the project to pay its fair share of these improvements accordingly. This impact must be mitigated to *Less Than Significant*, and cannot remain *Significant and Unavoidable*.
2. Page 2-9 of Summary for Impact TRA-4; Mitigation Measure states that the signal timing will be optimized for the Cumulative Plus Project Traffic scenario at the Grant Line Road/Lammers Road intersection. However, this intersection is not signalized. Please revise the Mitigation Measure to state that a traffic signal will be installed with the cost borne by this project and the Wal-Mart Expansion project. The City of Tracy shall condition the project to pay its fair share of these improvements accordingly. The project's traffic consultant must provide the County Traffic Engineering Division with the signal timing plan to achieve optimization.
3. This project shall be subject to the Regional Transportation Impact Fee, which the City of Tracy shall collect from the applicants.
4. Please note the posted speed limit of Byron Road in the project vicinity under the Byron Road description section on page 4.3-15.
5. Please include the list of approved projects provided by the City of Tracy referenced on page 4.3-16.
6. The existing Grant Line Road/Lammers Road 'T' intersection is not studied in this DEIR. Please add this intersection to the traffic study and identify the project's impacts to this intersection as well as any necessary mitigation. The City should condition the project to pay its fair share of mitigation improvements accordingly.
7. The project does not fully address the proposed future Interstate 205/Lammers Road interchange project. The project traffic impact study analysis should be revised to address this important interchange project, as well as this project's fair share contribution toward the interchange.
8. On pages 4.3-31, 32 the document states that because the project is located on a low-level collector road, the number of pass-by trips was considered negligible. Because Grant Line Road is typically used as an alternate route to I-205 by commute traffic in both the AM and PM peak hours, the project should include pass-by trips to reflect the most accurate scenario.
9. Pages 4.3-33, 34 discuss trip distribution and assignment, which is reflected on Tables 4.3-10, 11, and 12 as well as Figures 4.3-6 and 7. The distribution does not appear to account for trips from Mountain House residents. Please revise the trip distribution and assignment based on the San Joaquin Council of Governments Travel Demand Forecast Model in conjunction with the City

of Tracy 2004 General Plan Travel Demand Model to more accurately reflect the project's trip distribution and assignment.

10. The project shall be required to obtain an Encroachment Permit from San Joaquin County for any work as well as any traffic control, including advanced warning signage within the County jurisdiction. Any plans for lane closures, road closures, or detours necessary for the project which affect County roadways shall be submitted at least 60 days in advance to the County Traffic Engineer for prior approval. As applicable, project fair share costs, and Regional Transportation Impact Fees assessed to the project shall be paid in full.

From Traffic Engineering:

11. The intersection of Byron Road at East Grant Line Road will be addressed in the future Lammers Road/I-205 intersection; however, in the meantime this development will attract trips from the Mountain House community through this impacted intersection as well as the current intersection of Grant Line Road and Lammers Road. Fair share mitigation even on an interim basis shall be addressed for these two intersections.

LETTER 5: Andrea Vallejo, Associate Planner. San Joaquin County Public Works. February 9, 2007.

- 5-1 The installation of a traffic signal, and signal preemption and coordination with the rail road crossing and detection system at this County intersection would reduce the average delay to 35 seconds and result in LOS C. The recommended mitigation improvement is located in the County. The City does not have control over improvements in the County. The County will determine whether or not to implement improvements at the Grant Line Road/Byron Road intersection. Please refer to the December 29, 2006 Amendment to the WinCo Draft EIR pages 4.3-12 through 4.3-14 for a discussion of City transportation funding. No further revisions of this EIR are required to address this comment.
- 5-2 Cumulative Impact TRA-4 at the Grant Line Road/Lammers Road intersection is located at a new intersection that will be constructed to support local circulation to/from the planned Interstate 205/Lammers Road interchange. No further revision of this EIR is required to respond to this comment.
- 5-3 The City of Tracy adopted the Regional Transportation Impact Fee (RTIF) on January 3, 2006, and collects fees from new development to fund the RTIF program. The project will be subject to the RTIF if applicable, in accordance with City of Tracy resolution.
- 5-4 There is no posted speed limit for Byron Road in the project vicinity. In the absence of a posted speed limit, the California Vehicle Code limits the maximum speed on two-lane county roads to 55 miles per hour.
- 5-5 The list of approved projects provided by the City referenced on page 4.3-13 is included in Table 4 of the Traffic Impact Study for the WinCo/Trask Project Final Report (Appendix B of the October 11,

2005 DEIR), which was the basis for Section 4.3 of the Draft EIR.

- 5-6 Prior to beginning the traffic analysis, a screening process was employed to determine the extent of the study area and intersections requiring study within the study area. Study locations were selected based on the following screening criteria:
- ◆ Intersections that may become deficient with project trips adding 3% or more of total trips
 - ◆ Freeway segments that have project trips adding 1% of total volume

The Grant Line Road/ Lammers Road ‘T’ intersection did not meet the screening criterion for intersections needing study, as this intersection is currently operating well within acceptable standards and is not expected to become deficient in the future based on field observations of existing conditions and traffic model projections. Project trips are expected to add less than 3% to the total trips through the intersection.

