

**City of Tracy, California**  
**Notice of Availability of Draft Environmental Impact Report**  
**Tracy Northeast Business Park Project**

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**Date:** May 15, 2026

**To:** Public Agencies, Interested Organizations and Members of the Public

**From:** Genevieve Federighi, Senior Planner

**Subject:** **Notice of Availability of Draft Environmental Impact Report for the Tracy Northeast Business Park Project**

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The City of Tracy (City) is the California Environmental Quality Act (CEQA) Lead Agency for the proposed Tracy Northeast Business Park Project (proposed project). The City has completed preparation of a Draft Environmental Impact Report (DEIR) in compliance with CEQA for the project identified herein.

**Project Location:** The Tracy Northeast Business Park Project is generally located northeast corner of Grant Line Road and Paradise Road. The project site is located within unincorporated San Joaquin County land adjacent to the northeastern City limits, within the City's Sphere of Influence (SOI) (10-year planning horizon), and directly east of the City's Northeast Industrial (NEI) Specific Plan boundary. The project site is bound by I-205 to the north, a portion of the terminus of California Avenue to the northeast, Grant Line Road to the south, and Paradise Road to the west. The project site consists of five existing parcels under ownership by two separate parties: two Dermody parcels (totaling approximately 122 acres) (collectively, Dermody Property) and three Suvik parcels (totaling approximately 47 acres) (collectively, Suvik Property). The Dermody Property and the Suvik Property, collectively, are referred to herein as the "project site."

**Project Description:** Development on the Dermody Property would consist of approximately 1,811,259 square feet of warehouse/distribution and/or manufacturing space located in three buildings, as well as an approximately 12.4-acre stormwater detention basin with pump station that would be City owned and managed.<sup>1</sup>

It is anticipated that Suvik would process a site-specific Development Review Permit at some point in the future, subsequent to certification of this EIR; thus, the specific layout and other site planning and building details for the Suvik Property are not currently known. However, for purposes

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<sup>1</sup> Approximately 12.5 acres of the Dermody Property would be reserved to accommodate a portion of a planned interchange at Paradise Road and Interstate 205 (I-205). However, these planned interchange improvements are not necessary to serve the proposed project and constitute a separate project. Therefore, the potential impacts of constructing this future interchange would undergo a separate environmental review process pursuant to 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 attached as Appendix J to the DEIR).



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

of a conservative analysis, a conceptual building orientation plan for the Suvik Property has been prepared to provide site-specific information, based on reasonable assumptions, regarding a conceptual building orientation to facilitate project-level review and analysis hereunder. For the purposes of analysis in the DEIR, buildout of the Suvik Property is estimated to consist of a maximum total of approximately 1,015,166 square feet of warehouse/distribution and/or manufacturing uses (as well as ancillary office use), which conservatively reflects the maximum allowable density per acre identified in the NEI Specific Plan (which would govern development of the proposed project).

The proposed project also includes demolition of existing agricultural structures, 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.

The project site is zoned General Agriculture, with a minimum parcel size of 40 acres (AG-40) on the County's Zoning Map. The City of Tracy General Plan designates the project site as Industrial. As discussed more fully in the DEIR, the proposed project would be consistent with the planned industrial uses under the City's land use vision for the project site and vicinity. In connection therewith, the co-applicants for the proposed project are seeking approval of a boundary reorganization from the San Joaquin Local Agency Formation Commission (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 project site to a designation of NEI Specific Plan and an amendment to the boundaries of the Northeast Industrial (NEI) Specific Plan to incorporate the project site into its boundary (as well as any other conforming amendments necessary to ensure consistency). As an employment-generating use, the proposed project is expected to employ approximately 2,103 people on-site at full buildout.

**Potentially Significant Environmental Effects:** Analysis of the Project determined that there would be potentially significant impacts related to Aesthetics, Agricultural 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, and Wildfire. However, feasible mitigation measures identified in the DEIR would reduce the majority of these potential impacts to a less than significant level. Impacts that would remain significant even after implementation of all feasible mitigation measures include the following:

- Project-Level and Cumulative Conversion of Prime Farmland (AG-1, AG-CUM-1);
- Project-Level and Cumulative Air Quality Impacts (AIR-1, AIR-CUM-1, AIR-2, AIR-CUM-2, AIR-3, AIR-CUM-3); and
- Project-Level and Cumulative Vehicle Miles Traveled (VMT) (TRANS-1 TRANS-CUM-1)
- Project-Level Roadway Safety Hazard Impacts (TRANS-2)

As stated in the DEIR, the project site is not listed as a hazardous materials site enumerated under Government Code Section 65962.5.

**DEIR Document Review and Availability:** An electronic copy of the DEIR is available for public review on the City's website at: <https://www.cityoftracy.org/our-city/departments/planning/specific-plans-environmental-impact-reports-and-initial-studies>. A hard copy of the DEIR, including the attached technical appendices, as well as copies (either hard or electronic) of documents incorporated therein by reference can be viewed at the following locations (please check with the facility for hours of operation):

City of Tracy  
Community and Economic Development  
333 Civic Center Plaza  
Tracy, CA 95376

Tracy Branch Library  
20 East Eaton Avenue  
Tracy, CA 95376

**Comments:** Agencies, interested organizations, and members of the public have the opportunity to comment on the DEIR during the 45-day public review period, which shall commence on **May 15, 2026**. Written comments on the DEIR must be provided by **June 29, 2026**, and addressed to:

Genevieve Federighi, Senior Planner  
City of Tracy  
Community and Economic Development  
333 Civic Center Plaza  
Tracy, CA 95376  
Phone: 209.831.6435  
Email: [Genevieve.federighi@cityoftracy.org](mailto:Genevieve.federighi@cityoftracy.org)

Submittal of electronic comments in Microsoft Word or Adobe PDF format is encouraged. Upon completion of the 45-day public review period, written responses to all significant environmental issues raised during the 45-day period will be prepared and made available for review by the commenting agencies, organizations and members of the public at least 10 days prior to the public hearing before the Tracy City Council on the proposed project, at which the certification of the Final EIR will be considered prior to taking action on the proposed project. Comments received and the responses to comments will be included as part of the record for consideration by decision makers for the proposed project.