

Study: Wal-Mart supercenters good for communities

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A locally produced survey on the impact of Wal-Mart Supercenters around California indicates the big-box retailer helps, rather than harms, communities.

The Chico Economic Planning Corp. released the survey results, saying by way of jobs, nonprofit contributions and tax dollars, Wal-Mart Supercenters are showing a positive contribution.

CEPCO employees called on all 15 communities with existing supercenters throughout California, talking with city economic development officials and chamber of commerce executives. Six other California supercenters have opened since the study was completed in September.

The survey did not address hot-button issues like health-care costs on a community or wage levels.

CEPCO CEO Bob Linscheid said he approached Wal-Mart about doing a survey before the issue of a second Chico store — a supercenter — surfaced. CEPCO generally stays away from addressing retail issues, he said, but the category of regional shopping that draws shoppers from outside this area and provides jobs and increased sales tax does concern his economic development organization. "I was concerned over misinformation out about Wal-Mart in general, and the disrespect for employees."

By misinformation, Linscheid said criticism over declining property values with increased crime and traffic have surfaced in communities examining supercenter proposals.

"My greatest fear was not having the truth out."

A supercenter generally is larger than a traditional Wal-Mart store and contains a grocery. Some communities have fashioned local laws that ban extraordinarily large stores with groceries or Wal-Mart supercenters.

Wal-Mart paid CEPCO \$5,000 for the survey, but Linscheid said the retailer had no part in assembling the questions or in the interviews.

"We would have done it whether or not Wal-Mart agreed," Linscheid said.

"The general impression was that there's a lot of hysteria thrown out there over Wal-Mart, but there are a lot of people who shop at Wal-Mart."

Quoting Wal-Mart information, Linscheid said there are more people who shop weekly at Wal-Marts across the nation — 127 million — than voted in the last presidential election — 123 million.

"This is not responding to the anti-Wal-Mart effort. This accurately depicts (communities') true feelings.

"Both sides need to be mentioned."

"What surprised us about the survey was that consistently there was a lack of negative response about the supercenters after they were built," said CEPCO employee Jessica Freitas, one of the surveyors.

"We did hear negative concerns, but communities said they were mitigated. That's not what the opposition is saying."

Freitas noted communities were asked if they regretted allowing a supercenter to establish, and none said they did.

Linscheid said communities handled their concerns through mitigation, and that in every case, Wal-Mart adhered to mitigation requirements.

Feedback included initial negative reaction to the supercenters, including concerns over traffic impacts, loss of businesses, declining property values and crime. However, communities with those concerns found them dispelled once the stores opened, Linscheid said.

Linscheid did not think this would become a campaign issue.

"Certainly we see it as an important tool that city planners, decision makers and community leaders can use to see the true impact of supercenters in California to this point," Northern California Wal-Mart spokesman Kevin Loscotoff said.

"We commonly see studies that are prospective or theoretical in nature. Yet to see a study that actually went back and sought out the actual true impact of supercenters is unusual."

Loscotoff said the information will be of interest to Wal-Mart nationally, and that other stores are interested in seeing the survey.

He said to his knowledge, this is the first time Wal-Mart has addressed criticism, primarily because little information about supercenters had been formally pooled.

Regarding hot-button issues, Loscotoff said the study was to look at economic impact, not "facts."

"We don't think we need a study to show what the facts are. Wal-Mart provides a competitive wage, medical and dental, a full range of benefits including 401(k), profit sharing, vacations. The list goes on and on."

Critics have said the wages paid by Wal-Mart are so low that employees cannot make a living, and are sometimes forced on public assistance or to seek medical care through expensive emergency rooms.

"This is done by a credible, third-party organization," Loscotoff said of the survey.

Communities surveyed included La Quinta, Stockton, Hemet, Calexico, Palmdale, Gilroy, Roseville, Palm Springs, Dixon, Marysville, Dinuba, El Centro, Santa Clarita, Beaumont and Yuba City.

Officials in those communities indicated that citizens' primary concerns included (in order) traffic issues, business closures and employee benefits. City officials said their most "compelling" reasons for approving a supercenter were (in order) sales tax revenue for local services, economic development and improving local shopping.

"We hope the City Council is fair and gives this employer fair treatment," Linscheid said in regard to the upcoming hearings and decisions on Wal-Mart's expansion plans.

Chico was not included in the study because the local store is not a supercenter, although there are plans to enlarge the current 126,000-square-foot store by 97,000 square feet.

A new, 242,000-square-foot supercenter is also proposed in north Chico, at the former Sunset Hills golf range at Garner Lane and Highway 99.

Environmental impact reports are still being prepared on those projects by city-hired consultants. Community Development Director Tony Baptiste said Wednesday he expects those to be completed in the near future. There will be a 45-day public comment period and then hearings before the Planning Commission.