

CITY OF CERES
PLANNING COMMISSION
MINUTES

April 4, 2011

MEETING CALLED TO ORDER: 6:03 p.m.

ROLL CALL:

PRESENT: Del Nero, Kachel, Kline, Molina

ABSENT: Smith

ALSO PRESENT: Deputy City Manger Sheila Cumberland, City Attorney Michael Lyions, Director of Public Works Michael Brinton, Planning, Building and Housing Division Manager Tom Westbrook, Associate Planner James Michaels, Secretary Ann Montgomery

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Chairperson Kachel.

APPROVAL OF MINUTES:

None

CONFLICT OF INTEREST DECLARATION:

None

CITIZEN COMMUNICATION:

None

**APPROVAL OF AGENDA AS POSTED (OR AMENDED) AND
CERTIFICATION OF POSTING:**

It was moved by Commissioner Molina, seconded by Commissioner Kline, to approve the agenda as posted. Carried 4/0.

CONSENT CALENDAR:

None

NEW BUSINESS:

None

PUBLIC HEARING(S):

1. 07-31/CUP/07-32 VTSM; Hearing to consider a proposal for a Conditional Use Permit and a Vesting Tentative Subdivision Map 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. Walmart Real Estate Business Trust, applicant. This item was continued from the February 22, 2011 Planning Commission Meeting.

Chairperson Kachel reported that this is a continuation of the hearing from February 22, 2011. The Commission requests that speakers not repeat the same comments that we heard the last time. It's all part of the record, and all part of the Commissioners' consideration. We heard from everyone in the room that wanted to speak. Everyone's comments are part of the record. At the end of that the February 22 meeting, the Commission closed the hearing and at the end of the discussion, the Commission asked staff, staff's consultants as well as the applicant, to bring back some additional information. Among those items were:

- Details on traffic impacts, particularly at the Mitchell Road interchange.
- There was a request that the Commission be provided with alternative elevations for different kinds of stores that Walmart has built around the country or state.
- There was a concern about the stacking of trucks along Don Pedro and the noise associated with that.
- There was a concern about the details contained in the EIR's Economic Impact Analysis. This is an important document, in that this project's EIR has found that there are significant unmitigatable impacts. In order to approve a project that has those, there has to be a statement of overriding considerations. Usually that involves economics. That's why we asked for some additional information. That request was based on what we had been given before, as well as much of the input from the audience, who asked similar questions.

Chairperson Kachel explained how the meeting will proceed:

- First, we are going to have a report from the Staff, in response to the information we requested.

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- Second, we will have a presentation from Walmart, in response to the information we asked for.
- This will be followed by the public hearing. He reminded everyone to limit their comments to three to four minutes and to speak only on topics that are on tonight's agenda and are discussed and presented tonight by staff and by Walmart. No repetition of what we've already heard; that's why the hearing was closed.

Staff Report

Mr. Westbrook reported that there were a couple of written items provided to the Commission on the Dias, which I'll go over when I get to those in my report. As suggested, this is a continued meeting from February 22nd. The Planning Commission asked for some additional information regarding this project.

- Design and Aesthetics – The Commission had some questions relating to the architectural design and landscaping of the Mitchell Ranch Center, specifically Major 1, which is the Walmart. The Commission requested to see some different elevations, that were maybe a bit more upscale, that have been built within California or throughout the country. The Commission also requested photographs of those proposed elevations that may have been implemented elsewhere. Staff included in your report, some photographs of the new Walmart store located in Atwater, California. In our report, we also suggest that Commissioners may wish to go to the Atwater store to view it. That store has only been open since mid-March. The reason that staff suggested that, is because the store in Atwater includes some similar colors, materials and the design, as the proposed Ceres store. It also includes a grocery component. The applicant will further discuss the elevation component in their presentation.
- Landscaping – There was a concern about the landscaping at the existing store located at Hatch and Mitchell Roads. The Commission asked specifically if some design guidelines, in terms of landscaping had changed since 1993. They had not. The proposed landscape plan does meet the water efficient guidelines. Those guidelines were adopted in 1994, one year after the existing Walmart was built. In addition to meeting those new landscape guidelines, one of the requirements for the new project is the Landscape Maintenance and Agreement Form, which basically is signed and recorded against the property, which says you're a commercial business and you'll maintain your landscaping to a minimum standard. That condition had already been included in the Conditions of Approval. Walmart has also submitted a letter regarding the landscaping of the existing store. One of the things they point out in their letter is that shopping center at the corner of Hatch and Mitchell consists of three different parcels, and Walmart owns only one of them. Perhaps what the Commission was seeing was a separate property ownership that was not maintaining the level of landscaping, as they should. Regardless, the new store will meet the new requirements in terms of the landscape guidelines.

- Security – One of the concerns of the Planning Commission was security at the Mitchell Ranch Center. The question was raised, should the entire site have closed circuit video coverage? Some of the things that Walmart does with their buildings:
 - They install closed circuit cameras both inside and outside the store.
 - They have a Risk Control Team.
 - They provide the lighting in the parking lot at the optimum level to provide lighted passageways for their customers.
 - They prohibit consumption of alcohol in the parking lots.

Staff had formerly proposed a condition that discussed the security for the store. After the last meeting, we met with the Deputy Chief of the Public Safety Department and we crafted some additional language to add into that existing condition. I'll read that into the record at the end of the report.

- Traffic – There were a lot of comments from both the Commission and the public about traffic within the vicinity of the project. Staff had the sub-consultant, Fehr & Peers update the information regarding the questions that were specifically asked. Through that summary, it talked about the traffic improvements and the level of service. It also talked about the traffic calming along Don Pedro Road and gave an example of what something might look like. The difficulty with the Traffic Calming Plan, is that it's not something that can be implemented until the project is actually built. Because today, Walmart doesn't generate any traffic along Don Pedro Road. This is something we're going to have to implement if the project is approved and ultimately built.

There was also discussion about intersection spacing. It was noted that the EIR did analyze the intersection spacing and everything met the level of service requirements as dictated by the General Plan. There was also some discussion of the seasonal activities. St. Jude's Church has some large activities across Mitchell Road. The conclusion was that those are once a year events; they're not on a daily or monthly frequency. Yes, there will be more traffic in the area when those events happen. The median that was proposed for Mitchell Road was also included in the traffic study.

There was a question about truck traffic counts along Mitchell Road. Those were taken when the traffic study was done in 2007 and accounts for about ten percent of the traffic along Service Road.

One of the concerns of the Commission was the staging of the delivery trucks that would be waiting to deliver to Major 1. There was an existing condition that suggested that along the project frontage, that there would be a prohibition against any parking; passenger vehicle or trucks, along that frontage. Staff is now recommending in the Conditions of Approval to expand that, and prohibit truck parking all along Don Pedro Road, but to allow the passenger vehicles, as you move from the project site to the west, towards El Camino. I'll discuss that condition at the end of his report.

There was also a question about the super trucks. These are the larger vehicles that deliver to stores and they have a trailer length in excess of 53 feet. The applicant has stated that those trucks don't deliver to their stores; therefore this issue is moot.

The Commission was also concerned about the potential median and its impact to the St. Jude's Church, which is going to be on the east side of Mitchell Road. Currently the Don Pedro/Mitchell intersection does not align with the church driveway. With the improvement of that signal, when the signal is placed, it will align so it will give good access to the St. Jude's patrons coming in and out of the site. The main project entrance which is along Mitchell Road doesn't line up with the entrance; however, vehicles heading south on Mitchell Road will be able to get into the turn pocket, to make a u-turn and get into that entry point, assuming they didn't turn in at Don Pedro Road. They'll have two entry points if they're heading south on Mitchell Road.

One of the conditions that staff had proposed on the project, originally, was the prohibition for deliveries to Major 1 between the hours of 10:00 p.m. to 6:00 a.m. The Commission had some concerns and asked what happens at other large businesses within the community. Staff did an inquiry. Food 4 Less has deliveries every day between 5 a.m. and noon, and then generally one larger truck between 5 p.m. and 8 p.m. every day. SaveMart delivers between the hours of 6 a.m. and 11 a.m. Kmart delivers between the hours of 6 a.m. and 10 p.m. That's kind of consistent with what staff has recommended. Home Depot delivers between 6 a.m. and 7 p.m. Raley's, between 5 a.m. and 10 p.m., Cost Less Foods, between 5 a.m. and 10:30 a.m. and then one large delivery truck three times per week between 4 and 8, and Staples; they deliver between 8 a.m. and 8 p.m. It is important to note, that even though staff is proposing a condition for restriction of deliveries, none of these stores has restrictions of deliveries and neither does any other business in Ceres. They could theoretically have deliveries 24 hours per day, however, many of them do not.

- Sustainability Features - The Commission asked if there were any pilot programs that could perhaps be implemented with the Ceres store. The applicant has said no; however, there are some energy efficiency measures that are listed in the EIR; skylights, some materials with the concrete that will be included with the development of the proposed super center.
- Economics - Additionally there were some questions about Economics. There was a memo included with the report, which discussed the following things:
 - The context of redevelopment as it relates to the definition blight; the context of redevelopment as opposed to urban decay. The Urban Decay Analysis is what's required by CEQA, which is included in the Environmental Impact Report.
 - Potential store closure and relocation.

- Effect of the passage of time. The original economic analysis had been done in 2007, but hadn't been updated since we have been within the recession.
- Potential impact of the pharmacy at the new location as well as pharmacies within the area. It's important to note that the existing Walmart has a pharmacy, so this would not be a new additional pharmacy, as the proposed location will have a pharmacy as well.

City requested BAE, Bay Area Economics, to analyze the effect of sales tax proposed on the project, with the opening of the new Walmart and the closure of the existing one. That analysis includes: when complete, the Mitchell Ranch Center would generate taxable sales of approximately \$34 million, with an increased sales tax of an estimated \$327,000 to the City. That's assuming that existing Walmart has closed and relocated to the new site and all the buildings are built and occupied.

- Retenancing – The Commission had discussed concerns about the retenancing and the enforceability of the condition. Staff had included in the Conditions of Approval, a requirement for a Council-approved Sales Strategy Plan. That Sales Strategy Plan in the original condition, provided that it had to be approved by the City Council prior to the occupancy of the new store. The language has been changed, and I will read it at the end of his staff report. Fundamentally, we're changing the timing from the occupancy and moving it to building permits. That plan will come before the construction actually takes place. It will still require approval from the City Council.
- Site Design - as it relates to Don Pedro Road. A letter was received from Regency Centers, the original project applicant when the application was submitted. The letter discusses why the shopping center was developed the way it was. The Commission asked staff what would something else look like. Page 25 shown on screen, is a rough exhibit, a bubble diagram of "what would this look like?" It relocates Major 1 down closer to Service Road and reorients the other Majors closer to Don Pedro Road. This is merely staff responding to the Planning Commissions' request. This is not the Site Plan that staff is supporting; just a "what if?"
- Trash enclosures and trash compactors – There was a mention of trash enclosures and trash compactors – An exhibit (Page 68) highlights where those locations are within the center. Trash compactors primarily are in the area located on Major 1 and the trash enclosures are kind of sprinkled throughout the sites, to serve the uses in terms of the shop buildings and the pads.
- Two letters from the San Joaquin Air Quality Control District – were received by the City, subsequent to the February 22nd Planning Commission meeting.
 - The first was in response to the letter that was sent out with the Public Notification to everybody who submitted a response to the Environmental Impact Report. They responded regarding the Health Risk Assessment (HRA). This is included in the Air Quality Analysis of the EIR. The District's letter suggested that they were not in agreement with the adequacy

of the Air Quality Analysis in respect to the Health Risk Assessment. In response the City's consultant, PMC and Urban Crossroads prepared a Revised Health Risk Assessment to address the concerns of the Air District. (That's one of the documents presented to the Commission this evening.) Basically, the analysis shows that there is still no impact, so it doesn't change anything that hadn't already been proposed through the Environmental Impact Report.

- The second letter that City received improves the Air Impact Assessment for Mitchell Ranch. As part of some of the requirements from the Air District, they have to submit an Air Impact Assessment Application. Their application has already been approved by the Air District. The Air Impact Assessment and Air Quality Assessment are separate.
- Lastly, a letter was received on March 18th from Mr. Tony Cardenas. Some of the issues raised in Mr. Cardenas' letter have been addressed in the staff report. One of them was not and that was the question regarding why can't the existing store be expanded to accommodate a larger Walmart building. Mr. Westbrook stated that was really not best answered by him and better served by the applicant themselves. One of the things that he would note is that the existing building is oriented in a north-south direction, so the north of the store is the customer entrance. They really can't expand into the parking field whatsoever, so if there were any type of expansion, it would have to be to the south. But, they're bound by development to the south. As the Commission is aware, every time we expand a building, we've created another parking demand. That's really not before the Commission; the matter before the Commission is the new location at Mitchell and Service Roads.

Mr. Westbrook stated that as before, Staff recommends the certification of the Final EIR. Mr. Westbrook will read a couple of conditions into the record, as revisions. The Commission has benefit of the Revised Conditions of Approval. The ones that are noted in red are the new ones that are being added since the February 22nd meeting. There are three of them:

- The first is in regards the prohibition of parking along Don Pedro
- Second, the discussion about the security on-site
- Third, regarding retenanting

The first is DRAFT Resolution 11-05 (VTSM) C.40.g.ii and DRAFT Resolution 11-04 (CUP) 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 and shall be signed to prohibit truck parking.”

