

Amendment to Title 9 of the San José Municipal Code to Establish Requirements for Mandatory Shopping Cart Prevention Plans

City Council Meeting

Item 7.3

MAY 6, 2025

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City of San José

Planning, Building and Code Enforcement Department

City Council Direction

Staff recommendation approved by City Council on February 4, 2025:

- a. Conduct an outreach process with retailers in San Jose to evaluate options for enhancing the City's efforts to prevent and retrieve abandoned shopping carts, including the possibility of the City establishing a cart retrieval program, options for implementing a retrieval program on a voluntary cost-recovery basis, adopting enhanced regulations as part of the City's existing regulatory program, and other options as retailers may wish to propose.
- b. Advocate for changes to state law that would remove barriers to the City recovering its costs for retrieving abandoned shopping carts.

Additional City Council direction from February 4, 2025:

Direct the City Manager to report back to City Council before May 2025 with:

- a. An executed agreement to provide an abandoned shopping cart retrieval service that includes SJ311 integration for reporting abandoned carts, sets clear expectations for cart removal from creeks and trails, and outlines the process for disposing of carts filled with personal items, similar to the City of Milpitas.
- b. Progress on establishing a voluntary cost-recovery cart retrieval program similar to the City of Milpitas.
- c. Recommendations to amend Municipal Code 9.60 to:
 - i. Prescribe stronger loss prevention strategies in the mandatory abandoned cart prevention plan, such as by mandating wheel locking mechanisms,
 - ii. Add a provision to 9.60.320 to assign penalties for unlawfully removing a cart from the premises of a business establishment without permission.

| State Legislation

- Senator Cortese submitted Senate Bill 753, which proposes amendments to current state law on shopping carts.
- Senate Bill 753 would make the following amendments:
 - It would allow cities and counties to return shopping carts directly to their owners and recover their costs for this service. This approach is much simpler to implement than the current process established in state law, which requires the City to operate an impound lot.
 - It would allow cities to set the fine amount for when a retailer fails to retrieve a shopping cart within three days. Currently the fine amount is capped at \$50 and hasn't been updated in decades.
- Staff will be testifying in support of Senate Bill 753 at the California State Senate Local Government Committee on May 7, 2025.

Enhanced Regulations

Staff is proposing an amendment to the City's abandoned shopping cart ordinance. As part of their abandoned cart prevention plan, retailers with 76 or more carts would need to include one of the three following elements:

Theft Prevention Device



Security Deposit Devices



Cart Retrieval Contract

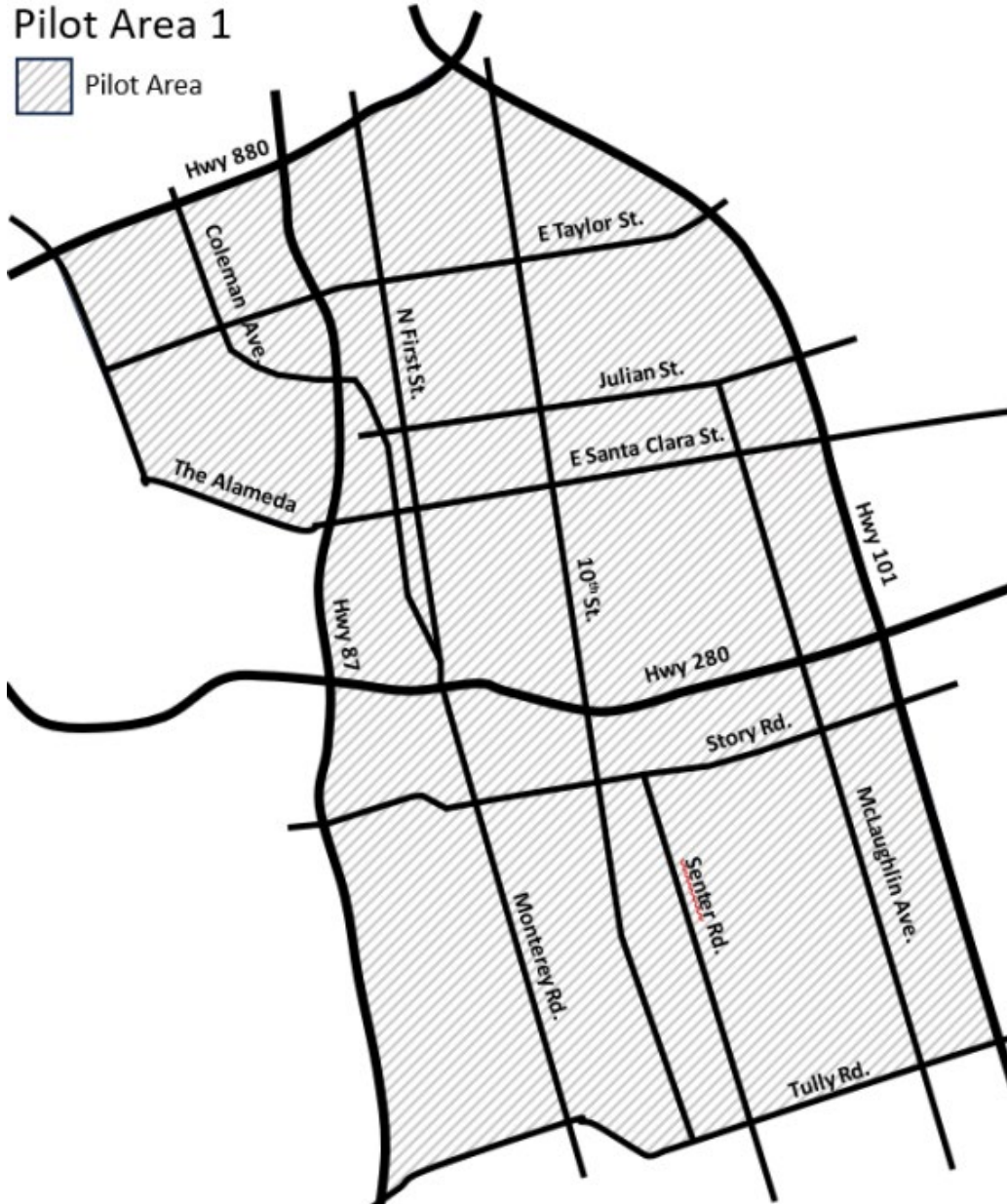


Cart Retrieval Pilot Program

Pilot Area 1



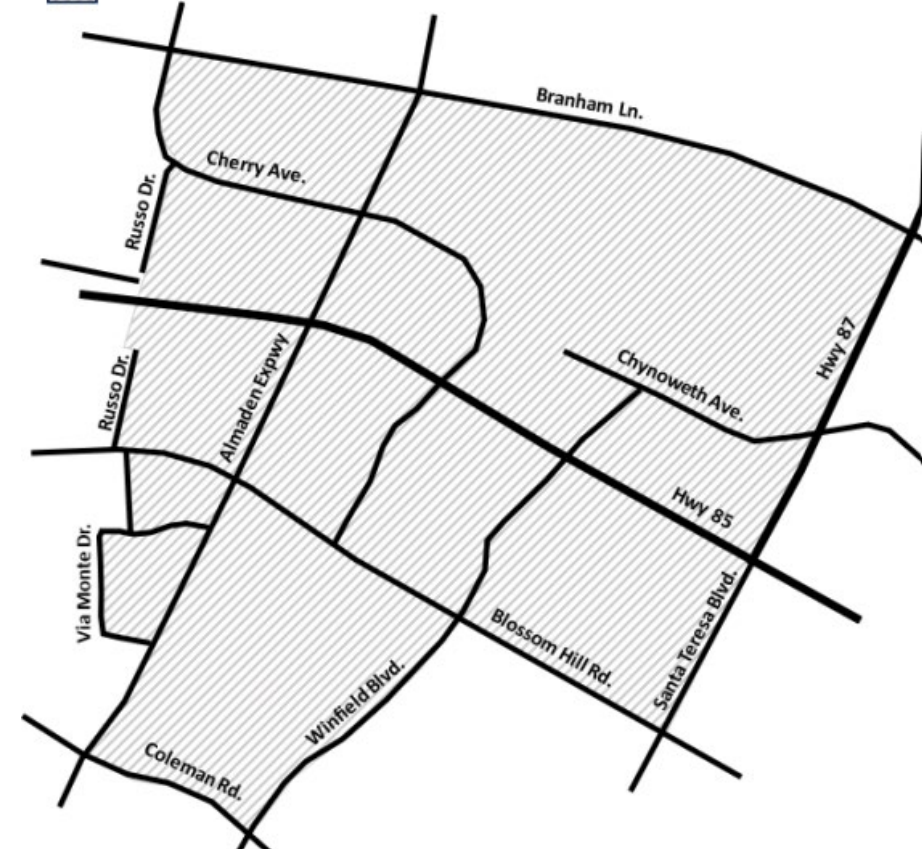
Pilot Area



Pilot Area 2



Pilot Area



| Cart Retrieval Pilot Program

- **Duration:** The pilot program is intended to last for three months, from May to July 2025. Staff will return to City Council by September 2025 with an evaluation of the pilot program and a recommendation for an ongoing, citywide service model.
- **Scope of Service:** The contractor would retrieve carts from the public right of way, as well as other areas where carts may be found, such as along trails and creeks, provided that the area can be accessed safely.
- **San José 311 Integration:** Integration with San José 311 is an important goal for the new cart retrieval service. Given that the pilot program will not encompass the entire City, integration with San José 311 during the pilot would be challenging, as it could be confusing for users as to whether the cart that they are requesting be picked up is within the pilot area. Consequently, staff proposes to defer San José 311 integration until an ongoing, citywide service is established after the pilot program is complete.

| Voluntary Cart Retrieval Program

- **Retailer Feedback:** Staff discussed this proposal with retailers during the outreach meetings. Retailers indicated that their interest in participating in a voluntary program would depend on the details of the service being offered, such as the cost.
- **Learning from Pilot Program:** Staff believes that before establishing a voluntary program, it would be useful to gain experience in managing a cart retrieval service through the pilot program, to better judge the level of effort needed to manage an ongoing program and develop an ongoing service model that could be offered to retailers as an efficient and effective option for cart retrieval.
- **Next Steps:** When staff returns to the City Council in September 2025, staff will make a recommendation for a voluntary cart retrieval program as part of its recommendation for an ongoing cart retrieval service.

Staff Recommendation

Approve an ordinance amending Section 9.60.330 of Title 9 of the San José Municipal Code to establish additional requirements for Mandatory Abandoned Shopping Cart Prevention Plans.