



CITY OF GLENDALE CALIFORNIA  
REPORT TO CITY COUNCIL

November 23, 2004

**AGENDA ITEM**

1. Report Recommending a Strategy to Address Continuing Problems Relating to Abandoned Shopping Carts
2. Motion Directing Staff to Implement the Strategy to Reduce or Eliminate Abandoned Shopping Carts within the City and to Prepare the Appropriate Ordinances
3. Motion to Set Hearing Date

**COUNCIL ACTION**

Public Hearing [ ] Ordinance [ ] Consent Calendar [ ] Action Item [ X ] Report Only [ ]

Approved for November 23, 2004 calendar

**ADMINISTRATIVE ACTION**

Signature

**Submitted By**

Madalyn Blake,  
Director of Community Development & Housing.....

**Prepared By**

Sam Engel, Neighborhood Services Administrator.....

Suzana Delis, Administrative Analyst.....

**Approved**

Jim Starbird, City Manager.....

**Reviewed**

Randy G. Adams, Police Chief.....

Elaine Wilkerson, Director of Planning.....

Scott Howard, City Attorney.....

**RECOMMENDATION**

It is recommended that the City Council consider the strategy to address the continuing problem of

abandoned shopping carts in our City and provide direction or recommendations. It is further recommended that the City Council adopt the motion directing staff to commence implementation of the strategy to eliminate or reduce the number of abandoned shopping carts, including community outreach and modifications to the Glendale Municipal Code and the Zoning Code.

### **SUMMARY**

---

Glendale's Municipal Code provisions relating to shopping carts were effective for many years and have been adopted by many other Cities. Our regulations survived legal challenges by the grocery industry however when they were not successful in the court, the Grocers Association lobbied the legislature to amend State law which pre-empted local government authority to regulate shopping carts after they are abandoned. Despite our efforts, as would be expected, our problem has gotten steadily worse as a result of the legislature's action and has contributed to the blight of our neighborhoods, negatively impacting *the quality of life* for Glendale businesses and residents. Glendale's regulations have not been updated since 1997 and are due for an overhaul reflecting these new challenges.

Because of the many complaints received by the City, a work group consisting of staff from the Planning, Neighborhood Services and Police Departments, community representatives and merchants was convened to study the problem and develop some solutions. On behalf of this work group, Police and Neighborhood Services have developed a strategy which recommends a major change in the way that the City has addressed the problem of abandoned carts. Currently, our strategy and our ordinance are crafted to deal with the carts after they are abandoned on the street. Because the State has essentially pre-empted cities from the cart abatement business, the workgroup is recommending that a whole new strategy which focuses on "containment" of shopping carts on store property be considered.

The proposed strategy would require merchants to contain all carts on their own property. Staff has developed an implementation plan that stresses education of shoppers, grocers and community members, but also sets timelines by which all merchants that provide shopping carts will install effective containment systems.

### **FISCAL IMPACT**

---

Aside from the obvious blight, abandoned shopping carts have an impact on City resources. Currently, Neighborhood Services devotes an estimated \$27,820 in code enforcement and operational costs and Police Patrol division devote approximately \$42,350 toward shopping cart-related problems, totaling an estimated \$68,250 annually. These costs could be reduced and/or eliminated if the strategy is successful, and staff could be reassigned to other more important issues.

Regarding the proposed strategy, no new staff will be hired to implement this project when it is approved. Responsibilities associated with this project will be absorbed by existing staff levels in Neighborhood Services and Legal. Once staff is no longer abating large numbers of carts, current staff levels which are devoted to cart collection can be re-deployed to work with stores to ensure cart containment systems are installed and continue to be maintained.

## **BACKGROUND**

---

Abandoned carts create obvious blight in our neighborhoods and are safety hazards as well. When they are abandoned on City streets and public rights of way, they are a hazard to automobile traffic and pedestrians. Despite the City's efforts, carts continue to be abandoned on our streets and sidewalks.

In Glendale, there are forty-one stores which provide shopping carts to their customers. Among these, six (15%) already have adequate shopping cart containment systems in place, and do not contribute to the problem of abandoned carts. Of the thirty-four stores remaining, they provide a combined inventory of 3,280 carts. Based on collection data supplied by the markets, staff calculates that half of these carts (more than 1,640) are abandoned on our streets every day.