- 5-7 Please see response to comment 5-6 for a description of the screening criteria employed to determine study locations. The Interstate 205/Lammers Road interchange was considered in determining project trip distribution under cumulative conditions. This interchange would not be heavily utilized by project traffic given the project’s close proximity to the I-205/Grant Line Road interchange. The specific fair share responsibilities of the project toward the interchange will be assigned in the Project Finance and Implementation Plan. No further revision of this EIR is required to respond to this comment.
- 5-8 The project is located on Pavilion Parkway, which may, in the cumulative condition (when Pavilion Parkway extends west to intersect Byron Road and West Grant Line Road), carry some diverted com-

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

mute traffic from Interstate 205. Therefore, the number of pass-by trips from Pavilion Parkway was considered negligible. The approach used in the traffic analysis assumed negligible pass-by trips as a conservative estimate of potential project impacts. As stated on page 4.3-32, the analysis considered all non-primary trips to be diverted linked trips. Tables 4.3-11 and 4.3-12 report the percentage of project trips that are diverted from Grant Line Road to the project site as 2% and 5-7%, respectively, under Existing and Cumulative conditions. Applying a more substantial pass-by trip assumption would reduce net traffic generation from the project and potentially result in fewer impacts. No further revision of this EIR is required to respond to this comment

5-9 Up to 13% of the project's outbound traffic is reflected as traveling to the general vicinity of the Mountain House community. The San Joaquin Council of Governments Travel Demand Forecast Model was used in conjunction with the City's 2004 General Plan Travel Demand Model to determine project trip distribution.

5-10 Comment noted. The City will coordinate improvements affecting County roadways with San Joaquin County, including securing the proper permits required for any traffic control, lane closures, road closures, or detours necessary. Please refer to the December 29, 2006 Amendment to the WinCo Draft EIR pages 4.3-12 through 4.3-14 for a discussion of City transportation funding.

5-11 The Byron Road/ East Grant Line Road intersection currently operates at a deficient level of service F. This condition would be exacerbated by the addition of Project trips and Mountain House trips through the intersection. A recommendation for interim improvements (traffic signal and railroad preemption) has been proposed to address this condition. The City does not have control over improvements in the County. The County will determine whether or

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

not to implement improvements at the Grant Line Road/Byron Road intersection. Please refer to the December 29, 2006 Amendment to the WinCo Draft EIR pages 4.3-12 through 4.3-14 for a discussion of City transportation funding. No further revisions of this EIR are required to address this comment.



RECEIVED
FEB 12 2007
CITY OF TRACY

Cox, Castle & Nicholson LLP
555 Montgomery Street, 15th Floor
San Francisco, California 94111-2585
P 415.392.4200 F 415.392.4250

Sarah Ellen Owsowitz
415.262.5122
sowsowitz@coxcastle.com

February 9, 2007

VIA E-MAIL AND U.S. MAIL

Alan Bell
Senior Planner
Development and Engineering Services
City of Tracy
520 Tracy Boulevard
Tracy, CA 95376

Re: **Amendment to WinCo Draft EIR**

Dear Alan:

On behalf of Cox Castle & Nicholson, counsel for WinCo Foods, I write to commend the City of Tracy for its environmental review of the proposed WinCo retail grocery store ("Project"). The WinCo Draft EIR and Amendment to the WinCo Draft EIR (collectively "Draft EIR") contain an adequate, accurate and objective discussion of the potential environmental impacts of the Project, supported by reasoned analysis and substantial evidence.

We agree that that Draft EIR correctly concludes that any store vacancies which may result from the Project would not cause buildings and/or properties in Tracy to deteriorate and lead to the decline of associated or nearby real estate. In addition to those provisions of Tracy's General Plan and Municipal Code which the Draft EIR states will work to mitigate any negative impacts of such vacancies, we note that Bay Area Economic's Market Impact Analysis for the Project also contains evidence that past long-term retail vacancies in Tracy, such as the three-year period during which "at least some portion of the former Longs space [at Westgate Plaza] remained vacant, the property was maintained and kept from physical decline as the owner sought new tenants." (Market Impact Analysis at p. 33.) The Market Impact Analysis states, further, that "larger spaces in Tracy have been retenanting successfully without major loss of additional tenants, physical deterioration, or urban decay even in cases of multiyear vacancies." (*Id.*)

Alan Bell, Senior Planner
February 9, 2007
Page 2

We appreciate the time and care Tracy has taken in preparing the environmental review of the Project, and look forward to WinCo joining the Tracy community.

