

City of Tracy, California
Notice of Preparation and Notice of Public Scoping Meeting
Tracy Northeast Business Park Project

Date: January 8, 2025

To: Public Agencies and Interested Parties

From: Forrest Ebbs, Director of Community and Economic Development
Victoria Lombardo, Senior Planner

Subject: Notice of Preparation of an Environmental Impact Report and Public Scoping Meeting for the Tracy Northeast Business Park Project

The City of Tracy (City) is the Lead Agency and will prepare a Draft Environmental Impact Report (Draft EIR) for the Tracy Northeast Business Park Project (proposed project) identified herein.

The City is soliciting comments from public agencies, organizations, and members of the public regarding the scope and content of the Draft EIR, and environmental issues and alternatives to the proposed project to be addressed in the Draft EIR. The City requests that interested parties provide comments on the proposed project's scope and the content of descriptions of significant environmental issues, a reasonable range of potentially feasible alternatives, and feasible mitigation measures to be explored in the Draft EIR. Public agencies may need to use the EIR when considering permitting or other approvals that are relevant to the agencies' statutory responsibilities in connection with the proposed project.

Because of time limits mandated by State law, public agencies must submit any comments in response to this notice at the earliest possible date, but not later than 30 days after receipt of this notice. The City of Tracy will also accept comments from other interested parties regarding the scope of environmental review pursuant to this notice during this period.

Public agencies providing comments are requested to include a contact person for the respective agency. Please send written responses to Victoria Lombardo at the address shown below by February 10, 2025.

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Public Scoping Meeting

A public scoping meeting, convened by the City of Tracy Planning Commission, will be held on **January 22, 2025**, starting at **7:00 p.m.** as an in-person meeting. Attendance will also be provided via Webex, using this link:

<https://cityoftracyevents.webex.com> and using the following Event Number: **2559 243 8330** and Event Password: **Planning**; or via phone by dialing (408) 418-9388 during the public comment portion of this item.

At this meeting public agencies, organizations, and members of the public will be able to review provide comments on the scope of the environmental review process for the proposed project, as described in this notice and attached materials.

TRACY NORTHEAST BUSINESS PARK PROJECT

The project site is located on approximately 169.05 acres at the northeast corner of Grant Line Road and Paradise Road, in unincorporated San Joaquin County, adjacent to the northeastern boundary of the City of Tracy city limits and the Northeast Industrial (NEI) Specific Plan boundary, but within the City's Sphere of Influence (SOI) (Exhibits 1 and 2). The unincorporated community of Banta lies southeast of the project site. The proposed project is on the United States Geological Survey (USGS) *Union Island* 7.5-minute topographic quadrangle Section 22, 23, and 24 (and El Pescadero Land Grant), Township 2 South, Range 5 East (Assessor's Parcel Numbers [APNs] 213-170-24, -25, -26, -27, and -48).

Overview

The Dermody Properties and Suvik Farms, LLC (co-applicants) are proposing the Tracy Northeast Business Park Project (proposed project), which consists of the development of up to 2,834,919 square feet of warehouse/distribution and/or manufacturing uses, including ancillary office uses and related improvements on approximately 169.05 acres (comprised of a total of five existing parcels). The five parcels consist of two Dermody parcels (totaling approximately 122.44 acres; collectively, Dermody Property) and three Suvik parcels (totaling approximately 46.61 acres; collectively, Suvik Property). The Dermody Property and the Suvik Property, collectively, are referred to herein as the "project site".

The project site is within unincorporated San Joaquin County adjacent to the City of Tracy's northeastern city limits, adjacent to the City of Tracy NEI Specific Plan area, and is also within the City's Sphere of Influence (10-year planning horizon). The proposed project would require several discretionary entitlements including LAFCO approval of annexation into the City of Tracy (and related detachment from the Tracy Rural Fire District), as well as City approval of the related pre-zoning, an amendment to the NEI Specific Plan, Tentative Parcel Maps or Lot Line Adjustment to create final development lots, and Development Review Permit approval.

