

THIS PRINT COVERS CALENDAR ITEM NO. : 10.4

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Resolution recommending that the Board of Supervisors approve extension of the \$1 Abandoned Vehicle Abatement ("AVA") fee for a ten-year period from June 1, 2013 until May 31, 2023 and imposing the AVA Fee, contingent upon such approval, for a ten-year period from June 1, 2013 until May 31, 2023.

SUMMARY:

- California Vehicle Code Sections 9250.7 and 22710 provide for the establishment of a Service Authority for the Abatement of Abandoned Vehicles ("Service Authority") and the imposition of a one-dollar AVA fee, to be added to vehicle registration fee, to pay for the abatement of abandoned vehicles. The AVA fee must be renewed every ten years.
- In 1992 the Board of Supervisors (BOS) established a Service Authority for the City and County of San Francisco, designated the members of the Department of Parking and Traffic Commission to serve ex officio as the members of the Service Authority, and approved imposition by the Service Authority of an AVA fee. The BOS authorized renewal of the AVA fee in 2002 to run from June 1, 2003 until May 31, 2013.
- The SFMTA Board took over the Service Authority function in 2008.
- In order to continue the program, the BOS must approve renewal of the AVA fee and the SFMTA, acting as the Service Authority, must approve extending the \$1 AVA fee.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR _____ 3/25/13

SECRETARY _____ 3/25/13

ASSIGNED SFMTAB CALENDAR DATE: April 2, 2013

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PURPOSE

The purpose of the proposed resolution is to recommend that the Board of Supervisors approve extension of the \$1 AVA fee for a ten-year period from June 1, 2013 until May 31, 2023, and to impose the AVA Fee, contingent upon the Board of Supervisors' approval, for a ten-year period from June 1, 2013 until May 31, 2023.

GOAL

Approval of the proposed resolution will support Goal 3 of the SFMTA Strategic Plan: Improve the environment and quality of life in San Francisco.

DESCRIPTION

In 1990, Section 22710 was added to the California Vehicle Code to allow counties to establish a Service Authority to administer the Abandoned Vehicle Abatement (AVA) program. Through the program, abandoned vehicles or vehicle parts that promote blight or constitute a fire or health hazard may be removed from City streets. Section 9250.7 of the Vehicle Code allows the Service Authority to impose a \$1 fee to mitigate the counties' program costs. The \$1 fee is paid along with vehicle registration fees collected by the California Department of Motor Vehicles ("DMV"). Funds collected are apportioned by the DMV to all participating counties. Section 9250.7 provides that the AVA fee expires after ten years, but may be renewed with approval of the county's board of supervisors by a two-thirds vote. Upon such approval, the Service Authority may impose the AVA fee for an additional period of up to ten years.

In 1992 the San Francisco Board of Supervisors (BOS) established a Service Authority for the City and County of San Francisco, designated the members of the Department of Parking and Traffic Commission to serve ex officio as the members of the Service Authority, and approved imposition by the Service Authority of the AVA fee. (Ordinance No. 228-92; File No. 124-92-7.) In 2002, the BOS authorized renewal of the AVA to run from June 1, 2003 until May 31, 2013. (Resolution No. 626-01; File No. 021475.) The BOS designated the SFMTA Board to serve as the Service Authority in 2008. (S.F. Transportation Code Section 4.4(a).) In order to continue the program, the BOS, by a two-thirds vote, must approve extension of the fee until May 2023, and the SFMTA Board must impose the \$1 AVA fee for an additional ten years.

ALTERNATIVES CONSIDERED

The alternative would be to not renew the AVA fee. Because this would have a negative impact on the SFMTA budget, this option was rejected.

FUNDING IMPACT

In order to receive San Francisco's apportionment of fees collected for the statewide AVA program, the SFMTA submits annual costs for the program to the State Controller's Office. Failure to renew the program or extend the fee would result in a loss of funds in the operating

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budget of approximately \$500K annually. Exact figures are listed below:

Fiscal Year	AVA Reimbursement Amount
FY2012	\$515,309
FY2011	\$454,859
FY2010	\$475,167
FY2009	\$483,197
FY2008	\$489,931
FY2007	\$485,940
FY2006	\$478,088
FY2005	\$482,550
FY2004	\$478,380
FY2003	\$484,407

PUBLISHED NOTICE AND PUBLIC HEARING

Pursuant to Charter Section 16.112 and Rule 10.4 of the Rules of Order of the SFMTA Board of Directors, advertisements were placed in the City’s official newspaper to provide notice that the Board of Directors will hold a public hearing on April 2, 2013 to consider extending the AVA fee for an addition ten years. The advertisement ran in the San Francisco Examiner for a five-day period beginning on March 14, 2013.

RECOMMENDATION

The SFMTA recommends that the SFMTA Board of Directors impose the \$1 Abandoned Vehicle Abatement fee for a ten-year period from June 1, 2013 until May 31, 2023, contingent upon Board of Supervisors' approval of such extension by a two-thirds vote, and that the SFMTA Board of Directors recommend that the Board of Supervisors approve extension of the Abandoned Vehicle Abatement fee for ten years, from June 1, 2013 until May 31, 2023.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, In 1990, Section 22710 was added to the California Vehicle Code (CVC) to allow counties to establish a Service Authority for the Abatement of Abandoned Vehicles ("Service Authority") to administer the Abandoned Vehicle Abatement (AVA) program; and,

WHEREAS, Through the program, abandoned vehicles or vehicle parts that promote blight or constitute a fire or health hazard may be removed from City streets; and,

WHEREAS, Section 9250.7 allows a Service Authority to impose a \$1 AVA fee to mitigate the counties' program costs, to be paid as part of the vehicle registration fee for each vehicle registered by a county resident; and,

WHEREAS, In 1992, the San Francisco Board of Supervisors established the Service Authority, designated the Department of Parking and Traffic Commission to act as Service Authority, and authorized the Service Authority to impose the AVA fee; and,

WHEREAS, In 2002 the Board of Supervisors authorized extension of the AVA for an additional ten years, until May 31, 2013; and,

WHEREAS, In 2008 the Board of Supervisors transferred the Service Authority responsibilities to the SFMTA; and,

WHEREAS, The current AVA fee will expire on May 31, 2013; and,

WHEREAS, Failure to extend the AVA fee would result in a loss of approximately \$500K annually, which would support the SFMTA's efforts to abate the nuisance created by vehicles abandoned in the City;; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors extends the \$1 Abandoned Vehicle Abatement fee for a ten-year period from June 1, 2013 until May 31, 2023 and that such extension is contingent upon the Board of Supervisors approving the extension of the AVA fee by a two-thirds vote; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors recommends that the Board of Supervisors approve the extension of the AVA fee for a ten-year period from June 1, 2013 until May 31, 2023.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 2, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency