

NOTICE OF PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT AND SCOPING MEETING

DATE: March 19, 2026

TO: State Clearinghouse
State Responsible Agencies
State Trustee Agencies
Other Public Agencies
Organizations and Interested Persons

SUBJECT: Notice of Preparation of an Environmental Impact Report and Scoping Meeting for the Costco Cold Storage Project

LEAD AGENCY: City of Tracy
Planning Division
333 Civic Center Plaza
Tracy, CA 95376

PROJECT PLANNER: Genevieve Federighi, Senior Planner
Genevieve.Federighi@cityoftracy.org
(209) 831-6435

PURPOSE OF NOTICE: This is to notify public agencies and the public that the City of Tracy, as the lead agency, will prepare an environmental impact report (EIR) for the Costco Cold Storage Project (proposed Project). The City of Tracy is interested in the input and/or comments of public agencies and the public as to the scope and content of the EIR, including environmental information that is germane to the agencies' statutory responsibilities in connection with the proposed Project. Responsible/trustee agencies will use the EIR prepared by the City of Tracy when considering applicable permits or other approvals for the proposed Project.

COMMENT PERIOD: Consistent with the time limits mandated by State law, your input, comments, or responses must be received in writing and sent at the earliest possible date, but not later than 5:00 p.m. on April 20, 2026.

Please send your comments/input (including the name of a contact person in your agency) to:

Attn: Genevieve Federighi, Senior Planner
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

or by email to Genevieve.Federighi@cityoftracy.org

City of Tracy Notice of Preparation of an Environmental Impact Report and Scoping Meeting

SCOPING MEETING: On Wednesday, April 8, at 7:00 p.m., the City of Tracy’s Planning Commission will conduct a public scoping meeting to solicit input and comments from public agencies and the public on the proposed Project and the scope of the EIR.

This meeting will be held in-person and via Webex online. Interested parties may join the scoping meeting to review the proposed project exhibits and submit comments beginning at 7:00 p.m. Representatives from the City of Tracy and the EIR consultant team will be available in person and online to address questions regarding the EIR process and scope. All interested persons may submit statements orally or in writing during the in-person scoping meeting at the Tracy City Hall Council Chamber, 333 Civic Center Plaza, Tracy CA 95376. All interested persons may also submit statements orally during the virtual meeting by visiting:

<https://cityoftracyevents.webex.com/cityoftracyevents/j.php?MTID=me348db5e6a1385a074aaf102d1a980c> and using the following Webinar number: 2555 609 5464 and password:

Planning123 (75266464 when dialing from a phone or video system); or via phone by dialing (408) 418-9388 Access Code: 255 560 95464. If you have any questions regarding the scoping meeting, contact Genevieve Federighi, Senior Planner, at (209) 831-6435 or Genevieve.Federighi@cityoftracy.org.

PROJECT LOCATION AND SETTING: The Costco Cold Storage Project site (Project site) is at 26301 Hansen Road in unincorporated San Joaquin County, California (see Figure 1, *Local Vicinity*, and Figure 2, *Site Aerial*). The Project site is within the City of Tracy’s Sphere of Influence (SOI) 10-Year Planning Horizon area¹ and is approximately 0.3 mile south of the Tracy city limits at Schulte Road. The Assessor’s Parcel Numbers (APN) for the Project site are 209-230-090 and 209-230-240. The United States Bureau of Reclamation (BOR) owns approximately 4.1 acres of APN 209-230-090 (herein referred to as the BOR site). Both parcels would be annexed to the City of Tracy and developed as part of the proposed Project. The Project site totals approximately 75.3 acres of undeveloped agricultural land cover in the form of a fallow almond orchard and adjacent non-native grassland areas.

The Delta Mendota Canal borders the Project site to the north. Across the Delta Mendota Canal to the north are three single-family residences² and an approved 1.7-million-square-foot (sf) Costco Depot Annex currently under construction³ (see Figure 2). There are two residential units and a livestock ranch east of the Project site and a K-9 development center (commercial) to the southeast. The Union Pacific Railroad and California Aqueduct are also south of the Project site, with residential units between the railroad and the aqueduct. Hansen Road borders the Project site to the west, and the Safeway distribution center and warehouse are west of the

¹ The City of Tracy’s 10-Year Planning Horizon spans from 2019 to 2029 and consists of areas surrounding the existing city limits anticipated for development within the near term.

