

October 5, 2020

Dear Council President Arias and members of the City Council,

Please read this recommendation from George Beale (developer), Nick Yovino (land consultant), Sam Bogdanovich (commercial broker), Rajdeep Singh (small business owner/operator) and myself. If this goes through with the exemptions we have outlined below, we could see new stores popping up all across town including next to existing liquor stores. You can sell alcohol without the distance or buy back restrictions, but with square footage restrictions, and only if you provide healthy foods.

New stores will follow this model and offer produce and deli to get into business without having to come up with the \$200-300k licensing cost. We believe it's obvious which stores will be more successful. The ordinance, as it is written now, will be a great monopoly for current liquor stores. Again, I have no interest in being involved in the sale of alcohol. Period. But this ordinance as it is currently proposed will move Fresno backwards, and make us a less walkable city. It will also put up barriers to opening small grocery stores in underserved parts of the community.

EXEMPTION (d) ...The following shall apply to all general market uses (except supermarkets) and be exempt from any distance rule or any exceptions of obtaining an alcohol license. All of the below conditions must be met to make this exemption:

- (1) The minimum building area shall be 1500 square feet.
- (2) The alcohol sales area shall be limited to a maximum 7% of the gross floor area.
The Planning Director may allow a reasonable % increase for select wines. Outdoor advertising of alcohol brand and price shall be prohibited.
- (3) No more than 30% of the gross floor area shall be dedicated to convenience food (as determined by the Planning Director).
- (4) A minimum of 35% of the gross floor area shall be dedicated to healthy food (as determined by the Planning Director).
- (5) No alcohol sales after 11pm
- (6) the store must offer indoor or outdoor deli or dining. This could include fast food.

EXAMPLE for a 1500 square foot building

105 square feet for alcohol sales...max 7% (including floor display).

420 square feet for convenience food sales...max 28%

525 square feet of healthy food sales...minimum 35%

450 square feet other allowed uses...30%

Continued

EXEMPTION (e)...Mixed use projects that include housing, retail, or office that create walkable communities will also be exempt from the distance or purchasing of alcohol license.

CONCENTRATION REDUCTION: focus on license reduction through a “one for one” exchange rule and concurrently conduct a proactive alcohol sales code enforcement program financed through a reasonable annual assessment to all alcohol sellers. Violation and penalty revenue must be used to cover program costs and progressively reduce annual assessments. Enforcement shall begin with intersections that have multi-corner alcohol sales.

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