

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
Mayor's Office	David VanSike (SDCI)	Jennifer Breeze

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to land use and zoning; prohibiting negative use restrictions that limit a property's use as a grocery store or pharmacy; adding a new Section 23.42.140 to the Seattle Municipal Code; amending Sections 23.90.004 and 23.90.018 of the Seattle Municipal Code; declaring an emergency; and establishing an immediate effective date; all by a 3/4 vote of the City Council.

Summary and Background of the Legislation:

- Defines “drug store,” “pharmacy,” and “retail center” for the purposes of this ordinance.
- Establishes that any negative use restriction that prohibits or restricts a property's use as a grocery store or pharmacy is null and void and of no lawful force and effect, with the following exceptions:
 - negative use agreements imposed prior to the effective date of the ordinance;
 - when a grocery store or pharmacy owner or operator relocates to a location within one half-mile of the discontinued site, the new site opens within one year of the closure, and the negative use restriction does not exceed three years; and
 - when a retail center limits competition or conflicting uses within the same retail center, not to exceed one year after the closure of the grocery store or pharmacy.
- Authorizes the Director of the Seattle Department of Construction and Inspections to extend the distance limit for the relocating store to up to one mile and increase the term limits for opening a new store and the negative use restriction on the closed store, if the owner or operator submits a written request providing evidence of extenuating circumstances and establishing good cause for the extension.
- Authorizes the City to enforce this ordinance using the procedures of Chapter 23.90, Enforcement of Land Use Code.
- Establishes that the City may enforce this ordinance through a cause of action in court.
- Places the obligation of compliance upon the persons selling the property, buying the property, any person who enters an agreement prohibited by this ordinance, and any person with authority to release or remove the negative use restriction.
- Establishes a civil penalty of \$1,500 per day from the date the violation begins until compliance is achieved.
- Exempts this ordinance from certain civil enforcement provisions established in Seattle Municipal Code 23.90.018.
- Establishes that this interim ordinance shall be in effect for one year and shall automatically expire unless extended as provided by statute or terminated sooner by the City Council.
- Directs the Council to hold a public hearing within 60 days of adoption of the ordinance.

- Approves a work plan to adopt permanent legislation.
- Waives the public hearing requirement of Seattle Municipal Code 23.76.062 based on the authority of RCW 36.70A.390.
- Declares a public health emergency and that this ordinance shall take effect immediately upon passage by a 3/4 vote of the Council.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ☐ Yes ☒ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City? ☐ Yes ☒ No

3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

N/A

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.

The Seattle Department of Construction and Inspections and City Attorney's Office can absorb implementation within existing operations as city staff anticipate few and intermittent actions to enforce this legislation.

Please describe any financial costs or other impacts of *not* implementing the legislation.

Not implementing this legislation could result in an extended vacancy where a grocery store or pharmacy has closed. This could result in reduced Business & Occupation and sales tax revenue to the City.

Please describe how this legislation may affect any City departments other than the originating department.

The Seattle Department of Construction and Inspections (SDCI) will hold the primary responsibility of administering the proposed legislation. The City Attorney's Office will coordinate with SDCI as needed when considering enforcement actions.

4. OTHER IMPLICATIONS

a. Is a public hearing required for this legislation?

The legislation proposes holding a public hearing within 60 days of adoption, pursuant to RCW 36.70A.390.

b. Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?

No.

c. Does this legislation affect a piece of property?

This legislation would affect property owners of existing grocery stores and pharmacies by prohibiting the negative use restrictions described above.

d. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.

i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.

This legislation will eliminate a potential barrier to providing essential services to the people of Seattle. Vulnerable and historically marginalized communities are more likely to experience food insecurity and live in areas with fewer grocery stores and pharmacies. Vulnerable and historically marginalized communities are less likely to own a car, which would make accessing groceries and medicine in another neighborhood more difficult. People with mobility issues would also be disproportionately impacted by a grocery store or pharmacy closing in their neighborhood.

ii. Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.

N/A

iii. What is the Language Access Plan for any communications to the public?

The Seattle Department of Construction and Inspections will utilize the Language Line as needed to communicate with the public.

e. Climate Change Implications

- i. Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

Eliminating a potential barrier to providing convenient access to grocery stores and pharmacies may reduce the distance the people of Seattle must travel to fulfill daily needs, reducing carbon emissions.
- ii. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Eliminating a potential barrier to providing convenient access to grocery stores and pharmacies for the people of Seattle could increase Seattle’s resiliency. Having a grocery store or pharmacy nearby will help ensure the people of Seattle have access to essential goods and services during a major climate event that impacts transportation and utility infrastructure.
- f. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)? What mechanisms will be used to measure progress towards meeting those goals?**

This legislation establishes a new regulation but does not qualify as a new initiative or major programmatic expansion.
- g. Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

No.

5. ATTACHMENTS

Summary Attachments: None.