

Jennifer Orozco



From: Stephanie Ann Doty <sdoty@kc-education.com>
Sent: Sunday, April 28, 2024 7:58 AM
To: Hannah Elliott; Plan
Subject: RE: Dollar General Proposal - AGAINST - File# 217-24-000020-PLNG
Attachments: 17 Problems_ How Dollar Store Chains Hurt Communities – Institute for Local Self-Reliance.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Please see the attached. Thank you.

Stephanie Doty

From: Hannah Elliott <Hannah.Elliott@crookcountyor.gov>
Sent: Friday, April 26, 2024 11:08 AM
To: Stephanie Ann Doty <sdoty@kc-education.com>; Plan <plan@crookcountyor.gov>
Subject: RE: Dollar General Proposal - AGAINST - File# 217-24-000020-PLNG

Good morning, Stephanie,

I can include your email as an exhibit to the planning commission but if you would like the “[17 Problems: How Dollar Store Chains Hurt Communities – Institute for Local Self-Reliance \(ilsr.org\)](#)” you will need to email a pdf version to be submitted to the record.

Thank you for your comments on application number 217-24-000020-PLNG, a Conditional Use application for a retail store, Dollar General. Your comments will be posted as an exhibit and submitted to the Planning Commission for review.

Notice is hereby given that the Crook County Planning Commission **has rescheduled a public hearing from Wednesday, April 24, 2024, to 4:00 p.m. on Wednesday, May 15, 2024** to consider the following: A conditional use approval for a retail store, Dollar General. The subject property is a 5.22-acre parcel, on the west side of SE Juniper Canyon Road, approximately 7.2 miles south of Prineville. The property is identified as map/tax lot number 1616020000900.

Information about the hearing and any documents that will be presented to the Planning Commission will found here: <https://co.crook.or.us/planning-commission/page/crook-county-planning-commission-dollar-general-application>

For application materials and documents that pertain to the record beyond what is presented at this hearing to the Planning Commission, please visit Oregon ePermitting at: https://aca-oregon.accela.com/oregon/Cap/CapDetail.aspx?Module=Planning&TabName=Planning&capID1=24CAP&capID2=00000&capID3=0007T&agencyCode=CROOK_CO&IsToShowInspection= (Once to the page click on “Record Info/Schedule Inspections” in the bottom left corner, then “Documents Upload/View.” It may take a couple minutes to load. This will load all documents pertaining to this application.)

The Staff Report will be posted to both locations 7 days prior to the hearing.

Thank you,

shifting profits from local cash registers to corporate investors' pockets. Their impact is particularly harsh on the grocery sector. But it isn't just their market dominance — fueled by consolidation in the grocery and finance industry — that hurts communities. Their poor labor practices, lax security, and sloppy safety protocols harm workers. They single out towns and cities with high concentrations of low- and fixed-income residents, particularly Black and Brown residents. They exacerbate traffic. They displace good jobs with lower-paying ones, and they often use tactics that trick shoppers into believing they are getting bargains.

Stephanie Doty

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17 Problems: How Dollar Store Chains Hurt Communities

BY KENNEDY SMITH | DATE: 28 FEB 2023 | [f](#) [X](#) [t](#) [v](#)

Chain dollar stores are inundating America’s communities. In both small towns and urban neighborhoods, they are edging out locally owned businesses, freezing out entrepreneurs, and shifting profits from local cash registers to corporate investors’ pockets. Their impact is particularly harsh on the grocery sector. But it isn’t just their market dominance — fueled by consolidation in the grocery and finance industry — that hurts communities. Their poor labor practices, lax security, and sloppy safety protocols harm workers. They single out towns and cities with high concentrations of low- and fixed-income residents, particularly Black and Brown residents. They exacerbate traffic. They displace good jobs with lower-paying ones, and they often use tactics that trick shoppers into believing they are getting bargains.

