

Regular Council Meeting

May 21, 2026

FRESNO CITY COUNCIL



Supplement Packet

ITEM(S)

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2026 MAY 20 P 4:32
CITY OF FRESNO
CITY CLERK'S OFFICE

9:20 A.M. (ID 26-428)

HEARING to Consider Plan Amendment and Rezone Application No. P21-01960, Conditional Use Permit Application No. P21-01959, Conditional Use Permit Application No. P21-03251, Planned Development Permit Application No. P21-03252 and related 2026 Final Environmental Impact Report (FEIR), State Clearinghouse (SCH) No. 2021100443 pertaining to ±22.4 acres of property located on the northeast corner of West Herndon Avenue and North Riverside Drive (Council District 2) - Planning & Development Department.

[TITLE TRUNCATED FOR SUPPLEMENTAL PACKET COVER PAGE]

Contents of Supplement: Consultant Presentation

Item(s)

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

Americans with Disabilities Act (ADA):

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week

prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

COSTCO WHOLESALE, FRESNO

N. Riverside Drive



COSTCO TEAM

Urban Planning Partners – Planning

Kimley-Horn – Civil

MG2 – Architect

Burke, Williams & Sorensen - Land Use Counsel

NEW COSTCO FEATURES

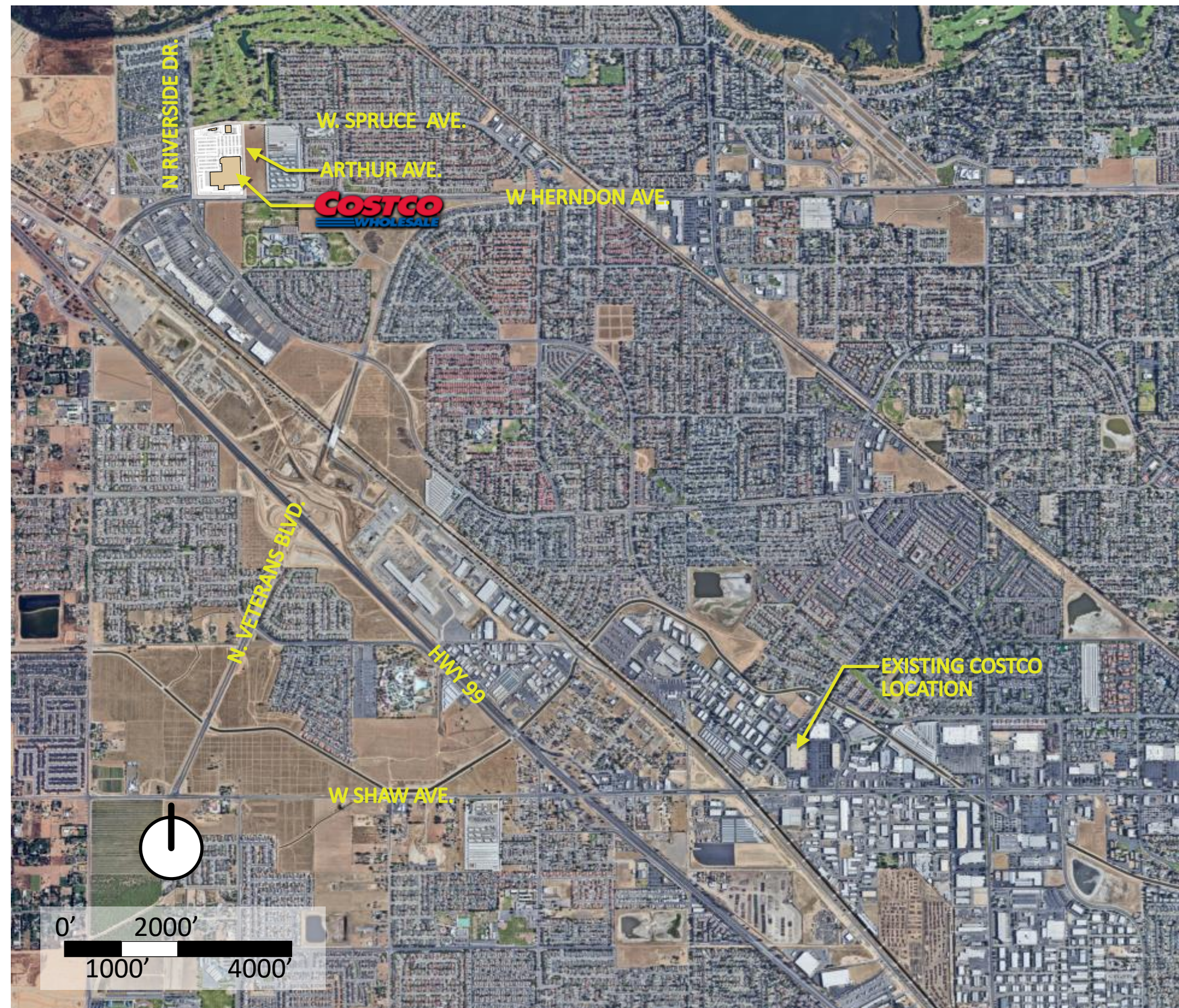


- Larger and modern warehouse with all the services and products offered in other locations to meet membership expectations:
 - Tire sales and installation
 - Pharmacy
 - Optical & hearing services
 - General grocery
 - Food service & preparation
 - Alcohol sales for off-site consumption
 - Bakery
 - Deli
- Fuel facility with 32 fueling positions
- Car wash
- More parking to adequately serve the warehouse
- Improved traffic flow and access

WHY RELOCATE?

Existing Shaw Warehouse and Fuel:

- Outdated - opened in 1985
- Too small to offer members the array of products now offered
- Site is too constrained to accommodate an expansion
- Parking supply is not adequate
- Fuel facility does not efficiently serve current demand
- Members will benefit from a newer site with more parking and larger modern facilities, goods and services

