



To: Mayor and City Council
From: Brian Phillips, Management Analyst
Date: January 19, 2015
Subject: Abandoned Shopping Carts

At the December 9, 2014 City Council meeting, staff was directed to place on the agenda the staff report from April 12, 2011, regarding the abandonment of shopping carts at the corner of South Fifth Street and South Duff Avenue. The original staff report is attached.

The problem of cart abandonment continues to arise in several areas of the City. However, the most prominent location is along South Fifth Street. Here, most of the shopping carts tend to be abandoned around the #3 Blue route transit stop on South Fifth Street. The City Council should note that this is a challenging issue for CyRide. To alter the route by adding stops on the east side of South Duff Avenue, CyRide estimates an increase in operating costs of approximately \$250,000 per year. The City Council may recall that the record demands on CyRide's system make it a challenge to maintain even the existing service year after year.

In December 2014, the Transit Board directed CyRide staff to meet with Target and Walmart and determine if CyRide could be allowed to operate on their property as well as approach GSB to determine if this route change would be a high priority to receive their financial support. Since new services for FY 2015-16 have already been approved by the Transit Board, the earliest this route change could take place is fall 2016.

CyRide staff will report back to the Transit Board later this year about the possibility of the route change. At that time, the City Council may wish to have the City's Transit Board representatives provide an update to the City Council.

It is important to note that the location of the transit stop is one component of the shopping cart problem, not the entirety of it. The original staff report contains several options that might affect this problem apart from the transit stop location. Because of CyRide's pending discussion on the possibility of transit route changes, City staff recommends that the City Council should focus any immediate direction on policies that do not hamper CyRide's planned next steps.

Staff Report

ABANDONED SHOPPING CARTS AT SOUTH FIFTH STREET AND SOUTH DUFF AVENUE

April 12, 2011

On November 23, 2011, Council directed staff to provide feedback on what could be done to reduce the abandonment of shopping carts on the property adjacent to the CyRide stop at South Fifth Street and South Duff Avenue.

Staff investigated areas around Ames and photographed locations where cart abandonment was prominent. After doing so, **it is evident that this problem is not limited to the South Fifth Street and South Duff Avenue area.** In areas surrounding the West and East Ames HyVee grocery stores, there is ongoing cart abandonment. In addition, staff has learned that until the closure of the Cub Food store on North Grand Avenue, cart abandonment was an issue in that neighborhood as well.

There are approximately 20-25 businesses in Ames that use shopping carts. Standard shopping carts (either metal or plastic) can cost between \$80 and \$175 to replace. Smaller, two-tier basket carts cost between \$70 and \$130 to replace. Abandoned carts in Ames are overwhelmingly from grocery stores. Carts tend to be abandoned on commercial property, on City property, or in residential common spaces such as apartment complexes. Cart abandonment was not observed on the lots of single family homes during the survey of the issue in Ames. When carts are abandoned on City property, such as in Franklin Park or O'Neil Park, City staff time is used to remove them.

Due to its location as a bus stop, the Ames Transit Board has discussed the issue of carts at South Fifth Street and South Duff Avenue. A change in the CyRide routes to add a stop closer to Walmart and Target would necessitate the addition of one bus to the fleet to maintain coordination with existing bus schedules. This would cost an additional \$352,900 per year. Because of the substantial cost, CyRide has no plans to change the existing route, although a permanent bus shelter will be installed at the South Fifth and South Duff stop this summer.

Staff met with Hy-Vee (Lincoln Center) and Walmart (South Duff Avenue) management to get their feedback. Hy-Vee sends a van to collect carts when they are notified that carts have left the premises. Customers are not frequently witnessed taking carts from the premises, and only store managers will confront customers in these instances. Hy-Vee stated that the cost of sending staff to retrieve the carts is minimal compared to the cost of the carts. Walmart has trained all store associates to approach customers who leave the premises with carts. Walmart now sends a van to the nearby bus stops and apartments at least three times per day to pick up carts. Before the closure of the Sprint store across Duff Avenue, Sprint employees would regularly notify Walmart of abandoned carts at the bus stop.