*This comprehensive accounting of how dollar store chains hurt communities is accompanied by two companion publications: **The Dollar Store Invasion**, a new report on how misguided policies, particularly those governing antitrust and finance, are fueling the destructive proliferation of dollar stores; and **Stop Dollar Store Proliferation in Your Community: A Strategy Guide**, a step-by-step toolkit for local advocates, officials, and organizers.*

Citizens and civic leaders have very good reasons to be concerned about chain dollar stores and their impacts on their communities. Here are 17 of the most common problems that chain dollar stores create.

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of those that are relevant there.

Dollar Store Chains:

1. Threaten businesses, particularly grocery stores.
2. Create and exacerbate food deserts.
3. Target Black and Brown neighborhoods.
4. Create fewer jobs and pay lower wages than independent grocery stores.
5. Have poor labor practices.
6. Pressure suppliers to give them exclusive deals.
7. Extract wealth from the community.
8. Reduce tax revenues for local governments.
9. Erode community identity.
10. Have lax security and thin staffing.
11. Exacerbate traffic congestion and safety problems.
12. Are often cited for serious safety violations.
13. Provide poor value to customers.
14. Sometimes use illegal or restrictive business practices.
15. Can create or exacerbate stormwater runoff problems.
16. Development sometimes destroys important natural and historic resources.
17. Buildings' are purpose-built and challenging to reuse.

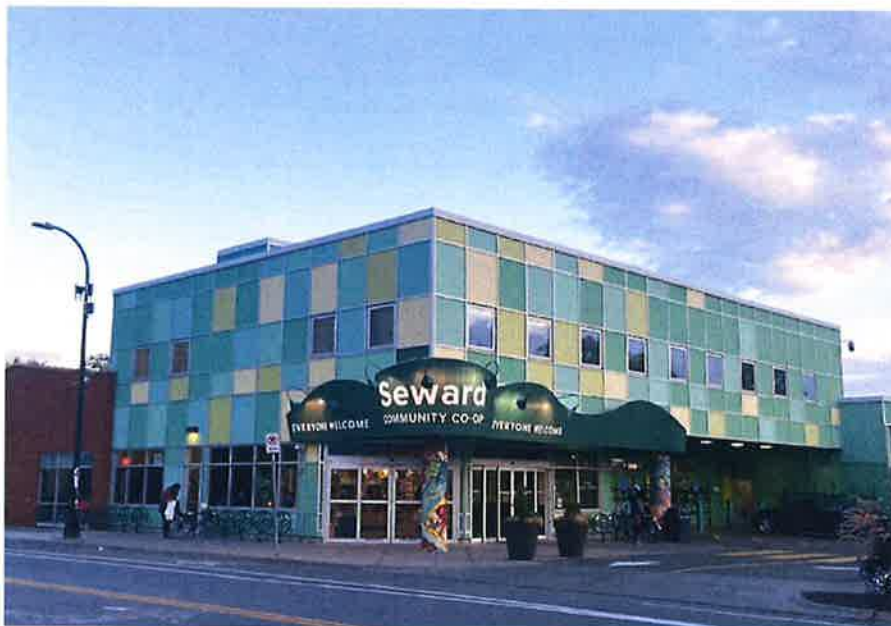


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Download 17 Problems here,

Read our Strategy Guide on Stopping Dollar Store Proliferation.

1. Chain dollar stores threaten existing and potential businesses, particularly grocery stores.





When dollar store chains open, it almost always cuts into the sales of local businesses. At first it might seem like this is simply the nature of competition. But dollar stores use their hefty marketing budgets to make it virtually impossible for other businesses to successfully compete. With plenty of cash on hand from shareholders and institutional investors, chain dollar stores have the resources to lose money in a community until their competitors have folded.

