



Memorandum

Date: 9/3/2024  
Meeting of: City Council

File No. AM No. 24-122  
Type: Consent Item

TO: Members of the City Council  
FROM: Mayor Angela Birney  
DEPARTMENT DIRECTOR CONTACT(S):

N/A	Councilmember Salahuddin	N/A
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DEPARTMENT STAFF:

Executive	Malisa Files	Chief Operating Officer
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**TITLE:**  
Adoption of a Resolution Opposing the Kroger-Albertsons Merger

- a. Resolution No. 1586: A Resolution of the City Council of the City of Redmond, Washington, Opposing the Kroger - Albertsons Merger

**OVERVIEW STATEMENT:**

Attachment A contains a resolution opposing the Kroger-Albertsons merger. In October 2022, Kroger and Albertsons, two major national corporations, announced their intent to merge. The Pacific Northwest is one of several regions where there is a larger concentration of Kroger and Safeway (operated by Albertsons) stores, creating a greater local impact on communities.

Additional Background Information/Description of Proposal Attached

**REQUESTED ACTION:**

- Receive Information
- Provide Direction
- Approve

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
Economic Development Strategic Plan, Comprehensive Plan
- **Required:**  
Council approval is required for the adoption of a resolution.
- **Council Request:**  
The policy item came before Council at the Study Session on August 13, 2024, and was referred to the September 3<sup>rd</sup> business meeting.
- **Other Key Facts:**  
N/A

**OUTCOMES:**

Earlier this month, Kroger and Albertson's released a list of grocery store locations that they intend to sell as part of the proposed merger. Washington has more grocery stores to be sold than any other state - 124 in total. The total includes three in Redmond (the two QFCs and a Safeway), as shown below:

- QFC - 15800 Redmond Way, Redmond
- QFC - 8867 161st Ave NE, Redmond
- Safeway - 15000 NE 24th, Redmond

The Federal Trade Commission (FTC) issued an administrative complaint and authorized a lawsuit in federal court to block the proposed acquisition pending the Commission's administrative proceedings. The [FTC charges <https://www.ftc.gov/system/files/ftc\\_gov/pdf/d9428\\_2310004krogeralbertsonsp3complaintpublic.pdf>](https://www.ftc.gov/system/files/ftc_gov/pdf/d9428_2310004krogeralbertsonsp3complaintpublic.pdf) that the proposed deal will eliminate fierce competition between Kroger and Albertsons, leading to higher prices for groceries and other essential household items for millions of Americans. The loss of competition will also lead to lower quality products and services, while also narrowing consumers' choices for where to shop for groceries. For thousands of grocery store workers, Kroger's proposed acquisition of Albertsons would immediately erase aggressive competition for workers, threatening the ability of employees to secure higher wages, better benefits, and improved working conditions.

The Washington Attorney General's case in opposition of the merger begins mid-September. If Council approves the proposed resolution (Attachment A) a copy will be send to the FTC asking them to continue to oppose the merger.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
N/A
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**  
N/A

**Approved in current biennial budget:**       Yes       No       N/A

**Budget Offer Number:**  
N/A

**Budget Priority:**  
N/A

**Other budget impacts or additional costs:**       Yes       No       N/A

**If yes, explain:**  
N/A

**Funding source(s):**

N/A

**Budget/Funding Constraints:**

N/A

**Additional budget details attached**

**COUNCIL REVIEW:**

**Previous Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
8/13/2024	Study Session	Provide Direction

**Proposed Upcoming Contact(s)**

<b>Date</b>	<b>Meeting</b>	<b>Requested Action</b>
N/A	None proposed at this time	N/A

**Time Constraints:**

Action on the resolution should be taken in early September so that it can be shared with the FTC before the mid-September hearings in Washington.

**ANTICIPATED RESULT IF NOT APPROVED:**

N/A

**ATTACHMENTS:**

Attachment A: Resolution