MEMORANDUM

To: Kurt Triplett, City Manager
From: Tracy Durnell, Environmental Education and Outreach Specialist
Jenna Higgins, Recycling Programs Coordinator
John MacGillivray, Solid Waste Programs Lead
Kathy Brown, Public Works Director

Date: April 7, 2016

Subject: Suspension of Plastic Bag Reduction Policy Five Cent Paper Bag Fee

RECOMMENDATION

Staff recommends that the City Council approve the Ordinance containing the revision requested by the Council to the Plastic Bag Reduction Policy ordinance (Kirkland Municipal Code 16.05). The revision temporarily suspends the requirement of some Kirkland retailers from charging a five cent fee for large paper bags until May 1, 2017.

BACKGROUND

At its April 5, 2016 meeting, the City Council directed staff to bring back a revision to the Plastic Bag Reduction Policy ordinance to exempt, for one year, some small retailers from the requirement to charge consumers five cents for each large paper bag (1/8 barrel). Businesses falling into the following North American Industry Classification System (NAICS) categories will not be exempted from the paper bag fee requirement.

NAICS Business Codes Not Exempted from Charging Paper Bag Fee:

445110 – Supermarkets and Other Grocery (Except Convenience) Stores
445120 – Convenience Stores
446110 – Pharmacies and Drug Stores
447110 – Gasoline Stations
447190 – Other Gasoline Stations
452910 – Warehouse Clubs and Supercenters

These business types were not exempted from the five cent paper bag fee to give these retailers ongoing revenue to offset the cost of paper bags and to retain the incentive to encourage consumers to bring their own reusable bags.

A full list of the businesses temporarily exempted and not exempted from charging the paper bag fee is included as Attachment A.
COMMUNICATION PLAN

Assuming the targeted paper bag fee suspension is passed, staff anticipates there may be some confusion on the part of some Kirkland retailers and consumers. Consequently, staff is prepared to implement an education and outreach plan to communicate the temporary change to the ordinance. A portion of the remaining $14,000 of budget allocated toward the implementation of the plastic bag policy will be used to pay for the following communication plan. An additional communication plan will be developed and implemented in advance of the end of the one-year fee suspension. The communication plan will include:

- Development of a one page information sheet explaining the change to the ordinance. The sheet will include a list of all businesses temporarily exempted from charging the five cent paper bag fee and a list of businesses which must continue to charge the five cent fee. The information sheet will be posted on a City webpage dedicated to communicating details of the suspension to residents and businesses.

- An information packet mailed to all retailers affected by the plastic bag reduction policy. The packet will include a letter to each group of retailers accompanied by the aforementioned information sheet.

- An article in Solid Waste’s forthcoming annual Business Reuse, Recycle, Conserve newsletter with a list of businesses temporarily exempted and not exempted from charging the five cent paper bag fee.

- A City news release.

- A proposed collaboration with the Kirkland Downtown Association, Chamber of Commerce, and Downtown Merchants to assist them in designing a reusable bag campaign to turn the plastic bag policy into a marketing opportunity (after the one year suspension period).

- A utility billing insert.

- Social media posts on the Kirkland Conserves Twitter and Facebook channels.
Businesses that will be exempt from the requirement to charge 5 cents for large paper bags during the fee suspension