For many businesses, losing even a small percentage of sales can put the business at risk of failure. There are many types of businesses whose products overlap with chain dollar stores and that are therefore vulnerable, including hardware, small appliances, toys, reading materials, greeting cards, and health and beauty supplies. With dollar stores averaging around 10,000 square feet in size and sales of around \$260/square foot, a typical Dollar General captures over \$2 million in sales every year — and those sales are likely coming out of the cash registers of businesses already there.^[1]

This is an enormous problem for grocery stores in particular, which have razor-thin profit margins. Cutting into a grocery store's sales even a small bit can endanger its survival. Food is what customers buy most often in dollar stores,^[2] making dollar stores a clear threat to grocery store survival or creation. And grocery stores' profit margins are higher on items *other* than fresh produce — things like processed, prepackaged food and snacks — which is the bulk of the food that dollar stores sell. Peeling off just enough sales of packaged food can send a grocery store into the red.

There are many examples of grocery stores that closed when a dollar store opened nearby. The only grocery store in Whitmire, S.C. struggled for two years after a Dollar General store opened there. It finally closed in February 2022, leaving residents with the option of buying their food from the Dollar General or making a 45-minute round trip to the nearest town with a full-service grocery store. The only grocery store in Casselton, N.D. closed the same month. The store's owner, Fred Wangler, lost ten percent of his business after Dollar General opened. Chet Davis, who owned a grocery store in Merville, Iowa, lost 15-20 percent of his sales when Dollar General came to town, forcing him to close the store. Dave's Market, a small, 13-store grocery chain in the Cleveland metropolitan area owned by the Saltzman family since 1930, closed its Collinwood store in April 2022, citing the encroachment of dollar stores as one of the reasons why the store was no longer viable. Two dollar stores — a Dollar General and a Family Dollar — had opened within 600 feet of Dave's Market. Scenarios like these have played out in communities of all sizes throughout the U.S.^[3]

Dollar stores don't just edge out existing grocery stores; they also make it much less likely that a new grocery store will open in the same neighborhood. And when a town or neighborhood has more than one dollar store, the odds are even greater that a new grocery store would not be able to survive there.

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2. By making it difficult for a community to support adequate fresh food options, dollar stores create and exacerbate food deserts.



News media sometimes claim that dollar store chains seek out food deserts — communities that lack adequate access to the fresh food a grocery store provides — when looking for new locations. Dollar store chains simply choose locations with cheap space and significant concentrations of low- and moderate-income residents. As we discuss below, in urban areas, they tend to target not just lower-income neighborhoods but neighborhoods that are predominantly Black or Brown.^[4]

Chain dollar stores stock a limited selection of processed foods and often no fresh produce, Photo: Luke Gannon

By siphoning off sales that would otherwise go to grocery stores and other healthy food options, dollar stores create food deserts. They also perpetuate

especially by opening multiple stores close together, leaving little market opportunity for a grocery store to survive or take root. Even though some chain dollar stores have pledged to increase the amount of fresh and frozen food they offer, it is a very small percentage of what full-service grocery stores offer. This is inadequate for the nutritional needs of even the smallest communities. Meanwhile, studies show that health conditions such as diabetes, hypertension, and obesity are strongly linked to poverty and reliance on cheap, low-quality food.^[5]

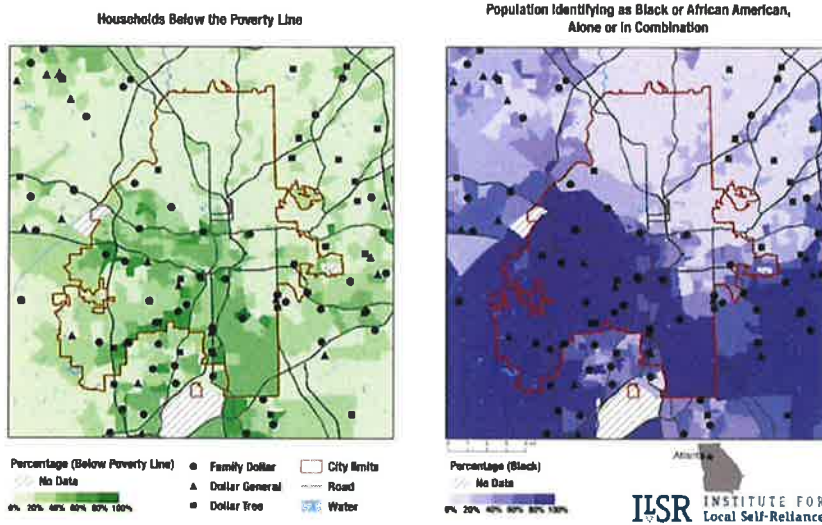
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3. Chain dollar stores target Black and Brown neighborhoods.



