

**NOTICE OF PREPARATION OF A
DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE WESTGATE WEST COSTCO
WAREHOUSE PROJECT**

FILE NO: CP21-022
PROJECT APPLICANT: Costco Wholesale Corporation
APNs: 381-36-012, 381-36-014, 381-36-018,
381-36-021, 381-36-023, 381-36-028,
381-36-029, and 381-36-030

Project Description: The project is a Conditional Use Permit to allow demolition of existing commercial buildings totaling approximately 188,265 square feet and the removal of 69 trees (50 ordinance-size trees and 17 non-ordinance-size trees) for the construction of an approximately 166,058-square foot wholesale retail center (“Costco”), including a tire center and associated parking and landscaping within an existing approximately 19.8-gross acre shopping center (“Westgate West Shopping Center”). The project also includes a request for the off-sale of alcohol (Type 21 ABC License – full range of alcoholic beverages) in the CG Commercial General Zoning District.

Location: The project site is located at 5287 Prospect Road within an existing shopping center on the northeast corner of Lawrence Expressway and Prospect Road. The 19.8-acre project site is comprised of eight parcels, as listed above, and is bounded by Graves Avenue to the north, the Westgate Shopping Center to the east, Prospect Road to the south, and Lawrence Expressway to the west.

As the Lead Agency, the City of San José will prepare an Environmental Impact Report (EIR) for the project referenced above. The City welcomes your input regarding the scope and content of the environmental information that is relevant to your area of interest, or to your agency’s statutory responsibilities in connection with the proposed project. If you are affiliated with a public agency, this EIR may be used by your agency when considering subsequent approvals related to the project.

An online joint community and environmental public scoping meeting for this project will be held:

When: Monday, January 24, 2022 from 6:00 p.m. to 7:30 p.m.

Where: Via Zoom (see instructions below)

The live meeting will be recorded. You will be muted upon entry to the meeting. Please do not unmute yourself until the presenter has called on you to speak. If you have not participated in a Zoom meeting before, we encourage you to download the Zoom application to your phone, tablet, or computer and feel free to log in early to troubleshoot any technical issues that may arise. Participants who are unable to install Zoom on their computer or mobile device can join a meeting through their computer’s web browser. Zoom currently works best with Google Chrome, Apple Safari, Mozilla Firefox, and Chromium Edge.

Electronic device instructions:

For participants who would like to join electronically from a PC, Mac, iPad, iPhone or Android device, please click this URL: <https://sanjoseca.zoom.us/j/97816769620>

Please ensure your device has audio input and output capabilities. During the session, if you would like to comment, please use the ‘raise hand’ feature in Zoom conference call or click *9 to raise a hand to speak.

1. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
2. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
3. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
4. If you wish to speak during open forum, click on "raise hand." Speakers will be notified shortly before they are called to speak.
5. When called, please limit your remarks to the time limit allotted.

Telephone device instructions:

For participants who would like to join telephonically please dial +1-877-853-5257 and when prompted, enter meeting ID: **978 1676 9620**. You may also click *9 to raise a hand to speak.

Questions or Public Comments prior to meeting:

If you have questions regarding the virtual community meeting or would like to submit your comments prior to the meeting, please e-mail Maira.Blanco@sanjoseca.gov. Comments submitted prior to this meeting will be considered as if you were present in the meeting.

The project description, location, and probable environmental effects that will be analyzed in the EIR for the project can be found on the City's Active EIRs website at www.sanjoseca.gov/activeeirs, including the EIR Scoping Meeting information. According to State law, the deadline for your response is 30 days after receipt of this notice. However, responses earlier than 30 days are always welcome. If you have comments on this Notice of Preparation, please identify a contact person from your organization, and send your response to:

City of San José
Department of Planning, Building and Code Enforcement
Attn: Maira Blanco, Environmental Project Manager
200 East Santa Clara Street, 3rd Floor Tower
San José CA 95113-1905
Phone: (408) 535-7837, e-mail: Maira.Blanco@sanjoseca.gov

Christopher Burton, Director
Planning, Building and Code Enforcement



Deputy

1/5/2022

Date

**NOTICE OF PREPARATION OF AN
ENVIRONMENTAL IMPACT REPORT FOR
WESTGATE WEST COSTCO WAREHOUSE PROJECT
January 2022**

Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of a proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment; to examine methods of reducing adverse impacts; and to consider alternatives to the project.

