

CITY OF CERES
PLANNING COMMISSION
MINUTES

February 22, 2011

MEETING CALLED TO ORDER: 6:00 p.m.

ROLL CALL:

PRESENT: Del Nero, Kachel, Kline, Molina, Smith

ABSENT: None

ALSO PRESENT: Deputy City Manager Sheila Cumberland, Public Works Director Glenn Gebhardt, City Attorney Michael Lyons, Planning and Building Division Manager Tom Westbrook, Associate Planner James Michaels, City Clerk Cindy Heidorn, 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 Smith; seconded by Commissioner Kline, to approve the agenda as posted. Carried 5/0.

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.

Chairperson Kachel explained the process of the meeting:

- Report from Staff
- Applicant presentation
- Open to Public Comment – we ask that you limit comments to 4/5 minutes
- We make take a break depending on how long comments take and then reconvene
- If you have any written materials to submit to the Commission, please bring them up to Mr. Westbrook

Staff Report

Mr. Westbrook mentioned the materials placed on the dais for the Planning Commissioners.

Introduced panel of consultants:

Ed Grutzmacher – Meyers Nave – Outside Legal Counsel

George Osner – Planning Consultant

Mark Teague – PMC – EIR Consultant

The approval being requested is a Conditional Use Permit for a shopping center of just less than 300,000 square feet. A Vesting Tentative Subdivision map, which reconfigures the property into seven parcels, was shown on the monitor. The project site is 26.3 acres in size. The zoning designation for this parcel is Regional Commercial as governed by the Mitchell Road Corridor Specific Plan. Additionally, the project site has a General Plan designation of Regional Commercial, so there's consistency between zoning and the General Plan. Staff believes that the project as proposed, with conditions of approval, will be in conformance with the General Plan, the Mitchell Road Corridor Specific Plan

and the Zoning Ordinance.

Background on the project:

- Originally submitted in April 2007, and project applicant at the time was Regency Centers, which is a large nationwide developer.
- Project is being reviewed under California Environmental Quality Act, also known as CEQA.
- A determination was made early on that the project needed an Environmental Impact Report and a Notice of Preparation was submitted on September 5, 2007. There were two scoping meetings on September 19, 2007.
- A consulting firm, PMC was hired by the city to prepare the draft Environmental Impact Report. That document was circulated for comment on May 19, 2010. The comments that were received during the review period have been incorporated into the final EIR.
- The project was submitted originally for approval by Regency Centers. On November 10, 2009 the site was acquired by Walmart. On January 26, 2010 the application was transferred. Regency Centers is no longer the applicant.
- After the close of the draft EIR review period, which ended on July 6, 2010, the City received petitions regarding Don Pedro Road truck route status. On September 2, 2010 and September 15, 2010 petitions were received which included about 85 signatures, requesting that Don Pedro Road be reclassified as a restricted truck route. Today and since 1968 that roadway was classified as an unrestricted truck route, meaning that deliveries could be made or large trucks heading to Mitchell Road or into the interior of the city, could utilize the street. The petition of the residents is to change that classification to restrict the trucks. The City Council is the only body that has the authority to change designations of streets within the city. Because the Mitchell Ranch application substantially predates the petitions, staff is moving forward with the project, on the notion, if it gets to the City Council, then they would have the call as to the classification of streets. Mr. Westbrook encouraged residents to take testimony to the City Council. If the site plan is approved as proposed, then that action would pre-empt the restriction of the street.
- Site Plan – The project is 299,830 square feet, including Major 1 (Walmart) and ten other buildings within the center. The Walmart would be a “super center” with a grocery component at 185,668 square feet of commercial space, with general merchandise sales for groceries, alcohol, food service, banking services, vision center and a drive-thru pharmacy. Additionally there will be a 5,762 square foot enclosed garden center at east end of building and a separate loading and receiving dock. The proposed project includes ten other commercial buildings; three of the commercial buildings are noted as major buildings for larger tenants. There will also be some shop buildings, located within the site and pads A, B and C, which include drive-thru components. The project is proposed to have access with two driveways off of Mitchell Road, two off of Service Road, and two off of Don Pedro Road. The project also includes pedestrian pathways.
- Deliveries – large truck deliveries will be from Don Pedro Road. The proposed Walmart would have between 7 and 9 trucks deliver per day, 7 days per week, with 8-

10 smaller venter trucks, 5 days per week. The expectation is Majors 2, 3 and 4 would have approximately 10 deliveries of the larger semis per week. As proposed, the deliveries are anticipated to occur throughout the day, including up to 5 deliveries to Walmart during the nighttime hours between 10 p.m. and 5 a.m. Staff has included a condition of approval that would restrict deliveries to the project site would be prohibited between the hours of 10 p.m. and 6 a.m. The adjoining loading bays are partially below ground to reduce the noise impact. There is also a wing wall, which will be adjacent to those loading docks. Beyond the wing wall, there is a 10 foot wall that will be along Don Pedro Road, consisting of a two-foot earthen berm, in addition to an 8 foot wall.

- Parking ratio is 1 space for every 250 square feet of building; project is providing 1205 off-street parking spaces (the minimum requirement). There are 36 cart corrals that will be utilized for Major 1, which are in addition to the 1205 parking spaces.
- Building design – The proposed architecture for the Walmart features a contemporary design with a mix of masonry painted block and stucco. The remaining majors have similar features. The applicant will explain more details during their presentation.
- Landscaping - The proposed site is to be landscaped with a variety of trees, shrubs, groundcover and turf. As the Planning Commission is aware, there are two large sycamore trees on the property. The Conditions of Approval require that these two trees be preserved and incorporated into the project. At the southeast corner of the site, there will be a sign that says, “Welcome to the City of Ceres.”
- Proposed signage – Along the main entrance, at the Mitchell Road side, there will be a 25 foot high sign that will include up to 130 square feet of area for signage for the center. Along the Service Road side, there will be a 35 foot high sign that will have panels that total 177 square feet. Height and square footage requirements for both signs are permitted by the code.
- Lighting – There will be parking lot lighting, in addition to lighting surrounding the buildings. These will range from 28 to 30 feet in height, consistent with the Mitchell Road Corridor Specific Plan guidelines. All lighting will be shielded to minimize the spillage of that light off the project site.
- Operating hours – Walmart is proposing to operate 24 hours per day, 7 days per week. Other commercial tenants may operate during those times, but the expectation is that they will hold normal business hours. Staff is willing to recommend that the Walmart store can operate 24 hours per day, but is suggesting that deliveries be prohibited between the hours of 10 p.m. and 6 a.m.
- Vesting Tentative Map - Currently the project consists of 5 parcels. The Tentative Map reconfigures the parcels into 7 new parcels. One of the purposes of the Tentative map is to reconfigure the property lines so that they match the development.

One of the issues that had been raised in comments to the draft EIR was the orientation of the actual Walmart building. The design faces south, so all customer service entrances are located on the south end of the building and deliveries are on the north end. Some of the residents along Don Pedro Road commented during the EIR period that they wished the building had been re-oriented elsewhere. This layout has been the focus of many comments. The original project applicant proposed the layout

that is shown, so it has been in this configuration since 2007. Walmart elected to keep the layout the way it was because two years had passed and a lot of study had already been done, and all impact such as noise and identified mitigation.

- Traffic improvements – there will be number of improvements with the development of this project:
 - East Whitmore & Mitchell Road
 - Don Pedro & Mitchell Road – there will be a signal at this intersection
 - Service Road & Moffett Road
 - Service Road & El Camino Road
 - Service Road & Mitchell Road
 - Roeding Road & Mitchell Road – a new signal at this intersection
 - On & Off ramps to State Route 99 – signals will be installed
- The EIR included an analysis of economics and blight. The study concludes that there would be two issues: a potential closure of one store and a potential blight if the Walmart remains vacant. The study suggests that the grocery component of Walmart would capture about \$16 million in sales. That study said that one of the existing grocery stores may close as a result. Mitigation of the potential blight resulting from vacancy of existing store would be accomplished through the City’s Property Maintenance Code. One of the big concerns that staff has had is the re-tenanting of the existing store. If the project is approved, and if it’s built, the expectation is that Walmart would relocate to this new site, and something would happen with their existing store. Staff has included a Condition, which provides that the City Council must approve a Sales Strategy Plan, submitted by the applicant. All of this must happen before they occupy the new store.
- Issues of 24-hour operation
 - Noise from deliveries - the EIR provided mitigation for all of the noise impacts.
- Phasing of the project
 - The project will not be built in a single phase. At this point, the only building that would be developed would be the Walmart building, with the other buildings being built at a later phase.
- Project has been reviewed through CEQA and an EIR was prepared. On May 19, 2010 the draft EIR was released the comment period closed on July 6, 2010. The final EIR was released to the public on February 2, 2011.

In summary, Staff recommends certification of the Final EIR for the proposed projects making the findings set forth in draft resolution PC11-03, subject to the approval and findings in draft resolution 11-04 (Conditional Use Permit) and 11-05 (Tentative Map).

Handouts presented to Planning Commission members:

- Revised Conditions of Approval. These revisions clean-up some of the exhibits and some of the conditions. Additionally there is some language that was proposed by the applicant, to be included that staff did not have an objection to.
 - Condition B.1 – DRAFT Resolution 11-04 (CUP)
“All development shall substantially conform to the plans designated by the Ceres

Planning Division as 'Final Exhibit'. Final Exhibit shall consist of the submitted map(s), site plan, floor plans, elevations and landscape plans amended by the Developer to reflect any changes required by the City in the approval process. The Developer shall submit any required amended site plans and exhibits to the Planning Division within 90 days of project approval. **(PAGE 165)**"

- Condition B.8 – DRAFT Resolution 11-04 (CUP)

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

- Condition B.21 – DRAFT Resolution 11-04 (CUP)

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

- Condition C.23 – DRAFT Resolution 11-04 (CUP)

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

- Condition D. 9f – DRAFT Resolution 11-04 (CUP)

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

- Condition C.21 – DRAFT Resolution 11-05 (VTSM)

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

- Condition C. 32g – DRAFT Resolution 11-05 (VTSM)

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

Mr. Westbrook explained the packets of information that were provided to the Commissioners:

- City has been receiving letters, emails and faxes that were submitted recently. There wasn't time to provide copies to the Commissioners prior to the meeting.
- Letter from the applicant. They will be discussing the issue about the restriction of delivery times.
- Questions received from Commissioners and responses from staff.

