

Planning and Building Division
2220 Magnolia Street
Ceres, CA 95307
209-538-5774
209-538-5752

CITY COUNCIL
Chris Vierra, Mayor
Ken Lane
Guillermo Ochoa
Bret Durossette

STAFF REPORT AND RECOMMENDATION

April 4, 2011

TO:

City Planning Commission

FROM:

TW
Tom Westbrook, Planning and Building Division Manager

SUBJECT:

Continued Hearing to consider certification of an Environmental Impact Report (EIR, SCH # 2007092011) under CEQA, a proposal for a Conditional Use Permit (07-31 CUP) and a Vesting Tentative Subdivision Map (07-32 VTSM) for the proposed development of a 299,830 square foot retail shopping center on seven parcels. The proposal includes the development of Major 1 (Walmart) in addition to other unnamed building tenants in Majors 2, 3, 4, Shops 1, 2, 3, 4 and Pads A, B, C. The proposed hours of operation for Major 1 is 24-hours and drive-thru's are proposed on Major 1, Pad A and Pad B.

APPLICATION FILED:

April 12, 2007

DEEMED COMPLETE:

December 18, 2007

LOCATION OF PROPERTY:

Northwest corner of Mitchell Road and Service Road, Ceres, CA 95307, Assessor's Parcel #'s 053-012-068 and 053-013-016, -017, -018, and -019

GENERAL PLAN:

RC, Regional Commercial

ZONING:

RC, Regional Commercial (Mitchell Road Corridor Specific Plan)

SURROUNDING LAND USES:

North: Don Pedro Road, existing commercial, single family homes, and church.
South: Service Road and vacant commercial property entitled as Ceres Gateway Center and one single-family home
East: Mitchell Road and church and commercial uses.
West: Industrial uses and multifamily; vacant residence.

APPLICANT/
PROPERTY OWNER: Walmart Real Estate Business Trust
ATTN: Real Estate Manager
2001 SE 10th Street
Bentonville, AR 72716

APPLICANT'S
REPRESENTATIVE: Greenberg Farrow
ATTN: Howard Hardin
19000 MacArthur Blvd., Suite 250
Irvine, CA 92612

BACKGROUND FOR CONTINUED HEARING

This matter was continued after extensive public testimony at the February 22, 2011 meeting. As a continued hearing, the February 22, 2011 staff report provides complete background for this matter, and the Commission is referred to that report and its attachments.

The below report focuses on the questions and requests for additional information by the Planning Commission at the February 22, 2011 meeting.

RESPONSE TO REQUESTS FOR ADDITIONAL INFORMATION

Design and Aesthetics

The Commission had questions relating to the architectural design and landscaping of the Mitchell Ranch Center and specifically of Major 1, the proposed Walmart building. The Commission requested to see sample elevations from other locations with an emphasis on the more “up-scale” stores the applicant has built in recent years. The Commission also requested photographs of the proposed elevation design as implemented elsewhere.

Staff has attached to this report photographs of the new Walmart store in Atwater, found at pages 14 to 24. In addition, staff suggested Planning Commission members travel to Atwater to view a new Walmart store that opened there in mid-March. The Atwater location has similar colors, materials and design as the proposed Ceres store and includes a grocery component, but the Atwater store is approximately 65,000 square feet smaller in size. The applicant has indicated that it is their intention to further address design and aesthetics in their presentation.

The Commission expressed concern with landscaping and requested further information, specifically asking if there has been a change in standards since 1993. The proposed landscaping is graphically described in the landscaping plan accompanying the application. The site will incorporate landscaping around the periphery, including trees, shrubs, and ground cover, to a minimum depth of 15 feet along street frontages and 10 feet along interior property lines. The parking lot will provide one tree per 8 parking spaces in order to meet city landscape standards and to provide parking lot shading. Two existing Sycamore trees will be retained and protected through the construction. The entire site will be irrigated using an on-site irrigation well.

The landscape plan as proposed does meet the City of Ceres Water Efficient Guidelines and Standards. Those standards were adopted by the City of Ceres in February of 1994. Additionally, as part of those requirements all commercial and industrial developers are required to sign and execute a Landscape Maintenance Agreement Form. This requirement had already been included in the proposed conditions of approval when the project was presented to the Planning Commission at their February meeting.

Walmart has submitted a letter that addresses the Commission's questions regarding landscaping at the existing store; however, the proposal before the Commission is a proposal for a new store and information regarding the existing store has only an indirect bearing on the proposal under consideration.

Security

Security concerns were discussed and the Commission questioned whether the entirety of the site should have closed-circuit video coverage. The applicant has indicated that it is their proposal to: (1) install closed-circuit camera systems (surveillance cameras) inside and outside the store; (2) establish a Risk Control Team, which is a team of associates responsible and trained to identify and correct safety and security issues at the site; (3) provide lighting in the parking areas that will ensure public safety; and (4) prohibit consumption of alcohol in the parking lots by having associates regularly "patrol" the parking areas while collecting shopping carts and report any inappropriate activity to the store managers. Staff proposed a condition G.6 to the CUP, which was included in the February 22nd conditions of approval, to address security issues at the center. The following revision to condition G.6 is proposed to further address the Commission's concerns regarding security for the non-Walmart portion of the shopping center (changes in italics):

The Developer shall provide a plan for on-site security *for the initial development of the Center including Major 1* to the satisfaction of the Public Safety Director and shall ensure that security is on-site at Major 1 during Major 1 hours of operation. *A plan for on-site security for each subsequent phase of development shall be prepared, to the satisfaction of the Public Safety Director, as a condition of the first final certificate of occupancy for each subsequent phase.*

Traffic

Attached to this staff report at pages 43 to 48 is a memo from the City's EIR sub-consultant (Fehr & Peers) responding to the following issues raised by the Planning Commission at the February 22, 2011 meeting:

- Analysis scenarios: summarizes the various traffic/street improvement scenarios considered in preparation of the EIR and its attendant traffic study.
- Traffic calming on Don Pedro: summarizes the proposed process for determining traffic calming measures to be added to Don Pedro, and describes the types of measures that might be implemented.
- Intersection spacing: responds to the Commission's question regarding the operation of Mitchell Road with the addition of signals from Don Pedro Road south to the interchange, noting that this issue was analyzed in the EIR with the conclusion that the street will operate within the minimum Level of Service D (peak hour).
- Seasonal Church activities: discusses the relationship of seasonal activities such as pageants to traffic in the area.
- Mitchell Road median: notes that the proposed median was accounted for in the EIR analysis.
- Truck traffic: notes that truck traffic on Mitchell Road and Service Road was documented in connection with the traffic and accounted for in the analysis.

Truck staging: the Commission expressed concern with the plan for staging of delivery trucks making deliveries to Major 1. The applicant has indicated that it is their intention to further address truck staging in their presentation. A prohibition of truck parking at any time along Don Pedro Road would help to address this concern as it relates to Don Pedro Road. It is recommended that existing CUP condition D.6.h.ii and VTSM condition C40.g.ii be adjusted as follows (changes in italics):

ii. The Don Pedro Road frontage of the project shall be signed and marked to prohibit parking.
The remaining Don Pedro Road frontage not otherwise marked for full parking prohibition between Mitchell Road and El Camino Avenue shall be signed to prohibit truck parking.

There was discussion of the truck delivery status of Don Pedro Road and other streets in Ceres with reference to so-called “super trucks” with trailers exceeding 53 feet in length. The applicant has indicated that Walmart does not use trucks with trailers that exceed 53 feet.

The Commission requested clarification as to the alignment of median breaks with the entry and exit access points for St. Jude’s Church. Mitchell Road will have a median extending from Don Pedro Road to the main project entry. Don Pedro Road does not currently align precisely with the church’s exit access, but as the intersection is reconstructed there is an opportunity for this access to align to allow the driveway to extend into the intersection area, and the church property extends to this location. The median break at the project main entrance does not align with the entry access for the church, which is a short distance to the north of the break. This means that south-bound traffic on Mitchell Road desiring to enter the church, at this southern driveway, would make a u-turn at the break and immediately get in the right lane of northbound Mitchell Road and turn right into the church entry access.

Hours of Delivery

Staff provided proposed CUP condition G.1, prohibiting deliveries during the hours of 10:00 pm and 6:00 am. This condition was proposed as an additional protection to the neighborhood along Don Pedro Road. The Commission requested information regarding comparable businesses and their hours of delivery. Staff has made inquiries and has the below information. The City has not imposed limitations on hours of delivery in other instances in the City of Ceres.

- **Food 4 Less** - 1561 Mitchell Road: Truck deliveries generally occur everyday between the hours of 5 am - noon and one large truck delivery is typically made between 5 pm - 8 pm everyday. The store is open 24 hours per day.
- **Save Mart** - 2916 Whitmore Avenue: All large and small truck deliveries not owned by the company come between the hours of 6 am - 11 am. Save Mart truck & trailers may come 2-3 days per week anytime between the hours of 4 am - 12 midnight. Normal business hours are 6 am - 12 midnight.
- **Kmart** - 1351 Hatch Road: All large and small truck deliveries occur everyday between the hours of 6 am - 10 pm. Normal business hours are from 8 am - 10 pm.
- **Home Depot** - 1451 E. Hatch Road: All large and small truck deliveries occur every day between the hours of 6 am - 7 pm. Daily normal business hours are 6 am -10 pm.
- **Raley's** - 1611 E. Hatch Road: All large and small truck deliveries occur every day between the hours of 5 am - 10 pm. Normal business hours are 7 am - 9 pm.
- **Cost Less Foods** - 1610 Hatch Road: Large & small truck deliveries occur on a daily basis between 5 am - 10:30 am and one large truck delivery may occur 3 times a week between 4 pm - 8 pm. Normal business hours are 6 am - 12 midnight.
- **Staples** - 1657 E. Hatch Road: Large truck & trailer deliveries occur only once per week (Fridays) during normal business hours 8 am - 8 pm; small truck deliveries are made daily during normal business hours.

Sustainability/Energy Efficiency

The Commission inquired as to sustainability/energy efficiency programs, including pilot programs that would be implemented at this location. The applicant has responded that no pilot programs are applicable to the Ceres location. The energy efficiency measures listed in the Environmental Impact Report (EIR)

are those the applicant is committed to implement given the present level of technology, reserving the right to substitute equal or better measures as they become available.

Economics and Blight

Attached to this staff report at pages 38-42 is a memo from the City's EIR consultant responding to the following issues raised by the Planning Commission at the February 22, 2011 meeting:

- context of redevelopment as related to the project and relationship of the definition of "blight" in the context of redevelopment as opposed to "urban decay" as used in CEQA analysis
- further discussion of the potential for store closure/relocation
- effect of passage of time on the conclusions of the urban decay analysis
- effect of the project on employment in the area
- potential impact on existing pharmacies of the project

At the City's request, BAE analyzed the effect on sales tax of the proposed project with the opening of the new Walmart and closure of the existing Walmart. This analysis is attached at pages 53 to 68. The analysis considers the net effect of the opening of the new Walmart store and the closure of the existing store and considers the potential for increased "capture" of sales from outside City boundaries. This analysis concludes that the Mitchell Ranch Center, when complete, will result in estimated net new taxable sales of \$34.5 million. The City receives .95 of 1% sales tax on taxable sales, so this would result in an increase in sales tax received by the City of about \$327,000.

Retenanting

The Commission expressed concern with the proposed retenanting condition and its enforceability. The applicant represented in their summary at the February 22nd public hearing that Walmart does not currently have any vacant stores in their portfolio in California. Staff would note that the proposed condition requires that a "Sales Strategy Plan" acceptable to the City Council be submitted by the applicant and approved by the Council prior to occupancy of the new store. As such, this will be a future work in progress as it can not be known at this time when the new store may be open for business. The condition of approval, which was included in the February 22nd report, remains unchanged.

Site Design as related to Don Pedro Road

A letter has been submitted by Regency Centers, the original project applicant, which discusses why the site plan was oriented in the way that is now proposed. That letter can be found at page 52.

Staff also notes the following commentary from the FEIR, pages 2.0-7 and 2.0-8 with regard to this issue:

Several commenters suggested that the design of the project be altered to move Walmart (Major 1) to the southwest corner of the site. Though not indicated by the comments, this approach would presumably reorient all of the other commercial space to the north and east portion of the site. The relocation of the Walmart building would move the loading area farther from Don Pedro Road. The southwest corner of the site does not provide enough space to fit the footprint of the proposed Walmart store facing Mitchell Road. According to the applicant, the Walmart store requires approximately 770 feet along the rear of the store (including setbacks and space for circulation, etc.), and the southwest corner of the site is only 580 feet wide. In order to move the Walmart store to the southwest corner of the site, the store would need to be shifted east, closer to the center of the site, or a substantial redesign of the building would be required. If the current building layout were retained and the building relocated in this fashion, it would result in unusable space behind the Walmart building (in the southwest corner of the site), and the underutilization of land. Reorientation of the building might also result in a parking layout with

parking running parallel to the Walmart building due to the lack of sufficient space in front of the store, which would result in customers having to maneuver between parked cars and into lanes of traffic. Such a layout could potentially create an increased hazard to customers walking from parking to the store entrance. This configuration may also require parking behind the Walmart building near the loading docks, which would create further conflicts among pedestrians and trucks. This design would potentially result in an undesirable internal circulation pattern. It is also important to note that as the building sizes on the project site would remain unchanged, the traffic associated with the site would remain similar to that of the proposed project.

Assuming that the front of the Walmart would be oriented toward Mitchell Road, the loading area would then be along the western edge of the project site. In order to support the buildings in this configuration, a driveway would need to extend along the western property line similar to that with the proposed project. This layout is similar to the configuration of the proposed project, and as a result truck traffic on Don Pedro Road would also be similar to that of the proposed project unless site access were also modified as set forth in C or D below.

This configuration would not by itself avoid or substantially lessen impacts. Noise impacts to the uses west of the project site are likely to be greater under this configuration. It is likely that the reconfiguration would result in a noise wall similar to that of the proposed project. Currently there are no sensitive receptors to the southwest of the project site, however there are apartments to the north and west of the site. Finally, it is unlikely that traffic along Don Pedro would be substantially lessened under this configuration since, with the proposed Project configuration, most customers would be likely to access the site via the entry points on Mitchell Road and Service Road rather than the access points on Don Pedro, which provides access to the rear of the Walmart building.

C. Eliminating the westernmost driveway on Don Pedro Road.

A few commenters suggested eliminating the western driveway (driveway 1 on Figure 3.0-4) and allowing the noise attenuation wall on Don Pedro to extend to the northwest corner of the property. This extension would eliminate the westernmost opening in the noise wall, reducing the possibility of noise “leaking” through the opening for the driveway. By eliminating this driveway, all traffic, including delivery trucks, would need to use the eastern driveway (driveway number 2 on Figure 3.0-4) or one of the other driveways on the site. Because of the short distance between the intersection of Mitchell Road and Don Pedro Road, the area available for stacking of cars and trucks on Don Pedro is limited. During peak hours, traffic waiting to access driveway 2 from Don Pedro Road could obstruct the intersection of Mitchell Road and Don Pedro Road.