In addition to the City's costs in monitoring, retrieving, storing and returning these errant carts, the stores also incur a huge cost to maintain their cart inventories. These costs are transferred by the store owner directly to all consumers, not just the individuals illegally removing the carts, in the form of higher prices. As staff has learned in researching this project, cart replacement is considered a local, not a corporate cost of business. As a result, local store managers are forced to either absorb these costs in their monthly operating costs or raise the price of goods sold. Therefore, as cart-associated costs increase, merchandise costs also increase.

### **Why State Regulations Limit Municipal Control**

Until 2000, Glendale managed the problem of abandoned shopping carts fairly effectively, as far as retrieval was concerned. As noted above, State legislature has slowly whittled away at local government's power to address abandoned shopping carts, and has determined that the entire issue is subject to statewide, not local regulations. Relative to cart retrieval, cities may not enact any Municipal Codes which are more stringent than the State regulations; however there are numerous problems with the State regulations and their impacts on our City:

1. State law requires City staff to leave an abandoned cart on the street for twenty-four hours before abating it, so as to allow the store the opportunity to collect the cart. After waiting twenty-four hours, staff is required to monitor each cart, tag it with the date, location and time of pick-up when it is abated. Once abated, the City is required to immediately notify the owner who may redeem the cart without paying any City costs, if redeemed within three days. Carts not redeemed must be discarded at City cost. Not counting the negative impact on the quality of our neighborhoods, by simply abating the carts and returning them to the markets upon payment of City storage fees, the direct cost to the City to follow these regulations is \$27,820 annually, based on an assessment of the staff time devoted to these tasks, including dumping and operational costs. Due to the State requirement, 80%-90% of abandoned carts are not abated by City staff and must remain on the street.

2. It is difficult for local authorities to directly deal with the individuals who take the carts from the stores. Because possession of the cart is not a strict liability offense, the store manager must testify in court that *each* cart taken was taken without express permission of the owner. This

essentially makes prosecution of cart theft impossible, as store managers would be required to go to court every day, leaving their stores unattended, *and* the manager would be required to bring charges against one of his/her customers. For this reason, few citations are written for shopping cart removal under the State regulation, as the District Attorney is unable to prosecute.

**How has Glendale dealt with this problem so far?**

Because of the negative impacts on our neighborhoods, Glendale has attempted over the years to address the problem of abandoned carts. This strategy was premised on the retrieval of carts and has relied on public education in partnership with local grocers combined with the quick collection of carts abandoned on our streets. Glendale's shopping cart abatement regulations preceded those adopted by other Cities by many years. In fact, most other cities based their own shopping cart collection ordinances on Glendale's pioneering effort.

Over the years, the public education efforts have included bag stuffers, multi-lingual Public Service announcements, utility mailers and articles appearing in *City Views* and were intended to educate the public regarding the negative effects that abandoned shopping carts have on our neighborhoods, while noting that the removal of these carts from store premises was theft and could result in legal action. While well intentioned, these attempts have not been successful at stopping the flow of shopping carts off of store premises.

One of the original functions of Neighborhood Services was to abate shopping carts quickly from neighborhoods, so as to eliminate the blight that they caused. The City Manager's Office and the Legal Department developed regulations and procedures which were effective for many years, insofar as abatement was a temporary solution to the problem.

Due to the newly adopted statewide regulations which curtailed local efforts to abate carts, cities are now forced to either forfeit the costs of abating the abandoned cart, or allow the carts to remain on streets and sidewalks for a period of not less than 72 hours before they can be removed.

Many abandoned carts migrate from neighborhood to neighborhood, are often used as trash receptacles, and due to their mobility are difficult to track and subsequently abate. Most cart owners employ a collection service to go out into the community to collect errant carts. These collection services are paid per truckload, rather than per cart, meaning that individual store carts are not collected until there are enough abandoned carts to fill a truck. Thus, carts remain on the street until there are enough of them to make collecting them financially rewarding.

All of these factors have contributed to a worsening situation on our streets. Because the problem has become so difficult to manage, staff from Police and Neighborhood Services convened a workgroup to identify some solutions.