Chairperson Kachel noted that he received a sealed envelope addressed to the Planning Commission. It's a one page hand-written letter from a concerned citizen, regarding an elementary school and an apartment complex in the area and traffic issues.

Questions from the Planning Commissioners:

- Commissioner Kline asked in regards to the EIR, if the traffic, noise, and air quality studies were done with the realignment of El Camino in mind.

Mr. Westbrook replied affirmatively.

- Commissioner Kline asked if the traffic, noise, and air quality studies were done with the interchange at Service and 99 and also at Mitchell Road and 99 in mind.

Mr. Westbrook replied that these studies accounted for the interchange as a future project.

- Commissioner Del Nero inquired how tall the wing wall will be.

Mr. Westbrook answered that it will be ten feet overall.

The applicant presentation began at 6:35 p.m.

- Amelia Neufeld, Senior Manager, Walmart Public Affairs, Sacramento, California

Ms. Neufeld reported that support for the project has grown to over 10,000 area residents since the introduction of the plan. Walmart takes great pride in having served the Ceres community since the opening of the Ceres store in 1993, supporting community organizations, creating jobs and providing economic stimulation for the community. Over the summer, Walmart conducted a survey of registered voters, and found 8 out of 10 Ceres voters, 81% had a favorable view of Walmart, 66% support the proposed project, with 51% strongly in support.

Ms. Neufeld thanked City of Ceres staff for working with Walmart to develop the Ceres Walmart Store and Shopping Center project, which meets the highest standards.

- Walmart Project Team:

Howard Hardin, with Engineering firm, Greenberg Farrow, 19000 MacArthur Blvd., Irvine, California

Mr. Hardin described the project's site design and highlighted some of the features of the on-site and off-site improvements. He also discussed access and circulation and the landscape plan for the project.

Mr. Hardin explained that 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 cab. Every practical method has been employed to minimize the noise impacts related to truck and loading operations. Walmart requests that the Planning Commission not impose a condition limiting deliveries. They have submitted a letter requesting that the Planning Commission delete CUP Condition G-1.

Shad Vermeesch – Project Architect with BRR Architecture, San Francisco, California

Mr. Vermeesch presented a conceptual rendering of proposed building. Walmart keeps with their commitment to overall goals on sustainability.

1. Being supplied 100% by renewable energy
2. Create zero waste
3. Sell products that sustain people in the environment

These goals are Walmart's main driving force behind their business and operations decisions, as they move forward as a corporation. He cited several examples.

Questions from Commissioners:

Commissioner Smith how many different architectural or elevation designs does Walmart use throughout their various locations in the United States. Mr. Vermeesch did not know.

Commissioner Smith asked if Mr. Vermeesch brought any actual pictures of Walmart Stores with this architecture, instead of a rendering. Mr. Vermeesch did not.

Commissioner Smith inquired about the landscaping proposed for the new site; how does it differ from the landscaping at the existing site? Mr. Hardin replied that the Mitchell Road Corridor Specific Plan has very specific guidelines for landscaping. We are complying precisely with the Specific Plan requirements. Commissioner Smith asked if the existing site is part of the Mitchell Road Corridor Specific Plan. Mr. Westbrook responded yes it is. Commissioner Smith inquired if the Mitchell Road Specific Plan was in existence when the existing Walmart was constructed. Mr. Westbrook replied, yes it was. Commissioner Smith asked if the same landscaping requirements apply in the existing site as the proposed. Mr. Westbrook responded yes, with the difference being the selection of materials and trees that would be planted on this site. Commissioner Smith's expressed her concern with the existing landscaping in the current Walmart center; it's disappointing. Ms. Neufeld stated that if there are problems with the existing landscape, Walmart store managers will address those with city staff right away. Commissioner Smith clarified her concern that both the existing and proposed locations represent gateways into this community. The site that Walmart is currently occupying doesn't represent what she would like to see Ceres perceived as, and she is concerned that when they move to the new location they may experience that same challenge.

Commissioner Smith asked about the existing Walmart building and what the plans are for that. Amelia Neufeld noted that the current location is a prime location, but there is no space at the current location to expand the store to meet the needs of customers. Through the Walmart Realty Division, we aggressively market and actively work to sell and re-tenant former stores.

Commissioner Kline asked if the Walmart Team has visited the current Walmart in Ceres so they understand what we're talking about as far as aesthetics. Ms. Neufeld replied that she had.

Commissioner Kline inquired about Walmart's pilot programs and where they are located. Ms. Neufeld replied that the Solar Power Pilot Program is in California, Hawaii and a few stores in Arizona. Walmart started this program in 2009 and have been expanding this, as we learn new information. The Stockton store has solar panels in addition to a few other stores in the area as well. In a couple of the Southern California stores, we have the wind turbines in the parking lots, and are studying the effect of those.

Commissioner Kline asked about closed circuit cameras, surveillance and security measures. Mr. Vermeesch replied that there will be closed circuit cameras in the front and rear of the building. Commissioner Kline asked about surveillance for the entire center, not only Phase 1 of the project. Mr. Vermeesch explained that the center will be built in phases, as tenants are identified. These tenants will have loss prevention programs that they will want to implement into their store and their phase of the project. It's difficult to make any representations about the future phases without knowing who the tenants will be.

Commissioner Kline mentioned that Walmart has asked that the Planning Commission alleviate Condition G.1 on restriction of deliveries. Commissioner Kline asked about non-Walmart deliveries, i.e. Coca Cola, bread, etc. that Walmart has no control over. Mr. Vermeesch stated that most small vendor deliveries are during the daytime hours. Mr. Vermeesch will find out from Walmart exactly when the majority of those deliveries are.

Commissioner Smith stated she would like to hear from the manager of the Ceres Walmart store regarding the condition of the existing landscaping at the Walmart store.

- Mary Lopez – 1636 Electric Court, Modesto, CA, former Manager of Ceres Walmart, currently the manager of the Turlock Walmart.

Ms. Lopez remarked that there is a maintenance program in place at that store. Walmart has recently changed over to a new maintenance group in the state of California. During the changeover, there have been some issues. In Ceres there have been some watering issues and watering line issues with the water pressure, which have been going on for several years.

Commissioner Kline inquired about watering issues. Does it pertain to water pressure coming into the site or was it anything addressed with the City Planning or Water Department? Ms. Lopez responded that sometimes it was the water pressure coming into the store and she recalled having to have a supplemental pump installed because of the lack of water pressure coming into the store. It also affected the watering to the landscaping.

Commissioner Kline also asked Ms. Lopez about deliveries of non-Walmart trucks. Ms. Lopez replied that at the Ceres store, the non-Walmart deliveries begin as early as 4:00 a.m. The normal delivery times for Walmart trucks are 4 p.m. and 1 a.m.

Chairperson Kachel asked if Walmart has received any complaints about the noise from the loading, from the residents to the east of the current store. Ms. Lopez answered that she has not.

Chairperson Kachel opened the meeting to those who would like to speak in support of the project at 7:15 p.m.

- Charlie Gross – representing Ceres Partnership for Healthy Children, 2908 4th Street, Ceres, CA

We are proud of our longstanding partnership with Ceres Walmart. They have been generous with contributions, and truly helped our efforts to change lives through programs that strengthen and support children and families of Ceres.

- Mary Austin – lives on Tenth Street, Ceres, CA

She has lived in Ceres 37 years and would really like to see Walmart here.

- Craig Hunnel - Ceres First Southern Baptist Church, Senior Pastor at 2813 Don Pedro Road, Ceres, CA

We happily endorse the project; supporting the community in the best way we can.

- Karen Mosser - 2004 Third Street, Ceres, CA; also representing Stanislaus County Humane Society

She has been a resident of Ceres since 1958. She supports the Super Walmart in the City of Ceres for two reasons:

- When a Super Walmart comes into a community, it has a big impact on low income residents' health, providing fresh fruits and vegetables at affordable prices.
- Ceres Walmart donates broken bags of pet food to her for use in the City of Ceres neighbors, which she repackages and gives to seniors towards the end of the month, when they are short on money. She also takes repackaged pet food into low-income neighborhoods and shares information about no-cost and low-cost spay and neuter programs. She thanked Ceres Walmart for their support with this animal issue, which last year cost the taxpayers over \$1.7 million. Super Walmart will make a positive impact on our community for years to come.

- Patricia Jones – 2836 Charlotte Avenue, Ceres, CA

This is the second year in a row that there will be no increases in social security benefits. It's hard for people who live on a fixed income. She shops at the Modesto Walmart, and if we had a Walmart Superstore in Ceres, she would love it!

- Julie Norton – 2513 East Redwood Road, Ceres, CA

Seeing the pictures on display tonight, she feels like an eagle. She has a view of what could be here. She would like to get off the freeway and see a beautiful Walmart with a nice restaurant, and a beautiful hotel. She would like to see something “good looking” in Ceres.

- Mary Lopez – 1636 Electric Court, Ceres, CA; former Ceres Walmart Store Manager for past 12-1/2 years.

On behalf of the 308 associates who serve the Ceres community, she thanked the commissioners for considering the Walmart's plan for building the new store, complete with a full-service grocery department. As you may have heard, the readers of the Ceres Courier voted Walmart as the community's best department store, best bargain discount store and several of its' departments were also recognized for being among “Ceres best!”

She also told about her employment history with Walmart. She has been with Walmart for 26-1/2 years. She started off in 1985, as an hourly associate. She worked for 10 years, decided on a career path, and worked her way up in the company, into management. You can move-up with Walmart, starting off at the bottom of the ranks. It's a wonderful company to work for and a great place to be.

