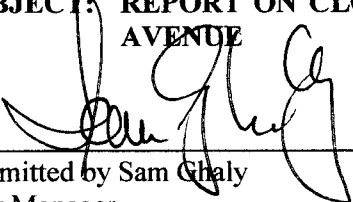
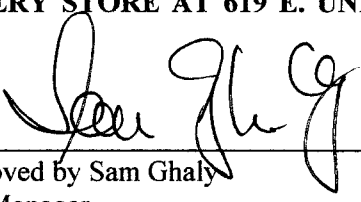




City of Carson Report to Mayor and City Council

September 3, 2013
New Business Consent

SUBJECT: REPORT ON CLOSURE OF RALPHS GROCERY STORE AT 619 E. UNIVERSITY AVENUE	
 Submitted by Sam Ghaly City Manager	 Approved by Sam Ghaly City Manager

I. SUMMARY

This item is on the agenda at the request of Councilmember Davis-Holmes.

The Ralphs grocery store at 619 E. University Ave. is now closed. Because the Walmart Neighborhood Grocery at Del Amo Blvd. and Avalon Blvd. is not yet complete, there is now no full-service store in the northern half of Carson and only four such stores in all of Carson.

II. RECOMMENDATION

RECEIVE and FILE.

III. ALTERNATIVES

TAKE another action as the City Council deems appropriate.

IV. BACKGROUND

The University Ave. store was the smallest of the grocery stores in Carson. At 21,000 square feet it is considerably smaller than a modern store. The location was an Alpha Beta store when Ralphs bought the chain over 20 years ago. Because of the small size and lack of available space to expand, Ralphs did not invest in significant upgrades. When the lease came to a close, Ralphs chose not to renew.

Other grocery companies have not expressed an interest in the site due primarily to the size. Most companies want about 50,000 square feet for a new store. Companies with smaller footprints, such as Sprouts, want to build to suit in addition to a somewhat larger space. Trader Joe's, who would fit into the space, is not looking to locate in this region during the current expansion. A more significant issue for Trader Joe's and other retailers is the low density of the area. There are fewer people in the surrounding area than normally would be their target population.

One company very much wanting to lease the site is the 99¢ Store. The property manager reports that the firm wants to merchandise the store as primarily a grocery store along with other products the company's stores normally provide. A lease with the company has already been signed according to the property manager.

Many residents have contacted the city to express their concern over the situation. The primary concern has been the lack of a grocery store in the neighborhood. Feelings toward the 99¢ Store are notably mixed, with some residents pleased and others very unhappy. There have been several petitions circulating asking for a grocery store at the location. Hundreds of people have signed these petitions.

V. FISCAL IMPACT

There is no fiscal impact at this time.

VI. EXHIBITS

None.

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Prepared by: Barry Waite, Business & Employment Development Manager

TO: Rev08-22-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____