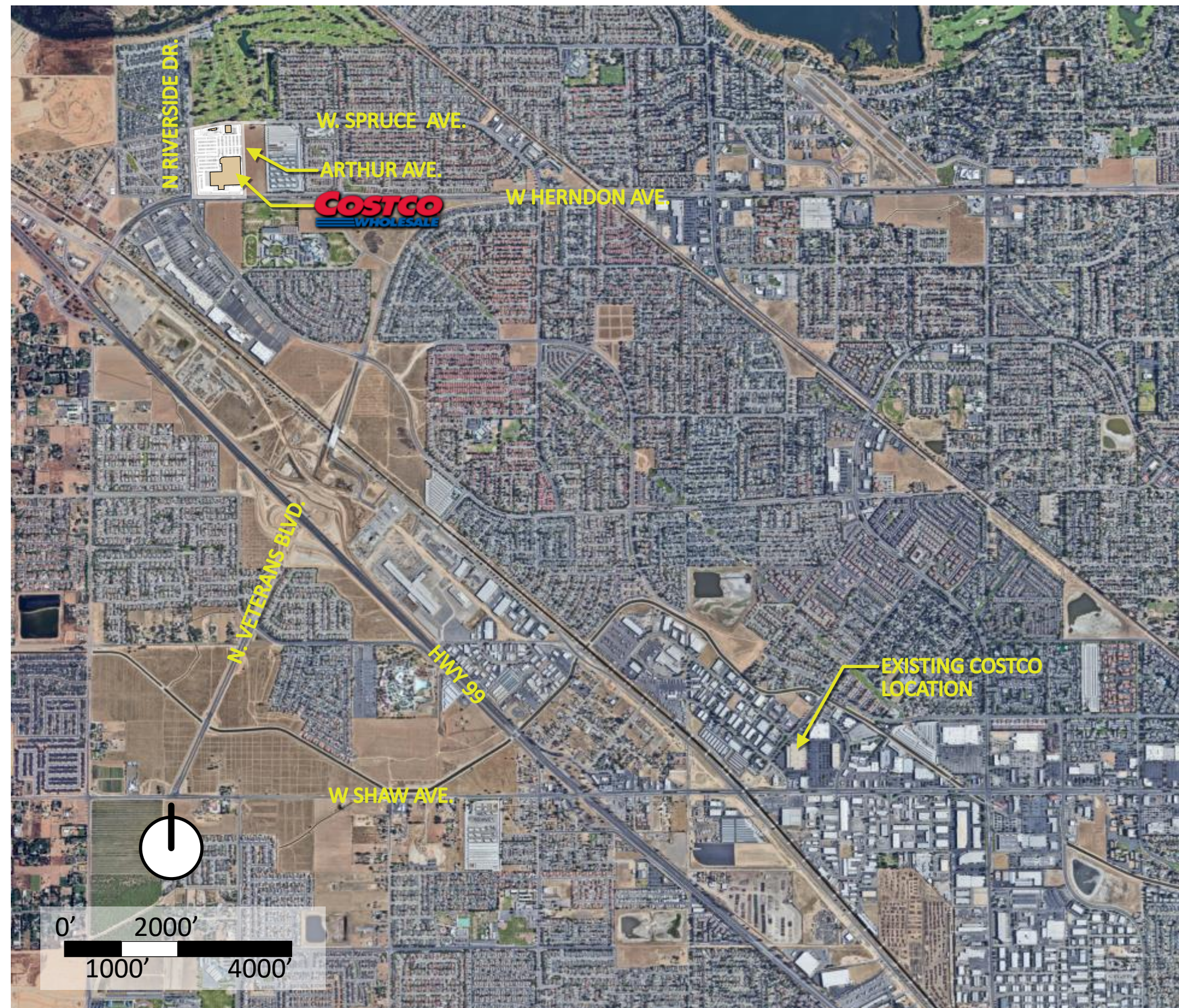


SITE SELECTION & CONTEXT

Working to establish a new location since 2018.

Herndon Ave / Riverside Dr location has the following characteristics:

- Within Fresno city limits
- Located 2 miles of existing Shaw location to serve existing Costco membership
- Existing General Plan and Commercial zoning allows for all Costco uses except car wash
- Proximity to Hwy 99 and Veteran's Blvd interchange



COSTCO AND THE FRESNO COMMUNITY



- Over 60% of Fresno households are Costco members
- Charitable Giving – examples
 - ❖ Local Schools
 - Backpack program
 - Reading Program
 - ❖ Feeding America – clothing and food
 - ❖ Poverello House
 - ❖ Valley Children’s Hospital
 - ❖ Bowe’s Animal Shelter
- Significant tax revenue for the City
- High quality local jobs

COSTCO AND THE FRESNO COMMUNITY

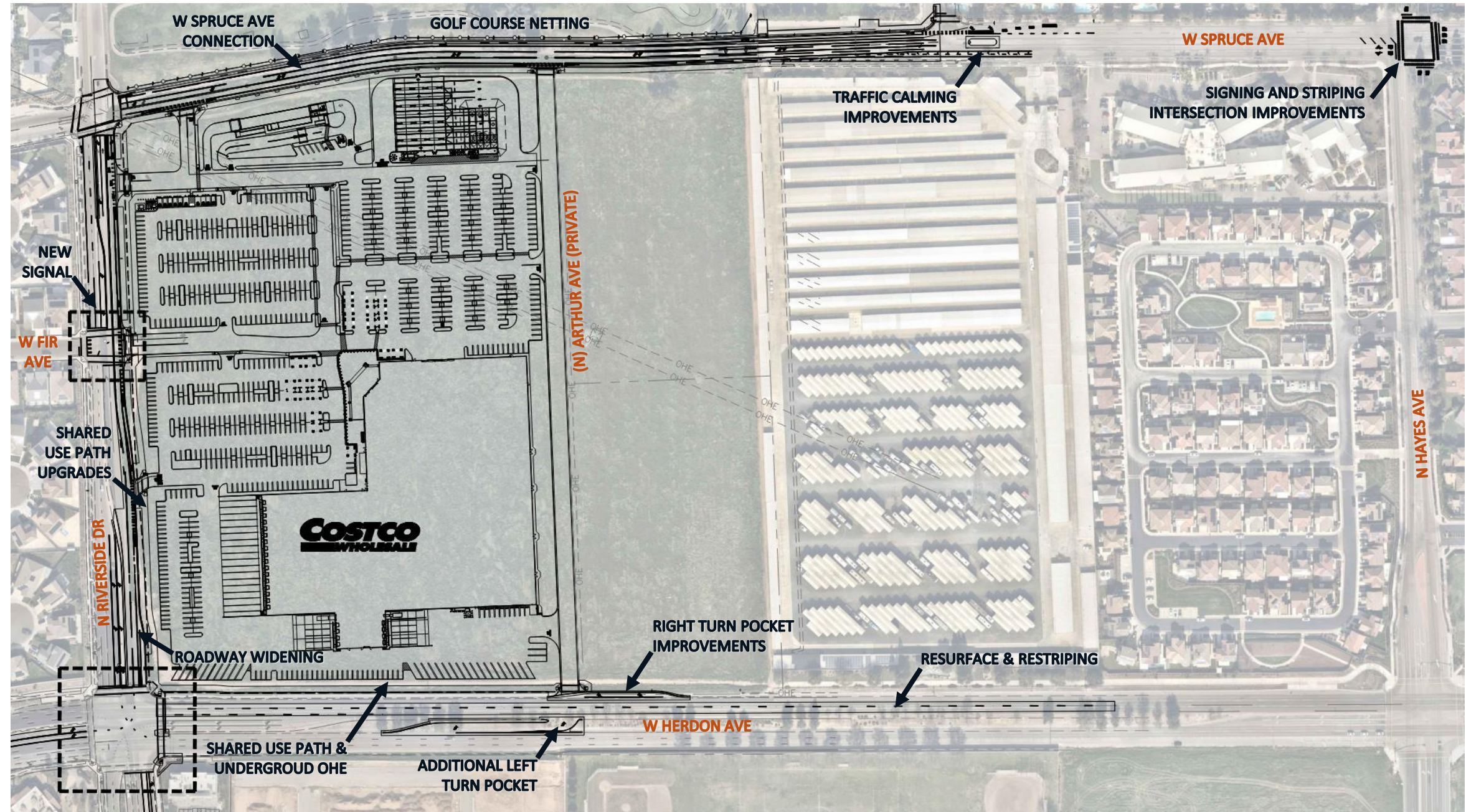
New Partner with Central Unified School District

- Reading program will now include Central schools.
- Central students will benefit from back-to-school supplies.
- Food pantry will continue to support CUSD's families.
- Costco will participate in the CUSD's CTE Business/Entrepreneurship pathway program.
- Costco staff also expressed interest in being a guest speaker and participating in student job fair.



