

NOTICE OF SPECIAL MEETING

Pursuant to Section 54956 of the Government Code of the State of California, a Special meeting of the **Tracy Growth Management Board (GMB)** is hereby called for:

Date/Time: **Thursday, December 4, 2025, 4:00 p.m.**
(or as soon thereafter as possible)

Location: **333 Civic Center Plaza, Development Services Department,
Conference Room 109**
Remote meeting: Teleconference line (209) 425-4338,
Conference ID: 199 212 441 #

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the GMB on any item, before or during consideration of the item, however no action shall be taken on any item not on the agenda.

**THIS SPECIAL MEETING WILL BE CONDUCTED PURSUANT TO THE
PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDER N-29-20 WHICH
SUSPENDS CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT**

Remote Public Comment:

All interested persons are invited to participate by calling the teleconference line at (209) 425-4338 Conference ID: 199 212 441 # to submit statements orally during the meeting; or in writing before the meeting by sending written statements to Victoria.Lombardo@cityoftracy.org.

1. CALL TO ORDER
2. ROLL CALL
3. ITEMS FROM THE AUDIENCE - *In accordance with Procedures for Preparation, Posting and Distribution of Agendas and the Conduct of Public Meetings, adopted by Resolution 2008-140 any item not on the agenda brought up by the public at a meeting, shall be automatically referred to staff. If staff is not able to resolve the matter satisfactorily, the member of the public may request a Board Member to sponsor the item for discussion at a future meeting.*
4. OLD BUSINESS – None.
5. NEW BUSINESS
 - A. GROWTH MANAGEMENT BOARD DETERMINATION OF ALLOCATION OF REVERTED RESIDENTIAL GROWTH ALLOTMENTS FOR USE IN THE REMAINDER OF 2025.
 - B. GROWTH MANAGEMENT BOARD DETERMINATION OF ALLOCATION OF RESIDENTIAL GROWTH ALLOTMENTS FOR USE IN 2026.

6. ITEMS FROM THE AUDIENCE
7. ADJOURNMENT

Posting Date: December 3, 2025

The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in public meetings. Persons requiring assistance or auxiliary aids in order to participate should call City Hall (209-831-6000), at least 24 hours prior to the meeting.

Any materials distributed to the majority of the Tracy Growth Management Board regarding any item on this agenda will be made available for public inspection in the Development Services Department located at 333 Civic Center Drive, Tracy, during normal business hours.

AGENDA ITEM NO. 5-A

REQUEST

**GROWTH MANAGEMENT BOARD DETERMINATION OF ALLOCATION OF
REVERTED RESIDENTIAL GROWTH ALLOTMENTS FOR USE IN THE
REMAINDER OF 2025**

DISCUSSION

This is a meeting of the Growth Management Board (GMB), and a public hearing to determine the allocation of Reverted Residential Growth Allotments (RGAs) for use in the remainder of 2025.

GMO Guidelines section D.3.(c) states that “RGAs must be used to obtain a building permit no later than September 30th of the year following the allocation in accordance with GMB action....In the event an RGA has not been used to obtain a building permit by September 30th, then such RGAs automatically revert back to the City and shall be available for the GMB to allocate to projects with complete applications in accordance with the criteria set forth in Section F. The GMB shall meet as needed to address such RGA allocations.”

The City sent a notice to representatives of eligible projects on October 7, 2025 that reverted RGAs were available for use after September 30th, listing the application requirements and deadlines. The City received one application.

2025 “Reverted” RGAs

The GMB allocated 750 RGAs to three projects for use in 2025. A total of 741 of those RGAs were not perfected (i.e. no building permit was issued for these RGAs by September 30, 2025) by various projects and reverted back to the City (Attachment A).

The City received one application for reverted RGAs from the Avenues at Ellis project. The application from the Avenues requested 80 reverted RGAs. The builder has approved construction drawings and should be able to perfect these RGAs this year. The total requests for reverted RGAs is 80, which is fewer than the total 741 available.

Environmental Analysis

The allocation of RGAs is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Guidelines Section 15061(b)(3) which pertains to the “common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment”. The act of allocating the RGAs does not have the possibility of causing any environmental impacts. Each individual development project, prior to its approval was analyzed for CEQA compliance based on the potential impacts of the future construction of each project, and a determination made by the approving body of each of those respective development applications.

RECOMMENDATION

Staff recommends that the Growth Management Board determine the allocation of reverted RGAs is not a project under CEQA General Rule 15061(b)(3) and allocate 80 RGAs to the Avenues at Ellis project. These RGAs would need to be utilized for the issuance of building permits by December 31, 2025.