Sincerely,



Sarah Ellen Owsowitz

cc: Gordon Davis, WinCo Foods, LLC
Dan Schack, Schack and Company

99999\84152v1

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

LETTER 6: Sarah Ellen Owsowitz. Cox, Castle & Nicholson. February 12, 2007.

6-1: The comment commends the City of Tracy for environmental review of the project. No additional response is required.

6-2: The comment states agreement with the findings of the Market Impact Analysis (Appendix A of the Draft EIR Amendment. No further response is required.

RETAIL STRATEGIES

286 Grizzly Peak Blvd
Kensington, CA 94708
(510) 525-2659

February 12, 2007

**BY U.S. MAIL &
VIA FACSIMILE (209) 831-4606**

RECEIVED
FEB 12 2007
CITY OF TRACY

Mr. Alan Bell
CITY OF TRACY
Planning Department
520 Tracy Blvd.
Tracy, CA 95376

RE: Amendment to WinCo Draft EIR, dated December 29, 2006

Dear Alan:

Reference is made to the Market Impact Analysis (MIA) prepared by Bay Area Economics (BAE) and dated December 2006, which is contained as Exhibit A to the subject Amended Draft EIR. Please provide answers to the following questions:

1. Trade Area – It is impossible to tell the boundary of the Trade Area from the map on page 5 of the MIA. Please asks BAE to redo the map using different shading in order that the Trade Area can be identified.
2. Competitive Supermarket Outlet – Any analysis of supermarket impacts needs to consider all major full service supermarkets. The following stores carry a full line of products: groceries, frozen foods, fresh meat and produce, deli, plus standard household items. Grocery outlet and Smart & Final are also, major supermarket operators with 125 and 250 stores, respectively.

Grocery Outlet: Size 17,500 sq.ft. with annual sales of \$6.5 Million

Smart & Final: Size 15,000 sq.ft. with annual sale of \$3.0 Million

Both of these stores cater to the price conscious shopper, not unlike WinCo, Food Maxx, and a Wal-Mart Supercenter. Why haven't these stores been included in the analysis?

3. Costco – Page 19 of the MIA report indicates that Costco devotes slightly over 43,000 square feet of space to food, apparently because BAE believes 30% of their total sales are food. This raises three questions:
 - a. Costco's annual report breaks sales down by a number of major categories, including: Food (19%), Fresh Food (11%) and Sundries (25%). Sundries include; candy, snack foods, tobacco, alcoholic and nonalcoholic beverages and cleaning and institutional supplies. Since most of these items are typically found in Supermarkets, why wasn't Costco's square footage increased at least 50%, or to about 71,500 square feet?

- b. Why didn't BAE visit the Costco to do a visual check on the amount of space devoted to supermarket merchandise, to include sales, merchandise prep areas as well as the appropriate share of front end checkout, restrooms, management office area and walkways?
 - c. It is well known that Costco attracts a large number of institutional restaurant shoppers. Since these shoppers are not directly competitive with household supermarket shoppers, how did BAE calculate Costco's annual supermarket type sales from household shoppers?
4. Other Competitors – BAE has overlooked two potential future competitors. These are:
- a. Proposed Red Maple Village; Tracy Blvd and Valpico. Please explain why this project with its supermarket component has not been included?
 - b. Mountain House - This planned 45,000 community has plans for four supermarket anchored centers plus other general propose retailing. Please provide the estimated population for Mountain House by 2010, 2011 and 2015, and explain why no additional commercial has been assumed for this area through 2015.
5. WinCo – Explain why the MIA assumes WinCo's sales per square foot are projected to fall below the company average of \$50.0 million annually?
6. Wal-Mart Supercenter – In Table 9, footnote (c) indicates that the 55,192 square feet of Wal-Mart Supermarket space “includes only the portion of Wal-Mart expansion devoted to food items,” and specifically grocery sales, grocery stockroom and ancillary spaces. Does it include a reasonable proportion of the square footage devoted to; checkstands and customer service and all those areas located outside the grocery component of the Supercenter and carrying supermarket type merchandise such as; pet foods, health and beauty care products, infant supplies, candy, greeting cards and barbeque supplies?

If the above areas have not been included, even by means of a reasonable approximation, then the Wal-Mart “supermarket” square footage has been understated. Why doesn't BAE add 10-15000 square feet to account for these comparable supermarket uses?

