

Bruce Harrell, Mayor | Rico Quirindongo, Director

Date: 9/4/2025

To: Councilmember Mark Solomon, Chair, Land Use Committee
Councilmember Dan Strauss
Councilmember Maritza Rivera
Councilmember Alexis Mercedes Rinck
Councilmember Debora Juarez

From: Office of Planning and Community Development
Office of Sustainability and Environment
Office of Economic Development

Subject: Response to 2025 Statement of Legislative Intent OPCD-003S-A: Report on strategies to attract food retailers to food deserts

Background

Statement of Legislative Intent (SLI) OPCD-003S-A requested the Office of Planning and Community Development (OPCD), in partnership with the Office of Economic Development (OED) and Office of Sustainability and Environment (OSE), to submit a report outlining strategies to attract food retailers to food deserts. The report includes policy and zoning options to improve access to grocery stores in food deserts, particularly in the Duwamish Valley and Delridge.

Council requested OPCD, OED, and OSE to evaluate and report on best practices for attracting food retailers to underserved areas. This includes:

- Clarifying siting and size requirements for different types of grocery stores
- Assessing how the City's zoning supports or restricts grocery store development
- Identifying potential zoning or policy changes to better attract grocery stores to food deserts

Introduction

Through the One Seattle Comprehensive Plan and the Equitable Development Initiative, Seattle has embraced a vision of a livable, connected, and thriving city, where residents live close to shops, services, and cultural institutions. Living near services and retail make day-

to-day life more convenient for residents, and grocery stores that sell a variety of food and everyday necessities are among the most important types of retail establishments to encourage high quality of life. Grocery stores also act as anchors that make it feasible for other retailers and services to locate nearby; this kind of clustering helps residents to take care of a wide variety of errands without traveling beyond the neighborhood.

As part of identifying place-based indicators to measure for OPCD's [2020 report on Equitable Development Community Indicators](#), OPCD asked community members what is important to have in their neighborhood. A grocery store was, unsurprisingly, one of the top answers received.

Mapping Seattle's Grocery Stores

Defining and identifying the locations of existing grocery stores can be difficult given the variations in types of grocery stores and the frequency with which grocery stores may close, open, or change ownership. The 2020 report tackled this challenge with detailed analysis to identify grocery stores with a produce section. While this approach addressed important health considerations, it did not factor in the variation in prices charged by the grocery stores, nor did it fully capture the role of culturally relevant groceries in food access for specific communities—two important dimensions of food access.

This report uses information from the United States Department of Agriculture's (USDA) Supplemental Nutrition Assistance Program (SNAP) Retailer Location database.¹ The vast majority of full-service grocery stores in Seattle are likely SNAP retailers; however, there are likely independent grocers not included in the SNAP retailer database.² Recent additions to the technical details included in the database in 2023 have made it more usable with the inclusion of store types allowing us to better identify SNAP retailers that are grocery stores.³

¹ <https://usda-snap-retailers-usda-fns.hub.arcgis.com/>

² A cursory review of DataAxle, an industry and establishment data provider which allows searching via NAICS codes, found a similar numbers of food stores in Seattle.

³ The SNAP retailer list includes super stores, supermarkets, grocery stores. Super stores and supermarkets offer a high variety of the USDA's four staple food categories—a portion of which must be perishable—namely: (1) fruits or vegetables, (2) meat, poultry, or fish, (3) dairy products, and (4) breads or cereals, and a variety of merchandise. Grocery stores provide a more limited variety of these staple foods. The USDA's broad "Other" category encompasses a wide range of retailers, including many smaller, independent stores with

When examining the distribution of SNAP-authorized grocers, a pattern emerges. Figure A displays how virtually all SNAP grocery stores are located along major arterial roadways, with the remainder situated on minor arterial roadways. This reflects Seattle’s broader development history, in which commercial zoning and population growth have concentrated along arterial corridors and, since the 1990s, in designated Urban Centers and Urban Villages.

Table 1

Grocery store types shown in Figures A and B

Store Types	Meaning & Size	Examples
Super Store ¹	Very large supermarkets or “big box” with groceries and other merchandise	Costco, Target, Fred Meyer
Supermarket	Large stores with full-service grocery and other merchandise	Safeway, QFC, Uwajimaya, PCC, Metropolitan Market
Grocery Store	Smaller stores with more limited grocery selection; specialty grocers	Sammi's Mini Halal Market, Stockbox, Sholla Market
Other	Smaller stores selling a limited merchandise and grocery selection	Leschi Market, Fasika Grocery

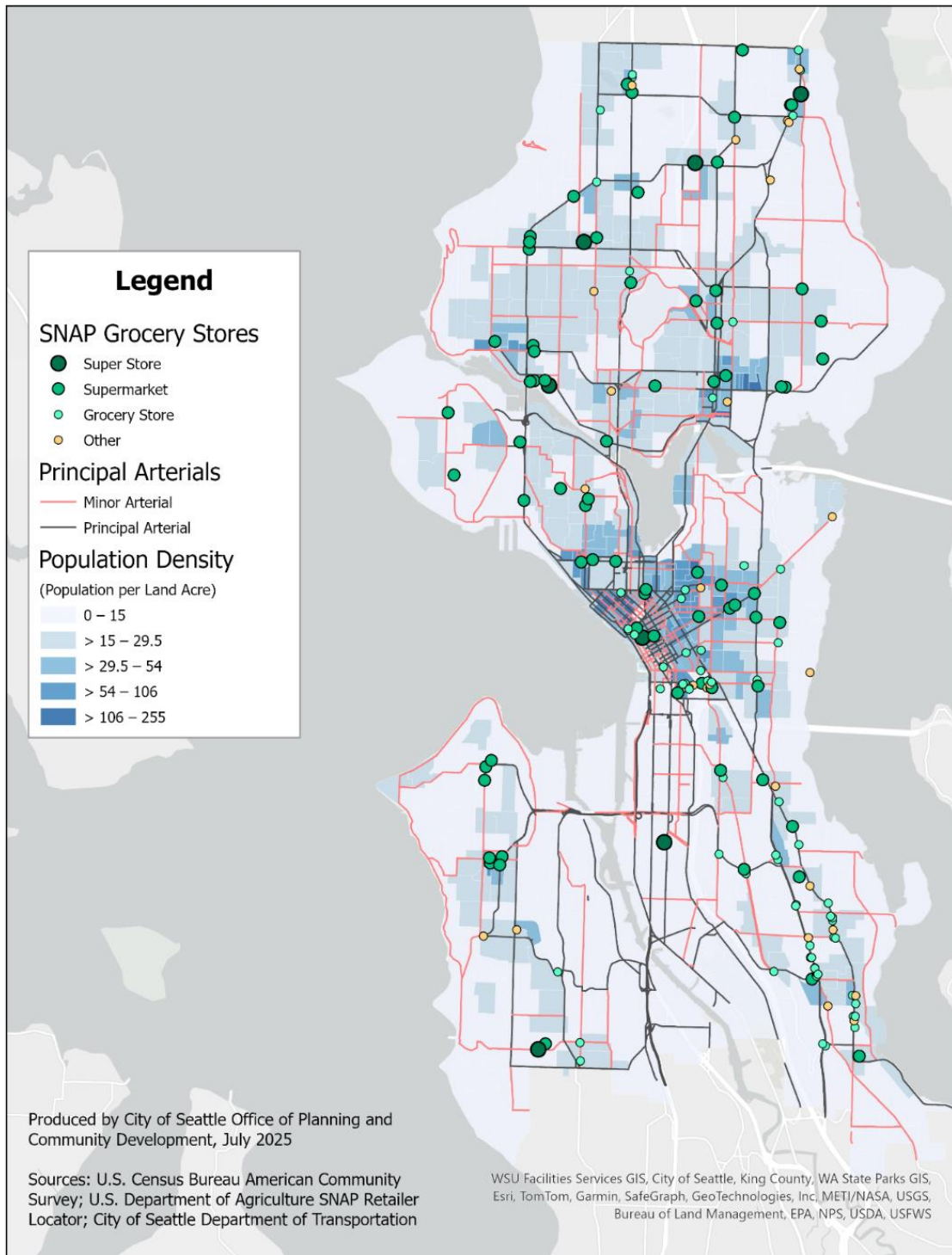
¹ Many Supermarkets and Grocery Stores are misclassified by the USDA SNAP program dataset as Super Stores, but resemble supermarkets or grocers – in example, some PCCs are identified by the USDA as Super Stores whereas others are identified as Supermarkets. OPCD worked with OSE to identify the correct classifications of stores for this SLI. If the USDA SNAP retailer dataset is used in future grocery store mapping in Seattle, more work would be needed to clean the data and address misclassification errors.

cultural relevance, such as halal, Ethiopian, and Chinese markets. We included each of these types of SNAP retailer in our map of grocery stores.

