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## Editorial: City should dump 'superstore' rules

The City Council has three proposals before it this evening on Sacramento's "superstore" rules, all of which would be much better than the current regulations.

Big labor successfully pushed the edict as a way to block big-box stores such as Wal-Mart, which pay lower wages and which unions blame for driving down pay for all retail workers. But the 2006 ordinance hasn't worked or helped the city's economy.

It requires an economic analysis to see whether existing stores would be blighted because of a new superstore. That includes a study on the differences between wages and benefits at existing and proposed stores. Superstores are those with more than 90,000 square feet and at least 10 percent for groceries, but not membership stores.

One option before council members, recommended by the Planning Commission and staff, would repeal the regulations entirely as part of the push to make the city more business-friendly.

The second alternative – which came out of a meeting last month attended by business, labor and neighborhood representatives – would keep the rules in place in the central city and east Sacramento but remove them in new growth areas such as Natomas. This could be the compromise that wins the minimum five votes needed to pass.

The third proposal would exempt from the ordinance existing stores that don't expand by more than 25 percent and new stores in planned developments approved before Jan. 1, 2013. That would free Delta Shores, the 800-acre project in south Sacramento, from the ordinance, as well as several planned developments in North Natomas.

Under both alternatives short of complete repeal, the wage and benefit study – which critics say is the most onerous requirement – would go away. It should not be part of the zoning code, which should focus on issues such as traffic flow and neighborhood compatibility. Even if the ordinance is repealed, many superstores would still need a conditional use permit, giving opponents ample opportunity to have their say. Also, city planners could still require an economic impact study on a case-by-case basis.

Business groups, including Region Builders and the Sacramento Metro Chamber of Commerce, are pushing to repeal the ordinance. They say it has effectively banned big-box stores and has pushed them

– and their tax revenue – to nearby jurisdictions. Since June 2009, three Wal-Marts have opened just outside the city limits, among 25 Wal-Marts and Target superstores within a 15-mile radius of Sacramento where city residents are shopping.

Labor union leaders are urging the council to delay any action until the fate of a statewide bill – which passed the Assembly but is stuck in a Senate committee – is decided.

There's no good justification to wait on the Legislature to do what's best for Sacramento. The main reason the council would keep the ordinance is due to unions' political power. Three council members – Steve Cohn, Darrell Fong and Kevin McCarty – are eyeing campaigns for the state Assembly next year, and labor support will certainly come in handy.

Which will they put first – their personal political ambitions or the city's best interests?

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