Some of the benefits that the Ceres community will see if the new store plan is approved will include:

1. Approximately 85 new Walmart jobs
2. Additional tax revenue to our city's vital services, such as public safety, schools and roads
3. A full-service grocery department, including a bakery and deli, that creates a one-stop shopping experience for Ceres residents
4. Continued partnership with local charities and causes

- Shirley McRoberts – 2617 Blaker Road, Ceres, CA

We do need a super center. She lives on a fixed income and with a supercenter, she could have one-stop shopping. She loves Walmart and hopes that we get a supercenter.

- Eleanor Curiel – 2833 Alphonse Drive, Ceres, CA

She has been a resident of Ceres since 1986 and a Walmart associate since 1993. She has worked nine different positions at the Ceres Walmart, with flexible schedules to accommodate her family. Walmart has been very good to her. As a former member of the hiring committee, she knows that Walmart hires people from every spectrum; i.e. college graduates, high school graduates, non-graduates. She had no experience in retail, but Walmart has given her wonderful opportunities. She thanked the City of Ceres for coming to our store and making it possible to remain open as long as we have.

- Julia Fatheree – 2900 Azalea Court, Ceres, CA

She has been a Walmart employee for 17 years and a Ceres resident for 20 years. She is in favor of the supercenter. She urges the commission to vote "yes" for the supercenter.

- Mike Mallory – Manteca, CA, Chief Executive Officer for Second Harvest Food Bank.

He reported that due to the downturn in our economy, we have seen a 25% increase in food need in our basic areas, over the past three years. The food bank covers seven counties including: Stanislaus, San Joaquin and the Mother Lode.

He was fortunate enough to meet a gentleman from Walmart, who came to his store and asked what he could do to help, and to be on his Board of Directors. Walmart came to

the food bank's rescue:

- Store pick-up program – 15,000-16,000 pounds per month from Walmart
- Grant written and we received a refrigerated truck valued at \$85,000
- Walmart partnered with us and other food banks in the U.S. – over \$270 million
- Allowed Walmart volunteers to come into our facility and labeled over 17 bins of cans, and they thanked us for being there
- Walmart allows us to purchase turkeys at a very low rate (over 6,000 turkeys over the past three years)
- Walmart gives a terrific discount on food purchased for the food bank

He sees this as a partnership. He applauds Walmart for what they're doing; helping feed our seniors, children and churches.

- Bertie Plante – Past President twice of the Chamber of Commerce – Position with Walmart as Community Involvement Coordinator

Her job with Walmart has been wonderful; meeting so many wonderful people and seeing all the donations that are made, and being a part of that. We hope that the Planning Commission will consider what Walmart has done for the community and vote for the store.

Chairperson Kachel asked for the record, if she was here on behalf of the Chamber of Commerce or Walmart. Bertie replied she was there on behalf of Walmart.

- Mark Whitehead – Pastor of Victory Assembly of God located on Hatch Road – 1904 Columbar, Modesto, CA

He's very happy to be a part of this city; he's a member of Chamber of Commerce and the Kiwanis Club. He's grateful to live in a city, state and country where we can have this dialogue on how to build a better community. His passion and desire is that Ceres becomes a place that people want to go to and not leave from. His hope is that the Planning Commission will allow this to come in to our city, but with good restrictions. He sees this as an opportunity for jobs, as he sees the need for increased jobs on a weekly and sometimes daily basis. This is a good opportunity for our city to do something well and to do something right.

- Sally Lopez – 1168 Moon River, Ceres, CA

She has been a resident in Ceres in 1993. She is a care provider and mother. She is also here on behalf of her clients: Mildred Jackson and Bernice Benita. We all love Walmart; it's affordability. We need a Super Walmart in Ceres, desperately!

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- Wayne Fatheree – 2900 Azalea Court, Ceres, CA

He supports the project. It makes more sense for a store to be built over there and to start to renovate Mitchell Road. There are a lot of new things that can be done in this city, and he thinks it's time to start.

- Stacey Earn - 1604 Atlantic Drive, Modesto, CA

She's an employee at Walmart and also a college student at Modesto Junior College. She has to pay for her education on her own, and appreciates Walmart working with her college schedule and encouraging her to continue her education. There are also other employees attending school, and she thinks it would be nice to see even more students working there.

- Evalisa Jimenez

She has been an employee at Walmart for 15 years. It's been a great store to work with. They have given her the opportunity to finish her schooling, and she also appreciates them working with her family's schedule.

- Mary Castro

She is an employee at Walmart, who checks in the non-Walmart delivery trucks at Walmart. She verified the time as 4:00 a.m. give or take 15 minutes. She also stated that the managers that she works with have already been on the phone, addressing the landscaping issues.

- Albert Fuentes – 2824 Rosewood, Ceres, CA

He agreed that the landscaping of the current Walmart is not very attractive. He's also worried about the empty building after they move to the new store.

He has 22 years in the grocery business, 17 with union stores and 5 with Walmart's competitor, Super K-Mart. He's been an assistant manager with Super K-Mart. He believes that Walmart is misleading with promises of jobs. He expressed concern about the people who will lose their jobs when the other grocery stores close; will Walmart be able to equitably compensate them? He also inquired about the other parts of Ceres that are in need of developing.

- Mrs. Albert Fuentes – 2824 Rosewood, Ceres, CA

With all their travels, she stated that they have not seen any Walmart with the same design as they proposing.

She mentioned Save Mart has opportunity to expand, now that Rite Aid is no longer in that shopping center. Chairperson Kachel interjected that Save Mart has gone on record in front of this body, stating that they do intend to expand into the Rite Aid Store.

Chairperson Kachel reminded the audience that we are still taking testimony for those who are in support of the project. Please try to bring up something that has not been covered already. We will hear from those who are opposed a bit later in the meeting.

- Clenney Sullivan - 2656 Park Lane, Ceres, CA

He's been a Ceres resident for 18 years. He's been in retail business for many years. He's neither for nor against Walmart, but he has been impressed with the Walmart store, here in Ceres.

- Sharon Harrah – resident at Pinewood Meadows Mobile Home Park, 8200 Jantzen Road, Modesto, CA.

Most of the residents at the mobile home park shop at Walmart. They are on a fixed income and are raising their two grandsons, who are in their 20's now and attending college. She fed and dressed them, shopping at Walmart. She is so excited that we may have a Super Walmart here in Ceres!

- Lynn Baker – 1737 Darwin Avenue, Ceres, CA

One thing she hasn't heard mentioned tonight is the added benefit of the property tax revenue that would be generated from the new construction in the center. Also, a successful repurpose is the old Sears Surplus store that is now the Big-5, 99 cents and Family Bargain store, so that is something we can consider and reflect on.

- Cary Pope – 2732 Fifth Street, Ceres, CA

He is the current President of the Chamber of Commerce in Ceres. He told the Planning Commission that they have a very tough decision to make. He suggested that they listen and act accordingly, based on what you've heard and what you hear out in the community. Walmart has been a good corporate citizen, they have been good to the Chamber and they seem to be somewhat generous throughout the community.

- Tracy Maciel – 329 Rosina Avenue, Modesto, CA

She is a Walmart, Raleys and a SaveMart shopper and will continue to be a loyal shopper to all of these stores. I don't think we should be penalized because the grocery chains feel threatened. Walmart super center is a great opportunity for employment, and as a shopper, it is awesome to have. She is sorry that everyone feels threatened. She will continue to be a loyal shopper to Raleys as well as Walmart.

- Barbara Cunningham – 2310 Fourth Street, Ceres, CA

She feels that Ceres really needs the jobs and a lot of seniors on fixed incomes that could benefit Super Walmart being here.

At 8:11 p.m. Chairperson Kachel announced that The Commission will take a recess and reconvene at 8:25 p.m.

The meeting reconvened at 8:26 p.m.

Chairperson Kachel opened up the hearing to those who would like to speak in opposition of the proposal. Please limit your comments to three to four minutes.

Mr. Westbrook announced that during the break, someone gave him handouts, which were passed on to the Planning Commission members.

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

Mr. Brittel stated the northeast driveway of the project is in front of his house and he is speaking for his neighborhood. He is responding to letters that were sent in: Letters 36.1 to 36.69 and Letters 37.1 through 37.14. He asked if the Planning Commission received copies of the letters. Chairperson Kachel asked if these were included in the Final EIR. Mr. Westbrook responded that this was correct. Mr. Brittel wants to make sure the board understands that he is willing to stipulate that Walmart is a good neighbor. What we're trying to do is minimize the impact to our neighborhood. Most of us are in favor of having Walmart there. Of these 85 plus letters that were submitted to the city, we laid out a project, what our concerns were, with suggestions as far as mitigation. Of these 85, all of these individuals live in the specific area affected by this project. Their main concern is how their neighborhood will be impacted by the noise and traffic.

We proposed closing both driveways on the north end of the site. We also proposed Major 1 (Walmart) be rotated and moved down to the southwest corner of the lot, and an access road be directed off of Service Road for trucks to be directed in and out. We ask to allow truck entrance only from Service Road, Mitchell Road or El Camino Avenue. We want to see a solid sound wall as projected on Don Pedro, eliminating all driveways, thus protecting our neighborhood.

- Brett Jolley - with law firm, Herum Crabtree, 2291 W. March Lane, Suite B100, Stockton, CA.

He is here on behalf of Sherri Jacobson and the Citizens for Ceres group, and would like to touch on two main issues:

1. EIR and it's analysis of urban decay and blight

He sees this analysis is incomplete in two main ways. The EIR describes the environmental setting in the urban decay and blight chapters. And the environmental setting in CEQA is basically conditions on the ground. He asked, what are you starting with when you determine the significance of the project's impacts.

