

RANDHAWA, LLC DBA MADIRA
LAND CONVENIENCE STORE

September 27, 2017
City of Merced Planning
Division
Development Application
678 S. 18th St.
Merced CA 95340

RE: Randhawa, LLC dba Madira Land
Convenience Store

Please consider this letter our official request for a finding of Public Convenience or Necessity required by the Department of Alcoholic Beverage Control pursuant to 23958.4 of the Business and Professions Code. Please consider the following as justification of Public Convenience and Necessity, for the proposed Randhawa, LLC dba Madira Land Convenience Store with a planned location at 1340 West Olive Avenue, Suite 102, Merced, CA.

Statement of Public Convenience or Necessity

Randhawa, LLC is committed to taking all feasible steps to address law enforcement concerns about the site. In addition, Randhawa, LLC has an extensive employee - training program and is a responsible retailer of alcoholic beverages. Randhawa, LLC markets are designed to provide a safe environment for patrons and employees. To that end, the following design elements are incorporated into our security plan. The storefront includes a significant number of windows so that the interior of the store is visible from the exterior of the building. Additional security measures include; adequate lighting levels both on the interior and exterior of the store, employee supervision of the facility, closed circuit video monitoring system with cameras located strategically throughout the property, and careful window signage and landscaping placement to avoid obstruction of visibility into and out of the facility.

Public Convenience or Necessity

First it is important to emphasize that Business & Professions Code §23958.4 requires a positive finding of public convenience "*or*" necessity in order for an off-site ABC application to be approved. This is legally sufficient if Randhawa, LLC dba Madira Land shows *either* public convenience or public necessity. It is *not* legally necessary to show both.

Second, it is only necessary to show public convenience or necessity where there is an "undue concentration" of licensees in the census tract. The term "undue concentration" (also referred as "over concentration") is specifically defined in Business and Professions Code §23958.4 as simply a ratio of *the number of licenses in a census tract* compared to *the average number of licenses in a county*, as a whole. It does not mean that a particular census tract necessarily has too many licenses for the needs or convenience of residents in that tract.

"Over Concentration" also does not mean that the state, or anyone else, has previously looked at this census tract and determined that it has suffered any deleterious effects from the actual number of licenses existing; or that it will suffer if a new license is issued. It merely provides a guideline for making such a determination. in the form of determining whether in a particular situation, the ABC license would serve the public "convenience or necessity".

Thus the fact that the census tract in which the Randhawa, LLC. (dba Madira Land) site is located is statutorily "over concentrated" does not mean that the selling of alcoholic beverages at a small convenience store will have

adverse impacts. Rather, it simply means that either public convenience or public necessity will be served by the sale of alcoholic beverages at the site in conjunction with the sales of other items carried.

BASIS FOR SUPPORTING OFFSITE ALCOHOLIC BEVERAGES SALES AS AN INTEGRAL PART OF THE PROPOSED PROJECT

1. The Convenience of Madira Land Convenience Store Concept

Since July 2011, Randhawa, LLC has been delivering convenience and value to our customers from our current location in Atwater, CA. We are committed to helping shoppers save time and money every day and to make shopping for everyday needs simple and hassle free by offering a clear fully edited assortment of the quality private and nationally branded items that are frequently overlooked or forgotten, such as non-alcoholic beverages, snacks, prepared foods, cigarettes and e-cig items, and seasonal items in a convenient neighborhood setting.

At Randhawa, LLC dba Madira Land, our goal is to provide our customers with a expedient and centrally located market. Our customer's reliance on Madira Land will vary from using the store for regular purchases to the occasional "oops, I forgot" purchase and do not want the hassle of driving to and finding parking at a big box store for a single item.

We believe that our value and convenience proposition attracts customers from a wide range of income brackets and life stages. Madira Land in Merced will feature an expanded food and non-alcoholic beverage offering including snacks and prepared food items as well as a larger footprint than our Atwater store.

Although alcoholic beverages comprise only a small percent of the store shelf-space, it is nevertheless necessary in order to provide Madira Land customers with a varied range of products. Thus, alcoholic beverages are a key element of the Madira Land concept. By providing an assortment of products, including alcoholic beverages, readily available to the Madira Land consumer, the public convenience of the area is certainly served. Without it, customers may be obliged to travel to a range of big box retail outlets in order to complete their shopping needs. Alcoholic beverages will comprise no more than approximately 5% of total sales floor space.

Furthermore, Madira Land wants to maximize the availability of a large diversity of food and sundry items at the site pursuant to its concept. Permitting the sale of beer and wine at the site will complete Madira Land's concept, enabling customers to purchase a variety of products at one convenient stop. Providing customers all of this at one location is what "public convenience or necessity" is really all about.

