



January 20, 2026

Costa Mesa City Council
77 Fair Drive,
Costa Mesa, CA 92626

**Re: Agenda Item #25-621, An Ordinance of the City Council of the City of Costa Mesa,
Requiring Staffing at Self-Service Checkout Stations**

To the Costa Mesa City Council,

The Harbor Institute for Immigrant and Economic Justice writes in strong support of Agenda Item #25-621, the proposed ordinance regarding staffing standards for self-service checkout stations.

The proposed ordinance will help strengthen workers' job security, improve workplace safety, and ensure the public knows that City Hall cares about the many workers and consumers that fuel Costa Mesa's local economy.

In addition to maintaining adequate working conditions, the proposed ordinance will promote a more inclusive experience for customers in Costa Mesa. After all, research suggests that excessive proliferation of self-checkout without adequate staffing to support self-checkout stations may discourage or otherwise hinder store patronage from vulnerable groups such as seniors or individuals with limited technological literacy.¹

We join workers and residents in urging you to move forward with this proposed ordinance.

Sincerely,

Mai Nguyen Do
Research & Policy Manager
Harbor Institute for Immigrant & Economic Justice

¹ Larson, Ronald B. 2019. "Supermarket Self-Checkout Usage in the United States." *Services Marketing Quarterly* 40 (2): 141–56. doi:10.1080/15332969.2019.1592861.

From: [Jessica Lynam](#)
To: [CITY CLERK](#)
Cc: [BARKMAN, JAY](#)
Subject: Agenda Item 2 - Self Checkout Stations
Date: Friday, January 16, 2026 3:25:24 PM

Dear Mayor Stephens and Members of the City Council,

On behalf of Instacart, I write to express our concerns regarding certain provisions of the proposed self-checkout ordinance and the potential unintended consequences for customers seeking affordable grocery options.

Instacart is the leading grocery technology company in North America. One of the technologies we have worked to bring to our retail partners is our Caper Carts, designed right here in California. These mobile smart carts are intended to help enhance the in-store shopping experience by increasing accessibility, affordability, and convenience, while also serving as a tool for retailers to combat retail theft. Caper Carts feature real-time spending totals, loyalty program integration, and digital coupons empowering customers to stay on track and maximize their grocery dollars—particularly those on fixed budgets such as the elderly or low income families.

As a trusted partner to local retailers, we share the city's goal of addressing theft and promoting safe work environments across retail and grocery stores. However, the ordinance's current wording inadvertently categorizes our Caper Cart technology as self-service checkout resulting in unintended outcomes. For instance, under the current language, the ordinance appears to require a single employee to follow around a customer using a Caper Cart throughout the shopping experience in order to supervise its "operation". This severely limits its use and discourages adoption, despite the demonstrated benefits of Caper Carts in saving customers money, improving the in-store experience, driving growth for brick and mortar stores, and aiding in both safety and theft prevention.

Importantly, state legislation addressing self-checkout systems is still active in the State Legislature. This effort aims to create uniform standards across California's grocery sector. Instacart has been an active participant in this statewide process, working with the bill's author and key stakeholders to craft thoughtful solutions that address key issues, including theft prevention and workplace safety.

We respectfully urge the Council to pause consideration of local regulation at this time. Aligning with the statewide framework will help avoid a patchwork of rules that could place an undue burden on Costa Mesa grocers and create operational inconsistencies.

We value the City's leadership and welcome the opportunity for continued dialogue. We are committed to working together to ensure any future policy supports innovation, safety, and equitable consumer access.

Thank you for your time and consideration.

Sincerely,

Jessica

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Jessica Lynam

Government Affairs – Western U.S.

Jessica.Lynam@instacart.com

Item always in my cart: Berries

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January 16, 2026

Honorable Mayor Stephens and Members of the Costa Mesa City Council
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Re: Opposition to Draft Ordinance – Self-Service Checkout Staffing and Operational Requirements

Dear Mayor Stephens and Members of the City Council,

On behalf of the Costa Mesa Chamber of Commerce, we respectfully submit this letter to express our opposition to the proposed ordinance establishing staffing and operational requirements for self-service checkout stations in grocery and drug retail establishments.

