

1 INTRODUCTION

1.1 BACKGROUND OF DRAFT AND FINAL ENVIRONMENTAL IMPACT REPORT

On February 25, 2009, the City of Merced distributed to public agencies and the general public a draft environmental impact report (DEIR) for the proposed Merced Wal-Mart Distribution Center Project (proposed project). The proposed project includes development of a Wal-Mart Stores East LP regional distribution center (approximately 1.1 million square feet) and associated facilities on 230 acres in the southeast area of the City of Merced and would primarily store and distribute nongrocery goods to Wal-Mart retail stores located throughout the region. No retail commercial is proposed as part of the project. The proposed regional distribution center would operate 24-hours per day and would employ approximately 1,200 employees (1,050 employees to work at the facility and an additional 150 employees as drivers). Construction is anticipated to last approximately 12 months.

The entitlements required for this proposed project consist of the following:

- ▶ Site Plan Approval (required of all principally permitted uses in industrial zones);
- ▶ City of Merced General Plan amendment (This is required because the undeveloped Kibby Road right-of-way is proposed to be abandoned between Childs Avenue and Gerard Avenue. Because Kibby Road is designated in the Circulation Element of the General Plan, a General Plan Amendment is required before action can be taken to abandon the unused right-of-way); and
- ▶ right-of-way abandonment (Kibby Road).

Subsequent to these actions, the City will be responsible for the issuance of building permits.

The City's objectives for the project include the following:

- ▶ to develop the industrially zoned area in the City with permitted industrial uses;
- ▶ to locate industrial projects in areas with good access to major highway transportation links, and provide opportunities for buffers between industrial and nonindustrial uses;
- ▶ to encourage development of industrial projects that will create jobs, including full-time, nonseasonal employment opportunities for local residents;
- ▶ to encourage development of projects that will contribute toward improving roadways adjacent to the proposed development site; and
- ▶ to ensure that industrial areas are developed in an attractive manner.

The project applicant has developed objectives consisting of the following:

- ▶ to develop a project consistent with the City of Merced General Plan (City General Plan) and zoning ordinance,
- ▶ to develop a distribution/warehouse facility near other industrial uses,

- ▶ to construct and operate a distribution/warehouse facility in Merced County to take advantage of the strategic location between large urban centers and smaller urban and rural markets throughout the Central Valley in California,
- ▶ to construct a distribution/warehouse facility on a site sufficiently large (a minimum of 230 acres) to allow necessary building space and parking for trucks and employees,
- ▶ to construct a distribution/warehouse facility with sufficient space (approximately 1.1 million square feet) to allow operational efficiency and adequate distribution of goods to stores in a broad geographic area in California,
- ▶ to locate a distribution/warehouse facility with access to a regional roadway network including interstate, state, and regional roads,
- ▶ to locate a distribution/warehouse facility in an area well served by major local thoroughfares to minimize truck traffic traveling through residential neighborhoods,
- ▶ to provide sufficient parking for trucks and employees to minimize impacts to the surrounding area, and
- ▶ to take advantage of an existing labor pool living in the Merced area.

The DEIR evaluated the environmental impacts associated with constructing and operating the proposed distribution center, and included mitigation measures and project alternatives to reduce the significance of impacts. Section 15205(d) of the California Environmental Quality Act Guidelines (State CEQA Guidelines) requires a 45-day period for public review of the DEIR; however, the City determined that a 60-day review period was appropriate for the proposed project, which is authorized under CEQA. The 60-day review period for the DEIR began on February 25, 2009 and ended on April 27, 2009. State and local agencies, and the general public, commented on issues evaluated in the DEIR during the review period.