Extending the planned left- and right-turn lanes on Don Pedro Road to Mitchell Road to driveway 2 would provide additional vehicle storage and would reduce vehicle queues such that they would not block the driveway. Although this would result in removal of on-street parking, the change in lanes could be provided within the existing Don Pedro Road right-of-way. With the elimination of the westernmost access on Don Pedro, the remaining driveways are projected to continue to operate acceptably. Closure of the driveway, and extension of the noise barrier, would not reduce the noise experienced by the single-family residences located farther east on Don Pedro Road, at Archcliffe Drive. This is because the proposed noise barrier already interrupts the line of sight between the noise-generating features of the project and the existing residences. As closing the driveway will not change the physical location or layout of the Walmart building, the distance between noise sources and nearest receptors does not change. This means that noise from HVAC equipment, food cold storage equipment, loading docks, recycle compactors, parking lot sweeping, etc., will be as reported in Section 4.10 of the Draft EIR. The net effect of closing the site access in the northwest corner of the site and shifting that project traffic to the remaining

north site access to Don Pedro is expected to be negligible from a noise standpoint and remains less than significant.

Closure of driveway number 1 would eliminate a gap in the noise barrier required for the driveway opening. As a result, a decrease in noise levels would be expected at any sensitive receptors in the northwest direction because the line of sight between the noise source and the receptor would be blocked by the wall.

The apartments to the west of the proposed project would continue to be shielded by the proposed noise barrier located along the western site boundary. The church to the north would experience lower noise levels from the noise generated by the equipment used for recycling at the northwest corner of Walmart and by the pharmacy drive-up window operation. However, noise impacts experienced at the church from these sources was predicted to be less than significant for the proposed project in the Draft EIR.

D. Eliminating all driveways on Don Pedro Road.

This design concept would eliminate all of the driveways along Don Pedro Road entering the proposed project. For discussion purposes, it is assumed that the noise wall would extend along the entire northern property line. The elimination of the driveways would route all traffic to the other driveways on the project site. The reconfiguration would either keep the physical location or layout of the Walmart building in which case the distance between noise sources and nearest receptors would not change, or result in a redesign of the project site moving the major stores to different areas of the site.

If the existing configuration remains, truck traffic would need to enter through driveways on Mitchell Road or Service Road, move through the parking area of the center, and gain access to the rear of the stores with loading docks. The proposed configuration of the parking lot would need to be changed to allow for distinct on-site travel ways (similar to small roads) to ensure a clear path for delivery trucks. The reconfiguration of the parking area may result in less parking available for the overall project that could in turn require the project to be smaller in size.

If the current configuration remains, noise from HVAC equipment, food cold storage equipment, loading docks, recycle compactors, parking lot sweeping, etc., will be as reported in Section 4.10 of the Draft EIR. Closure of driveways (driveway numbers 1 and 2 in Figure 3.0-4 of the Draft EIR) would eliminate a gap in the noise barrier required for the driveway openings. As a result, a decrease in noise levels would be expected at any/all sensitive receptors along Don Pedro Road because the line of sight between the noise source and the receptor would be blocked by the wall. Note that the Draft EIR determined noise impacts to be less than significant.

Elimination of openings in the wall along Don Pedro Road would also mean that pedestrians and cyclists on Don Pedro Road, and in the neighborhood to the north and east, would have to get around the wall to gain access. While elimination of the driveways would ensure that deliveries did not occur from Don Pedro Road, it would not necessarily eliminate project-related traffic. Project-related traffic from the north and east would still likely travel along Don Pedro Road to the Mitchell Road intersection, then gain access to the site from the project driveway on Mitchell Road (driveway 3 in Figure 3.0-4 of the Draft EIR). Trucks would access the site via the main customer entry points along Mitchell Road and Service Road and would drive through parking areas to reach the pads at the north end of the site. This circulation pattern would increase the potential for pedestrian and vehicle conflicts within the parking lot.

In response to the Commission's request for a visual representation of what such a layout might look like, staff has prepared a bulk diagram mark-up of the site plan showing one possible configuration, found at page 25. This configuration would result in the following:

- The WalMart (Major 1) would be moved to the southwest portion of the site and likely would require reconfiguration in order to make effective use of the site.
- Majors 2-3-4 would be transposed to the northwest portion of the site.
- Access would be provided to Don Pedro Road at Archcliffe Drive and a solid masonry wall would be provided from this point to the west, with provision for pedestrian entry.
- A single access point on Service Road would be provided.
- The northerly access on Mitchell Road would become the access for deliveries as well as being the major customer entry point.

Trash Pickup

An audience member asked about the location of trash pickup at the center during the February 22nd hearing. The trash compactors and trash enclosures are shown on the site plan. A site plan with these features highlighted is attached to the agenda at page 69.

CORRESPONDENCE

Subsequent to the February 22, 2011 meeting, the City's received two additional letters from the San Joaquin Valley Air Pollution Control District responding to analysis provided by the City's Air Quality consultant.

A letter regarding the Health Risk Assessment (HRA) is attached and can be found at page 26. The letter indicates that the District is not in agreement with the adequacy of the air quality analysis as provided to in the Final EIR's response to the District's comments.

In response to correspondence from the District regarding this matter, the City's consultant, PMC/Urban Crossroads prepared a revised HRA. This revised HRA will be provided for the Commission at the meeting.

A letter approving the Air Impact Assessment for the project and notifying the City of mitigation and fees related to the approval is attached and can be found at pages 27-36.

In addition, a letter was received on March 18, 2011 from Mr. Tony Cardenas, which can be found at page 37. Most of the issues raised by Mr. Cardenas are addressed in sections of this report. One issue not elsewhere addressed is why the existing store location cannot be expanded to accommodate a large Walmart store. This is best responded to by the applicant. However, staff notes that the store's existing north/south orientation severely limits what can be accomplished regarding expansion on the current site. The store can not be expanded to the north into the existing parking field. The only readily available avenue for expansion would be to the south, but with the addition of square footage to the store there would be additional demand for parking spaces to meet City standards. While there may be opportunity to expand the store, the square footage which could be accommodated with required parking would fall well below the proposed 185,000 square feet at the Mitchell/Service Road location, which would not meet the goals of the applicant.

STAFF RECOMMENDATION

Staff recommends certification of the Final EIR for the proposed project making findings as set forth in Draft Resolution PC 11-03 and approval of the project subject to the findings and conditions contained in

Draft Resolutions PC 11-04 and 11-05. Staff's recommendation is contingent on the concurrent approval of the totality of the proposed project conditions. The removal of any condition(s) could cause staff's recommendation to change.

As noted above, based on Commission concerns noted at the previous meeting, staff suggests the following change to the conditions of approval:

CUP condition D.6.h.ii and and VTSM condition C40.g.ii:

The Don Pedro Road frontage of the project shall be signed and marked to prohibit parking. *The remaining Don Pedro Road frontage not otherwise marked for full parking prohibition between Mitchell Road and El Camino Avenue shall be signed to prohibit truck parking.*

CUP condition G.6:

The Developer shall provide a plan for on-site security for the initial development of the Center including Major 1 to the satisfaction of the Public Safety Director and shall ensure that security is on-site at Major 1 during Major 1 hours of operation. A plan for on-site security for each subsequent phase of development shall be prepared, to the satisfaction of the Public Safety Director, as a condition of the first final certificate of occupancy for each subsequent phase.

Approval of the Project will require the adoption of a Statement of Overriding Considerations finding that the project benefits outweigh the identified environmental consequences. Exhibit A to the attached Resolution 11-03 provides the following specific reasons in support of such an override.

1. The Project Would Generate Sales Tax Revenue For the City.
2. The Project Would Increase the City's Employment Base and Create Diverse Employment Opportunities for City Residents.
3. The Project Would Provide Buffers and Transitions between Commercial Uses and Adjacent Residential Uses.
4. The Project Would Provide a High-Quality Development Design.
5. The Project Would Utilize High-Quality Building Materials.
6. The Project Would Feature Numerous Energy Conserving Measures.
7. The Project Would Provide Attractive Landscaping Providing Amenities Onsite and as Viewed From Adjacent Streets.
8. The Project Would Provide Quality Goods and Services Desired By City Residents.
9. The Project Would Increase Retail Activity in the Project Area.
10. The Project Would Serve as a Regional Commercial Gateway to the City.
11. The Project Would Be a Good Member of the Community.
12. The Project Would Contribute to the Physical Identity of the Area and Result in Improvements to a Major Corridor.

REQUIRED ACTION

1. Certify the Environmental Impact Report, SCH # 2007092011, for the project, making findings as set forth in Draft Resolution PC 11-03.
2. Approval of 07-31 CUP subject to the findings and conditions contained in the attached Draft Resolution PC 11-04.
3. Approval of 07-32 VTSM subject to the findings and conditions contained in the attached Draft Resolution PC 11-05.

Attachments:

APRIL 4TH PLANNING COMMISSION PACKET

Page(s)

12-13.....Revised Conditions of Approval
14-24.....Photos of Atwater Walmart
25.....Conceptual Diagram of Alternative Site – Created by Staff
26.....February 28, 2011 – San Joaquin Valley Air Pollution Control District Letter

- 27-36.....March 9, 2011 – San Joaquin Valley Air Pollution Control District Air Impact Assessment
- 37.....March 16, 2011 – Tony Cardenas Letter
- 38-42.....March 21, 2011 – PMC Memorandum regarding Urban Decay
- 43-48.....March 23, 2011 – Fehr & Peers Memorandum regarding Traffic
- 49-51.....March 25, 2011 – Walmart Letter regarding landscaping
- 52.....March 25, 2011 – Regency Centers Letter regarding site layout
- 53-68.....September 18, 2009 – BAE Memorandum regarding Taxable Sales
- 69.....Site Plan with Trash Compactors and Trash Enclosures Highlighted

FEBRUARY 22ND PLANNING COMMISSION PACKET

The February 22nd Planning Commission packet, including all attachments, is attached to the Planning Commissioner's agendas and can be obtained from the City website.

E:\PLANNING\DEPT\PLANNING\Mitchell Rauch Center\Planning Commission Exhibits - 4-4-11\11Ceres_ PC Hearing #2 Staff Report-clean.DOC

REVISED
Conditions of Approval

***PLEASE NOTE:** Conditions shown in **RED** have been added since the February 22nd Planning Commission hearing.*

DRAFT Resolution 11-04 (CUP)

B. 1 All development shall substantially conform to the plans designated by the Ceres Planning Division as “Final Exhibit”. Final Exhibit shall consist of the submitted maps(s), site plan, floor plans, elevations and landscape plans amended by the Developer to reflect any changes required by the City in the approval process. The Developer shall submit any required amended site plans and exhibits to the Planning Division within 90 days of project approval. (PAGE 165)

B.8 Permanent outdoor sales are not permitted within the parking area for this project. Temporary outdoor sales are permitted within the parking area is conformance with CMC section 18.50.050 provided that a temporary use permit is obtained and providing that required parking ratios are maintained at all times. (PAGE 166)

B. 21 In furtherance of prevention of blight the beautification and promotion of in the downtown area, prior to issuance of a building permit the Developer shall provide a blight mitigation Downtown Beautification fee in the amount of \$75,000, which funds are to be used for the beautification and promotion of downtown Ceres. Upon receipt of the funds, the City will make a public announcement regarding the receipt of the funds, in cooperation with Developer. (PAGE 168)

C. 23 All parking lot paving, drive and access aisles, and other hardscape for the entire site shall be installed in conjunction with Major 1 as set forth in the site plan dated March 15, 2010 Phase 1 Paving Exhibit dated October 22, 2010 and created by Greenberg Farrow. (PAGE 173)

D. 6.h.ii. **The Don Pedro Road frontage of the project shall be signed and marked to prohibit parking. The remaining Don Pedro Road frontage not otherwise marked for full parking prohibition between Mitchell Road and El Camino Avenue shall be signed to prohibit truck parking.** (PAGE 178)

D. 9f The Developer shall provide the City of Ceres with a right of entry to drill a test well within the project site northwest of Shops 3, as depicted in the site plan dated March 15, 2010 Future Well Dedication Exhibit dated October 22, 2010 and created by Greenberg Farrow. If it is determined by the test well results that water quality and quantity, that this site can be developed into a municipal well, then the Developer shall dedicate the necessary land area within the remaining area to the northwest of the Potential Future Street, as depicted in the site plan dated March 15, 2010 Future Well Dedication Exhibit dated October 22, 2010 and created by Greenberg Farrow, for the development of this well to the City of Ceres. (PAGE 181)

G.6 The Developer shall provide a plan for on-site security for the initial development of the Center including Major 1 to the satisfaction of the Public Safety Director and shall ensure that security is on-site at Major 1 during Major 1 hours of operation. A plan for on-site security for each subsequent phase of development shall be prepared, to the satisfaction of the Public Safety Director, as a condition of the first final certificate of occupancy for each subsequent phase. (PAGE 189)

DRAFT Resolution 11-05 (VTSM)

C. 21 All parking lot paving, drive and access aisles, and other hardscape for the entire site shall be installed in conjunction with Major 1 as set forth in the site plan dated March 15, 2010 Phase 1 Paving Exhibit dated October 22, 2010 and created by Greenberg Farrow. (PAGE 201)

C. 32g The Developer shall provide the City of Ceres with a right of entry to drill a test well within the project site northwest of Shops 3, as depicted in the site plan dated March 15, 2010 Future Well Dedication Exhibit dated October 22, 2010 and created by Greenberg Farrow. If it is determined by the test well results that water quality and quantity, that this site can be developed into a municipal well, then the Developer shall dedicate the necessary land area within the remaining area to the northwest of the Potential Future Street, as depicted in the site plan dated March 15, 2010 Future Well Dedication Exhibit dated October 22, 2010 and created by Greenberg Farrow, for the development of this well to the City of Ceres. (PAGE 206)

C. 40.g.ii. The Don Pedro Road frontage of the project shall be signed and marked to prohibit parking. The remaining Don Pedro Road frontage not otherwise marked for full parking prohibition between Mitchell Road and El Camino Avenue shall be signed to prohibit truck parking. (PAGE 213)





