



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo
 Councilmember Chappie Jones
 Councilmember Sergio Jimenez
 Councilmember Raul Peralez
 Councilmember Dev Davis

SUBJECT: VEHICLE ABATEMENT AUDIT

DATE: September 30, 2018

Approved

Date



RECOMMENDATION

1. Accept the Vehicle Abatement Audit and the City Manager's response.
2. Direct the City Manager to give high priority to Recommendation #12, to (a) recalculate the release fee based on appropriate criteria for full-cost recovery, including the proportionate cost of time of a PTCO officer, rather than a police officer, where appropriate, and (b) offer a reduced fee to low-income residents for first-time impounds, based on a demonstrated inability to pay.
3. Direct the City Manager to determine which of the following tasks will, based on staff capacity, be pushed forward with a "green light" for implementation, leaving the remaining items for Council prioritization:
 - a. Reevaluate the deployment model and budget of PTCOs to assess under the current OE3 contract, a geography-based deployment that aligns closely or are identical to police divisions, that would enable better-coordinated and informed enforcement;
 - b. Modify recommendations #5 & #6 to better manage workload by creating options in the MySanJosé 2.0 application in the "Abandoned Vehicles" tab to allow users to:
 - i. Check a box to indicate that a vehicle is inhabited, and
 - ii. Allow users to cancel a service request if the vehicle moves, or for another reason.
 - c. Modify Recommendation #10 to utilize the user-provided data (from the previous recommendation, above) to route complaints about inhabited vehicles directly to the Homeless Concerns Team and PTCO through the My San José App to accelerate response, and consider bringing a budget request forward should this change in policy result in increased workload to the homeless response team that cannot be absorbed;
 - d. Using data from our reporting tools, in consultation with the City Manager's "Smart City" Team and the Mayor's Office of Innovation,
 - i. Develop an internal policy on how to better manage staff time and resources to handle frequent offenders ("repeatedly reported vehicles") and frequent reporters;
 - ii. Utilize data analytics to determine where towable vehicles are most likely to be;

HONORABLE MAYOR AND CITY COUNCIL

October 2, 2018

Subject: Vehicle Abatement Audit

- e. Give officers the discretion to tow clearly inoperable and/or abandoned vehicles using criteria such as high-scoring AVASA scale vehicles, where they appear clearly abandoned to the officer relying upon their professional experience.
4. Direct the City Manager to report to Council:
 - a. A schedule for implementing the “green-lighted” changes implemented above by March, 2019, with a status report on the implementation of those changes;
 - b. Bring the Tow Contract Audit directly to City Council upon completion of the audit by the end of the 2018 calendar year.

BACKGROUND

We thank the City Auditor’s Office for their hard work in conducting the thorough audit and submitting the recommendations. We also thank the management and staff from the Department of Transportation, Planning, Building, and Code Enforcement, the Police Department, the Housing Department, and the Finance Department for their time and cooperation with the City Auditor’s Office.

The current deployment model of responding to vehicle abatement cases is such that a PTCO receives a list of cases to respond to, with the older cases taking priority. This current model could be improved upon if the PTCO were deployed to geographies that are in alignment with our Police Divisions, which allows for flexibility and ownership. Deploying PTCO’s by geography will also allow for greater collaboration with SJPd, who often work with PTCO’s to handle stolen or abandoned vehicles.

The top 10 My San José application users submitted 6 percent of all the requests. It is important for PTCO staff to create an internal set of standards to prioritize these requests to effectively respond to cases. We agree with the Auditor’s Office that, based off the conditions observed on a first site visit, PTCO staff needs the flexibility in determining whether a vehicle should be towed on arrival, prioritized for follow up, or must be cited to get the owner to comply with City Ordinances. PTCO should come up with an internal standard of what constitutes an abandoned vehicle prioritized for tow and stored vehicles for citation.

The City deploys homeless services outreach staff with the ultimate goal of housing person(s) living in their vehicle. The current operational model requires that the PTCO mark the vehicle as normal, even if they suspect that the vehicle is inhabited. Residents need an option to check a box on the My San José application that indicates that the vehicle is occupied. These cases should also route directly to our Homeless Concerns Team and create for a more streamlined deployment of resources.

We recognize and appreciate the potential fiscal impact of reevaluating the release fee considering that the fees were intended to recoup resources for expending already limited staff time. The City release fee on its own is \$292. Four in ten adults in the United States have less than \$400 in their bank account to cover emergency or unforeseen expensesⁱ. The average year of vehicles impounded in San José is 1997, making the recovery fee difficult to justify for some owners, as the recovery fee quickly surpasses the fair market value of the average vehicles impounded in San José. The average total fees amount to \$639.50 - higher than any other jurisdictions that the Auditor’s Office surveyed. This presents a significant financial burden to our working class residents. We propose to expedite the reevaluation of the release fee to create a sliding scale release fee system. These proposed changes allow for residents to reclaim their cars that they use to get to work and to carry out other necessities.

HONORABLE MAYOR AND CITY COUNCIL

October 2, 2018

Subject: Vehicle Abatement Audit

We also recognize that a key component of the vehicle abatement process lies with the tow companies. The audit of tow contracts is in progress. We are directing the City Manager to bring the tow audit directly to City Council to take action on by the end of calendar year, when the audit is complete. Doing so will allow for Council action and staff direction to better align with mid-year budget review and possible action.

BROWN ACT

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.

ⁱ 2017 Economic Well-Being of U.S. Households, released by the Federal Reserve Board