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Dollar Tree Application Still Pending

By Sophie Braccini



Dollar Tree's Linda Duncan briefs the Planning Commission on the application Photo Andy Scheck

affluent cities such as Belmont and Sausalito welcomed Dollar Tree within their boundaries.

Some residents begged to differ. "The Dollar Tree is not in Sausalito but in Marin City, an industrial city, and in Belmont the store is on Camino Real, a very busy and varied artery of the peninsula," said Cavan McCarthy, "Moraga is a small bedroom community, it is very different." The most pressing concern expressed by young families, who came to Moraga a few years ago, is that the value of the homes that they have invested in would decrease with the presence of the discount retailer. "This is the nail in Moraga's retail coffin," said Lynn Davis, "it will cannibalize existing business and will not add to sales tax revenues."

On the other side of the argument, Phyllis Schultz talked about what the store had to offer that could be of value for residents. "You can shop for school supplies there," she said, "and make bags of goods for needy people at a bargain price." Some, such as Cliff Dochtermann, advocated for the store on principal: "I personally believe in the dignity of any honest and legal business and that they have the right to be operating in our community" he said, "having empty store fronts in our city is further down the road to degradation than any Dollar store will ever be."

The commissioners grappled with the municipal code and whether all the findings were in favor of granting the application. In the staff report, Planning Director Lori Salamack wrote that the application met the code in every way and recommended its approval. Two elements of the code were discussed by the commissioners: whether or not the store would create an excessive public economic problem and whether it would have adverse characteristics that could be mitigated.

Whitley cited the General Plan in explaining that the Planning Commission's task was to approve businesses that would strengthen the character and attractiveness of the town's commercial center. "I am concerned that this will be a discount store and that no investment will be made to enhance it," said Whitley, "There is no doubt, for example, that the TJ Maxx in Moraga is one of their enhanced stores, with a higher grade of merchandise. To protect the attractiveness of our town we need to make sure that the look and feel is maintained." He asked that some language be added to the use permit to address that issue.

Whitley did not think, however, that the commission had any ground to refuse the application. By his interpretation the code section regarding the creation of an excessive public economic problem refers to fire hazard or a need for extra police force.

Other commissioners believed that a potential negative impact on property values could be interpreted as a public economic problem.

The decision was postponed until next week, after the commission receives additional guidance from staff.

A large crowd attending the Planning Commission meeting on August 23rd witnessed a non-decision regarding the pending arrival, or not, of a Dollar Tree store in Moraga. After much public comment, both pro and con, the commission requested further guidance from staff regarding an element of the municipal code that discusses economic damage that could justify the rejection of the project. Commissioner Bruce Whitley, the most experienced member of the commission, asked for added language to entice the retail store to provide a shopping experience compatible with Moraga's character. The matter should be settled at the commission's next meeting on September 7th.

Kimco Corporation, the company that manages the Rheem Center, created a stir by making a surprise appearance at the meeting (See side bar).

Dollar Tree was eloquently represented by Linda Duncan, the Real Estate Manager for Dollar Tree stores in Northern California, who offered touching and humorous anecdotes about Dollar Tree's success with its customers. Her strategy was to demonstrate that the Dollar Tree store was a retail store like many other discount stores in the Rheem Center and that it would fit in Moraga. She said that

Kimco Came To Town

According to Armand Vasquez, Regional Vice President of Leasing for Kimco Realty Corporation, his company has not been very present in the Town of Moraga until recently because Kimco did not own the Rheem Center. "Until a few weeks ago we were the manager and not the owner of the Center," he said, "we would make a proposal for a tenant and a rate and it would be approved or rejected. Now we are co-owners with 'Big' and are making those decisions."

Kimco representatives explained to the Town Council their strategy for the Center and how they have tried to attract the right tenants. "We had a liquor store contact us, we had a comic book store that sold drug paraphernalia, and we rejected them," said John Walter, Director of Real Estate, "We've tried to attract a Radio Shack, a phone company, a men's clothing store; but for the retailers the demographics of Moraga do not add up."

Walter confirmed that a produce store is coming to the Center. The store belongs to a company that owns two others, one of them nearby at the corner of Tice Valley and Olympic Blvd. "That's where Rossmoor residents get their organic produce," said Walter. (Dropping by that store a few months ago, this reporter noticed a wide variety of produce, some of it organic, and such items as milk products, grains and snacks.)

Walter confirmed that a Mediterranean restaurant and a frozen yogurt shop would also open at Rheem. "We are building momentum and traction in the Center," said Vasquez, "This center has always been treading water and been challenging, but we wanted to get it in our portfolio and make things work."

The Dollar Tree store would fill 9,000 square feet of empty space for Kimco. Vasquez would not release the details of the deal, but he stated during the Council meeting, "It's not a deal that we'd be proud of economically."
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