Our Living









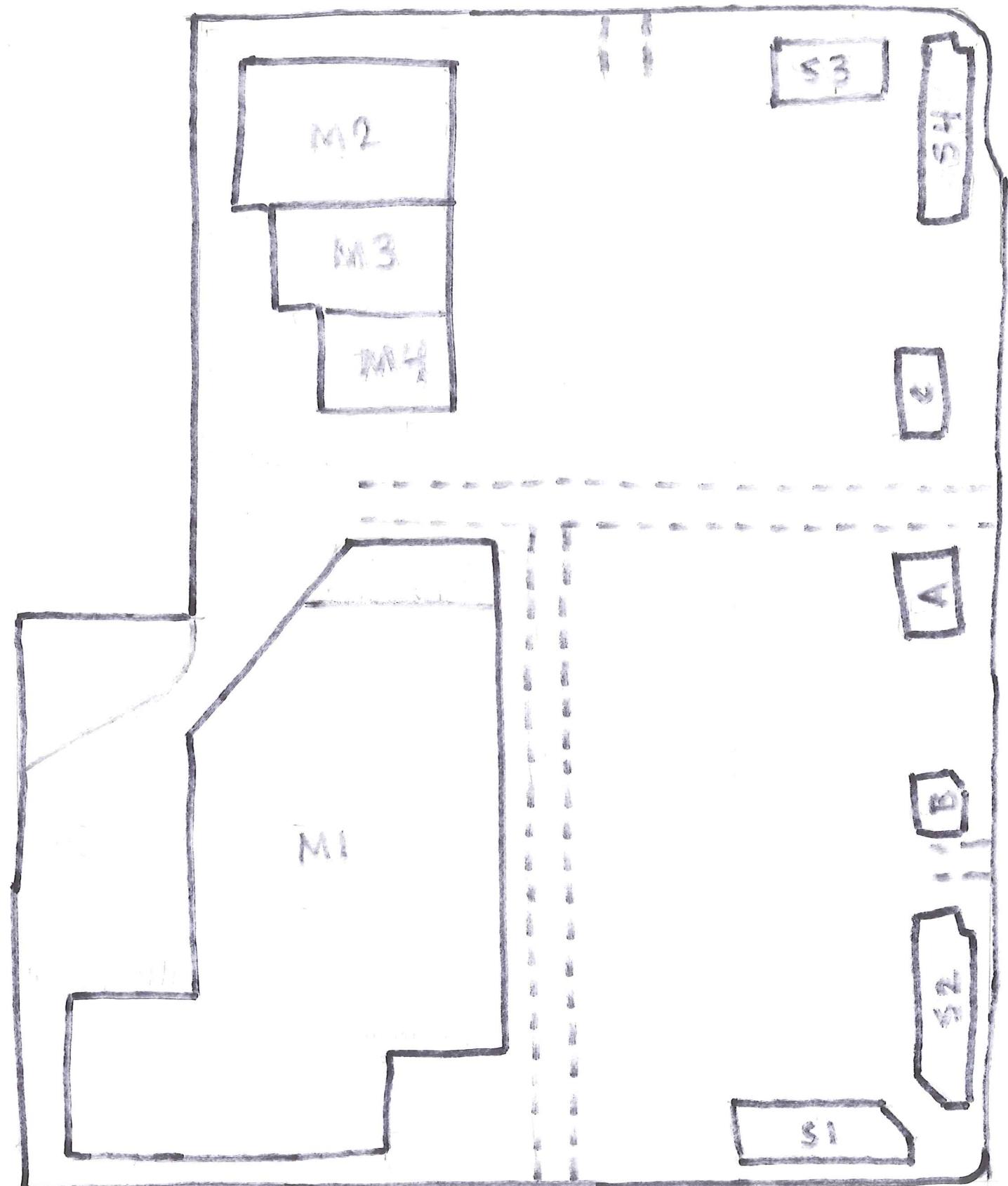






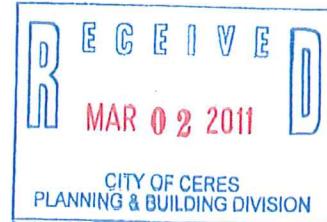






February 28, 2011

Tom Westbrook
City of Ceres
Planning Department
2220 Magnolia Street
Ceres, CA 95307



Project: Mitchell Ranch Center (SCH# 2007092011)

District CEQA Reference No: 20100329

Dear Mr. Westbrook:

The San Joaquin Valley Unified Air Pollution Control District (District) has reviewed the Final Environmental Impact Report (FEIR) for the project identified above and the Response to Comments provided therein. The District offers the following comments regarding Response I-7:

1. As indicated in Response I-7, the District has received the electronic HRA files.
2. After review of the files, the District again concludes that the HRA is technically flawed and, as such, does not adequately characterize project-related health impacts.

If you have any questions or require further information, please call Jessica Willis at (559) 230-5818.

Sincerely,

David Warner
Director of Permit Services



for Arnaud Marjollet
Permit Services Manager

DW:jw

Seyed Sadredin

Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

MAR 09 2011

Planning Department
City Of Ceres
2220 Magnolia Street
Ceres, CA 95307



Re: Air Impact Assessment (AIA) Application Approval
ISR Project Number: C-20100162
Land Use Agency: City of Ceres
Land Use Agency ID Number: EIR CERTIFICATION, VESTING TENTATIVE
SUBDIVISION MAP, CONDITIONAL USE
PERMIT, DEMO PERMITS, GRADING

To Whom It May Concern:

The San Joaquin Valley Air Pollution Control District (District) has approved the Air Impact Assessment (AIA) application for the following project: Mitchell Ranch Center, located at Mitchell Road, Ceres, California. Pursuant to District Rule 9510, Section 8.4, the District is providing the City Of Ceres with the following information:

- A notification of AIA approval (this letter)
- A statement of tentative rule compliance (this letter)
- A summary of project emissions and emission reductions
- A summary of the off-site mitigation fees
- An approved Monitoring and Reporting Schedule

Certain emission mitigation measures proposed by the applicant may be subject to approval or enforcement by the City Of Ceres. No provision of District Rule 9510 requires action on the part of the City Of Ceres, however, please review the enclosed list of mitigation measures and notify the District if the proposed mitigation measures are inconsistent with your agency's requirements for this project. The District can provide the detailed emissions analysis upon request.

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

Page 2

If you have any questions, please contact Ms. Debbie J. Johnson at (559) 230-5817.

Sincerely,

David Warner
Director of Permits Services

A handwritten signature in blue ink, appearing to read "P. Arnaud Marjollet".

Arnaud Marjollet
Permit Services Manager

AQS: dj

Enclosures

**Indirect Source Review
Complete Project Summary Sheet &
Monitoring and Reporting Schedule**

Project Name:	MITCHELL RANCH CENTER
Applicant Name:	WAL-MART STORES, INC.
Project Location:	MITCHELL ROAD NORTHWEST CORNER OF MITCHELL ROAD & SERVICE ROAD APN(s): 053-012-068
Project Description:	<p>LAND USE:</p> <p>Commercial/Retail - 26 Acres - Regional Shopping Center</p> <p>Commercial/Retail - 15 Acres - Regional Shopping Center</p> <p>Commercial/Retail - 15 Acres - Regional Shopping Center</p> <p>Commercial/Retail - 185668 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 28000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 28000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 13500 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 13500 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 14000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 14000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 12200 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 12200 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 11700 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 11700 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 7000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 7000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 8400 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 8400 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 3250 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 3250 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 3250 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 3000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 3000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 4000 Square Feet - Regional Shopping Center</p> <p>Commercial/Retail - 4000 Square Feet - Regional Shopping Center</p> <p>ACREAGE: 26.3</p>
ISR Project ID Number:	C-20100162
Applicant ID Number:	C-300925
Permitting Public Agency:	CITY OF CERES
Public Agency Permit No.	EIR CERTIFICATION, VESTING TENTATIVE SUBDIVISION MAP, CONDITIONAL USE PERMIT, DEMO PERMITS, GRADING

Existing Emission Reduction Measures

Enforcing Agency	Measure	Quantification	Notes
There are no Existing Measures for this project.			

Non-District Enforced Emission Reduction Measures

Enforcing Agency	Measure	Specific Implementation	Source Of Requirements
CITY OF CERES	Streets Design	192 Nodes/square mile	
CITY OF CERES	Sidewalk Coverage	100% sidewalks on both sides	

Indirect Source Review Complete Project Summary Sheet & Monitoring and Reporting Schedule

(Non-District Enforced Emission Reduction Measures Continued)

Enforcing Agency	Measure	Specific Implementation	Source Of Requirements
CITY OF CERES	Electrical Outlets	3% Landscape Equipment electrically powered	
STATE OF CALIFORNIA	Energy Efficiency	9% above Title 24	
CITY OF CERES	Local Serving Retail	Selected	
CITY OF CERES	Bus Service	13 Daily Weekday Busses within 1/4 mile of the site boundaries	
CITY OF CERES	Bicycle Lanes	94% Arterials or Collectors with Bike Lanes	
CITY OF CERES	Jobs to Housing Ratio	3,517 Jobs to 1,749 DU	

Number of Non-District Enforced Measures: 8

District Enforced Emission Reduction Measures

Enforcing Agency	Measure	Specific Implementation	Measure For Compliance	District Review
SJVAPCD	Construction and Operation - Recordkeeping	For each project phase, all records shall be maintained on site during construction and for a period of ten years following either the end of construction or the issuance of the first certificate of occupancy, whichever is later. Records shall be made available for District inspection upon request.	(Compliance Dept. Review)	Ongoing
SJVAPCD	Construction and Operational Dates	For each project phase, maintain records of (1) the construction start and end dates and (2) the date of issuance of the first certificate of occupancy, if applicable.	(Compliance Dept. Review)	Ongoing
SJVAPCD	On-Road Fleet	One hundred (100%) of the operating Heavy-Duty Fleet operated by Wal-Mart Stores, Inc. must be 5 years or less in age. This mitigation measure starts at the time of operation and is required for ten (10) years.	Maintain annual records demonstrating operation and age on the On-Road fleet. All records shall be retained for ten years and shall be made available for District inspection upon request. (Compliance Dept. Review)	During the operational years for this project for 10 years.

Number of District Enforced Measures: 3

Off-site Emissions Estimator Worksheet

3/8/2011

Applicant/Business Name:	Walmart Store, Inc
Project Name:	Mitchell Ranch Center
Project Location:	Ceres
District Project ID No.:	20100162 Spread Sheet ONE (1)

Project Construction Emissions									
NOx				PM10					
Phase	Construction Start Date	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)
1	1/9/2012	0.7700	0.7700	0.0000	0.1540	0.0400	0.0400	0.0000	0.0180
2	3/25/2012	1.6700	1.6700	0.0000	0.3340	0.1100	0.1100	0.0000	0.0495
3	1/1/2013	0.1300	0.1300	0.0000	0.0260	0.0100	0.0100	0.0000	0.0045
4				0.0000	0.0000			0.0000	0.0000
5	1/6/2014	0.8200	0.8200	0.0000	0.1640	0.0500	0.0500	0.0000	0.0225
6				0.0000	0.0000			0.0000	0.0000
7	1/6/2014	0.8000	0.8000	0.0000	0.1600	0.0500	0.0500	0.0000	0.0225
8				0.0000	0.0000			0.0000	0.0000
9	1/6/2014	0.8000	0.8000	0.0000	0.1600	0.0500	0.0500	0.0000	0.0225
10				0.0000	0.0000			0.0000	0.0000
Total		4.9900	4.9900	0.0000	0.9980	0.3100	0.3100	0.0000	0.1395

Total Achieved On-Site Reductions (tons)		
Phase	NOx	PM10
1	0.0000	0.0000
2	0.0000	0.0000
3	0.0000	0.0000
4	0.0000	0.0000
5	0.0000	0.0000
6	0.0000	0.0000
7	0.0000	0.0000
8	0.0000	0.0000
9	0.0000	0.0000
10	0.5250	0.5000
Total	30.5000	15.4170

Project Operations Emissions (Area + Mobile)									
NOx				PM10					
Phase	Operation Start Date	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)
1		0.0000	0.0000		0.0000	0.0000	0.0000	0.0000	0.0180
2		0.0000	0.0000		0.0000	0.0000	0.0000	0.0000	0.0495
3		0.0000	0.0000		0.0000	0.0000	0.0000	0.0000	0.0045
4	2/1/2013	11.3300	7.5533	28.3250	0.0000	3.8900	2.5483	13.4170	6.0330
5		0.0000	0.0000		0.0000	0.0000	0.0000	0.0000	0.0225
6	11/15/2014	0.9900	0.8400	1.1250	1.3500	0.6300	0.5300	1.0000	2.1500
7				0.0000	0.0000			0.0000	0.0225
8	11/15/2014	0.4700	0.4000	0.5250	0.6500	0.3000	0.2500	0.5000	1.0000
9				0.0000	0.0000			0.0000	0.0225
10	11/15/2014	0.4900	0.4200	0.5250	0.7000	0.3100	0.2600	0.5000	1.0500
Total		13.2800	9.2133	30.5000	2.7000	5.1300	3.5883	15.4170	10.2330

Note: TPY = Tons Per Year

Fee Estimator Worksheet

3/8/2011

Applicant/Business Name:	Walmart Store, Inc
Project Name:	Mitchell Ranch Center
Project Location:	Geres
District/Project ID No.:	20100102 Spread Sheet ONE (1)

Scheduled Payment Date per Phase	Start Date per Phase	Phase	Pollutant	Required Reductions (tons)	Project Reductions (tons)	FEE DEFERRAL SCHEDULE (FDS) BY PAYMENT YEAR								
						NO FDS	2010	2011	2012	2013	2014	2015	2016	2017
WalCon 1/9/12	1/9/2012	1	NOX	0.1540	0.1540	2010	0.1540	0.1540	0.1540	0.1540	0.1540	0.1540	0.1540	0.1540
WalCon 1/9/12	3/29/2012	2	PM10	0.0180	0.0180	PM10	0.0180	0.0180	0.0180	0.0180	0.0180	0.0180	0.0180	0.0180
WalCon 1/9/12	1/1/2013	3	NOX	0.3340	0.3340	PM10	0.0495	0.0495	0.0495	0.0495	0.0495	0.0495	0.0495	0.0495
Wal Oper 2/1/13	2/1/2013	4	NOX	0.0045	0.0045	PM10	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045	0.0045
Major2 Con1/8/14	1/8/2014	5	NOX	0.0330	0.0330	PM10	0.0260	0.0260	0.0260	0.0260	0.0260	0.0260	0.0260	0.0260
Major2 Oper1/11/14	1/11/2014	6	NOX	0.1640	0.1640	PM10	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225
Major3 Con1/8/14	1/8/2014	7	NOX	0.1600	0.1600	PM10	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225
Major3 Oper1/15/14	1/15/2014	8	NOX	0.6500	0.6500	PM10	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500
Major4 Con1/8/14	1/8/2014	9	NOX	0.1600	0.1600	PM10	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225	0.0225
Major4 Oper1/15/14	1/15/2014	10	NOX	0.7000	0.7000	PM10	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
T O T A L				3.6980	3.6980	NOX	0.0000	0.0000	0.5140	0.0000	3.1840	0.0000	0.0000	0.0000
(tons)				PM10	10.3725	PM10	10.3725	PM10	10.3725	PM10	10.3725	PM10	10.3725	

Rule 9510 Fee Schedule (\$/ton)		
Year	NOX	PM10
2010 and beyond	\$9,350	\$9,011

Offsite Fee by Pollutant by Year (\$)	NOX	\$34,573
Administrative Fee by Year (\$)	PM10	\$93,462
Offsite Mitigation Fee by Year (\$)	NOX	\$0.00
Total Project Offsite Fee (\$)	PM10	\$133,156.40

Summary	Without Fee Deferral Schedule (A)	With Fee Deferral Schedule (B)	Amount Saved Through One-Time Payment (B-A)	Total Amount Saved Through On-Site Mitigation Measures	
	NOX	PM10	\$0	NOX	PM10
Total Offsite Mitigation Fee by Pollutant (\$)	\$34,573	\$34,573	\$0	\$285,175	\$138,923
Total Administrative Fee (\$)	\$93,462	\$93,462	\$0		
Total Fee (\$)	\$5,121.40	\$5,121.40	\$0.00		
Total (\$)	\$133,156.40	\$133,156.40	\$0.00		

(A) If you have chosen a **ONE-TIME** payment for the project, then the total amount due for **ALL PHASES** combined is: \$133,156.40

(B) If you have chosen a **DEFERRED** payment schedule for the project, then according to the above Fee Deferral Schedule, the total amount due for **ALL PHASES** combined is:

Note: If the District did not receive a request for a Fee Deferral Schedule, an invoice is issued according to the one-time payment option.

