

**278829**

RESOLUTION NUMBER R-

**OCT 08 1991**

ADOPTED ON

WHEREAS, section 22710 of the California Vehicle Code provides for the establishment of a Service Authority for Abandoned Vehicle Abatement and imposition of a \$1.00 vehicle registration fee if the Board of Supervisors of the County, by a two-thirds vote, and a majority of cities within the County having a majority of the incorporated population, adopt resolutions providing for the establishment of the authority and imposition of the fee; and

WHEREAS, the City Council finds that an organized program for the abatement, removal, and disposal of abandoned, wrecked, dismantled, or inoperative vehicles is needed to protect the health and safety of citizens; and

WHEREAS, section 22710 of the California Vehicle Code provides for the membership of the Service Authority to be determined by a concurrence of the Board of Supervisors and a majority vote of the majority of cities within the County having a majority of the incorporated population; and

WHEREAS, section 22710 of the California Vehicle Code provides that a Service Program and Plan shall be implemented only with the approval of the County and a majority of the cities having a majority of the incorporated population; and

WHEREAS, the County of San Diego has proposed that The City of San Diego adopt a resolution to establish the San Diego County Abandoned Vehicle Abatement Service Authority and impose a one dollar (\$1.00) vehicle registration fee increase to fund the

Authority; and

WHEREAS, the City of San Diego has until October 18, 1991 to consider this matter or it will automatically be disapproved; and

WHEREAS, the City Manager, in his Report No. 91-416, dated October 7, 1991, recommended that the Council approve establishment of the Authority and the one dollar (\$1.00) vehicle registration fee increase under the following conditions as contained in City Manager's Report No. 91-416, attached hereto as Attachment "A":

1. The California Highway Patrol will accept a service plan which will reimburse the City for vehicles which are ultimately determined to be abandoned but which were impounded under Vehicle Code section 22651(k) which authorizes the removal of any vehicle parked on the street for more than 72 hours;

2. The California Highway Patrol will accept a service plan which will reimburse the City for funds spent on private property abatement cases where the vehicle is removed voluntarily;

3. The California Highway Patrol will accept a service plan which will reimburse the City for funds spent on an enhanced level of abatement service -- this expended service may total \$326,000.00;

4. If the verification requirements will necessitate staffing or equipment expenditures, these should be eligible for AVA Service Authority reimbursement, and should be included in the service plan accepted by the California Highway Patrol;

5. Reimbursement of funds collected from the one dollar (\$1.00) surcharge on vehicle registration must be based on a population pro-rata share methodology;

6. Any excess reimbursement funds accrued by the City should be allowed to remain in the City's account to roll over year-to-year instead of being returned to a County-wide pool;

7. At the end of five years, the City can choose not to be involved in AVA Service Authority and can choose not to continue to impose on the citizens of the City the one dollar (\$1.00) surcharge on vehicle registration to fund the Service Authority;

NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that this Council, for and on behalf of said City, after review of the City Manager's recommendation and discussion thereof, hereby approves establishment and formation of the San Diego County Abandoned Vehicle Abatement Service Authority (AVASA) in San Diego County, and the imposition of a one dollar (\$1.00) vehicle registration fee increase to fund the Authority pursuant to section 22710 of the California Vehicle Code, under conditions set forth hereinabove.

BE IT FURTHER RESOLVED, that the Board of Directors of the San Diego Service Authority for Freeway Emergencies (SAFE) shall

constitute the members of the Board of Directors of AVASA and  
that the Service Program and Plan of AVASA be approved.

APPROVED: JOHN W. WITT, City Attorney

By Jack Katz  
Jack Katz  
Senior Chief Deputy City Attorney

JK:smm:pev  
09/18/91  
10/02/91 COR.COPY  
10/15/91 2ND COR.COPY  
Or.Dept:Fin.Mgmt.  
R-92-435  
Attachment "A"  
Form=r-t



The City of San Diego

# MANAGER'S REPORT

#500  
10-8-91

**DATE ISSUED:** October 7, 1991

**REPORT NO.** 91-416

**ATTENTION:** Honorable Mayor and City Council, Docket of  
October 8, 1991

**SUBJECT:** AB 4114 - Abandoned Vehicle Abatement Service  
Authority

## SUMMARY

**Issue:** Should the City of San Diego adopt a resolution to establish the San Diego County Abandoned Vehicle Abatement Service Authority and impose a one dollar vehicle registration fee increase to fund the Authority?

### Manager's Recommendation:

The City of San Diego should adopt a resolution to establish the San Diego County Abandoned Vehicle Abatement Service Authority, which will be funded through a one dollar vehicle registration fee increase, in accordance with the specific conditions listed in this report.

**Other Recommendations:** The County of San Diego has indicated that the following cities and the County of San Diego have either approved formation of the Abandoned Vehicle Abatement Service Authority or have staff recommendations for approval pending review of their respective city councils: Carlsbad, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Marcos, Santee, and Vista.

**Fiscal Impact:** Imposition of this fee by the County of San Diego would result in \$844,000 of additional revenue to the City. Approximately \$518,000 currently expended by the City for abandoned vehicle abatements could be spent on other high priority City programs, including public safety programs which are currently not funded or are underfunded.

## BACKGROUND

The County of San Diego has proposed that the City of San Diego adopt a resolution to establish the San Diego County Abandoned Vehicle Abatement Service Authority (the AVA Service Authority) and impose a one dollar vehicle registration fee increase to fund the

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ATTACHMENT A

authority. This proposal is pursuant to Assembly Bill 4114 which added Vehicle Code Section 22710 and went into effect January 1, 1991. AB 4114 provides the authority for a county to create, with concurrence of a majority of the cities with a majority of the incorporated population, a countywide Service Authority for Abandoned Vehicle Abatement.

Section 22710.c.2 of the Vehicle Code states that the revenue share to be received by an authority must be allocated to an abandoned vehicle abatement program. The funds shall be used only for removing abandoned, wrecked, dismantled or inoperative vehicles from private or public property.

The formation of an AVA Service Authority would provide reimbursement for the City's existing vehicle abatement program. Reimbursement would be provided through imposition of a one dollar vehicle registration fee as specified in the Vehicle Code.

### DISCUSSION

If a San Diego AVA Service Authority is formed, the County of San Diego has indicated that the proposed Abatement Service Program and Plan would provide for reimbursement based on a population pro rata share methodology. Based on this methodology, the City of San Diego would receive approximately \$844,000 in abatement reimbursement revenue after deducting various fees for the Department of Motor Vehicles, the State Controller and the Abandoned Vehicle Abatement Service Authority.

The City of San Diego can not currently identify \$844,000 in existing program costs which would be eligible for reimbursement under Section 22710.c.2. of the Vehicle Code. It is estimated that \$312,000 is expended from the Police Department General Fund Budget for the City's Abandoned Vehicle Abatement Program.

The County has indicated that, under regulations governed by the California Highway Patrol, costs incurred for vehicles impounded for a 72 hour parking violation (Vehicle Code section 22651(k)) may also qualify for AVA Service Authority reimbursement if such vehicles are ultimately determined to be abandoned. The City does not receive Negligent Impound Fee revenue for these tows because the vehicles have been abandoned by their owners. It is estimated by the Police Department that \$206,000 is expended to remove these abandoned vehicles.

Based on the estimates above, the total costs which may qualify for reimbursement under an AVA Service Authority if the conditions listed in this report are met are \$518,000. Thus, the \$844,000 in revenue which would be generated from the \$1.00 vehicle registration fee would exceed reimbursable costs by approximately \$326,000.

Under state law, the fee increase would be in effect for five years. Inasmuch as current costs of abatement do not total the

anticipated revenue, the City can either increase the level of service in the vehicle abatement program or carry over the excess revenue to finance the current level of service at the end of the five year period.

#### RECOMMENDATION

Adopt a resolution to establish the San Diego County AVA Service Authority and impose the \$1.00 vehicle registration fee. The revenues in excess of current abatement costs can be used to enhance the current abatement service level. The Police Department indicates that an additional \$326,000 in abatement revenue would enable the Police Department to pursue a more proactive approach to private property vehicle abatement. The additional abatement revenue would allow for an increased staffing of Code Compliance Officers which would provide for a significant increase in private property abatements. It is estimated that the added Code Compliance Officers could remove an additional 4,100 vehicles per year from private property through abatement procedures as well as voluntary means. This represents a 300% increase in private property abatements.

If the decision is to proceed with the establishment of a San Diego AVA Service Authority, it is recommended that the resolution to establish the Authority be passed under the following conditions:

o The California Highway Patrol will accept a service plan which will reimburse the City for vehicles which are ultimately determined to be abandoned but which were impounded under Vehicle Code section 22651(k) which authorizes the removal of any vehicle parked on the street for more than 72 hours.

o The California Highway Patrol will accept a service plan which will reimburse the City for funds spent on private property abatement cases where the vehicle is removed voluntarily.

o The California Highway Patrol will accept a service plan which will reimburse the City for funds spent on an enhanced level of abatement service--this expanded service may total \$326,000.

o If the verification requirements will necessitate staffing or equipment expenditures, these should be eligible for AVA Service Authority reimbursement, and should be included in the service plan accepted by the California Highway Patrol.

o Reimbursement of funds collected from the one dollar surcharge on vehicle registration must be based on a population pro-rata share methodology.

o Any excess reimbursement funds accrued by the City should be allowed to remain in the City's account to roll over year-to-year instead of being returned to a county-wide pool.

o At the end of five years, the City can choose not to be involved

in the AVA Service Authority and can choose not to continue to impose, on the Citizens of the City, a one dollar surcharge on vehicle registrations to fund the Service Authority.

Respectfully submitted,



JACK McGRORY  
CITY MANAGER

FRAZIER:AB:ELC  
MGRAVA2

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5500

Passed and adopted by the Council of The City of San Diego on.....**OCT 08 1991**.....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

**MAUREEN O'CONNOR**  
.....  
Mayor of The City of San Diego, California.

(Seal)

**CHARLES G. ABDELNOUR**  
.....  
City Clerk of The City of San Diego, California.

By *Charles G. Abdelnour* , Deputy.

Office of the City Clerk, San Diego, California	
Resolution <b>R-278829</b>	<b>OCT 08 1991</b>
Number .....	Adopted.....