



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

**SUBJECT: SCHEDULE OF PARKING
PENALTIES AND LATE PAYMENT
SURCHARGE**

DATE: 05-10-04

Approved

Date

Council District: Citywide

RECOMMENDATION

It is recommended that the City Council repeal Resolution No. 71668 and adopt a new resolution to set forth a schedule of parking penalties and a late payment surcharge.

BACKGROUND

Pursuant to California Vehicle Code (CVC) Section 40203.5(a), the governing body of each jurisdiction establishes the schedule of parking penalties for parking violations where the notice of violation is issued, including those penalties set by the State. To the extent possible, the CVC encourages the issuing agencies within the same county to standardize parking penalties. In March 2004, the Mayor, in his March Budget Message, recommended that the City Manager provide a comparison of other city citation fees, including cities within the County, and make recommendations on adjusting San Jose fees based on the findings.

The last parking penalty revision for the City of San Jose was in 1995, at which time the parking penalties for all citations under \$100 were increased by approximately 7%.

Additionally, when parking citations remain unpaid, the issuing agency notifies the Department of Motor Vehicles (DMV) in accordance with CVC Sections 4760 and 40220, resulting in a hold being placed on the vehicle's registration. The hold remains in place until all outstanding parking citations are paid. When the vehicle's registration is renewed, the outstanding penalties are collected by the DMV. The DMV charges the issuing agency a service fee of \$3 for each parking citation collected.

ANALYSIS

Since the last penalty increase of 7% in 1995, the costs for issuing and processing parking citations have increased. The increase is primarily due to contractually obligated increases in citation processing and collection fees paid to the City's vendor, and negotiated salary increases for parking control officers.

Staff conducted a survey of parking penalties within seven cities in Santa Clara, Alameda, Sacramento and San Francisco counties. The results of this survey, as depicted on the attached matrix, indicated that many of the penalties for parking violations in the City of San Jose are below the average of other counties. Staff identified 16 safety and environmental-related violations such as parking in a fire lane, parking in a handicap space, blocking a driveway, or parking during street sweeping that the increased fines are aimed at reducing. The changes should enhance the safety of motorists, bicyclists and pedestrians, improve parking habits, enhance street cleanliness, and improve neighborhood conditions.

In comparison to the other cities surveyed, two of the 16 proposed fees remain below average and eight are consistent with the other cities' average. The remaining six, which are significant safety-related violations – parking in a fire hydrant zone, parking in a fire lane, parking in a handicap space, parking in an intersection, parking in a bike lane, and parking on a sidewalk – are proposed to be between \$3 and \$20 higher than the other cities' average for safety reasons.

The CVC Section 40220 allows the issuing agency to add the surcharge assessed by DMV to collect the unpaid fine as an administrative fee to the fine. In FY 2002-2003, the City paid \$171,603 in these administrative fees to DMV to collect on approximately 57,201 unpaid parking citations. The proposed cost-recovery surcharge would pass this service charge on to the individuals whose unpaid parking citations require collection through DMV.

Based upon the increased costs to issue and process parking citations, to make San Jose's parking penalties consistent with other cities in the surrounding counties, and to discourage unsafe parking habits, staff recommends approval of fee revisions for the parking penalties as presented in the Attachment to this report. The recommended parking fee revisions have been included in the development of the 2004-2005 proposed operating budget.

PUBLIC OUTREACH

Direction to consider parking violation fee adjustments was outlined in the Mayor's March Budget Message. Additionally, two public hearings (May 18 and June 14) are scheduled to receive public input on the proposed 2004-2005 budget.

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COORDINATION

This recommendation has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COST IMPLICATIONS

The proposed citation fee revision is expected to result in approximately \$475,000 in additional annual revenues. In addition, the collection of the DMV surcharge from individuals whose unpaid parking citations require collection through the DMV is expected to generate approximately \$170,000. These fee revisions have been assumed in the development of the 2004-2005 Proposed Operating Budget.

CEQA

Not a project

JAMES R. HELMER
Director of Transportation

Attachment