\$133,156.40

Applicant/Business Name:	Walmart Store, Inc
Project Name:	Mitchell Ranch Center
Project Location:	Ceres
District Project ID No.:	20100162 Spread Sheet TWO (2)

Total Achieved On-Site Reductions (tons)		
Phase	NOx	PM10
1	0.0000	0.0000
2	0.4500	0.4000
3	0.0000	0.0000
4	0.4500	0.4000
5	0.0000	0.0000
6	0.3000	0.3000
7	0.0000	0.0000
8	0.3000	0.3000
9	0.0000	0.0000
10	0.1500	0.1000
Total	1.6500	1.5000

Note: TPY = Tons Per Year

Off-site Emissions Estimator Worksheet

3/2/2011

Project Construction Emissions								
NOx				PM10				
Phase	Construction Start Date	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)
21	1/6/2014	0.6400	0.6400	0.0000	0.1280	0.0400	0.0400	0.0000
22				0.0000	0.0000	0.0000	0.0000	0.0000
23	1/6/2014	0.6400	0.6400	0.0000	0.1280	0.0400	0.0400	0.0000
24				0.0000	0.0000	0.0000	0.0000	0.0000
25	1/6/2014	0.6400	0.6400	0.0000	0.1280	0.0400	0.0400	0.0000
26				0.0000	0.0000	0.0000	0.0000	0.0000
27				0.0000	0.0000	0.0000	0.0000	0.0000
28				0.0000	0.0000	0.0000	0.0000	0.0000
29				0.0000	0.0000	0.0000	0.0000	0.0000
30				0.0000	0.0000	0.0000	0.0000	0.0000
Total		1.9200	1.9200	0.0000	0.3840	0.1200	0.1200	0.0000

Project Operations Emissions (Area + Mobile)								
NOx				PM10				
Phase	Operation Start Date	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)	Required Offsite Reductions (tons)	Unmitigated Baseline (TPY)	Mitigated Baseline (TPY)	Achieved Onsite Reductions (tons)
21		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
22	9/15/2014	0.1200	0.1000	0.1500	0.0700	0.0600	0.1000	0.2500
23				0.0000	0.0000	0.0000	0.0000	0.0000
24	9/15/2014	0.1100	0.1000	0.0750	0.2000	0.0700	0.0600	0.1000
25				0.0000	0.0000	0.0000	0.0000	0.0000
26	9/15/2014	0.1400	0.1200	0.1500	0.2000	0.0900	0.0800	0.1000
27				0.0000	0.0000	0.0000	0.0000	0.0000
28				0.0000	0.0000	0.0000	0.0000	0.0000
29				0.0000	0.0000	0.0000	0.0000	0.0000
30				0.0000	0.0000	0.0000	0.0000	0.0000
Total		0.3700	0.3200	0.3750	0.5500	0.2300	0.2000	0.3000

Total Required Off-Site Reductions (tons)		
Phase	NOx	PM10
1	0.1280	0.0180
2	0.1500	0.2500
3	0.1280	0.0180
4	0.2000	0.2500
5	0.1280	0.0180
6	0.2000	0.3500
7	0.0000	0.0000
8	0.0000	0.0000
9	0.0000	0.0000
10	0.0000	0.0000
Total	0.9340	0.9040

Note: TPY = Tons Per Year

Applicant/Business Name:	Walmart Store, Inc
Project Name:	Mitchell Ranch Center
Project Location:	Ceres
District Project ID No.:	20100162 Spread Sheet THREE (3)

Scheduled Payment Date per Phase	Start Date per Phase	Phase	Pollutant	Required Reductions (tons)	Project Reductions (tons)	FEE DEFERRAL SCHEDULE (FDS) BY PAYMENT YEAR							
						2010	2011	2012	2013	2014	2015	2016	2017
PadA/Rest Conf/1/14	1/6/2014	21	NOX	0.1280	0.1280	0.1280							
PadA/Rest Oper/1/14	9/15/2014	22	PM10	0.0180	0.0180		0.0180						
PadB Conf/5/14	1/6/2014	23	NOX	0.1280	0.1280	0.1280							
PadB Oper/1/14	9/15/2014	24	NOX	0.2000	0.2000	0.2000							
PadC Conf/1/14	1/6/2014	25	NOX	0.1280	0.1280	0.1280							
PadC Oper/1/14	9/15/2014	26	NOX	0.2000	0.2000	0.2000							
		27	PM10	0.0000	0.0000	0.0000							
		28	NOX	0.0000	0.0000	0.0000							
		29	NOX	0.0000	0.0000	0.0000							
		30	PM10	0.0000	0.0000	0.0000							
			NOX	0.9340	0.9340	0.9340	0.0000	0.0000	0.0000	0.9340	0.0000	0.0000	0.0000
			PM10	0.9040	0.9040	0.9040	0.0000	0.0000	0.0000	0.9040	0.0000	0.0000	0.0000

Rule 9510 Fee Schedule (\$/ton)		
Year	NOX	PM10
2010 and beyond	\$9,350	\$9,011
Offsite Fee by Pollutant by Year (\$)	NOX	PM10
	\$8,730	\$8,143
Administrative Fee by Year (\$)	NOX	PM10
	\$0.00	\$0.00
Offsite Mitigation Fee by Year (\$)	NOX	PM10
	\$0.00	\$0.00
Total Project Offsite Fee (\$)	NOX	PM10
	\$17,547.92	\$17,547.92

Summary	Without Fee Deferral Schedule (A)	With Fee Deferral Schedule (B)	Amount Saved Through One-Time Payment (B-A)	Total Amount Saved Through On-Site Mitigation Measures	
				NOX	PM10
Total Offsite Mitigation Fee by Pollutant (\$)	NOX \$8,730	With Fee Deferral Schedule (B) \$8,730	\$0	\$3,506	
Total Administrative Fee (\$)	PM10 \$8,143		\$0	\$2,703	
Total Fee (\$)	\$674.92	\$674.92	\$0.00	\$6,209	
Total (\$)	\$17,547.92	\$17,547.92	\$0.00		

(A) If you have chosen a **ONE-TIME** payment for the project, then the total amount due for ALL PHASES combined is:

\$17,547.92

(B) If you have chosen a **DEFERRED** payment schedule for the project, then according to the above Fee Deferral Schedule, the total amount due for ALL PHASES combined is:

\$17,547.92

Note: If the District did not receive a request for a Fee Deferral Schedule, an invoice is issued according to the one-time payment option.

\$17,547.92

March 16, 2011



City of Ceres
Planning Commission
2220 Magnolia St.
Ceres, CA 95307

Subject: Mitchell Road Project

Dear Planning Commission:

I would like to ask that you review some of the issues that were brought up at the February meeting with special attention before making your decision.

Blight: The vacancy of the old Walmart will cause potential blight to our Northern Gateway. Mitigation of potential blight is supposed to be accomplished by contracting with the City's Property Maintenance and enforcing City codes, however, on any given day, you can drive past our Northern Gateway area and see codes not being enforced. The center dividers are overgrown with weeds, there is trash and weeds in empty lots, and sidewalks need to be weeded and edged. Is this what we can expect once the Walmart moves?

Building: Why can't Walmart add the additional square footage they want by building up? I hear it has been done in other cities. They already have plenty of parking since their parking lot is never completely full.

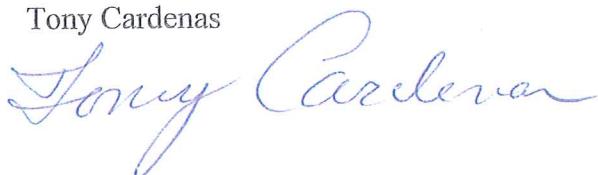
Don Pedro Road: It was brought to our attention that although Don Pedro is a truck route, not all truck routes are the same. Apparently, this truck route was not built to hold up to trucks the size and weight of the Walmart freight trucks: if this is true, isn't this illegal?

Mitchell Road: Whatever happened to the proposed widening of Mitchell Road? Shouldn't this be completed before going ahead with the Mitchell Ranch project? It only makes sense.

Most importantly: How can they even consider going ahead with this development when Caltrans is not willing to make such crucial improvements anytime soon. If these roadway improvements aren't completed first (Hwy 99/Mitchell, Service/El Camino, Service/Mitchell, Moffett/Service) the EIR says traffic will have a significant and unavoidable impact. Where are we headed?

Sincerely,

Tony Cardenas



MEMO

To: Tom Westbrook

From: Mark Teague

Cc: George Osner

Date: March 21, 2011

Re: Response to Public Comments from Planning Commission Meeting on
Mitchell Ranch

- a. *Discussion of Redevelopment as it Relates to the Project and the Relationship of the Definition of "blight" in the Context of Redevelopment as Opposed to "Urban Decay" as used in CEQA analysis*

At the previous Planning Commission hearing, a commenter asked why the EIR for the Mitchell Ranch Project did not take into account the City's redevelopment plan area, which, under Redevelopment Law, requires that the redevelopment agency make a finding of "blight." In short, the finding of "blight" under redevelopment law is not the same as the consideration of "urban decay" under CEQA.

The City of Ceres has had a redevelopment agency since 1991, and has amended the plan and area from time to time, most recently in 2002. The proposed project site is within the redevelopment district of the City, and some of the improvements proposed by the redevelopment agency are near the proposed project. These improvements include modifications to Service and Mitchell Roads. Among the goals of the agency is the elimination of blight. The City has adopted a property maintenance ordinance and conducts an annual clean up as part of this effort.

When discussing "blight" it is important to make the distinction between the definition used for establishment of a redevelopment agency, and the analysis of physical impacts (i.e., urban decay) associated with projects in CEQA. In 1991 when the City of Ceres Redevelopment Agency and District was created, the standards of 'blight' were far less stringent than current law. In 1991 for example, irregularly shaped parcels alone could qualify as blight. In 2006, redevelopment law (part of the California Health and Safety Code) was changed to require four distinct findings for blight:

33031. (a) This subdivision describes physical conditions that cause blight:

(1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.

(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.

(3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.

(4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.

The Redevelopment Law also provides a definition of blight resulting from economic conditions:

(b) This subdivision describes economic conditions that cause blight:

(1) Depreciated or stagnant property values.

(2) Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).

(3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.

(4) A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

(5) Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standard referenced in Article 5 (commencing with Section 32) of Chapter 1 of Title 25 of the California Code of Regulations.

(6) An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.

(7) A high crime rate that constitutes a serious threat to the public safety and welfare.

By contrast, CEQA is concerned only with physical impacts on the environment that are either the direct result of a project, or a reasonably foreseeable indirect physical impact on the environment. In the context of economic impacts of a project which may lead to reasonably foreseeable indirect physical changes in the environment ("urban decay") CEQA explains: (14 CCR § 15131)

(a) Economic or social effects of a project shall not be treated as significant effects on the environment. An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to

physical changes caused in turn by the economic or social changes. The intermediate economic or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes.

(b) Economic or social effects of a project may be used to determine the significance of physical changes caused by the project. For example, if the construction of a new freeway or rail line divides an existing community, the construction would be the physical change, but the social effect on the community would be the basis for determining that the effect would be significant. As an additional example, if the construction of a road and the resulting increase in noise in an area disturbed existing religious practices in the area, the disturbance of the religious practices could be used to determine that the construction and use of the road and the resulting noise would be significant effects on the environment. The religious practices would need to be analyzed only to the extent to show that the increase in traffic and noise would conflict with the religious practices. Where an EIR uses economic or social effects to determine that a physical change is significant, the EIR shall explain the reason for determining that the effect is significant.

(c) Economic, social, and particularly housing factors shall be considered by public agencies together with technological and environmental factors in deciding whether changes in a project are feasible to reduce or avoid the significant effects on the environment identified in the EIR. If information on these factors is not contained in the EIR, the information must be added to the record in some other manner to allow the agency to consider the factors in reaching a decision on the project.

Thus, the concerns of Redevelopment Law with "blight" are not the same as those of CEQA in dealing with "urban decay." The Redevelopment District needed to make a finding of sufficient blight in the City in 1991 to enable the creation of the RDA project area. This EIR describes the conditions as they existed at the time of the NOP in 2007, which is the relevant date for determining the baseline for CEQA purposes. At issue in the EIR is whether the proposed project would contribute to urban decay.

As noted in the EIR, the proposed project would result in the closure of the existing Walmart store, which may remain vacant for some time due to the potential difficulties in retenanting a store of the size of the current Walmart. "Urban decay" in the context of the existing store would mean broken windows, graffiti, incidences of vandalism, etc. While the City has property maintenance ordinance to deal with these types of issues, (Ceres Municipal Code 9.40) the concern of the City was that the ordinance might not be adequate for city staff to deal with such a large building. As such, **MM 4.5.1** is intended to ensure that the City has adequate resources to address graffiti, broken windows, maintenance or excessive property cleanup or other examples of urban decay at the existing Walmart site if the owner neglects the property. The project, as mitigated, addresses any direct impact that could be considered urban decay. Moreover, the EIR concludes that, even if other store closures could occur as a result of this project, it is unlikely that they would be vacant for such a time as to result in urban

decay, especially given the City's property management ordinance which would require the property owners to maintain any such buildings, addresses the indirect impacts of urban decay that might occur elsewhere in the community.

b. Further Discussion of the Potential for Store Closure/Relocation

The level of analysis in the EIR is necessarily completed at the macro or community level. There are too many variables with individual businesses to be able to predict with any degree of certainty how a single business or even group of businesses might fare with the approval of the proposed project. As noted in the DEIR, if reduced sales are focused in a single grocery store, the resultant 16 percent loss of sales in the short term might result in a store closure. It is also important to note that as the area continues to grow, existing retailers should see sales rebound to current levels.

