

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: December 12, 2018

SUBJECT: **DISCUSSION REGARDING THE RENEWAL OF THE POLICE AND PARKING DEPARTMENT TOWING PERMITS TO BEACH TOWING SERVICES, INC. AND TREMONT TOWING, INC. FOR A TERM OF ONE (1) YEAR, COMMENCING ON MARCH 1, 2018 AND EXPIRING ON FEBRUARY 28, 2019**

ADMINISTRATION RECOMMENDATION

The Neighborhoods and Community Affairs Committee (NCAC), by acclamation, moved the item to the City Commission for a discussion to renew the towing permits.

ANALYSIS

Walker Parking - Police and Parking Department Towing Rate Analysis

“Walker” Parking Consultants was engaged to perform a towing rate analysis, including following scope of services and related deliverable:

1. Review the existing towing rate structure, including a CPI (Consumer Price Index) analysis.
2. Perform a comparative analysis of towing rates in comparable communities in the region, including towing rate adjustments in other jurisdictions in the region during the period between the last towing rate increase in Miami Beach (2012) and today.
3. Provide a recommendation for maximum allowable towing rates.
4. Perform an analysis of credit card acceptance by towing service providers, including a comparative analysis of credit card acceptance policies and practices in other jurisdictions, regionally and nationally; and any exposure to financial losses by the towing service providers related to citizens contesting credit card charges (Chargeback) for a non-consensual tow.

Walker’s analysis (see attached report) provides the following findings and related recommendations:

Maximum Allowable Towing Rates

Walker compared City of Miami Beach towing rates to those of comparable cities and counties throughout the State of Florida. The purpose of this benchmarking exercise is to demonstrate how similar cities have structured their rates for non-consensual towing operations. The following cities and counties were analyzed:

1. Broward County
2. Daytona Beach
3. Key West
4. Miami - Miami-Dade County
5. Monroe County
6. Panama City Beach
7. Pinellas County
8. Tampa – Hillsborough County
9. West Palm Beach – Palm Beach County

Class “A”, Storage, and Administrative Fees

Most vehicle tows fall under Class “A” Tows. The jurisdictions referenced above had Class “A” tow rates ranging between \$167.00 (Palm Beach County) and \$87.50 (Panama City), averaging \$124.73, as compared to \$140.00 in Miami Beach. It should be noted that Miami Beach’s tow rates for Class “B”, Class “C”, and Class “D” ranked substantially lower than the average of those studied.

Storage fees ranged between \$15.00 and \$30.00 with Key West, Monroe County, and Miami Beach at \$30.00. The average Administrative Fee is \$35.00 which is consistent with Miami Beach.

Annual Rate Increases

The cities and counties studied by Walker state that maximum rates may be altered, revised, increased or decreased by commission approval. Broward County specifically stated maximum towing rates are to be reviewed annually and increased by the annual percentage increase in the Consumer Price Index (CPI) or 3%, whichever is less. In 2018, the annual CPI increase was 2.3% and the rates were increased by that amount. Again in 2019, the rates increased another 2.3%. While it’s important to recognize Broward County mandates these increases in their ordinances, other cities and counties have the authority to approve a rate increase.

Acceptable Forms of Payment – Credit Card Acceptance

All comparable cities and counties accept cash and money orders however the following cities and counties accept credit card payment as an additional option: Broward County, the City of Key West, the City of Miami, Monroe County, Pinellas County, Palm Beach County, and Miami-Dade County. While these cities and counties have specified acceptance of bank credit cards, no additional information is available at this time discussing policies guiding the acceptance of credit cards.

City or County Jurisdiction	Cash	Check	Credit Card	Debit Card
Palm Beach County	X	X	X	X
Miami Beach	X	X		
Broward County	X	X	X	X
Key West	X	X	X	X
Monroe County	X	X	X	X
Tampa	X	X		X
Miami	X		X	
Daytona Beach	X			
Pinellas County	X		X	X
Panama City Beach	X	X		

CONCLUSION

Walker Parking does not recommend a rate increase at this time. The Administration is seeking direction regarding the towing permit term (one year term expires on February 28, 2019) and acceptable forms of payment (credit card acceptance policy).