



Council Policy Proposal

Return this form to Diedra Maher at dmaher@redmond.gov by Wednesday at 5 p.m. the week prior to the Council Study Session. Council Leadership will be alerted there is an item to schedule for consideration at a future Council Talk Time. Attached documentation will be provided to the Clerk for addition to the agenda for all Council Members and the public to review.

Tracking Number Click or tap here to enter text. Date of Request 8/8/2024 Requester Osman Salahuddin

Problem Statement

A clear and concise description of the issue(s) that need(s) to be addressed.

In October of 2022, Kroger and Albertson's – two major national corporations – announced their intent to merge. This would lead to store closures, job losses, and higher prices, both in Redmond and across our state. The proposed merger would also impact producers, food processors and farmers here in Washington state and around the nation. Finally, the proposed merger would impact the ability of union grocery store workers to be able to negotiate for better wages and benefits because if the two largest traditional grocery store chains were to become one, then the leverage in negotiations would largely disappear.

Local union UFCW 3000 has helped create a national coalition of other unions and other organizations that has resulted in hundreds of TV, radio and newspaper stories, acted at stores across the country, met with state and federal regulators, and ultimately helped bring about the lawsuits filed by the Federal Trade Commission (FTC) and states attorneys general to oppose the proposed merger. These lawsuits are going to trial soon – the FTC case starts in federal court in Oregon in late August and the Washington State AG case begins here in our state in mid-September.

Proposal

What is being proposed to assist in addressing the issue described in the problem statement?

The Redmond City Council adopts a resolution to express its official position in opposition of the Kroger-Albertson's merger and sends a copy of this resolution to the Federal Trade Commission, asking them to oppose the merger.

Relationship to City Business or Proposed City Business/Services

Describe how this will enhance what is already offered and/or what it will provide that is not currently available. Why is this the City's issue to address? How will this create a more adaptive and resilient organization?

Earlier this month, Kroger and Albertson's released a list of grocery store locations which they intend to sell as part of the merger, and Washington has more grocery stores to be sold than any other state — 124 in total. This includes four in Redmond (the three (3) QFC's and the Safeway in Redmond):

- QFC — 15800 Redmond Way, Redmond
- QFC — 8867 161st Ave NE, Redmond
- QFC — 23475 NE Novelty Hill Rd, Redmond
- Safeway — 15000 NE 24th, Redmond

Passing a resolution opposing the merger will show solidarity with the many grocery store workers in Redmond and demonstrate our commitment to creating a more inclusive Redmond for all workers and residents.

Connection to Strategic Plan and/or Budget Priorities

Choose all that apply or enter plan name

- Diversity, Equity, and Inclusion
- Environmental Sustainability
- Housing Choices
- Infrastructure
- Public Safety
- Healthy and Sustainable
- Safe and Resilient
- Vibrant and Connected
- Strategic and Responsive
- Capital Investment Program

Timing

Is this issue time sensitive, are there other timing factors to consider?

In coordination with UFCW 3000, they shared that it's their hope that we could pass a resolution opposing the proposed mega merger **in advance of the September 16th** trial in Washington.

Supporting Documentation

Are there documents that support your request or that should be considered?

See attached draft resolution (in coordination with UFCW 3000).

Cannot be a quorum unless discussed at an open public meeting.

When you submit/email this form to Staff also CC listed co-sponsors for affirmation of their support.

Councilmember Osman Salahuddin

Sponsoring Councilmember

1. _____
Councilmember

2. _____
Councilmember

Post Action (to be completed by Council Leadership)

Referral To Study Session

Committee of the Whole

Staff Review

Add to Priorities List / Ranking _____

No Action

Legal Review

DRAFT
RESOLUTION

WHEREAS, Kroger and Albertson's, two large grocery store corporations, have announced an intent to merge; and

WHEREAS, Safeway is a grocery market chain, and a subsidiary owned by Albertsons, which could be negatively impacted by the merger; and

WHEREAS, QFC is a grocery market chain, and a subsidiary owned by Kroger which could be negatively impacted the merger; and

WHEREAS, Redmond's grocery stores are a cornerstone of the local community, and one of the city's largest employers, particularly union jobs; and

WHEREAS, earlier this month, Kroger and Albertson's released a list of grocery store locations which they intend to sell as part of the merger; and

WHEREAS, Washington has more grocery stores to be sold than any other state — 124 in total, including the three (3) QFC's and the Safeway in Redmond; and

WHEREAS, ensuring a thriving local economy, job opportunities, and convenient shopping options for the community are priorities for the City of Redmond; and

WHEREAS, approval of this merger would almost certainly lead to store closures, could undermine thousands of unionized grocery jobs, would likely increase prices for consumers, and worsen food deserts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Redmond City Council adopts this resolution to express its official position in opposition of the Kroger-Albertson's merger.

Section 2. The Redmond City Council sends a copy of this resolution to the Federal Trade Commission, asking them to oppose the merger.