The closure of one store might result in the division of sales to other stores, reducing the likelihood of further closures. (DEIR page 4.5-16) It is important to note that the EIR does not conclude that a grocery outlet will close, only that there is a potential. Factors such as price, service and quality also play an important role in customer choice. The Mitchell and Hatch Road intersection will remain an intersection with high traffic counts and will therefore continue to appeal to retailers. The intersection currently serves as a gateway for shoppers heading to and from Modesto. Because of the high visibility and traffic counts that this intersection will continue to experience, it is reasonable to assume that it will retain its attractiveness for retail uses.

It is reasonable to expect that if one or more businesses close in the City that the owner(s) of the buildings will actively seek new tenants. All properties will also be subject to the property management ordinance.

While the bulk of the economic analysis was prepared in 2007, the analysis was reviewed in 2009 during the recession to determine if any of the conclusions would change. The fiscal analysis assumes that the proposed project will temporarily reduce sales in the area as the market share of customers adjusts to the new commercial opportunity. The analysis also notes that over time the Ceres market will recover as population increases. Even when the analysis was reviewed in 2009 during the midst of the recession, there were other active commercial projects in the Ceres-Modesto-Turlock area. This supports the conclusion that the market will respond and expand to an increase in customers. What may occur with a recession or slow down in the economy is that the recovery periods anticipated in the analysis will take longer. However, even with this slower recovery period, should any stores close as a result of the proposed project, it is not expected that any such store closures would result in urban decay.

c. Effect of the Project on Employment in the Area

The project will create jobs within the project at the Walmart and the other businesses that locate there. While there may be short-term decline in retail sales at competing

stores that might result in a decline in jobs, any decline should be short-term, as long-term population growth in Ceres and the region will lead to demand for additional retail and services above what will be absorbed by the project. Because of differences in staffing practices among retailers, precise estimates of the net change in the number of jobs either in the short term or long term would be highly speculative.

d. Potential Impact on Existing Pharmacies

The existing Walmart has a pharmacy that would be relocated to the proposed project site. As such there is no new pharmacy as a result of the project. Any substantial impacts with respect to prescription sales in Ceres should have occurred with the construction of the original facility. In general, the stand-alone pharmacies such as Rite-Aid operate in a different and more convenience-oriented market niche than Walmart. As noted in the urban decay analysis (page 33 of the BAE technical report), local representatives of Rite-Aid, the pharmacy closest to the project, indicated that their business would not be impacted substantially by the new Walmart.

MEMORANDUM

Date: March 23, 2011

To: Mark Teague, PMC

From: Kathrin Tellez

Subject: *Mitchell Ranch – Transportation Impact Analysis Information*

WC07-2467

Fehr & Peers has summarized information contained in the Transportation Impact Study (TIS), which was used as the basis for the Draft Environmental Impact Report (DEIR), for the proposed Mitchell Ranch project (Project) in Ceres to address concerns raised by the Planning Commission. The following presents clarification on the analysis scenarios evaluated in the report, the proposed traffic calming plan, and other items of concern.

Analysis Scenarios

Project impacts to the roadway system were identified by evaluating the operations of the study intersections and freeway segments for the following scenarios for the weekday morning and evening peak hours, as well as the Saturday peak hour.

TABLE 1
MITCHELL RANCH EIR
TRANSPORTATION ANALYSIS SCENARIO SUMMARY

Scenario	Volumes	Roadway Improvements/Comments
1. Existing	Based on traffic counts collected in 2007.	Based on roadway system in 2007; no roadway improvements included in analysis.
2. Existing Plus Project	Scenario 1, plus traffic volumes estimated for the Project, as detailed in the DEIR.	Includes roadway improvements identified as part of the Project description.
3. Existing plus Project plus Mitigation	Same as scenario 2.	DEIR identified mitigation measures that would minimize the impact of the Project on the existing transportation system. Specifically, improvements would be required along the Mitchell Road and Service Road corridors, including improvements to the SR 99/Mitchell Road interchange, as depicted on Figure 1.

TABLE 1
 MITCHELL RANCH EIR
 TRANSPORTATION ANALYSIS SCENARIO SUMMARY

Scenario	Volumes	Roadway Improvements/Comments
4. Cumulative <i>Without Interchange</i> No Project	Traffic forecasts developed using locally valid transportation model reflecting planned population and employment growth; includes projects such as Ceres Gateway.	Planned transportation system improvements that would occur as adjacent parcels develop, including: widening of Service Road to four travel lanes east of El Camino Avenue and west of Moffett Road, signalization of the Service Road/Moffett Road, Service Road/Moore Road, and Mitchell Road/Rhode Road intersections. <i>This scenario does not assume the SR 99/Mitchell Road/Service Road interchange improvement project, as that project is not fully funded.</i>
5. Cumulative <i>Without Interchange</i> Plus Project	Represents Scenario 4, plus project-related traffic.	Includes roadway improvements identified as part of the Project description.
6. Cumulative <i>Without Interchange</i> Plus Mitigation	Same as scenario 5.	DEIR identified mitigation measures that would minimize the impact of the Project on the transportation system in the Cumulative Condition. Specifically, improvements would be required along the Mitchell Road and Service Road corridors, including improvements to the SR 99/Mitchell Road interchange, as depicted on Figure 1.
7. Cumulative <i>With Interchange</i> No Project	Same process as Scenario 4, but modeling included SR 99/Mitchell Road/ Service Road interchange project as this project would potentially reroute traffic through the area as additional capacity would be provided.	Analysis considered construction of new interchange at Service/Mitchell Roads; rerouting of El Camino Road as envisioned by the interchange plans as of the date of analysis; widening of Service and Mitchell Roads.
8. Cumulative <i>With Interchange</i> Plus Project	Represents Scenario 7, plus project-related traffic	Includes roadway improvements identified as part of the Project description.
9. Cumulative <i>With Interchange</i> Plus Project Plus Mitigation	Same as scenario 8.	Additional roadway improvements would be needed at the same intersections identified under scenario 6.

Source: Mitchell Ranch DEIR, May 18, 2010.

As shown in Table 1, the identification of the transportation impacts of the Project in the existing and cumulative conditions is not reliant on the construction of the SR 99/Mitchell Road/Service Road interchange; however, an analysis of conditions with the interchange improvement was provided for informational purposes.

Traffic Calming on Don Pedro

The transportation impact study and associated EIR identified that traffic increases on Don Pedro Road associated with the proposed Project and regional traffic growth could result in a significant and unavoidable impact. Existing and Existing Plus Project traffic volumes on Don Pedro Road are summarized in Table 2 for informational purposes.

Segment	Daily Volume		PM Peak Hour Volume		Vehicles per Minute in Peak Hour	
	Existing	Plus Project	Existing	Plus Project	Existing	Plus Project
Don Pedro Road between Mitchell Road and Eastern Project Driveway	1,120	3,000	112	318	2	5-6
Don Pedro Road east of El Camino Road	1,010	1,130	101	107	2	2

Source: Mitchell Ranch DEIR, May 18, 2010.

It is expected that the majority of additional traffic on Don Pedro Road would travel on the roadway segment between the Project driveways and Mitchell Road, and that increased traffic associated with the Project would be minimal on Don Pedro Road west of the site.

However, as the amount of the Project traffic and other traffic that could use Don Pedro Road in the future is uncertain, the development of a Traffic Calming Plan based on traffic counts collected subsequent to the opening of the Project and based community input was identified as a mitigation measure in the DEIR. To complete the plan, data such as the following would be collected:

- Daily traffic counts for a week long period at approximately four locations on Don Pedro Road and approximately two streets that intersect Don Pedro Road

- Peak Period intersection turning movement counts at approximately four intersections on Don Pedro Road
- Speed survey to determine prevailing travel speed on Don Pedro Road
- Accident data for prior 3 years
- License plate survey to determine if vehicles traveling on Don Pedro Road are:
 - Cut through traffic (neither an origin or destination within the immediate neighborhood)
 - Project related traffic
 - Neighborhood related traffic

This information would be presented to City staff, other agencies such as Ceres Area Transit, and the Police and Fire Departments, as well as the community, and would be used to develop a traffic calming plan that would limit Project traffic on Don Pedro Road. Items that would be considered in the plan would be based on the severity of the problem and potentially include:

- Non-Physical Devices such as lane striping, signs, speed legends, increased lighting
- Vertical Devices such as speed humps, speed lumps, speed tables, raised crosswalks
- Narrowing Devices such as curb bulbouts, chokers, center island narrowings
- Horizontal Devices such as traffic Circles, chicanes, lateral shifts

Because volume control measures (i.e. partial closures or forced turn islands) intentionally divert traffic to another street, new issues can occur as a result. For this reason, volume control devices would be reserved until all other options have been reviewed.

Once a plan is developed that meets the requirements of City agencies, it would be subject to a vote of residents from Don Pedro Road, and other affected streets (if devices are deemed necessary for intersecting streets). In other jurisdictions, a minimum response rate and approval rate must be met from individuals on the treated street before the plan can be implemented¹.

Closely Spaced Intersections

With development of the Project, a traffic signal would be installed at the Don Pedro Road/Mitchell Road intersection and a signalized driveway would be constructed on Mitchell Road approximately 500 south of Don Pedro Road. The existing signalized intersection of Mitchell

¹ For example, implementation of speed control devices would require a minimum of 50 percent of all ballots to be returned with a simple majority in favor of the plan (50% + 1). For example, if 100 ballots are mailed out, at least 50 must be returned with 26 in favor of the proposed plan. If the plan includes volume control measures, a minimum of 50 percent of ballots must be returned with 67 percent of residents in favor. The plan could be modified if not approved by residents.

Road/Service Road is located approximately 700 feet south of the proposed driveway, resulting in three signalized intersections within approximately 1,300 feet.

The TIS and DEIR show that the three closely spaced intersections are projected to operate at **acceptable service levels** (LOS D or better) with the Project and roadway improvements that would be constructed with the Project (or as feasible mitigation) in both the existing and cumulative condition (without and with the new Service Road/Mitchell Road interchange).

The intersections serving the Project site have been designed to provide **adequate vehicle storage** for vehicles turning from Mitchell Road to the Project site and Don Pedro Road. As the traffic signals would be interconnected and coordinated, traffic flow is expected to be maintained on Mitchell Road; however, it is expected that periodically during the PM and Saturday peak hour (1 to 2 times in the peak hour), southbound vehicle queues could extend back from the Project driveway on Mitchell Road to Don Pedro Road. The resulting queues are not expected to interfere with operations of the Don Pedro/Mitchell Road intersection for other movements and vehicle queues are expected to clear quickly as the intersections are projected to operate acceptably over the course of the peak periods analyzed for this Project.

Seasonal Church Activities

Seasonal activities undertaken by various religious institutions in the immediate study area were not factored into the transportation analysis, which evaluated typical weekday and Saturday conditions. By their nature, seasonal activities are not daily or weekly recurring events and represent atypical conditions. It is unlikely that that peak trip generation of both the Project and a special event would coincide, but if the peak trip generation were to overlap, it is likely that poor traffic conditions would clear fairly quickly as participants of the special event travel out of the area. The Project would also provide opportunities for event participants to remain in the area for shopping/dining purposes, lessening the severity of the peak congestion during seasonal events.

Median on Mitchell Road

The construction of a median on Mitchell Road was factored into the transportation analysis, as median construction would result in increased left-turn and potentially u-turn volumes at intersections in the area as vehicles navigate to their ultimate destinations. Although medians can make travel more circuitous to some destinations, their construction improves traffic safety along corridors such as Mitchell Road, by providing for protected turning movements and reducing mid-block conflicts.

Truck Traffic

Truck traffic on Service and Mitchell Road was documented through vehicle classification counts as well as through peak hour observations by Fehr & Peers staff. Approximately 10 percent of the traffic on Mitchell Road and Service Road during peak periods is truck traffic. This level of truck traffic was accounted for in the analysis of existing and cumulative conditions.





Market Manager

Charla Giles, Market Manager

Store 1983
1670 Mitchell Road
Ceres, CA 95307

March 25, 2011

City of Ceres
City Planning Department
2720 Second Street
Ceres, CA 95307



Dear Chairman Kachel and Ceres Planning Commission,

At the February 22, 2011 hearing of the proposed Walmart store and shopping center, concerns were raised in regards to the current condition of landscaping at the existing Walmart store. Those comments are appreciated as we value opportunities to improve being a good neighbor and community leader, along with the quality of our properties.

As explained below, the property that has been stated to be in serious need of maintenance and the property that has been cited by the City's code enforcement division is the responsibility of another property owner in the shopping center. Even though the Walmart property is in good standing with the City, Walmart has taken steps to further improve the landscaping in light of the Commissioners' comments.

Following the hearing, I toured Walmart's property in addition to property owned by third parties that share frontage along Mitchell and Hatch Roads. Since Walmart signage is prominently displayed on both Mitchell and Hatch Roads, the public may be of the impression that the frontage property is owned and maintained by Walmart when in fact it is not. The bulk of Walmart's property is limited to the interior of the lot. A considerable portion of frontage property is owned or controlled by McDonalds as well as a property owner that leases property to Payless Shoes.

The tour revealed that the property in serious need of maintenance is frontage property owned by the Payless property owner, which is near a Walmart sign. Evidently, this need was recognized by the City's code enforcement division, which issued a citation following the February hearing. As a result, the property owner is making improvements.

It is important to note that according to our records and those shared with us by the City's code enforcement division (see attachment), the Walmart store has not received any citations for poor landscaping, and we have and will continue to work with the City to adhere to its highest standards.



Given this desire, our store management and landscaping firm have taken several steps to ensure the property is properly landscaped and maintained, including tree trimming and replacing bushes that do not appear to have survived the winter elements.

I do want to underscore the point that Walmart's property is not in the same condition as our neighbor and that the City's code enforcement officer toured Walmart's property prior to Walmart's recent improvements, and no citations were issued.

If there are additional steps that Walmart can take to assure the City that it intends to be a good neighbor, please feel free to call upon me directly at 209-541-3689.

Sincerely,

A handwritten signature in black ink that reads "Charla Giles".

Charla Giles
Market Manager



Ceres Department of Public Safety

Art de Werk - Director of Public Safety

Code Enforcement

2755 Third Street, Ceres, CA 95307
Office: 209 538-5799 Fax: 209 538-5681

March 22, 2011

RE: Municipal Code Violations at 1670 Mitchell Rd. Ceres, CA. 95307

To Whom it May Concern,

This letter is in response to an inquiry made by the Store Management for Wal-Mart, located at 1670 Mitchell Rd. Ceres, CA. The inquiry was made to determine if there have been any Municipal Code Violation Notices "issued" to Wal-Mart related to Public Nuisance Violations.

I checked all of the Code Enforcement Division records from October of 2006 to present. It was determined there have not been any Notice of Violations issued to Wal-Mart during the time period indicated. Code Enforcement records prior to October of 2006, are not available.

