Hannah Elliott

From: Denis Sieben <denismsieben@gmail.com> Sent:

Wednesday, May 22, 2024 3:35 PM

To: Plan

Subject: Dollar General - 217-24-000020 - Opposition



CROOK COUNTY

MAY 2 2 2024

To Planning Commission:

PLANNING DEPT

I realize we're nearing the end of our testimony period. There wasn't one person in the room at the meeting who wanted to see this Dollar General get approved. There are several reasons as to why there is overwhelming opposition. I want to reiterate my disapproval one more time and provide further evidence to show you what the outcome of a DG can look like.

Some in favor said it would make it a lot easier than going down the hill, some mentioned disabilities. With one employee working, DG will NOT be like a traditional store and will not be able to cater or provide assistance to those disabled individuals.

Many of the emails you guys received did not provide the commission with context as to why this is NOT wanted or NOT needed. I have several figures below from universities around the country to provide that context that I believe you were missing about this business.

Many exhibits below directly relate to the applicants request and supports that this CUP is not allowed in the zone and fails to meet several of Crook County Codes, Comprehensive plan goals and policies:

- 1.) CCC 18.160.020 (2,3,4) Proposed use will not have minimal adverse impacts on the "livability, value and appropriate development of abutting properties and the surrounding area compared to outright uses." Proposed use "requires that new developments plans be based on the best economic information available and take into account areas suitable for economical development." "Planning for recreation facilities and opportunities shall also give priority to meeting the needs of the Prineville metro area and all Crook County citizens, persons of limited mobility, and handicapped individuals."
- 2.) CCC 18.40.020 "Commercial activity directly related to recreation, including but not limited to motel, food and beverage establishment, recreation vehicle gasoline service station, recreation vehicle rental and storage facility and gift or sporting goods store."

3.) ECONOMIC POLICIES

- To diversify, stabilize and improve the economy of the county.
- To coordinate all planning programs and decisions concerning economical base resources in the county and to maintain an economicenvironmental balance in all resource management and allocation decisions.
- To require that development plans are based on the best economic information available and to take into account areas suitable for economic development, the effects on the existing economy, available resources, labor market factors, transportation and livability.
- To require an economic analysis of all major development proposals, resource management proposals, and allocation decisions.



Exhibit 1: "The company looks for places we can offer customers an easy and convenient shopping choose as we generally serve customers within a three to five mile radius, or 10-minute drive."

There is no intent on serving the locations that they claim, such as Ochoco, Haystack or even most of Prineville for that matter. They solely want to act as a local convenience store in Juniper Canyon.



Exhibit 2: A 2022 study by Clemson University, for example, found that the presence of a nearby Dollar Store DIMINISHED property values by 16-21% between 2016-2019, while the presence of a nearby grocery store increased property values by 14-15%.



Exhibit 3: According to Michigan Journal of Economics, "their abundance makes it virtually impossible for smaller businesses to open."





We aren't opposing this development just because. These are just some of the reasons why it is not good for Crook County. Though your ruling has to directly relate to the CCC's relating to the CUP criteria, comprehensive plan, state land use goals. I hope some of this information can help you better understand where we are coming from and make an informed decision as to why this doesn't meet the criteria for a CUP, a business like this deserves no exemptions or variances from the state/county land use plans and policies.

Thank you for your time.

Denis Sieben
Licensed Oregon Broker
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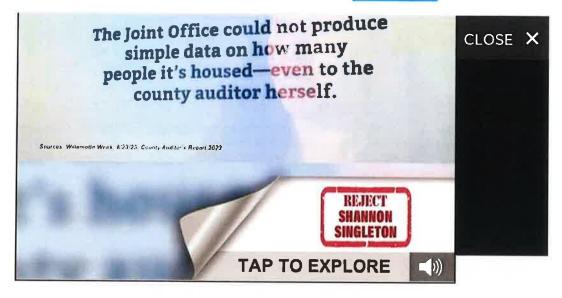
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"The company looks for places where we can offer customers an easy and convenient shopping choice as we generally serve customers within a three to five mile radius, or 10-minute drive," Ghassemi said.

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8. Dollar store chains often increase costs and reduce tax revenues for local governments.

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Take Haven, Kan., for example, which ultimately lost more than \$50,000 in annual revenue after a Dollar General opened and pushed out the town's only grocery store. [17] Initially, the year after Dollar General opened there, sales tax revenue grew by \$60,000. But then the town's only grocery store lost an average of \$1,000 per day, the equivalent of 35-40 percent of its total sales. The store closed permanently three years later - and with it, the town lost the \$75,000 in property taxes the grocery store had been paying annually. That would have resulted in a net loss of \$15,000 per year in property tax revenue for Haven. But, adding insult to injury, Dollar General had asked the town council to discount its utility bills by \$72,000. The council agreed to half of that --- so, when the grocery store closed, the town lost, in total, over \$50,000 in annual revenue.

In addition to their potential impact on commercial property tax revenue, dollar stores can have a negative impact on residential property values which, in turn, affects tax revenue. A 2022 study by Clemson University, for example, found that the presence of a nearby dollar store diminished property values by 16-21 percent between 2016-2019, while the presence of a nearby grocery store increased property values by 14-15 percent.

Chain dollar stores also increase municipal expenses, such as the costs of increased police, fire, sewer, and other municipal services to these traffic-intensive, crime-vulnerable stores.

Incredibly, many communities have given subsidies — in the form of tax abatement, tax rebates, outright cash, and other incentives — to dollar store chains to locate there. For example, in June 2022, Peosta, Iowa's city council gave a Dollar General developer a 15-year, 85 percent property tax rebate, capped at \$275,000. [19] Between 2000-2021, Dollar Tree/Family Dollar received 252 subsidies, totaling \$109.3 million. [20] In that same period, Dollar General received \$36.5 million in subsidies.