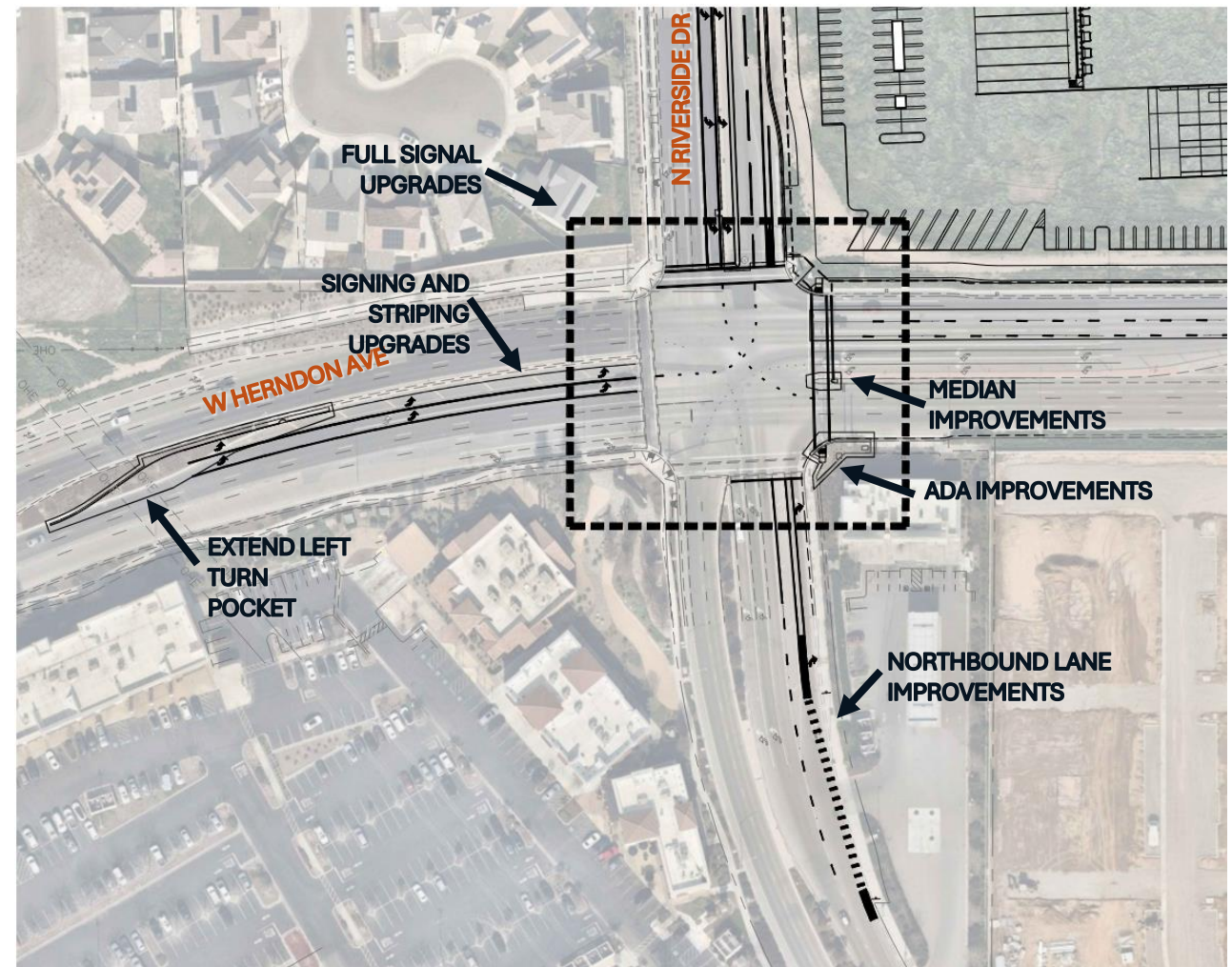
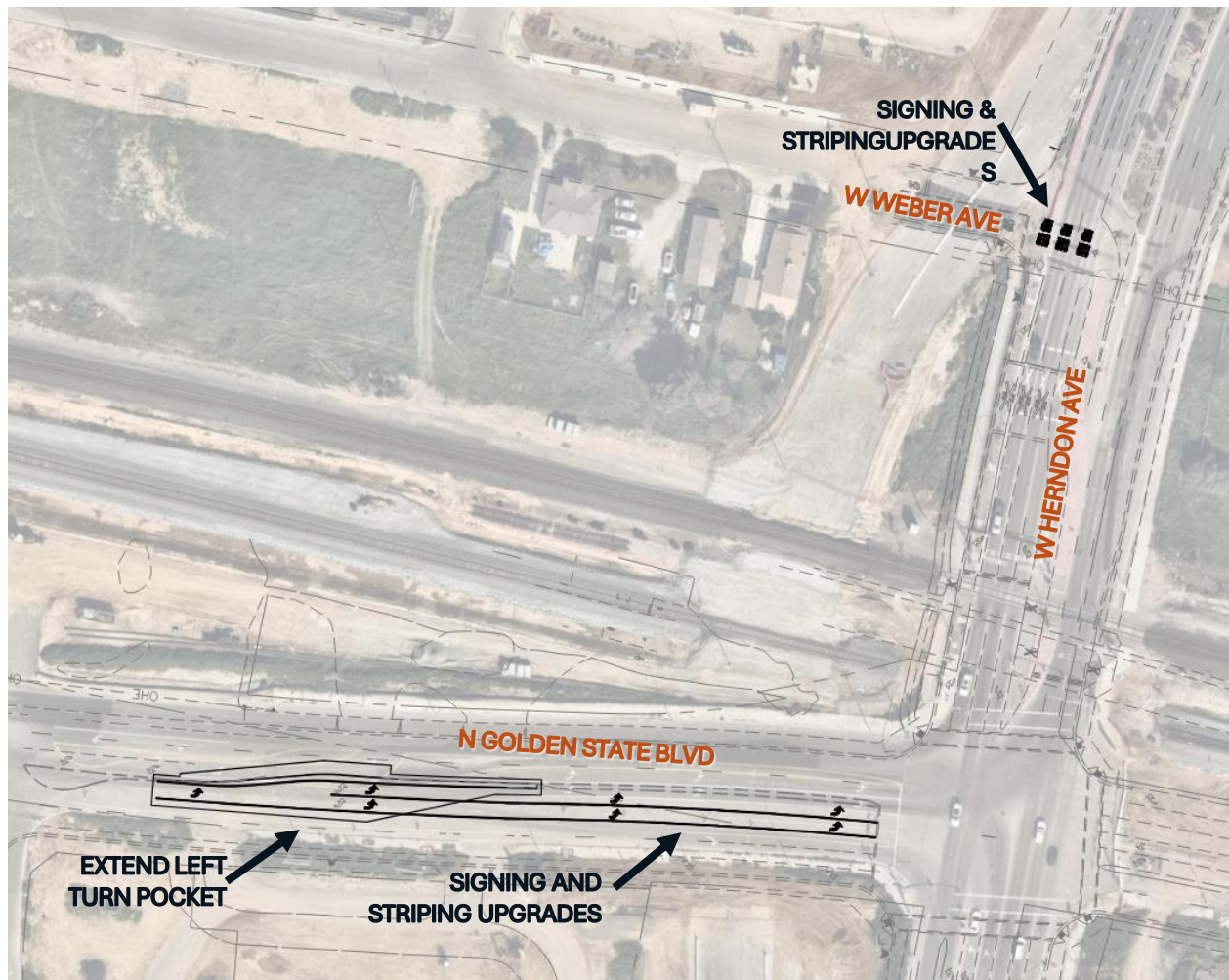
LOCAL STREET IMPROVEMENTS