The SNAP retailer list also includes corner stores, and “Other” food stores. We excluded certain SNAP retailers from the maps in this report, such as pharmacies (e.g., Walgreens, CVS), dollar stores (e.g., Dollar General), convenience stores (e.g., AMPM, 7-Eleven), as well as farmers markets and fresh food delivery services, which are typically limited in hours and accessibility. We include general stores with broader grocery offerings—such as Leschi Market and Sholla Market. For more information on SNAP store types, visit the USDA webpage here: <https://www.fns.usda.gov/snap/store-definitions>

Figure A

SNAP Grocery store locations in Seattle, population density, and arterial roadways



The map also shows that large-format food retailers—super stores and supermarkets like Safeway, QFC, and Uwajimaya—are relatively sparse in South Seattle. Additionally, many neighborhoods such as Delridge, South Park, Georgetown, and Sand Point, as well as more affluent areas like Laurelhurst, Eastlake, and Arbor Heights, lack any of the SNAP store types included in this analysis.

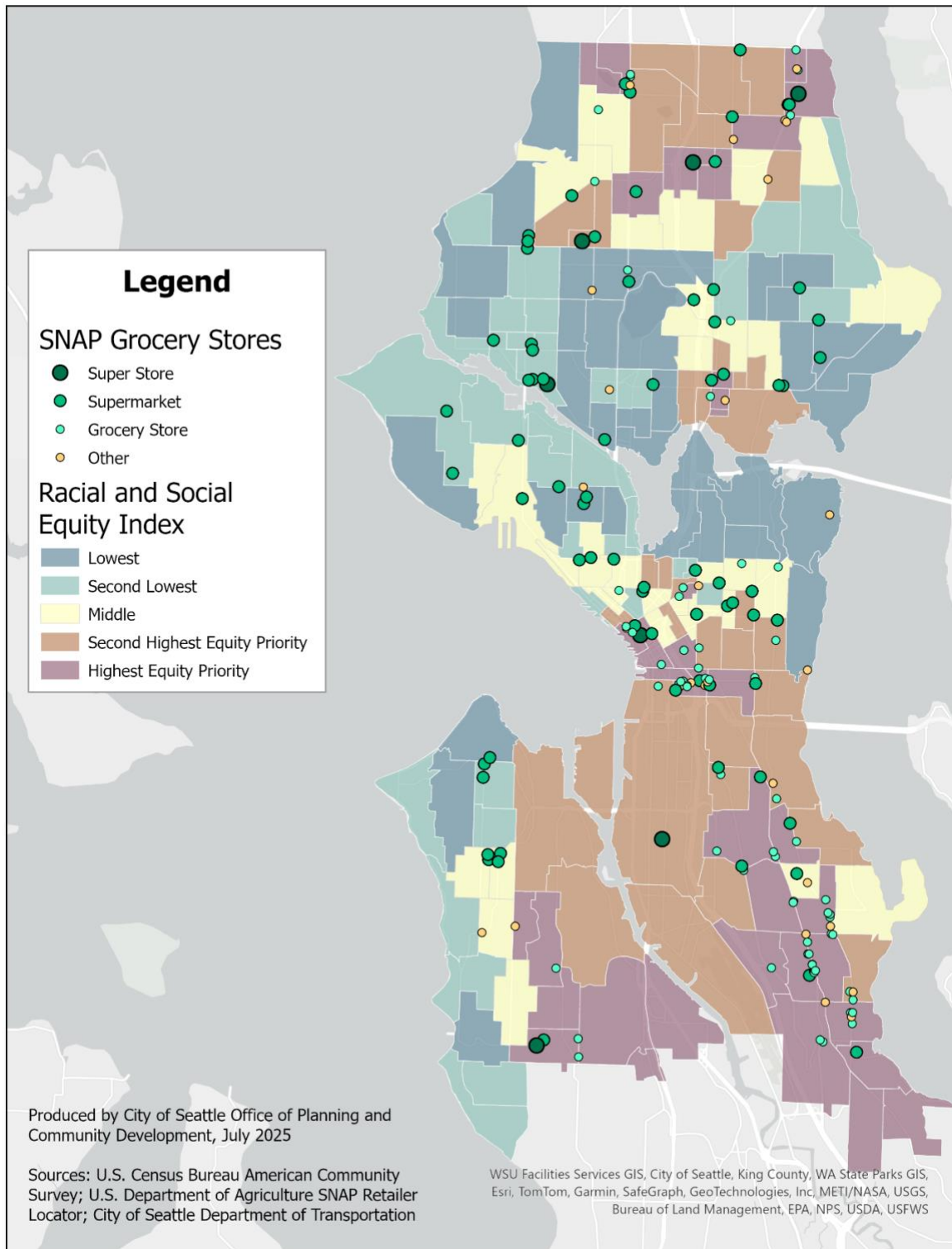
Figure B displays the SNAP grocery store locations along with [the City’s Racial and Social Equity Index](#) by census tract. Census tracts in the two highest equity priority quintiles—represented in orange and maroon—show the least proximity to SNAP-authorized grocery stores in areas like Delridge, South Park, Georgetown, and Rainier View. These neighborhoods face compounded barriers to accessing fresh and nutritious food options. This map and analysis illustrate where food access disparities exist and how the current landscape of SNAP-authorized food retailers intersects with Seattle’s racial and social equity priorities. It invites a broader conversation about the role of cultural relevance, store type, and urban planning in ensuring equitable food access for all Seattle residents.

Note: On August 19, 2025, after the maps in this SLI response were created, Seattle Times published an article in which Kroger confirmed it would be closing the Lake City Fred Meyer located at 3000 Lake City Way N.E. in Seattle. (On the map, this store is the “super store” dot in Lake City.) Since July, Kroger has announced six Seattle-area closures — five Fred Meyer stores and one QFC, which Kroger also owns. According to the article, the store closures highlight broader shifts in the grocery business as operators look for ways to compete and cut costs, including closing underperforming stores.⁴

⁴ [Seattle-area Fred Meyer closures raise skepticism, worries | The Seattle Times](#)

Figure B

SNAP Grocery store locations and Racial and Social Equity Index



The results from this analysis are like those found in a [2018 mapping study led by Public Health – Seattle & King County \(PHSKC\)](#) which aimed to identify “healthy food priority areas (HFPA)” in Seattle – locations to prioritize for improving access to healthy, affordable food.

To identify HFPA, PHSKC looked for areas of Seattle that overlapped on three factors of food access – lower income, longer travel times to healthy food retailers, and higher percentage of unhealthy food retailers. They found HFPA located near the southern boundary around the Duwamish waterway (including Georgetown, South Park, Delridge, and High Point). The HFPA index also identified small areas including neighborhoods in the north end, where, although most of their neighbors are economically secure, low-income residents – especially those who rely on public transportation – may face challenges in accessing healthy food.

Market Influences

This SLI requested strategies for attracting retailers to underserved areas. First, it is important to understand how market influences have impacted the grocery industry.

A long-standing macroeconomic trend is major grocery store consolidation. Grocery store consolidation is the trend of fewer, large companies controlling more of the grocery market with harms to small and independent grocers that cannot compete. While this is not a new trend, the topic recently received a lot of media attention after the Atlantic published *The Great Grocery Store Squeeze: [How a federal policy change in the 1980s created the modern food desert](#)* (Dec. 1, 2024).

Grocery store consolidation has had direct impacts on Seattle and the region. Fred Meyer purchased QFC in 1997, and Fred Meyer was itself bought by Kroger in 1998.⁵ Albertsons merged with Safeway in 2009 but, as part of the deal, sold over 100 Safeways to Haggens—including some in Washington.⁶ Haggens went bankrupt in 2015, leading to the closure of some stores and the sale of the rest back to Albertsons.⁷ This cycle of mergers, divestitures, and reabsorptions has significantly shaped the regional and statewide grocery landscape with Kroger (Fred Meyer and QFC) and Albertsons Companies (Safeway and Albertsons) as the dominant grocery chains. More than half of all supermarkets in Washington state are currently owned by either Kroger or Albertsons, and they account for

⁵ <https://www.seattletimes.com/business/once-seattles-grocery-darling-qfc-in-limbo-after-kroger-albertsons-merger-fails/>

⁶ <https://www.andnowuknow.com/buyside-news/safewayalbertsons-merger-now-complete/christofer-oberst/44324>

⁷ <https://www.theolympian.com/news/business/article65595052.html>

more than 50% of all supermarket sales in the state. Collectively, Kroger and Albertsons operate more than 300 supermarkets in Washington, including approximately 194 in the Seattle-Tacoma-Bellevue metropolitan area.⁸

In 2024, a King County judge ruled the proposed merger of Kroger and Albertsons violated Washington's consumer-protection (antitrust) law.⁹ It also prevented the sale of the QFC chain to a venture capital firm and may have helped avoid the closure of overlapping Albertsons and Kroger stores in the short term. In the long term, the implications for these companies and the communities they serve remain uncertain. Meanwhile, online retailer Amazon bought Austin-based Whole Foods, later expanding its grocery operations through Amazon-branded formats like Amazon Fresh and Amazon Go, while significantly increasing grocery delivery capacity.¹⁰ More people are turning to online grocery shopping, including both pickup and home delivery, as consumer expectations shift toward convenience, speed, and flexibility.¹¹ Online grocery shopping has grown from a niche option to a major channel in the retail food sector, blending digital infrastructure with physical store networks.

