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Dollar Tree Approved - Shaping the Future of Rheem Center?

By Sophie Braccini

The members of the Moraga Town Council, regardless of their personal feelings about the coming of the Dollar Tree to the Rheem Center, all indicated that there is nothing in the Municipal Code that could be grounds to refuse the approval of the store's application. The decision made at the November 10 Council meeting will dedicate 9000 square feet of retail space to what is heralded as a discount variety store at the lowest end of the retail market. Dollar Tree will join other discounters in the Rheem Center such as Tuesday Morning, TJ Maxx and Home Goods. Details on the leasing contract were not revealed by the Center's owner, Kimco Realty, but it is likely that Rheem's image as a regional discount center will remain for a long period of time.

A group of Moraga residents who appealed the decision of the Planning Commission to grant a permitted use application to the store put on a well-argued show for the Council on November 10. One of their arguments was that a store selling food items should be subject to the same permitting process ('conditional use' instead of 'permitted use') that must be followed by grocery stores and restaurants.

Food items are a minimal percentage of the Dollar Tree's merchandise, no more than exists in a store such as CVS or the now-closed Blockbuster. "The classification of the Dollar Tree is general retail variety store, their sales of food items is incidental, representing 10% of the floor area" said Planning Director Lori Salamack, "They are not a food retailer or a restaurant. They do not require a conditional use permit."

During the meeting, Council Member Dave Trotter asked that the 10% limit on food merchandise be further enforced by making that percentage a condition of approval. A majority of his colleagues agreed.

The Council granted, in part, an appeal filed by Dollar Tree. Dollar Tree objected to a requirement limiting shelf height, which meant that it would be treated differently from other business in the shopping center. In addition to lifting that condition, staff recommended the elimination of the conditions of approval pertaining to signs as the applicant had already secured the necessary approvals from the Design Review Board (DRB). The DRB hearing was held on October 12, before the appeal process was complete.

Trotter was the only one to declare that a Dollar Tree store has no place in Moraga, but added that "it is a permitted use; we regrettably have to make the findings to approve it." He was unable to convince the Council that the store should be required to indemnify the Town with respect to any legal action associated with the approval.

Council Member Mike Metcalf said he 'groaned' when he heard about the store, because he did not anticipate a big spike in sales tax revenue with such a business. "The Dollar Tree store is pretty disgusting in Pleasant Hill, but really nice in other locations," he said, adding that whatever his opinion, he had to apply the Town's code.

Vice-Mayor Karen Mendonca said that she visited a Dollar Tree store in Healdsburg with her mother and found it to be "the Nordstrom of Dollar Tree stores." She reported her conversation with that store's manager and she presented it as "a story of hope," adding that every business must be treated fairly and equitably.

Council Member Howard Harpham said that the arguments presented by the appellant were excellent, but that Dollar Tree could not be treated differently than the other stores in the Rheem Center. "We are tearing ourselves apart with these discussions," regretted Harpham, who pledged to work for what is the best for the town during the time he has left [on the Council].

Mayor Chew concluded that it was not the role of government to determine which business can come to a town or not. "We hope they will do well and be good for the town," said the Mayor.

Dollar Tree has one year from the date of the approval to exercise the permit, otherwise it automatically expires. At press time Dollar Tree had not responded to questions regarding its appeal and plans for the Moraga store. The large amount of vacant retail space is a big thorn in the side of a town where 75% of each dollar spent by residents is spent out of town. Trotter concluded that the question of the future of the Rheem Center should be one of the Council's study areas next year.

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