2. "Over Concentration" in primarily Commercial Census Tracts is consistent with Good Zoning Policy

According to the Department of Alcoholic Beverages Control, in Census Tract 13.01, the tract in which the Randhawa, LLC dba Madira Land will be located, there are currently five (5) active off-sale alcoholic beverages licenses and four (4) are allowed. The threshold for overconcentration established by the ABC, while a vulnerable, guideline is determined directly by population and does take into account zoning or general plan designation. As a result, the ABC established high license limits for largely residential census tracts and low thresholds for densely commercial tracts, while the General Plan encourages the concentration of commercial activity, opposed to an even dispersal among residential neighborhoods. As a result almost all commercial areas are "over concentrated"

3. Randhawa, LLC dba Madira Land's distinction among other Existing Off- Sale Licensed Retailers in the Census Tract

As noted, the Department of Alcoholic Beverages Control reported that there are 5 active off-sale alcoholic beverage licenses in Census Tract 13.01. Randhawa, LLC dba Madira Land will be purchasing an existing Type 20 Off-Sale License in Merced County. This application will not increase the number of active licensees in the area.

Each licensed retail format serves a different consumer shopping need. The large supermarkets in the tract are all traditional full service supermarkets that shoppers tend to do their weekly grocery shopping. Madira Land is

distinctly different from these retailers. The shopping trip to Madira Land is significantly different in term of parking, time and overall convenience than that of a large format supermarket. Customers of the large supermarkets must walk further to park, enter the store, and wait in lines that are much longer than those at the Madira Land site. Our customer, who, for example, simply desires to purchase a snack and cigarettes, could now purchase beer and wine at the same time and in the same transaction without making any other stop, without navigating through a large box store, or waiting in long lines next to customers purchasing a weeks' worth of groceries. This would clearly serve the public convenience.

Although there are small convenience and gas station type stores in the census tract, there are none at the Highway 59 end of Olive Avenue, which serves a large residential area. We do not intend our focus to be on alcohol sales, but to merely have them available for convenience sake, as important but secondary product lines. Moreover, Madira Land is well lit, has great visibility into the store and is open traditional retail hours and is closed by 10.00pm, while Liquor Stores and Gas Stations thrive on late night sales and often have signs covering the windows.

In summary, consumer's shopping needs vary and their use of different retail store formats to fulfil those needs can be demonstrated by the diversity of retailers found in this retail shopping district. Public convenience or necessity refers to the character and style of the licensed premises, not the mere availability of alcoholic beverages and whether the proposed premises will serve a community desire or need. Randhawa, LLC dba Madira Land serves the public convenience by offering a carefully edited assortment of the quality private (local) and national branded items that are frequently purchased by customers in one convenient location.

4. A Good Neighbor:

Randhawa, LLC dba Madira Land thinks it is important to be a good neighbor. That is why we will be keeping our stores, front parking lots, and landscaping clean and tidy, and our deliveries will be scheduled to minimize noise and disruption.

5. Security and Control:

Randhawa, LLC dba Madira Land is committed to taking all feasible steps to address law enforcement concerns about the site. In addition, Randhawa, LLC dba Madira Land recognizes the seriousness of loitering, delinquency, crime, and underage drinking and will have an aggressive minor policy which will prove to be successful. We comply with all education/certificate requirements for each county, city and district we are in, and conduct internal training and refresher training programs in addition to state required education.

Randhawa, LLC dba Madira Land is designed to provide a safe environment for patrons and employees. To that end, the following design elements are incorporated into our security plan. Security measures include; adequate lighting levels both on the interior and exterior of the store, employee supervision of the facility, closed circuit video monitoring system with cameras located strategically throughout the property, careful window signage and landscaping placement to avoid obstruction of visibility into and out of the facility.

Randhawa, LLC dba Madira Land understands the important of maintaining the appearance of a facility to both expand their customer base and preventing criminal activity. Randhawa, LLC dba Madira Land maintenance program includes timely graffiti and litter removal, repairs to structures and replacement of dead or diseased plant material, and strategic trash receptacle placement.

6. The site will not result in an adverse impact on public health, safety, or welfare:

Randhawa, LLC dba Madira Land acquisition of this site will have a positive impact on public health, safety, and welfare. In fact, by providing a new, safe, and convenient location to make convenience purchases, public health, safety, and welfare will be advanced by this site. The addition of selling beer and wine will not change this.

7. Community Service and Investment:

At Randhawa, LLC dba Madira Land, we believe in promoting a spirit of involvement, and carry our mission to serve the communities we call home.

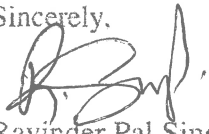
When you shop Randhawa, LLC dba Madira Land, you join an effort to make our community and our world a better place. We are committed to conducting business in a way that promotes healthy families, thriving communities and a cleaner environment. At Randhawa, LLC dba Madira Land corporate responsibility is built into our mission to serve others. By providing safe products, supporting our communities and enforcing environmentally friendly practices, we proudly display the values that make our company great.

8. Conclusion:

Randhawa, LLC dba Madira Land has been a responsible retailer for over 6 years with one store currently in Merced County. Permitting the sale of beer and wine at this site will not change this, but will allow our concept to grow at this site, providing customers the added convenience to make purchases of beer and wine. Randhawa, LLC dba Madira Land by reason of its location, character, manner, and method of operation, merchandise, and potential clientele, will serve the community of Merced. To that end, Randhawa, LLC dba Madira Land respectfully requests that they are granted a finding of Public Convenience for the Type 20 Off-Sale alcoholic beverage license.

Thanks you for your time and consideration if you have any question or comments please feel free to call me at 209-777-9091.

Sincerely,



Ravinder Pal Singh
(Managing Member)
Randhawa, LLC dba Madira Land
Convenience Store