7. BAE'S Minimum Feasible Level – In Table 7 and elsewhere, BAE has assumed that supermarkets can generally remain profitable at sales levels above \$ 275 per square feet. Footnote (g) in Table 7 says this is “Based on BAE's experience looking at individual store data for various market areas.” While this may be true, there is no documented evidence to support this conclusion. Since this \$275 number is a critical assumption in the BAE analysis of potential supermarket support and the potential for store closures, BAE needs to substantiate their assumption with actual statistical data for a range of supermarkets, presumably of at least 40,000 square feet or larger. In anticipation that BAE may claim this information is confidential, it is requested that without providing specific store names or locations, that BAE provide sales per square foot and pre tax profit percents for a statistically significant number of supermarkets to substantiated their assumption. Please also, provide the approximate date and geographic location for this data.
8. Cumulative Supermarket Impact – In Table 9, BAE has a line item that reads “less capture of sales from new stores.” Shouldn't this be stated the same as Table 8, or “sales in existing outlets”?

Table 9 goes on to estimate that, if all new supermarket competitors open, the combined sales of the existing supermarkets will increase from \$86,597,000 to \$94,510,000 from years 2008 to 2011, for a total gain of \$7,913,000, or 9.1%. By comparison, in the same period sales at the three proposed new

store will increase from \$75,979,000 to \$76,846,000, for a gain of just \$867,000, or 1.1%. Why aren't all stores sharing equally in the potential from new population growth?

Table 8 (the WinCo only impacts) is even worse in that WinCo's sales are held constant from 2008 to 2011, in spite of most of the population growth taking place in nearby Mountain House. This is very disingenuous and needs to be explained.

9. Impacts of Additional (Non-Supermarket) Retail Space – BAE estimates a total of 220,00 square feet of retail space is “coming into the market.” This square footage is set forth in Appendix F, but excludes the following projects compiled by Tracy Planning Department:

PROJECT NAME/SITE	TOTAL Sq.Ft.	STATUS
Red Maple Village Tracy & Valpico	NA	Pending
La Morinda – Tracy Marketplace Grant Line Rd	38,500	Pending
Satish Narayan – Hampton Plaza Clover Rd, Tracy Blvd.	31,400	Approved
Rite Aide Valpico & MacArthur	NA	Approved
Community Bank Grant Line & Corral Hollow	7,411	Under Construction
Kim Nguyen Eleventh St.	8,000	NA
Interra-Vision Tracy & Valpico	23,956	NA

Please explain why these projects were not included?


10. Pages 4.1 – 21 and 22 set forth two reasons why the possibility of store vacancies would not be likely to “result in the deterioration of buildings and/or properties”.

First, two general plan policies are cited which call for the City support of building rehabilitation and to encourage the reuse of obsolete structures. While these may be lofty goals, please explain how these policies are implemented into concrete measures to irradicate building obsolescence? Another general plan provision is the “Village Centers” concept, which allows for mixed use development. Please explain which of the five existing supermarket anchored centers are classified as “Village Centers”? If the two Save Mart anchored centers and one Food Maxx center are not classified, as “Village Centers” how will this benefit them should the supermarket anchor close?

Second, various Municipal Code provisions are cited as mitigating the negative impacts of vacancies such as graffiti, weeds, rubbish and abandoned vehicles. Since evidence exists, throughout Tracy that all of these negative impacts exist in some form, why should it be expected the City will prevent them from happening in a shopping center? Also, what authority does the City have to force a property owner to perform necessary building maintenance (repainting, repair of broken windows and penetrations to buildings for homeless encampments, etc), or to prevent rodent in infestation? These are serious issues regarding the prospects for building deterioration and urban decay and must be considered a real prospect resulting from building vacancies.

Finally, the purpose of conducting the Market Impact Analysis was to determine if the WinCo project, the Northern Parcel project and all cumulative projects could result in long term vacancies. Simply because there may be some historical evidence that mostly smaller, former vacant retail buildings have been retenanted is no guarantee the same scenario will occur in the future with larger buildings being vacated in a City with a very strict limit on new housing growth – see letter from Chris Sills of Lee & Associates dated June 20, 2006. Therefore, please explain the statements on page 4.1– 22 that “it is doubtful” that store vacancies will “result in the deterioration of buildings and/or properties” and that “to conclude otherwise would be speculative and outside the scope of this EIR.”

Sincerely,


 Jim Watt
 Retail Strategies

LETTER 7:

Jim Watt. Retail Strategies. February 12, 2007.