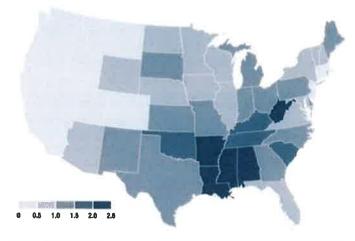
Michigan Journal Of Economics

Menu ≡

The biggest problem that dollar stores create is that their abundance makes it virtually impossible for smaller businesses to open. In fact, when there is an excessive number of any large corporation chain, other shops struggle to open or stay open due to their inability to compete with dollar store prices.

To put this idea into perspective, Dollar General and Dollar Tree operate more than 30,000 stores nationally; by these numbers, they far outnumber the amount of Walmart, McDonald, and Subway locations (ILSR).

Number of Dollar Stores per 10,000 Residents by State Number of stores include Dollar General, Dollar Tree, and Family Dollar locations



ILSR INSTITUTE FOR

Course: Dollar General and Dollar Tree 2017 Annual Reports

This graph depicts gross profit margins specifically for Dollar Tree in the last 15 years (Macro Trends). From this graph, it is apparent that Dollar Tree, like other dollar stores, is able to maintain relatively high profit margins.

These discrepancies in profit margins can be explained by the fact that most dollar stores are self-servicing, only requiring a couple employees making minimum wage to run the store. On the other hand, grocery stores must be run with several employees, managers, and other staff in order to keep up produce and consistently stock their stores. Dollar stores don't self the same selection of produce as grocery stores and therefore are able to keep their operating costs low.

Even though dollar store prices are so low, their costs are even lower, Because of this, they are able to bring in a substantial amount of revenue each year.

Michigan Journa Of Economics

As a result of these small business. Falling, dolla stores and Walmart become the only surviving businesses for residents to spend their money. Consequently, loans for new businesses are rejected and all the wealth is taken out of these already struggling communities; further pushing them into povery.

Due to this ever growing problem, a Dallas suburb passed zoning guidelines to prevent dollar stores from opening within 5,000 feet of one another. These guidelines also included rules that 10% of dollar store floor space must be dedicated to fresh food (Washington Post).

Nutritional deprivation is an expanding issue within small, poverty-stricken communities, For these lower-class families, access to fresh food becomes increasingly difficult when dollar stores take over the business of local grocery stores which provide locally produced food. For some, buying large

Michigan Journal Of Economics

This diagram from the Institute for Local Self-Reliance depicts how many dollar stores there are per 10,000 residents by state. It is evident that the south in particular is most affected with the highest concentration of dollar stores in these parts.

Dollar stores drive local stores out of business because of their boundless presence in rural America. This creates a bigger problem because small community economic development depends on small businesses circulating money throughout the community. When an outsider like Dollar General or Dollar Tree shows up, the money that was once circulating within the community now goes to a large corporation instead. That is to say, money is taken away from the local residents and distributed elsewhere; they put a halt on any productive economic development possible for small rural communities.

OSHA News Release - Region 4

Submit Foldback

S. Department of Labor

ıly 13, 2023

Department of Labor finds Dollar General continues to endanger workers as inspectors cite 8 violations at Tampa stores, propose \$342K in penalties

National discount retailer has faced more than \$21M in proposed penalties since 2017

TAMPA, FL – Federal workplace safety inspections at two Tampa-area Dollar General stores found the company again exposing employees to fire hazards and other unsafe conditions, continuing the long history of disregard for worker safety by one of the nation's largest discount retailers.

The U.S. Department of Labor's Occupational Safety and Health Administration issued citations for two repeat violations after a Jan. 18, 2023, inspection at a andon store identified exit routes blocked and ectrical hazards. Inspectors also found the store did at have a working employee restroom and left a stroom sewer drain uncovered, which created a tripping hazard.

Two days later <u>in Dade City</u>, OSHA inspectors found an emergency exit blocked by rolling containers and merchandise, exposing workers to fire and entrapment hazards.

After these inspections, OSHA issued citations to Dollar General Corp. for three repeat, two serious and three other-than-serious violations and proposed penalties of \$342,282. Since 2017, the company has faced more than \$21 million in fines after more than 243 inspections nationwide.

OSHA NationalNews Release

U.S. Department of Labor

January 26, 2023

Penalties mount: Fined more than \$15M since 2017, familiar Dollar General safety failures in 3 inspections in Florida, Alabama, add \$387K more

OSHA again find blocked emergency exits, merchandise stored unsafely

ATLANTA – Just weeks after being cited with federal safety violations, Dollar General Corp. and Dolgencorp LLC have once again exposed workers to unsafe conditions, this time at two store locations in Florida and another in Alabama.

On June 26, 2022, inspectors with the U.S.
Department of Labor's <u>Occupational Safety and Health Administration</u> found stores in Middleburg and Green Cove Springs, Florida, had merchandise blocking exit routes, exposing workers to fire and entrapment hazards. OSHA issued citations for two repeat violations, with \$196,438 in proposed penalties.

ess than a month later – on July 13, 2022 – OSHA spectors again found merchandise blocking exit putes at a Dollar General store, this time in Double prings, Alabama. They found the company allowed boxes and merchandise to be stockpiled in an unstable manner, exposing workers to struck-by hazards. OSHA issued citations for two repeat violations, with \$205,117 in proposed penalties.

In the past 11 months, OSHA inspections at 19 stores in Alabama, Florida and Georgia have identified dozens of similar violations. These types of hazards present serious risks for employees and others in an emergency, as well as the potential for them to be struck by unsafely stacked boxes in storerooms and elsewhere.