Development on the Dermody Property would consist of a total of approximately 1,811,259 square feet of warehouse/distribution and/or manufacturing space located throughout three buildings, as well as an approximately 12.44-acre stormwater detention basin with pump station (that would be City owned and managed). Approximately 12.51 acres of the Dermody Property would be reserved to accommodate a portion of a planned future interchange at Paradise Road and Interstate 205 (I-205). However, these planned interchange improvements constitute a separate project and therefore the potential impacts of constructing this future interchange would undergo a separate environmental review process pursuant to the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) once funding is programmed and available and once the relevant public agencies finalize the ultimate design of the interchange; accordingly, the construction of the future interchange is not considered part of the proposed project, although the interchange is assumed to be in place as part of the cumulative conditions within the Transportation Impact Analysis in the Draft Environmental Impact Report (Draft EIR).

Although Suvik intends to process a site-specific Development Review Permit subsequent to certification of this environmental document, for purposes of a conservative analysis, a conceptual building orientation plan for the Suvik Property has been prepared to provide site-specific information regarding conceptual building orientation to facilitate project-level review and analysis hereunder. For the purposes of analysis in this Draft EIR, buildout of the Suvik Property is estimated to consist of a maximum total of approximately 1,023,660 square feet of warehouse/distribution and/or manufacturing uses, which conservatively reflects the maximum allowable density per acre identified in the NEI Specific Plan.

The proposed project also includes demolition of existing agricultural buildings, removal of existing trees and crops, installation of related on- and off-site road and utility improvements to serve the proposed project, and grading of a total of approximately 450,000 cubic yards, which would be balanced on-site. Of the approximately 450,000 cubic yards of material graded, approximately 300,000 cubic yards would occur on the Dermody Property, with the remaining approximately 150,000 cubic yards occurring on the Suvik Property.

Surrounding Land Uses

The area surrounding the project site has both an agricultural and industrial character. Land uses north of the project site consist of agricultural uses south of California Avenue and single-family homes north of El Rancho Road, on California Avenue; there is also a cell tower near the northern terminus of California Avenue. A recreation and work trailer dealership and agricultural lands are also to the north (north of I-205). East of the project site is agricultural land with an associated single-family home and agricultural structures and outbuildings. Neighboring properties south and west of the project site consist of agricultural lands and industrial warehouses, which are part of the NEI Specific Plan area, with vacant lots interspersed among the agricultural and industrial lands to the west.

Existing Conditions

The project site consists of five existing parcels, as listed in Table 1.

Table 1: Existing Parcels

Assessor's Parcel Number	Parcel Naming Convention	Address	Ownership/Applicant	Acreage (approx.)
213-170-24 213-170-25 213-170-26	Suvik Property	6103 Grant Line Road 6281 Grant Line Road 6301 Grant Line Road	Suvik Farms	31.67 11.70 3.24
213-170-27 213-170-48	Dermody Property	6599 Grant Line Road Grant Line Road (no street number)	Dermody Properties	122.39 0.05
Total				169.05
Source: San Joaquin County. no date. Assessor's Map. Book 213. Page 17.				

The project site is relatively flat and low in elevation (approx. 15-30 feet above mean sea level) with a gentle topographic slope in the north-northeast direction.^{1,2} The Dermody Property contains only agricultural structures related to hay production (i.e., sheds for hay storage and equipment storage). The Suvik Property does not contain any structures, only an orchard. Approximately 118-acres of the Dermody Property is currently used for hay production, including alfalfa, and winter wheat. Almost all of the project site (approximately 166 acres) is considered Prime Farmland as mapped by the California Department of Conservation Farmland Mapping and Monitoring Program. The Suvik Property is bound by a Williamson Act contract, which is set to automatically expire pursuant to a notice of non-renewal in 2026.³

The Tracy Municipal Airport is approximately 5.82 miles southwest of the project site; the project site is not within the Airport Influence Area. The Altamont Corridor Express (ACE) runs trains east from Stockton to San Jose in the morning and back west in the evening; the Tracy Station is located 5.05 miles southwest of the project site. The closest bus stop to the project site is 1.59 miles west at the Shops at Northgate Village.^{4,5}

Land Use Designations

The San Joaquin County General Plan (County General Plan) designates the project site Agriculture-Urban Reserve (A/UR), which allows for agricultural uses, farm-related residential use, and open space and parks.⁶

The City of Tracy General Plan (General Plan) designates the project site Industrial (I). Because the project site is already designated Industrial by the City of Tracy General Plan, no land use re-designation (General Plan Amendment) would be required.