The EIR for the Project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include the following:

- A summary of the Project;
- A Project description;
- A description of the existing environmental setting, environmental impacts, and mitigation measures for the project;
- Alternatives to the Project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the Project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth inducing impacts of the proposed Project; and (d) cumulative impacts.

Project Location

The Project is located in west San José, in Santa Clara County, California (**Figure 1**). The 19.8-acre Project site is comprised of 8 parcels, as listed below. The Project site is located at 5287 Prospect Road, on the northeast corner of Lawrence Expressway and Prospect Road (**Figure 2**). The Project site is bounded by Graves Avenue to the north, the Westgate Shopping Center to the east, Prospect Road to the south, and Lawrence Expressway to the west.

Existing Conditions

The Project site is comprised of the 8 parcels listed below:

- 381-36-012
- 381-36-014
- 381-36-018
- 381-36-021
- 381-36-023
- 381-36-028
- 381-36-029
- 381-36-030

The Project site is currently developed with nine retail and restaurant buildings, a covered garden center, surface parking lots, and associated landscaping. The Project site includes approximately 250,113 square feet of existing buildings. Access to the Project site is currently provided via six driveways, one driveway from the Lawrence Expressway, three driveways from Prospect Road, and two driveways from

Graves Avenue. The Project site is designated *NCC Neighborhood/Community Commercial* in the City's General Plan and zoned as *CG – Commercial General*.

Land uses surrounding the Project site are as follows:

- **North** – residential and Saratoga Creek Dog Park, across Graves Avenue
- **East** – commercial and residential
- **South** – commercial, Westgate Church, and Prospect High School, across Prospect Road
- **West** – residential and Saratoga Creek, across Lawrence Expressway

Project Description

Demolition: The Project proposes to demolish three existing buildings and the covered garden center resulting in the demolition of approximately 188,265 square feet of buildings. Specifically, the following buildings would be demolished: the 16,708-square-foot building recently occupied by the UPS Store and Domino's Pizza, the 74,303-square-foot building (including the covered garden center area) previously occupied by the Orchard Supply Hardware store, and the 97,254-square-foot building on the northern portion of the site that was recently occupied by Ethan Allen and Smart & Final. Most of the space to be demolished is currently vacant, and remaining tenants may be relocated to existing space within the Westgate West Shopping Center.

Wholesale Warehouse Retail Center: The Project would construct an approximately 166,058-square-foot single-story, wholesale retail center ("Costco building"), including a tire shop and associated parking and landscaping on the northern portion of the Project site. The maximum height of the Costco building would be 40 feet, including the parapet for the rooftop parking. Rooftop parking would include lighting structures with a height of approximately 25-feet for nighttime visibility and security. Approximately 154,936 square feet would comprise warehouse space. The remaining square footage would include the mechanical/fire room, an open vestibule, and vertical circulation (i.e., stairs/escalator). The proposed Project includes a rooftop parking deck and surface lot parking around the building. Rooftop parking would be accessed via a ramp on the south side of the proposed building. Landscaping would be installed throughout the surface parking lot and along the parking lot and building perimeter. As part of redevelopment of the Project site, loading and receiving activities will no longer occur at the rear (north side) of the buildings immediately adjacent to Graves Avenue. Instead, the receiving and loading docks for the proposed Costco building would be located at the southeast corner of the Costco building shielding residential uses along Graves Avenue from loading and receiving activities.

Renderings of the proposed Project are illustrated in **Figure 3** and the Conceptual Site Plan is shown in **Figure 4**. The proposed Project will be designed and constructed in accordance with most current Title 24 California Building Standards, which promotes energy conservation, green design, fire and life safety, and accessibility. The proposed design will be evaluated and developed to apply the City's Citywide Design Guidelines and Standards.

The Project would be operated as a Costco warehouse retail center and associated parking facilities. Operation of the Costco would involve retail sales and commercial activities, including but not limited to:

- Tire sales and installation
- Optical exams and optical sales
- Hearing aid testing and sales
- Food service preparation and sales
- Meat preparation and sales
- Bakery and sale of baked goods
- Alcohol sales
- Propane refueling and sales

The proposed warehouse would also serve as a hub for Costco home delivery drivers to collect orders for delivery to the surrounding area. Temporary, seasonal, outdoor sales (e.g., Christmas tree sales) may also occur within the proposed surface parking lot. Propane refueling and sales would occur near the tire sales area.

