



2008 Annual Awards Program

Program Excellence Awards Nomination Form

Deadline for Nominations: March 14, 2008

Complete this form and attach to your descriptive narrative.

SECTION 1: Information About the Nominated Program

Program Excellence Award Category (select only one)

- Community Health and Safety
- Community Partnership
- Community Sustainability
- Strategic Leadership and Governance

Name of program being nominated: Shopping Cart Retrieval Program

Jurisdiction where program originated: City of Phoenix

Jurisdiction population: 1.5 million

Please indicate the month and year in which the program you are nominating was fully implemented. (Note: All Program Excellence Award nominations must have been fully implemented by or before January 31, 2007 to be eligible. The start date should not include the initial planning phase.)

Month: January Year: 2007

Name(s) and title(s) of individual(s) who should receive recognition for this award at the ICMA Annual Conference in Richmond, Virginia, September 2008. (Each individual listed MUST be an ICMA member to be recognized.):

Name: Frank Fairbanks

Title: City Manager Jurisdiction: City of Phoenix

Name: Jerome E. Miller

Title: NSD Director Jurisdiction: City of Phoenix

Name: _____

Title: _____ Jurisdiction: _____

SECTION 2: Information About the Nominator/Primary Contact

Name of person who should be contacted with questions regarding the nomination:

Jerome E. Miller

Title of nominator: NSD Director Jurisdiction of nominator: City of Phoenix

Street address: 200 W. Washington St., 4th Floor

City: Phoenix State/Province: AZ

Zip/Postal code: 85003 Country: United States

Telephone: 602-534-6176 Fax: 602-534-1555 E-mail: jerome.miller@phoenix.gov

**ICMA 2008 Annual Awards Program – Program Excellence Awards -
Community Health and Safety Awards – Shopping Cart Retrieval Program**

Problem Assessment

Each month thousands of carts leave retail establishments and end up in Phoenix neighborhoods. Many are left on corners, collected in apartment complexes, dumped into alleys and have been rolled into oncoming traffic creating a safety hazard. When the City of Phoenix began receiving complaints from residents, the Neighborhood Services Department (NSD) took action. Since 1998 the city has been working with neighborhoods and the retail industry to mitigate the impact of shopping carts leaving retail premises and ending up in neighborhoods. In April of the same year, the Phoenix City Council initiated discussion between the Neighborhood Services Department, retailers and two neighborhoods in order to study the effects of shopping carts on neighborhoods and to develop possible recommendations and solutions. These discussions eventually led to the creation of a targeted area pilot program then to a comprehensive citywide Shopping Cart Retrieval Program in 2007.

In 1999, a group made up of city staff and neighborhood leaders provided recommendations to help residents cope with shopping carts in neighborhoods, but the results were placed on hold when the retailers prompted a revision to Arizona Revised Statute 44-1799. The revision, which took effect on July 18, 2000, required uniform notification asking residents not to remove carts from store premises and created shopping cart retrieval requirements statewide.

However, few retailers complied with the signage requirements and many did not meet the intent of the Statute because the information was not being prominently displayed. Since most of the stores did not have the proper signage, carts were still being removed from store premises at an alarming rate.

Another attempt was made by the grocery retail industry in January 2002, to initiate Arizona Cart Retrieval Service (ACR), a shopping cart retrieval service modeled after a state of California shopping cart consortium that guards against carts from being left in neighborhoods. The revision to the State Statute allowed the grocery industry to implement and establish an improved shopping cart retrieval service in Arizona similar to the California model.

Since 2000, NSD has informed retailers of the notification requirements of Arizona revised State Statute 44-1799 and urged them to take measures to keep carts on store premises. While many retailers use cart retrieval services and others have made capital investments to place locking wheel mechanisms on their carts, some stores still do not use retrieval services nor do they comply with the State Statute notification requirements.

Program Implementation and Costs

In June 2005, this lack of compliance prompted Neighborhood Services staff to work with industry representatives to complete a two prong campaign to address this ongoing neighborhood issue. First, the department working with the industry conducted a citywide public education effort to make retailers aware of their responsibility and encouraged them to take advantage of the available cart retrieval services to pick up their lost, stolen, or abandoned carts. Secondly, a 90-day shopping cart recovery program targeting a 43 square mile area was instituted to determine the feasibility of contracting with a local company to pick up carts, including all unidentifiable carts and charging the stores a fee for this service which would recoup the full costs of the program. A fee of \$15 was charged per cart and the 90-day pilot was funded at a cost of \$25,000. Retailers in the targeted area were notified 30-days prior to the implementation of the pilot informing them of the new program.

During the 90-day pilot program the following occurred:

- The contractual service retrieved 2,199 carts

- Total revenue exceeded expenses
- 75% of the carts picked up were reclaimed by stores
- 90 carts were picked up from stores out of business or unidentified which was 4% of the total picked up

Based on the results of the 90-day pilot program, the enhanced citywide program was created in the fall 2006. Bids were solicited from cart retrieval service vendors to provide a flexible cart pickup program covering approximately 520 square miles. In addition, vendors were asked to provide a per square mile bid for complaint only areas, weekly and monthly areas, special sweep request, and required to maintain a storage area for unidentified carts. Carts not under contract with the vendor were taken back to the nearest store and receipts were obtained from the stores which were then billed for the pickup service. Bills were either sent directly to the stores or their corporate headquarters. The program was kicked off with a 30-day public education campaign to encourage retailers to take advantage of the available cart retrieval services. A fee of \$20 was charged per cart and the startup cost of the program was funded at \$100,000.

Tangible Results or Measurable Outcomes

Since the inception of the citywide Shopping Cart Retrieval Program the following has occurred:

- English/Spanish program brochures “These Wheels Belong in Stores -- NOT NEIGHBORHOODS” resulted in a large number of stores taking action to control the carts leaving their premises thus reducing the negative impact on neighborhoods
- A City of Phoenix hotline number was established 602-CRT-PKP (602-278-7587)
- A City of Phoenix e-mail address was created shopping.carts.nsd@phoenix.gov

- Estimates as to the number of carts that would be retrieved by the contractual service are significantly below projections which can best be attributed to the actions of the stores to aggressively keep carts on their property
- The contractual service retrieved approximately 5,000 carts in the first six months of operation
- 347 carts have been picked up from stores out of business or unidentified which is 7% of the total picked up
- Complaints rose to a high of 311 complaints the second month and have leveled off at 135 per month.
- Initially weekly sweeps were being conducted in over 160 square miles and complaint based request occurred only in 354 square miles. By the sixth month weekly sweeps were down to 38 square miles, with 48 monthly sweeps and the complaint based only area increased to 428 square miles due to the lack of carts leaving store premises.

Lessons Learned

The Phoenix Shopping Cart Retrieval Program epitomizes the NSD commitment to neighborhoods. By working with residents and the local retailers the citywide Shopping Cart Retrieval Program has had a positive impact on preventing the blighting impact of carts in Phoenix neighborhoods. In addition to finding an innovative solution to a blighting neighborhood issue, the program has encouraged retailers to take responsibility for their carts.