Zoning

The project site is located within the General Agriculture Zoning District with a minimum parcel size of 40 acres (AG-40) on the County's Zoning Map. The AG zoning preserves agricultural lands for continuation of commercial agricultural enterprises.⁷

The project site is not within City limits, accordingly, the City of Tracy does not currently provide a zoning designation for the project site; the co-applicants are requesting approval of a boundary reorganization from LAFCO (to annex the project site into the City of Tracy and detach the project site from the Tracy Rural Fire District) as well as City approval of the proposed pre-zoning of the

¹ Terracon Consultants, Inc. 2018. Phase I Environmental Site Assessment: Tracy Ridge. December 21.

² Environmental Assessment Specialists, Inc. 2020. Phase I Environmental Site Assessment: Suvik and Zuriakat Properties, page 5.

³ The Williamson Act enables local governments to enter contracts with private landowners to restrict specific parcels to agricultural or related open space use. In return, landowners receive lower property tax assessments.

⁴ City of Tracy. 2023. TRACER System Map and Bus Schedule. August. Website: <https://www.cityoftracy.org/home/showpublisheddocument/18356/638581315683100000>. Accessed November 13, 2024.

⁵ San Joaquin Regional Transit District. 2024. System Maps. Website: <https://sanjoaquinrtd.com/systemmaps/>. Accessed November 13, 2024.

⁶ Mintier Harnish Planning Consultants (prepared for San Joaquin County). 2016. San Joaquin County General Plan: Policy Document. Website: <https://www.sjgov.org/commdev/cgi-bin/cdyn.exe/file/Planning/General%20Plan%202035/GENERAL%20PLAN%202035.pdf>. Accessed November 12, 2024.

⁷ San Joaquin County. 2024. Ordinance Code of San Joaquin County. Section 9-203.010.

project site to a designation of NEI Specific Plan, and an amendment to the boundaries of the NEI Specific Plan to incorporate the project site (as well as any conforming amendments to the NEI Specific Plan to ensure consistency therewith).

Project Description

Land Uses

The proposed project includes demolition of 2 existing agricultural structures on approximately four acres located at the southwestern corner of the Dermody Property, removal of all crops and some existing trees on both the Suvik and Dermody Properties, and construction of the following primary components:

- Multiple warehouse buildings totaling up to 2,834,919 square feet that would support industrial uses (warehouse, distribution and/or manufacturing) and related ancillary office uses;
- The proposed project would adhere to all applicable development standards and regulations including those set forth in the NEI Specific Plan.
- An approximately 12.44-acre City owned and managed stormwater detention basin with pump station;
- Ample landscaping consistent with all applicable City requirements; and
- Sufficient on-site parking for both vehicles and trailer spaces consistent with all applicable City requirements.
- Upon annexation to the City, the proposed project would receive potable water, wastewater and storm water service from the City.

Exhibit 3 depicts a conceptual building orientation plan for the project site as a whole (for both the Dermody and Suvik Properties). The buildings would support warehouse, distribution and/or manufacturing and related ancillary office uses. Based on the proposed uses, it is expected that a total of approximately 2,100 employees would work on-site at full buildout.

Parking

Parking would be provided pursuant to the parking requirements of Tracy Municipal Code Chapter 10.08 Article 26. The proposed project would provide approximately 855 auto spaces, 530 trailer spaces, and 46 bicycle spaces on the Dermody Property; development on the Suvik Property would be confirmed as part of the subsequent Development Review Permit process, which would require that it adhere to the applicable auto and trailer parking requirements.

Circulation and Access

Vehicle

Primary vehicle access to the project site would be provided from three access points on Grant Line Road and three 50-foot-wide access points on Paradise Road. Once the future planned I-205 Interchange at Paradise Road is complete (as part of a separate process and project to be pursued by

the relevant public agencies once funding, design and necessary environmental review is completed), the two northmost access points along Paradise Road would be slightly modified to accommodate the interchange.

The Suvik Property's conceptual building orientation plan site plan illustrates the way in which the contemplated buildings on the Suvik Property could be accessed by a new Private Drive and how buildings could be oriented.