**What happened at the workgroup meetings?**

Neighborhood Services conducted several meetings with a shopping cart workgroup in an effort to acquire information and then identify possible solutions. Workgroup participants included local

citizen advisory groups, local merchants, representatives from the California Grocers Association, manufacturers of cart containment systems and loss prevention specialists. This able group has provided us with several helpful insights into this issue.

During this process, Glendale residents have continued to contact Neighborhood Services staff, pleading for some relief from this problem. Additionally, representatives of local large grocery markets have expressed concern to City staff about the cart losses and the impacts on their operations. Without exception, every person has offered their support for moving forward with a strategy that is based on cart containment.

These meetings and continued investigation validated staff's observation that the current strategy being utilized in the City of Glendale, whereby carts are retrieved after they have been abandoned is no longer a viable solution. This strategy, which staff calls "Cart Collection" is ineffective, largely because:

- There is no consequence for taking and subsequently abandoning a shopping cart. There is no penalty for taking a cart and there is no disincentive for taking the cart. There is an expectation that the cart will be collected and returned to the store.
- Several smaller stores do not operate their own collection system or contract with a professional service, placing the entire responsibility for picking up abandoned carts on City staff.
- There are a number of Glendale residents who walk, or ride public transportation to get around the community who use store-provided carts as personal conveyances, rather than use their own.
- Even though they operate their own collection service, the larger grocery stores cannot collect the carts from City streets as fast as they are abandoned. One manager of a large supermarket in Glendale reported that at times, the entire inventory of 175 carts at that location has been cycled (removed, collected and returned) up to four times in one day.

### **A strategy is developed**

There are two primary components to this strategy:

- Merchants that provide carts to their customers will be required to contain all carts on their own property by utilizing some sort of control system or barricade. The City will not mandate a particular system, but only require that its effectiveness be within an acceptable range, as determined by staff.
- Individuals will need to change their habits by acquiring, then using, personal convenience carts, in lieu of store-provided shopping carts. Cart users must be made aware of containment systems and should be encouraged to use personal convenience carts outside of store premises.

This strategy is outlined in the attachment to this report. The strategy includes a community-wide outreach and education campaign to be conducted by Neighborhood Services, the City's Public Information Office and local merchants.

Staff is recommending a "grace period" for compliance with the containment regulations to allow merchants time to secure and install an appropriate system. Staff is recommending a twelve month timeline for this requirement.

This plan in no way conflicts with the State's legislation, as it only addresses the issue of containment, and not retrieval or abatement. The City Attorney has issued an opinion that the State has NOT pre-empted local cities from enacting legislation which addresses cart containment and providing shopping carts as a land-use.

To implement this strategy, several code changes are required, including modifications to Municipal Code Section 12.32 governing shopping carts and amendments to Chapter 30 related to limitations and exceptions to permitted uses and structures and nonconforming uses, buildings and structures. Staff is proposing that the Zoning Code be amended to add a provision that "the providing of shopping carts" be considered a land use, in the same manner of other special land uses. As a condition for such a use, the code would require that an effective containment system be installed or implemented with a twelve-month amortization period. As with other Zoning Code violations, the penalty for failing to comply would be a misdemeanor.

#### **Why Cart Containment works:**

Several cart containment options exist for businesses, to include; physical barriers, wheel-locking or stopping devices, used in conjunction with electronic/magnetic barriers, or similar plans such as utilization of employees to transport groceries to patrons' vehicles. To install a physical barrier, such as bollards on a property, preventing carts from exiting the building, the cost would be minimal. Three main electronic/magnetic cart containment systems currently exist. On average, it would cost \$5,000 to \$25,000 to install these types of systems in Glendale stores, depending on the complexity/scope of the installation.

Although electronic systems may initially cost more to install, industry representatives have determined that over a short time, ranging from 12 to 18 months, the cost of installing electronic/mechanical containment systems *pays for itself*. Moreover, the system *continues to save the merchants money* by reducing the need for cart retrieval services and the replacement of lost, damaged and stolen carts. Historically these costs were transferred to the consumer through increased prices.