Cart loss-prevention strategies

There are some strategies that are effective in reducing abandonment of shopping carts. The method used by Fareway stores involves sending a courtesy clerk out with the shopper after checkout to assist in loading groceries. The courtesy clerk then returns the cart to the store. Some stores, such as Aldi, require coin deposits for each cart. The coin can only be released once the cart is returned to the cart storage bay.

In other areas, magnetic or radio frequency devices are attached to one wheel of each cart. Once the cart passes over a painted line in the parking lot, the signal tells the device to apply a brake to the wheel, thus rendering the cart inoperable. These systems can be costly to implement however, at roughly \$100 per cart.

Some stores hire a cart retrieval service, which patrols areas surrounding stores to locate and return abandoned carts.

Actions taken in other cities

In many cities, this issue is highly visible. Some cities have taken the approach of requiring cart loss prevention plans, fining individuals who take carts from store premises, or putting the burden of retrieval on the stores.

Sample regulations from the City of Milpitas, CA are summarized below. This city puts responsibility on both the individuals who remove the carts and the businesses that own them:

- It is unlawful to either temporarily or permanently remove a shopping cart from a business premises or parking lot.
- Written approval from the owner or manager of the business establishment for cart removal will be valid for a period not to exceed 72 hours.
- Fines for unauthorized cart removal will result as follows:
 1. First violation is subject to a fine not to exceed \$100
 2. Second violation within the year is subject to a fine not to exceed \$200
 3. Any additional violation within the year is subject to a fine of \$500

The local businesses have also been informed of this ordinance. They are required to comply by taking measures to prevent shopping cart removal and provide a cart retrieval plan that meets City approval, or else enter into a contract with a City designated cart retrieval service. Noncompliance from the business owners/managers is subject to a civil fine of \$1,000 and an additional fine of \$50 for each additional day of noncompliance.

Another ordinance is from Springfield, MA. This ordinance addresses the problem in a manner similar to how the Ames snow removal ordinance functions, with the burden on the store owners to remove the carts once notified, but with provisions for City personnel to do it for them with costs if they do not comply:

Any shopping cart that is found on any public property other than that of the business utilizing same shall be immediately removed from said property by said business upon notification. Any costs expended by any City department in the

removal of said cart shall be paid by the business responsible for the cart. Additionally, for any cart found on public property a fine of \$50.00 may be assessed against said business for its failure to comply with the requirement of paragraph A3 of this section.

Alternatives available to the City of Ames

Signage: At the more prominent locations where cart abandonment is an issue, the City could post signs stating that cart theft is a crime and outlining the penalties. However, this would have little effect on cart abandonment that occurs on private property or in sporadic locations around the community.

Cart corral: The city could investigate the construction of a cart corral at the South Duff Avenue and South Fifth Street CyRide stop. A structure like this may help to keep abandoned carts more organized until they are retrieved by stores. This would only address cart abandonment in this location, however, and there may not be enough space in the right of way to locate such a structure. Additionally, this may have the effect of appearing to condone the removal of carts from store property and setting a precedent for constructing cart corrals in other areas where this is an issue.

Theft enforcement: In Iowa, removal of property up to \$200 in value from the premises of a store without authorization constitutes theft in the 5th degree, a simple misdemeanor punishable by a fine of not less than \$65 but not more than \$625 and up to 30 days in jail in addition to or in lieu of the fine. Enforcement could be increased by directing the Police Department to issue citations to individuals who are witnessed removing carts from the premises. This could cause animosity from residents who have taken carts without citation before and are now receiving citations. This would also add workload to the Police Department.

Store ordinance: The City could adopt an ordinance requiring store owners to retrieve their carts within a certain time frame after receiving notice that a cart has left their property. This may require that carts also contain identification linking them to a particular store. Some store owners may be resistant to this idea, particularly since the carts are removed as an illegal act committed by someone else. A grace period to pick carts up after notification may be required to satisfy the conditions to make this legal.

Cart loss prevention strategies: The City could adopt an ordinance requiring a cart loss prevention strategy for businesses that own shopping carts. These strategies could be comprised of courtesy clerks, technology to inhibit cart theft, or the use of a cart retrieval service. This would be beneficial in that it would allow the business to choose their method of control. However, City resources would be needed to approve and enforce these strategies.

Any combination of these alternatives could also be enacted. Should the City Council desire, staff is prepared to draft an ordinance to address the issue.