² Pursuant to the Schulte Road Warehouse Project proposed on the parcel where these three residences are located, the three residences and the six ancillary structures will be demolished and replaced with a 217,466-square-foot industrial warehouse building and surface parking lot. The City certified the EIR (State Clearinghouse Number 2023120437) and approved the Schulte Road Warehouse Project on August 19, 2025.

³ The City certified the EIR (SCH Number 2020080531) and approved the Costco Depot Annex Project on March 4, 2025 (and finalized the industrial pre-zoning for the site on March 28, 2025), the San Joaquin County Local Agency Formation Commission approved the Costco Depot Annex Project site’s formal annexation into the City of Tracy on June 12, 2025, and, in October 2025, Costco started construction of the Costco Depot Annex Project.

site across Hansen Road. Farther west is the existing Costco Tracy Depot. To the northwest is a California Department of Forestry and Fire Protection (CAL FIRE) station and a Tracy Fire Station. Surrounding land uses also include agricultural land within unincorporated San Joaquin County farther east and south.

PROJECT BACKGROUND: Costco has long owned and operated various industrial warehousing and food processing facilities at the approximately 94-acre Costco Tracy Depot campus at 25501 Gateway Boulevard, including, but not limited to, facilities used for the refrigerated storage of various food products (“existing cold storage”) and the production and processing of meat food products (“meat plant”). At the Costco Tracy Depot, the existing cold storage facility covers approximately 249,000 square feet. Adjacent to the existing cold storage area is the existing meat plant, which covers approximately 204,000 square feet.

PROJECT DESCRIPTION: The Project applicant proposes to remove all existing fallow orchard trees on the Project site and develop a 567,075-square-foot cold distribution center within a single, one-story building. The facility would include shipping and receiving truck-loading docks along the north and south sides of the building. The proposed development would consist of 11,656 square feet of office space, 547,001 square feet of refrigerated warehouse area and a maintenance bay, and an 8,418-square-foot refrigeration equipment room. The approximately 75.3-acre Project site would include approximately 1.6 acres dedicated to the right-of-way for Hansen Road.

The proposed Project includes two conceptual site plans, depending on whether the applicant can acquire rights to use or ownership of the 4.1-acre BOR site. Option 1 includes the development of a 10 acre-feet regional stormwater ponding area, vehicular circulation, and parking improvements on the BOR site (see Figure 3a, *Conceptual Site Plan – Option 1*). Under this option, the employee vehicle exit/entry and a proposed 5-foot-wide pedestrian walkway would cross the BOR site. Also, 37 trailer parking stalls would be developed in this area. Option 2 does not include the vehicle circulation and parking improvements but retains the proposed 10 acre-feet regional stormwater ponding area to convey the historical off-site stormwater flows (see Figure 3b, *Conceptual Site Plan – Option 2*). Option 1 would have a larger development footprint, which would result in more environmental impacts than Option 2. Therefore, Option 1 will be analyzed throughout this EIR to conservatively address impacts. If the applicant moves forward with Option 2, all potential environmental impacts would have already been analyzed in the EIR.

For more details regarding the operations, architecture, energy-efficient project components, landscaping, circulation, and utility improvements, please see the Project Description in the attached Initial Study.

Once construction of the proposed Project is completed, Costco will relocate the existing cold storage operations from the Costco Tracy Depot campus to the Project site and use the vacated space at the Costco Tracy Depot campus to expand the meat plant operations, doubling the current capacity of the meat plant. Because use of the existing cold storage facility for expansion of meat plant production is a reasonably foreseeable consequence of the new cold

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storage facility, such backfill and use of the existing cold storage building will be analyzed in the environmental analysis for the proposed Project.

PROJECT APPROVALS: The City of Tracy is the lead agency for the proposed Project. If the City Council certifies the EIR in accordance with CEQA requirements, the City may use the EIR to support the following actions:

- Pre-zoning the Project site to the City's Light Industrial (M-1) district;
- Annexing the Project site into the City of Tracy, which requires approval by the San Joaquin County Local Agency Formation Commission (LAFCo);
- Development review approval for building design, landscaping, and other site features;
- Issuance of building, grading, and other permits as necessary for project construction and operation;
- Adoption of the Mitigation Monitoring and Reporting Program (MMRP).