ATTACHMENTS

A—Reverted RGA Data

B—Determination

Prepared by Victoria Lombardo, Senior Planner
Approved by Scott Claar, Planning Manager

2025 REVERTED RGA APPLICATION AND RECOMMENDATION

Attachment A

Application Number	Applicant	Project Name	Allocated RGAs	Permits Issued	Reverted RGAs	Reverted RGAs Requested
<u>Tracy Hills and Ellis</u>						
RGA24-0001	Surland	Ellis/Avenues	211	9	202	80
RGA24-0002	Mike Souza	Tracy Hills	439	0	439	N/A
<u>Primary Growth Areas</u>						
RGA24-0003	David Best	Rocking Horse	100	0	100	N/A
TOTALS			750	9	741	80

**DETERMINATION OF THE CITY OF TRACY GROWTH MANAGEMENT BOARD REGARDING
CEQA COMPLIANCE AND ALLOCATING REVERTED RESIDENTIAL GROWTH ALLOTMENTS
IN DECEMBER 2025 FOR USE IN THE REMAINDER OF 2025**

WHEREAS, The City of Tracy's ("City") Growth Management Board ("Board") was established to manage and enforce the requirements of Chapter 10.12 of the Tracy Municipal Code which is known as the Growth Management Ordinance ("GMO") and the GMO Guidelines, last revised via Resolution No. 2014-214, and

WHEREAS, On November 1, 2018, the Board adopted a resolution outlining the process for allocating unused or unperfected Residential Growth Allotments ("RGAs") (i.e. no building permit was issued for these RGAs by September 30th) that reverted to the City in accordance with subsection (c) of Section D.3 of the GMO Guidelines, and

WHEREAS, One qualifying application for reverted RGAs was filed by the deadline of October 16, 2025, and

WHEREAS, The allocation of RGAs is exempt from CEQA pursuant to Guidelines Section 15061(b)(3) which pertains to the "common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment", because the allocation of RGAs does not have the potential to cause any effect on the environment, and

WHEREAS, The Board held a public hearing on December 4, 2025 to consider allocating reverted RGAs in accordance with the 2018 Board procedures, and

WHEREAS, These reverted RGAs must be used to obtain a building permit from the City by December 31, 2025, and

NOW, THEREFORE, BE IT RESOLVED, that the City of Tracy's Growth Management Board hereby declares that the allocation of reverted RGAs is not a project under CEQA General Rule 15061(b)(3), and determines that the 2025 reverted RGAs shall be allocated for use in the remainder of 2025 as follows:

Project	RGAs
Avenues at Ellis	80

The foregoing determination was adopted by the Tracy Growth Management Board on the 4th day of December, 2025 by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

BOARD CHAIR

ATTEST:

BOARD SECRETARY

AGENDA ITEM NO. 5-B

REQUEST

GROWTH MANAGEMENT BOARD DETERMINATION OF ALLOCATION OF RESIDENTIAL GROWTH ALLOTMENTS FOR USE IN 2026

DISCUSSION

This is a meeting of the Growth Management Board (GMB), and a public hearing to determine the 2026 allocations of Residential Growth Allotments (RGAs) for new residential development in Tracy.

The GMB is responsible for allocating RGAs in accordance with the Growth Management Ordinance (GMO) and GMO Guidelines. All six of the applications submitted in this allocation cycle fall under the current version of the GMO Guidelines, meet the eligibility requirements, and are therefore qualified to receive allocations of RGAs to be used in 2026, as summarized below.

In accordance with Section 10.12.100 of the GMO, the GMB shall allocate a maximum of 750 RGAs during this allocation cycle.

Primary Residential Growth Areas (GMO Guidelines F2)

Pursuant to the GMO Guidelines 100 RGAs are available to priority area projects, commonly referred to as infill. In the event that the number of RGAs requested exceeds the number available in the allocation cycle, staff evaluates the competing applications to make a recommendation to the Board based on the "Additional Primary Areas Criteria". In evaluating the two Primary Residential Growth Area applications, it was determined that the Triway project better fulfilled the criteria described in Guidelines Section 8, a-d. The Triway project is higher density than the Mt. Oso project (section a), is directly adjacent to a Village Center (section b), and is designed in a manner that meets more of the criteria listed in section d, including amenities (a park), walkability, and building variation.

For 2026, after consideration of the other applications with a dedicated number of RGAs committed to them through the requirements of the GMO Guidelines, 100 RGAs were available to projects within the Primary Residential Growth Areas, and are recommended to be allocated to the projects as shown below.

