

David Whitaker, Esq.
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Executive Policy Manager
Marcell R. Todd, Jr.
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Commission
Janese Chapman
Director, Historic Designation
Advisory Board

John Alexander
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Paige Blessman
M. Rory Bolger, Ph.D., FAICP
Lisa DiChiera
Eric Fazzini, AICP
Angela Gallegos
Willene Green
Christopher Gulock, AICP
Marcel Hurt, Esq.

City of Detroit
CITY COUNCIL
LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

Kimani Jeffrey
Anthony W. L. Johnson
Phillip Keller, Esq.
Edward King
Kelsey Maas
Jamie Murphy
Latawn Oden
Dolores Perales
Analine Powers, Ph.D.
W. Akilah Redmond
Rebecca Savage
Sabrina Shockley
Renee Short
Floyd Stanley
Thomas Stephens, Esq.
Timarie Szwed
Theresa Thomas
Ian Tomashik
Ashley A. Wilson

TO: The Honorable Detroit City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: September 23, 2024

RE: **RESOLUTION TO SET THE ADMINISTRATIVE, TOWING, SERVICE, AND STORAGE FEES IN ACCORDANCE WITH THE RECOMMENDATION OF THE TOW RATE COMMISSION**

Council Member Gabriela Santiago-Romero requested that the Legislative Policy Division (LPD) draft a resolution to set the administrative, towing, service, and storage fees in accordance with the recommendation of the Towing Rate Commission.

Please contact us if we can be of any further assistance.

BY COUNCIL MEMBER GABRIELA SANTIAGO-ROMERO

RESOLUTION TO SET THE ADMINISTRATIVE, TOWING, SERVICE, AND STORAGE FEES IN ACCORDANCE WITH THE RECOMMENDATION OF THE TOW RATE COMMISSION

WHEREAS, Section 26-2-91 provides for the establishment of a Towing Rate Commission, which must meet at least once every 2 years and submit a recommendation to City Council to set the administrative, towing, service, and storage fees for police-authorized towing; and

WHEREAS, The Towing Rate Commission consists of the Auditor General, the Director of Buildings, Safety, Engineering, and Environmental Department or designate representative, the Chief of Police or designated representative, a representative of the public appointed by the Mayor, and a representative of the towing industry appointed by City Council; and

WHEREAS, The Towing Rate Commission has met and has conducted benchmark studies of towing fee in Michigan and across the nation, analyzed trends and changes in consumer price indices, reviewed Detroit Police Department Towing and Impound Unit financials and operations, reviewed towing industry guidelines, and reviewed data, proposed fees, and other input from police towers; and

WHEREAS, On September 16, 2024, the Auditor General presented the findings and recommendations of the Towing Commission to the Public Health & Safety Standing Committee of the Detroit City Council, which are as follows:

MOTORIZED VEHICLES AND RECREATIONAL VEHICLES

Tow Classification	Current Fees	Current Weight Guidelines	2024 Proposed Fees	Proposed weight guidelines
Light Duty	\$125.00	10,000 lbs and less	\$225.00	10,000 lbs and less
Light Duty Second Truck	\$75.00	10,000 lbs and less	\$175.00	10,000 lbs and less
Medium Duty	\$175.00	10,001 lbs to 60,000 lbs	\$425.00	10,001 lbs to 26,000 lbs
Medium Duty Second Truck	None	10,001 lbs to 60,000 lbs	\$350.00	10,001 lbs to 26,000 lbs
Heavy-Duty	\$300.00	60,000 lbs and greater	\$700.00	26,001 lbs and greater
Heavy-Duty Second Truck	\$150.00	60,000 lbs and greater / 6 hour cap	\$500.00	26,001 lbs and greater

BOATS, TRAILERS, AND CAMPERS

Tow Classification	Current Fee	Current Weight Guideline	2024 Proposed Fee	Proposed Weight Guideline
Heavy-Duty	\$100.00	None/Flat Fee	\$700.00	None/Flat Fee