Another macroeconomic trend is the expansion of chain discount grocers. Aldi began its American expansion in the Southeast, and Walmart has become the largest grocer in the country, leveraging its scale and logistics capabilities to dominate both traditional and online grocery channels.¹²

In Seattle, local development patterns reflect broader shifts in the industry. Grocers are taking advantage of additional development capacity, since single story grocery store sites usually have zoning that allows for multi-story mixed use development. Therefore, some grocers with existing large-site footprints in growing markets are redeveloping land with mixed-use developments that include redeveloped grocery stores on the ground floor with multifamily housing above (i.e., Safeway in Queen Anne). Other grocers are moving into new mixed-use developments when appropriately sized footprints are available—typically in neighborhoods where household incomes and land values are increasing.

This layered dynamic—consolidation, digital disruption, expansion by national discounters, and infill redevelopment—has resulted in a grocery industry that is dominated

⁸ [Judge blocks Kroger-Albertsons merger following AG Ferguson challenge | Washington State](#)

⁹ <https://www.seattletimes.com/business/once-seattles-grocery-darling-qfc-in-limbo-after-kroger-albertsons-merger-fails/>

¹⁰ <https://media.wholefoodsmarket.com/amazon-to-acquire-whole-foods-market/>

¹¹ <https://www.grocerydive.com/news/grocery-ecommerce-sales-grow-faster-delivery-pickup/714271/#:~:text=Total%20grocery%20e%2Dcommerce%20sales,most%20popular%20e%2Dcommerce%20method.>

¹² <https://www.cnbc.com/2023/10/22/how-walmart-became-americas-largest-grocer.html>

by large chains, both nationally and locally. Today, Fred Meyer (Kroger-owned), Safeway (Albertsons-owned), and Costco are the largest grocers by market share, with over 50% of the market share in 2022.¹³ Even still, major grocery operators still face steep competition among each other and will close underperforming stores, especially larger stores with high operating costs. This is highlighted by Kroger's announcement of six Seattle-area closures (five Fred Meyers and one QFC) since July, including the Fred Meyer store in Lake City.

Starting and surviving as a small grocer is exceptionally challenging due to a mix of market dynamics, structural barriers, and policy shortcomings. Challenges include the following:

- **Unequal Pricing and Supplier Access.** Small grocers often pay higher prices for goods than large chains because they buy in smaller quantities (no volume discounts), lack leverage to negotiate better deals, and may not have access to the same products or promotional support (e.g., display fees, advertising allowances).
- **Thin Profit Margins.** Grocery retail has notoriously low margins (often 1-2%). Small stores cannot spread costs over multiple locations or streamline operations like national chains can.
- **High Operating Costs.** Urban or underserved areas have high rents or real estate barriers, security and insurance costs, labor constraints (difficulty hiring and retaining staff), infrastructure gaps (e.g., cold storage, loading docks).
- **Competition from Chains and Online Retailers.** Chains like Safeway, Costco, and Fred Meyer offer lower prices, wider selection, and convenience (delivery, loyalty programs). It's hard for small grocers to compete without niche differentiation or community loyalty.
- **Access to Capital.** Starting a grocery store requires significant upfront investment (inventory, refrigeration, buildout). Small grocers often face limited access to credit, risk-averse investors, and lack of business support infrastructure.

In the U.S., the Healthy Food Financing Initiative (HFFI) is a public-private partnership administered by the Reinvestment Fund, a national nonprofit Community Development Financial Institution (CDFI) on behalf of the USDA. HFFI was established to overcome higher costs and barriers to serving low-access areas. HFFI's newer Food Access and Retail Expansion Fund ([HFF FARE Fund](#)) offers loans, grants, and technical assistance for the predevelopment, planning, and implementation of eligible food retail and food retail supply chain projects.

¹³ [Fred Meyer is the most popular grocery store in the Seattle area - Axios Seattle](#)

Local Examples of Efforts to Bring Small Grocers to Underserved Areas

Community-led efforts are actively working to bring small, independent grocery retail to underserved areas in Seattle, especially in the Duwamish Valley. The effectiveness of initiatives that bring grocery retail to underserved areas can be complex and depends on a variety of factors, including effective community engagement, cultural relevance, customer foot traffic, hours of operation, addressing underlying socio-economic disparities (e.g. food affordability), and fostering financially sustainable models (which may include financial and capital support from grants). The examples below illustrate the range of outcomes observed in efforts to address “food deserts” in the Duwamish Valley.

Notably, two of the examples below that are showing signs of success are Delridge Farmers Market and the Cultivate South Park project. Both are nonprofit community-based organizations that received City of Seattle grants and/or contracts to support their retail projects, whereas the two examples that folded did not. This may point to the importance of government seed funding and a strong community anchor organization backing small-format grocers to start up and thrive in an underserved area.

Delridge Grocery Co-Op (2020 – April 2024)

Delridge Grocery Cooperative (DGC) was an initiative to establish a member-owned food co-op in Delridge to provide access to affordable, healthy food. The idea for DGC emerged in 2009 and it took over 10 years of concept design and development (including market analyses, fundraising, member recruitment, and physical improvements) before the store opened in 2020. DGC was located in the retail level of the Cottage Grove Commons (5444 Delridge Way SW) and the co-op was mentioned extensively in OPCD’s North Delridge Action Plan (2018).

Per DGC, its goal was “to provide a place for our diverse community to gather and celebrate simple, affordable, healthy food.” The co-op had 500 members at one point, even before the store’s opening, and offered a “DGC Essentials Box” of produce and other grocery items. Fresh Bucks were accepted at DGC. However, overall stock was limited, days and hours of operation were limited (3-7 pm Fridays and Mondays, 9:30 am-3 pm Saturdays, 11 am-3 pm Sundays), and prices were not competitive. Ultimately, DGC closed on April 30, 2024, citing a combination of factors, including a decline in board members and core volunteers, rising costs, changing post-Covid shopping habits, and sourcing challenges.

Read More: [West Seattle Blog... | Delridge Grocery Co-op’s next chapter: ‘Winding down’ storefront but ‘new neighborhood business will take over’ the space](#)

Cascadia Fresh Market (May 2024 – January 2025)

Shortly after DGC closed, Cascadia Produce, run by North Delridge residents, took over the DCG space for an eight-month pilot to bring low-cost, fresh food to Delridge. Cascadia Produce has unique access to farm seconds and wholesale recovered produce. The owners sold this produce at Cascadia Fresh Market at super low cost. SNAP and Fresh Bucks were accepted, the space was open daily for extended hours (10am – 6pm), and it aimed to provide a wider variety of grocery options than DCG could offer. However, after only eight months, the Cascadia Fresh Market closed. In a statement about the closure, its owners cited the store could not achieve true business profitability.

Read More: [West Seattle Blog... | BIZNOTE FOLLOWUP: Cascadia Fresh Market closes](#)

Delridge Farmers Market (2020 – Present)

Established by the African Community Housing & Development (ACHD), the Delridge Farmers Market was launched to address food access issues in south Delridge. The idea for the market came out of an ACHD youth engagement project in 2019 that was awarded a Department of Neighborhoods Food Equity Fund grant. ACHD has also received King Conservation District funding to support the farmers market. Since its inception, the market has become a vital community hub, offering fresh produce, prepared foods, artisan goods, and health and wellness services. It operates on a model that allows vendors to keep 100% of their sales, fostering a supportive environment for small businesses. SNAP/WIC and Fresh Bucks are accepted, the market distributes free “Kid Bucks” to children, and the market runs a buyback program in which it purchases all the surplus produce from the farmers at the end of the market day.

When the market first opened in 2020, it operated one Saturday a month. Now in its fifth year, the market has continued to evolve with new vendors each season. The market is open every Saturday from May through October.

Overall, ACHD and the Delridge Farmers Market have established themselves as key players in promoting food access, supporting BIPOC entrepreneurs, and fostering community connections. Its focus on cultural representation and economic development continues to resonate with residents and vendors alike.

ACHD is building off the success of the Delridge Farmers Market and this summer opened a new market in SeaTac. ACHD is also planning to break ground on an [International Public Market](#) in Delridge in 2026 with support from OPCD’s Equitable Development Initiative.

Co-Op Grocery Store in South Park (new initiative)

With support from OSE and the Cultural Space Agency, Cultivate South Park is working to bring a cooperative grocery store to South Park. Cultivate South Park is an asset-based community development organization that works on community building, arts and culture, food access, and economic development.

Cultivate South Park has already been hosting a weekly seasonal pop-up market called El Mercadito since 2020, supported by funding from the City. El Mercadito gives local micro businesses, like self-employed contractors, artists, and mom-and-pop restaurants, a chance to vend their goods. Today, El Mercadito is a youth-run summer farmers and makers market.

Read More: [Coming Soon to South Park: A Co-Op Grocery Store](#)

Zoning and Siting Analysis

Grocery store formats and store sizes

The zoning and siting analysis below reviews grocery store formats, store sizes and zoning, in several categories reflecting how many community members commonly think of grocery store types. These informal categories are different from the USDA data classifications used above. There is a very wide range of formats and types of grocery stores and a wide variety of stores where people buy food including stores not traditionally considered grocery stores.

Size of store is an important element in the analysis because it is common for city codes to regulate physical aspects of the built environment including size of use and allowable building size and scale. Additionally, the practical ability to fit a grocery store onto a site or into a building is sometimes a limiting factor. It is important to note that cities are generally not allowed to regulate inclusion/exclusion of specific retailers, store brands, or businesses of a certain quality or aesthetic.