The Costco would be staffed by approximately 250-300 employees and would typically operate between the hours of 9:00 A.M. and 8:30 P.M., daily. On average, ten trailer trucks would deliver goods to the proposed Costco between 2:00 A.M. and 1:00 P.M. with an average of two to three trucks arriving per hour.

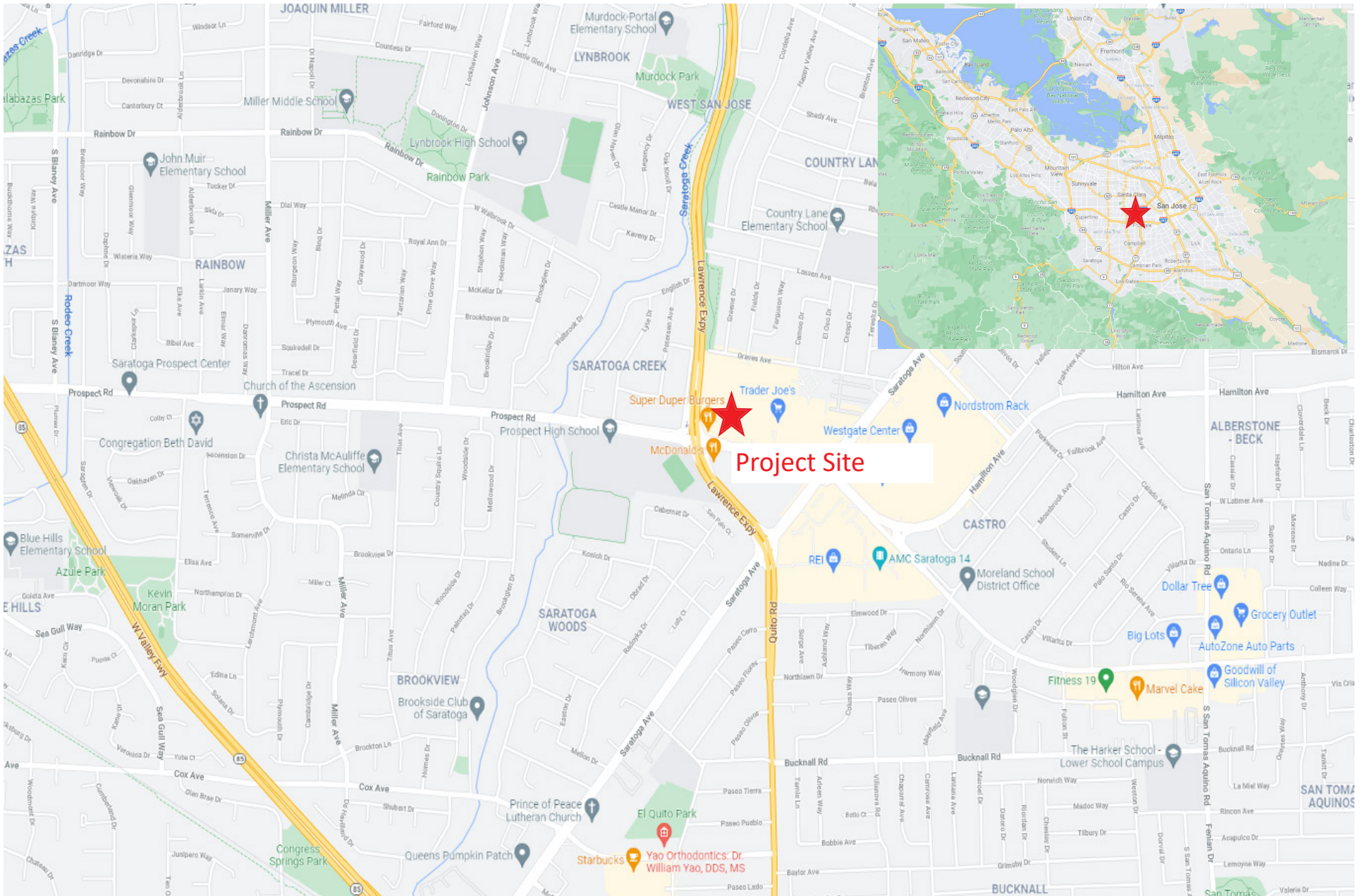
Site Access, Circulation and Parking: With development of the Project, the Westgate West Shopping Center would have a total of 1,296 parking spaces. The Project would provide 689 parking spaces dedicated for the Costco Warehouse, while the remaining surface parking would continue to serve existing on-site commercial uses.

