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The **Wal-Mart** wedge: Expansion proposal splits community

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CHICO -- For Magalia resident and new mother Fallon Arenivas, **Wal-Mart's** a place where she can get diapers much cheaper. "I think it would make it better if you could get everything at one store and you don't have to go to several," Arenivas said.

But for Diane Moya, who lives in a development across Forest Avenue from **Wal-Mart**, a proposed expansion of the store represents an increase in an already congested area. "The traffic here is huge, especially around the holidays," said Moya. "I just shudder to think what's going to happen when **Wal-Mart's** going to put together a supercenter. It just makes me sick to my stomach."

City leaders will have to decide whether to let **Wal-Mart** add almost 100,000 square-feet to the store. But before they do, members of the public will weigh-in on a growing community debate. The expansion would take **Wal-Mart** from 125,889 square feet to 208,358 square feet plus an 18,000-square-foot garden center, giving the big-box retailer room to also sell groceries. The store would expand onto a vacant 10.5-acre lot it owns next door, requiring a parcel map change. It will be the first supercenter in Chico and the closest one for 45 miles — the nearest supercenters are in Yuba City, Marysville and Anderson. **Wal-Mart** has proposed an additional supercenter in Paradise and has one approved in Willows.

The company recently canceled plans for a second supercenter in north Chico. "We're anxious for this project to move forward," **Wal-Mart** representative Kevin Loscotoff said. "It is a building that has continued to see increased demand over time and certainly the expansion and remodel will bring it up to date ..."

Opponents of the bigger store claim a supercenter will hurt local businesses and increase area traffic. They also object to the business and labor practices of the corporation.

Wal-Mart supporters and shoppers assert the supercenter will provide a "one-stop" shopping experience benefiting seniors and lower-income families, and prevent "price gouging" by giving stores more competition.

"We shopped at a Super **Wal-Mart** in Oklahoma and loved it," said Krista Hill, outside the Chico store. She shops at **Wal-Mart** once a week.

"I loved it because I can go in one store and get everything I need and the convenience was good, the prices were great, and the quality was OK."

But Durham resident Linda Reinbold said "We don't need an expansion of **Wal-Mart**; I think

there's plenty of alternatives. I think it's big enough as it is." Interviewed outside Raley's, she said she never shops at **Wal-Mart**.

An economic debate

For many, the debate over whether the store should expand hinges on its economic impact. Economic analysis is a major part of studies produced both by a group opposing **Wal-Mart** and the project's environmental documents.

But for many residents, it comes down to their own pocketbook.

Hamilton City residents Dan and Jean Paul make the drive to the Chico **Wal-Mart** twice a week for financial reasons. Both had been hoping for a **Wal-Mart** — as well as a WinCo Foods — at the north end of town.

"When you get to be retired age, money doesn't go that far," Dan Paul said outside of **Wal-Mart**. "I like to shop at Raley's, but those kind of stores are union and we can't afford those prices," Jean Paul said. "Our money goes farther (with **Wal-Mart**)."

"It lowers prices for all the consumers," Chico resident Joseph Gall said outside the Chico library. "I know it puts small businesses out of business with competition, but it's so much better for the consumer."

Carol Olufsom, who shops at **Wal-Mart** at least once a week, thinks giving competition to other local stores is a good thing.

"I'm a clearance shopper, a bargain shopper and wherever I can find the cheapest price, that's where I go," Olufsom said outside of **Wal-Mart**. "You've got to stretch the money ... If there's not enough competition, then there's price gouging, so maybe if we keep it on an even playing field (prices would be better)."

But other residents worry about the impact on local stores. Lorna Husome said Chico needs to support American-made products, not the goods made in China she said **Wal-Mart** carries, which she said creates environmental issues because of the need for gasoline to ship goods.

"We don't need it to expand," Husome said in downtown Chico. "We have all the things we need right here. I try to support local businesses and it's not local and also they don't treat their employees like they should."

Loscotoff said the expansion is based on a demand from customers, who have told the company they wanted the added retail and grocery component. He said the existing store "has been tremendously successful and continues to see an increased demand."

"Working families depend on **Wal-Mart** for savings and we take a lot of pride we can help those families save better," he said.

The company has more than 10,000 cards from residents in support of a supercenter, Loscotoff said. He said managers at the Anderson supercenter have noticed a high number of Chico residents shopping at their store.

The expansion would add more than 150 jobs to the store, which currently has 316 employees.

Loscotoff said **Wal-Mart** is a good place to work and offers its employees a range of benefits, including health and dental insurance and 401(k) retirement savings plans.

"**Wal-Mart** has been a member of the Chico community for over 15 years and has shown a strong

commitment to the Chico community," he said.

Heather Schlaff of Chico Advocates for a Responsible Economy, which opposes the expansion, said the group is concerned the bigger store will lead to urban decay.

"The main point, I think, is the main part of the expansion is adding a fourth discount grocer in an area that already has three," Schlaff said, naming WinCo Foods, Food Maxx and Costco. "I can't imagine a need for a fourth discount grocer."

She said 50 percent or more of a new supercenter will be groceries, which will probably put an existing grocer out of business.

A study produced by San Francisco State University economics professor Philip King for Chico Cares in 2006 claimed \$57.9 million in grocery sales will be displaced from existing grocery stores by the combination of the proposed and canceled supercenters. In contrast, the project's environmental impact report economic study, done by CBRE Consulting, found \$17.9 million in sales would shift.