Several businesses in Glendale are currently in compliance with the proposed ordinance (15% of the forty-one businesses affected), and report that the cost savings for their locations in terms of cart replacement and retrieval were immediately realized as a result of installation of a cart containment system. Stores have a financial stake in keeping their stock of shopping carts, as the state's major supermarket chains spend over \$12 million annually in retrieval costs, alone. The average cost for replacement of a cart is \$80 to \$150 each, with the most expensive carts totaling upwards of \$300

each. According to the Food Market Institute, some retail stores permanently lose up to 1,000 carts per year, which constitutes a \$100 million problem annually nationwide, for the Supermarket chains alone, with this shortfall being passed on to consumers.<sup>1</sup> Attachment B shows a cost/benefit analysis for an installation of a typical system at a supermarket.

Additionally, cart containment system providers report that many of the stores that have installed their systems reveal that *overall sales have increased* as a result of cart containment. This was attributed to a constant supply of carts being available to customers and more customers being able to utilize the carts (vs. using the hand baskets when there is a shortage of available carts) and therefore, buy more merchandise.

### **What is the Impact on the Cart User?**

Cart users will need to have their own personal carts. Grocers have indicated that they will stock these items and provide them at their cost. Typical carts can cost between \$12 and \$35.00, depending on the options and quality. During the “phase-in” period, residents that have relied on stores to provide carts will be instructed to acquire personal carts. This is a one-time expense, but it may be significant to someone on a fixed, low income. Staff has explored funding sources which might be available to provide carts to income-eligible shoppers only during the “phase-in” period of the strategy. After that time, shoppers would need to secure their own personal cart. Staff has no estimate as to what the total cost might be.

### **Summary**

This is a difficult and contentious issue, but one that provides obvious rewards if it is addressed properly. Old methods and systems are no longer effective in dealing with abandoned shopping carts. Reducing the numbers of carts taken and abandoned would have a positive impact on the quality of our neighborhoods and the overall cost of groceries and product to our residents. An added benefit is the reduced impact on City staff. Addressing the problem at the source would seem to be the most fair as well as the least impacting on all consumers.

Research and community input have provided information that supports the Abandoned Shopping Cart Strategy that has been developed. Staff is requesting that City Council review the strategy and provide direction to staff to proceed with implementation. Both Community Development & Housing and Police are recommending the strategy. If adopted, Glendale’s streets and sidewalks will be free of abandoned carts and demonstrably safer as a result. The overall *quality of life* for residents will have been improved in Glendale neighborhoods.

If the Council should elect to move forward with this strategy, since this amendment is related to land use entitlements, it is recommended that the Council initiate this amendment and direct Planning staff to set a public hearing before the Planning Commission to consider an ordinance at a future meeting.

---

1. Slomka, Joe. “At Last, A Plan to Keep Shopping Carts in Their Place,” Schenectady Daily Gazette.

**EXHIBITS**

---

- A. Abandoned Shopping Cart Strategy
- B. Cost/Benefit Analysis of Installation of Containment System
- C. Merchants Identified as Providing Carts

**City of Glendale**  
**STRATEGY TO REDUCE OR ELIMINATE**  
**ABANDONED SHOPPING CARTS WITHIN THE CITY**

**Goal**

**To reduce or eliminate the number of shopping carts improperly removed from store premises and abandoned on our streets within twelve months following implementation.**

**Background**

The problem of abandoned shopping carts has plagued Glendale and other cities for many years. Over the years, Glendale has always proactively attempted to address this problem. Our shopping cart abatement ordinance was among the first in California to be enacted. This strategy focused on “retrieval” of the carts, i.e. collecting them from the streets and returning them to the merchants.

The State legislature has enacted State laws which restrict Glendale’s ability to address the problem at a local level. As a result, the problem has continued, and possibly even escalated due to the increased number of merchants providing carts to their patrons, without providing a containment system.

This situation, combined with numerous citizen complaints regarding abandoned shopping carts necessitated a staff response. Neighborhood Services, the Police Department, the City Attorney’s Office, and the Planning Department have been collaborating on a new strategy to resolve this issue in our City. Local merchants and representatives of the major grocers participated in the development of this strategy as well.

It was recognized that any strategy focusing on *cart retrieval* has been a failure. More carts than ever before are being taken from merchants and ultimately abandoned on our streets. This new strategy will focus on cart containment rather than on retrieving abandoned carts once they are removed from store properties. Containment of carts on store property is the only solution that will keep the carts on store property where they belong.

