



Request for City Council Committee Action From the Department of Public Works

Date: August 10, 2004
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral To: None

Subject: Impound Lot Near Term Operation Strategy Update

Recommendations: Receive and file.

Previous Directives:

- On June 28th, 2001 City Council approved the Appraisal, Relocation and Operations Analysis of the Impound Lot, Concrete Crushing, Linden Yards Operations Storage recommendations for changes with amendments, as a follow up step to approval of the Basset Creek Valley Master Plan.

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Approved by:

Klara A. Fabry, P. E., City Engineer, Director of Public Works

Presenters: Michael W. Sachi, Parking and Skyway Systems Engineer
Scott Wellen, Parking System Analyst

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

On June 28th, 2001 the Minneapolis City Council approved the Appraisal, Relocation and Operations Analysis of the Impound Lot, Concrete Crushing, Linden Yards Operations Storage recommendations for changes with amendments, in lieu of the follow up step to approval of the Basset Creek Valley Master Plan.

The City Council action directed staff to undertake the short-term strategies for each of the operations. With respect to the Impound Lot operation, these include the following and are discussed in more detail below:

1. Reduce Number of Vehicles on Police Hold
2. Utilize I-394 and I-94 ROW (right of way) for Overflow Impounds
3. Develop Shared-Use Plan with Park and Recreation Board for West Overflow Lot
4. Investigate Alternative Sites for Relocation—delete from further consideration the properties located near 58th St. And Cedar Ave S. And near 28th Ave S. And Hwy 62
5. Analyze Department Procedures that create impound vehicles; create a landscape plan for existing site
6. Create Plan to Downsize to East Area and Redevelop West Area

Operational Strategy Update

1. Reduce Number of Vehicles on Police Hold
The Impound Lot has been successfully working with the Police Department in reducing the vehicles on Police Hold from a previous peak daily average of 750 vehicles to approximately 300 vehicles, currently.
2. Utilize I-394 and I-94 ROW (right of way) for Overflow Impounds
The Impound Lot currently uses the I-394 and I-94 ROW for overflow operations during street sweep and snow emergency operations under lease agreement with MnDOT.

Impound Storage Locations	Capacity
MAIN IMPOUND LOT	1650
WEST OVERFLOW LOT	730
BRIDGE LOT - 394 ROW	450
GLENWOOD R/S LOTS I-94 ROW (dual use, need 1 day notice)	320
HERITAGE PARK – VAN WHITE BLVD	-500
TOTAL	2650

3. Develop Shared-Use Plan with Park and Recreation Board for West Overflow Lot
This plan is considered unworkable by Public Works due to the nature of Impound Lot operations regarding what occurs when a car is impounded. To illustrate, often vehicles lose parts onto the ground, thus creating a safety hazard in a dual use recreational facility and regular extensive clean-up costs. Additionally, site modification would require working with and the possible removal of contaminated soil (contaminated waste site) at a considerable cost.
4. Investigate Alternative Sites for Relocation—delete from further consideration the properties located near 58th St. And Cedar Ave S. And near 28th Ave S. And Hwy 62
Current consideration includes moving the long term police hold vehicles to an as yet unidentified offsite secure location to free up 300 spaces at the Impound Lot, using a shuttle to transport owners to their vehicles when necessary. Traffic and Parking Services is working with Property Services to secure a new offsite hold facility and explore other options for potential relocation alternatives.

5. Analyze Department Procedures that create impounded vehicles; create a landscape plan for existing site

Impounds are created to satisfy state statute, city ordinance governing the enforcement of laws in force for the Police Department, Regulatory Services, Public Works Department, and city policy. We are continually working with these City departments to minimize the total number of tows and storage times - while still being able to meet the needs of the various departments.

Tows generated by Public Works activity are discretionary. There is no legal requirement to tow and impound a vehicle for violating snow emergency rules, street sweeping, sealcoating, or parking in a no parking zone, etc. Although if this towing did not occur, there is a likelihood that the number of abandoned vehicles left on the street would increase, resulting in traffic congestion, and thus decreasing the livability of the city.

Some preliminary design work has been done to landscape the Impound Lot in the past. These early efforts included the use of trees in the interior of the lot (between the rows). Landscaping elements of this scale will reduce storage capacity, therefore requiring a larger lot and increase maintenance cost. Public Works recommends that landscaping design not be performed until the decisions are made as to where and how large the Impound Lot will be.

6. Create Plan to Downsize to East Area and Redevelop West Area

Downsizing initiatives currently underway are as follows:

A. Impoundment Letter Modifications:

Modification of letter notifying vehicle owners of their vehicle impoundment to include information regarding impending collection of towing and storage fees has recently been implemented. The Impound Lot has been noticing an increase in calls regarding payment of their towing and storage, as well as individuals indicating that they sold the vehicle and did not transfer title. It is too soon to report any reductions in the current vehicle abandonment rate of 25%, though a change in behavior is being observed.