Public agencies may rely on the certified EIR to issue permits or approve certain aspects of the proposed Project.

AREAS OF POTENTIAL IMPACTS: The Draft EIR will examine most of the environmental areas contained in Appendix G of the State California Environmental Quality Act (CEQA) Guidelines. The topics to be addressed in the Draft EIR include 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, population and housing, public services, transportation, tribal cultural resources, utilities and service systems, cumulative impacts, and growth-inducing impacts.

INITIAL STUDY: An Initial Study has been prepared for the proposed Project. The Initial Study identifies three (3) environmental areas/issues where there is no potential for the proposed Project to result in any potentially significant impacts: mineral resources, recreation resources, and wildfire risks. Therefore, the Draft EIR will not include analyses of the Project's potential environmental effects in these categories.

ADDITIONAL INFORMATION: A copy of the Initial Study is available on the City's website at: <https://www.cityoftracy.org/Departments/Community-and-Economic-Development/Planning/Specific-Plans-Environmental-Impact-Reports-and-Initial-Studies>.

Genevieve Federighi

Signature

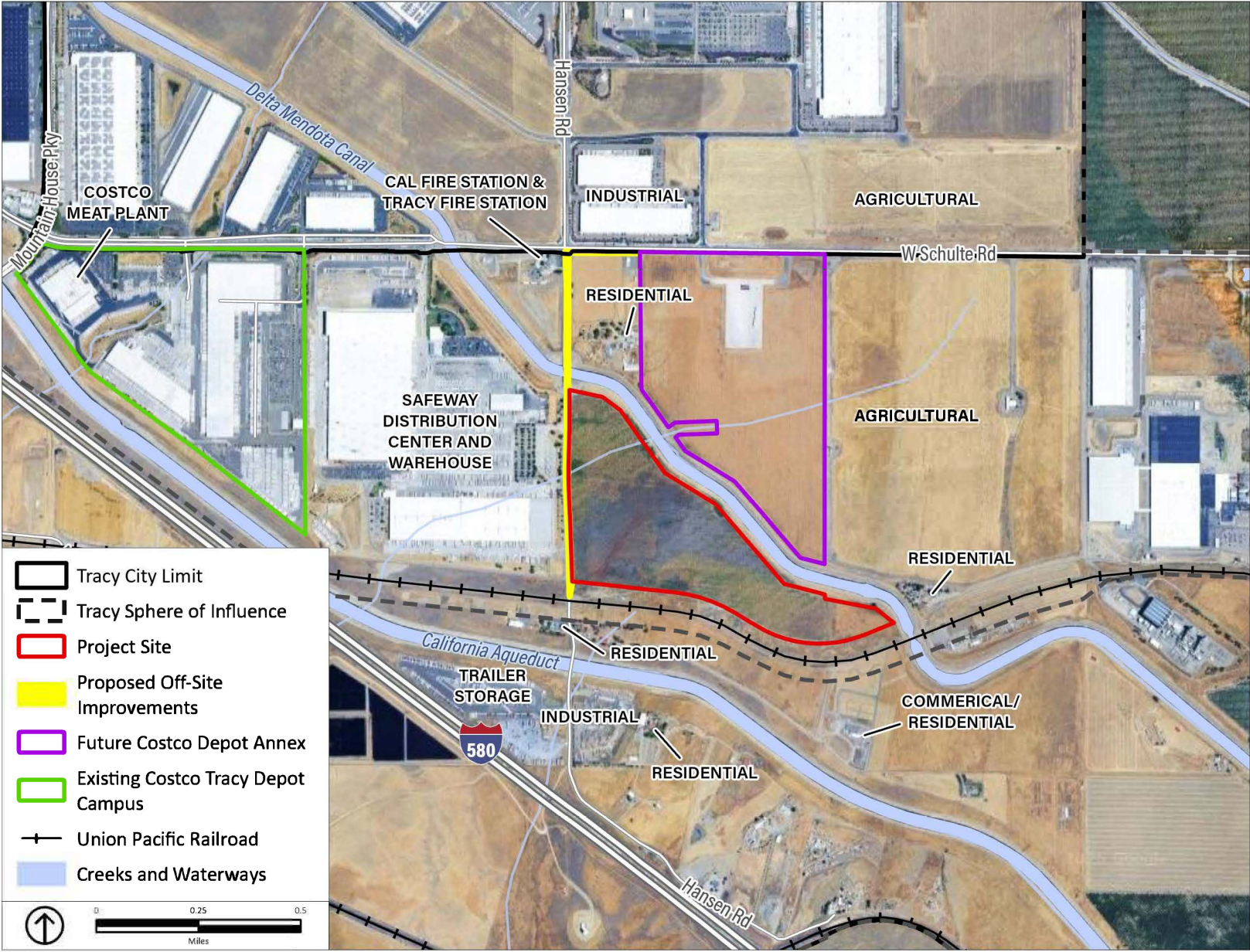
Genevieve Federighi, Senior Planner

Name, Title

3/20/26

Date

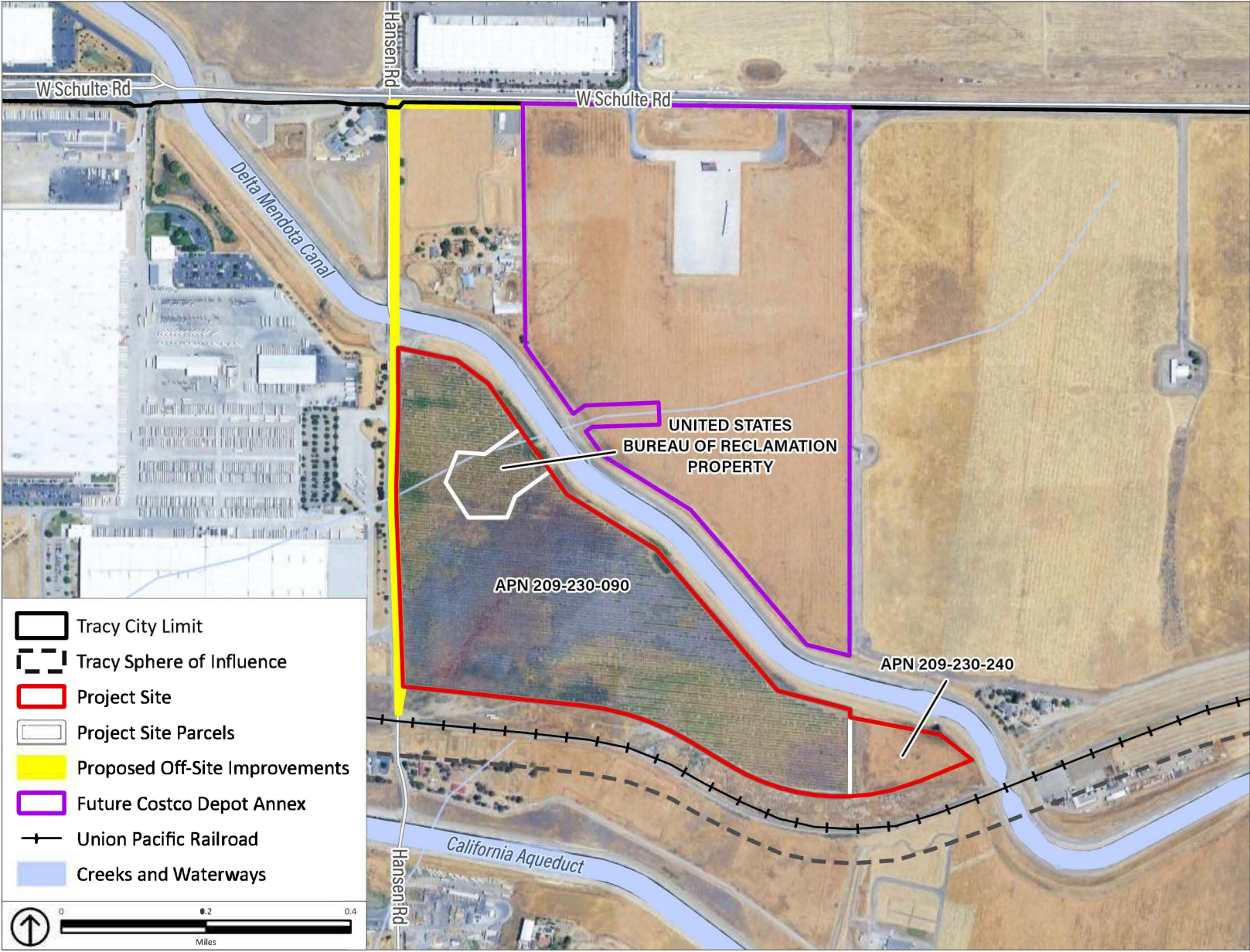
COSTCO COLD STORAGE PROJECT
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Source: City of Tracy, 2025; PlaceWorks, 2025.

