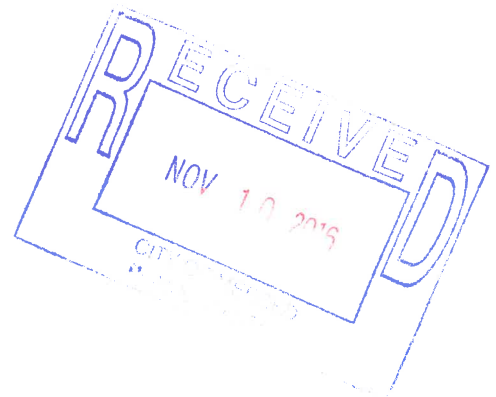


JAMMU & KASHMIR, INC.
DBA JESSIE'S MARKET

Nov 01, 2016
City of Merced
Planning Division
Development Application
678 S. 18th St.
Merced CA 95340



RE: Jammu & Kashmir, Inc.
DBA Jessie's Market

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 Jammu & Kashmir, Inc. DBA Jessie's Market at the location.

Statement of Public Convenience or Necessity

Since this location is already ABC licensed 20, Off Sale Beer & Wine and requesting upgrade to 21, Off Sale general. Jammu & Kashmir, Inc. DBA Jessie's Market is committed to taking all feasible steps to address law enforcement concerns about the site. In addition, Jammu & Kashmir, Inc. Jammu & Kashmir, Inc. DBA Jessie's Market an extensive employee – training program and is responsible retailer alcoholic beverages. Jammu & Kashmir, Inc. Stores are designed to provide a safe environment for patrons and employees. To that end, following design elements are incorporated into our security measures include; adequate lighting levels both on 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 visibility into and out of the facility.

Public Convenience or Necessity

First it is important to emphasize that business & professional code 23958.4 require a positive finding of public convenience **“or”** necessity in order for an on-site ABC application to be approved. That it is legally sufficient if Jammu & Kashmir, Inc. DBA Jessie's Market 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 specially defined in business and professional 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 for the needs of convenience 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 Jammu & Kashmir, Inc. DBA Jessie’s Market is located statutorily over concentrated does not mean that the selling a small amount of alcoholic beverages at a small box 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 SALE SAS AN INTEGRAL PART OF THE PROPSD PROJECT

1. The Convenience of Jessie’s Market Concept

For more than 8 years, Jammu & Kashmir, Inc. DBA Jessie’s Market has been delivering ABC licensed 20, Off Sale Beer & Wine, convenience and value to shoppers. Today with 2 stores in county of Merced and 1 in San Joaquin is committed to helping shoppers save time and money every day makes shopping for everyday needs simple and hassle free by offering a clear fully edited assortment of the quality private and national branded items that are frequently use and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items at everyday low prices in convenient neighborhood stores. Jessie’s Market ranks among the largest retailers of top quality brands made by America’s most –trusted manufactures, such as Budweiser, Coors, Proctor & Gamble, Kimberly Clark , Unilever, Kellogg’s, General mills and Nabisco.

In Jammu & Kashmir, Inc. DBA Jessie’s Market, consumers can find everyday low prices on product they use every day without the need of a membership. The goal of Jammu & Kashmir, Inc. DBA Jessie’s Market is to provide their consumers a better life and their employee’s opportunity and great working environment. Customer’s reliance on Jammu & Kashmir, Inc. DBA Jessie’s Market varies from using Jammu & Kashmir, Inc. DBA Jessie’s Market for fill-in shopping, to making periodic trips to stock up on household items, to making weekly or more frequent trips to meet most essential needs. We believe that our value and convenience proposition attracts customers from a wide

range of income brackets and life stages .The Jammu & Kashmir, Inc. DBA Jessie's Market in Merced features an expanded food offering including frozen and refrigerated products as well as a larger footprint than a traditional Jammu & Kashmir, Inc. DBA Jessie's Market.

Since we already serving ABC licensed 20, Off Sale Beer & Wine, although 21, Off General Sale comprise only a small percent of store shelf-space, it is nevertheless necessary in order to provide Jammu & Kashmir, Inc. DBA Jessie's Market with a complete range of products. Thus, alcoholic beverages are a key element of the Jammu & Kashmir, Inc. DBA Jessie's Market concept. By providing an assortment of products, including alcoholic beverages more than beer and wine we already have, readily available to the Jammu & Kashmir, Inc. DBA Jessie's Market, the public convenience of the area is certainly served. Without it, customers may be obliged to travel to a range of retail outlets in order to complete their shopping needs. Addition of Alcoholic beverages hard liquor will comprise no more than approximately 5%of total sales floor space.

Furthermore, Jammu & Kashmir, Inc. DBA Jessie's Market 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 21 Off General Sale more than existing beer, wine, and distilled spirit at the site will complete Jammu & Kashmir, Inc. DBA Jessie's Market 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 necessity" is really all about.

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

According to the Department of Alcoholic Beverages Control, in census tract 16.01, the tract in which the Jammu & Kashmir, Inc. DBA Jessie's Market located, there are currently six (6) active off-sale alcoholic beverages licenses and three (3) are allowed . The threshold for overconcentration established by the ABC, while a vulnerable, guideline is determined directly by population and odes 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. Jammu & Kashmir, Inc. DBA Jessie's Market distinction among other Existing Off-Sale Licensed Retailers in the census Tract

As noted, the Department of Alcoholic Beverages Control reported that there are 6 active off-sale alcoholic beverages licenses in Census Tract 16.01. Of these 6 retailers, one is the current Jammu & Kashmir, Inc. DBA Jessie's Market. Once the addition of distilled spirit is added to the license the current beer and wine license will be surrendered and taken out of the Census Tract.