1. ABSOLUTELY FABULOUS CONSIGNMENT
2. AGENT FASIONROOM BOUTIQUE
3. ALL WALL EQUIPMENT CO INC
4. ALLELUIA! CATHOLIC STORE
5. AMAZING HEROES TOYS COMICS & VIDEO GAMES
6. AMES TAPING TOOLS
7. AN ARTFUL TOUCH
8. ARTS DANCE SHOP
9. ASHER GOODS
10. BAYSIDE WIRELESS LLC
11. BEL-KIRK STAMP, COIN & COMIC
12. BEST KEPT SECRET
13. BIG 5 SPORTING GOODS #86
14. BIKINI BEACH
15. BOOBOO BARKERY & BOUTIQUE
16. BOOMERANG KIDS CONSIGNMENT
17. BRIDLE TRAILS ACE
18. BRIDLE TRAILS SHOE REPAIR
19. BRITTANY FLOWERS OF KIRKLAND
20. CANYON FLIGHT TRADING COMPANY
21. CAR TOYS INC
22. CG GEMS
23. CHAMPAGNE TASTE
24. CIGAR USA
25. CIRCA 15 FABRIC STUDIO LLC
26. CLINICWEAR
27. COLONIAL OPTICAL LLC
28. COMMON FOLK LLC
29. CORNER COMICS
30. CRAZY TIMMY GAMES
31. CRUSH FOOTWEAR
32. CSE FACTORY DIRECT OUTLET
33. D & S VARIETY
34. DANCEWEAR CENTER
35. DENNY'S PET WORLD
36. DOOLEY'S DOG HOUSE
37. DUNN LUMBER NORTHWEST, INC.
38. EARTHLIGHT INC
39. EASTSIDE AUDUBON SOCIETY
40. EASTSIDE COMMUNITY AID THRIFT SHOP
41. EASTSIDE TRAINS, INC.
42. ECO CARTRIDGE STORE
43. EPICUREAN EDGE
44. ESSENTIALS BOUTIQUE LLC
45. EVERYDAY ATHLETE LLC
46. EXCLUSIVE SALON PRODUCTS
47. EYE AND CONTACT LENS CENTER
48. EYE CANDY LLC
49. FAMILY CHRISTIAN LLC
50. FAMOUS FOOTWEAR #2075
51. FENA FLOWERS, INC.
52. FLEETPRIDE INC
53. FORGET-ME-NOT CONSIGNMENTS
54. FOUND INTERIORS
55. FRED MEYER JEWELERS #00391
56. FRESH VITAMINS
57. FVC
58. GENERAL NUTRITION CENTER
59. GNC
60. GO WIRELESS
61. GRAND REVE VINTNERS LLC
62. GREATER KIRKLAND CHAMBER OF COMMERCE
63. HALEY'S COTTAGE
64. HANCOCK FABRICS #1302
65. HEPBURN
66. HERBAN WELLNESS LLC
67. HIGHER LEAF MARIJUANA BOUTIQUE
68. HOMESCHOOL POTPOURRI
69. IN FOCUS OPTICAL
70. ISTINA INC
71. IVY
72. JUANITA VISION CLINIC
73. KIRKLAND BICYCLE LLC
74. KIRKLAND FIREPLACE
75. KIRKLAND SPORTS CARDS
76. KITANDA CO
77. LA PASTA LLC
78. LAKE STREET DIAMOND COMPANY LLC
79. LAKE WASH TECHNICAL BOOKSTORE
80. LOVERS
81. MALLORY PAINT STORE INC
82. MARY JANE
83. MB PHONES
84. MC SMOKE
85. METROPOLITAN MUSIC
86. MICHAEL'S #8407
87. MILLER PAINT CO INC
88. MOUNTAIN HOMEBREW & WINE SUPPLY
89. NATURAL PET PANTRY
90. NATURE'S PET MARKET-KIRKLAND
91. NORTHWEST LIQUOR
92. NORTHWEST THRIFT STORE
93. OFFICE MAX #392
94. OLYMPUS VAPOR
95. O'REILLLY AUTO PARTS #2508
96. O'REILLLY AUTO PARTS #3691
97. PACIFIC POWER BATTERIES OF KIRKLAND
98. PARK LANE GALLERY INC
99. PARTY FOR LESS
100. PETCO #201
101. PIKE STREET PRESS
102. PLAY N TRADE
103. PNS
104. PUFFIN SMOKE
105. PURPOSE
106. QUALITY SEWING & VACUUM
107. RADIO SHACK #3341
108. RAGAMOFFYN'S INC
109. RISAN ATHLETICS
110. ROSS DRESS FOR LESS #462
111. RUSSELL FASTENING INC
112. SALLY BEAUTY SUPPLY 2920
113. SEATTLE GOODWILL
114. SEATTLE THREAD COMPANY
115. SEDUCE BOUTIQUE
116. SERENDPITY
117. SERIAL KNITTERS YARN SHOP
118. SIMPLICITY ABC
119. SJT CELLARS LLC
120. SMOKE N CIGAR LLC
121. SMOKER'S CHOICE
122. SPIRIT HALLOWEEN SUPERSTORES
123. SPOT SMOKE
124. SUR LA TABLE
125. TACOMA SCREW PRODUCTS INC.
126. THE GRAPE CHOICE
127. THE MINUS SHOP
128. THE PANZER DEPOT
129. THE SHERWIN-WILLIAMS COMPANY #8002
130. TJ'S 99 CENTS PLUS
131. TOBACCO PATCH
132. TOTEM LAKE SHOE REPAIR
133. TUESDAY MORNING, INC. 534
134. TWISTED COUTURE INC
135. UNLEASHED BY PETCO #5207
136. VALUE VILLAGE
137. VIA LAGO
138. VORTEX MUSIC & MOVIES
139. W.I.S.E.R. COMPANY
140. WARREN JEWELERS INC
141. WESCO AUTOBODY SUPPLY
142. WEST COAST PAINT SUPPLY, INC.
Businesses that will be still be required to charge 5 cents during the fee suspension