In a nutshell, west of the project site, there will be no truck parking from the project site to El Camino Avenue.

The second condition is regarding security, DRAFT Resolution 11-04 (CUP) 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.”

Basically, what that means is that when those future buildings come in, as part of their building submittal package, they'll have to detail the security plan, which will be reviewed and approved by the Public Safety Director.

The last condition is the one regarding retenancing of the store, DRAFT Resolution 11-04 (CUP) **B.18:**

“Retenancing of the existing Walmart: Walmart’s Realty Division will provide a Sale Strategy Plan (‘Plan’) for City Council approval that will detail the efforts Walmart will undertake to find buyers for the property located at 1670 Mitchell Road. In order to ensure the property is sold as quickly as possible, the Plan will impose limited restrictions on the property. Specifically, the Plan will only impose restrictions against direct competitors such as but not limited to Target or WinCo. The Plan may be provided to the City upon approval of the Project, but shall be provided prior to the earlier of the issuance of a building permit or the within thirty (30) days from the date the existing Walmart building at 1670 Mitchell Road is vacated. The Plan shall be ~~approved by the~~ presented to the City Council on a City Council agenda and acted upon by the City Council within 90 days of submittal. Any approval shall be prior to the issuance of a ~~Certificate of Occupancy~~ building permit for the new Walmart building in the Mitchell Ranch Center. The level of detail and the commitment set forth in the Plan will ensure the City that Walmart is motivated to sell the property and re-tenant the property to the quickest extent possible.

The only change is the timing. Previously we had required this condition before Certificate of Occupancy. Certificate of Occupancy is when they're ready to move into the building. What we're suggesting in this revised condition is that we'll get that much sooner and they'll submit that plan for approval by the City Council before they even issue the building permit, which means before construction starts. There's probably about at least a year's difference between that.

Mr. Westbrook stated that there were some items that were mentioned in his staff report that the Applicant would like to cover, so he suggested to the Commission that the Applicant present their presentation at this time.

The Public Hearing was opened at 6:27 p.m. to allow Walmart to respond to some of the concerns/questions that were presented.

- Amelia Neufeld, Senior Manager for Walmart Public Affairs - Sacramento, CA

She thanked everyone for attending tonight's meeting. Walmart has been a proud member of the Ceres Community for over 18 years. This longstanding partnership with the Ceres community has earned the support of over 10,000 area supporters. Many of those attended the meeting in February and spoke of the need for a new store with the

added convenience of a grocery department and significant savings to their pocketbooks. Also in support, were local non-profit agencies whose partnerships with Walmart contribute to Ceres' quality of life. The Ceres Chamber of Commerce stated that Walmart has been a good corporate and community partner.

According to the California Employment Development Department, unemployment in the City of Ceres stands at 22%. That's why community supporters acknowledge the value of a project that will create approximately 205 new jobs at the shopping center's full build-out; 85 of which will be generated by the new Walmart store alone. According to the City's own consultant, the proposed shopping center is estimated to generate \$34.5 million in net taxable sales and over \$325,000 annually in net sales tax revenue, attributed primarily to the new Walmart store. Today, Walmart is the largest sales tax generator in Ceres; last year Walmart generated more than \$477,000. If this project is approved, Walmart's contribution in new tax revenue to the City of Ceres will increase 68 percent.

Walmart has been a good neighbor and will continue to be at this new location. As indicated in a letter to the Commission, Walmart appreciated the comments regarding the condition of the existing store's landscaping. Walmart has taken steps to improve the property, including tree trimming and replacing bushes that did not appear to have survived the winter. Ms. Neufeld wanted to emphasize the fact that Walmart does not own or control large portions of the frontage property on Mitchell and Hatch Roads. She stated that one company, not Walmart, was cited by City Code Enforcement for poor landscaping. She would like to note that it's important that City records do not show Walmart as having been cited for poor landscaping. Walmart has and will continue to work with the City to adhere to its highest standards.

Ms. Neufeld also wants to reassure the Commission that retenanting and/or selling the property is a top priority for Walmart. To emphasize that fact, Walmart has agreed to a stipulation by the City that a plan to retenant the property must be approved by the City before building permits are granted. It is common practice for Walmart to ensure that their properties are well maintained when vacant and are transition quickly, especially at one of Ceres' prime retail intersections.

As the Planning Commission considers this project, it is important to note that the City has determined that a regional shopping center is an appropriate use for the project site. The City Council approved the City's General Plan in 1997 and the Mitchell Road Corridor Specific Plan in 1995, both of which call for a regional shopping center at the project site. Walmart has also introduced a project that meets or exceeds all the standards required by the City of Ceres.

If the Planning Commission accepted Walmart's invitation to visit the newly opened Atwater store, they would've seen first-hand quality building designs and the fine amenities that Walmart offers its customers.

Tonight we will hear more from our project team. They will cover ground and address questions that were raised at the last hearing, including how Walmart will continue its partnership with the Ceres community and its new neighbors. We appreciate the opportunity to work with City staff on a project that meets the highest standards for both the City of Ceres and Walmart. Walmart urges the Commission to adopt Staff's recommendation to approve the project, and their team welcomes questions and comments.

Ms. Neufeld proceeded to introduce the architect, Shad Vermeesch.

- Shad Vermeesch, Architect with BRR Architecture

He stated that he'd like to reiterate that we are looking at a regional shopping center, not just a Walmart; even though Walmart will be Phase 1 of the project.

He showed a conceptual slide of the original design that was developed through several iterations of working with staff on the corner of Service and Mitchell. This would be what would be considered the gateway into Ceres, with the sign and some conceptual shop faces with a plaza area for gathering of pedestrians. It meets all the applicable guidelines and is a very high-end design for a regional shopping center.

He stated that some of the activities that they foresee in this location would be restaurants, such as maybe a BJ's or Chili's; providing gathering places for pedestrians/customers to not only shop but, to sit and provide a destination place within the city.

His firm developed this rendering since the last meeting to convey the idea of what the Walmart would look like, in terms of how the front of the building undulates, steps in and out, providing additional detail at the pedestrian level. This is Walmart's new brand; where they're going. They've got covered spaces, lit bollards.

He showed a picture of the new Walmart store in Atwater. There are some slight differences between the two stores. The store in Atwater is smaller and only has one entrance. But in terms of the look and feel and the colors, it's very similar to what we are proposing here.

Walmart is a leader in sustainability and are considered the greenest retailer. They are consistently researching and testing new sustainability features as part of their program. Walmart stores in California now divert more than 80 percent of the store's optional waste away from landfills. That's a substantial amount. And although this store is not slated to be part of a pilot program, this store will include many sustainable features. Walmart is committed to providing the best they can in terms of sustainable features, as a retailer.

- Howard Hardin - Project Engineer with Greenberg Farrow

He reported that at the last meeting, many questions were asked about the project landscape. As the Landscape Plan illustrates, the project meets the requirements of the

Mitchell Ranch Specific Plan, and it goes beyond by including special landscape enhancements at the key focal point of the center at the intersection of Mitchell and Service Roads. The landscape design also includes preservation of two sycamore trees. The Mitchell Ranch project will surpass any other project in the immediate area with regard to the amount, variety and density of landscaping.

The Planting Plan includes a variety of plant materials; combining evergreen, deciduous and flowering trees. The plant species have been selected to focus on fast-growing trees that will accomplish effective shading of the parking lot within five years. Overall, the project will provide over a hundred and fifty-five thousand square feet of landscaped area, nearly three and a half acres, and over 350 trees in the parking lot alone.

As mentioned at the last Planning Commission meeting, an economically feasible shopping center 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 use for the site. As explained in the letter submitted by Regency Centers, the Proposed Site Plan was developed because it maximizes square footage by providing a major anchor tenant, as well as a number of pads, shops, and junior anchors; maximizes visibility from Mitchell Road, Service Road and Highway 99; and provides safe and convenient access and circulation for both customer vehicles and delivery trucks.

The proposed Site Design achieves the objectives of maximizing site coverage and visibility, as well as providing safe and convenient access, while at the same time utilizing only 26 percent of the available site; while the Specific Plan actually allows for nearly double the site coverage, or 50 percent.

Other site configurations are not feasible or economically viable. The other Site Plan configurations suggested by the commentors, result in less desirable Site Plans that diminish the economic benefits to the City and community. The Staff Report includes a bulk diagram markup of the Site Plan showing one possible configuration which would move the major tenant (Walmart) to the southwest corner of the site. This would require a modification to the building footprint that is unrealistic and could not be merchandised to accommodate the intended use as a Walmart or any other major retail user. Majors 2, 3, and 4 would be transposed to the northwest portion of the site, access would be restricted to one access drive on Don Pedro, one access drive on Service Road, and one full access drive on Mitchell. The full access drive on Mitchell would become the single access for deliveries as well as the primary customer access drive. This would cause traffic stacking for both northbound and southbound traffic on Mitchell, as well as an unsafe on-site traffic circulation by commingling delivery trucks and customer vehicles. In order to meet the City and specific planned requirements for parking and setbacks, at least two and possibly three of the pads and shops would be eliminated. The end result is a site design that is not economically feasible, that would diminish the economic benefits to the City, and a shopping center that tenants would pass over in their site-selection process.

Trash enclosures – The Walmart store utilizes two trash compactors that are fully screened and depicted on the Site Plan; one close to each loading dock area. Additionally, there is a gated enclosure behind the store for bale and pallet recycling and organic waste, which is deposited in sealed containers. A full 80 percent of the trash generated from the Walmart store is recycled. Throughout the center, trash enclosures will be constructed to accommodate all future uses. The enclosures will be masonry, with gates, and are part of the Site Plan submitted for consideration with this application.

Traffic – Much of the discussion at the last meeting and in the public comments was regarding traffic on Don Pedro. The project proposes two driveways off of Don Pedro. According to the City's traffic consultant, Don Pedro can accommodate the additional traffic generated by the project. Walmart will implement a Traffic Calming Plan to further minimize impacts on Don Pedro. Development of the Traffic Calming Plan will be accomplished with the participation of the neighborhood. It will include such measures as installation of curb extensions, speed humps, speed fallback signs, lighted crosswalks and other devices that have proven effectiveness. The new traffic signal at the intersection of Don Pedro and Mitchell will control the flow of traffic entering Don Pedro, and no truck parking will be allowed along the project frontage on the south side of Don Pedro. Pedestrian access is provided from all three major streets; sidewalks will be constructed along all three street frontages; and crosswalks will be installed at Mitchell and Service, as well as at the intersection of Mitchell and Don Pedro.

Truck staging – In response to the question regarding truck staging and the impact on Don Pedro Road, Mr. Hardin stated that the Walmart store will receive seven to nine large semi-truck deliveries during the course of the day. The store includes two loading docks, with three loading bays each. Theoretically, six trucks could be offloading simultaneously. In reality, the only time that a truck does not offload immediately is when there is not store personnel available to unload. In that instance, the driver will drop the trailer in the loading dock, store personnel will unload the truck when time is available, and the driver will pick up the trailer later in the day. At no time is there a situation where trucks would be waiting on Don Pedro for an open dock at the store. Nonetheless, trucks will be prohibited from parking on Don Pedro. Because the number of trucks per day is non-excessive, with the average frequency of one truck every three hours during a 24-hour period, eliminating truck access along Don Pedro is not necessary to address any impacts of the project.

Noise impacts – The site and building design have designed multiple layers of screening in mitigation to lessen any noise impacts to the greatest degree possible. The project, as presented, includes 24-hour operations and 24-hour deliveries and will not create significant noise. It includes features that will minimize noise levels on surrounding uses. Mr. Hardin showed a slide that illustrates the sound wall and landscape berm that will be constructed along the northern Don Pedro property line. Another view shown is a perspective as seen from Archcliffe. This will be a solid masonry wall of a minimum of 8 feet on top of a minimum 2-foot landscape berm. A different perspective shows the relative heights of the wall and the berm as it would appear from the street. The next slide shows the multiple layers of sound mitigation that will be implemented. Starting at

the rear of the store, the rear wall of the store, the docks will be depressed 4 feet below the grade of the parking lot. A 10-foot wing wall will be constructed on the outside of the loading docks. Truck loading will occur directly from truck into the building, and dock seals will be provided at the loading doors, so that as trucks back into the dock, all noise is reduced to as low a level as possible. There are multiple layers of sound barriers and screening beyond the wing wall. You have a 46-foot drive aisle, a landscape berm on the store side of the screen wall, a screen wall, an additional landscape berm, 10-foot sidewalk, Don Pedro, and sidewalk on the following side. The total distance from the loading dock to the curb on the north side of Don Pedro is approximately a hundred and twenty-eight feet. Add an additional 20 to 30 feet to the closest building, and this is equivalent to the length of half a football field in distance from the loading dock to the nearest building.

Walmart trucks are programmed to automatically shut engines off after three minutes of idling. Refrigeration trucks include auxiliary power units to run both the trailer and the cab. These power units have the sound equivalent of a window air-conditioner and eliminate the need to run the truck's engine to power the refrigeration. Every practical method has been employed to minimize the sound impacts related to truck and loading operations. Therefore, Walmart requests that the Planning Commission not impose a condition limiting the time for delivery. By enabling deliveries throughout a 24-hour period, the frequency of trucks is reduced and the potential for hazardous interaction among trucks, cars and pedestrians will be minimized.