RGA25-0006 – Brookfield for The Triway – 100 RGAs requested and 100 RGAs recommended

The Triway is a subdivision project consisting of 275 homes, with an additional 49 JADUs (JADUs do not require RGAs), located at 200 Valpico Road, adjacent to and east of the Red Maple Village shopping center. The project was approved in September 2025 and has a final map, improvement plans and construction drawings in review, indicating construction will start in early 2026.

RGA25-0003 – Byrum Investments for Mt. Oso Townhomes – 36 RGAs requested and 0 RGAs recommended

The 36-unit Mt. Oso Townhomes project was approved in January 2025 and is a condominium project comprised of nine four-plex buildings, located at the southwest corner of W. Mt. Diablo Avenue and S. C Street. They plan on construction in 2026. Even though there are not enough RGAs available to allocate to this project, there are still RHNA building permits available for construction to occur in 2026 (see discussion below).

Development Agreement Projects (GMO Guidelines F3)

RGA25-0001 – Sam Serpa for Ellis – 80 RGAs requested and 80 RGAs recommended

The Ellis Phase 4 neighborhood and the one-acre Estate lots total 143 lots. These lots are a part of the original Ellis Specific Plan, for which a Development Agreement exists, and that allows for up to 225 RGAs to be allocated to the project area in a calendar year.

Tracy Hills and Ellis Specific Plan Projects (GMO Guidelines F4)

RGA25-0005 – Mike Souza for Tracy Hills Phase 1C and 2 – ‘406 minimum’ RGAs requested and 406 RGAs recommended

Tracy Hills Phases 1C and 2 have a combined 2,581 lots. The project is located generally at Corral Hollow Road and I-580. Based on the 2012 GMO Guidelines, the project is entitled to receive 406 RGAs for use in 2026. Should they be available, additional RGAs can be allocated to the Tracy Hills project, as long as the annual maximum and average number of RGAs allocated to all of the projects does not exceed those allowable per the GMO. This year, due to high demand, no additional RGAs above the 406 mandated by the Guidelines are available.

RGA25-0002 – Ellis Phase 4, Avenues – 154 RGAs requested and 114 RGAs recommended

The Ellis project absorbed the Avenues Project (Avenues was added to the Ellis Specific Plan in 2021), which allowed for the 480-lot Avenues map to be eligible for the 194 F4 RGAs in the GMO Guidelines for the Ellis project. An application was received for 254 RGAs for Avenues. While the Avenues map is part of the Ellis Specific Plan project, it is not part of the Ellis Development Agreement, and therefore not eligible to receive 225 RGAs pursuant to GMO Guidelines Section F3.

The Ellis Specific Plan (including the Avenues as it is now part of that specific plan) project is eligible to receive up to 194 RGAs pursuant to GMO Guidelines Section F4. However, because the Ellis project is already recommended to receive 80 RGAs through the Development Agreement (see above), and the Ellis project as a whole (including Avenues) is entitled to receive up to 194 RGAs through the F4 section of the GMO Guidelines, the remainder of RGAs that can

be allocated to the Avenues portion of the Ellis Specific Plan project is 114. (194-80=114). While two sources of RGAs can be available to qualifying portions of the Ellis Specific Plan project (F3 and F4), those two sources of RGAs are not additive, but rather may total up to 194 units for the Ellis Specific Plan Project. If they were additive, the City would potentially be required to allocate 925 RGAs in each calendar year, which is not allowable per the GMO, as amended by the voter-adopted Measure A in 2000.

Secondary Residential Growth Area Projects (GMO Guidelines F5)

RG25-0004—David Best –Rocking Horse – East side of Lammers Road, north of Redbridge Road – 160 RGAs requested and 50 RGAs recommended

This 226-lot Vesting Tentative Subdivision Map was approved on April 5, 2016, and has been extended several times. The final map is in review with the City, likely to be reviewed at City Council late this year. They plan on commencing construction in 2026.

RGA allocations are prioritized in the GMO Guidelines through the Criteria, as listed in Guidelines Section F, numbers 1-5. The Rocking Horse project falls within the last area, called “other projects”. The full 50 RGAs in this category are available for allocation to the Rocking Horse project.