To inform identification of a focus size of store, we reviewed types of store formats and their interaction with store size in the context of grocery stores commonly found in Seattle. In defining types of grocery stores, we aimed to reflect the ways people generally understand

varieties of grocery stores. However, we acknowledge that the store types described below are not cleanly differentiated and have some overlapping characteristics.

- **Conventional Grocery Store:** A full-service supermarket that offers a range of food and household items (cleaning supplies, toiletries). Most conventional grocery stores in our region are owned by either the Kroger (Fred Meyer, QFC) or Albertsons Companies (Safeway, Albertsons). Shoppers frequenting conventional grocery stores expect consistent levels of quality, good service by employees, a wide selection, and value delivered in coupons and store point accounts. Conventional grocery stores have some flexibility and variability in overall size viability.

Store Size and Configuration: The middle of the size range for conventional groceries is **around 40,000 sq. ft.** Most conventional grocery stores in Seattle remain in a one-story format with some surface parking, but it is becoming more common for conventional groceries to occupy the ground floor of mixed-use structures. Conventional groceries in mixed use buildings are in neighborhoods including Uptown, the West Seattle Junction and Capitol Hill. The Korea-based grocery store chain H-Mart is included with conventional groceries and can operate in smaller formats.

- **Discount Grocery Store:** A retail grocery store that sells food and household items at lower prices than conventional supermarkets. Stores of this type use innovative approaches to offer low prices for customers such offering fewer product choices (limited selection, fewer brands), sourcing surplus or closeout goods, and operating in more basic retail spaces. For example, Grocery Outlet procures overstocked, closeout, and seasonal items from national brands at deep discounts. WinCo Foods operates with little advertising, no-frills stores, and passes on savings from not accepting credit cards. These stores usually have a warehouse-like format without a lot of flexibility to downsize.

Store Size and Configuration: Discount grocery stores in Seattle are similar in size to conventional grocery stores. Our review found discount grocery stores in the **20,000–40,000 sq. ft. range**. Discount stores appear to locate in areas with lower cost real estate markets and sometimes repurpose older structures that were previously used by other grocery chains. In most cases, discount grocery stores are in 1-story formats with surface parking.

- **Integrated General Merchandise Store:** This is a large retail store that combines full-service grocery departments with a wide range of general merchandise including clothing, electronics, home goods, sporting goods, and pharmacy

services under one roof. Examples of integrated general merchandise stores include Walmart, Costco, Sam's Club, Fred Meyer, and Target. Although Seattle does not have a Walmart, it is notable that Walmart is America's largest grocer by revenue of grocery sales. Costco and Target are also within the top five or so sellers of groceries nationally. These box stores use bulk purchasing power and efficient management of supply chains to deliver low prices to consumers.

Store Size and Configuration: Integrated general merchandise stores are inherently large. Stores of this type contain at least 100,000 sq. ft. and most include around **150,000 sq. ft. or more**. Sites large enough to accommodate these stores are limited in already-built urban environments. In recent years some stores, especially Target, have started to include small-format stores specifically designed for dense urban environments, as seen in downtown Seattle and at Northgate.

- **Specialty and/or Upscale Grocery Stores:** Specialty and/or upscale grocery stores focus on high-quality, premium, or niche products often targeting shoppers seeking gourmet, organic, local, or culturally specific foods. In Seattle, stores like PCC, Metropolitan Market, Whole Foods, and Uwajimaya are examples of this type of grocery store. Specialty or upscale stores are often branded as having a health-conscious, organic or sustainability focus and often carry unique, culturally specific, or hard-to-find ingredients. Prices at specialty and upscale grocery stores are often higher than at other store types (although Trader Joes is an example of a specialty store that is not upscale). These stores tend to serve populations with higher incomes.

Store Size and Configuration: Specialty and Upscale grocery stores have a similar range of sizes to conventional grocery stores and occupy the same types of structures and formats as conventional grocery stores. Some are on the ground floor of mixed-use buildings as seen in neighborhoods including Fremont and the West Seattle Junction. Some are in single-story buildings with surface parking. They tend to be in areas with higher cost real estate markets. The size range for these stores appears to be **roughly 20,000–50,000 sq. ft.** with Whole Foods having larger stores around 50,000 sq. ft., and PCC and Metropolitan Markets having smaller stores in the 20,000-30,000 sq. ft. size range.

- **Local / Independent Markets:** Local / independent markets are typically owned by individuals, families, or small groups (cooperatives), and they operate as single locations or small chains. In contrast to conventional grocery stores, they tend to cater to the specific preferences and needs of local populations and communities and frequently offer unique products and shopping experience, and often a more

personal and community-oriented type of customer service. Many such stores focus on offering products that are culturally specific or from particular regions of the world, while still providing a full-service grocery selection. Local / independent markets usually do not offer prices as low as conventional grocery stores. These markets are a wide range of sizes, but many operate in small formats that are more compact than other types of stores. Examples of local / independent markets in Seattle include Central Co-op, Hilltop Red Apple Market, and Asian Family Market on Aurora Ave. N.

Store Size and Configuration: Local / independent markets have a wider range of sizes than conventional grocery stores, with many occupying small **spaces under 20,000 sq. ft.** Most local/independent markets, e.g., Hilltop Red Apple Market (Beacon Hill) and Ken’s Markets, are smaller than conventional groceries. However, some independent / local markets do operate large sized stores such as Uwajimaya at over 65,000 sq. ft.

Not included in this overview are convenience stores (e.g., 7-Eleven), drug stores (e.g., Walgreens) and dollar stores (e.g., Dollar General). These types of stores have significant amounts of retail food sales but are understood not to be a focus of this analysis. Table 2 features examples of stores in each type, with information about the store size and lot size and zoning. This is a general survey of store sizes and is not a comprehensive list.

Table 2

Examples of grocery store formats, sizes, zoning, and building type across Seattle

Conventional Grocery Stores					
Store	Location	Lot Area (sf)	Size (nsf)	Zone	Building Type
Safeway	1410 E. John St. (Capitol Hill)	98,702	42,536	NC2-55	1 story. Surface parking adjacent parcel.
Safeway	2201 E. Madison St. (Capitol Hill)	93,304	56,160	NC3-75	Ground floor of 6 story mixed use. Structured parking.
Safeway	4754 42 nd Ave. SW (W. Seattle Junction)	140,220	39,556	NC3-75	In Mixed use building.
Safeway	9262 Rainier Ave. S. (Rainier Beach)	86,882	61,056	NC3-55	1 story. Surface parking.
Safeway	1423 NW Market St. (Ballard)	103,952	42,861	NC3-75	1 story. Surface parking.

QFC	2746 NE 45 th ST. (U. Village)	383,142	77,424	NC2-75	1 story. Surface and adjacent structured parking.
QFC	1401 Broadway Ave (Broadway)	74,509	46,984	NC3-75	In mixed use Harvard Market. Structured parking.
QFC	500 Mercer St. (Uptown)	57,139	39,170	SM-85	Mixed use. 4 story. Structured parking.
QFC	4550 42 nd Ave. SW. (W. Seattle Junction)	46,205	35,318	NC3-75	Ground floor of 5 story mixed use. Below grade parking.
QFC	2707 Rainier Ave. S. (Mt. Baker)	141,100	26,247	SM-95	1 Story. Surface parking.
H Mart	951 NW Ballard Way	51,351	23,000	MML U/65	1 Story. Surface parking.
H Mart	4216 University Way NE	12,360	9,512	NC3-65	2 story multi-tenant retail. No parking.

Discount Grocery Stores

Store	Location	Lot Area (sf)	Size (nsf)	Zone	Building Type
Grocery Outlet	1126 MLK Jr. Way S. (Central Area)	69,982	19,428	NC2-55	1 story. Surface parking.
Grocery Outlet	12701 Lake City Way NE (Lake City)	149,203	39,350	NC3-75	1 story. Surface parking.
Saar's Super Saver Foods	10616 16 th Ave. SW (White Center)	71,438	28,416	N/A	1 story. Surface parking.
Grocery Outlet	8700 15 th Ave. NW (Crown Hill)	51,375	22,253	NC2-75	1 story. Surface parking.
Saar's Oak Tree	10008 Aurora Ave. N. (Aurora-Licton Springs)	64,541	42,033	NC3-55	2 story. surface parking.
WinCo Foods	21100 91 st Pl. S. (Kent)	554,351	92,754	N/A	1 story. Surface parking.

Integrated General Merchandise Stores

Store	Location	Lot Area (sf)	Size (nsf)	Zone	Building Type
Costco	4401 4 th Ave. S. SODO	638,533	158,415	MML	1 story. Surface parking.

Walmart	743 Rainier Ave. S. (Renton)	530,732	150,158	N/A	1 story. Surface parking.
Target	2800 SW Barton St. (Westwood Village)	291,300	99,560	NC3-75	1 story. Surface parking.
Target	302 NW Northgate Way (Northgate)	171,772	147,582	NC3-75	2 story. Multi-tenant commercial building. Structured parking.

