

FW: Shopping Cart Policy - 5/6 Agenda, Item 7.3

From City Clerk <city.clerk@sanjoseca.gov>

Date Tue 5/6/2025 9:24 AM

To Agendadesk < Agendadesk@sanjoseca.gov >

1 attachment (109 KB)SJ Shopping Cart LTR 5-6.pdf;

From: Tim James <

Sent: Tuesday, May 6, 2025 9:16 AM

To: The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov> Cc: Reed, Jim <Jim.Reed@sanjoseca.gov>; Munguia, Emily <Emily.Munguia@sanjoseca.gov>; Fruen, Joseph <Joseph.Fruen@sanjoseca.gov>; Nguyen, Lam <Lam.Nguyen@sanjoseca.gov>; Fleming, Jonathan <Jonathan.Fleming@sanjoseca.gov>; Adera, Teddy <Teddy.Adera@sanjoseca.gov>; Hamilton, Peter <peter.hamilton@sanjoseca.gov>; Cranford, Sandra <Sandra.Cranford@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Shopping Cart Policy - 5/6 Agenda, Item 7.3

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Mayor and Councilmembers, Please accept the attached letter regarding shopping cart policy on the May 6, 2025 agenda, Item 7.3. Please contact me to discuss further or for additional information. Thank you for your consideration. Tim

Timothy James
Director, Local Government and Enterprise Risk
California Grocers Association

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The Honorable Matt Mahan Mayor, City of San Jose 200 E. Santa Clara St. San Jose, CA 95113 cga

RE: Shopping Cart Policy

Dear Mayor Mahan,

On behalf of San Jose grocers, we appreciate continued interest to engage on shopping cart theft and subsequent abandonment. Amendments to the Shopping Cart Prevention Plans are a considerable step forward to ensure the partnership between all retailers and San Jose is clear and effective. However, there is significant concern with plans for a municipal cart retrieval program which would significantly increase costs for grocers, especially in low-income neighborhoods. We urge San Jose to continue to develop its own regulations and fully implement its policies, including theft and unresponsive retailer issues before forcing grocers to pay up to 10 times more for retrieving stolen property.

Enhanced Regulations

We appreciate San Jose continuing to reenforce its own shopping cart theft and retrieval regulation. The ordinance changes bring your regulation closer to a regulatory formula that has been successful across California. However, local regulation means nothing if it is not implemented and enforced fully. We urge the city to focus on efforts to reduce cart theft by engaging the public, hopefully through education, and by ensuring all retailers implement and consistently comply with the updated ordinance. We know from experience that a properly enforced ordinance would relieve many of the issues of concern to San Jose and would significantly reduce both current and future personnel and budget commitments.

Cart Retrieval Programs

A city-based voluntary cart retrieval to supplement the enhanced regulations is one option to deal with stolen and subsequently abandoned shopping carts that retailer-retained retrieval cannot access. Carts on private property, in an inaccessible location, or not relinquished by a person require the police powers of a city to retrieve. We have seen where jurisdictions retain contract retrieval services to avoid using city staff and their increased costs to deal with these problematic retrievals. We appreciate your effort to focus on stolen and subsequently abandoned that a retailer cannot retrieve. The dynamic between retailers retrieving accessible stolen carts and jurisdictions retrieving the legally difficult stolen carts is the balance of partnership that is proven successful.

However, it appears there is consideration for a mandatory city-based cart retrieval system which would directly compete with retailer-retained retrieval. It would be both counterproductive and costly for both the city and the retailer to be retrieving carts that the retailer is already mandated by law to retrieve. It is estimated that the cost for the city to return the cart to a retailer would be eight to ten times the price of the retailer retrieving the cart themselves.

It is important to remember, cart theft is mostly by consumers with no personal vehicle simply trying to transport their purchases back to their home or to a public transit stop. This means grocers operating in low-income areas, which would likely be food deserts without the store, would see a significant increase in their cost to operate due to competition from the city.

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It has been made clear the focus on the city competing with retailers to retrieve carts is budget based and being pursued with the intent to make money for the city by reducing its cost. We believe it is disingenuous for the city to simultaneously mandate retailers retrieve carts then compete to pick-up the same carts at nearly ten times the cost. Under this scenario there is no incentive for the city to prevent illegal cart theft or enforce regulations on retailers because doing so would increase the city's budget impact. Operating a grocery store in San Jose would be more expensive as direct result and would likely mean higher prices for food and household goods.

