

COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
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ALVIN JAMES, DIRECTOR

November 28, 2001

AGENDA: December 4, 2001

Board of Supervisors
701 Ocean Street
Santa Cruz, CA 95060

ABANDONED VEHICLE ABATEMENT PROGRAM

Members of the Board:

On June 26, 2001 your Board authorized the Planning Director to enter into a contract for the removal of abandoned vehicles with a private contractor. At that time, your Board was informed that the current financing for the Abandoned Vehicle Abatement (AVA) program was inadequate to meet the annual program costs, due in large part to the escalating towing contract costs in recent years. Your Board directed the Planning Department and the County Administrative Office to explore programmatic and fiscal issues and alternatives for future restructuring of the AVA program.

FY 2001-02 Financial Summary

As your Board is aware, the current financing for the AVA program is derived exclusively from a one dollar surcharge on vehicle registrations. The following provides an estimate of the AVA fund for FY 2001-2002:

Fund Balance as of 7/1/01	\$ 42,846
Estimated Annual Revenue from Vehicle Registrations	\$ 92,000
Total Available Financing	\$ 134,846
Estimated Expenditures	
Annual Towing Contract	\$(96,000)
Administrative Expenses	\$ (64,000)
Total Estimated Expenditures	\$(160,000)
Projected (Deficit)	\$ (25,154)

Our projections indicate that, assuming historical levels of revenues and expenditures continuing through the balance of the fiscal year, a shortfall of approximately \$25,000 will occur. Action must be taken to either reduce expenditures or increase financing to avoid a general fund transfer to the AVA program.

Program Alternatives

The Abandoned Vehicle Abatement program is implemented by a cooperative arrangement between the California Highway Patrol, whose officers issue citations for vehicles abandoned on any public street or highway, and the Code Compliance Section of the Planning Department, which handles complaints regarding abandoned vehicles on private property and maintains the information and reports required by the State of California. The abandoned vehicles are physically removed by a private contractor.

Since our last report to your Board, planning staff first examined program arrangements in other jurisdictions. Nine Northern California counties were surveyed: (Alameda, Contra Costa, Marin, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, and Sonoma). The most common arrangement in the nine counties surveyed is a cooperative agreement between the local planning agency and either the local Sheriff and/or CHP, as is established in Santa Cruz County.

There have also been several meetings to explore alternative approaches to administering the AVA program. Planning staff, in conjunction with the County Administrative Office, have met with the Sheriffs Department and the Department of Public Works (DPW) representatives to evaluate alternatives for future management of the program including resolution of funding related issues. The Sheriff determined that the administrative functions could not be absorbed by existing staff and would require an additional FTE to be funded. In addition, the option of DPW purchasing the necessary towing equipment and establishing a storage yard was evaluated by DPW. This analysis concluded that an AVA program administered by DPW would significantly exceed current costs in which a private contractor is utilized and would also require the acquisition of additional property for vehicle storage and processing.

As both departments would be faced with the same revenue shortfall and no improved efficiencies could be identified, it was concluded that there would be limited benefit, either in terms of improved efficiencies or cost savings, to recommend transfer of the program to either the Sheriffs Department or DPW. Therefore, staff has concluded that the current AVA program arrangement, which assigns administrative oversight to the Planning Department, remains the most appropriate and no changes in the organizational placement of the program are recommended to your Board at this time.

State-Enabling Legislation

As noted earlier, the financing for the AVA program is derived from a one dollar surcharge added to vehicle registration fees. State legislation, first enacted in 1991, authorized counties and cities to establish service authorities for the purpose of abating abandoned vehicles. This legislation authorized the imposition of a one dollar service fee for each vehicle registered within the County for the purposes of vehicle abatement. This legislation contained a 10 year sunset provision, which expires on December 31st, 2001. Following enactment of this legislation, the Planning Department took the lead and worked in cooperation with the incorporated cities to establish a county wide Vehicle Abatement Service Authority. Since that time, the County and the four cities within the county have received approximately \$2.2 million dollars, which has been used exclusively for Abandoned Vehicle Abatement. The County receives approximately \$92,000 annually, which has enabled the removal of approximately 6,000 vehicles since inception of the Service Authority.

On August 12, 2001 SB106, which extended the provisions of the original legislation, was signed into law. It is now necessary for the County, and the four cities participating in this program, to adopt another resolution reaffirming their authorization for the Department of Motor Vehicles to continue to collect the \$1 surcharge. Attachment 1 is the appropriate resolution. As the Executive Director of the Vehicle Abatement Service Authority, our Code Compliance Manager has also been in contact with the four Cities and notified them of the need to adopt similar resolutions. These resolutions will be forwarded to the CHP and DMV as required by state statutes.

Supplemental Funding

While there are certain costs which are fairly constant, namely staff and administrative expense, the third party towing contract charges have increased considerably in recent years. Since 1991 the cost of removing the abandoned vehicles has steadily increased; the current annual cost of the towing contract is expected to be approximately \$96,000 – very close to the amount of funds received annually pursuant to SB 106. Therefore, an additional funding source is necessary to cover the administrative costs associated with the program. Other counties have confirmed that their programs have also been adversely affected by the decline in scrap metal prices. It is possible that these costs could decrease in the future, if the scrap metal market changes and we receive more favorable bids in future RFP cycles. However, when program expenditures exceed the available financing, we need to either reduce expenditures or increase revenues or some combination of the two.

Last year, in an effort to reduce expenditures, we discontinued the practice of removing abandoned vehicles from private property. This issue is discussed further in the next section of this report.

