

January 27, 2021

City of Merced
Planning Division
678 W. 18th St
Merced CA 95340
Attn: Michael Hren

Request for Public Convenience or Necessity (PCN)
7 Eleven, NEC Yosemite Ave & G St, Merced CA

On behalf of 7 Eleven Inc, we submit this request for a PCN approval for a new 7 Eleven store at the northeast corner of Yosemite Ave & G St. Included with this request are the following documents:

- Justification Statement
- Map of Census Tract 18.01 Merced County
- ABC-245 with census tract statistics
- Check in the amount of \$660 for Determination fee

We appreciate your consideration of this request. Please contact me with any questions you may have.

Sincerely,



Katy Schardt

Enclosures

JUSTIFICATION STATEMENT
PUBLIC CONVENIENCE OR NECESSITY (PCN)
7-ELEVEN INC, NORTHEAST CORNER YOSEMITE AVE & G ST, MERCED, CA

7-Eleven Inc requests a PCN for a type 20 off-sale beer and wine license at a new 7-Eleven food store and gasoline station at the NEC of Yosemite Ave & G St. 7-Eleven desires to sell beer and wine for off-site consumption as an ancillary part of its total products and service offering.

7-Eleven has applied for an original type 20 off-sale beer and wine license with the Dept of Alcoholic Beverage Control. The site is located in census tract 18.01 in Merced County. Three off-sale licenses are allowed in the census tract; zero off-sale licenses have been issued. The census tract does not contain an undue concentration of licenses. Merced County, however, is designated as a moratorium county. Section 23817.7 of the California Business & Professions code allows original licenses to be issued by the Dept of ABC in moratorium counties as long as the local jurisdiction issues a Public Convenience or Necessity (PCN) approval.

7-ELEVEN COMPANY INFORMATION

7-Eleven is a global company that operates neighborhood convenience food stores. The stores provide convenience for everyone in the trade area with a wide variety of products and services. 7-Eleven's new format showcases fresh foods (salads, fruits, sandwiches, pastries and prepared foods) delivered daily. Dairy products are delivered to the store on the day they are packaged ensuring that 7-Eleven dairy products are fresher than even the best grocery stores.

7-Eleven is a pioneer in services, offering prepaid phone and internet cards, gift cards, Green Dot (prepaid debit cards), ATM/wire transfer and on-location bill pay. In 1962, 7-Eleven was the first retailer to start franchising with a local operator system. The store will be operated by a member of the local community. The franchise system provides the benefits of a global brand operated by a local business person.

7-Eleven's commitment to responsible retailing is a core business principle and part of what makes 7-Eleven a welcome and respected neighbor. More than 25 years ago, 7-Eleven set the standard for responsible retailing in the convenience industry by being the first retailer to develop and implement a comprehensive training program for the safe and legal sale of age-restricted products.

7-Eleven considers it a privilege to sell age-restricted products, such as beer and wine, and ensures that they are sold in a legal and responsible manner. 7-Eleven's proprietary Come of Age™ "awareness and personnel-training program" was originally designed to prevent the sale of alcoholic beverages to minors or intoxicated persons and to prevent on-premises consumption. This U.S. acclaimed initiative was expanded to include all age-restricted products. ***7-Eleven has a very rigorous and detailed system for controlling the sale of age-restricted***

merchandise. 7-Eleven requires an extensive training and orientation program for all employees including:

- ◆ “Operation Alert” and” Come of Age Training” begin on the first day of work
- ◆ Clerk Affidavit - Franchisees, Managers and Sales Associates acknowledge that they understand the law and their responsibilities (required by law)
- ◆ A 7-Eleven Field Consultant:
 - Verifies use of Computer Based Training (CBT) “Come of Age” training (Monitors certification of all employees (corporate and franchisee) and requires re-certification every 12 months; enforced in the 7-Eleven agreement)
 - Visits each store twice per week (Business consultants that review and advise Franchisees on operation/training issues and responsibilities)
- ◆ 7-Eleven stores’ cash registers automatically prompt sales associates to check identification when an age-restricted product is scanned for sale and will not complete the transaction until identification is presented and age verified through the register.

7-Eleven is recognized in the convenience store industry and by many law enforcement agencies as the first major retailer to institute a formal crime-deterrence program nationwide. Store managers, their staff and franchisees receive extensive training in maintaining store security and deterring potential crimes and violence through a proprietary program called "Operation Alert." Training includes security procedures, proper store maintenance, violence-avoidance and steps to take in the event of a robbery.

Research indicates that keeping less than \$50 in the cash register deters 80 percent of potential robbers. 7-Eleven stores keep less than \$50 (\$30 at night) in the cash register. Signs in the stores reinforce this policy. All 7-Eleven stores use a time-delay cash-control system, which dispenses cash in small amounts in two- to 10-minute intervals.

