



Agenda Item #:



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Tell and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Bruce A. Moe, Finance Director
Steve S. Charelian, Revenue Services Manager

DATE: September 20, 2011

SUBJECT: Consideration of a Resolution Reducing the Fee Charged by the City for Late Submittal of Renewal for an Alarm System Permit

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 6328 approving a reduction in the fine for a late submittal of an annual alarm system permit renewal or application from \$190 to \$100.

FISCAL IMPLICATION:

The City has collected approximately \$2,500 in fines for delinquent annual alarm system permit renewals in 2011. The current fine is \$190 if the permit is not renewed by January 31st. With the approval Resolution No. 6328 the fine would be reduced from \$190 to \$100.

BACKGROUND:

Homeowners with new or existing burglar alarms are required to obtain and maintain an alarm system permit. In accordance with the Manhattan Beach Municipal Code Section 3.56.020 "*In addition to any other permit which may be required by law any burglar/robbery alarm system operating within or upon any premises located in the City of Manhattan Beach shall have a current alarm permit issued by the City.*" The City requires a renewal each year to confirm and verify emergency contact information, as well as the alarm system service provider. In case of an emergency response the Police Department would have updated emergency information (i.e. cell phone number(s), place of employment, additional contacts, etc.).

The Police Department sends out 2,500 annual alarm system permit renewals during the first week of December. Permit renewals are due 30 days after the mailing with an additional 21 days grace period. If the annual alarm permit is paid after January 31st a \$190 fine is assessed. The annual Alarm system permit renewal is \$30. The City collects approximately \$75,000 per annum from alarm permit renewals.

DISCUSSION:

In December 2010 the City Council approved the Resolution of City Recovery Fees and Fines. City fines are set at a level which serves as a deterrent to a particular behavior, or in this case, as an inducement for the customer to pay on time. The Police Department sent out 2,500 alarm system permit renewals in December 2010 of which 2,400 payments were made on time, which equates to a 96% collection rate. The success of collections is due in part to the level of fine which serves as a deterrent to late payments. The City collects \$30 per household for permit renewals and \$50 for a new alarm system permit. The City's annual alarm permit renewal fees are on the lower end when compared to other cities, with fees ranging from \$20 to \$100. The fine for non-payment is currently \$190 which is on the high end when compared to other cities where fines range from \$10 to \$35. The annual permit renewal fine is equivalent to the first charge for a burglar false alarm fine which is \$190.

Although the policy of the current fine has been implemented, and the fine has been paid by 13 residents this year, the fine has prompted a number of complaints due to the amount. While staff recognizes that the amount may be considered high, it has served as a strong inducement for residents to continue to register their alarm systems. It is that registration that provides the Police Department the tools they need to effectively respond to alarm calls.

While other cities' fines range from between \$10 to \$35 for late renewal, staff recommends that City Council reduce the fine from \$190 to \$100. This amount is still high enough to continue to be an incentive to register the alarm systems, but less onerous than the current fee. If approved, staff believes it is equitable to process refunds to those 13 residents that have paid the fine this calendar year. This will result in refunds totaling \$1,170. Adoption of Resolution No. 6328 will reduce the fine and authorize the refunds.

Because the registration of the alarms is critical to effective Police Department operations, staff will monitor collection rates in the next billing cycle (December 2011) to determine if the reduced fine results in increased delinquencies. If it does, staff will return with further recommendations on the fee.

Attachment A

Resolution No. 6328

RESOLUTION NO. 6328

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, REDUCING THE FEE CHARGED BY THE CITY FOR LATE SUBMITTAL OF A RENEWAL FOR AN ALARM SYSTEM PERMIT

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH DOES RESOLVE AS FOLLOWS:

SECTION 1. Alarm permits expire on December 31st of each year and must be renewed annually thirty days prior to their expiration. Pursuant to Manhattan Beach Municipal Code Section 3.56.030, a late fee is assessed if the renewal is not timely filed. The current late fee is set at \$190. The City Council desires to reduce the late fee.

SECTION 2. The City Council hereby establishes the late fee for the untimely renewal of alarm permits at \$100.00.

SECTION 3. Persons that have paid such fee between February 1, 2011, through September 20, 2011, are eligible for a refund from the City's Finance Department.

SECTION 4. This resolution shall take effect immediately upon adoption.

SECTION 5. The City Clerk shall certify to the adoption of this resolution

PASSED, APPROVED AND ADOPTED this 20th day of September, 2011.

Ayes:
Noes:
Absent:
Abstain:

Mayor, City of Manhattan Beach, California

ATTEST:

City Clerk

APPROVED AS TO FORM:



Roxanne M. Diaz, City Attorney