Specialty / Upscale Groceries

Store	Location	Lot Area (sf)	Size (nsf)	Zone	Building Type
Whole Foods	4755 Fauntleroy Way SW (W. Seattle Junction)	107,846	52,893	NC3-95	Ground floor of 7 story mixed use. Below grade parking.
Whole Foods	2011 15 th Ave. W. (Interbay)	145,021	64,650	II U/85	1 story. Surface parking.
Whole Foods	1026 NE 64 th St. (Roosevelt)	86,400	49,885	NC-95	Multi-tenant retail structure. Structured parking.
PCC	600 N 34 th St. (Fremont)	26,746	21,619	C1-75	Ground floor of 6 story mixed use. Below grade parking.
PCC	3610 S. Edmunds St. (Columbia City)	63,752	27,000	NC3-65	Ground floor of 6 story mixed use. Below grade parking.
PCC	2745 California Ave. SW (Admiral)	45,375	29,515	NC2-55	Ground floor of 4 story mixed use. Adjacent site and below grade parking.
Metropolitan Market	3830 34 th Ave. W. (Magnolia)	30,000	18,009	NC2-40	1 story. Limited surface parking.
Metropolitan Market	5250 40 th Ave. NE	86,900	24,377	NC2-40	1 story. Surface parking.

Local / Independent Groceries

Store	Location	Lot Area (sf)	Size (nsf)	Zone	Building Type
Hilltop Red Apple Market	2701 Beacon Ave. S. (Beacon Hill)	56,628	21,603	NC2-75	1 story. Surface parking.
Uwajimaya	600 5 th Ave. S. (C/ID)	78,591	66,772	IDM 85/85-170	Ground floor of mixed use. Surface parking.
West Seattle Thriftway	4201 SW Morgan St.	76,650	32,239	NC3-55	1 story. Surface parking.

Ken's Market	7231 Greenwood Ave. N. (Greenwood)	15,149	14,205	NC2-55	1 story. No parking.
Ken's Market	2400 6 th Ave. W (Queen Anne)	8,400	6,924	NC1-40	1 story. Small surface parking area.
Fou Lee	2050 S. Columbian Way (Beacon Hill)	10,909	6,025	NC2-55	1 story. Small surface parking area
Lam's Seafood Market	1221 S. King St. (Little Saigon)	18,000	10,039	DMR/C 75	1 story. Small surface parking area.
Town and Country Market	1400 NW 56 th St. (Ballard)	70,000	27,719	NC-75	1 story. Surface parking.

Focus Store Size

Most grocery stores within several different store types including conventional grocery stores, discount stores, local/independent stores and specialty / upscale stores all have store sizes in the **20,000–50,000 sq. ft. size range**. A policy focus on this size range will address most of the relevant issues pertaining to grocery store attraction, retention, and siting.

Catchment area

The catchment or trade area refers to the number of people a grocery store is intended to serve within a given geographic area. The primary factor for retailers locating a store is the market area population that will shop there regularly. The catchment or trade area is influenced by location, competitors, demographics, and transportation access. Retailers consider the trade area's population density and demographics. Residential population density (rather than job density) is particularly important for grocery stores, because people commonly shop for groceries close to their home.

As a general guideline, in its *Dollars and Cents of Shopping Centers* publication (2009), the Urban Land Institute suggests that a neighborhood shopping center has a market area radius of one to three miles and must include 10,000 to 30,000 people in its catchment area to be economically viable¹⁴ Other studies suggest a minimum of 8,000 to 10,000 people or at least 4,000 housing units are needed within the catchment area to support a

¹⁴ https://www.trpc.org/DocumentCenter/View/4692/Creating_Walkable_Neighborhood_Districts.

conventional grocery store. Mobility to the store is important. In a highly urbanized area where a greater proportion of trips are by walking, rolling, biking, and transit, there will be a need for even higher levels of density in proximity to the potential store location. In these instances, grocery stores likely aim to have at least 2,500 people within a quarter mile walkshed or 5,000 people within a half mile walkshed of the store. It should also be noted that other nearby grocery stores will act as competition as not every household will go to the same store.

Areas with higher population densities and convenient access to the shopping center have greater abilities to support multiple grocery stores. A large city like Seattle generally has many areas that meet or exceed minimum densities of people needed to support a grocery store. Locations with relatively higher population densities will be more attractive to retailers. Grocery stores appear to be clustering in commercial areas near areas of high and growing residential population densities with higher incomes, such as the West Seattle Junction and Ballard. (See also Map # above, which overlays grocery store locations with population density.)

Building Type

Most grocery stores in Seattle continue to be in one-story commercial structures with some parking on-site or nearby. However, in the last decades or so grocery stores have started to be built into the ground floor of mixed-use structures below multifamily housing. There are also examples of multi-story or multi-tenant commercial structures with grocery stores in them such as at Northgate, Roosevelt Square, and the Ballard Blocks development, and Uwajimaya in the Chinatown / International District.

Existing single-story commercial structure groceries tend to be in areas that have been used as commercial / retail shopping centers for a half century or more. Many of these commercial areas are on arterial roadway corridors that were developed with single-story commercial structures decades ago when Seattle was more auto oriented than it is today. Often these locations have functioned as grocery stores for a long time, with incremental upgrades or expansions of the structures to some degree (e.g. Rainier Beach Safeway, University Village QFC). In general, stand-alone one-story grocery stores aren't being built new anymore, but the existing stock of single-story grocery stores is quite durable.

More recently, dense neighborhoods that have experienced a lot of development have seen the addition of new groceries in the ground floor of mixed-use buildings. This is occurring in places without a nearby supply of large-parcel commercial lands – such as the West Seattle Junction, Uptown, South Lake Union, Upper Queen Anne, and Capitol Hill. In some instances, long-standing grocery store sites have been redeveloped with new mixed-use

buildings that re-incorporate a grocery at the ground level with stories of housing above. (e.g. Queen Anne Safeway). A grocery tenant appears to be a positive economic asset for mixed-use developments (e.g. The Angeline in Columbia City with PCC at the ground floor). There is compatibility between the need to accommodate a garage structure for residential uses in a building and an adequate floorplate size for a grocery. Therefore, large-scale mixed-use structures are conducive to the inclusion of a grocery store at the ground floor retail space.

Increasing density of development in neighborhood commercial areas, and strong development feasibility conditions are not a barrier to the siting of new grocery stores. Grocery stores are being rebuilt or added in neighborhoods experiencing dense new development.

Site Size

Grocery stores need large sites whether they are stand-alone structures or in mixed-use buildings. Large sites are necessary because of the need for a spacious floorplan for product storage and display and customer circulation within the store. Though outliers exist (e.g., multi-story Target stores) vertical circulation is a significant challenge for a grocery store in the Seattle context. Grocery stores tend to demand at least some parking for customers. If parking is part of the program, whether in a surface lot, an underground structure, or an above ground structure, the result is a need for a large footprint site. Over 75% of the store examples surveyed have site sizes of 50,000 sq. ft. or more. We suggest 50,000 sq. ft. as a minimum size threshold for the type of site needed for most groceries.

Availability of large site sizes is a limiting factor to achieving more supermarkets and large-format grocery stores in Seattle, because there is a constrained supply of large parcels that are 50,000 sq. ft. or greater. Without an available large parcel, a new store or developer needs to acquire a series of multiple lots, which can be practically challenging and costly. Often site acquisition for a large parcel leads to close adjacencies of the site's edge to lower-scale residential neighborhoods. Abrupt adjacencies can create complications in the design and permitting for new stores and can present challenges for truck delivery of goods to the store.

Large enough sites in many neighborhoods tend to be in long-standing auto-oriented commercial corridors or in industrial areas. A significant number of grocery stores were located in industrial zones during the 1990s and early 2000s due to relatively low-cost land (e.g. Interbay Whole Foods, Ballard Fred Meyer, Costco in SODO). (Industrial zoning issues are discussed below.)

Zoning Categories

Commercial Zones. Most of Seattle’s groceries are in commercially zoned areas, especially Neighborhood Commercial (NC) zones. This pattern is consistent with the City’s intended land use and comprehensive plan growth strategy to focus commercial services in compact neighborhood centers that have good access to transit. Many locations with NC zones are in long-standing commercial shopping areas, which were amplified as areas for growth and infill development as Urban Villages or Urban Centers, in growth plans since the 1990s. Over 80% of the City’s housing growth between the beginning of 2016 and mid-2025 was in designated Urban Villages and Centers.¹⁵ The overall pattern of locating housing growth in designated centers has been successful in focusing new housing near areas conducive to groceries (e.g. West Seattle Junction, Capitol Hill, Roosevelt, Columbia City).

However, as noted above, the growth strategy has not yielded much new supply of land for commercial zoning. Land is limited for the siting of new grocery stores. Development in commercially zoned areas includes a mix of housing, employment uses and commercial uses – all competing for use of land. This leads to high prices for commercially zoned land in growth centers. In the last ten years City policy has focused on expansion of new opportunities for housing development, but there has not been a large focus on expansion of opportunities for commercial development.

