

Tracey Martinez

From: Stan Henry
Sent: Tuesday, June 09, 2015 8:32 PM
To: Laura Peralta; Tracey Martinez
Cc: Greg Pettis; John Aguilar; Mark Carnevale; Shelley Kaplan; Gary Howell; Tracey Martinez; Josie Meza
Subject: Re: Single-Use Carryout Bag Ordinance
Attachments: image002.jpg

Ms. Peralta,
Thank you for your email, I am forwarding it to our a City Clerk so it cam become part of the official record.

Thank you,

Stan Henry
Sent from my iPhone

On Jun 9, 2015, at 7:55 PM, Laura Peralta <LPeralta@CAGrocers.com> wrote:

Dear Mayor Henry,

On behalf of the California Grocers Association, I write to applaud the City of Cathedral City for considering regulating the use of single-use carryout bags. In 2014 the Coachella Valley Association of Governments (CVAG) approved a regional model for the regulation of single-use carryout bags to ensure consistency among jurisdictions that wish to implement the policy in the Coachella Valley. Grocery industry experience has shown that this type of carryout bag ordinance maximizes environmental gain and minimizes impacts to businesses.

The California Grocers Association is a non-profit, statewide trade association representing the food industry since 1898. CGA represents approximately 500 retail member companies operating over 6,000 food stores in California and Nevada, and approximately 300 grocery supplier companies. Retail membership includes chain and independent supermarkets, convenience stores and mass merchandisers. CGA members include numerous grocery companies operating throughout Burbank.

The model of banning single-use plastic bags and allowing recyclable paper bags for a charge has shown to encourage reusable bag use, provide consumers no-cost and low-cost carryout options, and minimize operational and financial impacts to retailers. Over 100 California jurisdictions have passed this type of ordinance successfully including Palm Springs, Desert Hot Springs and the City and County of Los Angeles.

By banning single-use plastic bags and placing a charge on single-use paper bags consumers are encouraged to use reusable bags while still retaining a choice at checkout. Since passing a similar ordinance in 2010, Los Angeles County has seen all single-use bag consumption reduced by more than 90 percent. They also found that consumers quickly adapted and businesses felt minimal impact.

Experience has shown after implementation of an ordinance which bans single-use plastic bags and places a charge on single-use paper bags few consumers choose to pay for a single-use paper bag. Grocery industry experience shows the use of reusable bags or no bag at all by consumers increases from less than 15% before ordinance implementation to over 75% immediately after implementation. Within the first year the rate of reusable bag use by consumers rises above 90%.

In jurisdictions which chose to partially regulate carryout bags by only banning single-use plastic bags grocers have experienced dramatic cost increases. Without regulating all single-use carryout bags consumers are not encouraged to use reusable bags and instead simply switch from one type of single-

use bag to another single-use bag which provides no environmental benefit and increases operational costs for retailers.

It is important to recognize the significant price differential between plastic bags (\$0.01) and paper bags (\$0.06 to over \$0.012). When San Francisco chose to only regulate single-use plastic bags consumers switched to using single-use paper bags. This consumer reaction cost an average San Francisco grocery store \$80,000 dollars per store per year.

As an industry which averages a 1% profit margin an unnecessary regulatory cost increase in the tens of thousands of dollars can determine the success of a store. It is important to note that the City of San Francisco, along with other jurisdictions, have amended their original ordinances which only banned single-use plastic bags to now include a charge on single-use paper bags.

We believe it is critical neighboring jurisdictions adopt similar carryout bag ordinances in order avoid a patchwork of regulation. Industry experience has shown inconsistent regulation confuses consumers and creates competitive disadvantages for retailers operating near neighboring jurisdictions, as well as for retailers with multiple store locations in different jurisdictions. CVAG has approved a draft ordinance that serves as a guide and provides regional consistency to cities in the Coachella Valley interested in regulating the issue.

Again, we applaud Cathedral City for considering this important issue and we urge you to move forward with the CVAG-recommended approach to regulate carryout bags. Thank you for your consideration of the ordinance and please consider CGA a partner as you encourage reusable bag use.

Sincerely,

Laura V. Peralta

Director Local Government Relations, Southern California

CA Grocers Association

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<image002.jpg>

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<Cathedral City Carryout Bag LTR_6.09.15.pdf>