The Chamber fully recognizes the importance of public safety, employee well-being, and addressing retail theft. These are serious concerns, and our members want safe stores for employees and customers alike. However, we believe the proposed ordinance is not the appropriate mechanism to achieve these goals and would create significant unintended consequences for local businesses and the consumers they serve.

Fundamental Opposition to Operational Mandates on Private (Non-Cannabis) Businesses

At its core, this ordinance dictates how a private business operates through mandating and governing staffing ratios, employee assignments, customer item limits, required signage, checkout lane availability, and store configuration expectations.

While the City does regulate businesses in certain areas for public safety, this proposed ordinance represents a major shift into direct operational control over private, non-cannabis retail establishments, a type of involvement that is both unusual and unnecessary in a competitive market where operators already have strong incentives to maintain safe, orderly, and efficient stores.

The Chamber is concerned that this policy creates a troubling precedent by regulating business operations in granular detail. This approach removes flexibility and imposes a one-size-fits-all model that does not reflect the diversity of store sizes, layouts, staffing environments, or theft-prevention technologies currently in use.

Private Right of Action + Ambiguous Compliance Standards Create Excessive Risk

Beyond the ordinance's operational mandates, the Chamber is particularly concerned about the enforcement structure and compliance ambiguity, which together create a high risk of inconsistent interpretation, costly disputes, and unpredictable liability for businesses, even those making good-faith efforts to comply.

A. Private Right of Action Invites Litigation and “Gotcha” Enforcement

The ordinance’s private right of action framework, combined with increasing penalties and attorneys’ fees, creates an enforcement environment that is litigation-driven rather than compliance-driven. If intended to encourage compliance, it is more likely to produce the opposite result with added legal uncertainty, inconsistent claims, and additional expenses.

B. The Ordinance Is Confusing in Key Areas Needed for Real Compliance

The draft ordinance includes multiple terms and compliance expectations that are unclear in real-world retail operations, including (but not limited to) the following:

1. Scan-and-Go / Mobile Checkout vs. Staffing Ratio Requirements

The ordinance expands self-service checkout to include scan-and-go and mobile checkout solutions, yet the primary staffing ratio standard is written around fixed “stations.” This creates a basic compliance question:

- *How should staffing be calculated when scan-and-go is used throughout the store and is not tied to a physical kiosk bank?*

Without a clear, measurable standard, businesses may face liability even when they cannot reasonably determine what staffing level is required.

2. Staffing Ratio Uncertainty When Kiosks Are Installed but Not Operating

Many stores have self-checkout kiosks installed, but not all are operational at all times due to volume needs, maintenance, or staffing availability. The ordinance does not clearly answer:

- *If a store has nine kiosks but only three are operating, is staffing calculated based on nine kiosks installed or three kiosks operating?*
- *Could a retailer be cited or sued based on capacity rather than actual usage?*

This uncertainty encourages technical violations rather than real-world compliance.

3. “No Other Responsibilities” and the Undefined Standard of “Interfering.”

The ordinance requires monitoring employees to have no other responsibilities that “interfere” with their ability to supervise self-checkout. Retail operations, however, require employees to respond to customers in real time. The ordinance does not clearly define:

- *Does answering a customer question count as an “interfering responsibility”?*
- *Does assisting a customer with an age verification prompt, mis-scan, price check, or receipt issue constitute interference?*
- *Does stepping away briefly to address a safety concern create a violation?*

This creates a subjective standard that will be interpreted differently across businesses, claimants, and enforcement settings.

4. Signage and QR Code Requirements Are Vulnerable to Technical Violations

The ordinance's required signage and QR code posting requirements raise practical compliance concerns, including:

- *Where exactly must the signage and QR code be placed (each kiosk, entrance, self-checkout line, checkout area)?*
- *What happens if signage is damaged, removed, or blocked from view—temporarily or unintentionally?*
- *Would a store be exposed to penalties even if it promptly replaces damaged signage?*

This creates risk of “paperwork violations” that do not meaningfully improve safety outcomes.

