

September 7, 2013

By: Jennifer Bonnett

Galt may welcome big-box stores

■ City considers changing ordinance; Walmart broke ground this week

For the added tax revenue and local jobs, activist Al Baldwin would like to see more big-box stores built in Galt. On Aug. 20 — the same evening that the city of Sacramento voted to ease restraints on such construction, hoping to throw out the welcome mat to larger retail establishments — Baldwin asked Galt City Council members to take up the same effort.

But City Manager Jason Behrmann said it's something the city has already been talking about, although it probably won't go before the city council until next year.

"Economic development is a top priority for the city," Behrmann said. "We are currently evaluating all of our ordinances, including the big-box ordinance, in order to remove barriers and streamline the development review and approval process as much as possible."

Walmart officially broke ground at its store on Twin Cities Road on Thursday, after years-long delays and environmental studies related to traffic patterns and noise potential.

In 2006, the city required that Walmart's application for a 132,340-square-foot store — with approximately 25,000 square feet dedicated to grocery and other non-taxable items — also include an application for a conditional use permit, which effectively gave the city more leeway in enforcing rules on the superstore under its ordinance. The proposed Walmart won final council approval in 2011.

"We appreciate the strong show of support from the community and elected officials at this week's groundbreaking," Walmart spokeswoman Delia Garcia said in an email. "We are excited to begin construction of the new Galt Walmart and provide customers the convenience of one-stop shopping for fresh, affordable groceries and general merchandise closer to where they live."

Sacramento changes direction

Last month, following a contentious two-hour debate that pitted some of the region's top business interests against influential labor leaders, the Sacramento City Council voted 6-2 to eliminate most of a

2006 ordinance that required superstore chains to conduct wage and benefit studies of nearby businesses before being permitted to build new facilities. The rules applied to projects larger than 90,000 square feet with more than 10 percent of the space dedicated to groceries.

Labor leaders, small-business representatives and neighborhood activists urged the council to keep the ordinance in place. Building trades group and business organizations led the push to ease the restrictions.

Under the new plan approved by the council, economic impact analyses will no longer be required in major developments where the city council has already approved large-scale retail projects.

City development officials contended that the old ordinance amounted to a ban of big-box stores. Five superstores operate within Sacramento city limits, but none meets the overall size and grocery thresholds of the law, officials said. In the meantime, there are 35 big-box stores open in nearby cities and counties, according to a database compiled by Sacramento officials.

Supporters of repealing the ban argued that the nearby competition has led to a bleeding of tax revenue to other jurisdictions.

Sacramento Councilman Steve Hansen says tax revenue that should be supporting city police, fire and park services is going to other jurisdictions.

“This policy causes harm to our city,” he said at the council meeting last month.

Walmart supports the shift.

“As a long-standing member of the Sacramento business community, we’re encouraged by the city’s vision and support for more economic development,” Garcia said. “We don’t have any new projects in Sacramento to announce, but we will continue to look for opportunities to better serve our customers closer to where they live and work throughout the state.”

Other cities’ ordinances

In 2007, the Stockton City Council banned any store greater than 100,000 square feet and containing a grocery element, but only after a Walmart Supercenter opened near Hammer Lane and Highway 99.

The same year, the Galt City Council unanimously approved its ordinance requiring Walmart to first apply for a conditional use permit.

In order to obtain that permit, Walmart was required to perform a series of additional neighborhood and area analyses and reports prior to being considered for final approval. Those community studies were separate from the official state-required environmental impact report.

Lodi does not have a big-box ordinance. Still, Walmart has been working for a decade to build a Supercenter at the corner of Lower Sacramento Road and Kettleman Lane, and has long been delayed by lawsuits and city-imposed requirements such as purchasing property elsewhere to offset the loss of agricultural land.

Opponents of the Sacramento ordinance change expressed concern about the effect superstores would have on small businesses, arguing the money spent at those stores would simply come at the expense of other existing businesses.

But Galt Councilwoman Barbara Payne, a former small business owner herself, found that Galt residents were leaving town to shop at Walmarts and Targets in other cities and, while there, they would go to small gift shops like hers.

She favors taking a renewed look at the city's ordinance and possibly eliminating it. That could clear the way for another big-box retailer move into the property at Simmerhorn Lane that Walmart originally sought to build on, she said.

"When our ordinance was passed, it was a different climate on the council. It was a slow to no-growth council," Payne said. "Galt needs to have more businesses here. We're losing money to other cities.

"I hope residents understand the need for more revenue," she added. "If you don't have enough revenue in your community, it's going to reflect back on your community and what you can offer."

The Sacramento Bee contributed to this report.

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