- **W Herndon Rd:** Add left and right turn pockets, underground PG&E lines, and extend path.
- **N Riverside Dr & W Fir Ave:** Upgrade signal
- **N Riverside Dr:** widen street and add path
- **W Spruce Ave:** Thru street connection with traffic calming and bike lane and sidewalk along south frontage
- **N Hayes Ave & W Spruce Ave:** Signage and striping upgrades
- **W Herndon Rd:** Resurface and restripe WB lane from Riverside to N Hayes Ave



REGIONAL OFFSITE WORK

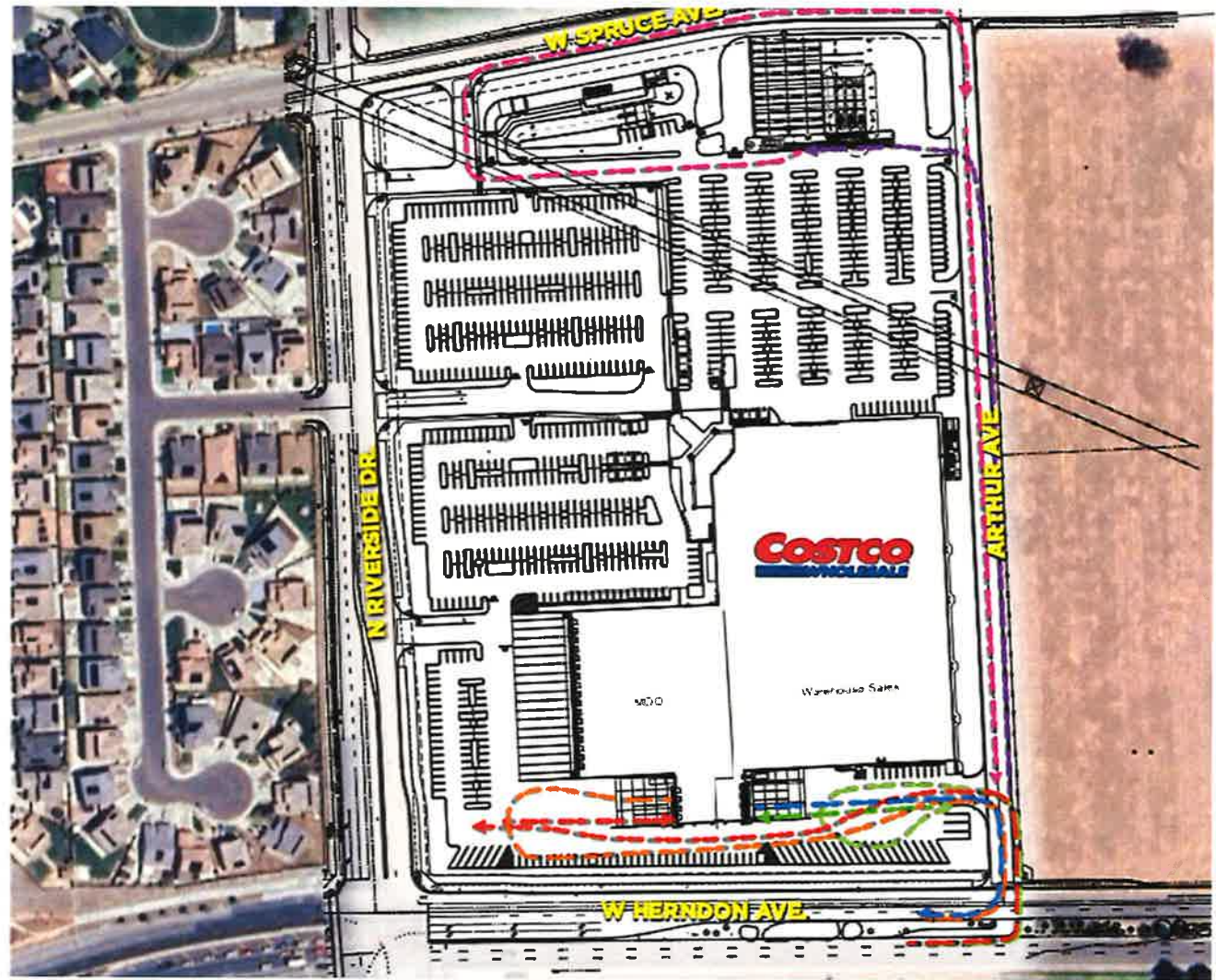
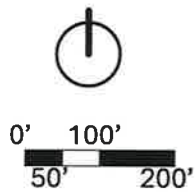
- **N Golden State Blvd & W Herndon Ave:** Signage and striping upgrades and extended south bound dual left-turn.
- **N Weber Ave & W Herndon Rd:** Signage and striping upgrades.
- **W Herndon Ave & N Riverside Dr:** Extended left-turn pocket and median improvements, signal, ADA and NB bike lane upgrades.



