

CHAPTER 8 CHANGES TO STORAGE LOT ORDINANCES

PUBLIC SAFETY & HOMELAND SECURITY COMMITTEE PRESENTATION

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VEHICLE STORAGE IN THE CITY OF HOUSTON

- ANY STORAGE LOT WISHING TO STORE VEHICLES TOWED FROM HPD SCENES ARE REQUIRED TO HAVE A POLICE PRIVATE STORAGE LOT AGREEMENT (PPSLA)
- THE HOUSTON POLICE DEPARTMENT'S AUTO DEALERS DETAIL (ADD) IS RESPONSIBLE FOR REGULATING AND LICENSING ALL STORAGE LOTS IN THE CITY.
- THERE ARE CURRENTLY 53 ACTIVE PPSLAs
- A PPSLA IS NOT REQUIRED TO STORE NON-HPD TOWS, SUCH AS PRIVATE PROPERTY TOWS
 - ONLY A STATE VEHICLE STORAGE FACILITY LICENSE IS REQUIRED
 - THERE IS CURRENTLY ONE STORAGE LOT THAT DOES NOT HAVE A PPSLA

PURPOSE OF ORDINANCE CHANGES

- OVER 10 YEARS SINCE LAST MAJOR UPDATE
- UPDATING THE PPSLA AND CHAPTER 8 WILL PROVIDE GREATER PROTECTION FOR VEHICLE OWNERS WHEN VEHICLES ARE TAKEN TO STORAGE LOTS
- THE CHANGES ALSO REFLECT THE CURRENT PRACTICES OF THE AUTO DEALERS DETAIL
- ANTIQUATED LANGUAGE WAS UPDATED
 - FOR EXAMPLE, “PRIVATE STORAGE LOT” WAS CHANGED TO “NONCONSENT STORAGE LOT”
- MANY SECTIONS WERE RENUMBERED

PURPOSE OF ORDINANCE CHANGES

- STORAGE LOT REQUIREMENTS AND STANDARDS OF OPERATION ARE CONTAINED IN THE POLICE PRIVATE STORAGE LOT AGREEMENT
- HOWEVER, THE NONCONSENT STORAGE LOTS THAT DO NOT HAVE A PPSLA HAVE NO GUIDANCE AS TO OPERATIONS
 - THIS INCLUDES VEHICLE AUCTIONS, SIGNAGE, ETC.
- MANY OF THE CHANGES TO CHAPTER 8 ARE INTENDED TO BRING THE NON-PPSLA LOTS TO THE SAME STANDARD AS LOTS WITH A PPSLA

SECTION 8-16: DEFINITIONS

- THE DEFINITION OF STORAGE LOT OPERATOR WAS CHANGED TO INCLUDE THE PERSON WHO HAS CONTROL OVER DAY-TO-DAY OPERATIONS OF THE STORAGE LOT

SECTION 8-141: GENERAL; STATE LICENSE REQUIRED

- A REFERENCE TO THE 300 FOOT RULE FOUND IN SECTION 28-34 WAS INCLUDED TO ADVISE NEW STORAGE LOTS THAT THEY CANNOT BE WITHIN 300 FEET OF A CHURCH, SCHOOL, OR RESIDENCE
- THE MINIMUM SIZE FOR NEW STORAGE LOTS HAS BEEN INCREASED FROM 25,000 SQUARE FEET TO 1.25 ACRES

SECTION 8-143: POLICE PRIVATE STORAGE LOT AGREEMENT (PPSLA)

- SIMILAR TO THE NEW TOW CONTRACT, THE CHIEF OF POLICE MAY REFUSE TO ENTER INTO A PPSLA WITH PERSONS OR ENTITIES THAT HAVE A DOCUMENTED NEGATIVE HISTORY WITH ANY GOVERNMENTAL ENTITY
- REFERENCES TO PPSLA INSURANCE AMOUNTS HAVE BEEN REMOVED AND WILL BE CONTAINED IN THE CONTRACT ONLY

SECTION 8-144: BOND REQUIRED

- THE PPSLA REQUIRES A BOND FOR NONPAYMENT OF THE CITY “RELEASE FEE” FOUND IN SECTION 8-123(E) OF THE CODE OF ORDINANCES
- THIS FEE IS COLLECTED FROM VEHICLE OWNERS WHEN THE VEHICLE IS RELEASED FROM THE STORAGE LOT
- THE ADDITION OF THIS SECTION ENSURES THAT ANY ARREARAGES ARE SATISFIED BY THE BOND FOR PRIVATE PROPERTY STORAGE LOTS
- IT ALSO SETS A TIME PERIOD FOR PAYMENT AND THE AMOUNT OF THE BOND

SECTION 8-146: VEHICLE RECORDS

- A SECTION WAS ADDED AT THE BEHEST OF THE INDUSTRY TO ALLOW FOR ELECTRONIC RETENTION OF BUSINESS RECORDS

SECTION 8-171: PERSONS AUTHORIZED TO OPERATE LOT

- EMPLOYEES WHO RELEASE VEHICLES TO THE PUBLIC MUST HAVE A LICENSE ISSUED BY AUTO DEALERS. THIS SECTION EXEMPTS THE OWNER OF THE STORAGE LOT, AS THEIR BACKGROUNDS ARE ALREADY RUN WHEN THEY SUBMIT THE APPLICATION

SECTION 8-172: BUSINESS NAME; FENCES, PAVING, SIGNS, ETC.