While the King study found plans for **Wal-Mart** Supercenters in north and south Chico combined could result in the closure of several Chico groceries and suggested blight was possible, the EIR found grocery stores would not face as big a threat as predicted. If stores were to close as a result of competition from **Wal-Mart**, they would likely not result in urban blight, the EIR study concluded.

Stores identified in the King study as having the potential for closure were Food Maxx on Dr. Martin Luther King Jr. Parkway and Raley's Supermarket on Notre Dame Boulevard.

Raley's corporate spokeswoman Amy Johnston said the supermarket has been a part of the community for a number of years and believes it will continue to be.

"We don't really address our competition, but I can tell you that there will always be points of difference that separate us from price discounters, and we believe that our superior customer service, high-quality products and everyday value will keep customers coming back to our stores," Johnston said.

Messages left at the corporate offices of Food Maxx and WinCo were not returned.

Chico Chamber of Commerce President Jim Goodwin said the chamber's board believes the **Wal-Mart** expansion should be approved because it's an existing store in an area already approved for commercial use.

"It's very unfortunate in our opinion that this particular project has taken as long as it has ... It should not have been drug out in the matter it's been drug out over the years," Goodwin said.

"Our businesses should be able to expect the ability to expand on site to continue their business and that should be all businesses, whether it's national retailers or sole proprietors like mom-and-pop stores. All businesses should expect a predictable process from our government."

Not such a touchy subject for some

While **Wal-Mart** is a hot topic for many, others, like Lori Hansen, are more apathetic. Hansen said she rarely shops at **Wal-Mart** and didn't have an opinion on whether the store should expand.

"I don't care, truly," Hansen said outside of the Chico library.

Durham resident Lacie Myers, who shops at **Wal-Mart** once every couple of weeks, said she also didn't care if the store expanded.

"I think what they have is fine; it's a little junky," Myers said, adding that she's been shopping at Target more recently because it's "less junky."

But Myers said she still likes **Wal-Mart** for "one-step" shopping and cheaper prices.

"I'm going to shop wherever has the lowest prices and the most convenience for me regardless of what someone else says as long as they're not being illegal and they're not filthy," she said outside the Chico library.

Chico resident Judy Ward, who shops at **Wal-Mart** a couple times a month, hadn't made up her mind yet whether the store should expand. She said the expansion would be positive because it would be helpful for seniors to have a one-stop shopping place and help those with lower incomes, but would hurt small businesses.

"I see both sides and I don't have a decision yet," Ward said outside the library.

Others believe an expansion is simply unnecessary.

"I don't see why they need to expand," Morgan Maxwell, who shops at **Wal-Mart** occasionally, said outside of Raley's. "They already have so much stuff in one place. ... They don't need groceries. They already have milk and stuff and that's enough."

Still others fell into the "why not?" category, including Chico resident Melanie McFall.

"I don't see why not," McFall said, also outside of Raley's. "I think it will be good for the community. Since the community's going to expand, I think the **Wal-Mart** needs to grow."

McFall, formerly from the Bay Area, said she thinks both the Chico **Wal-Mart** and Target are small and worries about them running out of merchandise.

Traffic impacts

Environmental documents for the project point out that a larger store and a new service like a grocery mean more people and more cars trying to get to the same location.

Streets identified with the potential to see the impacts of traffic include Forest Avenue, East 20th Street, Baney and Business lanes, Highway 99 ramps, Skyway and Notre Dame Boulevard. The environmental impact report suggests improvements that would need to be made.

Schlaff said along with its concerns of urban decay, Chico Cares is concerned the **Wal-Mart** expansion will negatively impact air quality and traffic.

Some in the neighborhoods across Forest Avenue from **Wal-Mart** have the same concern, including Diane Moya.

"The traffic is going to be hideous," Moya predicted.

She said during the holiday shopping season, it takes her three to four stoplight changes to get from **Wal-Mart** to the Highway 99 onramp.

Moya said she does not support **Wal-Mart** because of the way the company treats its employees. Moya said she is a former **Wal-Mart** employee who now has a permanent injury **Wal-Mart** is responsible for and said the company also overworks her daughter, a current employee.

But Sharon Wooldridge said the expansion can't make the traffic any worse than it already is.

"The traffic is already bad because it already cuts through to Notre Dame, so the **Wal-Mart** expansion will have no impact," Wooldridge said.

Wooldridge said instead, the expansion would be good for the area because she said it needs a decent grocery store to provide more competition to WinCo, which she said needs to upgrade its customer service. She said Raley's is more higher-end shopping than **Wal-Mart**.

"We need another grocery store that regular people can afford, so I'm all for them expanding the groceries," Wooldridge said.

Dorothy Hall, who supports the expansion, is pleased with the proximity of the store because she's able to walk over to it.

"I think it's wonderful," Hall said. "We used to live in Bentonville, Ark., where the main store is and they did a wonderful job there expanding and controlling the traffic and so many of the employees there that I knew personally became millionaires just by working at the register because they were able to save and buy shares."

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[Photo: The Forest Avenue **Wal-Mart**, seen here in January 2007, is hoping to expand onto property next to the current building.\(Jason Halley/Staff File Photo\)<p class='dotPhoto'>All Chico E-R photos are available here.</p>](#)

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