An interesting thing to note is that in the city there has been two redevelopment areas adopted by the City. Mr. Jolley handed out copies of the Redevelopment Agency's Redevelopment Map for the City of Ceres. The redevelopment area reflects a finding by the City that this area exhibits both economic and physical blight. Under State Redevelopment Law and the Health and Safety Code, a public agency must make findings if blight exists. And the question for the EIR is if the EIR is trying to determine whether this project will have significant blight and urban decay impacts, why not look at the existing blight that the City has already identified. It really gives you an incomplete picture.

The second issue related to urban decay has to do with mitigation for store closures. The EIR says that store closures are a potentially significant impact, but really focuses that down to vacating the existing Walmart store. It doesn't look at really the impacts of other stores closing. The EIR admits this is a possibility, but in essence says it's not something we're going to deal with from a mitigation standpoint.

2. Commission's obligation to address a statement of overriding conditions

The Commission is likely aware, under CEQA the Commission, before approving a project must certify that the EIR reflects its independent judgment, and it must adopt findings regarding the impacts found in the EIR, and third, if there were impacts deemed significant and unavoidable, it must develop a statement of overriding considerations.

In this case, we have three significant and unavoidable impacts identified by the EIR:

- Air quality
- Agricultural land conversion
- Traffic

This triggers the requirement for the Commission to adopt the statement of overriding consideration. If it cannot do so, it's required by law to deny the project.

He encouraged the Commission to take a hard look at this. You are legally empowered to ask questions and legally empowered to deny this project. CEQA requires the Commission to deny the project, if you can't make those findings of overriding consideration.

- Marsha Harris – 3517 Archcliffe Drive, Ceres, CA

She has been a residence since 1990. She is a member of the Neighborhood Group and a member of the "Citizens for Ceres" group. She is a registered voter in Ceres, and doesn't recall having received a survey on the super center. Therefore, she's not sure of

Walmart's assertion that 80% were favorable for having Walmart come in. Maybe it was 80% of those who were actually surveyed.

She addressed the question from the Planning Commission to prior speakers regarding what the current situation was like for the current Walmart, in terms of their proximity to residential, and did they ever have feedback from the current residents regarding truck noise. One stipulation to note is that the current residents that live near the existing Walmart, are separated by a solid wall barrier, except for one pedestrian pass-thru, and they also have the full extent of the canal behind them, before any residential is met up next to Walmart. And they do not have truck access, with trucks going in between.

They have been asking since the beginning in 2007, bring in something different, something new, regional community things, stores that Modesto and Turlock don't already have, upscale stores, nice restaurants.

- Chris DeSignori - 2905 King Henry Court, Ceres, CA

She agrees with everything that's been said and opposes Walmart.

- Jazmine Perez – 796 Alacante Drive, Ceres

She asked why we need another Walmart. We already have one and it's not very nice. She inquired about all the new jobs that will be created with the new Walmart. She asked about her job; she works for SaveMart, and other jobs at Raley's, Cost Less, Richland, Food 4 Less, etc. She's opposed to Walmart.

- Mary Jane Scheuber – Faith Home Road, Ceres, CA

She lives next door to her mother's residence from when she came to Ceres in 1911. She grew up with one grammar school, one high school and there was even a theater and hospital in town. We no longer have these things in Ceres. She shops at Walmart and Food 4 Less and feels that you can't buy anything cheaper at Walmart than you can at Food 4 Less. She thinks that they should just expand the existing Walmart, rather than vacate it and have a potential blight area.

- Billy Parmer – 3512 Archcliffe Drive, Ceres, CA

He stated that he had some questions to ask regarding that points that Mr. Westbrook made earlier in his presentation. He also stated that Walmart can come; they're neighbors and we need to get along. He asked:

- Is the truck route on Don Pedro Road a restricted truck route?
- For clarification if all the truck traffic will be strictly Don Pedro/Mitchell Roads
- What happened to Plan B, which was the alignment of Walmart going to the southwest side? That would resolve any issues with Don Pedro.
- Where is Walmart's garbage and recycling going to be located? What times will they

be picked up and where will they be collected? Will they be inside? Will they be outside?

- As far as trucks coming in, where will they be staged?
- Security is going to be a big issue, especially with an area that size. He doesn't feel that the cameras are going to be enough and asked if they are planning on having patrols?
- The issue with the existing Walmart; you never got an answer to your question "Did they bring it up to the City?" You got the answer of the landscape people said it. He would like to know why they never brought it to the City and if they did, why the City didn't address it.

- Andy Azevedo – 1404 Fannell Drive, Ceres, CA

He stated that he grew up in Ceres and has lived here since 1963. He is currently employed at and has worked at Richland Market for the past 32 years. He is concerned, as it was stated that the super center would bring in over \$16 million in grocery revenue. If you take away \$16 million from the local Ceres grocery stores, it would cause a loss of jobs and store closures, and that needs to be addressed.

- Betty Davis – 1708 Pikake Court, Ceres, CA

She stated some of her reasons for opposing the project:

- The Walton Corporation's policy on public education. They specifically support voucher systems which can be used for private schools.
- The negative impact this would have on locally owned grocery stores.
- The loss of use of land for agricultural.

She thanked the Commission for the job they are doing.

- Cassandra Brown – 2421 Marguerite Way, Ceres, CA

She pointed out when they're talking about bringing in 200 new jobs; that's in the distant future, once the entire center is built. She also asked who is going to pay for the improvements to the interchange, since the State already turned down funding for that. In her opinion, Walmart should have to pay for all infrastructure that needs to be implemented, not taxpayer money.

- James Davidson – 2300 O'Farrel Avenue, Modesto, CA

In the mid 90's he lived at 1710 Ocean Way, off of Richland and Hatch. He has seen how Ceres has changed. He has spoken with people who work at several area grocery stores and has seen the impact of what has happened with the mini-Super Walmarts going in; loss in hours, cuts in pay. This is the impact that is coming.

He stated that he looks to the Commission for planning the future, not a quick fix. He feels that if this comes in now, the way our financial standing is, he sees a lot of

businesses closing and a lot of jobs lost. He remarked that Superstore Industries in Lathrop alone employs roughly 400 people. They service SaveMart, Raley's and BelAir. They will be affected, along with the Sunny Select Warehouse which is located near Turlock. We need to think about the future.

He also mentioned when Brendan Theater opened, other theater chains wanted to come in, but were turned down. The reason why is, that the area could not support that kind of drag on the economy. He says the same thing applies here and asked the Commission to look into that.

Chairperson Kachel asked Mr. Davidson about the industries he mentioned, if they are wholesalers. Mr. Davidson replied that no, Superstore Industries is the warehouse that holds all the goods for SaveMart, Raley's and BelAir.

- Ron Blevins – 12799 Droge Road, Escalon, CA

He drives to Ceres every day for work and has for the past 20 years. He stated that since Walmart was built in Ceres in 1993, they dumped about 40 Conex boxes behind it, which are shipping containers, so they could get out of the tax costs of a building big enough to hold their merchandise. Those Conex boxes are still back there. Ceres finally made them put up a fence, so you don't have to see them. You can look at their past to see what their future is going to be.

- Debbie Swiss – 724 Madrid Court, Ceres, CA

She stated that Walmart has more fines against them with the EPA than any other company in the United States. They have violated more Clean Water Acts than any other company ever. They've been fined more by the Federal Government for environmental hazards than any other company. They have more class actions against them for discrimination against females and minorities than any other company.

- Joe Garcia - 2677 Parkway, Ceres, CA

He stated he's opposed to the store opening up there because of the traffic. It takes so long to get anywhere. It took him 45 minutes to go from where he lives to Berkeley Avenue in Turlock and back via Mitchell Road!

- Katherine Elizabeth Kitchel - 3643 East Service Road, Ceres, CA

She said that she lives approximately 50 feet outside of the city limit, but the road she is on is sort of a back way in for those who are coming from Turlock, that do not wish to take the freeway. Right now her road gets a little bit of truck traffic, but it's not too bad. If traffic increases, it will be difficult for the residents and there will be traffic issues. She also feels that it would take quite a bit of work to widen the overpass over the canal, which crosses Mitchell Road, to handle the new amount of traffic.

She also requested that the Commission consider a couple of things that some wise men have said: “Past behavior is the best predictor of future behavior,” and “Actions speak infinitely louder than words.” In reference to Walmart, she asked the Commission to look at their history, look at the numbers, look at the data, and do not listen to propaganda.

- Rick Rushton - 2306 Sixth Street, Ceres, CA

He asked with the budget cuts that the City is currently facing and will probably continue to face in the near future, how does the City of Ceres propose handling the increase of needs for public safety? The increase in crime from Walmart super centers that are open 24 hours have been discussed in the news. He inquired how Ceres and the residents along Don Pedro will be affected by the increase in crime element and who will pay for it.

He also asked several questions on the topic of jobs and benefit loss and the resulting costs to the City:

- How many jobs have you lost to store closures?
 - How many projected Walmart jobs will replace existing jobs and our loss of other retailers?
 - Is there a way to consider these impacts?
 - Will a simple breakdown of jobs, and loss of wages, loss be calculated?
 - How much is this government currently paying for health care and tax credits and deductions for low income families and housing assistance for the City of Ceres, Walmart and its employees - for those who have lost their jobs due to small business closures?
 - How much would this figure be increased with this proposed super center?
- Arcelia Ochoa - 3509 Chandra Court, Ceres, CA

She stated that she moved here from L.A., and she saw Walmart come to LA too. It took over the mall there. It also doesn't look like the drawing on the picture or graphics.

She also wanted to mention that she has been working for SaveMart for 20 years. SaveMart also donates to the community - a lot; more than anybody else, but they are not going to mention it. She also stated that we already have a Walmart and asked why can't they do a bigger one in the same place.