State Legislation

On top of the local intent to compete against retailer retrieval, San Jose is currently sponsoring Senate Bill 753 (Cortese) which removes all guardrails and cost caps for the amount local jurisdictions can charge and/or fine a retailer for retrieving a cart. This legislation, if passed, would let local jurisdictions charge retailers as much as they could justify, with no limits, for engaging with a stolen cart.

The stated effort to force retailers into a mandatory city-run cart retrieval program paired with removing cost limits to retailers proposed in SB 753 would mean grocers could eventually be forced to pay as much as the cost of the cart to receive it back. It is difficult to see this scenario as anything other revictimizing grocers by forcing them to pay uncontrolled amounts of money to receive their stolen property back from the city. To avoid this scenario, we urge the city to focus on implementation of its current ordinance with the proposed enhancements, engage the public to stop stealing carts, through education in partnership with the retailers, and to not move forward with SB 753 which would revictimize retailers who are already victims of property theft.

Conclusion

Thank you for your interest to work with retailers to further prevent stolen shopping carts and their subsequent abandonment. We appreciate the proposal for enhanced regulation and urge you to ensure full and consistent implementation. However, we are concerned that current proposals and actions by the city will lead to increased costs to grocers, especially in low income areas, and urge the city to not pursue this scenario. Thank you for your consideration and we continue to offer our partnership to San Jose to control the theft and subsequent abandonment of shopping carts.



cc: Members, San Jose City Council City Manager, City of San Jose



FW: SJ Chamber Support for Item 7.3: Local Shopping Cart Ordinance

From City Clerk <city.clerk@sanjoseca.gov>

Date Tue 5/6/2025 9:45 AM

To Agendadesk < Agendadesk@sanjoseca.gov >

1 attachment (268 KB)

SJ Chamber Support for Local Shopping Cart Ordinance 050125.pdf;

From: Kat Angelov

Sent: Tuesday, May 6, 2025 9:41 AM

To: The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8@sanjoseca.gov>; District8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District10@sanjoseca.gov>
Cc: City Clerk <city.clerk@sanjoseca.gov>; Leah Toeniskoetter

<Emily.Munguia@sanjoseca.gov>

Subject: SJ Chamber Support for Item 7.3: Local Shopping Cart Ordinance

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Dear Mayor Mahan and Honorable Councilmembers,

Please find attached our support letter for agenda item 7.3: local shopping cart ordinance update. Should you have any questions, please reach out to me or our CEO Leah Toeniskoetter (copied).

Thank you for the consideration of our comments.

Regards, Kat



Kat Angelov

Policy Manager

San Jose Chamber of Commerce

Office: 101 W. Santa Clara Street, San Jose, CA 95113 Mailing Address: PO Box 149, San Jose, CA 95103



May 2, 2025

City of San Jose City Council 200 E. Santa Clara St. San José, CA 95113

RE: Agenda Item 7.3: Amendment to Title 9 of the San José Municipal Code to Establish Additional Requirements for Mandatory Abandoned Shopping Cart Prevention Plans

Dear Mayor Mahan and Honorable Councilmembers,

On behalf of the San Jose Chamber of Commerce, I would like to express our support for item 7.3 which would establish large retailers with 76 or more shopping carts to create abandoned shopping cart retrieval plans. Abandoned carts have had numerous negative impacts on our city, from cluttering sidewalks and disrupting waterways to diminishing the overall appearance of our public spaces.

We support the proposed ordinance as a balanced solution that promotes cleaner streets and creeks while giving large retailers flexibility through one of three strategies: theft prevention devices, security deposit systems, or a cart retrieval contract. Requiring this only of retailers with 76 or more carts ensures accountability without overburdening smaller businesses. We also appreciate the City's outreach to local retailers to assess feasibility and the launch of a cart retrieval pilot program, which will provide valuable insight ahead of full implementation.

Abandoned shopping carts are seen across San Jose, from sidewalks to waterways, where they create serious safety hazards, threaten public health, and have become an urgent public nuisance that demands immediate action. The changes proposed in the updated ordinance and pilot program represent a collaborative step forward in reducing blight, improving safety, and supporting businesses in crafting a collaborative solution for retailers.

Sincerely,

Leah Toeniskoetter

President & CEO
San Jose Chamber of Commerce