- 7-1 BAE produced its map in color, and black and white reproductions may have made it difficult to see the boundaries of the Trade Area. A revised map is included in Chapter 3 of this FEIR.
- 7-2 The rationale for excluding Grocery Outlet can be found on pages 15 and 16 of BAE's report:

The existing Grocery Outlet is estimated to be less than 25,000 square feet in size, and does not function as a full-service supermarket, but fills a market niche for deeply discounted grocery, household and health and beauty care products, focusing on selling seconds, overruns, and closed-out items.

Further explanation is provided within the footnote on Page 16:

It should also be noted that not only is the square footage of other stores such as Grocery Outlet excluded from the analysis, the sales for other outlets are also excluded. Hence, if additional outlets are considered, both the square footage and the sales should be included. Furthermore, inclusion of additional outlets would effectively dilute the estimated impacts, spreading them among more competitors. In that sense, this analysis is conservative.

The Smart & Final was not yet open at the time of BAE's analysis. The reasons for not including Smart & Final are similar to those for excluding Grocery Outlet; Smart & Final occupies a specific market niche as a non-membership warehouse store, catering in large part to small businesses

rather than daily convenience shoppers. As such, they may be more directly competitive with Costco rather than a supermarket such as WinCo or Wal-Mart. The inclusion of this additional small store and its limited sales would not affect the conclusions of the analysis. Furthermore, with respect to impacts on this particular outlet, this space was vacant for several years without any resulting urban decay, indicating that the center owner is willing to maintain the center despite vacancy for this space.

7-3 With respect to “sundries,” this includes many items carried by non-supermarket stores (e.g., non-Supercenter Wal-Marts). Additionally, all three categories (sundries, as well as “food” and “fresh food” categories) include items not primarily targeted toward home consumption, including institutional supplies and institutionally packaged foods. Because sundries include items not necessarily tied to supermarkets and the fact that many of these items in all categories are sold to businesses rather than to households (as acknowledged by Retail Strategies per 7-5 below) it would be inappropriate to apportion Costco’s square footage based solely on the sales mix by these major categories. Furthermore, an increase in the square footage of Costco space allotted as competitive supermarket space would not affect the analysis in such a way as to show greater impacts in the Trade Area. In fact, because of Costco’s high sales per square foot, inclusion of additional square footage and revenues would effectively lessen the estimated impacts on the overall market.

7-4 In the course of its research, BAE visited all the competitive outlets in the Trade Area, including Costco, to determine an appropriate estimate of the competitive supermarket-equivalent retail space within the Trade Area. Since Costco also caters to non-household shoppers, as acknowledged by Retail Strategies per 7-5 below, it would be inappropriate to apportion Costco’s square footage based solely on the square footage devoted to specific uses. Rather, the square footage

“assigned” here represents an estimate driven by an approximation of sales to households of supermarket-related items. A more precise analysis based on attempting to apportion different portions of the floor space (e.g., restrooms) is both unnecessary and well beyond the substantial evidence requirement of CEQA per Section 15384 of the Guidelines, where substantial evidence “means enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached.”

Furthermore, an increase in the square footage of Costco space allotted as competitive supermarket space would not affect the analysis in such a way as to show greater impacts in the Trade Area. In fact, because of Costco’s high sales per square foot, inclusion of additional square footage and revenues would effectively lessen the estimated impacts on the overall market.

7-5 Costco’s Annual Reports do not provide adequate information to determine the proportion of sales to institutional buyers versus household buyers; in fact, it is highly likely that there are members who use Costco for both household and business/institutional purchases, so even knowing the identity of the member may not allow Costco to determine the ultimate user of many items purchased within the store. In one presentation available online (“Costco Today”) at its website, Costco estimates that its 48.5 million cardholders include 26.5 million households. If sales are allocated just based on these numbers (not knowing the actual sales by each segment), households would account for slightly more than half of sales. Given the limitations of the publicly available data, the potential for “sundries” to be supermarket-related items or not, and for some of the food-related sales to be to entities other than households, BAE believes that a 30 percent allocation of Costco’s sales to supermarket and/or food-related items is a “reasonable inference” for the purposes of its analysis.

- 7-6 Red Maple Village is the possible center with Raley’s as an anchor tenant. The reasons for this project’s exclusion from the analysis are discussed in the final paragraph on page 26 of BAE’s report, extending onto page 27:

Discussions with staff for the City of Tracy and San Joaquin County (which is the other jurisdiction governing portions of the Trade Area) indicated two additional projects with the potential to be considered in this cumulative analysis: a proposed 63,000 square-foot Raley’s at Tracy Boulevard and Valpico Road in South Tracy, and an approximately 36,000 square-foot supermarket at the proposed Valpico Town Center at Valpico Road and MacArthur Drive ... City staff indicated that the Raley’s application was deemed incomplete over two years ago, with no additional materials received from the applicant since that time to continue processing the application; thus no complete application has ever been received for this project and there is no complete application currently pending; given the lack of activity, this project has been deemed not to be reasonably foreseeable at this time.