**Key Provisions**

The City of Glendale’s proposed shopping cart strategy will be successful because of the following key provisions:

- 1. Merchants that provide shopping or convenience carts will be required to contain them on their property.**

How will this be accomplished?

Our current Code has no provisions for requiring cart providers to keep carts from leaving their premises. We will be amending our Code to require that merchants who provide carts must install some sort of system to contain the carts on their own property. We will do this by amending the Zoning Code. “Renting or loaning shopping or

convenience carts” is added to the Zoning Code as a “use” in the commercial zones and will be subject to the requirement that all such carts must be contained on the store premises.

2. **Merchants will share in the responsibility to educate patrons about the new provisions.**

How will this be accomplished?

Chapter 8 of the Glendale Municipal Code, relating to shopping carts, is amended to require that merchants post notices regarding the unlawful removal of carts.

3. **Shoppers will be encouraged to purchase and utilize their own personal shopping carts. It will be easy and inexpensive to acquire a personal shopping cart.**

How will this be accomplished?

Many stores already sell personal carts. A survey of all affected Glendale stores indicated that most would be willing to provide these items for sale to their customers once the Code was implemented.

4. **This strategy involves operational changes by merchants and behavioral changes by patrons and will be phased in over a twelve month period to assure maximum success.**

How will this be accomplished?

Merchants will have a twelve month amortization period to install an effective containment system. This will be codified when the new requirement is adopted.

5. **Utilize extensive education and outreach efforts.**

How will this be accomplished?

- Multi-lingual Public Service Announcements on GTV6 and other outlets
- City-wide inserts in GWP mailers
- Face-to-face contact at the entrances to stores
- Direct Mail to apartment managers & owners
- Meetings with store owners, retail property owners
- Direct Mail to store owners & operators
- Articles in City Views and other local governmental publications
- Flyers to be given out by City staff members who observe shoppers with carts
- Shopping Bag imprints and/or inserts
- Press Releases to all local media

6. **Glendale will take part in a coalition with other cities to enact similar regulations.**

How will this be accomplished?

Currently 30 other cities have been working with Glendale staff to develop similar legislation in their cities. These cities include Long Beach, Santa Ana, Pasadena, Burbank, Anaheim, Citrus Heights, Costa Mesa, Concord, Pico Rivera, Lancaster, Milpitas, Santa Monica, Vista, Garden Grove, Laguna Hills, Pomona, San Bernardino, Brentwood, Rialto, Torrance, Riverside, Fremont, Corona, Inglewood, Escondido, Oroville, Fairfield and Santa Barbara. Furthermore, staff from Coral Gables, Florida and Renton, Washington have also requested information on Glendale's proposed plan and have shown interest in adopting a similar strategy.

Staff contacted a cart containment system installation company which provided a cost/benefit analysis of stores which had implemented their containment system. The examples are based upon four stores with varying numbers of carts and rates of loss (abandoned carts and repair/replacement). The matrix shows the estimated length of time required for stores to recoup their expense for the installation of a typical cart containment system and the percent of reduction in the overall cart related expenses.

Cost/Benefit Analysis of Installation of Containment System												
Current Cart Inventory	Off-Site Daily loss Rate	Number of carts out of service needing repair	Number of carts needed to be replaced yearly due to off-site loss	Avg. Monthly Cart Retrieval Service	Avg. Monthly Cart Repair & Service	Current yearly expenses for Shopping Carts	Typical Cost of Installation of Containment System	Estimated Payback in Months	First Year Savings	Second Year Savings	Recommended Number of Brand X Carts to Buy (Includes a 30% Reserve)	% Reduction in Cart Related Expenses
200	40%	20	70	\$2,000	\$1,077	\$49,907	\$46,000	11.0	\$3,537	\$40,792	127	81.7%
200	50%	24	90	\$2,500	\$1,346	\$61,035	\$46,000	7.9	\$17,395	\$50,690	103	83.1%
250	40%	25	88	\$2,500	\$1,346	\$62,429	\$50,000	10.0	\$8,678	\$51,048	158	81.8%
250	50%	30	113	\$3,125	\$1,683	\$76,348	\$50,000	7.1	\$25,822	\$63,407	129	83.0%