Modifications to southern portion of the Project site's internal circulation include: an extension and realignment of the internal drive that begins at Prospect Road to provide a direct connection to the Costco rooftop and surface parking areas while maintaining access to existing uses within the Westgate West Shopping Center, as well as circulation and parking improvements to update the existing parking layout. See the Conceptual Site Plan shown in **Figure 4**. Landscaping would be installed throughout the reconfigured parking lots and along the reconfigured driveway. Bioretention basins would also be installed along the reconfigured driveway.

As shown in **Figure 4**, Conceptual Site Plan, the Project would retain the six existing driveways. The Project also includes four loading areas for trucks and waste management, as part of the Costco development. Loading areas would be accessed via internal circulation and driveways along Graves Avenue and Lawrence Expressway. The Project's building orientation has the loading receiving area facing away from the neighboring residential uses. The loading dock is located on the east side of the warehouse. The bay doors will be equipped with sealed gaskets to limit noise impacts. A transformer and two trash compactors will also be located along the east edge of the warehouse building.

Anticipated Project Approvals

1. Site Development Permit
2. Conditional Use Permit
3. Lot Line Adjustment
4. Covenant of Easement
5. Parcel Map
6. Demolition Permit
7. Grading Permit
8. Building Permit
9. Public Works Clearances



Source: Google Maps, 2021

Figure 1: Regional Map
Costco San Jose Westgate West



Not to scale



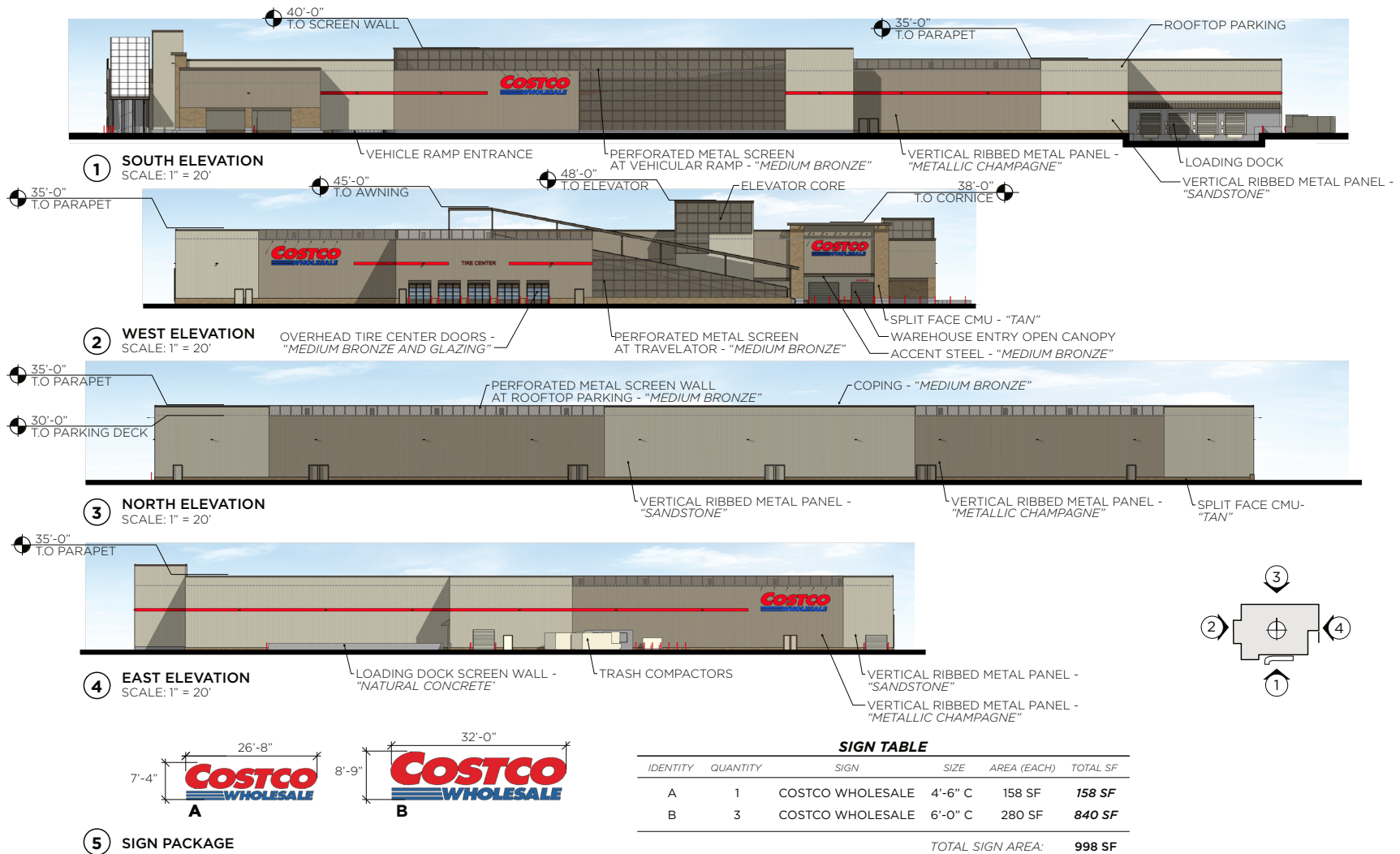
Source: Google Maps, 2021

Figure 2: Vicinity Map

Costco San Jose Westgate West



Not to scale



OCTOBER 26, 2021
PROJECT# 20-6078-01
SAN JOSE, CA
A-006

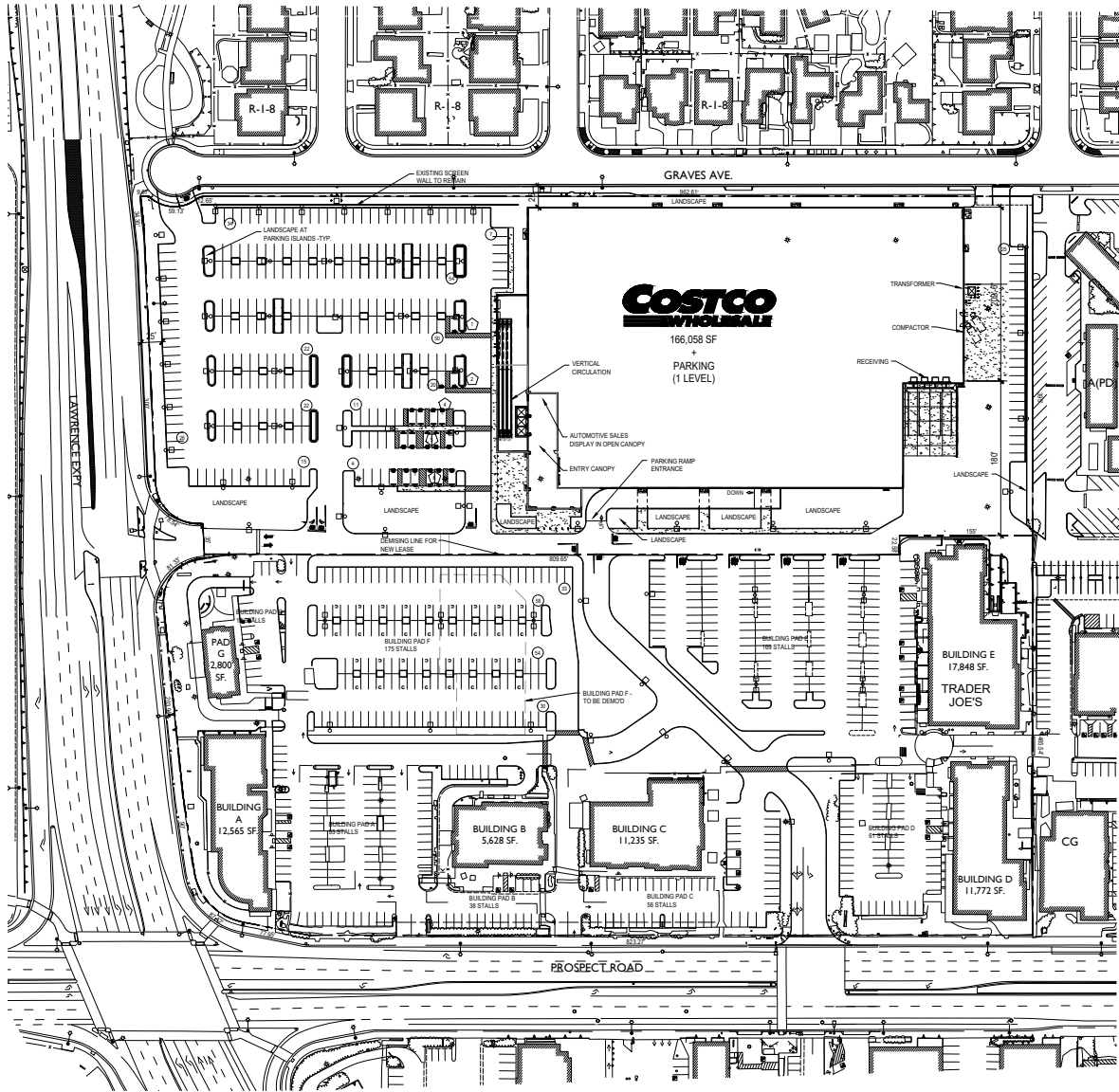
DRAFT WAREHOUSE ELEVATIONS



Source: MG2, 2021

Figure 3: Conceptual Elevations

Costco San Jose Westgate West



PROJECT DATA

CLIENT: COSTCO WHOLESALE
999 LAKE DRIVE
ISSAQUAH, WA 98027

PROJECT ADDRESS: NEC OF LAWRENCE
EXPY & PROSPECT RD
SAN JOSE, CA

SITE DATA:

JURISDICTION: CITY OF SAN JOSE

ZONING: COMMERCIAL GENERAL (CG)

ACCESSOR'S PARCEL NUMBERS:
i. 381-36-014
ii. 381-36-021
iii. 381-36-023
iv. 381-36-028
v. 381-36-029

COSTCO SITE AREA: 9.69 ACRES (422,080 SF)

BUILDING FOOTPRINT 166,058 SF (39.34%)
PARKING / LOADING 192,129 SF (45.52%)
LANDSCAPE 54,507 SF (12.91%)

DEVELOPER IMPROVEMENT AREA: 4.19 ACRES (182,686 SF)

BUILDING FOOTPRINTS 6,992 SF (3.83%)
PARKING / LOADING 125,128 SF (68.49%)