5. Unclear Expectations for Staff Response During Theft Incidents

The ordinance is presented as a theft-deterrence framework, yet it does not clearly define what the monitoring employee's responsibilities are when theft is observed or suspected. For example:

- *Is staff expected to physically intervene?*
- *Are they required to detain or confront a customer?*
- *Does failure to take action become evidence of noncompliance?*

These unanswered questions create legitimate safety risks for employees and potentially place businesses in an impossible position, caught between safety best practices and unclear regulatory expectations.

Conclusion

The Chamber respectfully urges the City Council to reject the draft ordinance in its current form. The proposed policy moves the City into the role of managing detailed operational decisions for private retail establishments and creates substantial legal exposure through an enforcement model that relies on private litigation and ambiguous compliance standards.

If the City Council wishes to address retail theft and employee safety, the Chamber strongly encourages alternative strategies such as voluntary best-practices guidance, direct collaboration with retailers and law enforcement, targeted enforcement of existing theft laws, and a stakeholder working group focused on practical, evidence-based solutions.

Most importantly, the Chamber remains committed to helping Costa Mesa be a city where businesses can succeed, and where employers want to invest, where entrepreneurs want to open new locations, and where existing businesses feel supported rather than burdened by operational mandates and unpredictable enforcement structures. Our goal is to strengthen Costa Mesa's reputation as a business-friendly community.

Respectfully submitted,



David Haithcock
President & CEO

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Subject: California Retail Association - Concerns Regarding Proposed Self-Checkout Ordinance

Dear Mayor Stephens,

As the President + CEO of the California Retailers Association, whose members include grocery stores throughout California, I am writing to share the attached letter outlining our strong concerns with Costa Mesa's proposed self-checkout ordinance.

As detailed in the letter, we believe the ordinance is duplicative of recent state action addressing retail theft and workplace safety. The proposed requirements will increase operating costs for retailers and impact consumers at a time when affordability remains a serious concern for California families.

With comprehensive retail theft reforms now in place statewide and additional Cal/OSHA regulations being implemented, we respectfully believe there is an opportunity for Costa Mesa to pause and consider a more coordinated, cost-conscious approach that advances public safety without unintended economic consequences.

I would welcome the opportunity to meet with you and/or interested Council Members prior to any final vote to discuss our concerns and explore alternative solutions. I am personally committed to a constructive dialogue and would be happy to accommodate your schedule.

Thank you for your time and consideration. I look forward to connecting.

Warm regards,

Rachel Michelin

Rachel Michelin

President & CEO

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January 14, 2026

Honorable John Stephens
Mayor, City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Re: Concerns with Draft Self-Checkout Ordinance and Request for Discussion

Dear Mayor Stephens,

On behalf of the California Retailers Association (CRA), I write to express our concerns with the City of Costa Mesa's draft ordinance regulating the use of self-checkout technology in retail establishments. While we share the City's commitment to protecting workers and customers, we believe the proposed ordinance is unnecessary, duplicative of state law, and likely to impose unintended costs on consumers and local businesses without improving public safety.

Comprehensive State Retail Theft Protections

The draft ordinance does not account for the historic, [bipartisan 2024 retail theft package enacted by the Legislature and signed by Governor Gavin Newsom](#). This package represents the most significant overhaul of California's retail theft laws in decades and provides powerful, statewide tools to address the very concerns cited by the ordinance, including:

- **Expanded probable cause** authority allowing peace officers to arrest individuals for shoplifting based on probable cause, even when the offense was not committed in the officer's presence, including reliance on video evidence, sworn witness statements, or other corroborating indicators.¹
- **Aggregation of theft values** across incidents, victims, and counties to reach felony thresholds, closing loopholes exploited by organized retail theft rings.²
- **Retail theft restraining orders** authorizing courts to prohibit individuals convicted of retail theft, vandalism, or assault of a retail employee from entering impacted stores or, for chain retailers, multiple locations for up to two years.³
- **New felony offenses and enhanced penalties** for possession of stolen property with intent to resell, large-scale organized retail theft, arson, and related conduct.^{4 5 6}
- **Permanent funding for the California Highway Patrol Organized Retail Crime Task Forces** and expanded authority for multi-county prosecution of retail theft and organized retail crime offenses.^{7 8 9}
- **Explicit protections** prohibiting local jurisdictions or law enforcement agencies from citing, fining, or threatening nuisance actions against businesses solely for reporting retail theft, absent knowingly false reports.¹⁰

¹ [Assembly Bill 2943 \(Zbur, 2024\)](#)

² [Assembly Bill 2943 \(Zbur, 2024\)](#)

³ [Assembly Bill 3209 \(Berman, 2024\)](#)

⁴ [Senate Bill 1416 \(Newman, 2024\)](#)

⁵ [Assembly Bill 1960 \(Rivas, 2024\)](#)

⁶ [Senate Bill 1242 \(Min, 2024\)](#)

⁷ [Assembly Bill 1802 \(Jones-Sawyer, 2024\)](#)

⁸ [Senate Bill 982 \(Wahab, 2024\)](#)

⁹ [Assembly Bill 1779 \(Irwin, 2024\)](#)

¹⁰ [Assembly Bill 2943 \(Zbur, 2024\)](#)

These reforms were negotiated in partnership with retailers, law enforcement, prosecutors, and state leaders and are fully funded to ensure effective implementation statewide. Local ordinances that attempt to regulate store operations risk duplicating or conflicting with this comprehensive framework.

Concerns with Specific Provisions of the Costa Mesa Draft Ordinance

The City's draft ordinance includes mandatory staffing ratios at self-checkout areas, age-based restrictions on self-checkout use, transaction and item-count limits, and civil penalties for noncompliance. These provisions remove flexibility for retailers to design store layouts and staffing models based on store size, customer volume, and existing security measures, while increasing operating costs and creating consumer frustration. There is no evidence that these mandates reduce retail theft or improve worker safety, and they will disproportionately impact working families, seniors, and customers making routine purchases.

Pending Cal/OSHA Workplace Violence Regulations

In addition to the retail theft reforms, California is implementing new workplace violence prevention requirements pursuant to [Senate Bill 553](#) (Cortese, Chapter 101, Statutes of 2023). SB 553 requires employers to:

- Develop and implement written workplace violence prevention plans tailored to site-specific hazards;
- Provide employee training on violence prevention, de-escalation strategies, and incident response; and
- Maintain logs of violent incidents and conduct investigations where appropriate.

Cal/OSHA is in the process of finalizing additional regulations related to engineering controls and staffing protocols, with implementation continuing through December 31, 2026. Imposing overlapping local mandates while the state framework is still being implemented risks confusion, inconsistent compliance standards, and unnecessary burdens on Costa Mesa employers.

Request for Collaboration

I respectfully request the opportunity to meet with you and City staff to discuss how Costa Mesa can leverage these new state protections and workplace safety standards to improve public safety without imposing mandates that increase costs for consumers and local businesses.

As the individual who negotiated the 2024 retail theft package directly with legislative leadership and the Governor, I am personally committed to working collaboratively with Costa Mesa to ensure the safety of retail employees and customers while supporting the City's economic vitality.

Please feel free to contact me at (916) 443-1975 or cra@calretailers.com to schedule an in-person or virtual meeting at your convenience.

