

City Clerk File No. Ord. 11-142

Agenda No. 3.A 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 11-142

TITLE: AN ORDINANCE AMENDING CHAPTER 319 - (TOWERS AND TOWING) TO PERMIT PRIVATE TOWERS TO PROVIDE TOW POUND SERVICES TO THE CITY OF JERSEY CITY

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

WHEREAS, the City of Jersey City (the "City") desires to permit private towers to provide tow pound services to the City pursuant to N.J.S.A. 40:48-2.49 and N.J.S.A. 40:48-2.54; and

WHEREAS, the City will enjoy cost savings by eliminating the tow pound currently operated by the Jersey City Incinerator Authority;

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Jersey City, that:

A. The following amendments to Chapter 319 (Towers and Towing) Article VI (Department of Administration) are hereby adopted:

§ 319-11.- Schedule of maximum prices; disclosure.

A. Maximum fees to tow, transport, convey or move vehicles.

(1) No tower shall charge more than the following maximum fees to tow, transport, convey or otherwise move a vehicle from one location within the City of Jersey City to another location within the City of Jersey City:

(a) Class I vehicle: \$150 (one hundred fifty dollars) inclusive of a forty-dollar (\$40) administrative fee. [~~\$120. In the event the vehicle is towed to the city's impound yard, the one hundred twenty-dollar (\$120) fee shall include a forty-dollar (\$40) administrative fee.~~]

[Amended 6-25-2008 by Ord. No. 08-093]

(b) Class II vehicles: \$200 (two hundred dollars) inclusive of a forty-dollar (\$40) administrative fee. [~~\$160. In the event the vehicle is towed to the city's impound yard, the one hundred sixty-dollar (\$160) fee shall include a forty-dollar (\$40) administrative fee.~~]

[Amended 6-25-2008 by Ord. No. 08-093]

(c) Class III vehicles: \$225 per hour (minimum two hours).

§ 319-15.- Rotating system of summoning towers.

(6) Licensees will respond to Jersey City Police Department requests for service within twenty (20) minutes. If a tower does not respond within the allotted time and another tower is called to respond, the first tower may be suspended or removed from the rotation list at the discretion of the Police Director.

~~§ 319-18.- Impound yard surrender fee, penalty.~~

~~Vehicle owners who wish not to claim and or remove their vehicle from the city's impound yard must sign a certificate of ownership which transfers ownership to the Jersey City Incinerator Authority and pay a surrender fee of \$150 to cover costs relating to the disposal of the vehicle. Failure to do so may result in the owner being cited with a summons for abandonment of motor vehicle pursuant to N.J.S.A. 39:4-56.5 which will subject the owner, for the first offense, to a fine of not less than \$100 nor more than \$500, and his license or driving privilege may be suspended or revoked for not more than two years. For any subsequent violation, the owner will be subject to a fine of not less than \$500 nor more than \$1,000, and his license or driving privilege may be suspended or revoked for not more than five years.]~~

§ 319-19.- Impounded vehicle yard operator, operations.

Vehicles impounded by the Police Department shall be towed to a privately operated tow pound.

1. Tow pound operators shall possess both Class A Tower's License (Heavy Duty) and Class A Tower's License (Light Duty) as described herein and comply with all associated rules and regulations as promulgated by the Director and the Police Director. They shall be on the Police Department's impound towing list and comply with the related policies and rules.

2. Tow pound operators shall maintain within the City limits a minimum of 300 (three hundred) storage spaces for Class I vehicles, 10 (ten) spaces for Class II vehicles, and 10 (ten) spaces for Class III vehicles.

3. Should there exist no tow pound operator that complies with the requirements of this Chapter, the Director is authorized to license a tow pound operator outside the City limits.

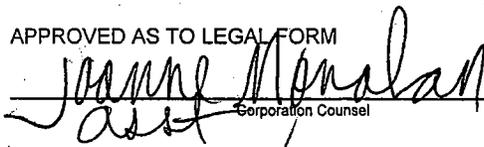
4. As per N.J.S.A. 39:10A 1, vehicles left unclaimed may be sold at public auction after 20 business days but shall be sold no later than 90 business days. Tow pound operators will have the right to recover their fees from the vehicle owner when the vehicle is auctioned, with the difference between the moneys owed the tow pound operator and the auction price to be returned to the City. Tow pound operators will prepare all the paperwork associated with the transfer of title in accordance to procedure established by the Police Director. Tow pound operators will maintain (and provide to the City) adequate records relating to the processing of tows, impounds, releases (including storage fees and other receipts). Operators will also provide quarterly financial statements prepared in accordance with generally accepted accounting principles summarizing fees and income collected. When possible, all viable personal property from the impounded vehicles must be removed from the vehicle by the owner prior to being towed to the tow pound. Operators will provide access for release of vehicles to the public between the hours of 8 AM to 6 PM Monday through Saturday.

