

July 2, 2020

Councilmember & President Lorena Gonzalez
Seattle City Council
600 4th Avenue
Seattle, WA 98104

Dear President Gonzalez,

On behalf of our retail business members that operate in the City of Seattle, I am writing to express our strong opposition to CB 119810 (or “payroll tax”).

We understand the desire of the City Council to alleviate some of the terrible impacts of the Covid-19 pandemic on Seattle residents. While we share that goal, we are very concerned that passing this payroll tax will slow Seattle’s economic recovery – a recovery that will take years under the best of circumstances. Any action that slows Seattle’s recovery will only bring additional hardship to its many residents who have lost their jobs or seen their incomes reduced.

Virtually every member of Washington Retail has experienced significant financial impacts. Our members who were deemed “essential retailers” have struggled to keep their employees and customers safe while dealing with dramatic declines in customer traffic and sales. After enduring months of closure, our “non-essential” members are battling to reopen safely and draw customers back to their stores.

The longer Seattle’s economic recovery takes, the more it hurts our members. By creating a strong economic incentive for businesses to relocate some or all of their high-income employees to communities outside Seattle, the City Council is stifling economic recovery. The ripple effects of this payroll tax will hurt even the smallest retailers throughout the city.

Our members faced serious challenges to their Seattle operations long before the Covid-19 pandemic. Slow police response times, organized retail theft, and other issues make Seattle a more dangerous and expensive community for our members of all sizes. Not many businesses can afford to spend \$300,000 per year on armed security guards.

Many of these issues are difficult to address and improvements will be slow in coming, at best. However, the City Council does have the choice to not impede Seattle’s economic recovery. We strongly urge you to not pass CB 119810.

Sincerely,



Renée Sunde
President & CEO
Washington Retail Association

Cc: Councilmember Lisa Herbold
Councilmember Tammy Morales
Councilmember Kshama Sawant
Councilmember Alex Pedersen

Councilmember Debora Juarez
Councilmember Dan Strauss
Councilmember Andrew Lewis
Councilmember Teresa Mosqueda