Respectfully,



Rachel Michelin
President
California Retailers Association

Cc: Costa Mesa City Council
Cecilia Gallardo-Daly, Costa Mesa City Manager
Kimberly Barlow, Costa Mesa City Attorney
Jay Barkman, Government Affairs Manager, City of Costa Mesa
Congressman David Min, Congressional District 47
Assemblymember Cottie Petrie-Norris; Assembly District 73

From: [Christopher Moore](#)
To: [CITY CLERK](#)
Subject: PUBLIC COMMENT RE: 1/20/26 AGENDA ORD 25-621
Date: Thursday, January 15, 2026 1:28:12 PM
Attachments: [image.png](#)

Dear Honorable City Councilmembers,

I am wholly opposed to this extortionary and unnecessary ordinance. This will have a chilling effect on finding viable tenants to revitalize outdated big box stores that are going vacant one-by-one, such as the Northgate Mercado project which was a miracle for the city. It is unclear why the city now wants to spit in their faces. The idea that self-checkout is to blame for retail theft in the context of statewide decriminalization of retail theft and failure to incarcerate perpetrators is patently ridiculous.

Moreover the ordinance text does not exclude small neighborhood pharmacies that are struggling to compete against big box chains such as my own tenants Ramsay Rexall Drugs located in DISTRICT 3. At a minimum the 15,000 sf exception needs to be added to the definition of "Drug Retail Establishment".

"Drug Retail Establishment" means a retail store that sells a variety of prescription and nonprescription medicines and miscellaneous items, including drugs, pharmaceuticals, sundries, fresh produce, meats, poultry, fish, deli products, dairy products, canned foods, dry foods, beverages, prepared foods, and other merchandise.

"Employee" means a worker employed directly by a hiring entity at a Drug Retail Establishment or Food Retail Establishment. Employee does not include managers, supervisors or confidential employees.

"Food Retail Establishment" means a retail store that is over fifteen thousand (15,000) square feet in size and sells primarily household foodstuff for offsite consumption, including fresh produce, meats, poultry, fish, deli products, dairy products, canned foods, dry foods, beverages, baked foods and/or prepared foods (other household supplies or products are secondary to the primary purpose of food sales).

Businesses in Costa Mesa are already struggling with unprecedented retail theft and vandalism by drug-addicted transients due to law enforcement's hands being tied by the state legislature. It is unwise to add yet another burdensome scheme on our local businesses unless permanent decline is the goal.

Sincerely,

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Christopher Moore
Vice President of Operations
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1278 Glenneyre Street #457
Laguna Beach, CA 92651

January 20, 2026

The Honorable John Stephens
Mayor, City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626



RE: Proposed Self-checkout Regulation

Dear Mayor Stephens, on behalf of the Costa Mesa grocery industry I write with opposition to the proposed self-checkout (SCO) proposal on the January 20 agenda. Basing the policy approach on the Long Beach policy guarantees a heavy handed, unnecessary and one-sided policy which would essentially prevent the use of self-checkout in Costa Mesa. As proposed, even with the minor adjustments from the Long Beach model, passing this policy would place employees at a high likelihood of breaking the law, remove desired and preferred checkout options for Costa Mesa shoppers, and place Costa Mesa grocers at a significant disadvantage to neighboring jurisdictions and online competition. We urge the Council to not move forward with any ordinance or regulation of SCO at this time.

The guise that SCO regulation is necessary for retail theft prevention is inaccurate and not based in either data or industry operations. The Costa Mesa Police Department has already provided data showing retail theft in total is minimal in Costa Mesa and has shown an approximately 50% decrease from 2023 and 2024 to 2025. Grocery industry data requested by the city from grocers shows the Long Beach ordinance has made no impact on retail theft since its implementation. Furthermore, SCO theft is one of the smallest types of retail theft at grocery stores and SCO is already one of the most highly surveilled locations in a store with sophisticated technology to prevent all manners of theft.

It is important to note the survey provided to city staff by UFCW is dated, not representative of grocery and is both minimal in scope and not representative of California. Of the handpicked respondents only 12% were grocers and only 9 cities were included with the only one in California being San Francisco, which has its own unique and not common circumstances. The data and analysis provided CGA is recent, directly represents both Long Beach and Costa Mesa circumstances and accounts for recent policy changes such as Prop 36 implementation.