Comments received on the DEIR raise various issues including (to name only a few) impacts related to traffic on local roadways, conversion of farmland, urban decay, air quality and public health, length of the comment period, availability of the document in non-English translations, and noise. Responses to each of the comments received are provided in this final environmental impact report (FEIR). Although some of the comments have resulted in changes to the text of the DEIR (see Chapter 4, “Corrections and Revisions to the Draft EIR”), none of the changes constitute “significant new information,” under CEQA Guidelines Section 15088.5, requiring recirculation of the DEIR.

The FEIR includes the following documents in their entirety:

- ▶ *Draft Environmental Impact Report for Merced Wal-Mart Distribution Center* (including Appendices A–F), dated February 2009;
- ▶ *Final Environmental Impact Report for Merced Wal-Mart Distribution Center, Volume I*, dated July 2009; and
- ▶ *Final Environmental Impact Report for Merced Wal-Mart Distribution Center, Volume II*, dated July 2009.

These documents are available for review at www.cityofmerced.org or at the City of Merced at the following addresses:

Merced City Clerk
678 West 18th Street
Merced, CA 95340

City of Merced Planning Department
678 West 18th Street
Merced, CA 95340

1.2 ORGANIZATION OF THIS DOCUMENT

This document contains six chapters, as described below.

Chapter 1, “Introduction,” discusses the background of the environmental review of the proposed project and a description of the contents of this document.

Chapter 2, “List of Commenters,” lists of all written comments received on the DEIR.

Chapter 3, “Comments and Responses to Comments on the Draft EIR,” presents both the verbatim comments and appropriate responses to significant environmental points, in accordance with Sections 15088(a) and (c) and 15132 of the State CEQA Guidelines. Some of the issues raised in comments on the DEIR address the merits of the project or raise topics that are not environmental. Because CEQA specifies that the responses must address comments raised on the environmental impacts of the project, the comments on non-environmental issues are noted but do not require detailed responses. All comment letters are labeled to correspond with the table in Chapter 2 that lists the comments (Table 2-1). Each individual comment is assigned a number (e.g., 1-1) that corresponds with the response following the comment.

Chapter 4, “Revisions to the Draft EIR,” presents corrections, clarifications, and other revisions to the DEIR text, based on issues raised by the comments on the DEIR or on other information made available to the lead agency. Changes in the text are indicated by strikeouts (~~strikeout~~) where text is removed and by underlining (underline) where text is added.

Chapter 5, “References,” identifies the reference documents used in the preparation of responses to comments.

Chapter 6, “Report Preparation,” identifies the preparers of this document.

1.3 PROJECT DECISION-MAKING PROCESS

This document is being made available to the public agencies and members of the public that commented on the DEIR and published on the City’s website upon completion. As required by Section 15088(b) of the State CEQA Guidelines, the City is providing public agencies that commented on the DEIR at least 10 days to review proposed responses prior to considering the FEIR for certification.

At a scheduled public hearing following this 10-day review period, the City of Merced Planning Commission will consider the adequacy of the FEIR, the project entitlements, and the merits of the project. The Planning Commission will forward its recommendations to the City Council, which will render decisions regarding FEIR certification and project approval. If the City Council certifies the FEIR, it will make findings that (1) the FEIR has been completed in compliance with CEQA, (2) the Council has reviewed and considered the information in the FEIR, and (3) the FEIR reflects the Council’s independent judgment and analysis. After certification, the Council may consider whether to approve the proposed project, approve it with conditions, or deny the project, in accordance with Section 15092 of the State CEQA Guidelines.

If the City Council approves the project, it will be required to make findings regarding the disposition of each significant environmental impact, including whether feasible mitigation measures or alternatives are available to substantially reduce or avoid these effects (CEQA Guidelines Section 15091). Because the project would also result in unavoidable significant impacts, the Council would also be required to adopt a statement of overriding considerations, specifying its rationale for approving the project in light of the unavoidable impacts (CEQA Guidelines Section 15093).

The City Council would, upon taking an approval action, then file a notice of determination with the County Clerk and the California Governor's Office of Planning and Research, as directed by Section 15094 of the State CEQA Guidelines.