



**CITY OF MARTINEZ**

**CITY COUNCIL AGENDA  
May 6, 2009**

**TO:** Mayor and City Council  
**FROM:** Gary Peterson, Police Commander  
**SUBJECT:** Proposed motion to adopt a resolution amending the Parking Bail Schedule 2009  
**DATE:** April 22, 2009

**RECOMMENDATION:**

It is recommended that the City council review the information included herein and adopt the resolution approving Amended Parking Bail Schedule 2009.

**BACKGROUND:**

On September 26, 2008, Governor Schwarzenegger signed Senate Bill 1407 into law. SB 1407 changed the distribution of parking fine revenues to further support the State Construction Fund. This law went into effect on January 1, 2009 and increased the fee to the State Construction Fund from \$1.50 to \$4.50 for each paid parking citation. The net increase of \$3.00 amounts to a 70% increase for all fees paid parking fines and reduces revenue to the City by that same percentage.

Municipalities are already obligated to contribute \$3.50 to the Jail Construction Fund for each paid citation. Thus, the City of Martinez will now contribute \$8 to the State of California for each paid citation.

In calendar year 2008, the increase under SB 1407 would have amounted to a \$22,917 decrease in expected revenues generated from parking fines.

Under State law, cities and towns are allowed to recoup this additional fee by raising the bail amounts for the various parking fines. As a result, staff completed a study that compared municipalities with similar parking programs in Contra Costa County. The most common violations were compared and are illustrated in Table 1. The parking bail schedule in Martinez for most violations of the California Vehicle Code (CVC) and Martinez Municipal Code (MMC) are \$26, while the average of other cities in Table 1 exceeds \$33, before any adjustments for lost revenue under SB 1407.

Our traffic plan supports our businesses by insuring parking space availability and to create a safe and orderly parking and traffic environment. This is accomplished through education, information and enforcement. The last change to the parking bail schedule occurred in 2005.

In spite of the nominal increase in the parking bail schedule in 2005, our police assistants still average nearly 1000 citations per month. Staff recommends increasing all parking fines that are currently \$26 to \$35 to reinforce the City's traffic plan that calls for a turnover in parking spaces in time restricted parking areas, so that more people have an opportunity to use allocated parking spaces.

The recommended parking fine increases should not have an adverse impact on our residents or the businesses located in Martinez, it will only affect those persons who violate the Vehicle Code and our Municipal Code parking regulations, which in-turn adversely affects our community as a whole.

The increases in the parking bail schedule recommended in this staff report are consistent with the parking bail levels in Contra Costa County.

Should the City decide to proceed and adopt the proposed parking bail schedule, the department would provide the new schedule to Citation Management, the company that processes the City of Martinez's parking citations. It is Citation Management's responsibility to ensure that fines are divided up properly between the various agencies, and issue payments accordingly.

**FISCAL IMPACT:**

There is not any negative fiscal impact as a result of adopting the resolution. If the City Council approves the increase in bail amounts as proposed, the additional revenue generated will off set the impact of the redistribution plan passed and signed into law under SB 1407.

**ACTION:**

It is recommended that the City Council review the information included herein and motion to adopt the resolution approving Amended Parking Bail Schedule 2009, which consistent with other cities in the County and illustrated in the Amended Parking Bail Schedule 2009.

Table 1  
Current Penalties by City and Violation

City	Municipal Code	Meter Violation
Antioch	\$20 - \$37	\$32
Clayton	\$35	\$35
Concord	\$28	\$28 - \$56
Richmond	\$30	\$30
Walnut Creek	\$35	\$35
Martinez	\$26	\$26

**APPROVED BY:**   
City Manager

**APPROVED BY:**   
Chief of Police

LAW OFFICES  
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April 7, 2009

Tom Simonetti, Chief of Police  
MARTINEZ POLICE DEPT.  
525 Henrietta Street  
Martinez, CA 94553