TRUCK ROUTING

- - - - - ➔ MDO - Entrance
- - - - - ➔ MDO - Exit
- - - - - ➔ Warehouse - Entrance
- - - - - ➔ Warehouse - Exit
- - - - - ➔ Fuel - Entrance
- - - - - ➔ Fuel - Exit

No delivery trucks allowed on N. Riverside



CITY COUNCIL
May 21, 2026

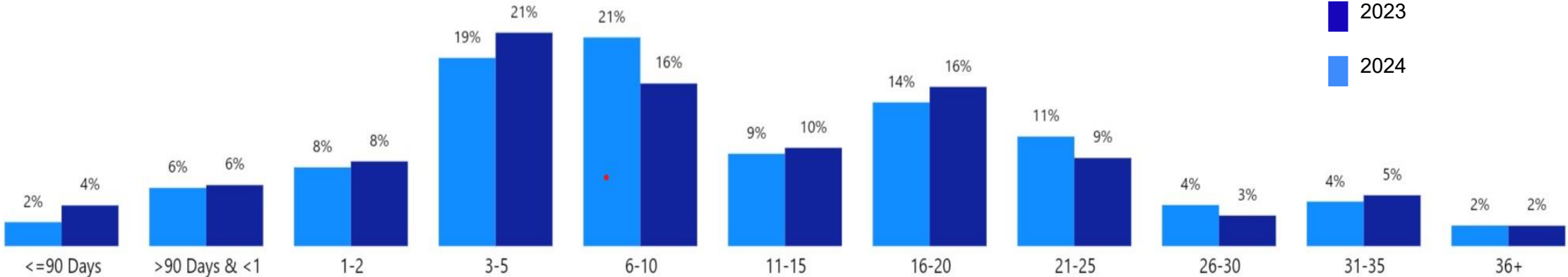


ECONOMICS AND COMMUNITY BENEFITS

EMPLOYEES - 90% live in Fresno

- ~ **37 new full-time equivalents (FTE)**
 - 15% more employees
 - Increase from 253 to 290 FTE
- **Full-time employees** are promoted from within
 - Initially all **employees hired as part-time**
 - **Part-time** is a **minimum of 24 hours** per week
- **Benefits:** All employees receive a comprehensive benefit package after 90 days
- **Compensation:** \$18.50 to \$34.00 per hour
- **Retention Rate:** Turnover is less than 18% annually

Headcount by Years of Service – Fresno on Shaw Avenue



Economic Benefits

- **Costco's \$98 million investment** to relocate the Shaw Avenue Costco to N. Riverside and W. Herndon within City limits will **bring significant economic benefits to the City** directly and indirectly during **project construction and operation**.
 - **Economic Impact Analysis** prepared by the County of Fresno Economic Development Corporation (EDC) to assess the scale of economic benefit that would result from the relocated Costco.
 - Additionally, Costco prepared a preliminary property tax assessment to understand the **increased revenues associated directly with the increased property value**.

EDC – Economic Impact Analysis

Construction Economic Impacts

- Economic benefit/contribution to gross regional product (GRP)
 - **\$151.76 million** economic benefit over a **6-month construction duration**.
 - Every **construction \$ spent equals \$1.55 in economic output** for the region.
 - Employing up to **100 temporary workers** at its peak.
 - Utilizing **local city of Fresno General Contractor** – helping to keep the dollars in Fresno.
- Tax Revenue
 - Approximately **\$12.95 million** across federal, state, and local tax instruments.
 - Approximately **\$3.09 million** (or 23.8 percent) will stay within Fresno County.

ECONOMICS AND COMMUNITY BENEFITS

EDC – Tax Revenue Analysis

Operation Annual Economic Impacts

- Economic benefit/contribution to gross regional product (GRP)
 - Estimated **\$55.82 million annual** economic benefit representing the project's overall gross regional product (GRP) contribution to the regional economy.
 - **Net increase of \$4.06 million+** (approximately 7.84%) annually over the existing location on Shaw Avenue.
 - **289 direct full-time equivalent** (FTE) employees (net increase of approximately 21 FTEs).
 - Plus **116 indirect/induced jobs**.
- Tax Revenue
 - **\$15.21 million annually** across federal, state, and local tax instruments with a net increase over 1.11 million based on a 7.84% increase.
 - Approximately **\$4.37 million (or 28.7 percent) annually will stay within Fresno County**.
 - Costco expects that the projected tax revenue is underestimated given our sales have increased an **average of 15%** at other recent relocations.

Economic Benefits – Property Tax Local Revenue

Costco prepared a preliminary assessment of **revenues changes associated directly with an increased property value from the project site.**

- **Property tax revenue specific to increased property value is estimated at over \$1 million annually** (shared between the County and City).
 - Property Value estimated change from **\$1.4 million** to **\$98 million**
 - Property Tax Revenue (base tax of 1%) change from **\$14,000** to **\$980,000** +\$965,000 per year to City/County combined
 - City portion change from **<\$5,000** to **between \$200,000 to \$300,000 per year***
 - **CUSD bond** revenue change from **<\$3,000** to over **\$210,000**

* The City and County split the 1%, and we were not able to get the specific split.

THANK YOU!



APPENDIX SLIDES

SITE SPECIFICS AND OPERATIONS

Warehouse Operation

Warehouse and Car Wash Open:

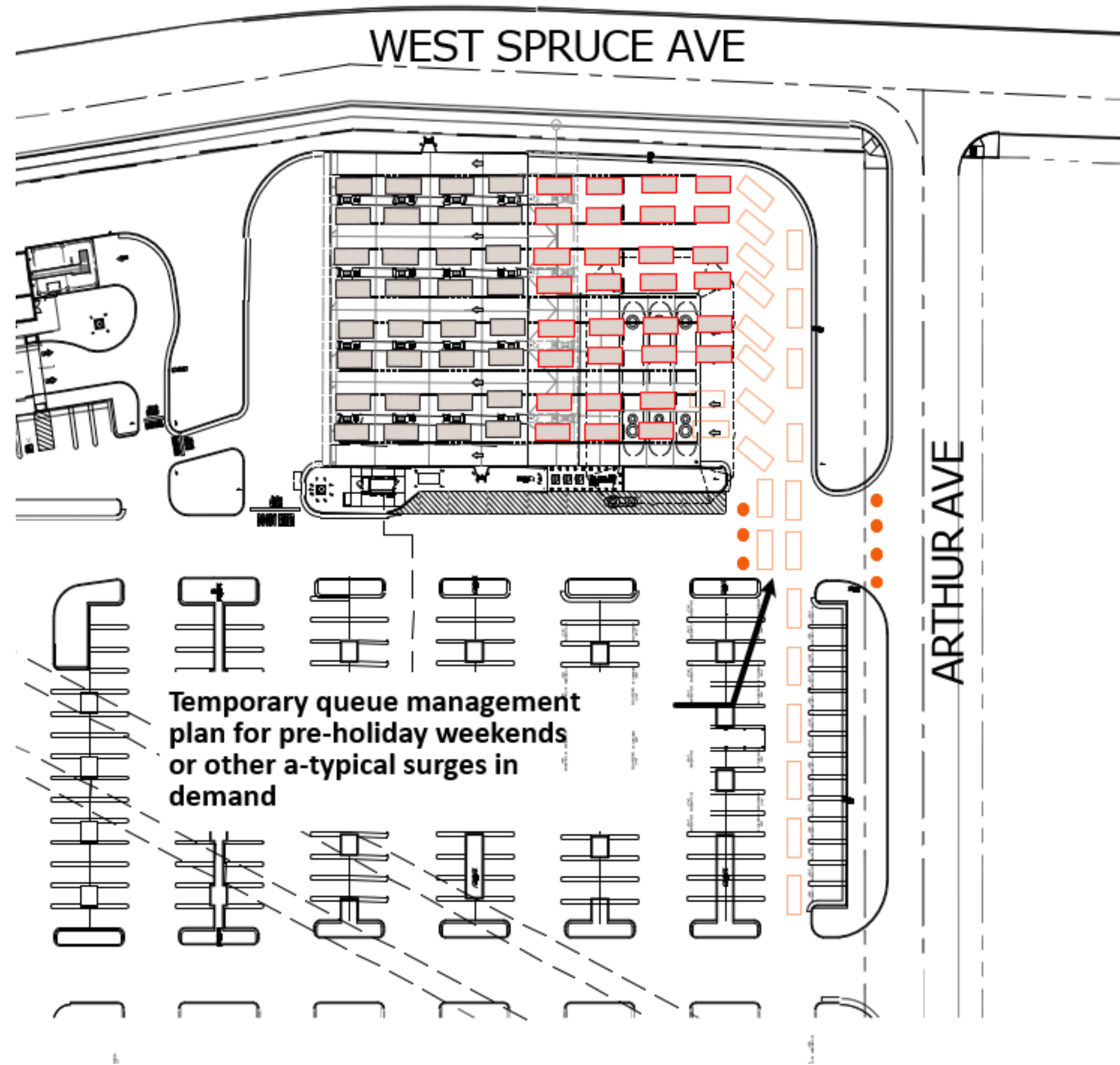
- Monday through Friday from 9:00 a.m. to 8:30 p.m.
- Saturday and Sunday from 9:00 a.m. to 7:00 p.m.

Fuel Open:

- 5:00 a.m. to 10:00 p.m. daily
- The extended hours for fuel minimize demand during peak hours and spread activity across a longer period and reduce idling and queuing.
- School busses pick up in the area at approximately 7:15 am.

QUEUE MANAGEMENT

- Car at fueling position (32 handles)
- Anticipated 95th percentile peak hour queue (30 vehicles)
- Additional storage within fuel area (25 vehicles)



SITE SPECIFICS AND OPERATIONS

Concepts without Car Wash

The Costco car wash program is being expanded nationally and there is demand for the service in California



① CAR WASH AS PARKING LOT



② CAR WASH AS OUTPARCEL

ECONOMICS AND COMMUNITY BENEFITS

Community Benefits

Charitable Giving

- **Local Programs** – Costco donated approximately \$80,000 cash in FY 22/23 to local organizations in Fresno including but not limited to Valley Children’s Hospital, Holy Cross Ministries, Fresno Central Seventh Day Adventist, and Bowe’s Animal Shelter.
 - For the Valley Children’s Fundraising Campaign Area warehouses collectively **raised over \$9 Million during May 2023**
- **Costco’s 1% pre-tax profit charitable giving** represents the company’s total cash donations throughout the company, including cash donations made by individual warehouses.



ECONOMICS AND COMMUNITY BENEFITS

Community Benefits – Local

Backpack Program

- 1,152 total backpacks donated in 22/23 - 768 backpacks to Jefferson Elementary 384 to Pinedale Elementary.
- Other schools that have participated in the program include Lawless Elementary and Madison Elementary.

Feeding America Donations

- The Fresno Shaw location donated over 203,000 lbs of food plus assorted items including clothing, to food banks in Fresno in FY23.

Reading Program

- 4 employees volunteer their time to read to students at a local elementary school.
- Last year's school was Lawless Elementary, and Polk Elementary has participated in the past.

New Partner with Central Unified School District

- Reading program will now include Central schools.
- Central students will benefit from back-to-school supplies.
- Food pantry will continue to support our families.
- Costco will participate in the CUSD's CTE Business/Entrepreneurship pathway program.
- Costco staff also expressed interest in being a guest speaker and participating in student job fair.

ECONOMICS AND COMMUNITY BENEFITS

Impact on Adjacent Home Values

- Costco does not regularly collect data regarding adjacent home values.
- Costco team obtained data regarding **home values in the vicinity of the new Clovis warehouse** that opened in 2019.
- The data show **the homes closest to Costco increased in value at a greater rate** than homes appreciated in the area generally.
 - In the three years after the Clovis Warehouse opening, home values within ¼ mile of the Costco increased 40.4%.
 - By comparison, in the three years after the Clovis Warehouse opening, home values within 1 mile of the Costco increased 34.4%.

PLANNING PROCESS

- Site selection in 2018
- Project application submitted in March 2021
- Ongoing community engagement
 - Two (2) community meetings (2021-2022)
 - Stakeholder and Small Group Meetings (2022-2024):
 - Residents - Neighborhood meeting (February 2, 2024)
 - Forgotten Fresno
 - School District
 - Riverside Golf Course
 - Member Outreach
- Draft EIR review period July 11 - August 28, 2023
- Final EIR / RTC released February 9, 2024
- Planning Commission recommendation for approval February 21, 2024
- City Council March 7, 2024

2018

2021

2022

2023

2024

SITE SPECIFICS AND OPERATIONS

Site Renderings - Intersection of W. Herndon & N. Riverside looking toward the new Costco.



SITE SPECIFICS AND OPERATIONS

Site Renderings - Looking toward the new Costco across N. Riverside.



SITE SPECIFICS AND OPERATIONS

Site Renderings - Looking toward the new Costco across N. Riverside at the new signal.



SITE SPECIFICS AND OPERATIONS

Site Renderings - View of Costco and parking lot from Arthur entrance.



SITE SPECIFICS AND OPERATIONS

Site Renderings - Looking across Spruce toward the car wash.



SITE SPECIFICS AND OPERATIONS

Site Renderings - Looking across Spruce toward the fuel station.