## Merchants Identified as Providing Carts

NAME/ADDRESS	CURRENT SYSTEM	# CARTS
ALBERTSON'S - 1855 W. Glenoaks Blvd 91201	retrieval	150
ALBERTSON'S - 1000 S. Central Ave 91204	retrieval	180
ARMSTRONG - 5816 San Fernando Rd 91202	no service	15
CORDON'S RANCH MKT - 2931 Honolulu 91214	no service	33
COST PLUS - 223 N. Glendale Ave 91206	retrieval	35
GLENDALE RANCH MKT - 1122 S. Central 91204	retrieval	40
HK MARKET - 831 N. Pacific 91203	retrieval	110
HOME DEPOT - 5040 San Fernando Rd 91204	retrieval	250
HOW'S - 826 N. Glendale Ave 91206	no service	90
JONS - 1717 W. Glenoaks Blvd 91201	<b>containment</b>	85
JONS - 600 E. Colorado St 91205	<b>containment</b>	57
LONGS - 221 N. Glendale Ave 91206	retrieval	75
MARSHALL'S - 2065 Verdugo Blvd 91020	no service	106
MICHAEL'S - 219 N. Glendale Ave 91206	no service	60
NORDSTROM RACK - 227 N. Glendale Ave 91206	retrieval	100
OFFICE DEPOT - 515 W. Broadway 91204	retrieval	20
PACIFIC FOOD MART - 1008 N. Pacific 91202	retrieval	40
PARTY PLAZA - 500 E. Broadway 91205	no service	4
PARTY SMART - 500 W. Broadway 91204	no service	15
PETCO - 231 N. Glendale Ave 91206	retrieval	20
RALPHS - 1010 N. Glendale Ave 91206	retrieval	185
RALPHS - 1200 N. Central Ave 91202	retrieval	223
RALPHS - 1416 E. Colorado St 91205	<b>containment</b>	250
RALPHS - 211 N. Glendale Ave 91206	retrieval	341
K RANCH MARKET - 356 N. Chevy Chase 91206	retrieval	50
RITE AID - 130 S. Central Ave 91204	no service	15
RITE AID - 531 N. Glendale Ave 91206	no service	21
SAV-ON - 1122 E. Broadway 91205	retrieval	90
SAV-ON - 2037 Verdugo Blvd 91020	retrieval	80
SEARS - 236 N. Central Ave 91203	retrieval	70
SMART & FINAL - 210 N. Verdugo Rd 91206	<b>containment</b>	70
SMART & FINAL - 6850 San Fernando Rd 91201	retrieval	80
STAPLES - 213 N. Glendale Ave 91206	retrieval	12
TRADER JOE'S - 130 N. Glendale Ave 91206	retrieval	175
TRADER JOE'S - 3433 Foothill Blvd 91214	retrieval	35
VONS - 561 N. Glendale Ave 91206	retrieval	300
VONS - 2039 Verdugo Blvd 91020	retrieval	100
VONS - 311 W. Los Feliz Rd 91204	<b>containment</b>	226
VONS - 3233 Foothill Blvd 91214	retrieval	100
WHOLE FOODS - 331 N. Glendale Ave 91206	<b>containment</b>	75
99¢ STORE - 6401 San Fernando Rd 91201	retrieval	60

Total: 4043

**MOTION**

Moved by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, that the Council hereby directs staff to implement a strategy to address issues associated with abandoned shopping carts through on site containment, including drafting necessary legislation, as more specifically outlined in the staff report dated November 23, 2004.

Vote as follows:

Ayes:

Noes:

Absent:

Abstain:

**APPROVED AS TO FORM**



CITY ATTORNEY

DATE 11-16-04

**M O T I O N**

Moved by Council Member \_\_\_\_\_,  
seconded by Council Member \_\_\_\_\_,  
that the proposed ordinances relating to containment of shopping  
carts, amending provisions of the Glendale Municipal Code, 1995,  
be set for public hearings as follows:

Before the planning Commission - January 10, 2005

Before the City Council - February 8, 2005

Vote as follows:

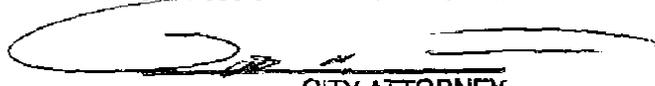
Ayes:

Noes:

Absent:

Abstain:

**APPROVED AS TO FORM**



CITY ATTORNEY

DATE 11-16-04