7-Eleven has invested millions of dollars in a high-resolution, surveillance-camera system, including 24-hour, closed-circuit video cameras with audio capabilities; color monitors mounted in view of customers; black-and-white monitors in the back rooms; and alarm systems equipped with fixed- and remote-activator devices.

PUBLIC CONVENIENCE OR NECESSITY JUSTIFICATION

7-Eleven is a neighborhood convenience food store that sells a variety of products. The merchandising of a 7-Eleven store is based on the demographics of the nearby residents resulting in products that meet the needs of the local consumer. Customers of 7-Eleven stores appreciate the ability to shop 24 hours a day, 7 days a week for the wide variety of products sold by 7-Eleven.

7-Eleven is not a liquor store. The beer and wine sales at a 7-Eleven store average approximately 12-16% of total sales. The beer and wine is an ancillary, but integral, part of the

primary business. Customers desire the ability and convenience of buying beer and wine in a store that meets all their shopping needs for that day or event.

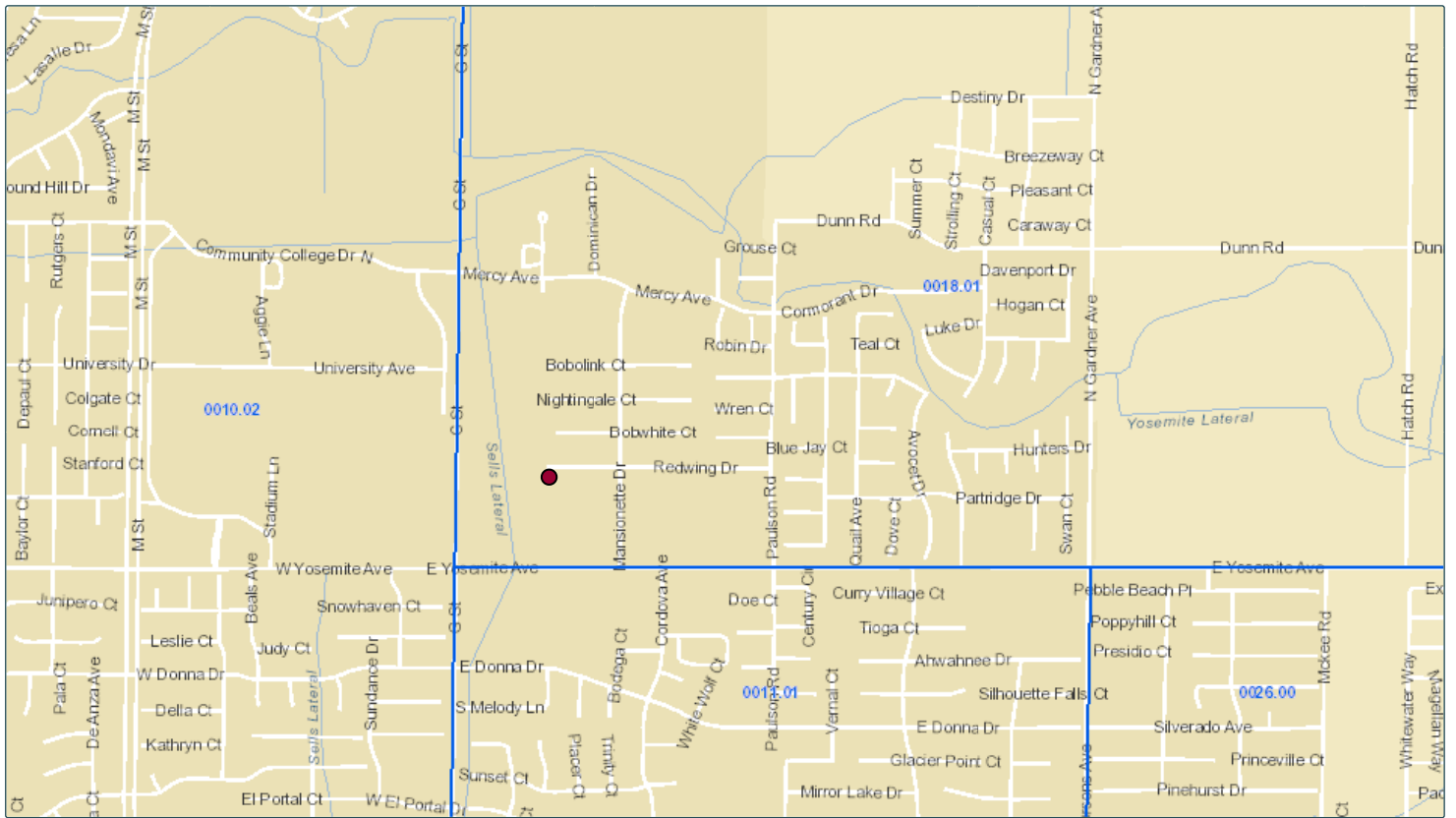
The City of Merced Planning Commission recently approved a Conditional Use Permit for beer and wine sales at the new 7-Eleven store. 7-Eleven agreed to CUP conditions that will provide for enhanced safety and aesthetics at the new store. These conditions include sufficient lighting throughout the site; healthy and well maintained landscaping; and a condition to keep the premises free of litter, debris and graffiti. There are numerous alcohol-specific conditions including, but not limited to, no beer displayed or stored outside the cooler areas; no display or sale of beer from an ice tub; the area dedicated to the display and sale of beer and wine not exceeding the amount shown on the approved floor plan; no single serve containers to be sold; no alcohol to be sold within 5' of the cash register; and no advertisement of alcoholic beverages.