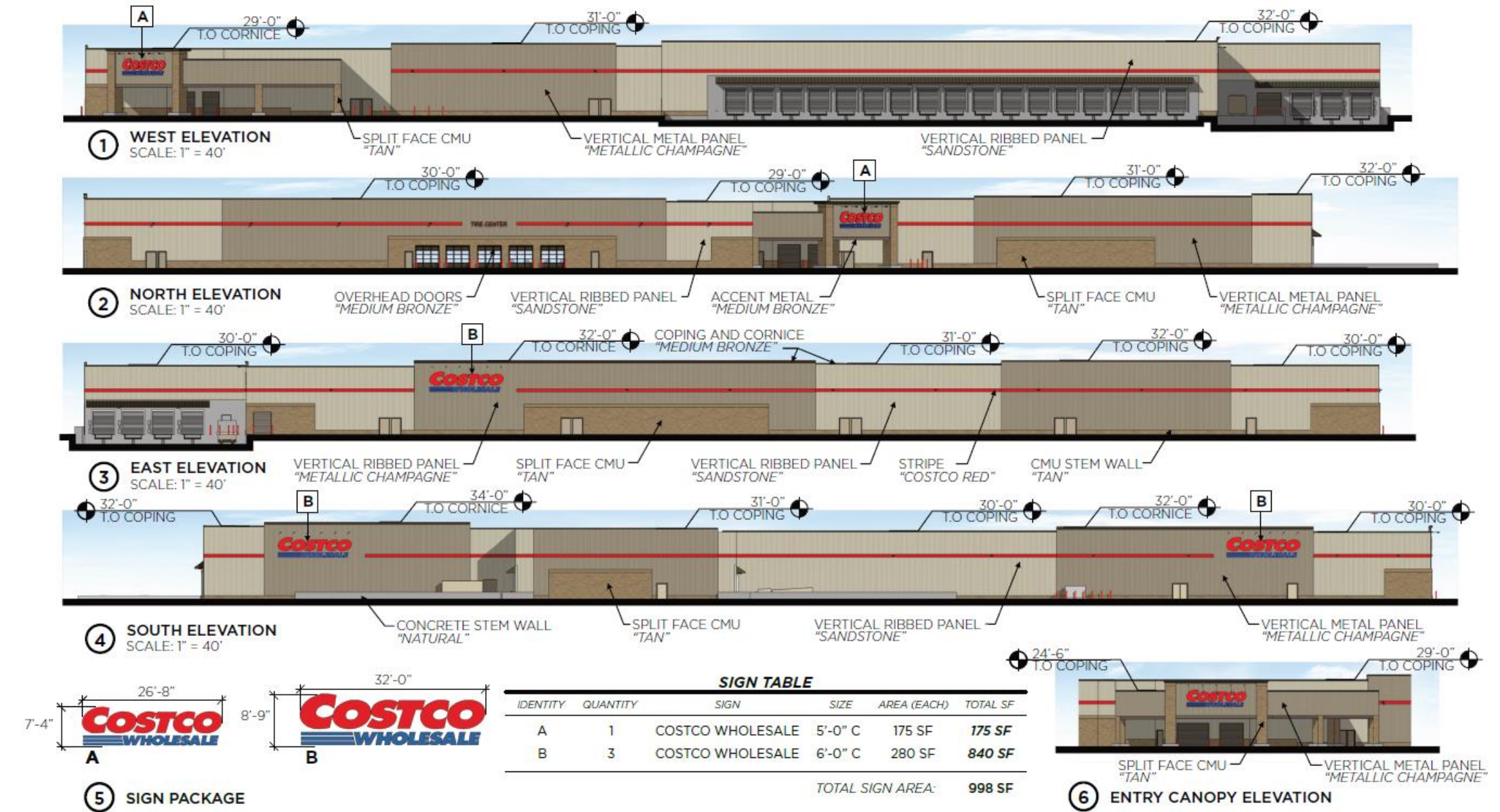
SITE SPECIFICS AND OPERATIONS

Site Renderings - View of Costco and parking lot from Arthur entrance.



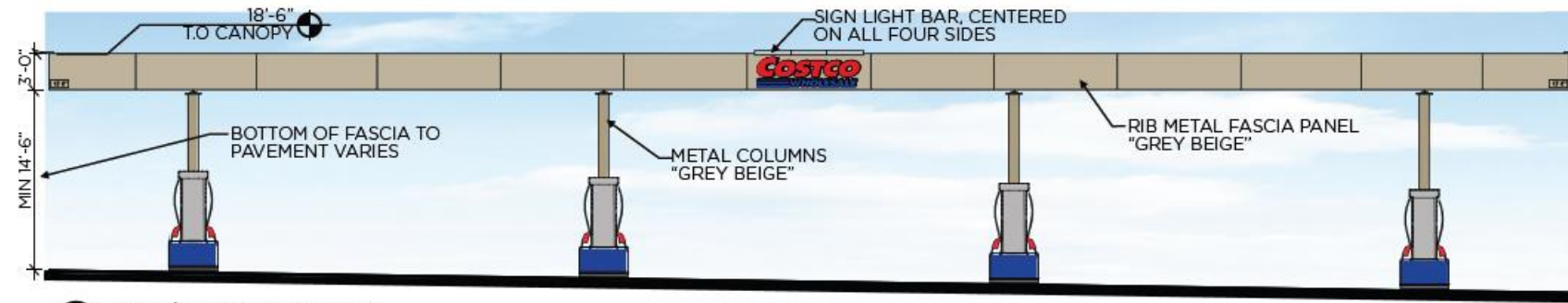
SITE SPECIFICS AND OPERATIONS

Warehouse Elevations



SITE SPECIFICS AND OPERATIONS

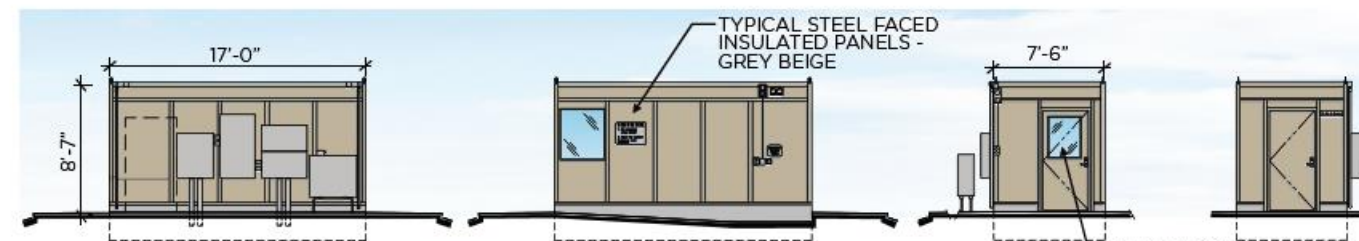
Fuel Station Elevations



① EAST/ WEST ELEVATION
SCALE: 1/8" = 1'-0"



② NORTH/ SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



④ CONTROLLER ENCLOSURE ELEVATIONS
SCALE: 1/8" = 1'-0"

