Model Ordinances:

Dollar Stores

*This document presents a menu of legislative options that localities can use to address the role of dollar stores in their communities. Each policy option is described in its respective section below. These options are not mutually exclusive and can be combined. Further, any of these policies can be combined with policies restricting dollar stores to only certain local zoning areas (see Note in Bans and Time-Limited Moratoria section).*

*Most ordinances refer to dollar stores as “small box discount stores.” This document uses that language.*

*Two important considerations are:*

1. *Placement of the ordinance within a locality’s existing codes. Small box discount store ordinances are generally in the zoning code or the zoning chapter of the main code.*
2. *Whether a policy can and should apply to both existing and new small box discount stores. It is not possible to apply certain policies, like dispersal ordinances, to existing stores. However, other policies, like staple food ordinances, can apply to existing and new stores.*

*These policies can be modified to meet your locality’s unique needs, but* ***please note that changes should be made with guidance from an attorney or other expert in legislative drafting. The information in this document is for educational purposes only and does not constitute legal advice or representation.***

**##.##. Definition. [APPLIES TO ALL POLICY OPTIONS]**

1. “Small Box Discount Store” means a retail establishment with a floor area less than 12,000 square feet that offers for sale a combination and variety of convenience shopping goods and consumer shopping goods, and continuously offers a majority of the items in its inventory for sale at a price per item of $10.00 or less, adjusted for inflation. This definition shall control any use that fits the same despite otherwise being termed “Grocery Store,” “Variety Store” or [OTHER RETAIL STORE DESCRIPTORS IN CITY/COUNTY CODE] under the provisions of the [CITY/COUNTY CODE].

**Staple Foods Ordinance**

*Staple foods ordinances require small box discount stores to stock certain healthier food and beverage items.*

**##.##. Staple Foods Standards.**

Each small box discount store shall continuously offer for sale at least three (3) stocking units of at least seven (7) different varieties for each of following four (4) staple food categories:

1. Dairy/dairy alternatives: Milk (unsweetened, fluid cow’s milk (only skim, 1% or 2%)) or milk alternatives (unsweetened or “plain” soy milk or other cow’s milk alternatives), yogurt, kefir, or cheese.
2. Animal and vegetable proteins: Fresh or frozen meat and poultry, canned fish packed in water, fresh eggs, or vegetable proteins such as nut butter and tofu. Containers of nut butter may not contain any other food products such as jelly, jam, chocolate, or honey.
3. Fruits and vegetables: Fresh, frozen, or canned fruits and vegetables that do not contain added ingredients, including sweeteners, salt, sauces, or seasonings, at least four (4) varieties of which must be fresh and perishable.
4. Whole grains: 100% whole grain products such as bread, corn tortillas, brown rice, or oatmeal.

Such staple foods and beverages shall be non-expired, not spoiled, and maintained according to established industry standards for food safety. To count towards the staple foods standards, perishable items, including fresh fruits and vegetables, shall be offered in good condition, meaning not overripe or seriously deformed, and free from decay, discoloration, bruising, and surface damage.

In this subsection, “stocking unit” means an individual food or beverage item. If a food or beverage is not usually sold individually, then it does not individually constitute a stocking unit. Such food items are usually sold in bunches, boxes, bags, or packages, and these instances the bunch, box, bag, or package is one stocking unit. For food items stored singly in a common container and sold to a customer by weight (for example, grains, dried fruits, nuts, deli cold cuts), one pound (1 lb.) is one stocking unit.

In this subsection, “variety” means foods that differ from each other by distinct main ingredient or product kind.

[CITY/COUNTY ENTITY] shall bi-annually review the staple foods standards. Changes to the staple foods standards shall take effect [#] days after publication of such changes.

*Note: Consider providing examples of varieties in a regulation or guidance related to this ordinance. Section IV List of Examples in [Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program](https://www.federalregister.gov/documents/2016/12/15/2016-29837/enhancing-retailer-standards-in-the-supplemental-nutrition-assistance-program-snap), which provides examples of varieties that retailers can stock to comply with federal SNAP stocking standards can serve as a template.*

**Dispersal Ordinance**

*Dispersal ordinances require new small box discount stores to be located a certain distance from an existing small box discount store.*

**##.##. Small Box Discount Store Dispersal.**

1. A new small box discount store shall be located a minimum of a [NUMBER] mile radius from any other small box discount store as measured by the shortest distance between the nearest points on the plots between where a proposed small box discount store would be located and where existing small box discount stores are located.

*Note: Existing dispersal ordinances set a ½ mile, 1 mile, 2 mile or 2 ½ mile radius. 1 mile is the most common radius.*

**Conditional Use and/or Permitting Ordinance**

*Permitting ordinances can restrict the number of small box discount store permits a locality issues. Such permits may or may not be conditioned on certain circumstances being present in relation to the proposed small box discount store.*

**##.##. Small Box Discount Store Permits.**

1. [CITY/COUNTY] shall issue a maximum of [NUMBER] permits for the purpose of operating a small box discount store. For purposes of this section, existing small box discount stores [SHALL/SHALL NOT] be considered in calculating the number of available permits.
2. [CITY/COUNTY ENTITY] shall develop a small box discount store permit application process.
3. [*OPTIONAL CONDITIONAL USE*] When reviewing an application for a small box discount store permit, [CITY/COUNTY ENTITY] shall consider whether the proposed small box discount store is likely to:
	1. Detrimentally impact existing or future grocery stores and businesses that sell fresh and healthy food items in the area to be served by the proposed use.

[CITY/COUNTY ENTITY] shall review the maximum permit number every five years. Changes to the maximum permit number shall take effect [#] days after publication of such changes.

**Bans or Time-Limited Moratoria**

*Bans disallow small box discount stores in entire localities or in certain zoning areas.*

*Time-limited moratoria disallow new small box discount stores for a certain period, often while a locality studies how such stores impact food offerings, other businesses, the local economy, etc.*

**##.##. Small Box Discount Stores Prohibited.**

1. Small box discount stores are prohibited [FOR [X] YEARS].

*Note: If only prohibiting small box discount stores in certain zoning areas, this provision would be included only in that part or those parts of the code. Additionally, if there are existing “prohibited use” sections, small box discount stores could be added there rather than creating a new code section or subsection.*

**##.##. Enforcement. [APPLIES TO ALL POLICY OPTIONS]**

1. The [CITY/COUNTY] is authorized to issue all rules and regulations consistent with this ordinance.
2. [CITY/COUNTY ENTITY] shall incorporate enforcement of this policy into existing inspections of [SMALL BOX DISCOUNT STORES/FOOD RETAIL STORES].
3. The [CITY/COUNTY] may require reporting of information necessary to determine compliance with this Chapter.

**##.##. Violations – Penalties.  [APPLIES TO ALL POLICY OPTIONS]**

1. A small box discount store found to be in violation of this Chapter may be subject to [PENALTY].

*Note: Penalties could include suspension or revocation of business license or permit as the more severe penalty than fines.*

**##.##. Severability. [APPLIES TO ALL POLICY OPTIONS]**

1. If any part or provision of this act or its application to a person is held invalid, the invalidity of that provision or application does not affect other provisions or applications of this act that can be given effect without the invalid provision or application.

**##.##. Effective Date.  [APPLIES TO ALL POLICY OPTIONS]**

1. This ordinance and the legal requirements set forth herein shall take effect and be in force as of [DATE].