- Joshua Cane - 3939 Central Avenue, Ceres, CA

He stated that he is opposed to this new Walmart coming in. He received a card about two weeks ago from Walmart giving support and saying they are meeting at Alfonso's for free drinks or whatever for a show of support. He took it upon himself to do some research:

- We all know about the 85 new jobs Walmart will create, but it's going to come at a loss of 90 to 100 jobs from Richland, SaveMart and Keith's Supermarket. This was from the Ceres Courier just last week.
 - Opening a Super Walmart lowers the average retail wage by .5 to .9 percent. And one of his research studies has shown that in 2000, total earnings nationwide for retail workers reduced by \$4.5 billion due to Walmart's presence.
 - The tax revenue - Cities the size of Ceres loses about an average of 14 percent annually when a Walmart comes in and basically runs all the other mom and pop stores out.
 - Walmart stores have been known to skim sales taxes and use taxpayer money to finance their growth. They demand tax breaks from cities to get their stores built where they want.
-
- Sherri Jacobson - P.O. Box 2523, Ceres, CA

She is a Ceres resident and a member of Citizens for Ceres. She reported that she has been outspoken with her concerns about this project for a very long time. She and her mother hit the pavement back in 2007 trying to announce to the public that this store is coming and you better get your voice heard now.

She submitted a lengthy comment letter on the EIR; number 20. She summarized a few of the comments that are addressed:

1. She believes there were improper and possibly illegal demolition happenings that affected and impacted the wildlife, the vegetation, and possibly the Native American artifact studies.
2. Agriculture and abandonment of the existing store are very big concerns.
3. Aesthetics related to oversized signs the wall, and landscaping.
4. Financial impacts related to sales dollars shifting, store closures, and increased law enforcement needs.
5. Light pollution and energy consumption.
6. Significant traffic and safety impacts from truck deliveries.

She feels that if Walmart really cared about Ceres the way she does, they would propose some enhanced architectural elements. Instead they are offering a drab design. Walmart is capable of providing unique and enhanced architecture to their store, but that only comes when a community requests it. For example, in American Canyon, outside of Napa, Walmart built a much more attractive super center with vineyard inspired architecture. She asked if that wouldn't be nice for us, since Ceres is the goddess of agriculture.

She also wanted to mention that her mother submitted a letter to Tom Westbrook earlier today, stating that she is still concerned that her questions and her comments that were entered into the final EIR, were not addressed. She believes that the City needs to

reconsider the blight that is caused by paving over prime farmland. Secondly, she worries about the fact that Walmart has only agreed to make a \$75,000 donation to beautify and promote downtown. She hopes there's a proper way to quantify the costs associated with the environmental changes resulting from the construction of the super center, and she hopes that the Commission finds a way to recirculate that information to the City and citizens of Ceres.

She forgot to mention one more thing. Carol Dutra was in attendance tonight and had to leave earlier. She submitted a letter earlier to Tom Westbrook. Diane Rushton was supposed to submit an e-mail and a woman named Miss Hunt as well. They are not all members of Citizens for Ceres.

- James Vinyard - member of Citizens for Ceres group

He commented that he's trying to figure out why Walmart wants to build a new store. One of his biggest concerns is the noise along Don Pedro and also the traffic problems that may arise on Don Pedro Road. He is also concerned about how this is going to affect the economy of Ceres, with the potential closure of several grocery stores in town. He urged the Planning Commission to vote no on the building of this shopping center.

- Bob Gutierrez - Government Affairs Director for Food 4 Less

He wanted to share that when Food 4 Less came into town in 2005 and they chose the location at Hatch and Mitchell Road, it was predicated on the fact that there were existing retailers in that general area. At the time, Food 4 Less considered and still do consider that particular portion of Ceres to be the gateway. We're the gateway to Hughson, Modesto, Highway 99 and all of south of Ceres. We've enjoyed the complementary relationship with other retailers in the area. For the Planning Commission to move Walmart to a different location, will have a significant impact, not only on Food 4 Less, but also to other existing retailers in the center.

- Ronald Peterson - 2912 Rosewood Avenue, Ceres, CA

He asked that the Planning Commission consider the impact that this could have on our other grocery stores, and does not wish to see them go under. He also stated that if there's going to be a Super Walmart that close to an onramp, going either direction, we're going to see crime go up, and a lot of undesirables coming in a lot.

- Burl Condit - 3613 Dormea Court, Ceres. CA

He has lived in Ceres 45 years. He asked who in the City is responsible for making sure the landscaping rules on Mitchell Road are complied with, because obviously Walmart hasn't been complying with them.

- William Hasiela - 3818 Roberts Road, Ceres, CA

He stated that he thinks we want something more than 99 Cent stores and McDonalds; He thinks this will bring something to Ceres. Modesto has the mall and Turlock has Monte Vista Crossings; everyone is going to those shopping areas. He believes in the free enterprise system; let people decide where they want to shop. He believes this project would generate something that we really need, and we need to be on the map.

Chairperson Kachel stated he appreciated everyone's comments and would like to give the Walmart people an opportunity to respond to this for about five to ten minutes.

- Elizabeth Anderson - Sheppard Mullin, representing Walmart

She stated she would like to rebut Mr. Jolley's comments.

- As Mr. Jolley knows, given the numerous lawsuits he has filed against Walmart, blight is defined for redevelopment purposes and it's not what CEQA is concerned about or what the EIR analyzed. The urban decay analysis is based upon the methodology recommended by the City's expert in consultation with staff, and again, Mr. Jolley offers no evidence to suggest that it's not adequate.
- With respect to Mr. Jolley's comments regarding the statement of overriding consideration, she offered the following points: He questions whether the project will result in an increase in sales tax because the Walmart store will add nontaxable groceries. Again, he presents no evidence to the contrary, and fails to consider that the project will include approximately 100,000 square feet of non Walmart uses that will also likely generate sales tax.
- With respect to job losses, he presents no proof that the project will not result in new jobs, but there's evidence that suggests that the City will experience an increase in jobs if the project is approved. Plus, it should be known that Mr. Jolley not only offers no support for the job losses, but Mr. Jolley's own client, SaveMart has announced plans to expand while knowing about the proposed project.

The EIR is the result of years of work by City staff and its experts. CEQA requires only adequacy, completeness, and a good faith effort of full disclosure. The EIR thoroughly analyzed all relevant issues including urban decay.

She also stated that as Mr. Westbrook noted earlier, staff recommends approval of this project. Unlike many of the speakers that we heard tonight focused on the pros and cons of Walmart, staff has been focused for almost four years on whether this project is appropriate from a land use perspective. They have determined that it is, and that is the question before the Commission tonight. The project is consistent with the General Plan and the Mitchell Road Corridor Specific Plan. It meets all applicable goals and policies. It meets all development standards, and the uses are permitted as a right. The only use that triggers the Conditional Use Permit is alcohol sales at the Walmart store and the

future sit-down restaurant. Therefore, they recommended that the Commission accept staff's recommendation, certify the EIR, and approve the project.

Chairperson Kachel closed the public hearing at 9:58 p.m.

He remarked that we've had a lot of excellent testimony on both sides. We certainly covered the gamut from land use, to jobs, to economics, to aesthetics. He listed, in no particular order some the questions and concerns he has regarding the project:

- The impact on Don Pedro Road, particularly truck impact. He would like to know a little bit more about traffic calming.
- Alternative analysis - there's some discussion about alternatives that were identified in the Draft EIR which were dismissed, basically because they didn't fit the applicant's goals, which is sort of consistent with CEQA.
- Existing store maintenance; especially the lack of maintenance to the landscaping.
- The adequacy of the Economic Impact Report seems to be one of the major concerns. (We apparently have the person who did the economic analysis here. We can hear from him about his take on all of this.)
- Does it need to cover a redevelopment area?
- Lots of talk about what jobs are going to be lost and stores closing.
- He noticed that there was very little talk about the EIR is inadequate, with the exception of perhaps the economic portion of it. That speaks very well to City staff and to the consultants they brought in to bring a document that is basically being used as a starting point, which is the whole point of the Environmental Quality Act.

Commissioner Kline stated he had a lot of grave concerns on traffic issues. He proceeded to ask several questions:

- Was the EIR study done with the proposal of the new elementary school?

Mr. Westbrook responded that no, it was not and further explained that CEQA law requires that the City file a Notice of Preparation that sets the start of the project. So it analyzes everything that was in place on that day. And the school district did not acquire the project site until 2009 and started their study at that point in time, two years after this project had started. Therefore, the traffic study that was done for Mitchell Ranch does not account for the school itself. It accounts for whatever land use was in place at that time, which was residential.

- The existing Walmart is a 24-hour operational business? And the Food 4 Less across the street?

Mr. Westbrook replied that yes, WalMart is open 24 hours, but was unable to answer the question regarding the operating hours of Food 4 Less.

- According to the traffic study, the EIR was done with the assumption that the Mitchell Road interchange with Highway 99 will be done, as well as the Service Road interchange. Yet there's a letter from the State Department of Transportation with a special note on Figure Number One. This future interchange project has been proposed, but is now on indefinite hold, because of funding. His concern is with the traffic studies that have been done, the realignment of El Camino Avenue, that these projects will be on hold indefinitely. So, we could have a Walmart super center in place for ten years before those projects come to light. That will, to him in theory, gravely affect the traffic.

Mr. Gebhardt responded that one thing we should be aware of cumulative and long-term traffic build out of the city and that includes the interchange that is part of the city transportation plan. It's part of our capital facilities fees. We collect money to build that interchange with every building permit we take. And our long-range plan is that we will collect enough, that we will build it in time. We will not build it immediately. That's why the initial analysis of the existing traffic plus Walmart does not assume that the interchange will be built. It assumes that the improvements that will happen at the near term, will be constructed. That includes some modifications of the ramps, which in fact, Walmart is responsible for paying for. They are also responsible for fronting the cost of some of the immediate improvements that will be needed.

- But the needed improvements will not put the Mitchell Road interchange in place, or not put the Mitchell interchange or the Service Road interchange on and off-ramp or anything else, would not come in place because their fair portion would pay for their share of the whole thing?

Mr. Gebhardt replied that is correct.

- Staying on the Mitchell Road issue; from the Hatch and Mitchell (Walmart, Food 4 Less) corner to the entrance on Mitchell is approximately 600 feet to the entrance light. How many cars does that stack and will it be stackable?

Mr. Gebhardt responded, if they were just purely stacked, you can look at 20 feet per car.

