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RESOLUTION R-5649

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND OPPOSING THE KROGER – ALBERTSONS MERGER.

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

WHEREAS, the two companies own more than half of all grocery stores in Washington; and

WHEREAS, Safeway is a grocery market chain and subsidiary owned by Albertsons; and

WHEREAS, QFC is a grocery market chain and a subsidiary owned by Kroger; and

WHEREAS, the attorneys general for eight states and the District of Columbia joined the Federal Trade Commission in a lawsuit, and the attorney general of Colorado filed a separate suit to block the proposed merger; and

WHEREAS, the Attorney General of Washington State filed a separate suit in the King County Superior Court to block the merger of Kroger and Albertsons on January 15, 2024, which began trial on September 16, 2024; and

WHEREAS, the consolidation of the Kroger and Albertsons corporations through the proposed merger would eliminate competition between the two largest grocery operators in the state and is likely to result in higher prices for consumers, thereby negatively impact grocery budgets for Kirkland residents; and

WHEREAS, Kirkland's grocery stores are cornerstones of the local community and one of the city's large employers; and

WHEREAS, Kroger and Albertsons recently released a list of grocery store locations the companies intend to divest (sell) as part of the merger; and

WHEREAS, Washington has more grocery stores to be sold than any other state – 124 in total, including four in Kirkland:

- QFC 11224 NE 124th St., Kirkland
- QFC 425 Urban Plaza, Suite 100, Kirkland
- Safeway 12519 NE 85th St., Kirkland
- Safeway 10020 NE 137th St., Kirkland; and

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

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

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

<u>Section 1</u>. The Kirkland City Council adopts this Resolution to express its official position in opposition of the merger of Kroger and Albertsons.

<u>Section 2</u>. The City Manager is hereby authorized and directed to send a copy of this resolution to the Federal Trade Commission, Attorney General Bob Ferguson, and to the CEOs of Albertsons and Kroger.

Passed by majority vote of the Kirkland City Council in open meeting this 1st day of October, 2024.

Signed in authentication thereof this 19 day of October, 2024.

Kelli Curtis, Mayor

Attest:

Emilee Ferguson Deputy City Clerk