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Dollar Stores and Demographics — Atlanta, Georgia



Dollar stores and demographics in Atlanta, Georgia. Photo: ILSR

While dollar chains look for locations across the U.S. for places with large concentrations of low- and fixed-income residents, in urban areas, they also appear to specifically target Black and Brown neighborhoods. A growing number of studies, including ones by researchers at the University of Georgia and the University of Florida, show a clear correlation between race and dollar store location, even when controlling for income and other factors.^[6] DeKalb County, Ga., for example, has more than 70 dollar stores, but only three of them are in the two mostly white districts in the north part of the county.^[7]

Dollar store chains take a disproportionately heavy toll on Black and Brown neighborhoods. Poverty and lack of access to affordable fresh foods has been linked to diet-related health problems, which get locked in when dollar chains saturate these communities with stores and suppress the possibility of a new grocery store opening. In fact, city leaders in Tulsa, Toledo, and other places contend that dollar stores have contributed to lower life expectancy in Black neighborhoods. In predominantly Black north Tulsa, where chain dollar stores proliferated until the city took action to limit their development, average life expectancy is 11 years less than that of residents of predominantly white south Tulsa. And the negative impact of dollar stores on nearby property values disproportionately harms Black and Brown property owners, expanding the racial wealth gap. Diminished property values were one of the main reasons that Stonecrest, Ga., a predominantly Black Atlanta suburb, enacted an outright ban on dollar store

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4. Chain dollar stores create fewer jobs and pay lower wages than grocery stores they often displace.

Chain dollar stores hire fewer people than the grocery stores they often force out of business. General stores hire an average of six people, for example, while small, independently owned grocery stores employ an average of 14. In addition, dollar chains pay their workers poorly. An astonishing 92 percent of Dollar General workers earn less than \$15 per hour — the worst rate of 66 large service-sector firms. In 2019, the median annual salary for a Dollar General worker was just \$14,571, while former CEO, Todd Vasos, earned 986 times the median employee salary. Store managers earn around \$40,000 and routinely work long hours — but, because of their management status, they are not eligible for overtime pay.^[9]

This was the focus of over 2,000 wage theft lawsuits brought against Dollar General in 2006 alone. Nearly two decades later, the problem persists. Store workers have filed numerous lawsuits over unpaid wages over the years, including one in Kansas City, Mo., in 2014 in which Family Dollar reached a \$2.5 million settlement with almost 200 store managers, and one in Riverside County, Calif. in January 2020 in which the Superior Court of California gave preliminary approval to a \$9.95 million settlement involving more than 5,400 Dollar General store managers.^[10]

Chain dollar stores also rely heavily on taxpayers to subsidize their employees' healthcare. A 2020 study by the US Government Accountability Office found that the major dollar store chains were among the companies with the greatest numbers of employees receiving SNAP and non-disabled, non-elderly Medicaid benefits.^[11]

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5. Dollar store employees suffer from their companies' poor labor practices.