- You're looking at 30 cars from that entrance on Mitchell to the light at Mitchell and Hatch?

Mr. Gebhardt replied that is correct, for one lane.

- You have 600 feet from Mitchell/Hatch light; you have from the entrance of the Walmart/Food 4 Less to the In-Shape light, 1200 feet, and from the In-Shape driveway to Fowler, you have 800 feet. From Fowler to Whitmore is 2600 feet, and we're adding three more stoplights at the south end of Mitchell Road.

Mr. Gebhardt replied that is correct.

- For people who aren't aware of what we're talking about:
 - Rhode Road will be a new one, which is close to the entrance to Highway 99.
 - There will be another one at the entrance number three; on Mitchell Road to the Walmart Supercenter.
 - And there will be another light at Don Pedro; correct?

Mr. Gebhardt replied that is correct.

- With adding three more lights, he is concerned with the traffic along Mitchell Road. The distance between Whitmore and Roeding Road is a half mile; Roeding and Don Pedro is a quarter mile; from Don Pedro to the first signal is 500 feet. The smallest one at the other end is 600 feet. From the entrance to Service is 700 feet, which the entrance from Mitchell to the In-Shape, from the Fowler to In-Shape is 800 feet. Then we have from Service Road to Rhode Road is only 400 feet. Now you have cars exiting Northbound 99, coming off the freeway. They hit that light, and we have, let's say somewhat of a back up. When he's looking at the traffic study, he's concerned about traffic from south Modesto across Mitchell Road bridge, and when there are shoppers at the Supercenter, there's going to be traffic going all the way down there, with all of these traffic signals.
- Another concern he has is with the traffic light not lining up with Saint Jude's Catholic Church.

Mr. Gebhardt said that Don Pedro does provide for access to the church, and as part of that signal construction will reconstruct the driveway, so that will operate as part of the intersection.

- Will Saint Jude's reconstruct their entrance to the driveway?

Mr. Gebhardt replied that or the City, as part of the project will reconstruct their driveway. Their pass back on the site will be working with Saint Jude's, but as part of the signalization of the intersection, we will be reconstructing that corner.

- Asked for verification that with the island that is going down Mitchell Road from Service all the way to Don Pedro, with an entrance into the number three entrance to the center, that if he is going southbound on Mitchell Road he will not be able to cross to get over the the AM/PM to get gas, with that median there.

Mr. Gebhardt replied that was correct.

- Inquired as to the impact of the feasibility of the entrance on southbound Mitchell Road, to obtain access into the AM/PM.

Mr. Gebhardt responded that if the traffic increases on both Service and Mitchell, you need to understand that ultimately Service is a six-lane expressway. The long-term view for Service is a major corridor. So, as that traffic increases, you will end up with the medians down the length of Service Road. Just like we will end up with medians on Mitchell, starting with this section and then as the traffic increases potentially down other sections of Mitchell. And it becomes a trade off of the safety of the left turns across those lanes of traffic, versus the convenience of getting into the corner sites.

- Asked if there's a potential of another median going on the east side of Mitchell, going down Service, going towards Moore Road.

Mr. Gebhardt replied that at some point, if the traffic volumes get high enough, you will end up with a solid median on Service from Mitchell, all the way to the freeway. As the future expands you will definitely end up with reduced turns, and those turns focus on the intersections. That's why at build out, when we did the analysis assuming those left turns would not be available.

Another thing, with more signals, the need for coordination absolutely becomes critical. At the previous City Council meeting, the Council awarded the contract to go back; the City has had an interconnect system that has not operated right. It has numerous faults. The City just ordered the contractor to rebuild all the interconnect optical system and reconnect all of the signals in town. You will see a big difference by the end of summer, once all of that is repaired and all the signals are retimed.

- Bottom line is that this Service Road interchange won't be done, nor the Mitchell Road interchange. When the report talks about peak with every day traffic, it doesn't include peak as far as the churches with the special events at Christmas and Easter.
- He also has a concern about the clause relating to Walmart Realty releasing or selling the property, and not having to do it to a competing business, as in WinCo or Super Target. But, in Atwater, there's a SuperTarget that's been there about a year, in the same shopping center where the Super Walmart store is being built.
- What about the potential of businesses being uprooted? Let's say that Pay Less Shoe Source, that is in the existing center right now, decides to pick up and move. And what about the Sprint store or any of the other stores that happen to be at the strip mall behind them; say they move to another location for better access/foot traffic? Were these questions part of the blight study?

Chairperson Kachel reopened the public portion of the meeting to answer the question.

- Ray Kennedy - BAE, located in Emmerlyville, CA.

Mr. Kennedy stated that while they didn't look specifically at those uses, he will respond in general about that sort of retail mode. He thinks the answer is:

1. Mitchell/Hatch is a gateway intersection for the City, and even if Walmart is closed, it's still a strong retail intersection.
2. There's nothing that says that Walmart is going to be vacant forever.
3. Our analysis in general, looked at over a period of a few years of what would happen. While there may be short-term impacts, just from natural growth of the city, which, of course, everything is a little slower than we expected in 2007, we felt that our analysis showed, after a few years of growth in the city, would create new demands for additional retail in addition to the proposed projects, such that sales in existing stores would be able to recover to current levels.

- Commissioner Kline inquired about clarification of "a few years."

Mr. Kennedy explained that it's an average of five years. When they did their analysis, they looked at total retail sales, and their analysis indicated that after a period of five years, the net sales in existing outlets would be about what they were at the date, in a baseline year, without the project.

- Commissioner Kline emphasized his concern is the occupancy of the existing Walmart building.

Mr. Kennedy stated that the answer was in the EIR; that that was looked at as a potentially significant impact with a mitigation measure, which is MM 4.5.1, put into place because there was a particular concern about that site remaining vacant for a long time. And so there were a number of conditions about the property owner being required to maintain the property. He asked if someone here could speak more directly to that impact.

Mr. Westbrook stated that he couldn't tell us that there'll be somebody occupying the building in one year, three years or five years, if the store relocates. What he could tell us is that the parameters that are proposed in the conditions of approval, talk about a sales strategy plan to backfill that store. That sales strategy plan has to be approved by the City Council prior to them opening the Walmart at the new location, if it builds. There are going to be some avenues in place, so they can do marketing and try to backfill that store as quickly as possible. Staff is of the opinion, because it's a large space that would require minimal amounts of improvements in terms of moving a larger user in there, it would be very easy to move into that space. We don't think it will be vacant for five years. The City is going to get some idea of who this building would be marketed to before they ever open the existing store.

- Chairperson Kachel inquired about the Sales Strategy Plan, not being in place yet. He asked how enforceable or what teeth are in it. He mentioned that at one time we talked about a Development Agreement for this project, but that is not currently part of the proposal.

Mr. Westbrook responded that the Development Agreement has gone away. In regards to the Sales Strategy Plan, he thinks it's going to be a marketing tool. It's going to be approved by the City Council so they can put some necessary teeth into it. He noted that the conditions say that we don't want to unduly restrict competitors. When you have a 130,000 square foot building, a lot of large users can occupy that space readily easily; Costco, Lowes, something of that type. The City is going to want to make sure we get kind of a larger user that would occupy that building as quickly as possible, after it is vacated by Walmart.

- Chairperson Kachel asked, assuming that Sales Strategy Plan was approved next month, what's WalMart's construction schedule?

Mr. Westbrook replied that from what they've heard in the past, is that when a building permit is issued, there has to be an approval process and building permits issued and building plans approved by the City. From issuance to construction and occupancy, would be about a year.

Commissioner Kline continued with more questions:

- With regards to water treatment, wastewater treatment, water to the site, water lines, sewer service, service lines; everybody came back and said it's adequate. It also states on page 69, Number 12, Impact 4.12-3-3, about future development increasing wastewater demand. At what level of development, will the city have before we are at maximum capacity?

Mr. Gebhardt responded that we're analyzing this very issue as we're completing our wastewater plan master update. This project does not exceed the capacity that we have. We've determined that we can meet both the treatment and the collection capacity for this site. How much farther we would really want to go, before the City starts moving into expanding and modifying it's waste water treatment plan, is up for a whole series of factors. We're coming up on our renewal of the requirements for the regional board, and we're going to be rethinking exactly what we need to do with our treatment facility. That plan will be completed in the very near future and City Council can decide at what time they want to start reworking the wastewater treatment plan.

- Has the study or analysis taken into consideration that we're losing the water usage, sewer usage at one end and you shift it down to the other end, with this site; how much of an increase is that?

Mr. Gebhardt responded that we assumed that the usage at the existing site would remain, and the usage in the new site is completely in addition. Our hope is it will be occupied very soon.

- With the size of that center with the potential of anything, and the close proximity to the freeway, is there any kind of close circuit surveillance or anything for the whole center? He would like to see this as something that people will work with us on.

- Site circulation was a concern. With Majors two, three, and four on the southwest portion of the facility, he is concerned with truck traffic to those buildings. Truck traffic is going to have to basically enter on driveway number one and head down the western portion of the property to get behind Majors two, three and four because there's really no limited traffic or entrance, to substantiate according to things he has tried to read and understand, for a semi to enter into number six, make a left-hand turn and go behind the buildings.

Mr. Gebhardt replied that there are multiple ways that the semi's can get to the back of those buildings. One of the possibilities is on Don Pedro. Another option is on Mitchell and I thought they had confirmed they could come in off of number five.

- Solar energy was addressed in their presentation; Commissioner Kline would really like to have some of the pilot programs in California.
- Chairperson Kachel wanted to follow-up on what Commissioner Kline was talking about on the traffic issue, in regards to the stacking of trucks. Was that addressed in the traffic study; is that adequate room to circulate these trucks and not have them out on the road?

Mr. Gebhardt responded that he can answer a couple of the questions, but needs assistance from the consultant. When they talked about Don Pedro Road; that's a completely unrestricted street. Regular size semi's in theory, can use Don Pedro, but you cannot take the oversized 53 footers (the super trucks) down there. They're SDAA special long beds that need specific approvals to come off the main system. That has not been approved for Don Pedro.