Sincerely,

Paula Redfern

Code Enforcement Officer
Ceres Department of Public Safety

March 25, 2011

Chairperson Kachel and
Planning Commissioners
City of Ceres
2720 Second Street
Ceres, CA 95307



Re: Mitchell Ranch Project

Dear Chairperson Kachel and Planning Commissioners:

At Walmart's request, we would like to provide information regarding the history and evolution of the Mitchell Ranch project. As you know, Regency Centers was the original project applicant and we worked with City staff for many years to design an economically viable regional shopping center site plan. At the end of 2009, Regency Centers decided not to continue pursuing the project. Walmart, however, was committed to pursuing a store at this location so it purchased the site from Regency Centers and continued to process Regency Centers' original application.

We would like to provide some context as to why we proposed the site plan that is before you for consideration. In our experience of developing, owning, and operating nearly 400 shopping centers nationwide, an economically viable regional shopping center site plan must maximize square footage, visibility, and accessibility. These components attract desirable tenants to the shopping center, which attract customers, which in turn attract more desirable tenants, thus creating the highest and best land use for the site. Therefore, we developed the proposed site plan because it maximizes square footage by providing a major anchor tenant as well as a number of pads, shops, and junior majors; maximizes visibility from Mitchell Road, Service Road, and Highway 99; and provides safe and convenient access and circulation for both delivery trucks and passenger vehicles.

Consequently, the more successful the shopping center, the more benefits that accrue to the City. An economically viable site plan also maximizes jobs, sales tax, and property tax for the City in addition to providing a convenient shopping destination for local residents.

Given the difficult leasing environment, the other configurations suggested by commenters would result in less-desirable site plans and many, if not all, tenants likely would pass on the opportunity to lease space at the site. Even during stronger economic times, retail tenants are extremely discerning in committing to new stores. If a project's site design is not optimal, tenants will simply choose to invest their capital in other locations that meet their site criteria. This would result in fewer jobs and less sales tax and property tax for the City.

Thank you for considering this information and please feel free to contact me with any questions.

Sincerely,

Ryan M. Nickelson

Vice President, Investments



Memorandum

To: Daniel Hamilton, Pacific Municipal Consultants
Tom Westbrook, City of Ceres

From: Raymond Kennedy, Vice President

Re: Estimate of Net Taxable Sales Generated by Mitchell Ranch Project

Date: September 18, 2009

Introduction

The City of Ceres (the “City”) has retained Pacific Municipal Consultants (“PMC”) to complete the Environmental Impact Report (EIR) for the proposed Mitchell Ranch project in Ceres (the “Proposed Project”) which includes construction of a Wal-Mart Supercenter. PMC retained Bay Area Economics (“BAE”) to conduct a market impact and urban decay analysis for inclusion in the EIR.

The purpose of this document is to supplement the EIR by estimating the net sales tax impact of the Proposed Project on the City of Ceres. While BAE could have derived an estimate from the technical report already submitted for the EIR, it was determined that in light of changing economic conditions, it would be best to update the analysis by using more recently available data from the State Board of Equalization, along with more current population estimates and projections from the State Department of Finance and Claritas. This necessitated updates of several tables in the technical report: Tables 7, 8, 11, 12, and 14, and Appendices C, F, and G. Since the focus of the analysis here is on net taxable sales generated in the City of Ceres by the Mitchell Ranch project, an additional table converting total sales to taxable sales and summarizing taxable sales impacts by store category has been created. The resulting tables and appendices can be found at the end of this report. The tables have been renumbered for the purposes of this memorandum.

Analysis

With the exception of the additional analysis required to estimate the net increase in taxable sales to the City of Ceres, the methodology used here is the same as used by BAE in their technical report for the EIR. The opening date for the Proposed Project has been assumed as 2010.

First, BAE updated retail sales information using the most recently published taxable sales data from the State Board of Equalization. As of mid-September, the most recent four quarters

Bay Area Economics

San Francisco Bay Area

Sacramento

New York

Washington, D.C.

Headquarters
1285 66th Street
Emeryville, CA 94608
510.547.9380
fax 510.547.9388
bae1@bae1.com
bayareaeconomics.com

published are from 3rd Quarter 2007 through 2nd Quarter 2008.¹ The taxable sales data from this 12-month period are the baseline for the analysis in this memorandum. Comparative data, adjusted for estimated non-taxable sales, are presented in Table 1 for Ceres, Stanislaus County, and California.

In Table 2, the figures for Ceres are then converted to per capita sales, and adjusted to 2009 baseline levels assuming limited population increases between 2008 and 2009. These per capita sales are compared against a benchmark area to estimate potential leakages of retail sales. These leakages represent sales which could potentially be captured from outside the City.

Table 3 presents an estimate of stabilized sales in the Proposed Project. Total sales are estimated at \$157 million annually for the entire project. Most of these sales will be generated by the Supercenter.

Next, as shown in Table 4, capture rates are estimated for the retail categories where potential leakages exist. These numbers feed into Table 5, which takes the estimated sales in the Proposed Project from Table 3, considers the sales capture from leakage, provides an estimate of capture of new sales in Ceres from non-residents, and subtracts out the leakage capture and new sales captured from non-residents to get an estimate of the total sales by key retail categories that will be captured from existing retailers. These sales captures are then used in Table 6, to determine the taxable sales captured from existing outlets.

Table 6 represents the calculation of estimated net increases in taxable sales generated within the City of Ceres, new information not considered in the BAE's technical report for the EIR itself. First, the total estimated sales for the project are brought over from Table 3; these figures are then adjusted downward to factor out non-taxable sales in the general merchandise and food store categories. The sum in this column represents estimated gross taxable retail sales for Mitchell Ranch. Next, the sales capture, representing sales that would otherwise go to existing outlets, are brought over from Table 5. A similar calculation is made to factor out non-taxable sales for existing outlets. Finally, the taxable sales captured from existing outlets are subtracted from the taxable sales assumed to be generated within the Proposed Project to obtain an estimate of the net new taxable sales generated by the project.

Findings

Mitchell Ranch will generate an estimated \$34.5 million in net new taxable sales within the City of Ceres with Mitchell Ranch at stabilized levels of operation (see Table 6). While the numbers here show net new taxable sales, the loss of sales from existing outlets can be attributed in large part to

¹ It is acknowledged that much of the economic downturn was subsequent to this time frame; the implications of the recent downturn were discussed more fully in BAE's

the closure of the existing Walmart in Ceres. This should be taken into account when assessing the impacts on existing outlets.

Table 1: Comparative Total Retail Sales, 3rd Quarter 2007-2nd Quarter 2008

Sales in 2008 \$000 (a) (b)			
	Ceres	Stanislaus County	California
Apparel Stores	\$4,921	\$222,189	\$20,610,950
General Merchandise Stores (c)	\$127,261	\$1,254,801	\$78,641,095
Food Stores (c)	\$121,101	\$1,145,068	\$72,744,183
Eating and Drinking Places	\$40,951	\$515,914	\$52,166,362
Home Furnishings and Appliances	\$1,611	\$159,712	\$15,789,814
Building Materials	\$47,138	\$419,762	\$29,989,592
Motor Vehicles and Parts	\$32,438	\$904,763	\$64,348,795
Service Stations	\$63,835	\$676,461	\$51,400,481
Other Retail Stores	\$31,019	\$779,972	\$63,381,249
Retail Stores Total	\$470,275	\$6,078,641	\$449,072,520
Other Key Retail Categories (d)	\$84,689	\$1,581,635	\$129,771,605
Sales per Capita in 2008 \$ (e)			
	Ceres	Stanislaus County	California
Apparel Stores	\$116	\$425	\$544
General Merchandise Stores (c)	\$2,993	\$2,402	\$2,076
Food Stores (c)	\$2,848	\$2,192	\$1,920
Eating and Drinking Places	\$963	\$988	\$1,377
Home Furnishings and Appliances	\$38	\$306	\$417
Building Materials	\$1,109	\$804	\$792
Motor Vehicles and Parts	\$763	\$1,732	\$1,699
Service Stations	\$1,501	\$1,295	\$1,357
Other Retail Stores	\$730	\$1,493	\$1,673
Retail Stores Total	\$11,060	\$11,638	\$11,854
Other Key Retail Categories (d)	\$1,992	\$3,028	\$3,425
Population (f)	42,520	522,313	37,883,992
Notes:			
(a) Analysis excludes all non-retail outlets (business and personal services) reporting taxable sales.			
(b) A "#" sign indicates data suppressed to preserve confidentiality due to four or fewer outlets or sales of more than 80% of the category in one store. Suppressed sales have been combined with Other Retail Stores.			
(c) General merchandise sales and food store sales have been adjusted from taxable sales to take into account non-taxable sales. For detail on adjustments, see Appendices C,D, & E.			
(d) Includes additional categories unspecified in the site plan that might include outlets suitable for the Proposed Project. Includes apparel, home furnishings and appliances, building materials and farm implements, and other retail stores.			
(e) Per capita sales calculated based on State Board of Equalization reported sales and annual Department of Finance population estimates benchmarked to the decennial Census.			
(f) Population from DOF Report E-5 for 2009. Uses Jan 1, 2008 number.			
Sources: State Board of Equalization; U.S. Bureau of Labor Statistics; 1990 and 2000 U.S. Census; 1992, 1997, and 2002 Census of Retail Trade; State Department of Finance; State Division of Labor Statistics and Research; Bay Area Economics, 2009.			

Table 2: Leakage Analysis

Store Category	Per Capita Retail Sales 2008 \$ (a)		Estimated 2009 Retail Sales 2008 \$ (b)
	Primary Trade Area	Benchmark Area	Estimated Sales
Apparel Stores	\$116	\$333	\$5,156,865
General Merchandise Stores	\$2,993	\$2,120	\$133,360,190
Food Stores	\$2,848	\$1,744	\$126,905,765
Eating and Drinking Places	\$963	\$936	\$42,913,797
Home Furnishings and Appliances	\$38	\$243	\$1,688,216
Building Materials	\$1,109	\$706	\$49,397,343
Motor Vehicles and Parts	\$763	\$1,610	\$33,992,766
Service Stations	\$1,501	\$1,345	\$66,894,636
Other Retail Stores	\$730	\$1,395	\$32,505,753
Total	\$11,060	\$10,431	\$492,815,330

Store Category	Estimated 2010 Retail Sales 2008 \$ (b)		
	Estimated Sales	Potential Sales	Injection/ (Leakage)
Apparel Stores	\$5,287,960	\$15,196,939	(\$9,908,979)
General Merchandise Stores	\$136,750,391	\$96,858,554	\$39,891,838
Food Stores	\$130,131,886	\$79,671,659	\$50,460,227
Eating and Drinking Places	\$44,004,726	\$42,769,521	\$1,235,205
Home Furnishings and Appliances	\$1,731,133	\$11,087,231	(\$9,356,098)
Building Materials	\$50,653,092	\$32,252,770	\$18,400,322
Motor Vehicles and Parts	\$34,856,909	\$73,584,307	(\$38,727,397)
Service Stations	\$68,595,191	\$61,453,937	\$7,141,254
Other Retail Stores	\$33,332,094	\$63,726,173	(\$30,394,079)
Total	\$505,343,381	\$476,601,090	\$28,742,291

Notes:
The Primary Trade Area is defined as the City of Ceres.
(a) From Table 1 and Appendix A.
(b) Estimated sales based on baseline Primary Trade Area per capita sales times population from Claritas for 2009 and 2014, with 2010 interpolated based on constant annual percentage growth.
Potential sales based on Benchmark Area sales times Trade Area population for stated year.

2009	PTA Population:	44,558	
2010	PTA Population:	45,691	
2014	PTA Population:	50,517	2.5% Annual growth rate

Benchmark Area per capita sales have been assumed as a baseline against which to compare the Primary Trade Area. Sales assumed to be "leaking" from the Trade Area if that area has per capita sales below benchmark sales.

Source: Bay Area Economics 2009, based on information from the CA State Board of Equalization, U.S. Bureau of Labor Statistics, State Division of Labor Statistics and Research; 2000 U.S. Census, State Department of Finance, Claritas, and 2002 Economic Census.

Table 3: Estimated Sales in Project at Opening in 2009

Type of Store	Square Feet (a)	Sales per SF	Estimated Sales in Proposed Project
Supercenter			
General Merchandise Store Equivalent	158,139	\$575 (b)	\$90,900,000
Food Store Equivalent	56,000	\$575 (c)	\$32,200,000
Restaurant/Fast Food	11,120	\$445 (d)	\$4,900,000
Unclassified Retail	101,970	\$284 (e)	\$29,000,000
Total	327,229		\$157,000,000

All sales estimates in 2009 dollars. Total sales rounded to nearest hundred thousand.

(a) Derived from site plan used for EIR analysis.

(b) Based on an evaluation of sales at existing store, and adjusting to account for differences in the potential market area (e.g., some Modesto shoppers will go to existing and new stores in Modesto due to greater distance to new Ceres store). Sales from existing store were adjusted and estimated on a per square foot basis. However, the new store is larger and would not necessarily see the same per square foot performance levels. Thus this estimate is used as an "upper bound" on potential sales. Total sales from existing store were adjusted and then estimated on a square foot basis using the new store size. This estimate is then used as a "lower bound" on potential sales. The midpoint between these estimates is used here for the estimated sales per square foot for the new store square footage dedicated to non-grocery items.

(c) Sales estimates based on information from the Wal-Mart 2007 Annual Report to Shareholders. Since this sector is currently more competitive in Ceres than for general merchandise, it is reasonable to assume that supermarket sales might not achieve the same level as general merchandise.

(d) Based on midpoint of range for estimated sales per square foot of a mix of restaurant types, as compiled by HdL. See Appendix B.

(e) Based on the median sales per square foot of super community/community shopping centers from *Dollars & Cents of Shopping Centers/the SCORE 2008*, published by ULI/ICSC.

Source: Bay Area Economics, 2009, based on information from the CA State Board of Equalization, the HdL Companies, Urban Land Institute (ULI)/International Council of Shopping Centers, and Wal-Mart.

Table 4: Estimates of Sales Leakage Capture

2010	Injection/ (Leakage)	Potential Capture, Proposed Project	Potential Captured Additional Sales (a)
Store Category			
Apparel Stores	(\$9,908,979)	25%	\$2,500,000
General Merchandise Stores	\$39,891,838	0%	\$0
Food Stores	\$50,460,227	0%	\$0
Eating and Drinking Places	\$1,235,205	0%	\$0
Home Furnishings and Appliances	(\$9,356,098)	25%	\$2,300,000
Building Materials and Farm Implements	\$18,400,322	0%	\$0
Auto Dealers and Auto Supplies	(\$38,727,397)	0%	\$0
Service Stations	\$7,141,254	0%	\$0
Other Retail Stores	(\$30,394,079)	25%	\$7,600,000
Total, 2009	\$28,742,293		\$12,400,000
2014	Injection/ (Leakage)	Potential Capture, Proposed Project	Potential Captured Additional Sales (a)
Store Category			
Apparel Stores	(\$10,955,657)	25%	\$2,700,000
General Merchandise Stores	\$44,105,580	0%	\$0
Food Stores	\$55,790,299	0%	\$0
Eating and Drinking Places	\$1,365,679	0%	\$0
Home Furnishings and Appliances	(\$10,344,375)	25%	\$2,600,000
Building Materials and Farm Implements	\$20,343,933	0%	\$0
Auto Dealers and Auto Supplies	(\$42,818,140)	0%	\$0
Service Stations	\$7,895,579	0%	\$0
Other Retail Stores	(\$33,604,581)	25%	\$8,400,000
Total, 2012	\$31,778,316		\$13,700,000
Notes:			
All sales in 2008 dollars.			
(a) Captures have been rounded to nearest \$100,000.			
Source: Bay Area Economics, 2008, based on information from the CA State Board of Equalization, 2000 U.S. Census, 2002 Census of Retail Trade, State Department of Finance, State Division of Labor Statistics and Research, Claritas, and Wal-Mart.			

