



County of Marquette
BOARD OF COMMISSIONERS

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March 11, 2016

Robert A. Niblock, Chairman
President and CEO
Lowe's Companies, Inc.
1000 Lowes Boulevard
 Mooresville, NC 28117

Dear Mr. Niblock:

We are public officials representing constituents and entities within or adjacent to Marquette County, an area of some 67,000 residents on the shore of Lake Superior in Michigan's Upper Peninsula. We are contacting you to invite Lowe's into a conversation about the role of Lowe's as a corporate citizen of our community.

We welcomed Lowe's when it opened its Home Center in Marquette Township. We have appreciated the jobs provided and the broad range of services and goods it offers, but much has changed in the intervening eight years. Lowe's, in 2014, successfully appealed the tax valuation of its Marquette facility to Michigan's Tax Tribunal using the new Dark Store tactic. These rulings permit otherwise vital businesses to be valued as if they were empty and unsuitable for other retail use, hence the term "Dark Stores."

The aggregate impact of this policy is significant and is causing lasting damage to our community. Counties, townships, and municipalities are now having to rebate millions of taxpayer dollars to retailers while suffering a permanent loss of revenue. Budgets are being cut from police, fire and emergency services, from libraries, schools, roads, and parks. Services for youth and veterans are being severely curtailed or eliminated. Our schools alone have been required to rebate over \$132,000 during the past two years, quite significant for a district of our size. Our library has been forced to curtail its hours and close entirely for one day each week. A Youth Home for at-risk children has permanently closed. And we are particularly concerned about the immediate and long-term impact on public safety services.

Companies are certainly entitled to the revenues earned through legitimate business activity, but this misguided tax policy resets the ground rules by unfairly enabling businesses to augment income by draining public treasuries and shifting tax obligations onto consumers. While we are actively engaged in statewide efforts to reverse this policy, our focus is to have local businesses act as responsible corporate citizens of our community.

We recognize Lowe's stated "commitment to social responsibility" understanding that "Lowe's customers and employees are integral to their communities and the foundation of our business. That's why, for nearly 70 years, we have invested in our communities." These comments set Lowe's apart from other corporate retailers who do not make similar statements.

Lowe's now has a unique opportunity to provide corporate leadership by playing a prominent and supportive role within our community. We invite you to meet with representatives of our group to explore how to achieve this, and we look forward to your response. If you have any questions, please contact me directly.

Sincerely,

Gerald O. Corkin, Chairman
Marquette County Board of Commissioners