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 at Jammu & Kashmir, Inc. DBA Jessie's Market is distinctly different from these retailers. The shopping trip to Jammu & Kashmir, Inc. DBA Jessie's Market is significantly different in terms of parking, time and overall convenience than that of a large format supermarket. Customers of the large Supermarkets stores must walk further to enter the store, must wait in lines that are much longer than those in Jammu & Kashmir, Inc. DBA Jessie's Market site. Our past customer who, for example, simply desired to purchase a few groceries already purchasing beer and wine products from our location in the past could purchase hard liquor at the same time and transaction without making any other stop, without navigating through a large box store, waiting in long lines next to customers purchasing a week's worth of groceries. This would clearly serve the public convenience.

The small convenience/ liquor or gas station type stores in the census tract, the shopping experience at Jammu & Kashmir, Inc. DBA Jessie's Market is very different from that of convenience store or liquor store. Liquor and convenience stores emphasize alcoholic beverages including hard liquor, as well as often have objectionable products such as adult materials, while focus in food, frozen and dairy, health and beauty aids, cleaning supplies basic apparel, house wares and seasonal items at everyday low price with beer and wine as important but secondary product line. Moreover, the Jammu & Kashmir, Inc. DBA Jessie's Market is well lit, has great visibility into store and is open traditional retail hours and is closed by 10.00pm, While Liquor/Convenience stores thrive on late night sales and often have signs covering the windows and do not offer the same value pricing that can be found at Jammu & Kashmir, Inc. DBA Jessie's Market.

In summary, consumers shopping needs vary and their use of different retail store formats to fulfill 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. Jammu & Kashmir, Inc. DBA Jessie's Market serves the public convenience by offering a carefully edited

assortment of the quality private and national branded items that are frequently used and replenished, to customers in one convenient location at everyday low price which is unmatched by any other in the census tract.

4. A Good Neighbor :

Jammu & Kashmir, Inc. DBA Jessie's Market thinks it is important to be a neighbor. That is why they will be keeping their stores, front parking lots, and back yards clean and tidy, and their deliveries will be scheduled to minimize noise and disruption. That means no night deliveries to stores with home nearby and no driving through school through school zones during student pick-off and drop-off times.

5. Security and Control:

Jammu & Kashmir, Inc. DBA Jessie's Market is committed to taking all feasible steps to address law enforcement concerns about the site. In addition, Jammu & Kashmir, Inc. DBA Jessie's Market recognizes the seriousness of loitering, delinquency, crime, and underage drinking and has an aggressive minor policy which has proven to be successful for their company. They comply with all education/certificate requirements for each county they are in, and conduct internal training and refresher training programs in addition to state required education.

Jammu & Kashmir, Inc. DBA Jessie's Market 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, ad careful window signage and landscaping placement to avoid obstruction of visibility into and out of the facility.

Jammu & Kashmir, Inc. DBA Jessie's Market understands the important of maintaining the appearance of a facility to both expand their customer base and preventing criminal activity. Jammu & Kashmir, Inc. DBA Jessie's Market 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:

Jammu & Kashmir, Inc. DBA Jessie's Market 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 grocery purchases, public health, safety, and welfare will be advanced by this site. The

addition of selling hard liquor alcoholic beverages more than we already selling BEER and Wine will not change this.

7. Community Service and Investment:

At Jammu & Kashmir, Inc. DBA Jessie's Market, they believe in promoting a spirit of involvement, and carry their mission to serve deep into the communities they call home.

Jammu & Kashmir, Inc. DBA Jessie's Market believes literacy is the foundation for improving the quality of life for many Americans. Nationwide, more than 40 million adults can't read well enough to fill out a job application or read a book to their children. Inspired by one of the company's founders, who had only a third-grade education, Jammu & Kashmir, Inc. DBA Jessie's Market today helps thousands of individuals take their first steps toward literacy, a general education diploma or English proficiency.

When you shop Jammu & Kashmir, Inc. DBA Jessie's Market, you join an effort to make our community and our world a better place. They are committed to conducting business in a way that promotes healthy families, thriving communities and a cleaner environment. At Jammu & Kashmir, Inc. DBA Jessie's Market corporate responsibility is built into their mission to serve others. By providing safe products, supporting our communities and enforcing environmentally-friendly practices, they proudly display the values that make company great.

8. Conclusion:

Jammu & Kashmir, Inc. DBA Jessie's Market has been a responsible retailer of alcoholic beverages for over 8 years with 2 stores in county of Merced and 1 in county of San Joaquin. Permitting the sale of hard liquor alcoholic beverages more than we already selling Beer and Wine at this site will not change this, but will allow their concept at this site, providing customers the added convenience to make purchases of hard liquor alcoholic beverages. Jammu & Kashmir, Inc. DBA Jessie's Market by reason of its location, character, manner, and method of operation, merchandise, and potential clientele, will serve the community of Merced. To that end, Jammu & Kashmir, Inc. DBA Jessie's Market respectfully requests that they are granted a finding of Public Convenience for the alcoholic beverages license.

Thanks you for your time and consideration if you have any question or comments please feel free to call me at 209-564-9999.

Sincerely,

Paramjeet Singh

(President)

Jammu & Kashmir, Inc.

DBA Jessie's Market