Reasons for excluding the entire project are the same as for excluding the Raley’s component.

- 7-7 No supermarkets have been assumed in Mountain House for reasons explained on page 27 of BAE’s report:

Outside Tracy, there are no currently pending applications or approvals for retail projects with supermarkets. Mountain House reports that plans call for a supermarket in a “Village Center” once the housing unit count reaches a number between 3,000 and 4,000 housing units, with approximately 1,500 units current completed. However, the potential approvals for WinCo and the Wal-Mart expansion may impact the regional market, creating a greater perceived risk for

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

a supermarket in Mountain House and delaying interest from possible operators and construction for an undetermined period. Because of this, and per CEQA guidelines, the schedule and approval of any supermarket in Mountain House is deemed speculative and no Mountain House supermarkets are considered in this analysis.

Since no projects are currently pending or approved, there is no reason to separately break out the population for Mountain House.

7-8 BAE has assumed that Tracy is an extremely competitive supermarket retailing environment, and thus used a slightly lower estimated for sales potential for WinCo.

7-9 Since the existing Wal-Mart already carries many of the non-food items listed, as well as already stocking many food items, the space devoted to those items constitutes an existing condition rather than a change subject to CEQA analysis. It is likely that some of the 55,192 square-foot space assigned as grocery use in the expansion is devoted to some of these items; since the exact merchandise mix is unknown, it is assumed that the space within this 55,192 square-foot envelope devoted to items already sold at Wal-Mart is roughly equivalent to any additional space outside this envelope devoted to any additional customer service space and checkstands required for the supermarket expansion component.

7-10 See 7-9

7-11 Sales and profit margins on a per store basis are generally considered proprietary and not made available beyond the companies operating those retail outlets. As such, BAE was generally unable to obtain this kind of information directly from the operators, and was in no case able to obtain any kind of certified financial documents regarding individual store profit and loss. In the course of the EIR process, some operators have subsequently reported store-by-store sales and

made assertions about “break-even” sales levels, but have not provided any certified financial documents to support these assertions. Nevertheless, based on other confidential sources made available to BAE (e.g., city sales tax data), it is likely that the reported sales, and others that have been provided publicly, are in the correct range, although the actual “break even” point for those stores is unverified.

Absent the availability of store-by-store profit/loss data, BAE has worked on the reasonable assumption that on a long-term basis, non-profitable stores, i.e., stores performing below a certain sales level, will close, and thus the universe of operating stores at any given time will consist largely of profitable outlets. BAE has compiled recent data from Trade Dimensions, a vendor providing sales information for supermarkets, for several counties in northern California, including Alameda, Contra Costa, San Joaquin, and Solano Counties. The information is for supermarkets reported as having a gross leasable area of 40,000 square feet or more, and is from July 2006. This data set includes estimated sales from 141 stores, and annual sales per square foot estimates ranged from \$153 per square foot to \$1,014 per square. However, only 13 stores, or less than 10 percent, had annual sales per square foot under \$275. Additionally, of these 13 stores, four are Albertson’s stores that have subsequently closed, and one Albertson’s performing slightly above the threshold has also closed. Thus, this appears to be a reasonable general threshold. As noted in Footnote G on Table 7, page 20 of the BAE report, the \$275 benchmark is not a “hard and fast rule”:

It is extremely important to note that sales per square foot are related to a variety of factors, and are not directly an indicator of feasibility or profitability. Many operators would likely consider this level unacceptable and unprofitable given their cost structure.

At the same time, some stores appear to be able to sustain operations at a lower level than this benchmark. For instance, based on infor-

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

mation provided by the operator, the Save-Mart store in Tracy on West 11th Street has been performing at below \$275 per square foot in annual sales, and remains open.

- 7-12 The label “less Capture of Sales from New Stores” should read “less Capture of Sales from Existing Stores.” This change does not affect the analysis in any way.
- 7-13 The sales from the new WinCo and Wal-Mart stores is based on a stabilized benchmark sales per square foot, rather than capturing the same proportion of sales per capita. In fact, rather than understating sales in 2011, this may overstate impacts in 2008, when the new stores have just opened and have not reached stabilized sales levels. The stabilized benchmark is more likely to represent sales after the stores have been open for a period of time rather than in the opening year.
- 7-14 See response for 7-13. The methodology here is similar.
- 7-15 This comment presents several additional projects that might represent additional retail inventory entering the market in the Trade Area. The following responds with respect to each project, and then considers the overall impacts of including any additional projects in the inventory.
- a. Red Maple Village.** This is the project with a possible Raley’s. The reasons for its exclusion from the analysis are covered in 7-6 above.
- b. La Morinda.** Review with City staff indicates that the application for this project was deemed incomplete following its submittal in February, 2005. Since that time, the applicant has not completed the application, but has had discussions with the City regarding the project configuration, including alternatives without a retail compo-

ment. Since the application has been incomplete for over a year, and the details of the project are not set, this project has been deemed speculative and excluded from the analysis.