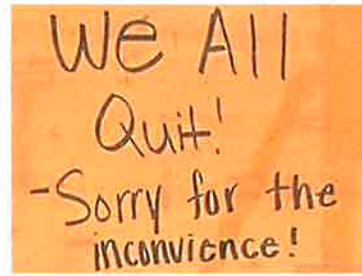
Chain dollar stores have earned notoriety for their low pay, but they have come under fire for other labor policies and practices as well. Many of these are the result of their sparse staffing, requiring workers to multitask to keep overhead costs low. Store managers complain that they must work long hours to meet their goals because they cannot adequately staff their stores on their thin payroll budgets. Workers are also often required to sign arbitration agreements, keeping potential labor-related lawsuits out of courts and out of the public eye.

Because of problems like these, workers at several chain dollar stores have quit and walked out, leaving signs on the door explaining why the store is closed. In May 2021, all the workers at a Dollar General store in Eliot, Maine walked out. The store's manager had resigned the day before after working a month of 70-hour weeks. Two months later, the same thing happened at a Family Dollar store in Pittsburgh, Pa., and the following month at a Family Dollar store in Lincoln, Neb. Chain dollar stores have also experienced worker protests for failing to fix broken air conditioning, provide adequate store security, and respond to requests for additional staff.^[12]

Chain dollar stores' poor labor practices have gotten Congress's attention. In April 2022, Sen. Patty Murray, chair of the Senate Committee on Health, Education, Labor, and Pensions, asked the CEOs of Dollar General and Dollar Tree/Family Dollar to turn over documents about their labor practices and



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Poor labor practices at dollar stores chains have led to increasingly frequent strikes and employee walkouts.

Photo: Steven Greenhouse (@greenhouseNYT)

policies, demanding that they explain their “shameful labor practices” and commit to making improvements.^[13]

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6. Chain dollar stores use their enormous market power to pressure suppliers to give them deals not available to small businesses.

The loss of smaller competitors isn't accidental; it's monopoly strategy. Because of their massive market power and cash reserves, chain dollar stores can buy inventory in enormous quantities at discounts rarely available to small businesses.^[14] They also use their market power to get priority access to scarce inventory from their suppliers, persuade manufacturers to make smaller packages, and strike other deals that are far out of reach of locally owned businesses.^[15]

A level playing field encourages robust competition and ensures that local businesses have an opportunity to compete and meet the needs of their communities. For that reason, there are multiple federal and state laws, including the Robinson-Patman Act, that prohibit big corporations from using their market power to gain unfair advantages over smaller competitors. These laws have not been enforced since the 1980s, but with corporate abuses of market power multiplying, advocacy organizations and government officials are actively exploring ways to reinvigorate and strengthen them.

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7. Chain dollar stores extract wealth from the community.



Businesses in D.C. Photo: Kennedy Smith

Locally owned businesses spend a large percentage of their profits locally. They pay rent; buy supplies; hire accountants, lawyers, and other professionals; engage cleaning and trash collection services; buy advertising; buy utility services; pay property and sales tax; support local school, civic, and charitable groups; hire staff; and much more. They also support their owners' households, their staffs' households, and the many local businesses from which those households pay for housing, transportation, food, clothing, personal and professional services, entertainment, education, and many other things.



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By contrast, only a modest percentage of a dollar chain's profits remain in the community. The profits go to the corporation, and the corporation then spends the profits on expansion, shareholder dividends, stock buybacks (to beef up their share price), and directors' compensation. Even their rent payments usually go to out-of-area developers who specialize in developing and leasing buildings to dollar store chains. The only portions of their profits that typically remain local and benefit the community are their utility payments, property tax, and salaries — all of which are also paid by locally owned businesses. The community ultimately loses local wealth and gains nothing in return. Numerous studies have shown that roughly 45-60 percent of a dollar spent in a locally owned business remains and recirculates in the community, versus only 14-30 percent spent in chain stores.^[16]



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

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.^[18]

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.

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9. Dollar stores erode community identity and the economic value that a distinctive identity creates.



Dollar General in **Conway, New Hampshire**. Dollar store chains'

homogeneous design erodes community identity. Photo: Luke Gannon

A



Dollar General in **Houston, Texas**.