Future Interchange

The City of Tracy Transportation Master Plan includes improvements to Chrisman Road, which are planned as part of improvements to the City's expressway system, as well as a future I-205/Paradise/Chrisman interchange. The schedule for implementation of the improvements is not known at this time and would be determined by the relevant public agencies. Though the proposed project would not trigger the need for these improvements, including the interchange, to facilitate and implement the City of Tracy Transportation Master Plan, the proposed project would set aside approximately 12.51 acres in the northwest corner of the project site, which would be sufficient to accommodate the future planned interchange. The proposed project includes annexation of this land into the City, but does not include any design, analysis, or construction of the future planned interchange since the interchange is a separate project to be pursued by the relevant public agencies in the future pursuant to the City's Transportation Master Plan once funding is secured and the design is finalized. The potential impacts of constructing this future interchange would undergo a separate environmental review process pursuant to the CEQA and NEPA, once funding is programmed and available and once the ultimate design of the interchange is finalized; accordingly, the construction of the interchange is properly not considered part of the proposed project. Therefore, pursuant to applicable requirements under CEQA, this Draft EIR includes an evaluation of potential impacts of annexing the future interchange area into the City (since it is part of the project site) but does not include evaluation of potential impacts from construction and operation of this future interchange.

Discretionary and Ministerial Actions

The following discretionary approvals and permits are required by the City for implementation of the proposed project, including the following:

- Pre-zoning to Northeast Industrial Specific Plan
- Northeast Industrial Specific Plan Amendment
- Development review permit(s)
- Tentative Parcel Map or Lot Line Adjustment(s) as needed to create final development lots
- Resolution of City Initiation of Reorganization Proceedings
- Cancellation of the Williamson Act Contract on the Suvik Property (if required)

In addition, the ministerial actions by the City for implementation of the proposed project may include, but are not limited, to the following:

- Demolition permits
- Grading permits

- Building permits
- Encroachment permits
- Certificates of occupancy

1.1.1 - Responsible and Trustee Agencies

Several other agencies will serve as Responsible and Trustee Agencies, pursuant to CEQA Guidelines Section 15381 and Section 15386, respectively. This Draft EIR provides environmental information that may be required to grant approvals or to support coordination with other agencies as part of project implementation. These agencies may include, but are not limited to, the following:

- United States Army Corps of Engineers
- United States Fish and Wildlife Service
- California Department of Fish and Wildlife
- California Department of Transportation
- California Public Utilities Commission
- Central Valley Regional Water Quality Control Board
- County of San Joaquin
- San Joaquin Local Agency Formation Commission
- San Joaquin Valley Air Pollution Control District

Discretionary and ministerial actions by other agencies that are necessary to implement the proposed project may include the following:

- Approval of proposed reorganization to accomplish the annexation of the project site into the City of Tracy (San Joaquin LAFCo) and detachment of the project site from Tracy Rural Fire District (San Joaquin LAFCo)
- Coverage under General Construction Stormwater Permit (California State Water Resources Control Board/Central Valley Regional Water Quality Control Board)
- Approval of Indirect Source Review (San Joaquin Valley Air Pollution Control District)
- Issuance of Encroachment Permits for roadway or utility improvements within facilities under the jurisdiction of the California Department of Transportation (Caltrans) or the County of San Joaquin may also be necessary.

Environmental Review

Potential Environmental Effects

The Draft EIR will evaluate potentially significant environmental impacts associated with the approval and implementation of the proposed project. Consistent with the CEQA Guidelines (Appendix G), the following environmental resource categories will be analyzed in relation to the Project:

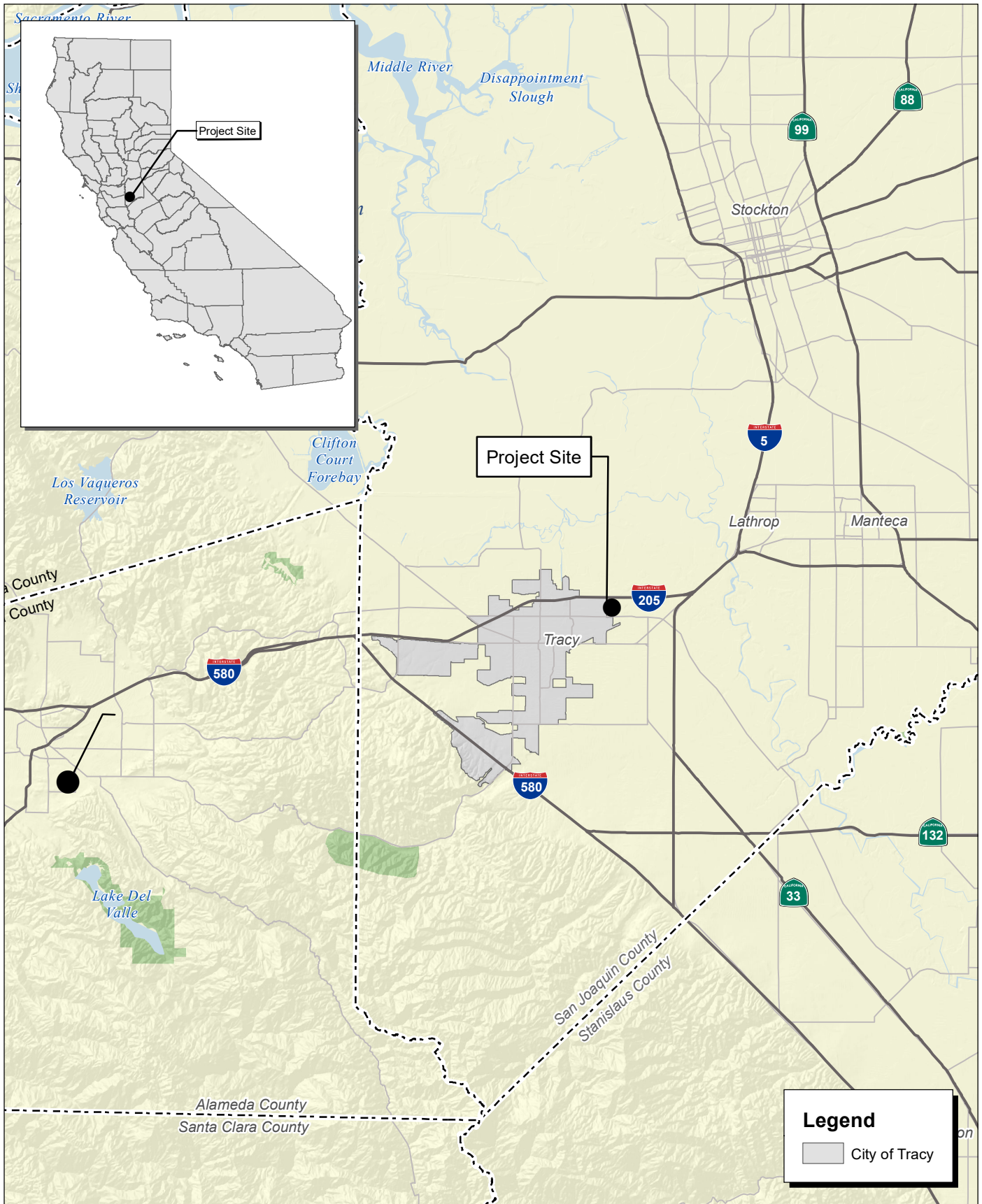
- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Public Services
- Transportation
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire

It is anticipated that the following environmental topics will not require detailed analysis, and instead will be addressed under an Effects Found not to be Significant chapter of the Draft EIR:

- **Mineral Resources**—There are no known mineral resources located on or adjacent to the project site. As such, the proposed project would not result in significant effects related to mineral resources.
- **Population and Housing**—The project site does not have any residential structure; it would require pre-zoning of agricultural land to allow for the proposed industrial uses. Because the proposed project would not displace any residences, the proposed project would not necessitate construction of replacement housing elsewhere.