**Re: SB 1407 (Government Code §70372(b))**

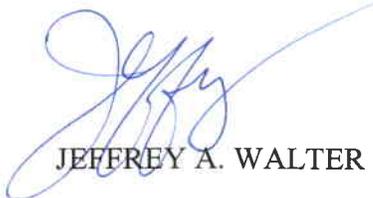
Dear Chief:

As you probably know, SB 1407 was passed last year and became effective on January 1, 2009. SB 1407 allows \$5 billion in lease revenue bonds to be issued to fund the planning, design, construction, rehabilitation, renovation, replacement, leasing or acquisition of court facilities. To pay for these bonds, SB 1407 increases a fee that cities must submit for each parking ticket collected in its jurisdiction from \$1.50 to \$4.50.

A number of questions have arisen concerning the effect and implementation of SB 1407. The Judicial Council has developed an FAQ sheet to assist in answering some of the questions created by SB 1407. I enclose a copy of the Judicial Council's publication for your use.

Sincerely yours,

WALTER & PISTOLE



JEFFREY A. WALTER

JAW/lm

Enclosure

# FREQUENTLY ASKED QUESTIONS

## State Court Construction Parking Penalty Government Code section 70372(b)

Below are responses to frequently asked questions regarding the State Court Construction Parking Penalty, which was recently increased as result of the enactment of SB 1407 (Stats. 2008, ch. 311). Additional assistance is available by e-mailing Steven Chang at [steven.chang@jud.ca.gov](mailto:steven.chang@jud.ca.gov).

<b>I. Generally</b>		
1.1	What is the statutory authority for the state court construction parking penalty?	The state court construction parking penalty is required by Government Code section 70372(b).
1.2	What is the state court construction parking penalty imposed on?	The state court construction parking penalty is imposed on every parking offense for which a penalty, fine, or forfeiture is imposed.
1.3	Is the state court construction parking penalty due for each citation issued, or each violation collected?	<p>Each agency that processes parking violations is responsible for depositing the state court construction parking penalty with the county treasurer, for each violation that is not filed with the court.</p> <p>While Government Code section 70372(b) does not specify that the citation must be paid by the citee in order for the processing agency to deposit the \$4.50 penalty with the county treasurer, it seems reasonable to interpret the section as requiring the deposit only upon receipt of payment from a citee. The statute requires that the penalty be paid for each "violation," rather than for each "citation." This indicates that only those citations that are conceded to be violations, (i.e., where the citee makes partial or full payment to the agency), obligate a processing agency to deposit the penalty with the county treasurer.</p>
<b>II. The Amount of the Penalty</b>		
2.1	What was the amount of the state court construction parking penalty before the enactment of SB 1407?	Prior to SB 1407, the state construction penalty on parking offenses was \$1.50.

2.2	What is the current amount of the state court construction parking penalty following the enactment of SB 1407?	SB 1407 increased the amount of the state court construction parking penalty by \$3.00, so that the amount of the state court construction parking penalty is now a total of \$4.50 per violation. Of the \$4.50 per violation, \$1.50 is due to the State Court Facilities Construction Fund (Fund 3037) and \$3.00 to the State Court Facilities Construction Fund – Immediate & Critical Needs Account (Fund 3138).
<b>III. Effective Date of Increase in Penalty</b>		
3.1	When did the increased amount of the state court construction parking penalty become effective?	The increase in the state court construction parking penalty to \$4.50 per violation became effective on January 1, 2009.
3.2	Does the governing body of the issuing agency have to increase the amount of the citation before a processing agency becomes responsible for the increase in the amount of the state court construction parking penalty to \$4.50?	<p>No. The plain language of Government Code section 70372(b) requires that the penalty be imposed regardless of when or whether the citation amount is changed by the governing body. The increased amount of the penalty is due on all parking violations occurring on or after January 1, 2009.</p> <p>We know that there has been some delay in agencies changing amounts on their citation to reflect the additional amount of the penalty under Government Code section 70372(b). We also recognize that the local agencies are already experiencing budget deficits as a result of the current state of the economy. Those agencies that have not made changes to their citations are urged to do so as soon as possible to avoid loss of revenue that would have gone to that agency.</p>
<b>IV. Effect on County Parking Penalties</b>		
4.1	Did the enactment of SB 1407 impact the imposition of county parking penalties imposed under Government Code section 76000(b)?	No. The enactment of SB 1407 and the increase in the state court construction parking penalty did not affect the parking penalties deposited into county funds established under Government Code sections 76100 and 76101. Those parking penalties are still governed by the relevant provisions of Government Code section 76000, which was not amended by SB 1407.