c. Hampton Plaza. This project application is approved and includes a retail component, and should be considered part of the inventory of potential future retail space. The actual gross building area is 27,501 square feet, but only the first floor of the two-story structure is available for retail (but may be used by other types of commercial tenants), with a total of 14,600 square feet of gross leasable tenant space on that floor.

d. Rite Aid. This building has a total of 17,272 total square feet of gross floor area. It was mistakenly assumed to be part of the Valpico Town Center space in the analysis. It should be considered part of the inventory of potential future retail space.

e. Community Bank. This is not retail space so it has not been added to the inventory.

f. Kim Nguyen. An application has been submitted recently for this approximately 8,000 square-foot two-story project and the application has been deemed complete. However, the City is currently in discussion with the applicant since the project as proposed does not meet parking standards. While all of this project could be retail outlets, it is more likely that only the ground floor will include retail. Nevertheless, the entire project should be added to the inventory of potential future retail space.

g. Interra-Vision. The application for this project submitted in June 2006 has been deemed incomplete by the City; thus at this time the project is deemed as speculative and not added to the inventory of potential future retail space.

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

Overall, three projects (Hampton Plaza, Rite-Aid, and the Kim Nguyen project) are considered as reasonably foreseeable and should be added to the inventory, increasing the overall inventory of potential future retail space by 39,872 square feet.

The unadjusted total, as shown in Appendix F of BAE's report, was 221,112 square feet. The adjusted total, including this additional space, is 260,984 square feet. Combined with the non-supermarket space in the Northern Parcel, the total adjusted inventory in the pipeline is slightly over 400,000 square feet.

On page 31 the BAE report stated:

Combined with the new non-supermarket space included in the Proposed Project, the square footage in process totals approximately 360,000 square feet, slightly below the estimated demand from 2006 through 2015 of about 390,000 square feet. Thus over a multiyear period, the new retail space in the pipeline would be absorbed. In fact, in a slackening market, some of the space, such as that at the Proposed Project, would not be constructed, or construction would be postponed. There is currently no active discussion of any proposal to construct retail space on the Northern Parcel.

Even with the increase in space considered here, the pipeline inventory of 400,000 square feet is approximately in balance with the estimated demand of 390,000 square feet.

With the additional of potential supermarket closures as considered on page 32 of BAE's report, the total revised inventory of potentially vacant space would be approximately 450,000 to 550,000 square feet.

The BAE Report states, "[a]s a result, vacancies could increase in the Trade Area, making re-use of closed supermarkets in a reasonable period of time more difficult."

The increase in space has not affected this finding, or the subsequent finding on page 35 that “the combination of Tracy’s growth limits and additional space, including the potential retail space for the Northern Parcel of the Proposed Project, might lead to an oversupply of space that would take several years to absorb.” Thus, while the original analysis did not include these projects, their inclusion does not alter the analysis, and correspondingly the change does not represent significant new information.

- 7-16 The commenter asks that the City explain how its policies support building rehabilitation and encourage the reuse of obsolete structures. In accordance with General Plan policies, the City encourages and requires façade improvements, building rehabilitation, and reuse of structures to help ensure that the City remains clean, attractive, safe and well maintained. For example, Tracy Municipal Code Section 10.08.3940 establishes the threshold for building improvements that are subject to the City’s Development Review (including architectural review) process. With the exception of projects that are only interior tenant improvements and small-scale projects that are consistent with a building’s original approval, all new improvements of commercial buildings are subject to Development Review which involves review of the architecture, site plan, parking, landscaping, utilities, and other items. As existing buildings undergo routine, exterior remodeling or upgrades, for example, the improvements of the building and sites must comply with current design and improvement standards, including those specified in the General Plan, Zoning Ordinance, and the City’s Design Goals and Standards.

One example of the effective application of these policies occurred when Savemart vacated their store at 1320 W. Eleventh Street. The new tenant is a 99 Cents Only store, which undertook meaningful facade improvements and landscaping restoration as a result of the City’s Development Review process.

