

AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT

Second Reading of Ordinance No. 013, 2025, Amending Chapter 12 of the Code of the City of Fort Collins to Adopt Requirements to Reduce Plastic Pollution and to Update and Reenact the City's Disposable Bag Ordinance.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on February 4, 2025, amends municipal code to be consistent with the state's Plastic Pollution Reduction Act (PPRA), in effect on January 1, 2024, that prohibits stores from providing single-use plastic carryout bags and retail food establishments from distributing expanded polystyrene containers. Updating the code to include a new Article XIV, Regulation of Disposable Bags and Mitigation of Other Sources of Single Use Plastic Pollution, and sunsetting the City's existing Disposable Bag Ordinance will expand enforcement against the distribution of plastic carryout bags and establishes enforcement on the ban of expanded polystyrene foam cups and food containers. Additionally, the Code revisions will provide the City Council with the opportunity to enact more stringent policies aimed at reducing single-use plastics within Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

FIRST READING BACKGROUND / DISCUSSION

In February of 2021, Council passed the Disposable Bag Ordinance (DBO), which was later affirmed by voters in the April 2021 election. DBO banned plastic bags and placed a 10-cent fee on paper bags at 19 large Fort Collins grocers starting May 1, 2022. The State also passed PPRA in 2021 with the goal to mitigate plastic pollution in Colorado through a phased approach.

In Phase 1 of implementation of the PPRA, which began January 1, 2023, Stores in Colorado were required to charge a minimum \$0.10 fee per paper and plastic checkout bag given to customers. The PPRA defined "Stores" to include grocery stores, conveniences stores, liquor stores, dry cleaners, pharmacies, clothing stores and other retail establishments at which carryout bags are traditionally provided to customers. Stores also include farmers markets, festivals, and other temporary vendors. Stores do not include any "small store," which is defined by the PPRA as "a store that operates solely in Colorado, has three or fewer locations in the state, and is not part of a franchise, corporation, or partnership that has physical locations outside of Colorado."

Phase 2 of PPRA, effective January 1, 2024, expanded the initiative to Stores and Retail Food Establishments (meaning restaurants, generally) to include the following:

1. A ban on plastic carryout bags at Stores and some Retail Food Establishments,
2. A 10-cent recycled paper carryout bag fee at Stores, of which 6-cents is remitted to local governments, and
3. A ban on expanded polystyrene food and beverage containers distributed at Retail Food Establishments.

Currently, the State of Colorado may enforce the PPRA. However, the City of Fort Collins is unable to enforce the requirements of the PPRA because those requirements have not been adopted into municipal code. Many Stores and Retail Food Establishments are voluntarily complying with the PPRA, even without City enforcement. 107 Stores in 2024 remitted on the distribution of recycled paper carryout bags.

Stores will keep 4-cents on the 10-cent bag fee and will be required to use their share of the fee to implement PPRA goals. The remaining 6-cents is remitted to the City. Remitted funds will be used for the purposes of managing operations and processes for compliance and remittance tracking, business education, and other waste reduction programs. The fee on disposable bags is not a tax, and none of the proceeds can be used for other expenses.

City staff is recommending the Council adopt the proposed Code changes to allow the City to enforce the requirements of the PPRA effective July 1, 2025. ESD staff is prepared to put in place measures for enforcement, which includes identifying necessary tools to track remittance and stores or food establishments required to remit and stop the use of plastic bags and expanded polystyrene containers.

CITY FINANCIAL IMPACTS

City resources are anticipated to increase by \$178,782 to \$283,257 per year through revenue generated by remittance of approximately 499 - 665 additional businesses due to PPRA criteria for stores. Generated revenue from the Disposable Bag Ordinance in 2024 totaled to \$199,284.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

No formal recommendation was sought, however, waste reduction and recycling is a priority of the Natural Resources Advisory Board.

PUBLIC OUTREACH

With significantly more, about 1,164, businesses impacted, staff will prioritize and amplify outreach efforts by working in tandem with community partners and businesses with the goal of minimizing financial impacts throughout the community.

ATTACHMENTS

First Reading attachments not included.

1. Ordinance for Consideration