Figure 1
Local Vicinity

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Source: City of Tracy, 2025; PlaceWorks, 2025.

Figure 2
Site Aerial

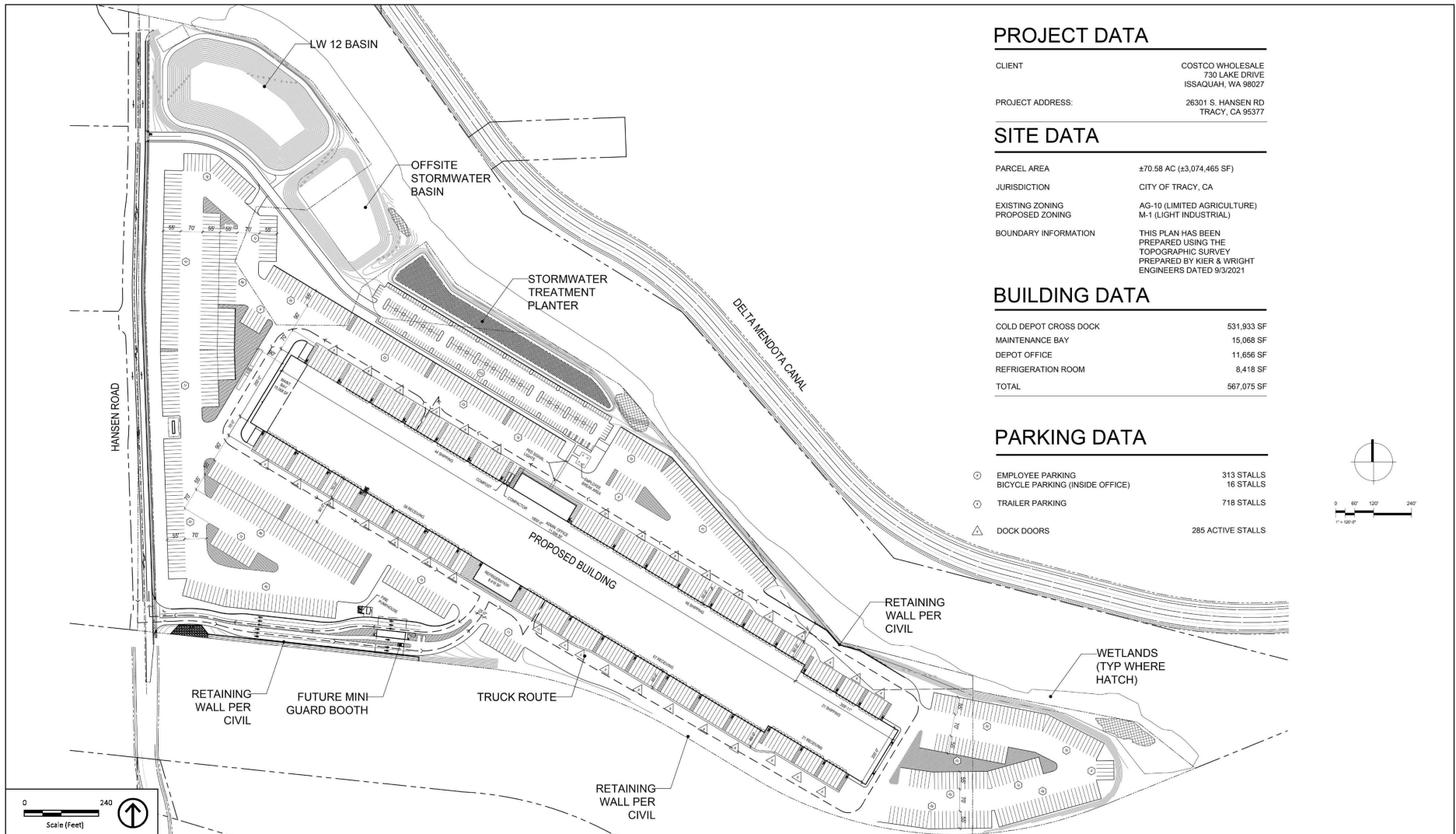