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

Building occupancy changes, furthermore, are subject to compliance with the California Building Code. The City takes advantage of every change in Building Code occupancy to require compliance with current codes regarding exiting, occupancy separation walls, handicap accessibility, and other areas. Certain uses also require Conditional Use Permit approval as tenant spaces change from one use to another. For example, in 2006, a Fitness 19 health center obtained City approval to replace a retail store in the Savemart shopping center at the southwest corner of Tracy Boulevard and Grand Line Road that was last renovated nearly 20 years ago. Through the Conditional Use Permit, the City required the property owner to re-stripe the parking area and replace landscaping that had become sub-standard. Through the change of occupancy from a retail store (M occupancy) to a health center (A occupancy), the City required seismic structural upgrades and other improvements to the building.

None of the five existing supermarket anchored centers are currently designated as Village Center. However, as referenced in the Land Use and Community Character Elements, the General Plan designates the Albertson's shopping center and both existing Savemart shopping centers as Potential Village Centers. In accordance with Land Use Element Section D.6. (pages 2-48 and 2-49):

The Potential Village Centers have existing, viable, commercial uses, however, they do not necessarily exhibit all of the qualities that define a Village Center. Over time, these areas can be redeveloped as Village Centers with a mix of uses including retail, office and high-density housing.

In accordance with Land Use Element Section B.5. (page 2-22):

Allowable uses in Village Centers include, but are not limited to, grocery stores, drug stores, banks, restaurants, retail stores for dura-

ble goods, small-scale professional offices or services such as travel agencies, beauty salons, daycare facilities, gyms, and high density residential development, along with other neighborhood serving uses.

The flexibility and opportunities for alternate or mixed use development provided through these General Plan policies will help ensure viable opportunities for reuse or redevelopment of the Potential Village Center areas.

- 7-17 The commenter asserts that “evidence exists” that negative impacts such as graffiti, weeds, rubbish and abandoned vehicles “exist in some form” in Tracy. While there are incidents of such impacts in the City, they are minor and their existence does not support a conclusion that extended building vacancies due to the economic impact of the WinCo project would lead to deterioration of those properties resulting in a significant urban decay impact.

To the contrary, the City of Tracy responds to these typical and normal urban challenges with successful programs in graffiti removal, weed abatement, abandon vehicle-abatement and code enforcement programs staffed with full time personnel through the Development and Engineering Services, Fire, Public Works, and Police Departments. There is no reason to expect the City will decrease its vigilance or enforcement of any of these programs in the foreseeable future.

The City’s authority to enforce maintenance of private property is implemented through the Tracy Municipal Code. For example, Tracy Municipal Code Section 10.08.3560(n) requires the following maintenance on private property:

All parking areas, landscaping and screening shall be continuously

CITY OF TRACY
WINCO FINAL EIR
COMMENTS AND RESPONSES

maintained by the property owner. Landscaping and screening shall be free of weeds, debris, litter, and dead plants. Any dead plant material shall be replaced with similar type of living plant material.

Tracy Municipal Code Chapter 1.04 and Section 10.08.4905 identify criminal penalties, administrative citations, liens on private property and other and enforcement alternatives. Tracy Municipal Code Section 5.20.050 addresses the accumulation of refuse on property and Section 4.12.250 et seq. declares weeds, rubbish, and refuse upon or in front of property a public nuisance and prescribes the abatement process. Tracy Municipal Code Section 4.12.570 et seq. describes the process through which the City causes the removal of abandoned vehicles. Tracy Municipal Code Section 3.48.010 et seq. contains the City's graffiti removal program. Tracy Municipal Code Chapter 9.60 contains the City's requirements to secure vacant buildings.

Further, Chapter 1.32 of the Tracy Municipal Code authorizes the City to direct private property owners to remove nuisances from their property and, if the property owner fails to abate the nuisance, authorizes the City to perform the abatement at the property owner's cost. Though, graffiti, weeds, rubbish, refuse and flammable materials are expressly defined as nuisances in Tracy Municipal Code sections 3.48.070 and 4.12.260, Chapter 1.32 gives the City broad authority to identify other hallmarks of deterioration private property, such as broken windows and other safety hazards, as nuisances and abate those conditions.

7-18 Pages 4.1-21 and 22 of the re-circulated Draft EIR and responses to comments 7-16 and 7-17, above, explain why it is doubtful that store vacancies will result in the deterioration of buildings and/or properties. Absent any evidence that physical deterioration of vacant properties is likely to occur, and given the City's existing effec-

CITY OF TRACY

WINCO FINAL EIR
COMMENTS AND RESPONSES

tive laws and policies for addressing the negative impacts of building vacancies, it would be speculative to conclude that urban decay may occur as a result of the proposed project. Section 15145 of the CEQA Guidelines, referenced in footnote 25 on page 4.1-22, provides that a lead agency should note its conclusions and terminate discussion if a particular impact, in this case, urban decay, is too speculative.