LANDSCAPE 41,648 SF (22.80%)

EXISTING BUILDING TO BE DEMO'D:

TOTAL BUILDING FOOTPRINT AREA: 188,265 SF

INCLUDES:
RETAIL H 74,303 SF
BUILDING J 97,254 SF
BUILDING F 16,708 SF

COSTCO BUILDING DATA:

TOTAL BUILDING FOOTPRINT AREA: 166,058 SF

INCLUDES:
GROSS WAREHOUSE FLOOR 154,936 SF
NET MECH / FIRE ROOM 2,958 SF
NET OPEN VESTIBULE 5,031 SF
NET VERTICAL CIRCULATION 3,133 SF

LEASEABLE NET AREA (85% GROSS) 141,149 SF

TOTAL PROPOSED DEVELOPMENT BUILDING DATA:

EXISTING TOTAL BUILDING FOOTPRINT AREA: 250,113 SF

PROPOSED TOTAL BUILDING FOOTPRINT AREA: 227,906 SF

INCLUDES:
BUILDING A 12,565 SF
BUILDING B 5,628 SF
BUILDING C 11,235 SF
BUILDING D 11,772 SF
BUILDING E 17,848 SF
BUILDING G 2,800 SF
COSTCO 166,058 SF

PARKING DATA:

COSTCO TOTAL PARKING: 689 STALLS

INCLUDES:
PARKING ON GRADE PROVIDED:
○ 10' WIDE STALLS 291 STALLS
○ ACCESSIBLE STALLS 18 STALLS
ROOFTOP PARKING: 380 STALLS

1 STALL PER XXX NET SF: 205 SF

DEVELOPMENT TOTAL PARKING: 1,294 STALLS

BUILDING PAD A: 93 STALLS
BUILDING PAD B: 38 STALLS
BUILDING PAD C: 56 STALLS
BUILDING PAD D: 61 STALLS
BUILDING PAD E: 169 STALLS
BUILDING PAD F: 175 STALLS
BUILDING PAD G: 13 STALLS
COSTCO: 689 STALLS

TOTAL DEVELOPMENT SF (INCLUDING COSTCO): 227,906 SF

1 STALL PER XXX NET SF: 150 SF

NOTES:
EXISTING CONDITIONS TO BE FIELD VERIFIED.