Security – Mr. Hardin stated that several questions were raised at the last meeting regarding planned security measures for Phase 1 of the project. He stated that Walmart is committed to providing a secure environment for its customers and associates. The security that is established for each Walmart store is specific to the particular location. While a store is in the planning stage, it is assigned a risk level based on local statistics. Based on this assessment, a security program is developed for the particular store. A full-time security manager is employed at the store, and all store associates receive security training. Security is continually evaluated and security measures and protocols are adjusted accordingly in order to continue to provide the safest and most secure environment for customers and employees. For this store, Walmart will install closed-circuit camera systems/surveillance cameras inside and outside of the store. It will establish a risk control team, which is a team of associates responsible for and trained to identify and correct safety and security issues at the site. It will provide lighting in parking areas that will ensure public safety, and it will 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. The City of Ceres Police Department and the County Sheriff's Department reviewed the project as part of the EIR process. The City of Ceres Police Department indicated that there were no additional crime prevention components to incorporate into the design of the project, and the sheriff's department indicated that the project is not anticipated to generate a significant amount of requests for mutual aid from the City Police Department. Nonetheless, Walmart has suggested that the City include a Condition of Approval that

would require development of a security plan for each phase of the shopping center as it is developed, to address the Commission's concerns regarding security for the remainder of the center.

Mr. Hardin thanked the Commission for their time and consideration. He stated that the Walmart team would be available for any questions, and they would like to reserve time at the end of the meeting for rebuttal.

Mr. Westbrook said there were a couple of things he forgot to mention:

- One of the submittals that was on the dais was a letter from Saint Jude's Church, which is located directly east of the project site. They submitted a letter of support for the Mitchell Ranch Project.
- He wanted to call attention to the photo on page 14 of the Staff Report. He said that in that photo, some of the columns are wrapped in stone, and that there is no proposed stone on the Ceres store. He wanted to be sure the Commission was aware of that.

Chairperson Kachel asked if any of the Commissioners had questions for either the Staff or Walmart Team at this time.

- Commissioner Kline had some questions:
 - The first, he addressed to Staff in regards to the new Condition B.18 on the Revised Conditions of Approval. His question was on the phrase "...to find buyers." It doesn't say anything about re-tenant or tenants.

Mr. Westbrook replied that one of the things that is crafted in this condition, that shouldn't be lost is City Council's approval of a Sales Strategy Plan. Although he certainly understands what Commissioner Kline is talking about; a re-tenanting versus somebody buying the property, ultimately, this is something that's going to be concluded and agreed upon by the City Council. They may have the same concerns that you do. But until we see a Sales Strategy Plan, that's because I don't physically have one in front of me. Until it's submitted to Staff and presented to the Council, I don't really know how to respond to alleviate your concern.

- The next question he had was addressed to Ms. Neufeld regarding the statement she made about the 68 percent tax increase with the new site. He asked if the 68 percent increase is what the Walmart Supercenter will generate or what the whole center will generate, once it is complete.

Ms. Neufeld responded that it would be the whole center.

The reason Commissioner Kline asked, was that the tax study talked about tax revenue leakage over a period of time because of the new location.

- His next question was for Shad Vermeesch. He liked Shad's slide presentation and referred to slide number two, where he mentioned people sitting there in a café or restaurant; something like a BJ's restaurant or Chilli's. He asked Shad if there's anything of that magnitude in an existing Walmart center in California today; please elaborate and tell me where.

Mr. Vermeesch replied there's a Fuddruckers in the Modesto center.

Commissioner Kline responded that although Fuddruckers is a nice restaurant, he was talking about more of a sit-down restaurant, like BJ's or Chilli's that served more than hamburgers.

Mr. Vermeesch responded that he was sure there were in California and other parts of the country; he just couldn't think of any locations off the top of his head. There are many of those types of restaurant users that look to go to these types of shopping centers; especially your regional shopping center, such as this, because that's where they find they get the most bang for their buck in terms of location.

Chairperson Kachel asked if he could follow up, just briefly on that thought. He asked if that is that part of the reason why, when it was explained to the Commission why you want the store on the north end of the property as opposed to the south, is that to create a better visibility for that kind of restaurant to exist? Is that what was being got at during that conversation, if you follow his question? He explained what he's saying is that when it was discussed about what Staff had said, "Here's an alternative location for the building," and it was said that, "Well, that's not economically feasible because the other tenants suffer." Is that what you were talking about?

Mr. Vermeesch replied that that was part of it. There's typically a certain type of, when you look at this type of a development, a regional shopping center or a lifestyle center such as this, to get the draw of the types of tenants mix that you want, there's certain ways you design the site to achieve that. And one of the things, you want to try and maximize your square footage, as Mr. Hardin was talking about, to be able to get a whole mix of those types of tenants. When you move the store to the south, the Walmart store, in particular, that footprint really doesn't work in that location; and, therefore, the whole rest of the site actually suffers because of that.

Ms. Neufeld stated for the record that there is an Applebee's in the shopping center where our store is located in Salinas.

- Commissioner Kline then asked what kind of retail stores would you like to see come in and does a Best Buy or TJ Maxx exist in an existing Walmart center?

Mr. Vermeesch replied yes.

- Commissioner Kline stated he would like to know where the locations are, as he is trying to make a honest, up-front decision here.

Ms. Neufeld responded that a few stores in Sacramento. Natomas, their store there, has quite a few sit-down restaurants, as well as a Home-Depot and a Michaels. In addition, she wanted to call attention to the article in The Modesto Bee yesterday regarding the retail synergy along McHenry Avenue that also mentioned the Walmart store there. She also mentioned that Walmart hears all the time from developers, real estate brokers, and other businesses at the International Conference of Shopping Centers, that they want to know which cities have approved Walmart stores, because that's where they want to locate.

Mr. Westbrook followed up on Commissioner Kline's comment about what could come here. He thinks that with the Site Plan as it was proposed, these Majors are really kind of oriented in terms of the square footage to attract some of those things that you had mentioned in terms of a sporting goods store or a TJ Maxx or something like that. In addition, he thinks that Pad C specifically kind of lends itself for more of a sit-down, national chain type of restaurant. He believes that the aspects of the Site Plan and some of the square footages of those buildings are really going to be attractive to exactly the type of uses that you've suggested.

Chairperson Kachel added that he did go to the store in Atwater and was kind of surprised to see the building next door is a Super Target. So apparently the stores can find a synergy. He didn't go into the Target; he was there to see Walmart. There looked to be a pretty good mixture of different kinds of businesses in that center and it looked like a pretty healthy center. And he was sure that Target is not their favorite tenant to be next door to, but it does exist right down road.

- Commissioner Molina asked is Walmart going to make the call on who is going to fill the building pad in the shopping center, or the City?

Mr. Westbrook responded that at this point, Walmart owns the entire project, so they would make the determination. As long as the use was a regional commercial use, which generally all of these commercial uses would be, then Walmart would be the shopping center developer to make that call.

Chairperson Kachel stated that is it not correct, however, though, if the tentative map is filed from the final map, the individual parcels could be sold?

Mr. Westbrook replied that is correct. But that circumstance does not exist at this moment in time; so the answer would be that Walmart owns it. But, Chair Kachel, you are absolutely correct. If the property was subdivided, and a final map obtained, then they could sell to whomever they'd like.

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- Commissioner Del Nero had a question on economics and asked for clarification, when the whole project is built, it's projected to be \$327,000 more a year; is that correct?

Mr. Westbrook responded that's correct. So those additional sales of \$34 million is above and beyond what the existing Walmart does on an annual basis today. That assumption includes all of the square footage on this property site; so all the Majors are done, shops, pads, everything is a hundred percent occupied.

- Chairperson Kachel stated that he has several questions:
 - One, he appreciated the presentation being very much focused on the questions that we asked last time. That was great to see.
 - The Commission has been provided with some information. A couple articles from The Modesto Bee; one from the other day and one from December of '09 about the second store in Modesto. And that led him to do, a little online research about Walmart's theories, with marketing and whatnot. He asked if guess if someone could maybe give just a brief overview, because he believes it goes to project alternatives. It's not an off-the-topic subject and he thinks it's relevant. The store in Modesto is smaller than the store that you would be closing here. This one in Atwater is about the same size. And in the one article, the manager for the store in Modesto was asked, "Although the hundred thousand square foot store ranks as tiny in the Walmart super world center, Shumate, the manager, said, 'The feedback has it that customers like a smaller size. We listen to our customers,' he said." But, could somebody just give a brief comment on this information that you provided to us about how you look at your sizing, if you understand what is being asked.

Ms. Neufeld explained that every store size and store mix of the merchandise mix is determined by our customers. The number one reason why we're here tonight talking to you guys about relocating our store and building a new one to expand and to further merchandise is that because of our customers. You know, we really take a hard look at every community, and we talk to our customers and find out, you know, "What is it that you want in your Walmart store, and how can we best serve you and create a store format to do that?" The store in Modesto was a takeover of an old grocery store, an old Rite Aid, I think. And we were able to do that to best serve that neighborhood of Modesto. This store is part of a regional shopping center, where we see this as being a regional draw of folks coming within Ceres, in Modesto, Turlock, Hughson, outlying areas. And, you know, that's really what determined the store size and format and merchandise mix here.

Commissioner Kachel stated at this point we'll continue the public hearing. We've already opened it. You can come up and speak in any order. He reminded everyone to please keep your comments to three or four minutes please do not repeat things from before.

You've heard a lot of information tonight. Please keep your comments to what was discussed tonight, or we'll ask you to sit down. He also reminded everyone to please give your name and address for the record.

- Marsha Harris – 3517 Archcliff Drive, Ceres, CA

She began by stating that she is a Walmart shopper, on a weekly basis, sometimes more often. She stated that in one of the letters to the editors in Ceres, Walmart was quoted as saying, "We value opportunities to improve being a good neighbor and community leader." She is one of their nearest and dearest neighbors, but she doesn't feel that they're trying to be open to some of the concerns. Everything that we've addressed for the last almost four years; concerns for traffic, concerns for noise, site redesign; each time those were addressed, near on every response that came back was almost a placating response. "Oh, we've studied it and it's not a significant impact." "Oh, we've studied it and it's not really going to be an issue."

She would like to go over the Staff response from the last meeting, when they talked about the hours of delivery and if, in fact, as the Planning Commission you decide to approve this project, She would like to strongly recommend that you still concur with the stipulation of no delivery between 10:00 and 6:00, because as the project stands right now, with the dual entrance off of Don Pedro, there are significant impacts from many aspects to the nearest neighborhood there. When we went over the hours of delivery for all the comparable stores, not one store is 24 hours. This Super Walmart will be a 24-hour. When you look at most Super Walmart's, when you look at any large store and the relation they have to a local neighborhood, she doesn't think she has seen one where it will impact the neighborhood like it will impact Don Pedro and Archcliff Drive. You have got a two-lane road separating a huge project from residential. Typically, it's a solid wall. We have come back and asked again and again and again for a solid wall. The response that came from the design team was that a substantial redesign of the building would be required. She suggests they redesign it because they've got the money, they've got the time, they've got the professionals. Look at it. One thing she'd like to ask the Commission, is when you look at the project design up here, and if you look further back in the earlier EIR, that is not all of the property that is zoned residential or regional commercial. To the far west, there's one more parcel that currently is occupied, I believe, with the church. And just to the north of that is a large unoccupied lot that is also, if I read the plans correctly, regional commercial. When we got the response again from last month's meeting, they said they couldn't redesign it because, essentially, they were lacking 200 feet at the back of the store. They need 770 feet. Right now there's only 580. She asked if they can be creative, like the rest of us need to be. Can they go to the next property owner over there, that they don't currently own? It's 200 feet. That's exactly the space they would need. She suggested that they look at talking with that property owner. Redesign the building. Be a good neighbor. Take into consideration our request.

She still can't fathom a dual entrance off of Don Pedro where you have houses fronting that road. It is planned development for a school to go there. And it just seems as if our

concerns go in one ear and out the other with Walmart and the developers. We are going to be good neighbors because we have no choice. We will be right there. I would like for them to be a good neighbor to us.

She appreciates the interest that the Planning Commission is putting into this. You seem to be asking pertinent questions. She wants to encourage the Commission to think for the community as a whole, for us as a neighborhood. She thanked the Commission for what they have done, and continue to do so.

- Shirley McRoberts – 2617 Blaker Road, Unit 504, Ceres CA

Her sole income is Social Security and money doesn't go as far as it used to. Ceres Walmart carries most everything she needs for her home and personal needs, and she would like to see the supercenter built.