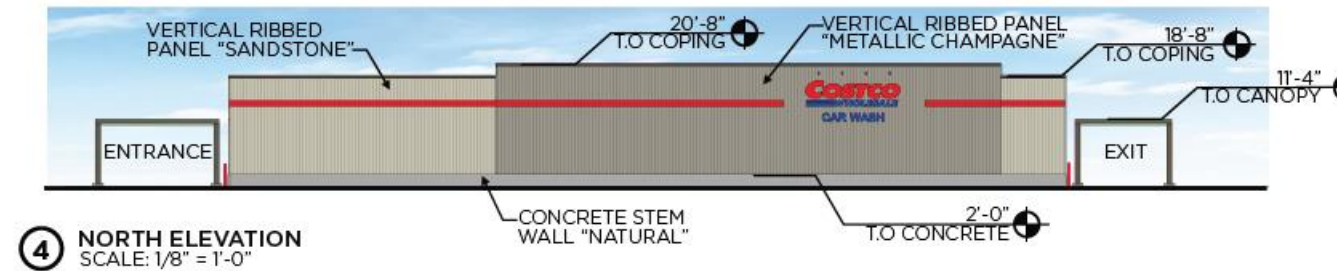
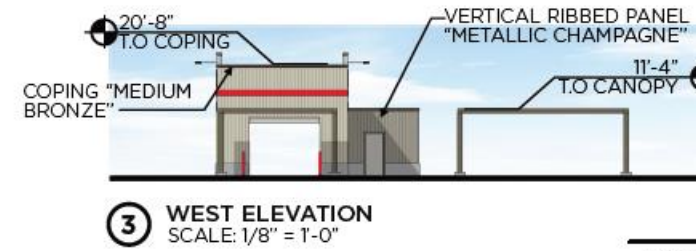
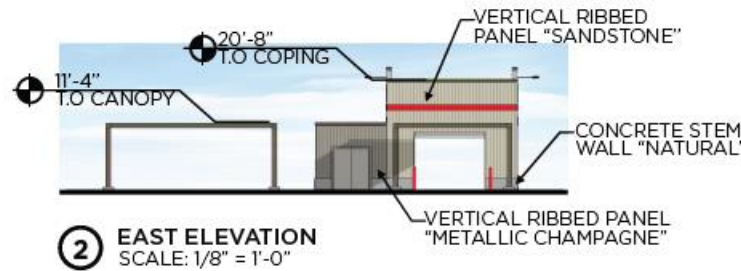
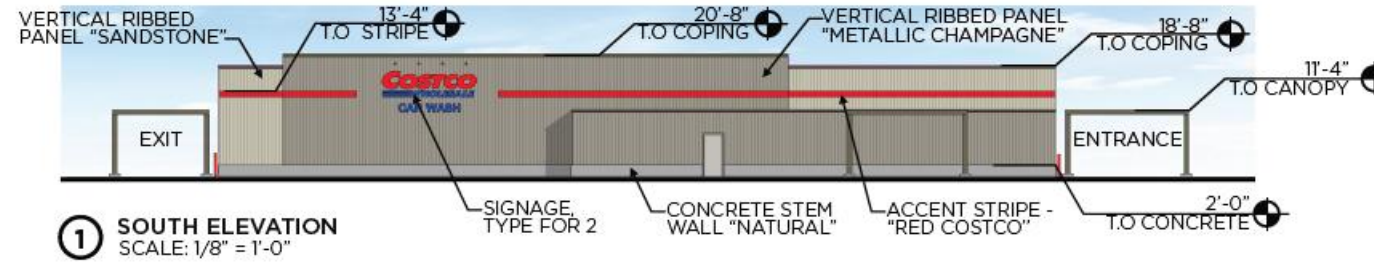
SIGN TABLE				
QUANTITY	SIGN	SIZE	AREA (EACH)	TOTAL SF
4	COSTCO WHOLESALE	2'-5" x 8'-6"	21 SF	84 SF
			TOTAL SIGN AREA:	84 SF



⑤ CANOPY SIGNS
SCALE: 1/4" = 1'-0"

SITE SPECIFICS AND OPERATIONS

Car Wash Elevations



SIGN TABLE

QUANTITY	SIGN	SIZE	AREA (EACH)	TOTAL SF
2	COSTCO WHOLESALE	3'-6" x 10'-6"	37 SF	74 SF
			TOTAL SIGN AREA:	74 SF



CEQA

Significant and Unavoidable Impacts – VMT Project and Cumulative

Impact 3.13-2 and 14-13: Conflict or Be Inconsistent with CEQA Guidelines Section 15064.3, Subdivision (b) Regarding Vehicle Miles Traveled for both the project and cumulative conditions.

- As discussed above, The primary source of daily VMT is warehouse shopping by Costco members. Members purchase items in bulk at Costco facilities, making walking, biking, or transit trips to the warehouse impractical.
- Bulk shopping generally requires access to a personal automobile and is often a single-destination outing. Mitigation that would substantially reduce the VMT of Costco members is infeasible due to the nature of Costco's land use and business model, which is inherently auto-oriented.

Significant and Unavoidable Impacts — Hazards Due to a Geometric Design Feature

Impact 3.13-3: North Golden State Boulevard and West Herndon Avenue intersection overflow Note: This is only a project impact as it is mitigated to a less-than-significant level under cumulative with other planned improvements including high-speed rail.

- The southbound left-turn queue at the **North Golden State Boulevard and West Herndon Avenue** intersection **would overflow** the available storage for the turn pocket.
- As discussed in the EIR **constraints** including the existing roadway layout, limited right-of-way and approved projects such as Highspeed Rail in the area **preclude additional design features to fully address** this impact.
- Spillback condition would occur during the most congested period of the day and would not be a continuous condition.
- This would remain a transportation hazard with mitigation until the planned High Speed Rail improvements are constructed. (Draft EIR p. 3.13-21)



EIR Mitigation Measure with Options

Mitigation Measure 3.11-5: Implement noise reduction measures to ensure that exterior noise levels at residential land uses near the west side of North Riverside Drive do not exceed the City's 65 dB :

- Pave the roadway segment with rubberized hot-mix asphalt or equivalent surface treatment with known noise-reducing properties on top of the roadway surface.*
- Construct a sound barrier taller than the 6-foot cinderblock wall, of solid material.*
- Costco **will utilize rubberized hot-mix asphalt** (underlined above) if mitigation is needed to meet 65 dB SNEL
- Given Costco has committed to requiring all delivery trucks to access the site from Arthur Avenue and not utilize N. Riverside east of W. Herndon Avenue, the noise associated with trucks and single event noise is not expected to exceed 65 dB SENL

Transportation VMT Mitigation

Impact 3.13-2: proposed project would result in a net increase of 129,326 regional daily VMT.

- Costco will implement Mitigation Measure 3.13-2 as detailed in the Final EIR, prepared by Ascent, the EIR consultant hired and contracted with the City, which requires Costco to implement the listed VMT measures to reduce employee VMT by a minimum of 26 percent.
 - **Employee trips account for less than 2 percent of the project's daily trips and less than 7 percent of the VMT (13,385 of 129,326 overall project VMT)**
 - **Reduction in employee VMT will have minimal impact on the overall increase in VMT.** The mitigation measure will reduce the project's VMT by approximately 3,500 of 129,326 daily VMT.
- Given the limits of reducing members' VMT **given the nature of Costco shopping, it is not possible to reduce VMT at a meaningful level** and in any way that reduce this impact to a less-than-significant level.
- The project will provide bike parking as does the Clovis warehouse.