

Agenda Report

February 25, 2002

TO: CITY COUNCIL

FROM: CITY MANAGER

**SUBJECT: RECOMMENDATION FOR ESTABLISHING
ORDINANCES AND OTHER REMEDIES TO ADDRESS
NUISANCES CAUSED BY ABANDONED SHOPPING
CARTS ON PUBLIC RIGHTS OF WAYS**

RECOMMENDATION

It is recommended that the City Council:

1. Direct the City Attorney to draft an ordinance that will require all businesses that utilize shopping carts to:
 - a. provide a detailed "Abandoned Cart Prevention Plan" to prevent the unauthorized removal of any cart from the owner's premises and, if removed, to retrieve the cart within 24 hours of the removal;
 - b. contract with a shopping cart retrieval service that displays a Pasadena business license or pay an additional fee to the City of Pasadena when they apply for a new, or renew, a business license;
2. Direct staff to amend the Schedule of Taxes, Fees and Charges to include an additional business license fee for markets that utilize shopping carts as part of their daily business operations but do not contract with a cart retrieval service;
3. Direct the City Attorney to amend the municipal code to allow code enforcement to issue citations for a business' unauthorized use or possession of another business' shopping cart.

EXECUTIVE SUMMARY

Abandoned shopping carts constitute a nuisance, create potential hazards to the health and safety of the public, and interfere with pedestrian and vehicular traffic. The accumulation of damaged and dismantled shopping carts on public property also creates conditions that reduce property values and promote blight and deterioration.

The recommendations in this agenda report are designed to eliminate or substantially mitigate the accumulation of abandoned carts in Pasadena neighborhoods by: a) placing

the responsibility on the businesses that utilize shopping carts, b) preventing people from taking carts off premises, and c) creating incentives for the return of shopping carts to storeowners.

These goals will be accomplished by:

- Requiring businesses to submit an “Abandoned Shopping Cart Prevention” plan;
- Requiring that all businesses utilizing shopping carts contract with a retrieval service or pay a fee to the city;
- Contracting with a retrieval service to gather abandoned carts across the city and respond to complaint calls;
- Providing authority for code enforcement staff to monitor these businesses and issue citations to businesses using unmarked carts or carts that do not belong to them;
- Destroying/recycling all unmarked carts.

BACKGROUND

Under the circumstances set forth in the Business and Professions Code, it is a violation of State code to remove a shopping cart from the premises of a business. However, the State code makes it cost prohibitive for cities to take an active role in the immediate removal of these carts because of the notification and storage requirements. As a result, many cities are experiencing problems with abandoned shopping carts and are developing local ordinances to eliminate, or mitigate, the impact of abandoned shopping carts.

Staff has identified several causes of the problem:

Senior citizens and low-income residents who do not have means of reliable transportation use the carts to transport groceries to their homes. They often use public transportation to get to the market and then walk their groceries back home using the carts. Homeless people also use the carts to transport their personal belongings as they move about the City.

Many of the small “mom and pop” stores pay freelancers to gather carts abandoned from other stores for use at their store (called “trash carts” by those in the industry). At \$1 per cart, this is cheaper than buying their own carts and paying a retrieval service or replacing stolen carts at \$40-\$100 each. These stores may have smaller carts that are used inside the store, but they gather “trash carts” for their customers use outside the store.

Larger supermarkets who contract with retrieval services typically pay by the truckload of carts rather than per single cart. This payment method provides no incentive for the retrieval service to pick up lone abandoned carts throughout neighborhoods. They must wait until the number of abandoned carts increases in order to justify sending a truck out to collect a “truckload” of carts.

The city’s current ordinance only addresses the problem of shopping carts on private property. PMC 14.50.40 (5) states, “it is prohibited to have broken or discarded furniture,

household or business equipment, *shopping carts* or similar items, kept on the property and visible from a public street.”

Staff recently met with two companies that provide shopping cart retrieval services for major grocery chains and other retail businesses throughout Southern California. Hernandez Cart Retrieval Service is a for-profit company that retrieves carts for the two Target stores in Pasadena, while the non-profit California Shopping Cart Retrieval Services (CSCRS) provides services to the major grocery chains in town. Hernandez Retrieval Service retrieves approximately 200-300 carts per week for the two Target stores in Pasadena. They pick up 7 days a week and usually collect 30 carts per day for the Colorado and Lake store and 10 carts per day for the store in east Pasadena. CSCRS services 19 stores in Pasadena (mostly the large chains) and retrieved 113,803 carts last year (an average of 9,484 per month or 2,370 carts per week).