- Lee Brittell – 2917 Don Pedro Road, Ceres, CA

He stated that he lives right across the street from the proposed Super Walmart, and would like to make a couple of comments on the Staff Report:

- He would like to remind the Members of the Commission that he and 87 of his immediate neighbors have asked that they take steps to minimize the impact of the Walmart Supercenter in our neighborhood. Staff and Walmart have stated the Traffic Calming Measures would be in place, thus jeopardizing the neighborhood. And the part that really concerns me is they're going to do this after the fact; after it's already built. Now they have recommended that they take away my off-street parking. I can no longer park in front of my house. This affects me and I believe there's seven other houses that are going to be concerned. I'm going to have trouble getting out of my driveway, and now I can't even park or have company come to my house and park in front of my house. So these are some of the things that I'm concerned about.
- In the Staff Report, they had a Staff Drawing. (Lee Brittel handed documents to Commission Members.) He made three minor changes. If you'll note, one of the biggest things we've been concerned about is the truck traffic and bringing the trucks in on Don Pedro. Well, having Service Road, the Staff Report eliminated one of the driveways on Service. Service is a big truck route. There are trucks going down that way, and it's been in the EIR that it's fully capable of handling all types of trucks. By having a driveway at the Service entrance in their proposal makes only good sense to bring it in that way. Thus, we can close off the impact on Don Pedro by closing that driveway and having a solid wall.
- He stated that he has been supporting this Walmart project all along, other than the concerns he has had with my neighborhood. One of the things that

did come up tonight, he kind of got the impression we're trying to be bullied into dealing with the different problems that we see in the neighborhood. "Oh, well we're going to put calming measures in." And "Oh, oh, this isn't bad because they're only a hundred feet away." Or "The wall's tall enough, yet, oh, just because we have driveways, you know, cars are going to have to go in, trucks are going to have to go in. He asked about backup alarms. Aren't all of the trucks when they back into that spot going to have alarms on them? Well, those alarms are loud. They're designed to be a safety feature. Those are going to be going off. So it just seems to him that if Walmart wants to be a great neighbor, that they should listen our concerns. Yes, it's going to cost a little bit of money to redesign it His feeling is, is that the location, having it face Mitchell Road, actually gives it a better relocation to Highway 99 and a visual where you've got hundreds of thousands of cars driving by every day. Well, from an advertising point of view, if he were in the business, he'd want that to be seen, not buried all the way back to Don Pedro, but have it up closer to the freeway. It makes sense. But these are some of the things that in the Staff Report; it noted the Walmart Major 1 would be moved to the southwest portion of the site and would likely require reconfiguration in order to make effective use of this site. We understand that. But of all of the different hundreds and hundreds of Walmarts throughout the country, they are all not the same. Somebody has to have a drawing in one of those stores that should fit this to make it a minimum amount of expense.

- Number two, Majors 2, 3 and 4 would be transposed to the northwest portion of the site. He was looking at that and he agrees with that, although I thought maybe it could have been rotated around and maybe a little bit better use of the property. But, again, this was a rendition from them; and it wasn't by scale, by any means. But then access would be provided to Don Pedro Road at Archcliff and a solid masonry wall. Well, no. If we eliminate that, we won't need that. So a single access point on Service Road would be provided. He asked why. We had six entrances before; now, with the drawing, we went down to four. So it seems to him that you can go that way.
- Here's the point: That by adding the truck drive on Service, traffic would be minimized on Don Pedro. Traffic would be routed to Service, improving traffic flow and momentum on Mitchell; danger to the intersection of trucks and cars and pedestrians would be minimized; noise generation events located away from residential areas; trucks could have access at any time, which is important to Walmart. Traffic Calming Measures would not be necessary; locals would not be inconvenienced, we would still be able to park in front of our homes; truck staging would not be a problem, and the neighborhood, as a whole, would have a minimum impact.

- Florence Cardenas – member of Citizens for Ceres

She expressed that her great concern over the traffic problem that this is going to cause. She is concerned that this project will go forward, without first taking the proper steps to fully improve all of the intersections that would be impacted. Although some improvements to the streets fronting the project will take place, the EIR plainly states that even with these mitigations, impacts remain significant. In the meantime, we, the community, have to live with the traffic mess. She asked if Walmart really cared about the communities, like they state; why are they even considering going ahead with this project before first making sure that the affected intersections will be safe. She and her husband are asking that the Planning Commission to vote "no" on this project. Remember, this is the last piece of prime land that Ceres has. We're asking that you think outside the box and imagine what we could have. She suggested that they look at what a look at what a beautiful job Turlock did. Before they began to build, the roads and all of their intersections; the freeway intersections, were completed. She advised the Commission to not let anyone, whether it be a Walmart or a Target, build until all of the intersections are improved.

- Tony Cardneas – member of Citizens for Ceres

He lives on Archcliff, in a two-story home. There are several other two-story homes in the neighborhood as well as the apartments. So, that eight-foot wall is not going to cut it for us. We sleep upstairs. This is just going to add to the noise he already hears when a train goes by in addition to the traffic on 99 that he hears all night.

He agrees with his wife. By putting the Walmart or any other shops and getting all this traffic increased, but yet the exits on Mitchell, Service and El Camino won't be improved; maybe never because CalTrans doesn't have the money. So we're stuck with the traffic and waiting for those exits to come aboard.

The other thing is they were talking about these animals up there that are extinct animals, like the gray fox. You can relocate those animals, put them in a river somewhere down there where they can live; but you can't relocate the people that live here on Don Pedro. We're stuck there. He said that his house is paid off. He has been there 20 years, and he plans to be another 20 years. He's just another concerned citizen.

- Pat Jones – 2836 Charlotte Avenue, Ceres, CA

She really prays that the Commission will approve the Walmart shopping center. She's a 39 year-old senior citizen and she needs the lower prices.

- Matthew Vance – 3013 Tenth Street, Ceres, CA

Mr. Vance stated that there's been a lot of discussion about the trucks coming in at night. The Walmart on McHenry, which is arguably one of the smaller Super Walmarts around;

it has residents on either side of the Walmart. They put up the barrier, and there have been no complaints from those residents at all about the noise. Those trucks come in sometimes at 10:00 at night, sometimes at 3:00 in the morning. They have governors on the trucks that make it so that it can't downshift and you have that loud howling sound as it comes down the road. They just can't do it. So the residential impact that everyone's talking about from a practical standpoint of the Walmart that's already existing, has shown that it does not affect the sound the way that some people feel that it might. And when you see a semi driving down the road, it's really loud and you think that's going to be flying down the road. It's not. They're going very slow. The sounds that they make when they back up, from what I understand, they are disconnected when they have to go into a residential area like that. So there is no noise. It's just something we wanted to present to you; that not everything is as it seems. Not everything is an exaggeration of a big semi rollin' down the road at a hundred miles an hour. It's slow; it's quiet. And the Walmart, the supercenter here, will do a lot for the community. It'll help with the costs of everyone. So we're hoping that it'll go in here as well.

Chairperson Kachel asked Mr. Vance if he could ask what the source of his information about no complaints was?

Mr. Vance replied that he is a manager of the Walmart on McHenry.

- Wade Hurst – 3313 Zurich Lane, Ceres, CA

He stated that he is here to speak on behalf of the future leaders of Ceres and many concerned citizens. On the surface, it would seem that building a Walmart Supercenter is a great plan for Ceres, creating new jobs and economic benefits; but if we take a closer look, it's evident that Ceres is not the right location for a new Walmart Supercenter.

When he first began his research of this topic, he started by asking himself, "Why does Walmart face so much opposition?" Union leaders, fair trade lawyers, nature activists, and even adjacent towns such as Turlock have stood in the way of the aggressive expansion of Walmart in our local area. When he finally found his answers, he understood why Walmart has so many opponents, and it became clear that the addition of a Walmart Supercenter is not right for our community. It said that the shopping center anchored by Walmart will create 205 new jobs. 205 jobs seems like what Ceres needs. However, if we analyze what types of jobs will be offered and the effects these jobs will have on our local economy, we can separate fact from fiction. Walmart's average annual pay of \$20,774 is below the federal poverty level for a family of four. How many of these 205 jobs created are going to leave employees earning less than what can be categorized as poverty level? Not only will most jobs offer pay that is below the poverty level, these same jobs don't include medical benefits. Walmart has thousands of associates who qualify for Medicaid and other publicly subsidized care, leaving taxpayers to foot the bill. This is one way that the addition of a supercenter will increase tax costs, not tax revenues to taxpayers in our local economy.

The addition of a new Walmart is projected to increase tax revenues in our area. In reality, when we take into account the jobs lost, sales lost and the inevitable closing of some small businesses, will our tax revenues actually be increased? Furthermore, are we willing, as a community, to take that risk? According to a 2009 survey, the value of a Walmart to the economy will likely be less than the value of the jobs and businesses it replaces. Another study estimating the future impact of Walmart on the grocery industry in California found that the full economic impact of those lost wages and benefits throughout Southern California could approach 2.8 billion per year.

Walmart doesn't only affect retail businesses. Our current Walmart has a pharmacy and optometry center, a tire center, a McDonald's, and when the first of the year rolls around, they'll do your taxes for you. This sheds light on another point, and it might be something that we're all forgetting. We already have a Walmart in Ceres that is benefiting our community and our local businesses.

In closing, he thanked the Planning Commission for the chance to speak at this meeting. And as a homeowner and a longtime resident of Ceres, he would like to stress the importance of the decision our community has to make. This meeting is about more than the fate of a supercenter. It's about the fate of Ceres as a community and the invaluable opportunity we have to make the right decision.

Chairperson Kachel asked Mr. Hurst if he has a citation on those studies.

Mr. Hurst responded that yes, he has three citations. (Mr. Hurst handed them to Mr. Westbrook.)

- Ron Blevins

He stated that he thinks when this thing was originally started, that the proposed traffic report showed that the inter-pass was going to be changed from one lane, and now CalTrans has put that off for like 10 or 15 years. He asked, is that something that I'm correct in thinking that originally that was supposed to be changed before the Walmart, and now that CalTrans says it could be 10 to 15 years before that actually changes?

Chairperson Kachel responded that he's not the one to answer that question. It's his understanding that the CalTrans complete re-doing of the intersection is indefinite. There are however; some additional lane widening, which will be implemented as a part of this project. Perhaps at the end of the hearing we can ask somebody from the City or Public Works to answer that question for you.

- Diego Fernandez – 1183 Alondra Drive, Ceres, CA

He wanted to voice his opinion for his family and several of his friends in the neighborhood by saying that we are in support of the Super Walmart. We do a lot for the community. He's not just here as an individual, but we also do support through our

affiliates through our church organization. We've always helping those that are underprivileged. We are trying to always raise money and funds to give out dinners and work with the community here. Bottom line is I believe the City here has a lot of underprivileged citizens that need support, and this is just one way that we can try to get more to our community

He is tired of going to Turlock, going to Modesto, going everywhere else, when I he wants to spend money in this town, to support our community. He thinks the only maybe downfall that Walmart is getting the bad rap, would be them saying that certain businesses couldn't buy the existing building. We're here for competition; we're here for growth. We don't want to have a stalemate. I think Walmart would be fine, regardless of who took over the existing building. He thinks overall as a community, he just knows that it's going to support everybody in the long run. He knows everybody is thinking about jobs and what will affect them. And someone said something about Medi-Cal or the insurance. He said that he is also a financial counselor, and he knows if we didn't have Walmart that we could send our families to after they had been seen, because they have no insurance and because the cheapest pharmacy sometimes is Walmart giving the best fills, where would our friends and family that have no insurance be able to go buy a cheap prescription? So, you know, we've got to look at the whole picture. But he thinks the widening the walls or the roads, all that type, could probably be fixed.

- Joshua Cain – 3939 Central Avenue, Ceres, CA

He stated that he was doing a little research himself, and as Commissioner Kline said earlier, there were the four cities in California that have empty buildings. As he was looking through further, he found that all across the country there are 350 empty buildings.

Right now there's 14 stores in Ceres that sell groceries and other household products. Eight of the stores sell fresh produce items. One of the reasons that Walmart wants to build the new superstore, is they say because of the tax revenue that it'll create. But the thing is about half the stuff you get at a grocery store is nontaxable anyway. Only a handful of things like soda and beer and stuff like that is taxable. So it almost seems like that argument is moot.

It was said that 66 percent of the people in Ceres were in favor of the Walmart, but then on the same exact flyer they sent out, it said that 10,000 people were in favor. Well, I looked it up, and the population of Ceres is almost 45,000 people. 10,000 people doesn't make up 66 percent of the city. And earlier it was said, there's no weekly traffic problems, like around the church. Drive by there on Sunday and tell me if there are no weekly problems there.

Walmart said themselves that they'll build Phase 1, but that doesn't necessarily mean that they'll have to finish the rest of the phases. So they'll have their store built, but then there's no telling how long they'll put in their other buildings and whatever, if anything,

will come there.

He thinks if Ceres wants to generate a new form of tax revenue, he suggests we bring in something that's not here already; a movie theater, a bowling alley, something to do for the family, because there are really no family things to do. There's tons of fast-food, 14 grocery stores. He thinks it's time that maybe Ceres finds some kind of entertainment value to do and generate new tax revenue that way, by having a new business.

- Mary Alton

She stated that she was one of the people that was up here before. Since that meeting, she has had the opportunity to go out into our community, and also to Keyes, to Hughson, and to Turlock. From around our whole area here, there are people that are asking where and when will we get a Walmart that can handle all of their products. She has had older people here that have said, "We could take the bus. We can get off by ourselves." That would help her a lot because right now she is driving people with her car, outside of Ceres because they want to go to Winco. The groceries and things there are so much cheaper. They said they would be willing to stay here in Ceres, if we had a Super Walmart.

Another thing that she is concerned about; they were talking about fixing the roads.

She also said that the paper mentioned something about 80 people's menial jobs, or jobs that were not up to union wages, isn't worth it. She suggested to asking the 80 people that are out of a job; they do believe it's worth it. I also listened downtown. They had a job fair down there, and a man and his son said, "We've been out of work for a long time, and we will take a job if Walmart would even offer it."

She reported that she went to Walmart the other day. She walked through the store and asked several different employees, "Hey, how's your job? What do you get paid?" First they thought she was nuts. And then she told them that she just really wants to know if they like their job. And not one person said, "No, I would not work here." They hire people that are underprivileged; they have a lot of special needs people that work for them; they also have a lot of retired people that need to subsidize their own income. And they also do not ask for a school diploma, which a lot of people probably say, "Ah, they're not graduates." That's okay. They don't have to be to be human.