<b>V.</b>	<b>Remittance of Parking Penalties to the County</b>	
5.1	Does the remittance of the parking penalty that is due to both the State Court Facilities Construction Fund (SCFCF) and the State Court Facilities Construction Fund - Immediate & Critical Needs Account (ICNA) need to be remitted and reported separately to the county?	SB 1407 does not specify how processing agencies are to remit and report the parking penalties collected to their counties, whether in a lump sum amount or split between the SCFCF and the ICNA. If penalties are provided to the county in a lump-sum amount, the counties will, pursuant to GC 70372(f)(2), remit one-third of the amount to the SCFCF (Fund 3036) and two-thirds to ICNA (Fund 3138).
<b>VI.</b>	<b>Effect on County Parking Penalties</b>	
6.1	Who is responsible for remitting the parking penalties to the State Treasurer?	Each county is responsible for remitting to the State Treasurer those parking penalties transmitted to it from parking agencies. The county will report the amounts being remitted to the State Court Facilities Construction Fund (Fund 3037) and the State Court Facilities Construction Fund – Immediate & Critical Needs Account (Fund 3138) using the Schedule TC-31. A sample TC-31 that is pre-populated with common remittances due to state funds can be downloaded from the State Controller Office’s website at the following link: <a href="http://www.sco.ca.gov/ard/remittc/tc31.xls">www.sco.ca.gov/ard/remittc/tc31.xls</a>

**Court Transfer Status - GC 70321, GC 76000(d)  
Outstanding Bonded Indebtedness - GC 76100, 76000(b)**

County Name	County Status	Estimated Completion Date	Outstanding Bonded Indebtedness Local Courthouse Construction Fund
Alameda	Completed		BI
Alpine	In Progress	3/31/09	
Amador	Completed		BI
Butte	Completed		BI
Calaveras <sup>2</sup>	Completed		
Colusa	In Progress	3/31/09	BI
Contra Costa	In Progress	5/4/09	BI
Del Norte	Completed		
El Dorado	Completed		BI
Fresno	Completed		BI
Glenn	Completed		BI
Humboldt	Completed		BI
Imperial	Completed		BI
Inyo	Completed		BI
Kern	In Progress	3/31/09	
Kings	Completed		
Lake	Completed		
Lassen	Completed		
Los Angeles	Completed		BI
Madera	Completed		
Marin	Completed		BI
Mariposa	Completed		
Mendocino	Completed		
Merced	Completed		BI
Modoc	In Progress	6/1/09	BI
Mono	In Progress	12/31/09	
Monterey	In Progress	3/31/09	BI
Napa	Completed		BI
Nevada	Completed		BI
Orange	In Progress	12/31/09	BI
Placer	In Progress	5/1/09	BI
Plumas	Completed		
Riverside	Completed		BI
Sacramento	Completed		BI
San Benito	Completed		BI
San Bernardino	Completed		BI
San Diego	Completed	6/1/09	
San Francisco	In Progress	6/30/09	BI
San Joaquin	Completed		BI
San Luis Obispo	In Progress	12/31/09	BI
San Mateo	In Progress	5/4/09	BI
Santa Barbara	Completed	7/1/09	BI
Santa Clara	In Progress	5/2/09	BI
Santa Cruz	Completed		BI
Shasta	Completed		BI
Sierra	Completed		
Siskiyou	Completed		
Solano	Completed		BI
Sonoma	Completed		BI
Stanislaus	Completed		BI
Sutter	Completed		
Tehama	Completed		
Trinity	Completed		
Tulare	In Progress	4/2/09	BI
Tuolumne	Completed		
Ventura	In Progress	7/1/09	BI
Yolo	Completed		
Yuba	Completed		BI