20-6078-01
OCTOBER 27, 2021

PRELIMINARY
SITE PLAN

A-001

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COSTCO WHOLESALE

SAN JOSE (WESTGATE WEST), CALIFORNIA

PRELIMINARY SITE PLAN

OCTOBER 27, 2021

Source: MG2, 2021

Figure 4: Conceptual Site Plan

Costco San Jose Westgate West



Expect More. Experience Better.

Potential Environmental Impacts of the Project

The EIR will describe the existing environmental conditions on the Project site, discuss and analyze the impacts of the Project, and identify the significant environmental effects anticipated to result from development of the proposed Project. Mitigation measures will be identified for potentially significant environmental impacts, as warranted. The analysis in the EIR will include the following specific categories of environmental impacts and concerns related to the proposed Project. Additional subjects may be added at a later date, if new information becomes available.

1. *Aesthetics & Visual Resources*

The Project site is surrounded by commercial/retail and residential uses. The EIR will describe the existing visual setting of the area and discuss the visual changes that are anticipated to occur as a result of the Project, consistent with Senate Bill 743. The EIR will also discuss possible light and glare impacts from the development. If significant impacts related to visual resources and aesthetics are found, mitigation measures will be identified.

2. *Agricultural and Forestry Resources*

The Project site is not located in an area with agricultural resources or forest lands.

3. *Air Quality*

The EIR will address the regional air quality conditions in the San Francisco Bay Area and discuss the Project's impacts to local and regional air quality based on the 2017 Bay Area Air Quality Management District (BAAQMD) CEQA guidelines and thresholds. The EIR will discuss sensitive receptors, temporary construction impacts to air quality, and operational air quality impacts. Mitigation measures, if found to be required, will be discussed.

4. *Biological Resources*

The Project site is located in a developed and urbanized area of San José, more than 1,000 feet east of Saratoga Creek. Habitats in the area are low in species diversity and include predominately urban adapted species. The Project site is currently developed with commercial/retail buildings and associated parking, but contains trees and other landscaped vegetation. The proposed project would remove 69 existing trees. The EIR will address any loss of trees on-site and any need for replacement trees per City standard conditions. The EIR will identify and discuss potential biological impacts resulting from construction of the Project and the Project's consistency with the Santa Clara County Habitat Conservation Plan. Mitigation measures, if found to be required, will be discussed.

5. *Cultural and Historic Resources, and Tribal Cultural Resources*

No buildings on-site or within the immediate vicinity of the Project site have been listed in the City's Historic Resources Inventory. The Project site is located within an area of the City determined to have archaeological sensitivity for prehistoric and historic resources. Similar to most of the City, there is geographically specific paleontological sensitivity at depth possible for the Project site. The EIR will address the impacts to known and unknown buried archaeological resources on-site, as well as impacts to potential historic structures on and/or near the site. If cultural or historic resources are found to be significant, mitigation measures will be identified.

6. Energy

Implementation of the Project may result in an increased demand for energy on-site. The EIR will address the increase in energy usage on-site and any proposed design measures to reduce energy consumption. Mitigation measures, if found to be required, will be discussed.

7. Geology and Soils

The Project site is located in the seismically active San Francisco Bay Area region. The EIR will discuss the possible geological impacts associated with existing soils, groundwater conditions on the Project site, and seismicity activity. Mitigation measures, if found to be required, will be discussed.

8. Greenhouse Gas Emissions

The EIR will address the Project's contribution to regional and global greenhouse gas emissions impacts in compliance with SB 32 and based on the City of San Jose's 2030 GHG Reduction Strategy for consistency with policies for reducing GHG emissions adopted by the City of San José. Proposed design features to reduce energy consumption, which in turn will reduce greenhouse gas emissions, will be analyzed. Mitigation measures, if found to be required, will be discussed.

9. Hazards and Hazardous Materials

The Project site is not listed as a Hazardous Waste and Substances Site (Cortese) List. The EIR will summarize known hazardous materials conditions on and adjacent to the Project site and will address the potential for hazardous materials impacts to result from implementation of the proposed Project. Mitigation measures, if found to be required, will be discussed.

10. Hydrology and Water Quality

Based on Flood Insurance Rate Maps from the Federal Emergency management Agency, the Project site is located in Zone D- an area of undetermined flood hazard. The EIR will address any possible flooding issues for the Project site as well as the effectiveness of the storm drainage system and the Project's effect on storm water quality consistent with the requirements of the Regional Water Quality Control Board. Mitigation measures, if found to be required, will be discussed.