There are approximately 10-15 independent markets that do not employ the services of a shopping cart retrieval service.

Program Details:

- The ordinance will require store owners to either have a contract for cart retrieval in place or pay an additional fee when they renew their business license. This requirement/fee will allow the city to recover some of the cost for a city contracted retrieval service and discourage storeowners from dropping their retrieval service contracts because they think the city’s services will pick up their carts for free.
- The city will contract with the California Shopping Cart Retrieval Service (CSCRS) for citywide shopping cart retrieval services. The first year will cost approximately \$20,000. CSCRS will retrieve abandoned carts 7 days per week and return the carts to the rightful owners. Carts missing the identification tags will automatically be taken to the recycling center by CSCRS, with the recycling credits given to the City. Based on their experience, CSCRS estimates that between 60-80% of the unmarked carts will disappear after the first year.

To begin the retrieval process, staff will publicize a “Shopping Cart Awareness” week detailing the new programs. During that week, CSCRS will perform a citywide sweep to gather as many abandoned carts as possible, destroying (recycling) all unmarked carts in the process.

- The city will require by ordinance that the store to which a shopping cart belongs be clearly identified. All non-identified carts will be removed from the streets and destroyed. Storeowners found to be in violation of this ordinance will be cited.
- Staff will monitor and issue citations to businesses that either use another business’s shopping cart or has another business’s shopping cart on their business property.

- Staff will explore the creation of a shopping cart return payment incentive program to encourage resident participation in the reduction or elimination of this nuisance. The program would offer monetary incentives for the return of the carts to the appropriate market. The details will be developed with help of the Grocer's Association and local markets in town.
- Staff will establish a local hotline with an easy to remember telephone number (e.g. 744-CART or NO CARTS) that Pasadena residents can dial to have carts removed. The telephone line would automatically be directed to the California Shopping Cart Retrieval Service 800 number. Staff would publicize this number in various city and local publications. The annual cost for such a line would be a nominal \$1,500/year.

Business Outreach

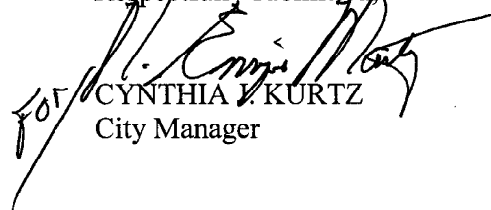
Staff held two meetings with storeowners to discuss the public nuisance created by the abandonment of carts and invited their input in helping the city to address this issue. However, only representatives from Albertsons, the Target at Hudson and Colorado, Rite Aid, and two smaller markets attended the meetings (there are at least 30 stores citywide). Staff will continue to schedule several more meetings to inform storeowners of potential ordinances, impacts, and their respective roles in the process.

Staff also met with representatives of the California Grocer's Association to discuss the possibility of changing the payment method to the cart retrieval services. The current practice of paying drivers only by the truckload does not offer incentive to immediately retrieve single carts. If stores were willing to pay for retrieval on a smaller scale, abandoned carts would be picked up more quickly. The CGA staff committed to address this issue with their members and discuss it further with City staff in the near future.

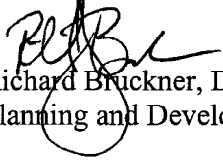
FISCAL IMPACT

It is anticipated that start-up costs for this program, roughly \$20,000, can be absorbed in existing department budgets. Should the costs exceed expected amounts, staff will return to Council for funds appropriation. Cost recovery of approximately \$2,000 is anticipated from citations.

Respectfully submitted,

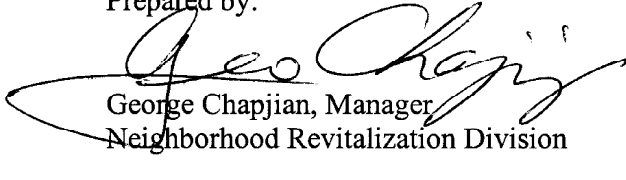

FOR CYNTHIA V. KURTZ
City Manager

Approved by:



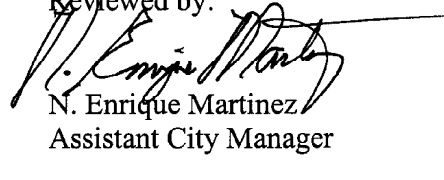
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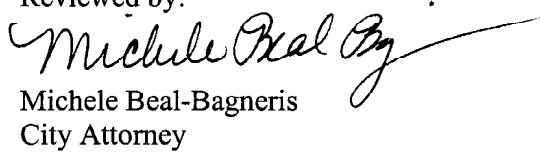
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