5. Duly licensed towers on the Police Department's impound towing list shall tow impounded vehicles to a tow pound operator described herein and designated by the Director. The tow pound operator shall pay the tower \$90 (ninety dollars) upon receipt of the vehicle at the tow pound. The tower shall not receive any other payment for the towing of the vehicle to the tow pound. The difference between the total towing fee of \$150 (one hundred fifty dollars) less the City's administrative fee of \$40 (forty dollars), less the towing fee of \$90 (ninety dollars), shall be \$20 (twenty dollars) and go to the tow pond operator.

- B. The Mayor and/or Business Administrator are hereby authorized to execute any agreements appropriate or necessary to effectuate the purposes of this ordinance.
- C. All ordinances or portions of ordinances which are inconsistent with this Ordinance shall be repealed as to their inconsistencies only.
- D. If any provision or paragraph of this Ordinance shall be held invalid by any court of competent jurisdiction, the other provisions or paragraphs of this Ordinance shall not be affected, except so far as the provision or paragraph declared invalid shall be inseparable from the remainder or any portion thereof.
- E. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- F. This ordinance shall take effect at the time and in the manner as provided by law.
- G. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

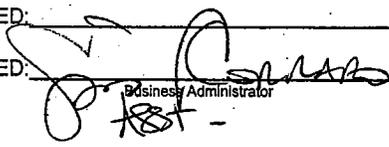
Note: All new material is underlined; words in [brackets] are omitted. For purposes of advertising only, new matter is **boldface** and repealed matter by *italics*.

GC/gc
11/2/11

APPROVED AS TO LEGAL FORM


 Joanne Monahan
 Corporation Counsel

Certification Required
 Not Required

APPROVED: _____
 APPROVED: 

 Business Administrator

This summary sheet is to be attached to the front of any ordinance, resolution, cooperation agreement or contract that is submitted for Council consideration. Incomplete or sketchy summary sheets will be returned with the resolution or ordinance. The department, division or agency responsible for the overall implementation of the proposed project or program should provide a concise and accurate statement of facts.

1. Full Title of Ordinance/Resolution/Cooperation Agreement :

AN ORDINANCE AMENDING CHAPTER 319 - (TOWERS AND TOWING) TO PERMIT PRIVATE TOWERS TO PROVIDE TOW POUND SERVICES TO THE CITY OF JERSEY CITY

2. Name and Title of Person Initiating Ordinance/Resolution :

JOHN KELLY, BUSINESS ADMINISTRATOR

3. Concise Description of the Program, Project or Plan Proposed in the Ordinance/Resolution:

THE AMENDMENT TO THE ORDINANCE WILL REPLACE THE CITY-OPERATED CAR POUND WITH PRIVATELY OPERATED CAR POUNDS. DETAILS ARE DELINEATED IN THE ATTACHED MEMORANDUM.

4. Reasons (Need) for the Proposed Program, Project, etc.:

CLOSING THE CITY-OPERATED POUND WILL SAVE THE CITY OVER \$300,000 PER YEAR.

5. Anticipated Benefits to the Community:

THE COST SAVINGS WILL BE PASSED ON TO TAXPAYERS THROUGH A REDUCTION IN THE ANNUAL APPROPRIATION TO THE JERSEY CITY INCINERATOR AUTHORITY.

6. Cost of Proposed Program, Project, etc. (Indicate the dollar amount of City, State and Federal Funds to be used, as well as match and in-kind contributions.)

THERE IS NO COST ASSOCIATED WITH THIS AMENDMENT.

7. Date Proposed Program or Project will Commence:

THE PROGRAM WILL BEGIN UPON THE EFFECTIVE DATE OF THE ADOPTED ORDINANCE AMENDMENT.

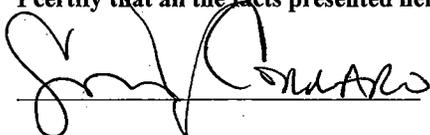
8. Anticipated Completion Date:

THE TRANSITION WILL BE COMPLETE WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THE ADOPTED ORDINANCE AMENDMENT.

9. Person Responsible for Coordinating Proposed Program/Project:

GREGORY CORRADO, FOR THE BUSINESS ADMINISTRATOR'S OFFICE
OREN DABNEY, FOR THE JERSEY CITY INCINERATOR AUTHORITY

I certify that all the facts presented herein are accurate. To my knowledge.