Within the NC zones there are some barriers to grocery store construction. There are three varieties of the Neighborhood Commercial (NC) zones: NC1, NC2, and NC3. The number (1, 2 or 3) corresponds to an intensity or size of the allowed commercial use. According to the land use code:

- NC1 zones are intended for small-scale shopping areas that provide convenience retail sales and services to the surrounding residential neighborhood. Characterized by an attractive pedestrian environment, small businesses and lot sizes, and limited transit service.
- NC2 zones are intended for moderately sized pedestrian-oriented shopping areas that provide a range of goods and services to the surrounding neighborhoods. Compatible uses include housing and offices. Characterized by an attractive

¹⁵ This information is shown in the Seattle 2035 Comprehensive Plan Monitoring Dashboard that the City has been using to monitor growth since 2015, when the last major update of Seattle’s Comprehensive Plan occurred <https://seattlecitygis.maps.arcgis.com/apps/dashboards/e405125f0082485fb250e29c58a48a4c>.

pedestrian environment, medium businesses and lot sizes, and moderate transit service.

- NC3 zones are intended for larger pedestrian-oriented shopping districts that provide a wide range of goods and services to the surrounding neighborhood and a larger community or region. Compatible uses include housing, offices, and business support services. Characterized by intense pedestrian activity, varied business and lot sizes, and good transit service.

To regulate the scale and intensity of commercial uses, NC zones feature a maximum size of use limit for commercial use as shown in Table 3.

Table 3

Maximum Size of Commercial Use Limit in Neighborhood Commercial (NC) Zones

NC 1	NC 2	NC 3
10,000 sq. ft.	25,000 sq. ft.	No Limit

These maximum size of use limits are potentially a limiting factor for siting traditional supermarket or large-format grocery stores in the NC1 zone since 10,000 sq. ft. is generally too small to attract a conventional full-scale grocery chain. At the 25,000 sq. ft. limit in NC2 zones, some types of small grocers could locate a new store in the zone (if they can overcome the market challenges outlined in the section above), but many conventional groceries would be too large to fit within the limit. The existing NC3 zone is the most conducive of the existing NC zones to support a full-sized grocery since there is no maximum size of use limit for commercial uses.

There is an exception in the zoning at SMC 23.47A.010.E for replacement and expansion of grocery stores in NC1 zones that were pre-existing to the zoning. The exception reads:

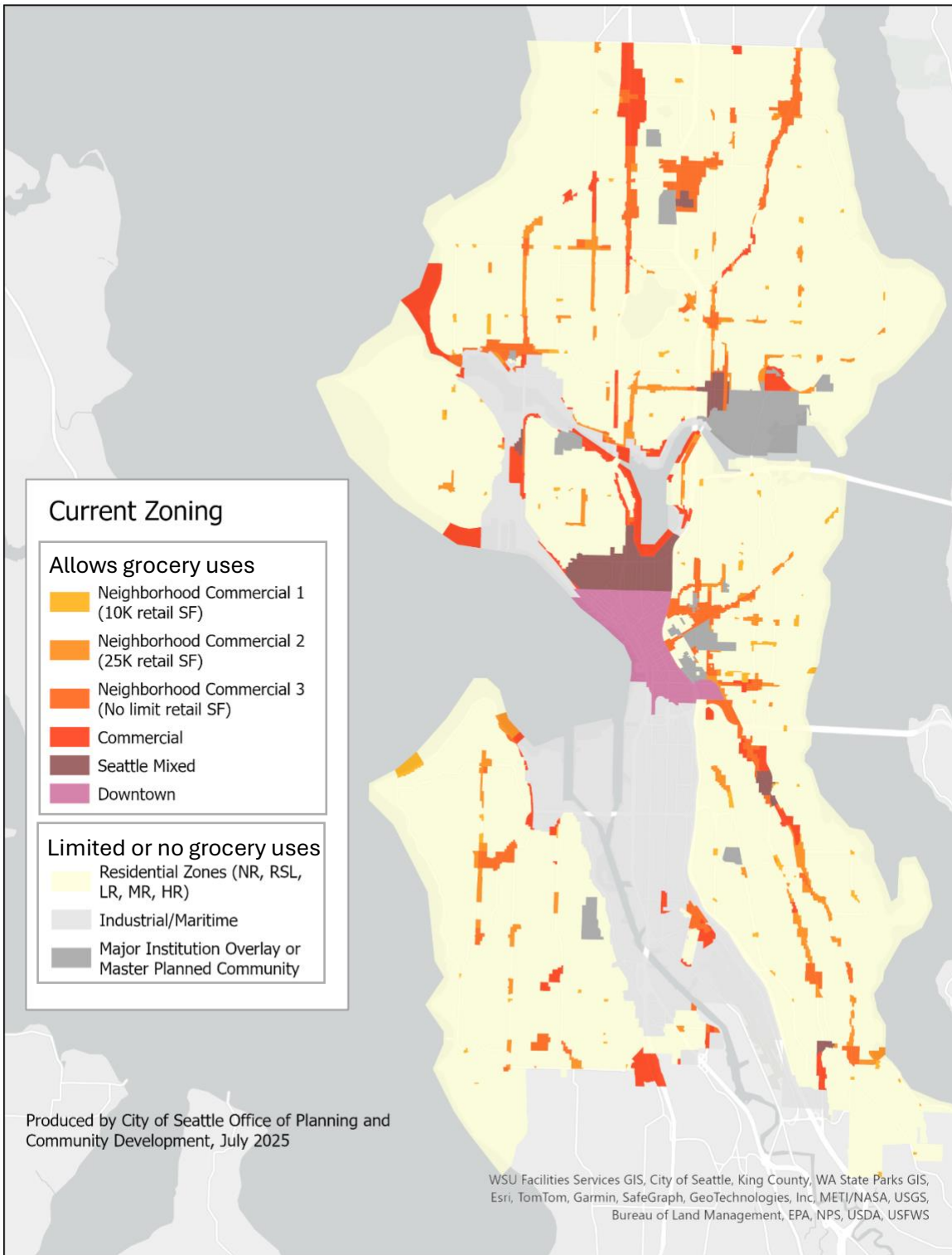
Grocery stores in NC1 zones are limited to 10,000 square feet. As a special exception, existing grocery stores may be expanded or replaced on-site or on abutting lots up to a maximum size of twenty-three thousand (23,000) sq. ft. when (a series of 6 conditions) are met.

Commercial zones (C1 and C2) are another zone in which regulations are conducive to the siting of new grocery stores. C zones are intended as auto-oriented commercial areas that provide a range of retail and services to the surrounding neighborhoods and the larger

community or region. Whereas NC zones contain design standards to encourage pedestrian-oriented configurations, C zones have few limits on the format for any commercial uses. Over the last 20 years or so, the City has rezoned most of its C zones to NC zones as it became less auto-oriented (e.g. rezones in Aurora-Licton Springs in 2019, and the West Seattle Junction in 2012).

Figure C displays the City's Neighborhood Commercial (NC), Commercial (C), zones and the downtown and Seattle Mixed zones where regulations are conducive to new grocery stores. It is notable that only a small proportion of the City's land area is covered by these zones. Figure # includes further detail, showing the sub-zoning categories of the NC zone (NC1, NC2, NC3).

Figure C
Current Neighborhood Commercial Zoning



Industrial Zones

As noted above, a significant number of Seattle's groceries, especially larger groceries, and integrated general merchandise stores are located in industrial zones. In the 1990s and early 2000s grocery stores were allowed by zoning to be built in the City's industrial zones. Notable examples of new grocery stores in industrial areas are the SODO Costco, the Fred Meyer in Ballard, Whole Foods in Interbay, and the Ballard Blocks development that included a Trader Joe's. These stores are all within regionally designated Manufacturing and Industrial Centers (MICs).

This was not consistent with the City's intended land use policy. Land Use in MICs is intended to prioritize space for industrial and maritime uses - for economic development and job-generation. High volumes of consumer traffic to industrial areas for shopping were seen to negatively affect traffic circulation to industrial uses. After the location of Costco and Fred Meyer, an important zoning change was made to industrial zones in 2007. A stricter maximum size of industrial use limit was added into the industrial zoning code of 10,000 sq. ft. and 25,000 sq. ft. in the industrial zones that covered most of the MICs. Since that time there has not been further construction of new groceries in MICs.

In 2023 the City further updated its zoning for industrial areas, following the Industrial and Maritime strategy process. Maximum size of use limits for general purpose retail uses including groceries was retained at 10,000 sq. ft. and the geographic extent of this limit was expanded to a larger proportion of MIC lands.

Downtown and Seattle Mixed (SM) Zones

The densest areas of the city including downtown and designated Regional Centers have zoning in a series of downtown zones, or the Seattle Mixed (SM) zones. Special International District Mixed (IDM) and Pioneer Square Mixed (PSM) zones are similar to SM zones and are a sub-category of the downtown zones. These zones all allow and encourage a very high density and intensity of development for all uses (except industrial, and high-impact uses). The zones have few limits on the size or type of commercial use, and allowed floor area limits and height limits are high – encouraging structures such as towers and large mixed-use buildings. In these locations zoning is not a barrier to the inclusion of grocery stores in new development. Examples of new groceries located in Downtown and SM zones include the Downtown PCC in the Rainier Square Tower (Downtown), Uwajimaya in C/ID: (International District Mixed zone), and Whole Foods in South Lake Union (Seattle Mixed zone).

Many Downtown and Seattle Mixed zones include an incentive zoning structure that encourages development to include public benefit features. Development over a certain base amount is required to include or provide features such as open space, pedestrian corridors, green street improvements, human services, and others.