1. 76 STORE #5494
2. 7-ELEVEN #19911
3. 7-ELEVEN 2360-18146E
4. 7-ELEVEN STORE #27304B
5. 7-ELEVEN 2360-20477E
6. ARBAT FOOD MARKET
7. ARCO AM/PM
8. ASSURED PHARMACY
9. BARTELL DRUG COMPANY #18
10. BARTELL DRUG COMPANY #21
11. BARTELL DRUG COMPANY #28
12. BARTELL DRUG COMPANY #44
13. BEDROCK NORTHWEST
14. BRIDLE TRAILS RED APPLE MARKET
15. COSTCO WHOLESAL
16. FINN HILL GAS STATION
17. FRED MEYER #391
18. FRED MEYER #391 FUEL CENTER
19. GEORGE'S EASTSIDE SHELL
20. JACKSONS #619
21. JACKSONS #621
22. JANELL'S GLUTEN-FREE MARKET
23. JUANITA FIRS 76
24. KIRKLAND 76 INC.
25. MARKET ON CENTRAL/SUBWAY #1647
26. METROPOLITAN MARKET
27. MOSS BAY SHELL INC
28. MUCHO MAS GROCERY
29. MY GOODS MARKET #5494
30. NAM'S & HANNAH'S INC
31. PCC NATURAL MARKETS
32. QFC #838
33. QUALITY FOOD CENTER/QFC #809
34. QUALITY FOOD CENTER/QFC #828
35. RITE AID #5192
36. RITE AID #5193
37. ROSEHILL CAR WASH
38. ROSEHILL SHELL
39. SAAGAR GROCERIES
40. SAFEWAY #0526
41. SAFEWAY #2734
42. SAFEWAY STORE #1142
43. SAHAND PERSIAN GROCERY
44. SUPER 24
45. SUPER 24
46. SUPER FOOD STORE
47. THE CAVE
48. TOTEM LAKE 76
49. TOTEM LAKE FOOD STORE
50. TRADER JOE'S #132
51. UNION 76
52. VILLAGE MART
53. WALGREEN'S #04156
54. WALGREENS #06258
55. YARROW BAY 76
56. ZIP MART
ORDINANCE O-4515

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO RETAIL CARRYOUT BAGS ADDING NEW KIRKLAND MUNICIPAL CODE SECTION 16.05.050 SUSPENDING FOR A PERIOD OF ONE YEAR THE REQUIREMENT THAT certain RETAIL ESTABLISHMENTS IN THE CITY COLLECT A PASS-THROUGH CHARGE FOR RECYCLABLE PAPER CARRYOUT BAGS.

WHEREAS, the City Council adopted Ordinance 4477 in 2015, finding it in the best interest of the health, safety and welfare of the people of the city of Kirkland that regulations include a pass-through charge on the use of recycled paper carryout bags in order to allow retailers to recover the higher cost of providing recycled paper bags, encourage greater use of reusable bags, to reduce the cost of solid waste disposal by the City, and to protect the environment; and

WHEREAS, Ordinance 4477 created Chapter 16.05 of the Kirkland Municipal Code (KMC) entitled “Retail Carryout Bags”; and

WHEREAS, KMC Section 16.05.020 presently requires that all retail establishments in the city collect a pass-through charge of not less than $0.05 for each recyclable paper carryout bag provided to customers; and

WHEREAS, representatives of the Kirkland Downtown Association, small retail establishments in the city of Kirkland, and others have asked the City Council to reconsider the requirement that certain classifications of retail establishments be required to collect the pass-through charge from their customers, in part because such customers often do not plan to make such purchases and therefore have not considered bringing their own reusable bags as an alternative to the charge; and

WHEREAS, the City Council wishes to suspend, for a period of one year, the requirement that such classifications of retail establishments collect the pass-through charge from their customers, while maintaining such requirement for other types of retail establishments whose customers generally plan to make purchases and are therefore more likely to have considered bringing their own reusable bags as an alternative to the charge; and

WHEREAS, the City Council believes such one year suspension will provide opportunities for further education, outreach and study of ways to encourage greater use of reusable bags, reduce the cost of solid waste disposal by the City, and protect the environment.

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:
Section 1. A new Section 16.05.050 of the KMC is adopted to read as follows:

16.05.050 Suspension of Pass-through charge -- Applicability.

Notwithstanding any provision of this chapter actually or seemingly to the contrary, the requirement that retail establishments in the city shall collect a pass-through charge of not less than five cents for each recyclable paper carryout bag provided to customers that has a manufacturer’s stated capacity of one-eighth barrel (eight hundred eighty-two cubic inches) or larger shall be suspended until May 1, 2017; provided, however, that such suspension shall not apply to retail establishments in the city with the following North American Industry Classification System (NAICS) codes: 445110 (Supermarkets and Other Grocery (Except Convenience) Stores; 445120 (Convenience Stores); 446110 (Pharmacies and Drug Stores); 447110 (Gasoline Stations); 447190 (Other Gasoline Stations); and 452910 (Warehouse Clubs and Supercenters).

Section 2. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day ____, 2016.

Signed in authentication thereof this ____ day of ____, 2016.

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DEPUTY MAYOR

Attest:

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City Clerk

Approved as to Form:

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City Attorney