On the revenue side, we have identified a potential source of funding to augment the vehicle registration fees – CSA 9C, the Refuse Disposal CSA, administered by the Department of Public Works. Your Board has for several years appropriated approximately \$115,000 annually for property refuse abatement in the CSA 9C budget. After extensive discussions with DPW staff, we are jointly recommending that your Board approve the use of part of the current appropriations for Abandoned Vehicle Abatement. It is our recommendation that \$30,000 be authorized for this purpose. This will provide a small amount, approximately \$5,000, for any unanticipated expenses and still leave adequate funds for other refuse abatement activities. No further budgetary actions are needed at this time. We will work with DPW to include an appropriate amount in next year's budget as well.

Private Property Abatement Policies

Abandoned vehicles left on public highways and streets and on other public property (schools, parks, public parking lots) are highly visible and can create hazards to motorists, emergency vehicles and the general public. Currently, vehicle abatements on public property are processed by the California Highway Patrol and/or Code Compliance staff, and the vehicles are removed by a private tow company on contract to the County.

Private property abatements are handled differently. Only very rarely are vehicles abandoned on private property without the knowledge and/or consent of the property owner. The large majority of vehicle abatement requests for private property originate from the current property owner wishing to have vehicles removed that were left on the property by previous owners or tenants. It is not uncommon for individuals wishing to sell properties to request the County to remove vehicles in an effort to increase the marketability of properties.

Faced with declining revenues and escalating costs, our department changed its practice in the past year regarding private property vehicle abatements. It is the department's current policy to provide the property owner with the necessary forms that enable them, at their cost, to have the vehicle removed. These forms are necessary because the property owner does not have the title to the vehicle to be abated. By accessing the vehicle data for the Department of Motor Vehicles and providing this information in the proper format, the County can enable the private property owner to have the vehicle abated. Similarly with commercial property that provides parking for the public, such as a shopping center or an apartment complex, it is our current policy to make the property owner aware of their responsibility to, after posting the appropriate notice, abate the abandoned vehicle. Vehicle abatement requests on private roads are also handled in accordance with this policy.

In the very rare instances in which a vehicle has been abandoned on private property without the property owner's knowledge and/or consent, the vehicle is removed with the towing cost paid by the County.

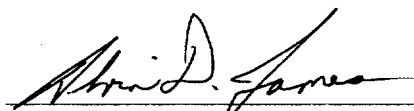
In most instances, these alternative procedures for abating abandoned vehicles on private property have worked very well and have resulted in timely abatements at a minimal public cost. However, in those instances where the property owner is not motivated to remove the abandoned vehicle(s), (where the complainant is someone other than the owner of the parcel where the abandoned vehicle(s) exists), these procedures have not worked particularly well. Problems also occur on private roads, where there is a shared responsibility for road maintenance but a lack of a clear responsible party, such as a road association or homeowners association. In situations such as these, the County can use its enforcement authority and post a Notice of Violation or expend AVA funds to abate the vehicles.

We will be analyzing this issue more completely in the next six weeks and may have additional recommendations for your Board's consideration as part of our February report back on Code Compliance issues.

It is therefore RECOMMENDED that your Board:

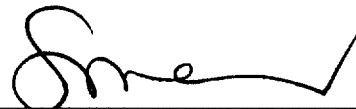
- 1) Adopt the attached Resolution Providing for the Extension of Additional Vehicle Registration Service Fees; and
- 2) Authorize the use of presently budgeted CSA 9C funds for abandoned vehicle abatement and direct Planning and DPW to include an appropriate amount in the FY 2002-2003 budget request.

Sincerely,



ALVIND. JAMES
Planning Director

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer

Attachments:

1. Resolution Providing for the Extension of Additional Vehicle Registration Service Fees

cc: Department of Public Works
Sheriffs Office
County Counsel

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

0156

RESOLUTION NO. _____

On the motion of Supervisor
Duly seconded by Supervisor
The following Resolution is adopted:

RESOLUTION OF THE COUNTY OF SANTA CRUZ
PROVIDING FOR THE EXTENSION OF
ADDITIONAL VEHICLE REGISTRATION SERVICE FEES

WHEREAS, Senate Bill 106 (Chapter 175 of the 2001 Statutes), by Members Sher and Harman will become law as of January 1, 2002; and

WHEREAS, the bill allows for the extension of countywide Service Authorities to abate abandoned vehicles; and

WHEREAS, abandoned vehicles are a public nuisance and danger to the public health and safety; and

WHEREAS, under the provisions of SB106 the majority of cities representing the majority of the incorporated population in conjunction with the Board of Supervisors may approve the extension of the \$1.00 vehicle registration fee to finance abandoned vehicle abatement programs; and

WHEREAS, the Board of Supervisors of the County of Santa Cruz has previously authorized the establishment of the ~~Santa~~ Cruz County Vehicle Abatement Authority ("Authority");

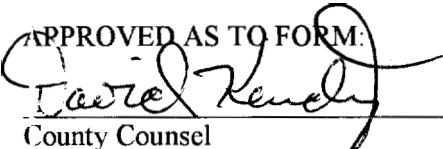
NOW, THEREFORE, BE IT RESOLVED, that the County of Santa Cruz authorizes the extension of the one dollar surcharge on vehicle registration fees for ten years from the date of this Resolution, with one half of the total funds collected by the Authority to be distributed on a quarterly basis among the participating agencies in proportion to their respective populations, as estimated in the most current State Department of Finance Demographic Research Unit E-5 Report, for the purpose of operating vehicle abatement programs and one half of the total funds collected by the Authority to be distributed on a quarterly basis among the participating agencies in proportion to their percentage of the total number of abandoned vehicles abated for the purpose of operating vehicle abatement programs.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this _____ day of _____, 20____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson, Board of Supervisors

ATTEST: _____
Clerk of the Board

APPROVED AS TO FORM:


County Counsel