Signature of Department Director

11/2/11

Date



MEMORANDUM

DEPARTMENT OF ADMINISTRATION

To: Council President Brennan and Council Members
From: Gregory J. Corrado, Assistant Business Administrator
Re: Jersey City Car Pound – Revised Amendments
Date: November 2, 2011

At the request of the Council and the Mayor's Office, the Administration has investigated ways to address concerns raised at the recent Council Meeting regarding proposed changes to Chapter 319 (Towers and Towing) of the City's code.

Addressing Concerns Raised at First Reading

Specifically, Council Members voiced the opinion that the new car pound operator should be located within the City limits if possible. Towers, present at the meeting, expressed the concern that the new license requirements would preclude them from towing vehicles involved in traffic accidents (as an inadvertent result of the ordinance amendment).

Consequently, on Thursday, October 27, 2011, I coordinated a meeting between the Business Administrator, myself, and all Jersey City licensed towers in the Business Administrator's conference room. The conversation was lively and incisive; and we believe that the revised ordinance amendments will satisfy most of the tower's concerns, most specifically with regard to the towing of vehicles involved in traffic accidents.

In addition, we have met with the Mayor's Office and the leadership of the Jersey City Incinerator Authority (JCIA) to fine tune the ordinance amendments that directly affect the location of the new pound and the process of vehicle auctions. As a result, the amendments will endeavour to identify an operator within the City limits, and the JCIA will continue to process vehicle titles and conduct the City's abandoned vehicle auction.

Overview

I would like to take this opportunity to reiterate the reasons behind the Administration's actions regarding the Tow Pound.

As part of the Business Administrator's efforts to make City operations more efficient, we are identifying City functions that replicate private sector businesses with the intention to determine whether it would be beneficial for the City to discontinue providing the duplicated function.

One example of private sector duplication is the City Car Pound operated by the Jersey City Incinerator Authority (JCIA). The Car Pound runs at a deficit and is readily replaced by the private sector. In 2010, the Car Pound deficit was over \$325,000. This is especially disturbing considering that no other nearby municipality or county runs a car pound. It is the Administration's intention to close the pound and permit private towers to store towed cars.

Not only will the closing of the car pound save City operating expenses, but it will also save approximately \$1.4 million in construction costs at the new Jersey City Incinerator Authority (JCIA)/Department of Public Works (DPW) compound at East Linden Avenue.

In addition, the closing will make the current Car Pound land available for sale immediately (as opposed to when the East Linden Avenue compound is complete). The Car Pound land sale would provide needed revenue for CY2012, and result in the land being returned to City tax role for revenue in future years.

Description of Current Operations

Currently, private towers respond on a rotating basis to requests for service by the Jersey City Police Department (JCPD). Cars are then towed to the Jersey City Car Pound on Burma Road at the edge of Liberty State Park.

Towing Rates are strictly controlled by City Ordinance (Chapter 319); towing policy and procedures are promulgated by the Jersey City Police Director. The owners of the vehicles pay the towing and storage fees when they claim their vehicles.

Unfortunately, many vehicle owners do not pick up their vehicles promptly or do not pick up their vehicles at all and thereby abandon them. After a period of ninety days abandoned vehicles are sold at auction, often at prices less than the total towing and storage fees owed. This leaves the City with substantial financial losses.

According to the JCIA official 2010 financial audit, the Car Pound ran a deficit of \$242, 376. This loss does not include associated costs of benefits, payroll, maintenance, utilities, purchasing, accounting, legal, and liability issues related to the running of the Pound. These associated costs would increase the loss above \$242, 376.

In addition, the JCPD maintains two full-time civilians at the car pound (to receive payments and process vehicle release paperwork) for a total of approximately \$80,000 per year.

Currently, the design of the JCIA/DPW compound contains the provision for a new car pound which will cost approximately \$1.9 million to construct. This includes paving, foundations, car racks, lighting, fencing, and security. If the area is instead only paved for industrial parking, the cost will be approximately \$500,000. The net savings will be \$1.4 million.

Proposed Towing Operations

The Administration investigated towing practices of several nearby municipalities (Bayonne, Hoboken, Newark, Orange) and counties (Hudson, Essex). Not one of them operates a large municipal vehicle pound like Jersey City; all of them rely on private entities to tow and store most vehicles.

Therefore, the Administration proposes to create a private vehicle pound licensee, who will tow impounded vehicles and also accept impounded cars from third party towers. This private pound licensee will store cars on their property and dispose of them according to applicable law. When abandoned vehicles are sold at auction, the difference between the sale prices and the towing/storage fees will go to the City. To the vehicle owners, the towing process would not change at all. Only the location of their towed vehicle would change.