Regional Housing Needs Allocation (RHNA)

The City is in the second year of our current Housing Element cycle, which lasts from 2023-2031. In this cycle, we have a Regional Housing Needs Allocation of 8,830 housing units, 2,782 of which fall within the above moderate-income category (market rate). In accordance with 10.12.065(c), in any calendar year, once RGAs have been allocated or building permits have been issued for the permitted number of units, the City shall continue to issue building permits for dwelling units if they are necessary to achieve the RHNA goals in any particular income category. This provision was added to the code to clarify and ensure that our growth management ordinance would never be a barrier to the construction of state-mandated housing. To date, we still have 2,487 of those permits available. This means that even though there are not enough RGAs this year to satisfy the demand from this application cycle, all the projects will still be able to be issued building permits in 2026, as so many are still available in the current RHNA cycle. Nearly 6,000 additional permits in the low-income categories are available as well, ensuring that any affordable housing projects that may be proposed can move forward. This will likely remain the case for the next several years.

Environmental Analysis

The allocation of RGAs is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Guidelines Section 15061(b)(3) which pertains to the “common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment”. The act of allocating the RGAs does not have the possibility of

causing any environmental impacts. Each individual development project, prior to its approval was analyzed for CEQA compliance based on the potential impacts of the future construction of each project, and a determination made by the approving body of each of those respective development applications.

RECOMMENDATION

Staff recommends that the Growth Management Board allocate 100 RGAs to the Triway project, 0 RGAs to the Mt. Oso Townhomes project, 80 RGAs to the Ellis DA project, 406 RGAs to the Tracy Hills project, 114 RGAs to the Ellis Phase 4, Avenues project, and 50 RGAs to the Rocking Horse project, in accordance with the 2012 GMO Guidelines.

ATTACHMENTS

Attachment A--RGA Recommendations for use in 2026
Attachment B--Determination

Prepared by Victoria Lombardo, Senior Planner
Approved by Scott Claar, Planning Manager

RGAs APPLICATIONS AND RECOMMENDATIONS FOR 2026

ATTACHMENT A

Application Number(s)	Guidelines Category	Applicant	Project Name	RGAs Requested	RGAs Recommendation
<u>RGA25-0003</u>	F2 (Primary Growth Areas)	Byrum Investments	Mt. Oso Townhomes	36	0
<u>RGA25-0006</u>	F2 (Primary Growth Areas)	Brookfield	The Triway	100	100
<u>RGA25-0001</u>	F3 (Development Agreements)	Surland	Ellis (Gardens Phase 4, Estate Lots)	80	80
<u>RGA25-0005</u>	F4 (Tracy Hills and Ellis Specific Plan Projects)	Mike Souza	Tracy Hills Phase 1C and 2	406 minimum	406
<u>RGA25-0002</u>	F4 (Tracy Hills and Ellis Specific Plan Projects)	Surland	Avenues	154	114
<u>RGA25-0004</u>	F5 (Other Projects)	Shea Homes	Rocking Horse	160	50
RGAs Requested and Recommended for use in 2026:				936	750

**DETERMINATION OF THE CITY OF TRACY GROWTH MANAGEMENT BOARD
REGARDING CEQA COMPLIANCE AND ALLOCATING RESIDENTIAL GROWTH
ALLOTMENTS IN EMBER 2025 FOR USE IN 2026**

WHEREAS, The City of Tracy's ("City") Growth Management Board ("Board") was established to manage and enforce the requirements of Chapter 10.12 of the Tracy Municipal Code which is known as the Growth Management Ordinance ("GMO") and the GMO Guidelines, last revised via Resolution No. 2014-214, and

WHEREAS, Six qualifying applications for RGAs were filed by the deadline of September 4, 2025, and

WHEREAS, The allocation of RGAs is exempt from CEQA pursuant to Guidelines Section 15061(b)(3) which pertains to the "common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment", because the allocation of RGAs does not have the potential to cause any effect on the environment, and

WHEREAS, The Board held a public hearing on December 4, 2025 to consider allocating RGAs in accordance with the GMO and GMO Guidelines, and

WHEREAS, These RGAs must be used to obtain a building permit from the City between January 1 and September 30, 2026, and

NOW, THEREFORE, BE IT RESOLVED, that the City of Tracy's Growth Management Board hereby declares that the allocation of RGAs is not a project under CEQA General Rule 15061(b)(3), and determines that RGAs shall be allocated for use in 2026 as follows:

Project	RGAs
The Triway	100
Tracy Hills	406
Ellis	80
Avenues at Ellis	114
Rocking Horse	50
Mt. Oso Townhomes	0

* * * * *

The foregoing determination was adopted by the Tracy Growth Management Board on the 4th day of December, 2025 by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:

BOARD CHAIR

ATTEST:

BOARD SECRETARY