She thanked the Commission for this time, and said she really hopes that when they consider this, that they will also consider a lot of the elderly people that do need this store. And we want it. So please, please.

Chairperson Kachel stated that we're hearing a lot of good information, but reminded the audience to please keep their comments focused on the specifics of what we've heard tonight and not repeat what someone has said before.

- Bertie Plante

She stated that after the last meeting, where she got up here and told how much she loved Walmart; loved working for them and everything, she got to thinking about this and went online. She heard about businesses being closed because Walmart comes in and economics was the top thing. She found several articles on line, and wanted to share one with the Commission. This was a study that was done. "Central Valley and Imperial Valley communities where economic growth is historically the slowest in the state experienced strong citywide taxable retail sale gain after the opening of a Walmart Supercenter." And they give several different stores here. One store that she is familiar with is Dinuba. Their gain was \$49.9 million. Hanford was \$32.4. Stockton was \$122.3 million or 21.4 percent. She asked if a Walmart Supercenter can come in here and give us, let's say we're about the size of a Dinuba, say \$50 million a year in taxes, why can't we do it? Why don't we do it? We need help here in Ceres. This taxable income would help us. And she does love her job. She has been there almost 18 years, and she plans on being there a couple more years. And as far as wages go, she supported all three of her children on Walmart. She raised a grandchild, thanks to Walmart. Now she's on her own. She owns her own home, which is a motor home, but it's still her home. She has great benefits. She had to have hip replacement two years ago. She couldn't hardly walk. She is walking around now! She has good doctors, dentists and eye doctors.

She stated that she wants the Commission to think about this, and stated that yes, she thinks it will be a good store; a good place for families. And she asks them to please vote "yes" on this tonight.

- Lita Algeo

She has lived in Ceres for 42 years and she worked for nearly 30 years. She stated that during that time, we had a shortsighted Council for years, where growth is concerned. We need jobs, jobs and more jobs. She doesn't shop at Walmart, but maybe but twice a year. But, several people she knows do. What's important to them is important to her. Walmart has low wages, but they are wages, and the employees are allowed to grow and attend classes and improve themselves. There's also health benefits and they are community oriented. Jobs make Social Security. Simply put, we need the money generated by Walmart.

- Geri Ottersbach

She stated that she has some packets to give out and asked who she should give them to. (She handed the packets to Mr. Westbrook.)

She said that besides the items that she had mentioned in the last two letters that are on record, she is concerned. She knows that Ceres does not need more poorly maintained landscaping from Walmart. Ceres does not need more traffic congestion than can be fixed with only three traffic lights. And Don Pedro doesn't need truck traffic. Ceres does not

need to gamble on losing more fundraising dollars or charity contributions from our locally owned, anchored store as a result of a new Walmart center putting them out of business.

She commented that she recently went to Oklahoma and Arkansas, visiting relatives. She took photos of three supercenters because she thinks the existing landscaping at Walmart in Ceres is horrible. She asked the Commission to please look at the photos of the Poteau, Stigler and Fort Smith supercenters that she has given them for their review. She thinks those photos show that Walmart's landscaping is unattractive. It is obvious to her that Walmart does not know or care about landscaping the way that Ceres residents do. The smallest supercenter that she visited, and perhaps Walmart's smallest, is in Stigler, Oklahoma. Stigler is about two hours from Bentonville, Arkansas, and the location's Walmart headquarters. Stigler still has a movie theater and a downtown that is similar to Ceres, but the supercenter caused a Stigler grocery store to go out of business within, like, seven or eight months of the new building of the supercenter. And there's another grocery store in the area hanging on by a thread.

Instead of building a new store, she requests that Walmart do a facelift on the existing store and cleans up the existing store landscaping. If you want groceries, Walmart can expand with the existing store. Ceres should reconsider what it's doing about our existing empty retail spaces. Ceres should concentrate on bringing in new unique businesses, attract shopping and entertainment complexes to draw people from around the area. She asked the Commission when they vote tonight, to think about this if they vote "no." We will still have a Walmart and we'll still have good-paying jobs and benefits from our existing retailers. If they vote "yes," we will only be replacing one Walmart with another, and we will lose those good paying jobs with benefits, and retailers who are going to be put out of business when the new Walmart is built. Ceres will die on the vine. Also, please look at the page from the Walmart corporate website that are in the packets. Read the highlights section titled, "Walmart U.S. to Focus on Remodeling." As stated in that document, by the end of 2012, approximately 70 percent of Walmart's U.S. stores are expected to be updated. She wants to know why the existing Walmart in Ceres is not a part of that update or updating.

- Sherri Jacobsen

She stated that she has pamphlets for the Commission. (Ms. Jacobsen handed documents to Mr. Westbrook.)

She said she is speaking to the Commission tonight as a proud member of this community. She has been a voter in this community at least 25 years. As a member of the Citizens for Ceres group, she wants to tell the Commission what's in her heart tonight. The Ceres community is rich with ideas. When we take the time to listen, we hear a kind of enthusiasm and a sense of community that you won't find in most towns. We know our public officials by name, our police officers, our firemen and so forth. We talk to each other, we educate each other, and we definitely care about each other.

The proposal that is before you tonight cannot be considered in any fashion an economic development project. It will not have a lasting economic benefit for the whole community, nor will it reflect the small town values that make Ceres so special. Although Walmart is known for being the nation's largest retailer and has had historical financial success, the contemporary design that Walmart says we should be happy with represents an outdated concept. Walmart has at least a couple hundred stores on the market at any time, and they refuse to sell or lease them to their competitors. Some remain vacant for years. In the news recently from Warren, Michigan, a dead, ghost Walmart store there has angered the mayor so much that he is threatening a national boycott of Walmart. That is in Section 1 of the pamphlets she has handed to the Commission.

She has also attached a Wall Street Journal article regarding Walmart's unwillingness to sell or lease abandoned stores to their competitors. Walmart said in a recent editorial to The Ceres Courier that they don't own any vacant stores in California. She doesn't know whether Walmart's qualified statement regarding ownership is technically correct, as she hasn't researched the claim. It is, at a minimum, intellectually dishonest.

A quick Internet search revealed several former Walmart stores abandoned for larger supercenters that continue to sit vacant for several years. These include a 125,000 square foot building in Gilroy, a 125,000 square foot building in Hanford, and similar sized stores in Bakersfield and Vallejo. That information is in Section 2 of her pamphlet. As for the cookie-cutter design that was discussed during the Planning Commission meeting on February 22nd of this year, there was disappointment expressed in the architectural design presented for the project, and the Commission requested examples of elevations from other communities. The Staff Report suggests that the proposed store will look like the new Atwater store, but does not include additional renderings. In the event Walmart does not have an opportunity to present those additional renderings, she has done her own homework on this. First, in addition to Atwater, the proposed design elements are essentially identical to Walmart stores proposed or approved up and down the Central Valley in cities like South Fresno, North Fresno, Kerman, Elk Grove and Folsom. See Section 3 of the pamphlet. If this is to be at our city's gateway, why would we want our gateway looking like generic Walmart architecture found in numerous other cities?

Secondly, she found examples of several unique Walmart designs that the company produces when the city wants something more than basic. These include urban designs proposed for Chicago and Washington D.C.; craftsman style architecture found in Napa County's American Canyon; alpine designs in communities like Hood River, Oregon and Woodland Park in Colorado. And even mission and Mediterranean architectural styles in California, in places like San Diego County.

She does not oppose a regional commercial development at this site, but because this is at the gateway at our city, let's demand more than the bare minimum. We don't need to adopt Walmart's mind-set: Because we are a small Central Valley town, we deserve better

than what they have presented. Let's demand more and let's be sure that whatever does ultimately go into that location truly benefits rather than cannibalizes our community.

- Gary Rambaran – Ceres, CA

He began by saying he wants to thank the Commission, the Planners, Members of Walmart, and the general populace of Ceres. He stated that with growth comes pain. When a child is born, do we expect that child to be a child all throughout its lifespan? The answer is an emphatic "no." Ceres is a beautiful city. It's a bedroom community. But there has to be growth, and with growth there has to be an increase in revenue. And the only way that this will be facilitated is when we have stores like Walmart come in. A Super Walmart will do a great deal to help boost the economy. We complain of the traffic, the trucking. With the increase in revenue, the City will have enough funds to have more police out there to enforce the laws and to stop the noises that these truckers, bikers and cars make.

His appeal to the Commission, is before you arrive at any kind of a decision, be it for Walmart or against Walmart, let this be presented again to the general populace and let us decide. But his prayer is that whatever decision we arrive at, let's look at growth, let's look at jobs, and he believes with conviction that Walmart can provide the much-needed boost to the economy, as well as jobs. Of course, there are going to be things that would run contrary to what all of us wish for, hope for, and live for, but let's give them an opportunity.

We talk of the wages that Walmart pays. Now, what is much better? To get a half a loaf of bread than no bread at all? We're shipping jobs overseas. We're outsourcing. Why not keep the jobs right here? Walmart can help us do that. We need to build the economy based on conviction. We can agree to disagree without being disagreeable. But he believes firmly that we should give Walmart the opportunity.

- Rich Wardell – new store manager at the Ceres Walmart – 1617 Mitchell Road, Ceres, CA

He stated that up until six weeks ago, he was a Senior Director of Operations for Save Mart Supermarkets in the Nevada area, of which we have seven Walmart Supercenters, which he was competing directly with.

He reported that our average wage at Walmart up the street is well over \$13 an hour. He has heard a lot tonight about hometown values; heard a lot about for and against. He can offer you his services, he can offer you his time, and he can offer you his insight. He was born in a small town. His hometown values don't go away. He worked for Mr. Piccinini six weeks ago, and he worked for a Charlotte Walmart, and he's still the same person. He cares about the employees. He has been treated very well. He has been welcomed. And this community, although it's very new to me, it's a neat community, and he looks forward to serving you and the people of Ceres. I just want to offer my time and

introduce myself.

Chairperson Kachel asked if he could ask Mr. Wardell a question. Understanding who you did work for and who you do work for, hopefully you'll be objective about this. But Walmart's asking to come in here and do some expansion. Well, it was just not very many years ago Save Mart moved into Nevada. Was there any sort of reaction at that time? In other words, when Save Mart moved in, were they looked at as the competition and to be frowned upon? How were they perceived? In other words, we're getting a lot of perception here both ways, very strongly, about Walmart. But we're looking at land use, and that's what we're here for, is to talk about land use. And I'm just saying, did you see anything similar, but sort of in reverse, when Walmart was already up there and then Save Mart came in?

Mr. Wardwell responded that when SaveMart came in, we were going against small competitors like Scolari's Markets, and Raley's was up there as well. And he believes Save Mart was looked at as an aggressive competitor when we went in with a marketing campaign and went after, that piece of the business. Walmart has opened two supercenters since he's been there. His business was up in double digits in Reno. He was offering a value add, He was competing quite heavily with Walmart and every other independent. He was viewed as a competitor to some of those smaller markets.

He's here tonight just to introduce himself, offer you his time, offer you anything that you want. And he does care about the people, and he's not going to stop caring about anybody or their jobs. We've got full-time employees, we have part-time employees, just like any other business, and we offer a fair wage, and we offer health and medical and optical benefits. And he has been welcomed quite nicely. So thank you.

- Gladys Boling - 3305 Perisburg Lane, Ceres, CA

She stated that she is for Walmart. She thinks that we need something to bring people to Walmart. Right now, with the old Walmart sitting way back in the corner, you get the people that are from Ceres and maybe a few people from Modesto. But if it's on 99, you're going to have people from different area. And also the traffic, as far as the trucks are concerned, you're not going to have them driving up and down Mitchell like they do now. They'll come off the freeway and go right into the Walmart. I see this as a big help for even the seniors. Who hires the seniors? Walmart. They're your greeters. And let her safely say that for a lot of us who need that extra job, that's perfect. So she is for this Super Walmart.

- Galen Hedgecock – 3640 East Service Road, Ceres, CA

He stated that for 40 years, before he retired he was a paving contractor. He advised the Commission to not lose this store; we need it! He said he never did own a shopping center, but he paved a lot of them. And this is one good set of plans.

- Rick Rushton – 3405 Fowler Road, Ceres, CA

He said that he has a question that was brought up about super trucks. Walmart said they don't get deliveries from a super truck. Their own trucks are super trucks. A 53-foot trailer and a sleeper is considered a super truck. And also on the eight-foot sound barrier wall they want to build, a standard tractor-trailer is normally 13.6 feet tall. So that leaves five-and-a-half feet that can be above that. He doesn't think that's acceptable.

According to the Staff Report dated February 22, 2011, the proposed Mitchell Ranch Center will not be built in a single phase. Picture this. When the supercenter is first built, all the center's retail pads will be empty, without structures, except the Walmart pad. The Walmart is the only tenant specified for the shopping center. It is anyone's guess when Walmart will build the other pads. If this project allowed as it currently specified, for years to come, image of halting, isolated monstrosity on 26 acres of blacktop will be emblazoned in memories of residents and visitors to Ceres and travelers on Highway 99. Add to this image a parking lot with huge trucks, RVs and campers parking every night. The fact is that Walmart allows overnight parking. It is such a sought after convenience that when camping, websites promote Walmart's overnight free parking. We will be able to set our watches daily by the large number of out-of-town truckers getting off Highway 99, each one parking in the proposed Walmart Supercenter's site for up to three days in a row for free. If that isn't enough of a turn off, when the truckers run out of space in the new 26 acre parking lot they could drive less than two miles down Mitchell Road to an existing store. The one that's going to be abandoned there. He thinks instead of calling the proposed project area as a southern gateway, we could have the Commission give it another name: "Walmart Super Truck Stop - Gateway to Ceres." He asks the Commission not to turn our limited southern gateway into a roadside pit stop for tired truckers and campers. They should be parking their vehicles at proper truck stops, camping facilities or hotels. He asked the Commission to please vote "no" tonight for the Walmart proposal.