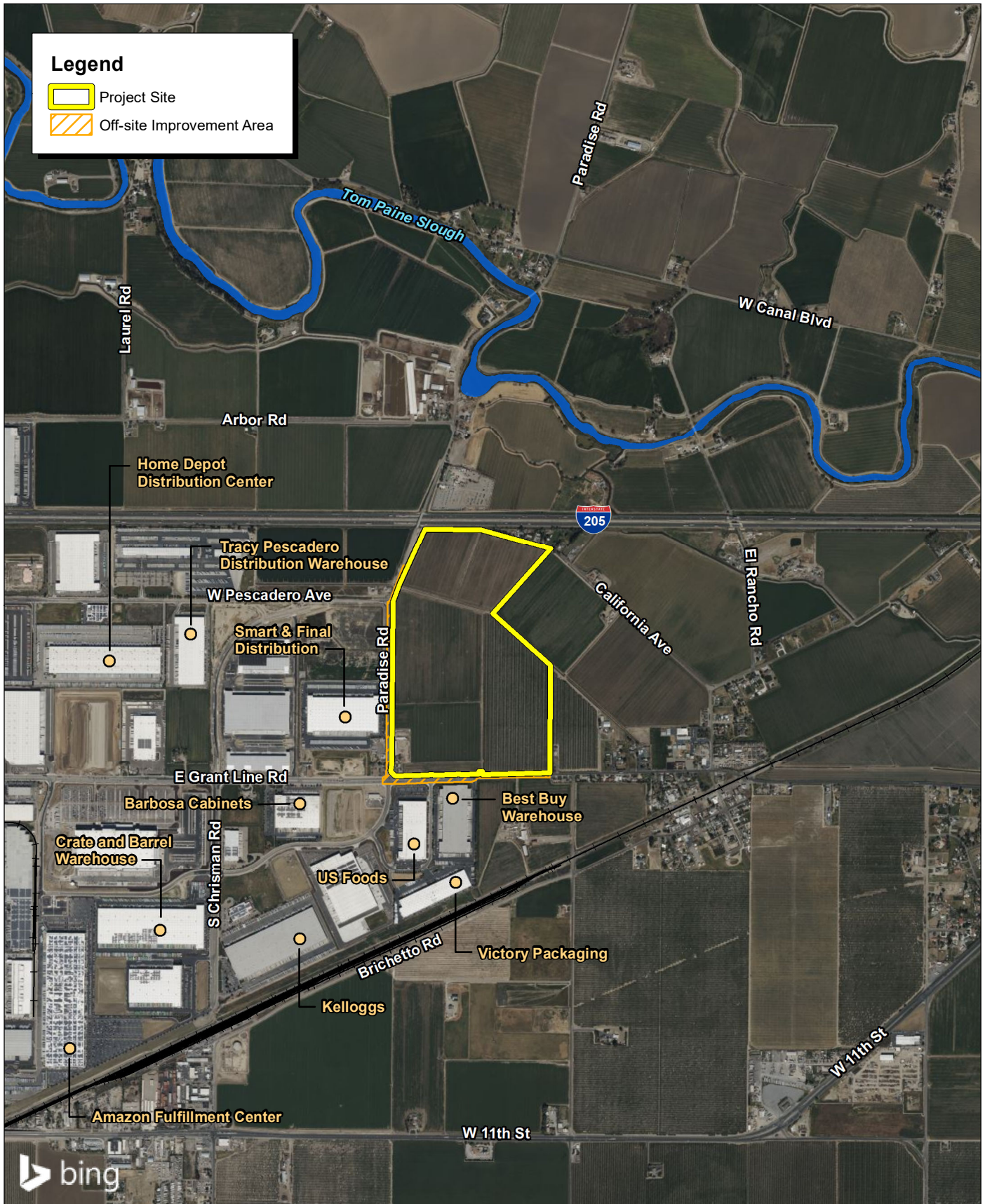
It is expected that employees from the local labor force would be the primary source for workers, however, the possibility exists for individuals to relocate to the City to work at the proposed warehouses. Based on the light industrial nature of the proposed project, it is expected that approximately 2,100 employees would work on-site. Because the population of the City is currently estimated at 95,931, the total number of employees that may work at the project site represents approximately 2 percent of the current population of the City. Therefore, proposed project implementation would not displace any individuals or significantly increase population, and less than significant impacts related to population and housing would occur.

- **Recreation**—Because the proposed project is not located within or adjacent to any designated natural or open space areas and would not significantly increase City population, the proposed project would not impact park usage. Furthermore, because the proposed project is not expected to result in a significant increase in population, the ratio of parks to residents would be unchanged by the proposed project. As such, the proposed project would not result in significant effects related to recreation.

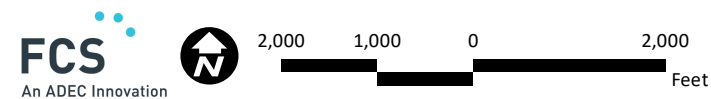


Source: Census 2000 Data, The California Spatial Information Library (CaSIL).