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community's architecture, its public spaces, its landscape, and its businesses give it a unique sense of identity — and a unique sense of identity creates the tangible market value essential to successful economic development. One of the forces that create economic value is uniqueness; something is worth more if it is one-of-a-kind than if it is one of many. Being able to distinguish one community from another is crucial in supporting tourism and in attracting new companies and workers. Not only do visitors seek out unique businesses, but industries also seek out communities that provide their workers and customers with a healthy downtown, an interesting mix of businesses, and a distinctive identity.

The homogenous corporate design of dollar store chains whittles away at these unique characteristics. A Dollar General in Maryland is likely to look exactly the same as one in Mississippi or Montana, even though the landscapes and architectural traditions of those places are vastly different from one another. Dollar stores are not unique in doing this, of course; many national chains use standardized building forms and signs to ensure uniform branding. But, since dollar stores often locate in areas that have little or no other commercial development nearby (on rural byways, for example) or are near other dollar stores (particularly in urban neighborhoods), their visual impact is magnified.

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10. Chain dollar stores' lax security and thin staffing make them easy targets for crime and violence.

Because chain dollar stores maintain a relentless focus on minimizing their costs, they fail to invest in adequate store security. Understaffing, inadequate security equipment, and a high volume of cash transactions make them easy targets for robberies and other crimes. Staff is frequently required to multitask, taking their attention away from the register. Boxes of unshelved inventory can make it hard for passersby to see into a store. Although at least one of the chains provides some staff training on crime mitigation techniques, such as transferring cash from the register to the safe when the cash drawer fills up, these lessons are quickly lost due to high staff turnover. In a 2020 *CNN* report, police officers, crime experts, and former dollar store staff and executives cited several other reasons for dollar stores' high crime rates, including using security cameras to monitor stores remotely rather than putting security officers in stores, and placing a higher priority on catching shoplifters than on preventing cash register robberies. A Georgia sheriff told *CNN*, "We don't call them dollar stores. We call them stop-and-robs."^[21] In Dayton, Ohio, where more than one-quarter of all commercial robberies in 2019 took place at Dollar General stores, a police detective called dollar stores "robbery magnets."

Chain dollar stores' lax security and thin staffing make them vulnerable to more than robberies. A 2022 study by Clemson University researchers for DeKalb County, Ga. found that chain dollar stores are more likely than any other store type to attract crime and are significantly correlated with public order crimes,

blocks with more than one dollar store were 225 percent more likely to be victims of property crimes, a characteristic that the researchers did not find for any other business type. Alec MacGillis' crucial reporting in *The New Yorker* profiles how vulnerable dollar stores are to violent crime. At the Gun Violence Archive, an independent nonprofit research organization, 156 people were killed and 329 others were injured at chain dollar stores between 2014-2021, and 329 others were injured.^[23]



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11. Dollar store chains create and exacerbate traffic congestion and safety problems.

Chain dollar stores look for inexpensive locations. Dollar General founder Cal Turner, Sr. famously refused to pay more than \$1.00 per square foot in rent, saying that, at the low prices the company offered, customers would find its stores wherever they were. Because of this corporate ethos, Dollar General stores tend to locate (apart from urban areas) on the edges of communities, where their developers can buy cheap land. They often choose sites zoned for agricultural use or bordering on low-density residential neighborhoods, whose roads are rarely designed to accommodate the traffic volume a chain dollar store generates or to support the weight of dollar store delivery trucks.

Dollar Tree and Family Dollar stores similarly tend to locate in places where the rent is low and transportation infrastructure may not be adequate. And all the major dollar store chains need a big turning radius for their delivery trucks, which are typically longer than 50 feet and weigh close to the 80,000-pound federal highway limit.