Some limited downtown zones include a bonus for “shopping corridors”. Although this bonus has not been used recently by development, it is an example of the code encouraging a configuration of commercial space as a public amenity. There may be an opportunity to incentivize the inclusion of grocery stores through the incentive zoning structure, if grocery stores are considered to be a public policy priority. (See Policy Directions below.)

Residential Zones

Large scale commercial uses, including conventional grocery stores, are generally not allowed in the city’s residential zones. Residential zones include the Neighborhood Residential (NR) zone – formerly “Single Family Zones”, Lowrise Multifamily residential zones (LR), Midrise Multifamily residential (MR), and Highrise Multifamily residential zones (HR). These zones are intended to prioritize housing development to address the strong need for more housing supply in our region. The prioritization of mostly housing in certain neighborhoods is also intended to create places not impacted by noise, truck traffic, and late-hours business operation.

The MR and HR zones include allowances for some ground floor commercial space, but the size limits are generally too small for the target 20,000–50,000 grocery store size. The LR, MR, and HR zones with an RC suffix (“Residential/Commercial”) allow more flexibility for ground-floor commercial uses; however, also at a size too small for the typical grocer.

NR and LR zones are proposed to allow corner stores in pending legislation. However, these will be very uncommon and will necessarily be small stores below the target size threshold for grocery stores. In summary, Seattle’s residential zones in their current configuration are not conducive to the siting of new grocery stores.

Equitable Development Initiative and Food Access

The Equitable Development Initiative (EDI) provides funding and support to community-led development projects in neighborhoods at risk of displacement. Some of these community-led development projects work to close the food access gap, especially in neighborhoods most impacted by displacement and disinvestment. By investing in efforts like urban farms, community kitchens, food incubators, and land stewardship, the EDI

helps expand access to healthy, culturally relevant food while strengthening local economies and preserving community roots.

Examples of EDI Investments in Food Access

African Community Housing and Development Food Incubation and Innovation

Delridge/West Seattle

Supporting the acquisition and development of a food incubation and innovation space to support small culturally attuned business entrepreneurship along the Delridge corridor.

Black Star Farmers

Citywide Search

Funding to support site acquisition for BSF, which funnels organically grown produce to underserved communities in Central and South Seattle by collaborating with existing mutual aid organizations. The network will empower oppressed communities to reconnect to ancestral foodways, deepen their relationship with land and food, and receive free local, organic produce and/or prepared meals. Additionally, the program will advise a small cohort of five urban gardeners to increase their yield and ability to feed families in need.

Byrd Barr Place

Capitol Hill / Central District

Byrd Barr Place in the Central Area will renovate the 100+ year old historic Firehouse with inclusive, accessible design to add 1000+ SF of community gathering space. The project will retain the building as a cultural asset for Seattle's Black community and expand its services, which include energy assistance and home heating, housing assistance and eviction prevention, and food bank and home delivery.

Friends of Little Saigon - Landmark Project

Pioneer Square & CID

Landmark Project: Little Saigon Landmark Project (Friends of Little Saigon, Chinatown-International District) will be a gathering place for the regional Vietnamese community in the Little Saigon business district. It will bring together the district's cultural, shopping, and culinary aspects in a distinctive physical anchor. The mixed-use Landmark Project will include a cultural center, Southeast Asian grocery, Emerald Night Market, and restaurant.

Each component of the development will reflect Vietnamese Americans' rich culture, history, and future. The project is currently in feasibility and predevelopment.

Hip Hop Is Green – Cherry Street Farm and Commissary Project

Capitol Hill / Central District

Hip Hop is Green's Cherry Street Farm & Lab is building a revolution in urban farming. They have installed a hydroponic farm and are building an education lab at the heart of Seattle's Central District. They want every city across the country, starting in areas with limited access to fresh produce, to have their own Cherry Street Farms.

Nurturing Roots Community Garden and Black Power Epicenter Project

Beacon Hill

Funding to support Nurturing Roots in their acquisition of the community garden and the Black Power Epicenter nonprofit space.

Queer the Land

Beacon Hill

Queer the Land seeks to fund the capacity building resources that they need to create a QT2BIPOC-owned and operated cooperative in one of Seattle's historical communities of color. It will include affordable transitional and semi-permanent housing, co-working space, communal space, and a community garden.

Rainier Beach Action Coalition – Rainier Beach Food Community Empowerment Innovation Center Project

Rainier Valley – Rainier Beach

A Black-led community organization that is actively seeking to address entrenched economic disparity in a neighborhood where communities of color experience a high risk of residential and cultural displacement. With this funding, RBAC will proceed with closing on a site adjacent to the Rainier Beach light rail station. RBAC's Food Innovation Center is intended to create jobs and build on the many food cultures of Rainier Beach. The Center will support economic opportunity through new small food businesses, as well as education and workforce development for Seattle residents. The concept includes classrooms and teaching kitchens, an entrepreneurship center, a marketplace, food production facility, and community services. Plans for the site also include critically

needed affordable housing.

Yehaw Indigenous Creatives Collective – #LandBack Land Rematriation Project

Rainier Valley

#landback — yehaw Indigenous Creatives Collective has acquired a parcel of land within Seattle as part of their Land Rematriation project with the plans to create community-led arts and food programming for Indigenous and broader BIPOC populations. This land would give those with broken relationships to the earth an opportunity to experience food and water sovereignty through sustainable, repetitive contact.

Policy Directions + Recommendations

Land Use

Land Use and Zoning Barrier Removal and Incentives

- **Increase residential density.** As noted above, and in Figure A, high population density is associated with grocery stores. Grocers' primary locational factor is the population within a catchment area. Therefore, one strategy to attract more grocers is to increase residential density. Land use strategies that encourage new dense housing, such as addition of new dense zoning in Neighborhood Centers, will make it more likely for groceries to locate in these areas over time. This strategy would be particularly effective if the new density is added into areas with large swaths of existing lower population density.
- **Add and expand commercial zoning.** As noted above, the supply of commercially zoned land in Seattle is very constrained. The City could change zoning to add new areas of NC zoning. This would most likely require conversion of zoning from existing residential zones (especially from the NR zone). This strategy would be enhanced if new commercial zoning was added in places that have existing large parcel sizes, or a greater probability for consolidation of parcels into large lot assemblies.

A strategy to rezone land to commercial could be strategically combined with one or more of the *facilitation and support* strategies described below. For example, if the City pursued a strategy to support community partner organizations to identify sites, assemble development teams, and receive technical assistance (or project development funding), it could combine that effort with rezone actions to change zoning on target sites. This would be effective because it would allow for acquisition

of land at relatively lower values when zoned for a residential use. (See discussion of a potential pilot program below).

- **Modify maximum size of use limits in NC zones.** The City could modify the existing maximum size of use limits in the NC2 and NC1 zones currently in the Seattle Municipal Code (SMC). The numerical size limit could simply be increased upward from 25,000 sq. ft. in the NC2 zone – to 40,000 sq. ft. or similar. A special exception to the maximum size limit for grocery stores could be added into the NC1 zone.
- **Incentivize inclusion of grocery store space using Incentive Zoning tools.** The City’s zoning code includes incentives for community benefits and impact mitigation in its highest density zones (Downtown zones, and Seattle Mixed (SM) zones). In general, incentive zoning is reserved for zones with height limits of 85’ and above. It is possible that the Incentive Zoning menu could have an option for development to include a large-scale store / grocery store space. Technical studies would be required to establish a rational connection between new high-density development and the need for a grocery store. In incentive zones, developers must provide community benefit or impact mitigation features to gain extra development capacity over a base amount of development. Usually, the base amount of development is at the 85’ level, and bonus development is for tower-scale structures above 85’.

Over the next several years the City may pursue new high-density upzones to zones such as Seattle Mixed– especially for Transit Oriented Development (TOD) near high-capacity transit stations. When applying such upzones, the City could consider modifying the incentive zoning menu to incentivize the inclusion of space at the ground floor of development for grocery stores. This strategy could be combined with direct coordination with Sound Transit to encourage the integration of grocery stores into site-specific TOD projects that the transit agency will facilitate following construction of new light rail stations along the West Seattle Link Extension (WSLE) and the Ballard Link Extension (BLE) lines.

Support acquisition and combination of land into large parcels. As noted above, the supply of large lot sites is a limiting factor to new grocery stores. The City could apply a policy to encourage site acquisition and combination of land into large parcels at the time of other public-sector projects or actions. Examples could

include during transportation projects, or during the funding and selection of affordable housing projects.

- **Recruit grocery retailers to existing, vacant grocery store sites (assuming there is no restrictive land use covenant in place).** In theory, vacant grocery sites can sometimes be reoccupied more quickly than raw development, since they already have zoning, parking, refrigeration, loading docks, and floor layout that grocery retailers need. However, grocery retail companies often insist on non-compete clauses/restrictive land use covenants to be inserted into leases and sales agreements preventing any other supermarket using the same space they vacated.