Claims by advocates that employees are at a heightened risk due to SCO are also unfounded. All retailers have strict policies and provide training prohibiting workers from engaging in disturbances, unsafe circumstances and suspected retail theft. Additionally, the State of California requires several layers of protection and training for employees to deal with and dangerous or violent situations, perceived or real, in the form of the CalOSHA Injury and Illness Prevention Program and the Workplace Violence Prevention Plans (SB 553). These laws require identification of any and all threats, regular employee education and training and protections for employees from retaliation.

Specific to the Long Beach Ordinance they chose a policy direction far beyond any previously conceived SCO regulation with policy components that had already been rejected by the State Legislature over the course of two bill introductions. The author did not allow for any changes in language, even to improve implementation. The challenge in implementation is the overly specific operational mandates which are only compounded by Private Right of Action being the enforcement mechanism.

In Long Beach if a grocery clerk allows 16 items to be scanned, they have broken the law. If an item that was previously locked up is scanned at SCO the grocery clerk has broken the law. Many fail to recognize that grocers will support their employees with training and education, but implementation ultimately falls to the employees' action. With the Private Right of Action anyone at any time can file a lawsuit against the company. If a violation is found the company will be held liable and the employee will likely face discipline or dismissal.

January 20, 2026
Mayor John Stephens
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The Private Right of Action enforcement is a second major impact to the use of SCO in Long Beach. Essentially anyone is able to file a lawsuit against a grocer for any perceived violation of the ordinance. This raises the bar significantly when a customer wishes to request a correction. They would have to obtain legal counsel, file a lawsuit and follow the case to its conclusion. For the grocer they would similarly need to engage counsel and devote both time, effort and resources to following the case through its conclusion. This is an exceedingly high bar and resource intensive process for what could be simple corrections or no violation at all.

Similar Private Right of Action enforcement mechanisms at both the state and local levels have all lead to abuse and misuse in an effort to extract financial gains from the business. While recognizing in the current proposal does allow a Right to Cure the time frame is so short at 7 days that its value is minimal at best. Replying to a complaint takes interviewing employees who aren't available every day, review of surveillance video, proper review, assessment and response. A complaint made on a Friday would only allow 3 business days before a response would be due. Most Private Right of Action regulations start at a minimum of 15 days.

Impact on consumers must also be a leading consideration. Approximately 50% of consumers regularly use and prefer self-checkout. For many consumers, especially Gen Z and Millennials, find SCO quicker and easier especially when making smaller purchases. Retailers offer SCO to attract and serve consumers who would otherwise choose online or delivery services versus heading in store. Regulatory schemes that complicate or frustrate employing SCO denies Costa Mesa grocers that ability to compete. We know as grocers that consumers store choices are primarily driven by convenience. We also know that one-third of Costa Mesa grocer shoppers also shop for groceries in Newport Beach with 20% also shopping Santa Ana and almost 15% in Huntington Beach. Taking away grocers' ability to meet their customers desires and needs is a significant maintaining store sustainability.

Grocers across Southern California, and in most of the state, have just ratified a new collective bargaining agreement through 2028. UFCW and its members accepted SCO operation limitations that are nowhere near in scope, depth or specificity as what they are asking Costa Mesa to mandate. It appears disingenuous to agree on operational standards with a business and then immediately run to a jurisdiction and demand exponentially more. The only rational reasoning would be there is something significantly wrong or different in Costa Mesa from the rest of Southern California jurisdictions. We all know this is not the case based upon the data from Costa Mesa Police Department and Costa Mesa grocers.

For the reasons discussed in this letter and the many others presented to the city recently we strongly urge you to not move forward with any SCO regulation at this time, especially one based on Long Beach. Instead, we ask you relook at the necessity of regulation Costa Mesa and review already existing agreements in Collective Bargaining Agreements covering SCO usage. Thank you for your consideration.

Sincerely,



Tim James
Director, Local Government Relations
California Grocers Association

cc: Councilmembers, Costa Mesa City Council