- Chairperson Kachel commented that we talked about the bigger trucks and the status of Don Pedro. The petition will go to the City Council.

Mr. Westbrook stated that the City Council makes the determination regarding the restricted or unrestricted access to Don Pedro.

Mr. Gebhardt added that the decision was that it was not appropriate to send that to City Council, knowing it would have a major impact on this site, and not having all that information about the site available to them, that this decision really needed to be made first.

As for the stacking, we do have information that shows the trucks can come in on both the first and the westernmost driveways. As far as the staging, that is something the Walmart consultants can probably respond to.

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- Commissioner Kline wanted to clarify that that supersized trucks are theoretically not allowed on Mitchell Road, and the only place they are allowed is D Street in Modesto, coming up Yosemite. They're not even allowed on Hatch Road.

Mr. Gebhardt replied that is correct. There are "many" trucks that use it, but they are not legal.

- Chairperson Kachel asked the other Commissioners if they had any comments, questions or concerns at this point:
- Commissioner Molina stated that he was just going over the executive summary and there's some areas of controversy that he's not too comfortable with. As he listened to the pros and cons, both sides have valid arguments on their sides. It's hard because we are here to serve the community. He wishes he could see everybody happy, but he is just not ready to move on with this right now.
- Chairperson Kachel asked if he is wanting more information regarding the economic impacts and the traffic/noise related impacts.
- Commissioner Molina explained that the majority of the people that live in this area were expressing their concern with the noise and truck delivery times. He is trying to be more sensitive to the community.
- Commissioner Del Nero mentioned that we didn't talk tonight about Walmart having a pharmacy. We talked about the food sales impacting other stores, but nothing about a pharmacy. He thinks competition is good. He also mentioned that the groceries would bring in more revenue, but not taxable revenue. Just one thing to think about. He also said that one man that spoke tonight stated that it would cause 40 percent more traffic and we don't have the new interchange and the lights in place right now. And, he wondered if anybody was here tonight to talk about Saint Jude's Church across the way; if they supported the project or not.

Mr. Westbrook responded that he was not aware of anyone speaking on the church's behalf.

- Commissioner Smith stated that it's pretty clear that Walmart has been a good corporate citizen with contributing to activities and donating to organizations within the community, and that's admirable. They are also a leader in the retail industry. Her concern lies with how they maintain their property; not representing the community in the manner she would like to see it represented.
 - She is happy with the elevations that were presented, but she would like to see some examples of elevations in other communities; more variation. She would like to have something that represents who we are as Ceres, and to inspire people to stop because it is right off the freeway.

- She has real concerns about the economic impact, not just the vacant building, but how it's going to impact existing businesses in the community. She would like to get more information about that.
- Last, but not least, is her concern for the people on Don Pedro. She would like to get more information on the traffic impacts on their neighborhood, and some possibilities for mitigating that.
- She added that she doesn't think Walmart and a supercenter is a bad thing. She has questions and would just like answers before she feels comfortable making a decision.
- Chairperson Kachel stated one of the biggest topics we have is the economic impact. We have the dueling law firms, given back and forth their opinions. One doesn't think it's adequate and other one does. He asked if we should maybe hear from their consulting attorney or EIR consultant, as to their take of the adequacy of the economics study. Economics are always a minefield in an EIR, but a project which has significant impacts, should have to come up with a statement of overriding considerations, and that is usually based on economics; therefore, you study economics. All environmental documents don't study economics; most of them don't. This major project obviously has clear economic effects. It would be appropriate, if they are ready to respond at this point.

Ed Grutzmacher - Meyers Nave, special counsel for the City.

A couple of points he wanted to bring to the Commission's attention:

- He wanted to clarify and separate the decision points that are potentially before the Commission this evening. One is on the adequacy of the environmental document and adequacy of the information you received today. The other on the merits of the project.
- If there are specific informational needs that the Commission thinks they need before deciding on the merits of the projects, then one of the things the Commission can do, is direct staff to go back and look at specific issues bring the answers back to them, and then render a decision on the merits of the project a a later time once that information is done.
- The Commission has before them, three different resolutions. One of them to certify the EIR as adequate and complete and representing the City's independent judgment and discretion as to all the environment impacts with the project. The other two approvals would be yea or nay on the approval of the project and needs to go forward. Again, if the Commission needs more information on something, direct us to do that.
- In terms of the adequacy of the environmental document, you can look really hard at all of the issues presented. The gentleman that was up here before answering questions, was actually the guy who wrote the economic report for us.

- If the Commission doesn't have enough information, wants specific questions answered, they can direct staff to go back and get more information from our consultants to update the reports, do whatever is necessary to answer those questions. Then the Commission needs to separate out the question between what are the economics; the merits of this project and what are the actual physical environmental impacts that would occur if this project goes forward.
- Chairperson Kachel asked for clarification on what the Commission's options are, with certifying the EIR, overriding considerations, and additional information that is requested.

Mr. Grutzmacher explained that the resolution that we prepared for certifying the EIR includes a statement of overriding considerations currently. The Planning Commission, of course, had the discretion or the staff to modify the resolution any way they see fit before approval, including taking out the statement of overriding considerations. One option could be for the Commission to authorize or approve the resolution, minus the section dealing with the statement of overriding considerations. You don't have to adopt a statement of overriding considerations until you're going to approve a project. So if there's further information you think you need in order to bolster the substantial evidence supporting a statement of overriding considerations or if you think there are different reasons for adopting a statement of overriding considerations than those the staff and consultants have identified, then again, this is your resolution. Staff has prepared it with the best of our knowledge, but this has to reflect your independent thinking and your independent judgment. If there are aspects of the overriding consideration you're not comfortable with, we can take them out. We can modify them. We can come back with more information to support them. Really, we have a lot of options on the table.

- Mark Teague, PMC

Mr. Teague stated that he was the project manager for the EIR. The short answer to the question is yes you can use evidence outside of the EIR to bolster your statement of overriding considerations.

He further explained that from our perspective, we separate the physical impacts associated with a project from the fiscal impacts of the project. From a purely CEQA standpoint, give or take between businesses, whether one comes in and one goes out, is not an environmental impact and specifically enumerated in CEQA. It's been proven over and over again. We're looking for the physical impacts associated with that. Many cities, including the City of Ceres have ordinances that deal with property maintenance in these types of instances. The mitigation measures that were referred to the EIR in this particular instance was because it's such a large building. The concern among staff and the reason it resulted in a mitigation measure was that with such a large project, it may overtax the City's ability to provide some sort of blight mitigation should it occur in this particular instance. You can include evidence outside of the record. It is possible to certify the EIR and deny the project. In fact, that was done in Chico. The EIR is simply

a piece of information that the Commission uses to consider the project. It's not the only piece of information in use. It's simply the largest amount of paper in one spot.

- Chairperson Kachel asked Mr. Teague, with the EIR in mind, to explain a little bit about the Plan B Alternative and the concern it was sort of rejected out of hand.

Mr. Teague explained that alternatives are designed, (except for the no project alternative), to either lessen or reduce or eliminate a significant impact that has been identified by a project. For example, if noise is an issue, you do things to a project alternative, to reduce noise. We can do the same with traffic and other impacts considered significant to the document. When we reject an alternative, we are not saying that the Commission should not consider it. What the EIR says, and the language is very specific in that regard, there's no environmental reason to compel you to select this alternative. It doesn't mean it's outside of your realm. This is a Conditional Use Permit. You have a great deal of broad police powers associated with that particular action. From an environmental standpoint, we didn't see enough of a benefit from the proposed alternative to say unequivocally you have to do this one.

The one exception to that, of course, is almost always the no project alternative. CEQA mandates that we look at taking no action in doing something that is not going to happen. The difficulty with that alternative, is that it doesn't further anyone's goals. In most situations the no project alternative is almost always the environmentally superior alternative as defined in CEQA.

Mr. Teague further explained that in this instance, we didn't dismiss alternatives out of hand. They are still in the document. They are still in the Draft EIR, and your Final EIR includes your Draft EIR and also includes the technical appendices that are stacked on the table about six inches of material. All of that is still valid material for the Commission to consider.

- Chairperson Kachel asked Mr. Teague, based on the hearing tonight, do you feel the EIR is adequate for certification? Is there anything that makes you question it?

Mr. Teague responded that there's nothing he's heard that makes him question the EIR. The Commission has some very tough decisions to make. It's pretty clear that this is an area that has been designated and zoned for commercial use for quite some time, and you have the inherent conflict of commercial uses with residential traffic. One of the things that the Commission had asked for and perhaps Katherine can talk to at some point here, is the traffic calming mitigation measure that is in there. But, the long and short of it, is this property has been identified for this use for almost 30 years now, and yes, there are environmental impacts associated with it. From an environmental standpoint, from the EIR standpoint, this one is pretty well thought out.

- Chairperson Kachel stated that he thinks the irony of all of that is if they were proposing to put the existing store at the site by itself, we wouldn't be having this

hearing because it would be permitted outright. The project as he understands it, requires a use permit because they want to sell alcohol and because of the free-standing restaurant; is that correct?

Mr. Westbrook explained that the need is for the Conditional Use Permit; the requirement is because of their potential for alcohol sales within 300 feet of a residential zoned property. Because the project wasn't split into specific parcels, the boundary was the 300 foot radius; that's why the need for the Conditional Use Permit.

He further explained that this would still come to the Commission for approval, regardless of the alcohol sales. The project approval would still need the tentative map for the reconfiguration of the parcels. The application to approve the plan and the elevations would be called a Specific Plan Site Plan.

- Commissioner Kline asked about overriding circumstances, and went back to his traffic concerns. The traffic in the EIR was done with the Mitchell Road and Service interchange in place. And now, according to these letters from Caltrans Department of Transportation, it's on indefinite hold.

Mr. Teague responded that we'll do a two-part answer here, and start with the traffic concern.