7-Eleven will be a convenience 24 hours a day to a diverse population of residents, nearby businesses, professionals that work 24/7 such as law enforcement and the medical community and others who appreciate the numerous neighborhood products sold including internet and gift cards, milk, bread, over-the-counter medications; household and pet supplies; and fuel and automotive products.

To deter and prevent criminal activity, the following equipment will be installed:

- Wall-mounted DVR (digital video recorder with hard drive for storage) in back office.
- Front door camera mounted in the entry door-frame.
- Sales floor public view monitor mounted on ceiling.
- Ceiling mounted cameras with view of front door area.
- Two dome cameras with view of sales counter area.
- Alarm feature with hard wire button at sales counter with two remote devices.
- Audio recording kit.
- Back-up battery for power interruption.

Thank you for consideration of this PCN application for the new 7-Eleven food store and gasoline station in Merced.



● Matched Address: 512 REDWING CT, MERCED, CA, 95340
 MSA: 32900 - MERCED, CA || State: 06 - CALIFORNIA || County: 047 - MERCED COUNTY || Tract Code: 0018.01

● Selected Tract
 MSA: || State: || County: || Tract Code:

INFORMATION AND INSTRUCTIONS -

SECTION 23958.4 B&P

Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.

- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
- Part 2 is to be completed by the applicant, and returned to ABC.
- Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

PART 1 - TO BE COMPLETED BY ABC

1. APPLICANT'S NAME
7 Eleven Inc (Per Section 23817.7)

2. PREMISES ADDRESS (Street number and name, city, zip code)
NEC Yosemite Ave & G St Merced CA 95340

3. LICENSE TYPE
20

4. TYPE OF BUSINESS

<input type="checkbox"/> Full Service Restaurant	<input type="checkbox"/> Hofbrau/Cafeteria	<input type="checkbox"/> Cocktail Lounge	<input type="checkbox"/> Private Club
<input type="checkbox"/> Deli or Specialty Restaurant	<input type="checkbox"/> Comedy Club	<input type="checkbox"/> Night Club	<input type="checkbox"/> Veterans Club
<input type="checkbox"/> Cafe/Coffee Shop	<input type="checkbox"/> Brew Pub	<input type="checkbox"/> Tavern: Beer	<input type="checkbox"/> Fraternal Club
<input type="checkbox"/> Bed & Breakfast:	<input type="checkbox"/> Theater	<input type="checkbox"/> Tavern: Beer & Wine	<input type="checkbox"/> Wine Tasting Room
<input type="checkbox"/> Wine only	<input type="checkbox"/> All		

<input type="checkbox"/> Supermarket	<input type="checkbox"/> Membership Store	<input type="checkbox"/> Service Station	<input type="checkbox"/> Swap Meet/Flea Market
<input type="checkbox"/> Liquor Store	<input type="checkbox"/> Department Store	<input type="checkbox"/> Convenience Market	<input type="checkbox"/> Drive-in Dairy
<input type="checkbox"/> Drug/Variety Store	<input type="checkbox"/> Florist/Gift Shop	<input checked="" type="checkbox"/> Convenience Market w/Gasoline	
<input type="checkbox"/> Other - describe:			

5. COUNTY POPULATION

6. TOTAL NUMBER OF LICENSES IN COUNTY
 On-Sale Off-Sale

7. RATIO OF LICENSES TO POPULATION IN COUNTY
 On-Sale Off-Sale

8. CENSUS TRACT NUMBER
CT 18.01

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT
3 On-Sale Off-Sale

10. NO. OF LICENSES EXISTING IN CENSUS TRACT
0 On-Sale Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)
 Yes, the number of existing licenses exceeds the number allowed
 No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?
 Yes (Go to Item #13) No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

14. TOTAL NUMBER OF REPORTING DISTRICTS

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

16. AVERAGE NO. OF OFFENSES PER DISTRICT

17. 120% OF AVERAGE NUMBER OF OFFENSES

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)
 Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17
 No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.

b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.

c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name:

FOR DEPARTMENT USE ONLY
PREPARED BY (Name of Department Employee)