11. Land Use

The Project site is located in a developed urbanized area surrounded by commercial/retail, and residential land uses. The EIR will describe the existing land uses adjacent to and within the Project site. This discussion will evaluate the Project's compatibility with existing and proposed land uses in the area. The EIR will evaluate the Project's consistency with existing land use regulations including the City's Envision San José 2040 General Plan, San José Zoning Ordinance and Municipal Code, and the City's Design Guidelines and Standards. If significant impacts related to land use are found, mitigation measures will be identified.

12. Mineral Resources

The Project site is not located in an area known to have mineral resources. The Project will not hinder or preclude any existing mineral extraction operations.

13. Noise and Vibration

The Project site is located adjacent to the Lawrence Expressway. The EIR will identify existing ambient noise and analyze potential noise and vibration impacts of Project operation and construction on the existing environment and nearby sensitive receptors. Noise levels will be evaluated for consistency with applicable standards and guidelines from the City of San José Municipal Code and General Plan. If noise and vibration impacts are found to be significant, mitigation measures will be identified.

14. Population and Housing

The EIR will examine the Project's impact on population growth and housing in the City. The EIR will evaluate the applicable regional and City plans, policies and regulations to the development. Mitigation measures, if found to be required, will be discussed.

15. Public Services

The EIR will address the availability of public services including fire and police protection, schools, and parks. Mitigation measures, if found to be required, will be discussed.

16. Recreation

The EIR will examine whether the Project may result in increased demand of existing parks, trails, and recreation centers. The EIR will examine City policies to ensure the Project is consistent with City of San José policies. Mitigation measures, if found to be required, will be discussed.

17. Transportation and Circulation

The EIR will evaluate the Project's transportation impacts pursuant to Senate Bill 743 and the City's Transportation Analysis Policy (Council Policy 5-1). The Project's consistency with programs, plans, ordinances, or policies addressing the circulation system (including transit, roadway, bicycle, and pedestrian facilities) will be discussed in the EIR. The Project's impact on Vehicle Miles Traveled (VMT) will be discussed. It will include a Local Transportation Analysis (LTA) to evaluate the proposed site access/circulation and intersections in the Project area to identify any necessary improvements. Mitigation measures, if found to be required, will be discussed.

18. Tribal Cultural Resources

The area where the Project site is located in San José is not considered a particularly sensitive area for prehistoric resources. Similar to most of the City, there is geographically specific paleontological sensitivity at depth possible for the Project site. The EIR will address the impacts to known and unknown buried tribal-cultural resources on-site. If impacts to tribal cultural resources are found to be significant, mitigation measures will be identified.

19. Utilities and Service Systems

Implementation of the Project may result in an increased demand on utilities compared to existing conditions. The EIR will examine the impacts of the Project on wastewater system, storm drains, water supply, and solid waste management. The EIR will analyze applicable State, regional, and City plans and policies for consistency. Mitigation measures, if found to be required, will be discussed.

20. Wildfire

The Project site is located within a developed and urbanized area. The Project site is not located within or adjacent to the urban wildland interface. The EIR will discuss the Project's potential to exacerbate wildfire risks or expose Project occupants to wildlife risks including pollutants from wildfires.

21. Alternatives

Pursuant to CEQA Guidelines Section 15126.6, the EIR will examine a range of reasonable alternatives to the Project including a "No Project" alternative and one or more alternative development scenarios depending on the impacts identified. Other alternatives that may be discussed could include reduced development alternatives (e.g., smaller project site or reduced density alternatives), alternative land uses, and/or alternative locations. Alternatives discussed will be chosen based on their ability to reduce or avoid identified significant impacts of the Project while achieving most of the identified objectives of the Project. The environmentally superior alternative(s) will be identified based on the number and degree of associated environmental impacts.

22. Significant Unavoidable Impacts

The EIR will identify those significant impacts that cannot be avoided if the Project is implemented as proposed.

23. Cumulative Impacts

Pursuant to CEQA Guidelines Section 15130, the EIR will include a cumulative impacts section that will address the potentially significant cumulative impacts of the Project when considered with other past, present, and reasonably foreseeable future projects in the area.

24. Other Sections

In conformance with the CEQA Guidelines, the EIR will also include the following sections: 1) consistency with local and regional plans and policies, 2) growth inducing impacts, 3) significant irreversible environmental changes, 4) areas of known controversy, 5) references, 6) organizations/ persons consulted, 6) EIR author and consultants, and 7) appendices.