- Katherine Tellez - Fehr & Peers (transportation consultant)

We prepared the traffic study for the EIR, and in terms of traffic analysis, we did several scenarios.

- In the existing plus project condition we assumed no interchange improvements. We found there would be significant impacts. We identified a number of improvements that would bring intersection operations back to an acceptable level.
- In the cumulative condition we looked at traffic both with and without the interchange and improvements. Without the interchange improvements, operations are unacceptable, and the mitigation measures proposed for the near term conditions, will not be adequate to mitigate the cumulative condition. With the interchange improvements in place, traffic conditions do improve and things do operate well; however we do not rely on those improvements to mitigate the traffic from the project.
- Chairperson Kachel clarified that they've identified mitigation measures to reduce the impact or to make the traffic flow levels acceptable; level D - is that the level we're looking at without the major rebuilt. He asked Ms. Tellez the name of the document that Caltrans requires to be prepared before they do interchange improvements.

Ms. Tellez replied that it's PSR, PAE. There are several names or documents.

- Chairperson Kachel asked if any of those are going to be required with the improvements that she identified in these mitigation measures.

Ms. Tellez explained that there will be some level of review from Caltrans. It all depends on the ultimate cost of those improvements. If the improvements are over a million dollars, there's a much different level of review that is required.

- Chairperson Kachel further added that this would add time in all likelihood, in the development schedule list knowing how long that takes.

Mr. Gebhardt asked if he could add to this discussion. There are multiple studies that are done as far as the interchange. The PSR, Project Study Report, has been done. The next step for that interchange is the PAED, and there's actually a contract with Nolte to complete that phase, but some of the other projects had a higher priority and we have not pursued it at this point.

The key really is in our analysis; is that for anything to get built in the city in the near term, for cumulative we know that the city will need that interchange. That's why it's on our long-range plan. Why it's our long-range financial plan, why we collect some money with every building permit, so that in time we will be able to build it. We absolutely will not build it in the next five years, probably not the next ten years.

So we did analyze this project to see what would happen if we had the traffic we have now and everything that will be built at this location. And the 300,000 square feet here will not be built immediately, but if we build it, what would be needed in order to have acceptable access in this area, and that is the analysis that Fehr & Peers was talking about. Those mitigations are part of this project.

- Chairperson Kachel remarked that we've gone through a lot of comments and between the group of us up here, covered everything from water on the existing site, security plan, the traffic, the impacts on the community. He then asked what the Commission would like to do at this time. We have several alternatives, one of which is certifying the EIR, which gets that out of the way, and then these other issues can be looked at in a more specific basis.
- Commissioner Kline remarked that because of the magnitude of this project, he is not comfortable to certify the EIR. He stated that he has to commend the staff for helping him through all of this, answering all of his questions in detail and recapping it for him. However, with the traffic studies and with Caltrans and nothing being in place as far as funding, and congestion with traffic lights, he is just not comfortable with accepting the EIR.
- Chairperson Kachel stated that at this point we're looking for a motion or comments as to what, if any additional information specifically we want to have provided by staff and consultants.

- Commissioner Smith said that she is looking for some sort of plan for the existing Walmart, for cleaning up the landscaping on the existing location; enforcing the current ordinance.

Commissioner Kline made a motion to reject Resolution 11-03. Commissioner Del Nero seconded.

Commissioner Kachel suggested discussing this.

Commissioner Smith stated that she's not sure she wants to reject anything, or ask for a delay pending additional information. A continuance is the appropriate part of the process, not a flat out rejection.

Commissioner Kline responded, with that being said, he will pull his motion to reject Resolution 11-03. Commissioner Del Nero agreed; sounds good.

Commissioner Kline made a motion to continue Resolution 11-03, so that more information can be obtained. Commissioner Smith seconded the motion.

Mr. Westbrook requested that prior to the motion, we go through and have all of the issues clarified, if a continuance is the will of the Planning Commission. We want to make sure we have all the information you need to make a decision on the project, so that when we come back to you, you don't request new information at that time. If we could, for the members that have some concerns, if you can go one by one so we can have all these concerns in one section, so it's clear.

- Commissioner Smith volunteered to go first.
 - She would like to see some samples of other elevations from other communities throughout California and other places, not just the Central Valley. She'd like to see something different.
 - She would also like to have more updated information on the economic impact; some of the information mentioned that was brought up here with regard to the businesses in the surrounding area, the local supermarkets; more detailed and updated information on that.
 - She would also like to see additional information on the potential change of the site plan, and the impact on the Don Pedro traffic.
 - She would also like to see a plan to bring the landscape for the existing building up to the Mitchell Ranch Corridor Specific Plan Standards.

- Commissioner Kline:
 - His request is the traffic area, as far as the total impact without the realignment of El Camino. Years down the road, without the interchange of Service, without the interchange of Mitchell Road. He would like to understand the vehicles per day from basically Mitchell Road bridge all the way through to Highway 99; the impact.
 - Also the potential impact on Service Road, with the median going down Mitchell; plus the median going down Service Road.
 - Truck study of WinCo Distribution Center, off of Crows Landing, what they bring down Service Road presently.
- Commissioner Molina:
 - He would like to take a look at Alternative Number Two, with moving the building and the loading and unloading from Don Pedro Road.
- Commissioner Del Nero:
 - The major thing was the interchange.
- Chairperson Kachel:
 - He just wants some more specifics on economics.

Commissioner Kline asked if something else comes to mind in the next couple of days, if he can send an e-mail, to add to the list.

Mr. Lyons stated that you need to identify it tonight, and staff knows what to work with, what to expect.

Mr. Lyons continued that you've identified those areas of concern where you desire more information, and he thinks it would only be appropriate to identify it tonight, and then continuing action on all these items to another date, which for our purposes it would be good to continue it to a date. But not through a notice process again. So we need to continue it to a date that is going to allow at least some reasonable estimate from staff, how long it's going to take to respond.

Chairperson Kachel asked if time was needed to check with the consultants. A brief recess was taken at 11:18 p.m.

The meeting reconvened at 11:24 p.m. with Chairperson Kachel asking if we can get a date set.

Mr. Teague responded by explaining their dilemma: We don't know what updating economic information means in a practical sense. That can run the gamut from completely revitalizing the entire economic study, to simply providing you some additional information or repackaging that information that's in there so that it can be brought to the front, so you can understand it better. We really need to have a little more specifically, what you want to see, i.e. sales tax data, those types of things.

Commissioner Smith suggested that they update the economic data that was included in the report, from 2007. She thinks that the economic data contained in the document isn't relevant, given what has taken place since November of 2007 and this is February 2011.

Mr. Teague stated, not to sidestep the issue, but he doesn't put a lot faith in economic data regardless whether it comes from Wall Street or published in these documents. And the issue here, for his EIR was whether or not blight can occur. He thinks the information provided to you is as relevant as any information provided today, if it had a 2011 date on the front cover.

Commissioner Smith asked if he could address Mr. Jolley's comments with regard to the economic data.

Mr. Teague turned it over to the attorney.

Mr. Grutzmacher went back to the previous question about the timeliness of the economic data. We actually did request that the consultant do an update to the data, at a point during the EIR process, and the information came back to summarize that. While the economic downturn might kind of spread out some of the conclusions in terms of the timing, they were still sound conclusions in terms of these stores would be able to be retented. There's two points to it: there's a timing issue and then your absorption rate and that issue. By the same token in 2007 we can't predict what would happen in 2011 in terms of economics, and in 2011 we are not necessarily going to be able to say what's going to happen in 2014. The economy may be twice as good.

Commissioner Smith suggested that a response to Mr. Jolley's questions be included in the summary.

Mr. Grutzmacher agreed that would be fine.

Chairperson Kachel stated that from his perspective, it's a question of we are being asked to make or approve a project based on a statement of overriding considerations, which is largely based on economics. We have a lot of testimony, and I think some of the Commissioners are saying they're not sure they have enough information about what those specific impacts may be. They know that Walmart will employ X number of

people, now they employ Y number, there would be X plus Y. Can we get a “guesstimate” how many jobs would be lost. Some speculate - Walmart has been doing this around the country for 15, 20 years. I can’t believe there aren’t studies in some communities that would address the information that we’re looking for here.

Mr. Grutzmacher replied that’s actually one of the questions that staff was having in terms of how much time are we going to need to address the Commissions’ comments in terms of what are the exact questions that we need to address. One area of questioning is the current economic report and how that shows or does not adequately show physical blight from a CEQA perspective. Then the second one was, we’re clear on, was your question, Mr. Chair, which was the Commission is looking for more data to back up the statement of overriding consideration.

It was moved by Commissioner Kline and seconded by Commissioner Smith, to continue PC Resolution 11-03, PC Resolution 11-04 and PC Resolution 11-04 to April 4, 2011. Carried 5/0.

Chairperson Kachel stated that we have an ordinance that we can’t go past 11:30 p.m. and I think we are slipping past that.

Mr. Westbrook stated, just so everyone in the audience understands, the meeting will be continued to April 4th. It will be at 6:00 p.m. in this room. There will be no additional notification sent to anybody in the mail.

PUBLIC MEETING(S):

None

UNFINISHED BUSINESS:

None

MATTER INITIATED BY PLANNING COMMISSION AND STAFF

None

REPORTS:

Commission - Commissioner Kline reported that he participated in three meetings of the Downtown Business Association, and he was disappointed in the lack of attendance.

Staff - Tom Westbrook reported that he and several of the Planning Commissioners will be attending the Stanislaus County Planning Commissioner’s 34th Annual Workshop on March 5th.

ADJOURNMENT:

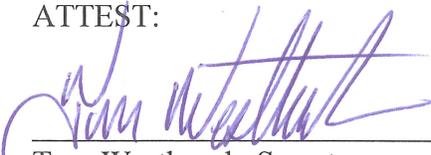
The Commission adjourned at 11:35 p.m. to the next regularly scheduled meeting of March 7, 2011.

APPROVED:



Bob Kachel, Chairperson

ATTEST:



Tom Westbrook, Secretary