



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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April 17, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION

Recommendation to add language to the 2012 State Legislative Agenda to enhance the City's ability to collect delinquent parking citations and request the City Attorney to amend the Long Beach Municipal Code to require any and all delinquent parking citations be paid before release of a towed vehicle to the owner. (Citywide)

DISCUSSION

At the City Council meeting on April 3, 2012, the City Council received the "Parking Citations Collection Process Audit Report" from the City Auditor. As part of the discussion, the City Council requested that staff identify and implement near term solutions to improve revenue collection and research a new parking citation system.

Staff has identified two potential State legislative changes, and one Long Beach Municipal Code change that would expand the City's ability to collect delinquent parking citation revenue. The first relates to the number of delinquent parking citations accruing to a vehicle before it may be towed and liened as a scofflaw vehicle. State law currently requires a minimum of five delinquent parking citations for a vehicle to be identified as a scofflaw vehicle and subject to towing and liening. However, by reducing the number of delinquent parking citations to three would allow the City to tow and lien scofflaw vehicles at an earlier stage making it more likely that the violator has not sold or transferred the vehicle, or that the five-year statute of limitations for collections has not expired.

Secondly, while the Department of Motor Vehicles (DMV) collects and transmits to local municipalities revenue from delinquent parking citations through the annual vehicle registration renewal process, staff has determined that vehicles that are newly registered as a result of sale or transfer are exempt from this collection effort and parking citation revenue remains uncollected. Of the 200 scofflaw vehicles tested in the Audit, 86 percent did not reflect the current vehicle owner, an indication that much of the uncollected parking citation revenue may be attributable to this situation. City staff independently confirmed from parking citation data that of the top 25 scofflaws in the system, all 25 had sold or transferred their vehicles, avoiding the DMV collections process, removing the scofflaw status and rendering the vehicle ineligible for towing. Engaging the DMV to implement a collections system in which delinquent parking citations would be payable upon sale or transfer would increase the revenue to the City.

Staff proposes adding the following language to the State Legislative Agenda in order to pursue legislation that, if enacted, would help the City in collecting on delinquent parking citations:

Title	Section
Additional Issues of State Legislative Importance	<u>T. Parking Citations</u> <ol style="list-style-type: none"><li data-bbox="678 487 1409 592">1. Support or sponsor legislation that would reduce the number of delinquent parking citations required to impound a vehicle from five to three.<li data-bbox="678 600 1442 772">2. Support or sponsor legislation requiring the Department of Motor Vehicles to implement a collections system in which delinquent parking citations would be payable upon sale or transfer of the vehicle.<li data-bbox="678 781 1442 848">3. Support legislation that would give cities additional tools for collecting outstanding parking citations.

Lastly, City staff is proposing that the City Council request the City Attorney to prepare an amendment to the Long Beach Municipal Code that would require that any and all delinquent parking citations be paid before release of a towed vehicle to the owner, regardless of the reason the vehicle was towed.

This matter was reviewed by Assistant City Attorney Michael J. Mais and by Budget and Performance Management Bureau Manager Dennis Strachota on April 6, 2012.

TIMING CONSIDERATIONS

City Council action is requested on April 17, 2012, in order to pursue solutions that could improve revenue collection.

FISCAL IMPACT

These changes have the potential to significantly improve revenue collection, although the amount cannot be estimated at this time.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,


PATRICK H. WEST
CITY MANAGER