Table 5: Capture from Leakage, Outside Primary Trade Area, and Existing Outlets

2010	Estimated Sales in Proposed Project (a)	\$ Capture from Leakage (b)	% Capture from Outside Area	\$ Capture from Outside Trade Area (c)	\$ Capture from 2010 Existing Outlets (d)
Type of Store					
General Merchandise Stores	\$90,900,000	\$0	10% (e)	\$9,090,000	\$81,810,000
Food Stores	\$32,200,000	\$0	33% (f)	\$10,626,000	\$21,574,000
Eating and Drinking Places	\$4,900,000	\$0	25% (g)	\$1,225,000	\$3,675,000
Mixed Retail/Service	\$29,000,000	\$12,400,000	33% (h)	\$9,570,000	\$7,030,000
Total	\$157,000,000	\$12,400,000		\$30,511,000	\$114,089,000

2014	Estimated Sales in Proposed Project (a)	\$ Capture from Leakage (b)	% Capture from Outside Area	\$ Capture from Outside Trade Area (c)	\$ Capture from 2014 Existing Outlets (d)
Type of Store					
General Merchandise Stores	\$90,900,000	\$0	10% (e)	\$9,090,000	\$81,810,000
Food Stores	\$32,200,000	0%	33% (f)	\$10,626,000	\$21,574,000
Eating and Drinking Places	\$4,900,000	0%	25% (g)	\$1,225,000	\$3,675,000
Mixed Retail/Service	\$29,000,000	\$13,700,000	33% (h)	\$9,570,000	\$5,730,000
Total	\$157,000,000	\$13,700,000		\$30,511,000	\$112,789,000

(a) From Table 3.
(b) From Table 4.
(c) Percent capture from outside area times estimated sales in Proposed Project.
(d) Estimated capture from current sales in Trade Area equals estimated sales in project less sales captured from leakage and sales captured from outside the Trade Area.
(e) Most of the general merchandise sales in the new Supercenter will come from the existing store slated for closure; this store is included in the column showing capture from existing outlets. The percentage capture has been adjusted to take into account the fact that the existing store sales already includes capture from the Periphery population as well as from some areas of Modesto north of the Periphery. The capture from these areas of Modesto are assumed to decline somewhat due to the greater distance from points in this area to the new Supercenter vis-à-vis the existing Ceres Wal-Mart.
(f) While this proportion seems high for the traditionally more local-serving food store category, it takes into account current and potential capture from both the City and the Periphery, current sales in the Periphery, and the potential to recapture sales going to stores in Modesto and Turlock, e.g., the WinCo in Modesto.
(g) Assumes restaurants are largely local-serving, thus the capture even from the Periphery would be more limited than for the food stores category.
(h) As with food stores, this takes into account the ability to attract shoppers from the Periphery, and beyond. Periphery shoppers have good access also to region-serving retail along Highway 99 in both Modesto and Turlock, limiting the ability to capture a greater share of the sales from the Periphery, which has greater than 45 percent of the combined Ceres/Periphery population.

Source: Bay Area Economics, 2009, based on information from the CA State Board of Equalization, 2000 U.S. Census, 2002 Census of Retail Trade, State Department of Finance, Wal-Mart Annual Reports, Trade Dimensions, Claritas, and Hinderliter de Llamas (HdL).

Table 6: Estimated Net Change in Taxable Sales in City of Ceres, 2010

Type of Store	Estimated Sales in Proposed Project (a)	Estimated Taxable Sales in Proposed Project (b)	Capture from Existing Outlets (c)	Capture of Taxable Sales from Existing Outlets (b)	Net Change in Taxable Sales (d)
Supercenter					
General Merchandise Store Equivalent	\$90,900,000	\$80,159,000	(\$81,810,000)	(\$72,143,000)	\$8,016,000
Food Store Equivalent	\$32,200,000	\$9,845,000	(\$21,574,000)	(\$6,596,000)	\$3,249,000
Restaurant/Fast Food	\$4,900,000	\$4,900,000	(\$3,675,000)	(\$3,675,000)	\$1,225,000
Unclassified Retail	\$29,000,000	\$29,000,000	(\$7,030,000)	(\$7,030,000)	\$21,970,000
Total	\$157,000,000	\$123,904,000	(\$114,089,000)	(\$89,444,000)	\$34,460,000

All sales estimates in 2008 dollars. Sales numbers rounded to nearest hundred thousand.

(a) From Table 3.
 (b) General merchandise store and food store total sales have been adjusted to estimate taxable sales based on a factor derived from the Census of Retail Trade from 2002. See Appendices D and E.
 Taxable sales adjustment:
 General Merchandise Stores 88%
 Food Stores 31%
 (c) From Table 5. Represents capture of sales that would otherwise go to other stores in Ceres.
 (d) Estimated taxable sales in project less sales captured from existing outlets. It should be noted that the largest portion of these sales represent sales at the current Walmart, which is slated for closure.

Source: Bay Area Economics, 2009, based on information from the CA State Board of Equalization, 2000 U.S. Census, 2002 Census of Retail Trade, State Department of Finance, State Division of Labor Statistics and Research, Wal-Mart, Claritas, Trade Dimensions, Urban Land Institute (ULI), and Hinderliter de Llamas (HdL).

Appendix A: Retail Sales in Benchmark Counties for Leakage Model

							Combined Benchmark Area	California
Sales in 2008 \$000	(a)	(b)	(c)					
Apparel Stores								
General Merchandise Stores								
Food Stores (d)								
Eating and Drinking Places								
Home Furnishings and Appliances								
Building Materials and Farm Implements								
Auto Dealers and Auto Supplies								
Service Stations								
Other Retail Stores								
Retail Stores Total (b)								
Sales per Capita in 2008 \$ (c) (e)								
Apparel Stores								
General Merchandise Stores								
Food Stores (d)								
Eating and Drinking Places								
Home Furnishings and Appliances								
Building Materials and Farm Implements								
Auto Dealers and Auto Supplies								
Service Stations								
Other Retail Stores								
Retail Stores Total (b)								
Population (f)								
682,316	253,471	814,995	928,066	522,313	153,572	433,764	3,788,497	37,883,992

(a) Retail sales have been adjusted to 2006 dollars using the California Consumer Price Index for All Urban Consumers, published by the State Division of Labor Statistics and Research, based on data from the U.S. Bureau of Labor Statistics.

(b) Analysis excludes all non-retail outlets (business and personal services) reporting taxable sales.

(c) Footnote not in use in this table.

(d) General merchandise store and food store taxable sales have been adjusted to estimate total sales based on a factor derived from a comparison of the Census of Retail Trade from 2002.

(e) Per capita sales calculated based on State Board of Equalization reported sales and annual Department of Finance population estimates benchmarked to the decennial Census.

(f) Population from DOF Report E-5 for 2009. Uses Jan 1, 2008 number.

Sources: State Board of Equalization; U.S. Bureau of Labor Statistics; 2000 U.S. Census; 2002 Census of Retail Trade; State Department of Finance; State Division of Labor Statistics and Research; Bay Area Economics, 2009.

Appendix B: Derivation of Sales per Square Foot Estimate for Restaurants

	Sale per Square Foot		
	Range of Estimate Low	Range of Estimate High	Midpoint
Coffee/Juice Bars	\$75	\$150	\$113
Fast Food	\$350	\$750	\$550
Fast Casual	\$300	\$700	\$500
Coffee Shops	\$400	\$600	\$500
Buffet	\$300	\$400	\$350
Family Dining	\$400	\$550	\$525
Dinner House	\$325	\$800	\$563
Average of Midpoints		\$443	
Rounded to nearest \$5		\$445	

Sources: The HdL Companies 2007 Retail Store Taxable Sales Estimates; BAE, 2009

Appendix C-1: Ceres Retail Sales Trends

Sales in 2008 \$000		(a)	(b)	(c)	3Q07-2Q08							
Apparel Stores					2000	2001	2002	2003	2004	2005	2006	2007
General Merchandise Stores (d)		\$3,685	\$3,824	\$4,332	\$5,556	\$5,000	\$4,659	\$4,732	\$5,118	\$4,921	\$133,406	\$127,261
Food Stores (e)		\$145,026	\$152,329	\$158,056	\$154,789	\$149,618	\$150,393	\$143,829	\$133,231	\$121,101	\$121,101	\$121,101
Eating and Drinking Places		\$90,168	\$96,030	\$92,915	\$90,524	\$99,656	\$110,203	\$108,725	\$113,231	\$121,101	\$121,101	\$121,101
Home Furnishings and Appliances		\$37,082	\$38,362	\$41,316	\$39,200	\$40,738	\$42,547	\$42,619	\$42,030	\$40,951	\$1,611	\$1,611
Building Materials and Farm Implements		\$1,518	\$1,748	\$1,808	\$1,596	\$1,597	\$2,107	\$1,854	\$2,031	\$1,611	\$1,611	\$1,611
Auto Dealers and Auto Supplies		\$32,040	\$31,932	\$28,814	\$44,549	\$49,749	\$59,504	\$82,996	\$59,163	\$47,138	\$32,438	\$32,438
Service Stations		\$45,769	\$47,451	\$46,023	\$46,502	\$41,580	\$48,537	\$42,904	\$38,685	\$32,438	\$63,835	\$63,835
Other Retail Stores		\$46,961	\$46,345	\$42,870	\$39,406	\$49,831	\$49,417	\$60,110	\$32,856	\$31,019	\$31,019	\$31,019
Retail Stores Total		\$29,527	\$29,396	\$30,595	\$33,027	\$33,811	\$33,162	\$33,881	\$32,856	\$31,019	\$31,019	\$31,019
Sales per Capita in 2008 \$ (f)		\$431,775	\$447,416	\$446,729	\$455,150	\$461,472	\$500,942	\$519,958	\$486,631	\$470,275		
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
\$106	\$109	\$121	\$152	\$133	\$120	\$116	\$123	\$116	\$116	\$116	\$116	\$116
\$4,190	\$4,339	\$4,415	\$4,239	\$3,993	\$3,885	\$3,532	\$3,199	\$2,993	\$2,993	\$2,993	\$2,993	\$2,993
\$2,605	\$2,735	\$2,595	\$2,479	\$2,660	\$2,847	\$2,670	\$2,715	\$2,848	\$2,848	\$2,848	\$2,848	\$2,848
\$1,071	\$1,093	\$1,154	\$1,074	\$1,087	\$1,099	\$1,047	\$1,008	\$963	\$963	\$963	\$963	\$963
\$44	\$50	\$51	\$44	\$43	\$54	\$46	\$49	\$38	\$38	\$38	\$38	\$38
\$926	\$910	\$805	\$1,220	\$1,328	\$1,537	\$2,038	\$1,419	\$1,109	\$1,109	\$1,109	\$1,109	\$1,109
\$1,322	\$1,352	\$1,286	\$1,274	\$1,110	\$1,254	\$1,054	\$928	\$763	\$763	\$763	\$763	\$763
\$1,357	\$1,320	\$1,197	\$1,079	\$1,060	\$1,287	\$1,434	\$1,441	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501
\$853	\$837	\$855	\$904	\$902	\$857	\$832	\$788	\$730	\$730	\$730	\$730	\$730
\$12,476	\$12,744	\$12,478	\$12,465	\$12,316	\$12,940	\$12,768	\$11,670	\$11,060				

Population

34,609	35,108	35,800	36,514	37,470	38,712	40,723	41,700	42,520
--------	--------	--------	--------	--------	--------	--------	--------	--------

(a) Retail sales have been adjusted to 2008 dollars using the California Consumer Price Index for All Urban Consumers, published by the State Division of Labor Statistics and Research, based on data from the U.S. Bureau of Labor Statistics.

(b) Analysis excludes all non-retail outlets (business and personal services) reporting taxable sales.

(c) A "#" sign indicates data suppressed to preserve confidentiality due to four or fewer outlets or sales of more than 80% of the category in one store. Suppressed sales have been combined with Other Retail Stores.

(d) General merchandise store taxable sales have been adjusted to estimate total taxable sales based on a countywide factor derived from a comparison of the Economic Census and BOE data, based on data in Appendix E. Because of the changes in the ratio between 1992 and 1997, and between 1997 and 2002, the ratio was changed at an even annual rate each set of data points. Years after 2002 at 2002 ratio.

Gen Merch Store Adjustment Factor = $\frac{2000}{2000} = 74.2\% \quad \frac{2001}{2001} = 73.2\% \quad \frac{2002}{2002} = 72.1\% \quad \frac{2003}{2003} = 72.1\% \quad \frac{2004}{2004} = 72.1\% \quad \frac{2005}{2005} = 72.1\% \quad \frac{2006}{2006} = 72.1\% \quad \frac{2007}{2007} = 72.1\% \quad \frac{2008}{2008} = 72.1\%$

(e) Food store taxable sales have been adjusted to estimate total taxable sales based on a factor derived from a comparison of the Economic Census and BOE data, based on data in Appendix D. Because of the changes in the ratio between 1997 and 2002, the ratio was changed at an even annual rate between the two years. Years prior to 1997 at 1997 ratio, and years after 2002 at 2002 ratio.

Food Store Adjustment Factor = $\frac{2000}{2000} = 27.2\% \quad \frac{2001}{2001} = 26.7\% \quad \frac{2002}{2002} = 26.2\% \quad \frac{2003}{2003} = 26.2\% \quad \frac{2004}{2004} = 26.2\% \quad \frac{2005}{2005} = 26.2\% \quad \frac{2006}{2006} = 26.2\% \quad \frac{2007}{2007} = 26.2\% \quad \frac{2008}{2008} = 26.2\%$

(f) Per capita sales calculated based on State Board of Equalization reported sales and annual Department of Finance population estimates benchmarked to the decennial Census.

Sources: State Board of Equalization; U.S. Bureau of Labor Statistics; 1990 and 2000 U.S. Census; 1992, 1997, and 2002 Census of Retail Trade; State Department of Finance; State Division of Labor Statistics and Research; Bay Area Economics, 2009.