- James Vinyard – 1339 Grandview Avenue, Ceres, CA

He began by thanking the Commission for allowing him to speak here tonight about the proposed Walmart Shopping Center on Mitchell Road. He has two or three topics of concern that he believes need to be brought to the Commission's attention.

The first topic concerns the traffic in the northeast corner of the proposed shopping center, both within and outside the shopping center. The combination of delivery trucks, customer parking, shopping vehicles, pedestrians and commuter traffic at the new traffic light at the intersection of Mitchell and Don Pedro Roads will create excessive congestion in the parking lot areas, as well as at the intersection where the traffic light is located. The traffic will back up into the north driveway entrances, resulting in frayed nerves and an undue safety risk.

He also has a related concern and a question. He is concerned about the routing of Walmart delivery trucks, which will approach the Walmart unloading bays. For example, if trucks have to back into the docks to unload their inventory, he believes this will slow up, if not stop, traffic out on Don Pedro Road, thereby creating more congestion and a safety hazard. Given this scenario, what is the route that the delivery trucks will be using? And if his scenario is correct, won't that approach on Don Pedro Road cause unmanageable traffic problems? He believes another traffic problem will occur for the neighborhood vehicles coming out of Archcliffe Drive. The people who live on Archcliffe Drive will certainly have a very difficult time making left turns onto Don Pedro Road; and, specifically, traffic will pile up during the time that delivery trucks are pulling into the driveways and blocking flow-through traffic. This is not only a great inconvenience, but a potential hazard; safety hazard as well.

He also has a great concern about the landscaping that's at the current Walmart store on Hatch Road. He thinks it is really sad that a company as big and as well known as Walmart has allowed the landscaping at this Hatch Road store to deteriorate to such an unattractive state. Would a new Walmart shopping center be allowed to fall prey to this same treatment? What kind of guarantee will Walmart provide Ceres that the new store's landscape will be maintained properly, and how will we enforce that guarantee if Walmart fails to fulfill its promise to keep up the landscape?

Finally, he asked if anyone can please tell him why Walmart cannot meet their growth needs by retrofitting their current store on Hatch Road? Walmart's Hatch Road parking lot looks like it has plenty of room to accommodate expansion. He asked the Ceres Planning Commission Members, to please vote "no" on the proposed shopping center.

Chairperson Kachel announced at 8:20 P.M. the meeting will recess until 8:35 p.m.

The meeting reconvened at 8:35 P.M.

Chairperson Kachel announced that we'll continue with the public hearing. We may have a few more speakers. After that we'll hear back from Walmart and any comments they have about what folks spoke about this evening. Then we'll close the public hearing and bring it back to the Commission. We may have some questions for our staff and/or our consultants.

- Brett Jolley – Attorney with Herum Crabtree, 2291 March Lane, Suite B100, Stockton, CA

He stated that he is here on behalf of the Citizens for Ceres group, and has two handouts to distribute to the Commission members.

- The first handout is a Proposed Resolution that would deny certification of the EIR and deny approving the project. The purpose for this is the Staff Report on February 22nd did include three Proposed Resolutions certifying the EIR and approving the

project, and he wants the Commission to have the benefit of a resolution that reaches the opposite conclusion, should the Commission decide to go that way.

- The other handout is an article prepared by the San Diego County Taxpayers Association .

He stated at the Planning Commission meeting on February 22, 2011, his comments really focused on the issue of the effectiveness and adequacy of the Urban Decay Analysis, including the omission of any discussion of blight in the community, as well as the Commission's need to make a Statement of Overriding Considerations and walking through the reasons why the overriding considerations that were outlined were not available. In response, Walmart had a representative get up in rebuttal and essentially said, "Blight is not relevant to an Urban Decay Analysis. Urban Decay Analysis is CEQA, and blight is redevelopment, and they're completely separate creatures." And that was reiterated tonight through some of the comments. The other main point made was that the Statement of Overriding Considerations, according to Walmart, was adequate, and he and his clients had not presented any evidence, particularly to the arguments that there would be a neutral or negative tax benefit for the City, and in terms of job creation and employment in the City. He'd like to address those points tonight.

In terms of whether or not blight is relevant to the EIR's analysis, we have to remember that the EIR has a chapter; Chapter 4.5, "Economics and Blight." It seems to him that where an EIR has a chapter entitled, "Blight," it is important for that chapter to consider the very impact that it purports to discuss. But, more than that, this argument that blight and urban decay are completely unrelated is really a misappropriation of the terms. He went on to explain the context of this.

Where this context comes from is footnote 4 of a decision called "Bakersfield." Bakersfield was a 2004 case in which an opponent group challenged Bakersfield approval of two Walmart Supercenter-anchored projects. And Mr. Jolley happened to represent that group through the litigation in appellate court proceedings. In the trial court and then again in the court of appeal, the developers argued, "We don't need to look at this concept of urban decay or physical deterioration because it's really blight, and blight has a specialized meaning under the Health & Safety Code, and the project opponents have not shown that the mandatory findings for blight have been met. Therefore, because there's no showing of actual blight in Bakersfield, we don't need to consider this physical impact called 'urban decay.'" And the appellate court rejected that concept and said, "No, no, no. You don't look at whether or not you meet the requirements of blight to figure out whether an Urban Decay Analysis is required. You look at evidence of physical deterioration and other related impacts arising from store closures in the community." So at this point to turn that concept on its head, which he thinks Walmart has done, and to say, "We don't need to consider blight; we only consider urban decay," really is not appropriate. And when we look at the big picture, there is physical deterioration and

related blight in the community, and it really needs to be addressed in the Environmental Impact Report. He would suggest in the section called, "Blight and Economics."

A third point he'd like to make involves a memo from Pacific Municipal Consultants that's in your Staff packet, that discusses, in a few pages, the concept of blight and urban decay. And the crux of that letter, as he understands it in reading it, is that the city adopted its redevelopment areas as far back as 1991. And redevelopment laws were different back at that time; and, therefore, some of the findings of blight that the city made at that time may not qualify as blighted areas now under the current law. He would submit to the Commission, this is a very slippery slope that the City probably doesn't want to go down, as we're in a situation where we have a governor that's looking to try to take as much money back from the local agencies as possible and looking to try to phase out or eliminate redevelopment programs, which allow communities to keep additional tax revenues locally. So he really doesn't think the City would be wise to start to say, "Our redevelopment areas may not be legal at this point under the current law. They're outdated." In terms of the Statement of Overriding Considerations, this is really addressed at Section 2 of the Resolution he handed out. But the first issue dealing with the evidence of reduced sales tax revenue, he thinks that the EIR itself lays this out. The EIR itself says that the store is going to be about 190,000 square feet. It's going to have, we're told, a supermarket component that's about the size of a typical supermarket, which according to the EIR for supermarkets in this town is about 60,000 square feet. So that means if we subtract the supermarket component from this project, the Walmart retail area is going to be 130,000 square feet, give or take. That's the same size as the store that we have now. And as we've heard earlier, groceries are largely untaxable. Reports he has seen generally range from about 15 to 30 percent of grocery sales are taxable. So that means of that additional 60,000 square feet, you're going to have a very small amount that's taxable. But what's more interesting is that the EIR itself at page 4.5-13 tells us that this store is expected to have lower sales per square foot than the existing store. It explains that there will be a loss of sales to Modesto. Moving the store will actually increase leakage to Modesto. So when we look at that, we compare the fact that you're going to have essentially the same general merchandise area and the store's going to perform more poorly than the current store does in terms of sales tax revenue, sales generation, leading to sales tax revenue. It means that, in fact, this project will have a neutral if not negative impact on the City's sale taxes.

Mr. Jolley concedes this does not account for the 110,000 square feet of pads or shops or whatever the additional part of the project is going to be, but he would submit to you that is so far out there and so enigmatic at this point, that it's not really something to be considered by this Commission since we don't know when, if ever, those outlying parcels will be built out and built out with what. You can't really look at that in terms of the benefits at this point.

The other point had to do with employment and our argument that this project would probably end up producing a zero net gain or maybe even negative employment numbers. And, again, we were told we haven't produced the evidence; therefore, we can't

make that claim. He would submit to you that we have presented some evidence to you. It is a report by that leftist group: The San Diego County Taxpayers Association. And, according to the San Diego County Taxpayers Association, looking at data generated by the University of Pennsylvania, Wharton School of Business, as supercenters come into a community, a community can expect to ultimately lose one-and-a-half jobs for every job at a supercenter. He has given the Commission just the executive summary, knowing they would not have time to read the entire 80-page report up here, but it's at page Roman V, there's a reference to that concept that, in fact, you would have negative numbers overall. So when you look at that, this project would probably end up producing a net negative of about 42 jobs from the loss of existing jobs as the supercenter develops.

Finally, the fact that Walmart is a good member of the community. Most, if not all people would probably agree it's fantastic that they are giving to the community. We've heard great testimony of the benefits that Walmart has provided to this community. That's really not relevant to this analysis because Walmart is already here. They are already giving these contributions. Approving this project doesn't add anything to the community, nor is there any evidence that if the Commission denies the project that Walmart would suddenly stop giving to the community, as it apparently has over the last 15 years of business. But if this project goes in, the EIR concedes there's a likelihood that at least one if not more than local anchor stores will go out of business, and those local anchor stores also contribute to this community through donations and charity. And if we are approving this project in favor of closing others, you are probably going to have a net decline in the amount of local charitable contributions that this community sees. So looking through that, he doesn't think that the Findings of Overriding Considerations are there to be made. There are several others findings that are outlined in the Resolution that he has given you. Mr. Jolley stated he would encourage the Commission again, do not certify the EIR, do not approve the project. Certifying the EIR says you agree with what the EIR has concluded in terms of its analysis of all impacts and in terms of its findings and mitigation measures. And unless you feel that way, he would suggest you not certify the EIR and also deny the project. Mr. Jolley said that he'll be happy to answer any questions, if there are some.

- James Wysong – 2428 Acorn Lane, Ceres, CA

He stated that maybe lawyers can't figure it out, but he hopes everyone realizes the obvious; the only cure for blight is the infusion of new business into the community. And Walmart is graciously offering you a golden opportunity. He really doesn't care about Walmart, he cares about Ceres. And he hopes the Commission seizes the opportunity. He shops at Walmart. He also shops at Raley's, Save Mart, little mom-and-pop stores, and that will not change if a new supercenter is built. He perceives a fear that the new supercenter is erected and then all these other businesses will go out of business because everyone is going to be shopping at Walmart only. The city has only two choices: To grow or to shrink.

He believes that Walmart has answered in minute detail every possible rational concern about any objections. And what happens is that one group is pitted against another, and he thinks every city, every state in the federal government is looking for ways to increase revenue. And here is the biggest gift to revenue the City of Ceres could possibly get at this time, and he says you should be rolling out the red carpet to Walmart and any other business that will bring the revenue to the City.

- Del Ambris - 1855 Scenic Drive, Modesto, CA

He stated that he has worked at Cost Less Foods on Hatch Road for 20 years; he just wanted to make a few comments in regards to what he thinks community corporate partners should be.

He thought we were supposed to hear the specifics of the jobs gained, compared to the jobs lost; as far as rates go, what type of positions they were. He thought that was on the agenda from the last time we'd met and we were going to continue it.

One other point he wanted to make is Target in Riverbank has just revamped their whole store, and they're now doing meat and produce in their existing store. He doesn't know what size it is compared to Walmart. But just by rearranging the store, they were able to do it. So, he doesn't see why that would be such a big issue for Walmart, at least to consider.

He also wanted to make the Commission aware that there are other retailers in this community that are also very good corporate partners; such as: Cost Less, Richland, Save Mart, Raley's, Food 4 Less, and numerous other businesses, large and small, that contribute to the community in many ways. Cost Less has built and established great relationships with many schools, churches, police, fire department, nonprofit organizations, and other businesses, and he really loves the way this small community has so much togetherness within.

- Rav Atwal – lives with his family in Ceres, and we own a business, the Belly Pizza Zone on 3100 East Service Road.

He stated that his family's pizza business is right next to this project. What this project would mean for his family, is potential customers. We all know that the economy is kind of slow, and something like a Super Walmart would bring out a lot of customers and a lot of potential customers to us. And what that means for him, is that he would get to go to grad school and his family will have financial stability. It's not just him; there's accounting businesses there, there's filing services, there's gas stations. There's all kinds of things. And to say "no" to something like this would be an attack on our livelihoods, and a potential opportunity for the City of Ceres.

- Art Lopez

He stated he just moved to Ceres and he doesn't know exactly where he lives yet. But,

we did open a new business here in Ceres, right on Service and Mitchell. We took a risk. And the reason why we took the risk on coming over here was because Walmart was going to open their superstore. We're a small store, and we're taking a risk, and just wanted to see if we could take a risk. He wanted to let the Commission know Ceres should take a risk, too. He said they don't know if we're going to make it, but if the Super Walmart opens, their risk will be a lot less.

Chairperson Kachel asked what the nature of his business was.