Many communities have denied rezoning requests from dollar store developers because of the traffic volume and dangerous conditions they might create or exacerbate. In February 2022, for example, Salisbury, N.C. residents persuaded the City Council to reverse its decision to permit the development of a new Dollar General store on a rural road that had already experienced three traffic fatalities in the past two years.^[24]

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12. Dollar store chains are often cited for serious safety violations.

The major chain dollar stores have all been cited numerous times for serious safety violations that endanger workers and shoppers, from exposed electrical wiring to inaccessible emergency exits to serious rodent infestations.

The Occupational Safety and Health Administration (OSHA) fined Dollar Tree more than \$9.3 million between 2017-2022 for piling boxes in aisles

and storage rooms, blocking emergency exits and creating trip hazards for workers and shoppers. In an OSHA statement, an agency official said that "Dollar Tree Stores have a history of not taking the safety of its workers and customers seriously."^[25] In 2019, the Food and Drug Administration (FDA) sent a warning letter^[26] to Dollar Tree for sourcing over-the-counter medications, sold under Dollar Tree's Assured Brand label, from foreign companies that significantly violate Current Good Manufacturing Practice (CGMP) regulations.



Dollar General stores have been cited multiple times for safety violations. For example, the store in Baldwin, Wis. faced more than \$400,000

in fines from OSHA in June 2022 for a variety of safety violations, including padlocking the exit. This was the sixth time the store had been closed within the past year because of hazardous conditions. In 2021, the Department of Labor issued a press release stating that Dollar General continues to put workers in danger, despite being fined \$3.3 million for safety violations since 2016, including obstructed exits, sanitation violations, blocked electrical panels, and slip-and-trip hazards.^[28] “Dollar General has a long history of disregarding safety measures to prevent serious injury or death in the event of a fire or other emergency,” according to Doug Parker, Assistant Secretary for OSHA.

At a dollar store in Conway, NH, aisles are blocked by carts of

Photo: Luke Gannon



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Family Dollar has been the target of at least several Americans with Disabilities Act-related lawsuits because of blocked aisles. In July 2022, OSHA fined the company \$330,000 for keeping an emergency exit door locked at an Orlando, Fla. store, resulting in an employee's death when he tried to stop a shoplifter.^[29] And it was the subject of numerous lawsuits, including one filed in April 2022 by the State of Arkansas, for failing to address a massive rat infestation in one of its distribution warehouses that ultimately triggered product recalls at more than 400 stores, including recalls of human and pet food. The lawsuit also states that Family Dollar knowingly sold contaminated food products to shoppers.^[30]

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13. Dollar store chains provide poor value to customers.

To keep prices low, dollar stores sometimes reduce the amount of the product in a package while keeping the price the same, a practice sometimes called “shrinkflation.” For example, a box of cereal that once contained 18 ounces of shredded wheat might now contain 17 ounces, or a three-bar bundle of soap might now just have two bars, but still sell for the same price as before the “shrink.” A video, posted by TikTok user @BabyScribblez showing some products whose size Dollar Tree shrunk, went viral in early 2022. Their smaller packages may keep prices low, but it is false economy. For example, on an ounce-by-ounce basis, a 16-ounce carton of milk would cost \$8 per gallon in 2018, roughly twice the price at a full-service grocery store.^[31]

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14. Dollar store chains sometimes use illegal or restrictive business practices.

All three major small-box discount chains have been fined for scanner errors, selling products for prices higher than advertised on the shelf. In 2019, for example, Dollar General paid \$1.65 million in penalties to the State of Vermont for 362 overcharge errors, despite being told by inspectors at least 50 times to fix the problem. In 2024, former Ohio Attorney General Marc Dann estimated that Dollar General alone may be making millions of dollars annually from scanner errors.^[32] Chain dollars have also been cited or sued for selling expired products, ignoring bottle deposit laws, selling obsolete motor oil, and other illegal practices. And, in at least one community in which Dollar General is developing a new store on city-owned land, the company required the city to agree to a restrictive covenant guaranteeing that it would not allow a competing business — including Dollar Tree, Family Dollar, Big Lots, Walgreens, or Walmart — to open on the same parcel. This is a clear restriction of trade.^[33]

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15. Dollar store chains can create or exacerbate stormwater runoff problems.