While this SLI response did not conduct extensive research on how common restrictive land use covenants are used on grocery store sites in Seattle, we know of at least two examples. The old Albertson's site at 130th and Aurora includes a restrictive covenant from when they sold the site. The covenant explicitly prohibits the site to be used by or occupied for a "general food market, supermarket, grocery store, meat market, fish market, fruit store, vegetable store, convenience store, or any combination larger than 28,000 sqft.¹⁶ There is a Sprouts now operating at that site, but they may have subdivided the space as the footprint of that store is exactly 28,000 sqft.¹⁷ The other example is a former Albertson's site in Greenwood (where there is now a Trader Joe's). Again, the new Trader Joe's is likely below the size threshold in the covenant.¹⁸¹⁹ With Kroger's recent announcement that it will close the Lake City Fred Meyers²⁰, it will be important to see if a restrictive covenant gets put into place at this store site.

In 2018, Washington D.C. passed the [Grocery Store Restrictive Covenant Prohibition Act of 2018](#) to protect residents from property restrictions that could limit access to grocery stores and food retail services. In 2019, Bellingham, WA passed an ordinance that prohibits restrictive covenants related to grocery stores ([BMC 20.10.027](#)), ostensibly after Albertsons placed a 2018 restriction that prevented another grocery store from opening at a shuttered Albertsons location in

¹⁶<https://recordsearch.kingcounty.gov/Landmarkweb/Document/GetTifDocumentByCFN/?cfn=20180514001178>

¹⁷ <https://blue.kingcounty.com/Assessor/eRealProperty/Detail.aspx?ParcelNbr=1926049424>

¹⁸

<https://recordsearch.kingcounty.gov/Landmarkweb/Document/GetTifDocumentByCFN/?cfn=20180517000983>

¹⁹ <https://blue.kingcounty.com/Assessor/eRealProperty/Detail.aspx?ParcelNbr=6431500015>

²⁰ [Seattle-area Fred Meyer closures raise skepticism, worries | The Seattle Times](#)

Bellingham’s Birchwood neighborhood and created a “food desert” there. The ordinance could not be applied retroactively. However, in 2024, Albertsons removed the restriction following a state investigation by Washington Attorney General’s Office that found the covenant prevented competition in the area, requiring shoppers to travel to other stores a few miles away.²¹

Aside from the issue of restrictive land use covenants, there are other foreseeable challenges with recruiting grocery retailers to vacant grocery store sites. Large legacy sites may be too big for most new entrants (although a space can be divided for a smaller-format grocer), national grocers are consolidating and may avoid urban sites deemed to be marginal, and if the demographics within the catchment area do not fit a retailer’s model, they will likely pass regardless of any active recruitment and incentives.

After understanding and addressing fundamental challenges for siting and attracting grocery stores, departments such as OPCD, OED, and OSE could explore a framework for how the City approaches existing opportunities, such as the recently vacated Fred Meyer in Lake City, as well as exploring models for supporting grocery retail, especially in underserved neighborhoods. These models may include existing programs but should consider how the grocery industry’s dynamics could affect success.

Given the persistent disparities in grocery retail access in some Seattle neighborhoods, the challenges in finding land that is large enough for conventional grocery stores (20,000-40,000 sf), and the barriers faced by smaller, independent grocers when competing in an industry dominated by large chains, we recommend/propose a pilot project to explore new models for increasing access to healthy food retail in underserved areas. This initiative would involve collaboration between public and private partners to establish a limited number of neighborhood-based food markets throughout the city. Key features of the pilot project—based on what we know so far about success factors and challenges from other initiatives tested in Seattle—include the following:

- **Small-format grocery.** Support for small-format grocers in underserved areas will be critical for this pilot, as many “food deserts” have a limited number of large, vacant sites where traditional grocers would site a location. This support would also include researching the business models of successful small-format grocers, expanding on the learnings already gleaned from existing efforts to bring grocery retail to underserved areas. As part of this research, we would seek to understand

²¹ [Albertsons lifts land use restriction in Washington](#)

whether a viable grocer could utilize the corner store concept proposed with the One Seattle Comprehensive Plan or use commercial spaces in other zones where they are limited in square footage, including the NC1, NC2, and Residential-Commercial (RC) zones.

- **Public-private partnership.** The City could explore partnerships with philanthropic organizations to fund early-stage work such as site identification, feasibility studies, or business model development. City departments with existing equity or small business programs may be able to coordinate resources or provide staff support for permit facilitation. Local community development financial institutions (CDFIs) might also be a pathway for financing small grocers in underserved areas, or partners could consider an application to the [Healthy Food Financing Initiative Food Access and Retail Expansion Fund](#). Additionally, the City could approach local, mission-driven and values-aligned retailers to invite them to open small-store formats in underserved areas.
- **Agency collaboration.** The City could coordinate across agencies such as the Office of Housing (OH), Office of Planning and Community Development (OPCD), and Equitable Development Initiative (EDI) to pursue joint development opportunities, particularly on Sound Transit-owned or other publicly controlled sites. **Technical assistance (TA).** As part of the pilot, the City can test a variety of targeted TA and policy innovations including expedited permitting, fee waivers, and partnership building. OSE can provide procurement and supply chain support to ensure affordable, fresh, culturally specific foods from local suppliers and growers, building off our values-based food purchasing work and experience with the Healthy Food in Schools initiative. Additionally, OSE can provide TA in getting the store equipped to accept Fresh Bucks.
- **Community ties.** As shown in recent success stories (Delridge Farmers Market, El Mercadito) and the many examples of small, neighborhood grocery markets throughout Seattle, small, community-anchored grocers that specialize in culturally relevant foods and serve specific dietary needs (e.g. halal) can thrive. The pilot project would focus on community engagement and partnerships with anchor organizations and residents to co-design store models that reflect local preferences and needs.
- This concept envisions a shared investment model, where public resources help catalyze private and nonprofit involvement. The goal would be to develop a replicable framework that aligns with Seattle’s regulatory environment and funding

landscape, while offering real-world insights that inform future food access strategies.

Other Considerations

Local governments can play a more active role in facilitating grocery store development—especially when traditional market mechanisms have failed to deliver equitable access to food. In Seattle, this facilitation and support work is currently limited in size and scope, with some assistance available for small businesses through programs in the Office of Economic Development (OED). These programs, while effective at supporting existing businesses, are not structured to meet the full complexity of grocery retail attraction, especially at larger scales or in underserved areas.

The gift of public funds analysis focuses on whether the public funds are spent for public purpose, with two steps in the analysis framework: 1) determine if funds are spent to achieve a fundamental governmental purpose and 2) determine if there was donative intent and what the public received in exchange.

Given this legal framework one can see how it would be defensible for the City to use public dollars to support the establishment of grocery retail in an underserved area where there is a high proportion of low-income residents and households that do not own a vehicle.

While some cities have attempted to attract major grocery players through site-location assistance or public subsidies, this approach raises critical equity and efficacy questions. Many national and regional chains already possess the internal capacity to identify and evaluate retail sites. Public support in this context can amount to a subsidy with unclear outcomes—potentially drawing away limited attention and dollars from the city's small business ecosystem. Moreover, these efforts risk fueling a “race to the bottom,” where companies extract local concessions without a firm commitment to community benefit or long-term presence.

Instead, there is an opportunity for the City to direct its facilitation efforts toward financial and development support for models rooted in community ownership or local partnerships. Further research would be needed to explore the feasibility of such models in Seattle, including governance structures, tax implications, and food sourcing strategies.

Together, these facilitation and support tools offer a way for the City to lead with equity, invest in community-based solutions, and move beyond a reliance on market-driven outcomes that have historically failed to meet the needs of all Seattle residents.

Monitoring Progress

As described in the introduction to the [Mayor's Recommended Draft One Seattle Plan](#), OPCD will be conducting monitoring, using metrics and mapping, to gauge Seattle's progress toward the vision articulated in the Plan. This will include assessing how well the new comprehensive plan's growth strategy is working to promote equitable development and create more complete, connected, and inclusive neighborhoods. OPCD plans to include an indicator on neighborhood access to healthy food stores as one of the metrics to be tracked as part of comprehensive plan monitoring, building on the analysis in this SLI response and in the 2020 Equitable Development Community Indicators Report.

OPCD will collaborate interdepartmentally, working especially closely with OSE and OED, to research available data sources and design an indicator or indicators feasible to track on an ongoing basis. OPCD will also explore the potential to measure and integrate aspects of access pertaining to cultural relevance and affordability.

Conclusion

Access to affordable, culturally relevant, and nutritious food remains deeply uneven across Seattle. Addressing this issue is a priority in the Seattle's Food Action Plan ([Action 4.D](#)). While grocery retail is shaped by national market forces, local policy decisions, especially around zoning, density, and land availability, significantly influence where stores are located and who they serve.

This analysis confirms that current zoning patterns and parcel sizes limit the feasibility of siting new grocery stores in many of the very neighborhoods facing food access disparities. At the same time, small format and culturally specific grocers face steep barriers to starting and continued operation, even when demand exists.

The City has tools to help change this landscape. Land use changes, incentive zoning, and support for small format stores can begin to chip away at structural barriers. Partnerships with community rooted organizations, CDFIs, and mission driven grocers can open new possibilities. A public-private pilot model offers a promising next step to explore scalable solutions grounded in equity and based need.

Strengthened interdepartmental coordination across OED, OPCD, and OSE, and other relevant entities to align land use policy, capital investments, and community development initiatives will advance neighborhood food access.