**Footnotes:**

- Bonded indebtedness (BI) - defined under GC 70301(a) to include any financial encumbrance, including but not limited to, bonds, lease revenue bonds, certificates of participation, mortgages, liens, or loans, on a building.
- Calaveras County has retained sufficient funds in CCF to satisfy BI through period of debt.

**FOR DISCUSSION PURPOSES**

	Government Code (GC) Section Government Code (CCF) - GC 76100	Situation 1 (100% transfer and no BI)	Situation 2 (100% transfer but has BI)	Situation 3 (Less than 100% transfer and no BI)	Situation 4 (Less than 100% transfer but has BI)
County GC 76000(b)	<b>Courthouse Construction Fund (CCF) - GC 76100</b>				
	GC 76000(b) - \$2.50 parking penalty to the local courthouse construction fund established pursuant to GC 76100 less \$1 to the county general fund per GC 76000(c)	0.00	1.50	1.50	1.50
	GC 76000(c) - \$1 of the \$2.50 from GC 76000(b) - to the county general fund	1.00	1.00	1.00	1.00
	Row A: Subtotal - CCF and county general fund (See GC 76000(d) - reduction in parking penalty from \$2.50 to \$1.00)	1.00	2.50	2.50	2.50
State GC 70372(b)	<b>Criminal Justice Facilities Construction Fund (CJFCF) - GC 76101</b>				
	GC 76000(b) - \$2.50 parking penalty to the local criminal justice facilities construction fund established pursuant to GC 76101 less \$1 to the county general fund per GC 76000(c).	1.50	1.50	1.50	1.50
	GC 76000(c) - \$1 of the \$2.50 from GC 76000(b) - to the county general fund	1.00	1.00	1.00	1.00
	Row B: Subtotal - CJFCF and county general fund	2.50	2.50	2.50	2.50
State GC 70372(b)	<b>State Court Facilities Construction Fund (SCFCF) - GC 70371</b>				
	GC 70372(b) - \$4.50 - State Court Construction Parking Penalty (Note: Per GC 70372(f)(2) 1/3 of \$4.50 (or \$1.50) to the State Court Facilities Construction Fund (SCFCF) and 2/3 of \$4.50 (or \$3.00) to the Immediate and Critical Needs Account (ICNA) of the SCFCF.)	4.50	4.50	4.50	4.50
	Row C: Subtotal - State Court Construction Parking Penalty	4.50	4.50	4.50	4.50
	<b>Total Added Parking Penalty Pursuant to GC 76000(b) and GC 70372(b)</b> (Row A + B + C)	8.00	9.50	9.50	9.50

**Notes:**

For the above situations, pursuant to GC 76000(b), it is assumed that the county board of supervisors has adopted a resolution stating that the implementation of GC 76000(b) is necessary to the county for the purposes authorized, with respect to each authorized fund established pursuant to GC 76100 (Courthouse Construction Fund) and GC 76101 (Criminal Justice Facilities Construction Fund).

There may be instances where a county board of supervisors may have adopted a resolution for only one of the funds mentioned above or may not have adopted a resolution for the implementation of GC 76000(b).

"Transfer" = transfer of facilities from the county to the Judicial Council pursuant to GC 70321.

\*Bonded Indebtedness (BI) - defined under GC 70301(a) to include any financial encumbrance, including, but not limited to, bonds, lease revenue bonds, certificates of participation, mortgages, liens, or loans, on a building.