B. Access Impounded Vehicles:

Preventing access to vehicle contents after the statutory 15 days provides incentive to release the vehicle sooner, thus reducing the size of the Impound Lot. This has been in place one month with some success.

C. Multilingual Information:

Multilingual information sheets have been printed regarding abandonment, with alternative disposal options presented in Spanish and Somalia, along with the addition of a language line phone in the lobby to facilitate customer translation needs. Future translation projects are being considered such as brochures and adding additional languages.

D. Insurance Companies' Abandoned Vehicles:

Insurance companies would be charged towing and storage if they abandon accident vehicles at the Impound Lot. This process is being considered for implementation in the 4th quarter of 2004.

- E. Unpaid Towing and Storage Fees:
Collection of unpaid towing and storage as an incentive to reduce abandonment of vehicles at the Impound Lot, thereby reducing storage requirements, is being considered. The MCE (State of Minnesota Collections Enterprise) is proposed to be used by Public Works. Currently, parking tickets are collected in this fashion.
- F. Customer Service Improvements:
The Impound Facility has been internally modified to increase number of cashiering stations, thus speeding the processing of customers. Additional modifications of the facility are desired such as the addition of public restrooms, additional customer service windows, and an expanded waiting area. These modifications will ultimately serve to encourage people to pick up their vehicles sooner, since the waiting lines would be shorter, leading to a smaller Impound Lot.
- G. Direct Disposal of Vehicle on Street:
This strategy is proposed to leave abandoned vehicles on the street for the 15-day state required hold period, thus not towing or storing at the Impound Lot. After the 15-days the vehicle is officially abandoned and can be promptly sold at auction. This would be similar to the private property abandoned vehicle procedures currently being used. Public Works has researched state statutes and city ordinances and believes a city ordinance change may allow this action. Public Works will seek City Attorney review and recommendation regarding the statutes and ordinances. If state statute changes are needed these would be forwarded for the City's 2005 legislative agenda.
- H. New Vehicle Registration:
Another option is to change state law to prevent new or used vehicle registration to the owner of a previously abandoned vehicle. This initiative is in the research stages.
- I. Advertising Auction:
The Department has created a public service announcement, placed it on the city cable channel, and is also using "video text" capability on cable TV.
- J. Web Site Advertising:
The public auction list is currently published on City of Minneapolis Impound Lot web site. Publish the vehicle auction on the City of Minneapolis main web page when the public auction is to occur. This is being considered.
- K. Inspection Tow Storage Recovery:
The Inspections Department has a program in place that assesses property owners the administrative cost of removing abandoned vehicles from private property. The Impound Lot currently is not able to recover the cost of vehicle storage within ordinance guidelines. We are proposing an ordinance change to allow the recovery of the storage expenses through the assessment process.
- L. Television:
Create public service announcements regarding vehicle disposal. This is being considered.
- M. Print Media:
Create brochure regarding proper disposal of vehicle, describing where to go, tax write-off, who to call. This is being considered.

N. Web Site:

Publish vehicle disposal information on City of Minneapolis - Impound Lot website. This is being considered.

O. Community Outreach:

Community outreach through town hall meetings, mayoral address, and brochure dissemination at car dealerships and other locations.

Summary of Impound Lot Use

Public Works and Police made changes to the hold vehicles policy beginning in September of 2003. The average space utilization analysis reflects both the reduction of police hold vehicles and other reduction initiatives as outlined in the table below.

Average Daily Space Utilization		
<i>Year</i>	<i>1st Quarter</i>	<i>2nd Quarter</i>
2003	1280	1200
2004	1184	1020
<i>Reduction</i>	96	180

Based on the above 1000 - 1200 typical daily use, the main portion of the Impound Lot (1650 spaces) is adequate to accommodate these needs. However, this does not meet the peak conditions during street sweeping, snow emergencies, and sealcoating that impact the overall facility use and size. The remaining overflow and ROW lots (1000 spaces) are used for these peaking situations.

If the West Overflow Lot (730 spaces) is vacated, both the I-94 and I-394 ROW lots will require improvements to accommodate 24 hour utilization. This will involve the addition of a structure, security installation for fencing, and additional FTE's to accommodate security staffing and towing needs. However, both the ROW lots are on a short-term lease with MnDOT and thus may not be available long-term due to security concerns or MnDOT needs. As noted above Public Works will continue to explore other locations and options.

Additional efforts related to the Impound Lot downsizing are being explored. These issues include what is the "breakeven" point to where the successful downsizing has a detrimental affect on the Impound Lot. Currently, the Impound Lot is operated so that revenues match expenses resulting in little or no net revenue. As such, when successful Impound Lot reduction occurs and revenues decrease then the correct expenses need to be reduced. The four key expense categories are a) tow contracts, b) labor, c) overhead and facilities, and d) other. Public Works will continue to examine this "breakeven" point and return to City Council with further information.