Mr. Lopez responded that he and his wife opened a furniture store, right across the street from Belly Pizza Zone.

- David Patterson – Ceres

He stated he is originally from the Bay area. He thinks it's great that Walmart is considering putting a super center here. He'd like to see something new in Ceres and to see it grow. It would bring a lot of opportunities for Ceres and assist a lot of people, including himself who are on a fixed income.

- Mike Lowe – 1901 Wallace Avenue, Ceres, CA

He stated that he has lived here for 31 years. Tonight he has heard a lot of "yeas" and "nays" about Walmart. But the first thing he heard was Mr. Kline saying, "Wouldn't it be nice if we had some good restaurants here? Wouldn't it be nice if this community did grow?" Here is a business that's offering this to us. We've got professional people and staff to work out little road problems, intersections, and signal lights. Walmart has put many stores into many communities that have addressed these problems. Whether we grow, that's up to the Commission. But it is encouraging for the first time in 31 years, I'm hearing a good developmental center coming to this city. We've developed well on the west side, on West Hatch, but now to develop to that area and to draw customers from from Turlock and from some other outlying communities. He asked if we want to grow or do we want to stay stagnant?

Chairperson Kachel asked if there's anyone here from Walmart who have any comments to make; if not, he'll close the public hearing.

- Miriam Montesinos – Attorney from Sheppard, Mullin on behalf of Walmart

She began by stating she wanted to quickly address Commissioner Kline. She had the opportunity of searching through the Internet to try and find centers where there is an Applebee's and Walmart. A few examples that she obtained off of a 10-minute iPhone search include:

- Milpitas - in that center there is a Borders, a Best Buy, a PetSmart and a Sports Authority. Those are major retailers. You have an Applebee's, a Black Angus, a

Macaroni Grill. Those are just some of the sit-down restaurants. It also has fast-food restaurants.

- In Sacramento and Natomas, there is Home Depot, Staples, PetSmart, Ross and Michael's, as major retailers. There is an Applebee's, On The Border and a few others.
- In Merced, across the street from the Walmart, you have Pier 1, Best Buy, Lowe's, and you also have an Applebee's.

She thinks that that just goes to show that you indeed can have the uses that you want at this center. And it's not going to prohibit. If anything, she believes it's going to help draw those uses that you feel you're not getting right now in Ceres.

To address two of the points that Mr. Jolley raised:

- With respect to what we said at the last hearing about blight and urban decay, she does think that PMC's memo does a fair job of addressing what the legal distinction is. She wants to point out one thing; the bottom line is that urban decay has been analyzed forwards and backwards. The economists have looked at this issue. Staff has looked at this issue. They've gone above and beyond to analyze it. And the bottom-line conclusion is not that stores will close, like he said. That's not what the report said. It said they might close. But still no urban decay would occur, and that is what you need to focus on for purposes of the EIR. He has not provided you with any evidence to the contrary, and that's what we keep focusing on. He has not submitted any reports, at least till now. Let's see if we go to the Council; that say, that there's any urban decay that is going to occur. A disagreement among experts, as your Staff and your City Attorney can tell you, is not sufficient to find an EIR inadequate. That's just not enough. Otherwise, a city would never be able to certify an EIR because somebody would just come and throw some type of report out there and say, "Here's another expert report. Here's a disagreement. You can't certify the EIR." The bottom line is when somebody gives you information that opposes what your staff and what your EIR consultant has said, what you need to do is evaluate that, take it into consideration, and then decide, "Who do I believe? Do I believe my staff who cares about Ceres? Or do I believe an attorney who was hired to stop this project?" That's the bottom-line question you need to ask yourselves. How you resolve that is completely up to you.
- On the Statement of Overriding Considerations, she just wanted to make one quick point on this. As long as you have one benefit; just one, that's enough for you to adopt a Statement of Overriding Considerations.
- She quickly touched upon just a few of the other issues. With this project, the main thing to think about it, it's a regional shopping center within a site that has

- been designated as such by your General Plan. This is what's going to go into the site. This is how it's going to be developed. This isn't a Walmart issue. This is a land use issue, as the Chair stated earlier. The bottom line is, when your General Plan has said, "This is what should be developed on the site," when your Corridor Plan has said, "This is what should be developed on the site," why are we focusing on Walmart? Why? But when Regency started this project, nobody had these concerns. They were happy that Regency was doing this project. If Walmart had never come, would we be having this discussion today? I bet you most of the people in this room wouldn't be here if it was just Regency proposing this center, and most of the people who would probably be in support because of the benefits that it's bringing. This is a land use issue. This is a decision about, do you approve use permits for a shopping center on a site that has been zoned and the intention through the General Plan is for a regional shopping center.
- And then one last thing, which is about the Reuse Plan. I understand your concern about what happens to the stores afterwards. The bottom line is, as Amelia explained, Walmart does put its best foot forward to sell the store. They did that in Gilroy, and it was occupied for a while. I think it's still vacant. Walmart can't do anything about those situations. It can't legally force a property owner to do something. All it can do is do its best to ensure it finds a property owner that takes over the site. And that it has been very successful in doing, by virtue of the fact it has sold all the properties.

Chairperson Kachel asked if she might comment on the competition clause.

Ms. Montesinos stated that she thought part of that goes back to when there were discussions about the development agreement on the site, which ended up not moving forward. And Walmart recognized that we need to give the Commission certainty about how we plan on reusing the site. In the business world, you can't force people to give their properties to competitors.

Chairperson Kachel asked is Walmart comfortable with the change in the language, and of course, this is all up to the City Council anyway, but the change in that the plan be in place before a building permit is issued as opposed to the occupancy.

Ms. Montesinos replied yes.

The public hearing was closed at 9:14 p.m.

Chairperson Kachel opened the meeting back up to the Commission for questions and comments, but asked first if Staff had anything they'd like to add or comment on.

Mr. Westbrook responded that staff is just willing to respond to the questions that you have.

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Commissioner Molina began by thanking everyone who came, took time out of their day to come and visit us and be part of this very important project. He stated that there are a lot of mixed feelings and emotions. But the overall picture, as has been mentioned, is that we are here to decide on a project based on the information that has been given to us; the EIR, the reports, pictures and testimonies that were heard. He said he wishes he had the ability to make everything fit together and accommodate everyone's desires. However, his duty as a Planning Commissioner is to determine the goodwill or validation of this project, based on what was presented. He said that he went over all the report, all the information. He took some time to visit staff and get as much information as he could to feel comfortable with making a decision on this. He wants to state for the record, that his decision does not necessarily represent how he personally feels about Walmart. He is confident that all the information provided to him personally does meet the requirements from the City to move on with the project.

Chairperson Kachel asked Commissioner Kline if he had questions.

Commissioner Kline replied that he just has comments; no questions.

Chairperson Kachel asked Commissioner Del Nero if he had any questions.

Commissioner Del Nero said he had a question about the front of the building. He's looking at page 18 of the staff report and asked if we're leaning more towards that; the brick out front, or something else.

Mr. Westbrook replied the photo that you were referring to is one he actually took himself of the store in Atwater. When Mr. Vermeesch presented to the Planning Commission, he noted a lot of the similar architectural features and colors of the building. The only thing that Mr. Westbrook pointed out is the brick feature is not what is proposed on the Ceres store. In lieu of this brick feature, refer to page 19, to see the awnings and columns there. What is being proposed is this textured block, which is a cement masonry block with texture.

Commissioner Del Nero said it's pretty tough. He listened to everybody out here and everybody had some good points. He listened to the concerns of the people on Don Pedro and also listened to the people from Walmart. He looks at Mitchell Road as our McHenry Avenue in Ceres. Is this what we want to see when we come into Ceres? He said when looking at the "Welcome to Ceres" sign, he kind of liked it. It looked like a good entrance into Ceres. He stated this is kind of something he'd like to see in our City and something we can be proud of.

Chairperson Kachel stated that he had a few questions, mostly for staff:

- Traffic mitigation – The EIR talks about traffic and he thinks the traffic concerns are clearly focused around the Mitchell Road off-ramp, the Mitchell Road intersection with Don Pedro and with Service, and the impacts along Don Pedro Road. There are

some mitigation measures being proposed. One of the concerns, he thinks was expressed by one Commissioner at our last meeting was about the fact that neither the applicant nor the City of Ceres has any control over the eventual rebuilding of the interchange. That's up to the California Department of Transportation, CalTrans, and they do things at their own speed, in their own way. He believes that some things will be done before the store opens, and asked if someone could summarize briefly the relationship between the store, its opening and what improvements we're likely to see at that time.

George Osner, consultant to the City on this project, responded that the traffic mitigation or improvements that are to be done in conjunction with the project are actually summarized in a couple of different places. One is on page 13 of the Staff Report from the February 22nd Planning Commission meeting, which summarizes the mitigation measures that are to be done. Also, in the EIR, in Chapter 4.13, which is the Transportation and Traffic chapter, there are a couple of tables there. He further explained that he is not going to just reference documents, but will actually go through the measures. He also wanted to mention that in addition, the Conditions of Approval embody all of these requirements; so that they're actually made conditional of the approval prior to certain things happening.

As previously discussed there's a requirement for a Traffic Calming Plan and the installation of whatever the plan refers to. That would actually occur after the opening of the project.

- The length of Don Pedro that's adjacent to the project will need some improvement to bring it to a City standard, including the sidewalks and so forth on the south side.
- At the intersection of East Whitmore and Mitchell Road, there's a requirement to modify the street there to provide a second left turn lane and make some modifications to the signal and to the signal timing. That's to be done prior to the opening of any part of the shopping center.
- At Don Pedro and Mitchell Road, there's a requirement for a traffic signal to be installed at that location.
- At Service and Moffett Roads, there's a requirement that the project widen the southbound approach of Moffett Road up to the Service Road interchange/intersection to allow striping of the left turn lane. This will also be done prior to opening.
- At the intersection of Service Road and El Camino Avenue, there's a little bit of modification there to allow for the provision of left and right turn pockets for El Camino Avenue.

- At Service and Mitchell Road – “Project shall construct a second eastbound left turn lane on Service Road to Mitchell Road.” That’s along the front of the site.
- “Extend the northbound left turn lane to provide at least 325 feet of vehicle storage.” That would actually be on the far side from the project. “Make signal modifications to provide protected east-west left turn phasing.”
- At Rhode Road and Mitchell Road – A requirement to install a traffic signal and actually some realignment with Rhode Road. Those improvements were previously approved and required in conjunction with the Ceres Gateway Project. Whichever project went first would have a requirement to do that.
- Some improvements relating to the 99 off/on-ramps; both the south and northbound ramps, “Eliminate the westbound left turn movement for non-emergency vehicles. Eliminate the stop control for northbound movement and modify striping.” These are some fairly minimal improvements, but it is a requirement that these improvements be submitted for approval to CalTrans.
- Southbound off-ramps – “The project shall provide improvement plans to Cal Trans and the City to install a traffic signal, modify the southbound Mitchell Road to provide a second left turn lane within the existing right-of-way; modify the on-ramp to provide two receiving lanes; and modify the striping.” That will also require approval by CalTrans, and then the applicant to construct the improvements once CalTrans has approved.

Mr. Osner also stated that there is the standard City requirement that all the improvements around the periphery of the project; the streets actually have to be finished out to make them consistent with the City’s standards prior to the occupancy of the site.

- Chairperson Kachel inquired if it would be fair to say, given that this property is zoned in the General Plan and in the Mitchell Road Corridor Specific Plan for regional commercial, that these requirements, or some very similar, would be required of any similar sized project, regardless of who the tenant might be.

Mr. Osner responded if the traffic consultant is actually present in the room, she can correct the reply, if it is wrong. Any similarly sized commercial project will have similar traffic effects. The traffic really is a function of the amount of square footage and types of uses. This is a pretty standard shopping center configuration, albeit it has the one very large tenant. So, a different tenant, a slightly different design of the site; yes, they would have essentially the same amount of traffic, which would give rise to the same types of mitigation.

- Chairperson Kachel thanked Mr. Osner for his response and said that was exactly what he was hoping for.

He continued by stating for the record, that several people from the audience have submitted written materials to the Commission this evening, and those are appreciated. He has not had a chance to read them. He is paying attention and trying to operate the meeting. It's very difficult when we get stuff at the meeting, to consider it in detail. They listen to what you have to say, and try to glance at the materials, but he just wants to state for the record, that he hasn't read everything that's been handed out, because it's simply not possible during the meeting.

- Chairperson Kachel asked will there or will there not be super trucks coming to this site; Walmart super trucks?

Mr. Westbrook replied that the applicant says no; there will not be.

- Chairperson Kachel asked for clarification about the issue of overnight parking or camping in the parking lot. This was the first he's heard about that.

Commissioner Kline asked if he might make a comment on that. He knows that Walmart does allow overnight camping and parking, but it also stipulates there are some locations, because the city does not allow it, Walmart doesn't allow it because it's a city ordinance. But there are locations that do let them have it.

Amelia Neufeld confirmed that there are cities that, in fact, require that Walmart provide overnight and RV parking, and then there are cities who don't want it. They comply with every ordinance in the cities.

- Chairperson Kachel explained that there have been some questions raised about the landscaping and maintenance at the existing facility. He asked Mr. Westbrook if he would talk a little bit about what the City code calls for as far as making sure properties are maintained in an acceptable manner.

Mr. Westbrook stated that generally, it can be as simple as an inspection that's conducted by the Code Enforcement Office; or if he is perhaps out in the field and sees something, where there's property neglect, it's a simple phone call to the property owner.