Dollar store developers seek out inexpensive land, which means they often buy parcels with inadequate natural drainage or stormwater management infrastructure. Their asphalt-paved parking lots contribute to stormwater — roughly 27,000 gallons per inch of rainfall on a typical one-acre dollar store parking lot. That water needs to be absorbed by adjacent land, funneled into a municipal storm sewer, or temporarily retained and filtered to remove oil and other pollutants. If it isn't, it can trigger water pollution, erosion, and flooding.

Many communities require developers to provide stormwater runoff mitigation solutions. But dollar store developers sometimes cut corners, creating problems. In 2017, for example, a Dollar General developer in Arizona was fined by a regional water quality control board for stormwater permit violations that endangered local water quality. In 2018, Fort Pierce, Fla. condemned a Family Dollar store for numerous code violations, including failing to pick up trash that was blocking stormwater from draining properly. In 2020, residents of Brevard, N.C. protested the development of a new Dollar General store being built entirely within a floodplain without providing a runoff treatment system, endangering a species of mussel that had previously been considered extinct. In 2022, a group of residents of Carrabelle, Fla. petitioned to stop the city from approving permits for a proposed Family Dollar store, in large part because the property was in a flood zone, and raising the site to a buildable level would create flooding problems for nearby houses. Concern about stormwater runoff has been a key factor in many communities' decisions to deny building permits, from Orr, Minn. to Vineland, N.J. ^[34]

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16. Chain dollar store development sometimes destroys important natural and historic resources.

Chain dollar store developers usually conduct only the minimum research required for a building permit, and sometimes this means that communities lose valuable resources. Losing historic sites, rural landscapes, endangered species, and other distinctive characteristics crucial to community identity can have a devastating impact on a community and its marketability. In Micanopy, Fla., for example, a developer made several attempts over several years to build a Dollar General store on a site adjacent to a Seminole burial mound that the developer's research had failed to identify, despite a sign prominently marking the spot. Similarly, in Albrightsville, Pa., a developer built a Dollar General store on a parcel of land that had been identified in a natural areas inventory, prepared for the county's own Office of Planning and Development, as one of the state's few remaining habitats for Variable Sedge, an endangered plant species. Scores of historic buildings throughout the country have been torn down and replaced by dollar stores, including ones in Custer City, S.D., East Lyme, Conn., and Columbus, Ohio. ^[35]

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17. Chain dollar stores are purpose-built and challenging to reuse.

When a dollar store moves out, the building sometimes sits vacant indefinitely, attracting trash and becoming an eyesore. ^[36] Sometimes this is because the buildings aren't a good fit for other types of businesses; in at least one instance, a restrictive covenant prevents the building from being used by a competing business.

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Find all of our [dollar store resources here.](#)



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Notes

- [1] We calculated back-of-the-envelope estimates of average square footage based on these two sources: 1) Avison Young, Dollar Tree Tenant Overview, Net Lease Adviser and 2) Avison Young, Dollar General Tenant Overview, Net Lease Adviser; P. Smith, "Net Sale Per Square foot of Dollar General in the United States from 2007 to 2021," Statista, April 20, 2022; P. Smith, "Net Sales Per Selling Square Foot in Dollar Tree Stores in the United States and Canada from 2007 to 2020," Statista, January 13, 2022, (according to Statista, Dollar General netted \$273 in sales per square foot in 2020, and Dollar Tree/Family Dollar netted \$207).
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Kennedy Smith

Kennedy Smith is a Senior Researcher for the Institute for Local Self-Reliance's Independent Business Initiative. Her work focuses on analyzing the factors threatening independent businesses and developing policy and programmatic tools that communities can use to address these issues and build thriving, equitable local economies.

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