The Administration toured several tow pound facilities as part of analyzing the merits of this proposal. GXR Auto, located at 10 East Linden Avenue in Jersey City, is interested in becoming the City's tow pound. GXR is immediately across the street from the new JCIA/DPW compound, and only a short walk to the Light Rail Station at Danforth Avenue. GXR Auto has also performed services at the City tow pound in recent years.

Once the ordinance amendment is effective, the pound will need to be emptied. The JCIA holds public auctions to dispose of abandoned vehicles. At the most recent auction on August 31, 2011, over 120 vehicles were sold. The current stock of vehicles will be similarly auctioned off as per state statute. Vehicles retained by the Prosecutor's Office would be temporarily relocated to the DPW compound on Route 440.

It has wrongly been suggested the City's license agreement with the JCIA will need to be amended to reflect this change. The New Jersey Department of Community Affairs has determined that all elements in the license agreement outside the NJ statute authorizing the establishment of the JCIA are ultra vires and not permissible. The closing of the tow pound complies with the DCA's determination.

In order to achieve this end, the City's towing ordinance needs to be amended to increase minimal storage capacity to address the City's needs. At the same time, the Administration recommends taking this opportunity to increase base towing rates. The following is an analysis of comparative towing and storage rates.

Towing Rates Comparison

Government Entity	Towing Class I Vehicles (cars and SUVs)	Towing Class II Vehicles (larger vehicles)	Towing Class III Vehicles (very large >14,000 lbs.)
Jersey City <i>Current</i>	\$120	\$160	\$225 per hour
Jersey City <i>Proposed</i>	\$150	\$200	\$225 per hour
Bayonne	\$70 plus \$1.75/mile	\$100 plus \$1.75/mile	200 per hour (2 hour minimum)
Newark	\$175 plus \$4/mile	\$350 plus \$7/mile	\$350 plus \$7/mile
City of Orange	\$125	\$250 per hour	\$350 per hour
Essex County	\$60 plus \$2.50/mile	150% of Class I rate (\$90 plus \$3.75 mile)	250% of Class I rate (\$150 plus \$6.25/mile)
NJ State Police (Turnpike Towing)	\$175	\$375	\$375

Attached is the proposed ordinance amending Chapter 319 – Towers and Towing. The Administration intends to present the revised amendments for consideration at the next Council Meeting. Your anticipated support and approval is greatly appreciated.

C: Mayor Healy
 Rosemary McFadden, Chief of Staff
 Jack Kelly, Business Administrator
 William Matsikoudis, Corporation Counsel
 Oren Dabney, Executive Director, JCIA

City Clerk File No. Ord. 11-143

Agenda No. 3.B 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 11-143

TITLE: AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) OF THE JERSEY CITY CODE ARTICLE VII (METERED PARKING) AMENDING THE DESIGNATION OF PARKING SPACES AND SUPPLEMENTING THE ON-STREET PARKING METER ZONES TO INCLUDE THE EAST SIDE OF WARREN STREET BETWEEN CHRISTOPHER COLUMBUS DRIVE AND MORGAN STREET

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

A. Chapter 332 (Vehicles and Traffic) Article VII (Metered Parking) of the Jersey City Code is hereby supplemented as follows:

Article VII Metered Parking

§332-48. Designation of parking spaces.

The Jersey City Parking Authority is hereby directed and authorized to provide for the marking off of individual parking spaces in the parking meter zones designated and described below, said parking spaces to be designated by lines painted or marked on the curbing or surface of the street or lot. At each space so marked off, it shall be unlawful to park any vehicle in such a way that said vehicle shall not be entirely within the limits of the space so designated. When a parking space in any parking meter zone is at right angles or diagonal to the curb, sidewalk or island, any vehicle parked in such a parking space shall be parked with the front of the vehicle facing such meter.

A. On-street parking meter zones. Parking or standing a vehicle in a parking meter space in the on-street parking meter zones described below shall be lawful during the hours specified only upon the deposit of such amount as is indicated for each specified period of time:

Parking Meter Zones

Name of Street	Limits
<u>Warren St</u>	<u>East side; 35 feet north of Columbus Drive to 60 feet north</u>

B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

0201212

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) OF THE JERSEY CITY CODE ARTICLE VII (METERED PARKING) AMENDING THE DESIGNATION OF PARKING SPACES AND SUPPLEMENTING THE ON-STREET PARKING METER ZONES TO INCLUDE THE EAST SIDE OF WARREN STREET BETWEEN CHRISTOPHER COLUMBUS DRIVE AND MORGAN STREET

- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in [brackets] are omitted. For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

JM/he
10/31/11

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required