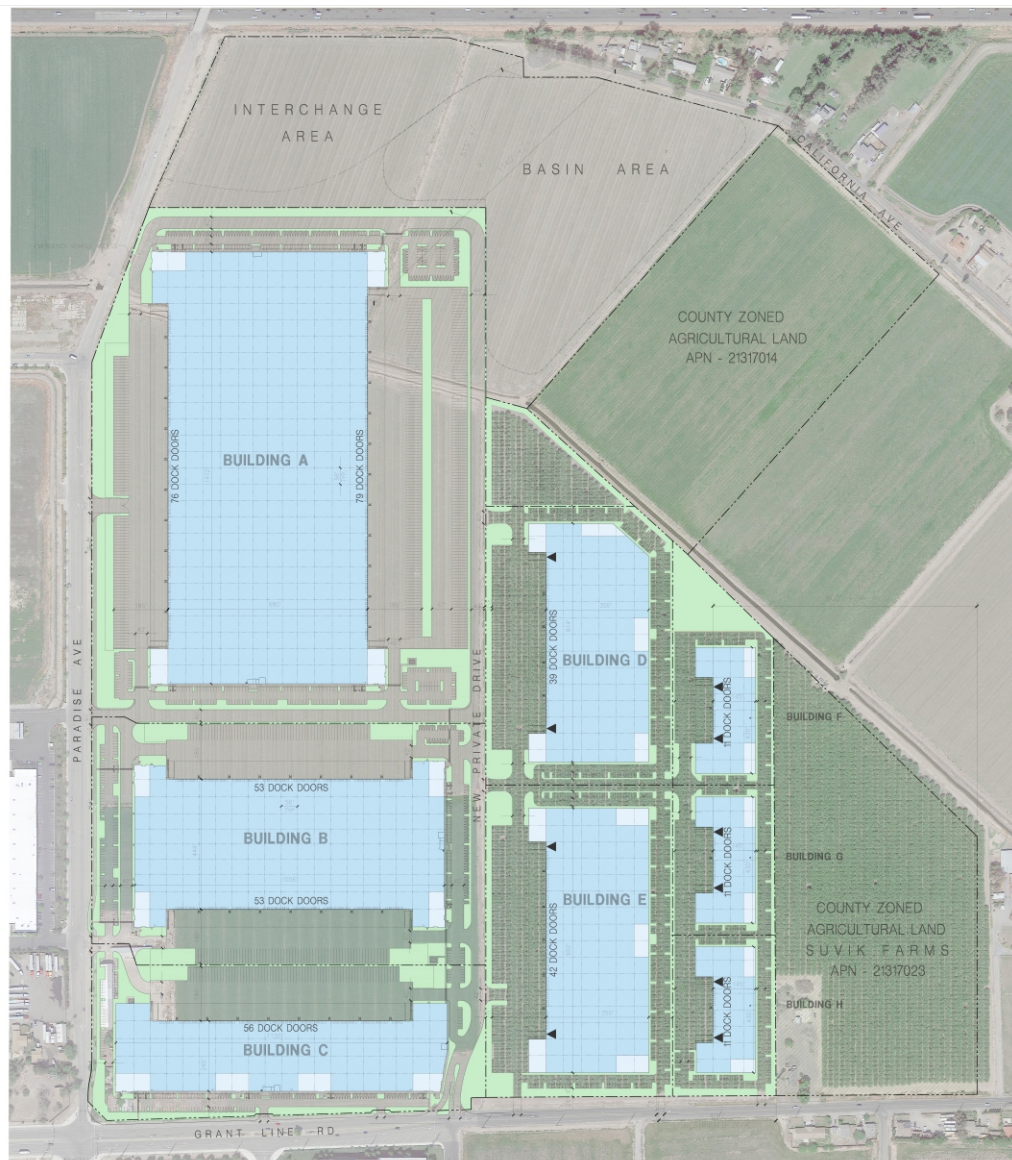
Source: Bing Aerial Imagery. Kier & Wright Civil Engineers and Surveyors, Inc., October 2024.



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Exhibit 2 Local Vicinity Map

CITY OF TRACY
TRACY NORTHEAST BUSINESS PARK PROJECT
NOTICE OF PREPARATION



Legend

- Potential Office
- Warehouse
- Landscape
- Drive Thru Door



Source: HPA Architecture, October 14th, 2024.