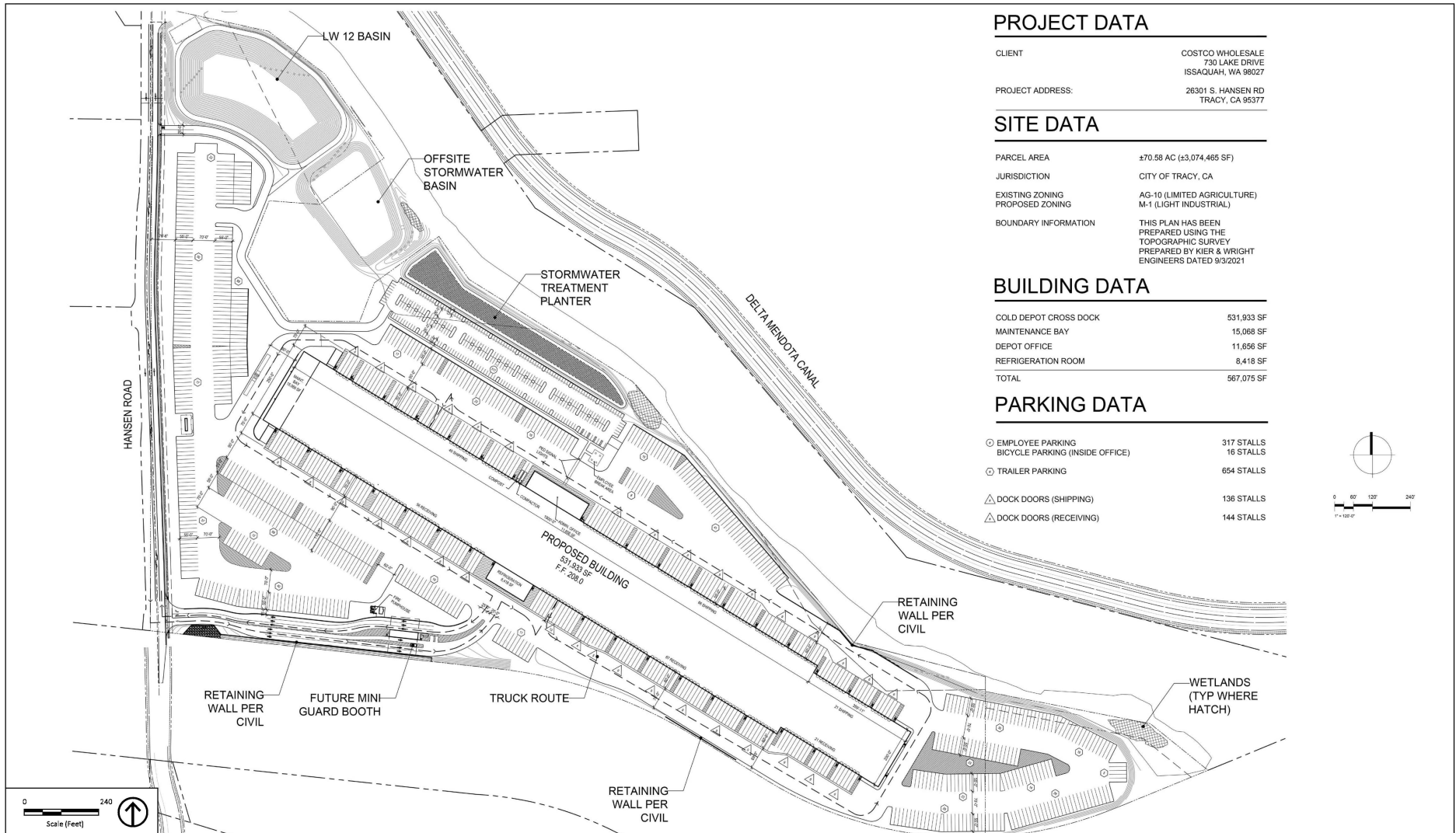


Figure 3a
Conceptual Site Plan – Option 1



Source: MG2, 2026.

Figure 3b
Conceptual Site Plan – Option 2