The difference between the two locations all revolves around the Water Efficient Guidelines that were adopted by the City in 1994. Walmart was opened in 1993. The new store will meet the requirements of 1994, which requires a Landscape Maintenance Agreement Form, which is signed and executed and recorded against the property before they ever pull a building permit. That's a legal document. At any such time the City says, "Your property is not being maintained to the standard that you said it would be," we pull out that form; and the work gets done by the property owner. The requirement will be on all seven parcels.

- Chairperson Kachel stated that he has just a couple more comments.

- He said that Mr. Jolley submitted some information, including a Draft Resolution and an article; which he presumes we can get copies of to Walmart at some point, on his take on this issue of blight. In the Staff Report, we have under consultant's signature, pages 38 through 42, which gives an analysis of the difference between blight and urban decay. Chairperson Kachel stated that he is not an attorney, nor did he write this. Mr. Teague is responsible for this; and in turn, the City is responsible for the document. But, what he thinks it says is that you can look at economic issues, but what you have to do is draw a line between the economic issues back the physical impacts; the land use impacts that those cause. Not who is going to make this amount of money or who is going to donate this amount of money, but what kind of physical changes can be expected. He asked Mr. Teague if that was a fair summary of that topic, from his perspective.

Mr. Teague responded yes.

- Chairperson Kachel appreciated the attorney pointing out that when we look at certifying Environmental Impact Reports, one of the things that gets looked for, which is very important, is the subject of have we talked about the topic; and that disagreement among experts is expected and is common; and just if you've tried to balance the issues and look at them and analyze them. He thinks that it's been done here between all the documents that have been done and the questions that have been asked and the response and information that's been given back.
- Chairperson Kachel remarked that the only thing he didn't see that he had hoped to see tonight, are some elevations of some alternative store fronts or sides or backs. The elevation that was presented tonight, that was sitting out in the lobby, shows what Walmart has in mind. So, as Commissioners we've got to each pass our own judgment whether we think that does create the proper image for Ceres.

Commissioner Kline made several comments:

- Contrary to what people think in the audience, we're not here to take away jobs. Right now those 85 jobs that are projected by Super Walmart are not in existence. If Walmart didn't already have an existing store in town, he does not believe the discussion and the direction that we're going in, or the arguments we have, would come into play. But we do have an existing Walmart here. We do have the tax dollars that are here. The people of Ceres now that are here with the existing Walmart see what the impact is, and see what direction and everything it has going.
- If Super Walmart Center was built in this corner originally, he doesn't believe that Archcliff Drive would have been built with custom-built homes.
- It's hard for him to look at the immediate job impact of 85 jobs because, no one can say what the volume of the super center would be, and it does not address the possible lost jobs or the hours that would be cut because of the change of where the spending

revenue is generated. And if business picks up at Super Walmart, but Rite Aid loses business; he's not saying that their jobs would be lost, but hours would be cut. That's just a fact because all these businesses work, and Walmart is the same way, works on what their profit revenue is for their man hours of service.

- Then, as he looks at this whole project, and is looking for overriding mitigating circumstances; he stated that when he first went through the EIR report, he asked the question, "Is this all done with the assumption of the 99 interchanges being complete? The realignment of the El Camino Avenue?" Because those are not taking place and because of other things that are there; he looks at Don Pedro Road and three times the traffic influx. He went on to explain that the Planning Commission has a small project, CVS Pharmacy on Central Avenue, that was before them twice; it was passed by the Planning Commission, turned down by the City Council. It is requiring a right-hand turn lane for southbound on Central Avenue. It is also putting in a left-hand turn into the proposed CVS Pharmacy and left-hand turn off Central Avenue into the existing Walgreens. But, he looks at this Mitchell Ranch project with the prospective increase in traffic, and doesn't see where there is the left-hand turn lane to go into Archcliff, a left-hand turn lane to go into the entrance in 1 and 2, and where there's a right-hand turn lane at the corner of Don Pedro and Mitchell Road. So, he's looking at the difference in the size of business that was before the Planning Commission with CVS Pharmacy and the impact that this is going to have, and yet he doesn't see where those can help mitigate the impacts. So, it's hard for him to turn around and say why do we have a small project over here and we're requiring it, and a much large project and a much larger impact, and yet those aren't there. It's hard for him to look at overriding the mitigating circumstances.
- Tax dollars - According to the Staff Reports and different things, with no idea when Phase 2 or Phase 3 are going to take place, we're swapping out tax dollars. According to the report that was presented, there's a potential chance for tax revenue leakage.
- When we're talking about air quality, and we're talking about Walmart putting their trucks on an idle system for five minutes, but yet when the EIR was done, none of that stuff was taken into consideration. Then at the thirteenth hour, we get this revision from the Urban Crossroads, which was very difficult to try to understand all the changes, mitigating circumstances.

Commissioner Kline stated for all the reasons listed above, it's very difficult for him to support; the mitigating circumstances to approve the EIR.

Commissioner Kline stated that he'd like to make a motion on Resolution 11-03 to deny the certification of the EIR; that the Commission comes to the conclusion that we cannot find overriding mitigations on the measures of urban blight in regards to what was addressed in the EIR of the potential closing of businesses, but it didn't address what the potential blight was; that the air quality, as in the EIR stated. That was completed, was

with the understanding of the Mitchell Road/99 and the Service Road/99 – Service interchange would be complete; and that we did get, at the thirteenth hour, an overriding Mitigation or development.

Mr. Westbrook informed Commissioner Kline, that report was done to address a letter that was submitted by the Air District. After the February 22nd meeting, if the Air District had not submitted a letter, the Commission wouldn't have gotten any additional analysis.

Commissioner Kline continued, by adding, because of the rejection of the Traffic Study, as it was completed with the assumption that the two projects would be completed with realignment of El Camino, and the impact on Don Pedro Road, we do not believe we can agreement with the overriding measures that outweigh the benefit of the project.

Chairperson Kachel asked if there was a second for that.

There was no response.

Chairperson Kachel asked if anyone else would like to try a motion.

Commissioner Molina motioned to certify the Environmental Impact Report, for the project, making findings as set forth in Draft Resolution PC 11-03. Commissioner Del Nero seconded. Carried 3/1. Commissioner Kline no, Commissioner Smith absent.

Commissioner Molina motioned to approve Resolution 07-31 Conditional Use Permits subject to the findings and conditions contained in the attached Draft Resolution PC 11-04. Commissioner Del Nero seconded.

Chairperson Kachel suggested that a discussion might be in order for that. We have a set of Revised Conditions which were handed to us. He asked if that would need to be mentioned specifically or is that already in the Resolution.

Mr. Westbrook replied that was included in your packet. This is a combination of the Revised Conditions that were read into the record at the February 22nd meeting, in addition to the Revised Conditions that were read into the record this evening. We'll need to make sure that those revisions are encompassed in the motion for both the CUP and the Vesting Tentative Map Resolutions.

Chairperson Kachel asked Commissioner Molina if his motion would include that change, to include these Revised Conditions.

Commissioner Molina responded yes.

Chairperson Kachel stated that he has been asked by one of the Commissioners to discuss the appearance of the building specifically. This has been brought up two or three times

tonight, the stone façade as opposed to a flat or brick façade. Perhaps a little bit more of a three-dimensional treatment might accomplish the look of what some of us found attractive in the store in Atwater.

Commissioner Molina asked if that is something we can go ahead and request as part of this process.

Mr. Westbrook responded that generally that's something that would be requested of the applicant to see if they concur with that. Mr. Westbrook asked City Attorney Lyons if there is a thought on this; does the Commission have the ability to just add this requirement to the conditions.

City Attorney Lyons replied that that the Commission certainly has a right to impose what conditions it would deem appropriate regarding any modification of the elevation. They can impose the modifications as they see fit and as they desire. He thinks the problem, of course, that you have with doing it in the manner that's suggested is that you're talking about tonight kind of generally, "Well, this is what we'd like to see: We'd like to see a little bit different, but perhaps to add stone to it." He didn't hear that mentioned, or he didn't hear from the Commission exactly what type of enhanced architectural treatment the Commission desired. But in the past we have added conditions where we haven't specified the exact nature of the enhanced architectural treatment, but indicated what areas needed to be treated with some additional architectural enhancement and left the precise manner in which that was accomplished to Staff. We have done that in the past on numerous occasions, and he thinks something like a condition like that would be appropriate here, if that's the desire of the Commission.

Commissioner Molina said that he will make a motion.

City Attorney Lyons stated the he thinks the Commission needs to tell the applicant and Staff what kind of architectural enhancements it would like to see for this elevation.

Chairperson Kachel agreed. From his perspective, he's taking this basically from what Walmart suggested, which was: "Go down to Atwater and see what we've just done. It's very similar but not exact." We've talked about some of the differences and some of the similarities. One of the things that struck him as attractive, and then Mr. Westbrook provided a series of photographs on the entire building, all the way around, including loading docks and a stone facade. He would see that as an architectural enhancement that perhaps brings the building out a little bit more than the flatter brick that's being proposed now. In other words, he'd like to see a different facing on the areas surrounding the two main entrance doors, and that facing would be similar in nature to that which is in the store to our neighbor to the south.

Commissioner Molina said that makes sense.

Chairperson Kachel reiterated that he very disappointed they didn't provide us with other elevations. However, he is not uncomfortable with the current elevation as proposed and presented in the slide tonight, which is part of the record, and that's the building they intend to build. He just suggested that perhaps we can make the surfacing a little bit more attractive or a little bit different or more consistent with the style of the one in Atwater.

He continued by stating if someone wants to make a motion along the lines of a modified front elevation, with a different surface treatment be done around the entrance of the store to the satisfaction of Staff, that's more consistent with the photographs that we've been given and the store we were asked to go take a look at, he would be in favor of that modification. So, we're asking that be done, pending staff's approval.

City Attorney Lyons stated that would be satisfactory.

Chairperson Kachel reported that we've had two or three discussions of amendments to the second motion, and asked if anyone else had any other discussions.

Commissioner Kline said that he wasn't comfortable with B18; they're going to look for new tenants, when actually it's "buyers." And then, basically they've washed their hands of it, because now it's the new property owner that is responsible for that new location.

Chairperson Kachel responded that he doesn't disagree with that, either. But he did notice that the wording all along, that originally there was to be a Development Agreement, which is a little different animal. But, there's an agreement that which has to be put together between Walmart as the current owners of the existing store and the City of Ceres, as to how that marketing will take place. We're not really the final arbiters on that. Technically, the Commission is the final arbiter on this matter, unless it's appealed, which is quite possible, to the City Council, and that would have to be hammered out between Walmart and the City Council to the Council's satisfaction, as to how exactly that the wording says and exactly how that would implemented. He asked if that's correct; it's out of our hands?

Mr. Westbrook replied that is correct.

Chairperson Kachel explained that's why he hasn't said much about that because that's why he asked about the timing of it. That was a concern he had, that it was previously before occupancy, which is kind of like after the fact; and Walmart has agreed that prior to a building permit. And he's sure they would just as soon have it prior to a building permit anyway, because that would allow them to do their marketing that much sooner. And, he's very concerned, and he thinks they've had through the life of this project for the last three or four years, there's been a lot of talk. The City has a history of a large commercial building which sat vacant or was occupied and left and was occupied and left. That store was a real headache for a long time, and not an attractive situation. He just knows, listening to City Council people, public statements, there's a real awareness

of that, and he thinks there will be a good-faith attempt to negotiate. It's probably pretty tough for Walmart on this one to see that they do everything possible to get that building maintained and then filled up. But again, he thinks as Mr. Westbrook confirmed, that's sort of beyond our realm. So, with that, he'll call for a vote on the second motion by Commissioner Molina, seconded by Commissioner Del Nero. All in favor, as modified. Carried 3/1/1. Commissioner Kline no, Commissioner Smith absent.

Commissioner Molina motioned to approve 07-32, VTSM, subject to the findings and conditions contained in the attached Draft Resolution PC 11-05. Commissioner Del Nero seconded.

Chairperson Kachel stated that would include the amended conditions. However, that would not include the reference to this because that has to do with the tentative map. So this Resolution is as written, except the amended conditions which have been discussed previously, the discussion of the fronting of the building, would have nothing to do with the vesting map. So that would not be added to this one; only to the previous one. This is to create the individual parcels.

The motion carried 3/1/1. Commissioner Kline no, Commissioner Smith absent.

Chairperson Kachel announced that for everyone's information, this matter is an administrative act as opposed to a legislative act. What that means is that this decision is final here at the Planning Commission unless there is a formal appeal filed to the City Council by 5:00 P.M. on April 14, 2011, with a filing fee of \$507.00, to the City Clerk. He further explained that if there is an appeal, there will be another hearing, but it will be the City Council that will be there instead of the Planning Commission.

He thanked everyone that's been through all these hearings, for being polite and respectful. He said this may sound really corny, but at the last meeting two or three people said the City Motto is, "Together We Achieve." That kind of hit him. He thanked everyone for their concern. If there is an appeal, there will be notice of it, and it will be in this same room, at some date set by the City Council.

PUBLIC MEETING(S):

None

UNFINISHED BUSINESS:

None

MATTER INITIATED BY PLANNING COMMISSION AND STAFF

None

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REPORTS:

None

ADJOURNMENT:

The Commission adjourned at 10:07 p.m. to the next regularly scheduled meeting of April 18, 2011.

APPROVED:

Bob Kachel, Chairperson

ATTEST:

Tom Westbrook, Secretary