- LANGUAGE REGARDING TELEPHONE USE WAS COPIED FROM THE PPSLA SO THE PRIVATE PROPERTY LOTS ARE HELD TO THE SAME STANDARD FOR PEOPLE WISHING TO RETRIEVE THEIR CARS FROM THE LOT

SECTION 8-178: RELEASE OF VEHICLES

- THE ORDINANCE WAS REVISED TO MIRROR THE STATE LAW REQUIREMENTS FOR THE RELEASE OF VEHICLES TO THE OWNER

SECTION 8-179: VIN INSPECTION

- THIS IS A NEW SECTION. VEHICLES WITH NO VIN PLATE ARE NOT PERMITTED TO BE DRIVEN ON THE STREET AND ARE NOT PERMITTED TO BE TOWED TO STORAGE LOTS
 - THEY MUST GO TO THE HPD IMPOUND LOT FOR INSPECTION
- THIS PLACES A BURDEN ON THE STORAGE LOT TO NOTIFY AUTO DEALERS WHEN A VEHICLE WITH NO VIN PLATE ARRIVES AT THE LOT

SECTION 8-180: PAYMENT WINDOW

- THIS IS ANOTHER NEW SECTION
- SOME STORAGE LOT PAYMENT WINDOWS ARE COMPLETELY BLACKED OUT, WHICH DOES NOT ALLOW FOR IDENTIFICATION OF EMPLOYEES IN THE EVENT OF A COMPLAINT
- SOME WINDOWS ARE AT SUCH A HEIGHT THAT CUSTOMERS CANNOT SEE THE ATTENDANT, WHICH IS A BURDEN FOR DISABLED PEOPLE
- NOW ALL WINDOWS SHALL ALLOW FOR A CLEAR VIEW OF THE EMPLOYEE

SECTION 8-181: ACCEPTANCE OF TOWED VEHICLES FROM UNLICENSED WRECKER DRIVERS

- THIS SECTION WAS ADDED FROM THE PPSLA. IT REQUIRES ALL STORAGE LOTS TO ONLY ACCEPT TOWS INSIDE THE CITY LIMITS FROM LICENSED WRECKER DRIVERS

SECTION 8-183: FEES

- THE INDUSTRY WANTED TO REMOVE THE NAME OF THE STORAGE LOT EMPLOYEE FROM THE RECEIPT FOR SECURITY PURPOSES. THE TDLR NUMBER OF THE EMPLOYEE IS REQUIRED
 - THE EMPLOYEE CAN BE FOUND IN THE EVENT OF A COMPLAINT
- THE RELEASE FEE FROM SECTION 8-123(E) IS DUE BY THE 15TH OF THE MONTH FOLLOWING ITS COLLECTION

SECTION 8-185: SALE OF VEHICLES IN NONCONSENT STORAGE LOTS

- THIS SECTION INFORMS THE PRIVATE PROPERTY STORAGE LOTS THAT HPD WILL CONDUCT VEHICLE AUCTIONS

SECTION 8-186: AUCTION PROCEDURES FOR ABANDONED VEHICLES

- THIS SECTION ESTABLISHES THE PROCEDURES FOR VEHICLE AUCTIONS THAT ARE ALREADY FOUND IN THE PPSLA
- ALL STORAGE LOTS MUST REMOVE LICENSE PLATES FROM AUCTION VEHICLES

SECTION 8-187: CESSATION OF OPERATIONS

- THIS GIVES GUIDANCE IN THE EVENT A PRIVATE PROPERTY STORAGE LOT CEASES OPERATIONS
 - THIS IS FROM THE PPSLA

INDUSTRY MEETINGS

- YOUTUBE VIDEOS CREATED TO EXPLAIN THE CHANGES
- AUTO DEALERS HOSTED TWO IN-PERSON MEETINGS WITH THE INDUSTRY IN JUNE 2021
- DISCUSSED AT JUNE 2021 AUTOMOTIVE BOARD MEETING
- AFTER RECEIVING INDUSTRY FEEDBACK, SOME CHANGES WERE MADE
- A NEW VIDEO WAS POSTED IN OCTOBER 2021 WITH THE CHANGES SUGGESTED BY THE INDUSTRY

INDUSTRY CONCERNS: ORDINANCE

- SOME CONCERN WAS VOICED ABOUT THE 1.25 ACRE MINIMUM SIZE FOR NEW STORAGE LOTS
- THIS WAS A COMPROMISE. SOME INDUSTRY MEMBERS SUGGESTED LARGER MINIMUM SIZES, BUT THAT WAS SEEN AS A BARRIER TO ENTRY FOR NEW BUSINESSES
- LARGER LOTS ARE NEEDED TO STORE VEHICLES AFTER SEVERE WEATHER EVENTS

INDUSTRY CONCERNS: PPSLA

- SOME INDUSTRY MEMBERS ASKED IF THEY COULD SUBSTITUTE A DEDICATED BANK ACCOUNT IN LIEU OF THE BOND
- THE CITY'S INSURANCE UNDERWRITER SAID THIS IS NOT PERMITTED