Appendix C-2: Stanislaus County Retail Sales Trends

Sales in 2008 \$000		(a)	(b)	(c)	3Q07-2Q08								
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
Apparel Stores													
General Merchandise Stores													
Food Stores (e)													
Eating and Drinking Places													
Home Furnishings and Appliances													
Building Materials and Farm Implements													
Auto Dealers and Auto Supplies													
Service Stations													
Other Retail Stores													
Retail Stores Total	\$5,586,348	\$5,916,719	\$6,043,549	\$6,244,056	\$6,569,444	\$6,882,255	\$6,797,674	\$6,426,414	\$6,078,641				
Sales per Capita in 2008 \$ (f)													
Apparel Stores													
General Merchandise Stores													
Food Stores													
Eating and Drinking Places													
Home Furnishings and Appliances													
Building Materials and Farm Implements													
Auto Dealers and Auto Supplies													
Service Stations													
Other Retail Stores													
Retail Stores Total	\$12,498	\$12,903	\$12,797	\$12,906	\$13,308	\$13,678	\$13,287	\$12,410	\$11,638				
Population	446,997	458,557	472,260	483,824	493,646	503,157	511,617	517,837	522,313				

(a) Retail sales have been adjusted to 2008 dollars using the California Consumer Price Index for All Urban Consumers, published by the State Division of Labor Statistics, based on data from the U.S. Bureau of Labor Statistics.

(b) Analysis excludes all non-retail outlets (business and personal services) reporting taxable sales.

(c) A [†] sign indicates data suppressed to preserve confidentiality due to four or fewer outlets or sales of more than 80% of the category in one store. Suppressed sales have been combined with Other Retail Stores.

(d) General merchandise store taxable sales have been adjusted to estimate total taxable sales based on a countywide factor derived from a comparison of the Economic Census and BOE data, based on data in Appendix E. Because of the changes in the ratio between 1992 and 1997, and between 1997 and 2002, the ratio was changed at an even annual rate each set of data points. Years after 2002 at 2002 ratio.

Gen Merch Store Adjustment Factor = $\frac{2000}{2001} \cdot \frac{2001}{2002} \cdot \frac{2002}{2003} \cdot \frac{2003}{2004} \cdot \frac{2004}{2005} \cdot \frac{2005}{2006} \cdot \frac{2006}{2007} \cdot \frac{2007}{2008}$

(e) Food store taxable sales have been adjusted to estimate total taxable sales based on a factor derived from a comparison of the Economic Census and BOE data, based on data in Appendix D. Because of the changes in the ratio between 1997 and 2002, the ratio was changed at an even annual rate between the two years. Years prior to 1997 at 1997 ratio, and years after 2002 at 2002 ratio.

Food Store Adjustment Factor = $\frac{2000}{32\%} \cdot \frac{2001}{31\%} \cdot \frac{2002}{31\%} \cdot \frac{2003}{31\%} \cdot \frac{2004}{31\%} \cdot \frac{2005}{31\%} \cdot \frac{2006}{31\%} \cdot \frac{2007}{31\%} \cdot \frac{2008}{31\%}$

(f) Per capita sales calculated based on State Board of Equalization reported sales and annual Department of Finance population estimates benchmarked to the decennial Census.

Sources: State Board of Equalization; U.S. Bureau of Labor Statistics; 1990 and 2000 U.S. Census; 1992, 1997, and 2002 Census of Retail Trade; State Department of Finance; Division of Labor Statistics and Research; Bay Area Economics, 2009.

Appendix C-3: California Retail Sales Increases

Sales in 2008 \$000 (a) (b) (c)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)											
Apparel Stores		General Merchandise Stores		Food Stores (e)		Home Furnishings and Appliances											
General Merchandise Stores (d)		Food Stores		Eating and Drinking Places		Building Materials and Farm Implements											
Food Stores		Eating and Drinking Places		Auto Dealers and Auto Supplies		Service Stations											
Eating and Drinking Places		Service Stations		Other Retail Stores		Other Retail Stores											
Home Furnishings and Appliances		Other Retail Stores		Other Retail Stores		Retail Stores Total											
2000	\$16,522,764	\$16,564,755	\$16,947,138	\$17,922,821	\$19,509,125	\$20,763,162	\$21,177,157	\$21,564,087	\$20,610,950	\$20,610,950	\$20,610,950						
2001	\$76,516,784	\$76,628,073	\$77,712,462	\$79,605,657	\$82,337,052	\$83,603,288	\$83,976,566	\$82,169,913	\$78,641,095	\$78,641,095	\$78,641,095						
2002	\$74,006,357	\$73,482,591	\$72,773,267	\$72,842,786	\$72,505,378	\$74,226,289	\$74,324,314	\$72,744,193	\$72,744,193	\$72,744,193	\$72,744,193						
2003	\$45,606,667	\$45,591,395	\$46,000,066	\$47,287,041	\$49,787,776	\$51,500,162	\$52,575,381	\$53,412,729	\$52,166,362	\$52,166,362	\$52,166,362						
2004	\$17,481,579	\$16,891,675	\$17,833,685	\$18,874,293	\$19,204,681	\$18,564,945	\$17,288,637	\$15,789,814	\$15,789,814	\$15,789,814	\$15,789,814						
2005	\$31,901,648	\$32,738,985	\$33,913,425	\$36,240,394	\$42,718,202	\$44,004,400	\$42,517,402	\$33,705,225	\$29,989,592	\$29,989,592	\$29,989,592						
2006	\$72,956,836	\$75,194,471	\$77,095,327	\$79,169,069	\$81,419,742	\$81,668,826	\$76,439,523	\$73,183,432	\$64,348,795	\$64,348,795	\$64,348,795						
2007	\$32,421,116	\$30,467,150	\$28,905,217	\$32,722,920	\$42,793,830	\$46,541,591	\$46,683,789	\$51,400,981	\$51,400,981	\$51,400,981	\$51,400,981						
2008	\$69,730,516	\$64,987,584	\$63,127,082	\$64,306,439	\$70,519,459	\$71,050,909	\$67,114,267	\$63,381,249	\$63,381,249	\$63,381,249	\$63,381,249						
Total	\$437,144,266	\$432,130,140	\$433,365,559	\$447,515,812	\$472,850,136	\$488,673,370	\$487,069,864	\$471,006,393	\$449,072,520	\$449,072,520	\$449,072,520						
Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)		Sales per Capita in 2008 \$ (f)							
2000	\$488	2001	\$481	2002	\$483	2003	\$503	2004	\$539	2005	\$556	2006	\$571	2007	\$575	3Q07-2Q08	
Apparel Stores	\$2,259	Food Stores	\$2,216	Food Stores	\$2,216	Food Stores	\$2,221	Food Stores	\$2,275	Food Stores	\$2,275	Food Stores	\$2,264	Food Stores	\$2,193	\$2,076	
General Merchandise Stores	\$2,185	Eating and Drinking Places	\$2,134	Eating and Drinking Places	\$2,075	Eating and Drinking Places	\$2,043	Eating and Drinking Places	\$2,003	Eating and Drinking Places	\$2,032	Eating and Drinking Places	\$2,001	Eating and Drinking Places	\$1,970	\$1,920	
Home Furnishings and Appliances	\$1,346	Building Materials and Farm Implements	\$1,324	Building Materials and Farm Implements	\$1,312	Building Materials and Farm Implements	\$1,326	Building Materials and Farm Implements	\$1,375	Building Materials and Farm Implements	\$1,404	Building Materials and Farm Implements	\$1,418	Building Materials and Farm Implements	\$1,425	\$1,377	
Building Materials and Farm Implements	\$516	Auto Dealers and Auto Supplies	\$482	Auto Dealers and Auto Supplies	\$482	Auto Dealers and Auto Supplies	\$500	Auto Dealers and Auto Supplies	\$521	Auto Dealers and Auto Supplies	\$526	Auto Dealers and Auto Supplies	\$501	Auto Dealers and Auto Supplies	\$461	\$417	
Auto Dealers and Auto Supplies	\$942	Service Stations	\$951	Service Stations	\$967	Service Stations	\$1,016	Service Stations	\$1,180	Service Stations	\$1,200	Service Stations	\$1,146	Service Stations	\$901	\$792	
Service Stations	\$2,154	Other Retail Stores	\$1,887	Other Retail Stores	\$1,800	Other Retail Stores	\$2,199	Other Retail Stores	\$2,221	Other Retail Stores	\$2,249	Other Retail Stores	\$2,227	Other Retail Stores	\$2,053	\$1,955	
Other Retail Stores	\$957	Retail Stores Total	\$2,059	Retail Stores Total	\$1,887	Retail Stores Total	\$885	Retail Stores Total	\$918	Retail Stores Total	\$1,804	Retail Stores Total	\$1,879	Retail Stores Total	\$1,791	\$1,357	
Retail Stores Total	\$12,905	Retail Stores Total	\$12,551	Retail Stores Total	\$12,359	Retail Stores Total	\$12,552	Retail Stores Total	\$13,062	Retail Stores Total	\$13,324	Retail Stores Total	\$13,133	Retail Stores Total	\$12,570	\$11,854	

(a) Retail sales have been adjusted to 2008 dollars using the California Consumer Price Index for All Urban Consumers, published by the State Division of Labor Statistics, based on data from the U.S.

Bureau of Labor Statistics.

(b) Analysis excludes all non-retail outlets (business and personal services) reporting taxable sales less than \$10,000.

(c) A "#" sign indicates data suppressed to preserve confidentiality due to four or fewer bulletins or sa-

Retail Stores.

(d) General merchandise store taxable sales have been adjusted to estimate total taxable sales based on a statewide sales tax rate.

based on data in Appendix

Years after 2002 at 2002

Gen Merch Store Adj

(d) F880 Substantiation

Because UI life substantially

2002 Ratio.

Food Store Ad

(a) Per capita sales (all units)

Sources: State Board of E

Statistics and Research: E

כינוסים נאכרים

13

Appendix D: Adjustment Factors for Taxable Food Store Sales

	<u>Ceres</u>	<u>Modesto</u>	<u>Turlock</u>	<u>Stanislaus County</u>	<u>State</u>
Total Sales, from 2002 Economic Census (a) (b): Food and beverage stores (NAICS 445)	\$76,917	\$412,292	\$113,217	\$852,972	\$60,243,253
Taxable Sales, from State Board of Equalization (a) (c): Food Store Taxable Sales	\$20,150	\$119,423	\$45,164	\$260,781	\$18,951,412
Percent Taxable Sales:	26%	29%	40%	31%	31%
	<u>Ceres</u>	<u>Modesto</u>	<u>Turlock</u>	<u>Stanislaus County</u>	<u>State</u>
Total Sales, from 1997 Economic Census (a) (b): Food and beverage stores (NAICS 445)	\$51,880	(d)	\$318,495	\$76,090	\$633,557
Taxable Sales, from State Board of Equalization (a) (c): Food Store Taxable Sales	\$14,898		\$97,162	38,045	\$209,793
Percent Taxable Sales:	29%	31%	50%	33%	33%

(a) Sales in \$1,000s.

(b) Sales expressed in un inflated dollars, unlike most other tables.

(c) These are the best matches available for type of store. Because they are not necessarily exact matches, and because the Economic Census and the State Board of Equalization rely on different data gathering methodologies, the percentages calculated here should be seen as general guides rather than hard and fast rules for food stores. Individual stores may vary widely due to product mix and other factors.

(d) Based on NAICS 44511, Supermarkets & Other Grocery Stores (except Convenience Stores). Data for entire 445 sector not disclosed.

Sources: 1997 and 2002 Economic Census; California State Board of Equalization; Bay Area Economics, 2007.

Appendix E: Adjustment Factors for Taxable General Merchandise Store Sales

For 2002:	<u>State</u>	<u>Stanislaus County</u>	<u>Modesto</u>	<u>Ceres</u>	<u>Turlock</u>
Total Sales, from Economic Census (a) (b):					
General Merchandise Stores	\$46,696,215	\$798,328	\$546,809	\$101,864	na
Drug Stores	\$17,635,808	\$288,912	\$141,196	na	\$32,491
Total General Merchandise Store Group	\$64,332,023	\$1,087,240	\$688,005	na	na
Taxable Sales, from State Board of Equalization (a) (c):					
General Merchandise Stores	\$42,741,257	\$703,994			
Drug Stores	\$5,745,634	\$80,437			
Total General Merchandise Store Group	\$48,486,891	\$784,431	\$507,438	\$94,401	\$138,643
Percent Taxable Sales:					
General Merchandise Stores	92%	88%			
Drug Stores	33%	28%			
Total General Merchandise Store Group	75%	72%	74%		
For 1997:	<u>State</u>	<u>Stanislaus County</u>	<u>Modesto</u>	<u>Ceres</u>	<u>Turlock</u>
Total Sales, from Economic Census (a) (b):					
General Merchandise Stores	\$34,519,458	\$549,416	na	\$65,776	na
Drug Stores	\$11,256,138	\$182,157	\$104,142	\$19,675	na
Total General Merchandise Store Group	\$45,775,596	\$731,573	na	\$85,451	na
Taxable Sales, from State Board of Equalization (a) (c):					
General Merchandise Stores	\$31,393,390	\$489,808			
Drug Stores	\$5,132,455	\$71,939			
Total General Merchandise Store Group	\$36,525,845	\$561,747	387,033	\$63,538	77,983
Percent Taxable Sales:					
General Merchandise Stores	91%	89%			
Drug Stores	46%	39%			
Total General Merchandise Store Group	80%	77%	74%		
For 1992:	<u>State</u>	<u>Stanislaus County</u>	<u>Modesto</u>	<u>Ceres</u>	<u>Turlock</u>
Total Sales, from Economic Census (a) (b):					
General Merchandise Stores (SIC 53)	\$28,661,546	\$453,445	\$403,121		
Drug and Proprietary Stores (SIC 591)	\$9,963,654	\$151,482	\$85,732	\$19,110	\$32,546
Total General Merchandise Store Group	\$38,625,200	\$604,927	\$488,853		
Taxable Sales, from State Board of Equalization (a) (c):					
General Merchandise Stores	\$27,107,738	\$415,054	\$338,629	\$22,287	\$35,165
Drug Stores	\$5,353,109	\$85,891	\$45,642	\$13,489	\$17,547
Total General Merchandise Store Group	\$32,460,847	\$500,945	\$384,271	\$35,776	\$52,712
Percent Taxable Sales:					
General Merchandise Stores	95%	92%	84%		
Drug Stores	54%	57%	53%	71%	54%
Total General Merchandise Store Group	84%	83%	79%		

(a) Sales in \$1,000s.

(b) Sales expressed in uninflated dollars, unlike most other tables.

(c) These are the best matches available for type of store. Because they are not necessarily exact matches, and because the Economic Census and the State Board of Equalization rely on different data gathering methodologies, the percentages calculated here should be seen as general guides rather than hard and fast rules for each store type. Individual stores may vary widely due to product mix and other factors.

Sources: Census of Retail Trade; California State Board of Equalization; Bay Area Economics, 2007.