MISCELLANEOUS TOWS

Tow Classification	Current Fee	Current Weight Guideline	2024 Proposed Fee	Proposed Weight Guideline
Light Duty	\$100.00	None/Flat Fee	\$200.00	None/Flat Fee

OUT-OF-TOWN RETRIEVALS

Classification	Current Fee Per Mile	2024 TRC Proposed Fee Per Mile
Light/Medium Duty	\$4.00	\$6.00
Heavy-Duty	\$6.95	\$8.89

STORAGE FEES

Category	Storage	Current Daily Fee	2024 Proposed Daily Fee
Motorized Vehicles and Recreational Vehicles	Light Duty	\$15.00	\$30.00
	Medium Duty	\$20.00	\$40.00
	Heavy-Duty	\$25.00	\$50.00
Boats, Trailers, and Campers	Heavy-Duty	\$25.00	\$50.00
Motorcycles	Light Duty	\$15.00	\$30.00

ADMINISTRATIVE FEE

Current Fee	Proposed Fee
\$75.00	\$75.00

WHEREAS The recommendations from the Towing Rate Commission regarding fees for police-authorized towing are subject to approval by the Detroit City Council; **NOW THEREFORE BE IT**

RESOLVED, The Detroit City Council sets the administrative, towing, service, and storage fees for police-authorized towing at the levels recommended by the Towing Rate Commission; **THEREFORE, BE IT FINALLY**

RESOLVED, These changes to the towing and fee schedule for police-authorized towing shall become effective at the start of the next fiscal year, July 1, 2025.

**ATTACHMENT: 2024 TOWING RATE COMMISSION
RECOMMENDED TOWING AND OTHER FEES SCHEDULE**

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RECOMMENDED TOWING AND OTHER FEES SCHEDULE**



OFFICE OF THE AUDITOR GENERAL

2024 TOWING RATE COMMISSION Recommended Towing and Other Fees Schedule

MOTORIZED VEHICLES AND RECREATIONAL VEHICLES

Tow Classification ^(A)	Current Fees	Current Weight Guidelines	2024 TRC Proposed Fees	Proposed Weight Guidelines
Light Duty	\$ 125.00	10,000 lbs and less	\$ 225.00	10,000 lbs and less
Light Duty Second Truck	\$ 75.00	10,000 lbs and less	\$ 175.00	10,000 lbs and less
Medium Duty	\$ 175.00	10,001 lbs to 60,000 lbs	\$ 425.00	10,001 lbs to 26,000 lbs
Medium Duty Second Truck	None	10,001 lbs to 60,000 lbs	\$ 350.00	10,001 lbs to 26,000 lbs
Heavy-Duty	\$ 300.00	60,000 lbs and greater	\$ 700.00	26,001 lbs and greater
Heavy-Duty Second Truck	\$ 150.00	60,000 lbs and greater/ 6 hour cap	\$ 500.00	26,001 lbs and greater

Note (A): Light Duty tows include motorized vehicles, SUVs, minivans, passenger trucks, and recreational vehicles. Medium and Heavy-Duty tows are usually commercial vehicles.

BOATS, TRAILERS, AND CAMPERS

Tow Classification ^(A)	Current Fee	Current Weight Guideline	2024 TRC Proposed Fee	Proposed Weight Guideline
Heavy-Duty	\$ 100.00	None/Flat Fee	\$ 700.00	None/Flat Fee

Note (A): Based on past and average tows, it was determined that boats, trailers, and campers typically require a Heavy-Duty tow.

MISCELLANEOUS TOWS

Tow Classification ^(A)	Current Fee	Current Weight Guideline	2024 TRC Proposed Fee	Proposed Weight Guideline
Light Duty	\$ 100.00	None/Flat Fee	\$ 200.00	None/Flat Fee

Note (A): The Miscellaneous category includes motorcycles, on and off-road all-terrain vehicles (ATVs), jet skis, scooters, mini-bikes, 4-wheelers, lawn equipment, paddle/non-engine rowboats, etc.



OFFICE OF THE AUDITOR GENERAL

**2024 TOWING RATE COMMISSION
Recommended Towing and Other Fees Schedule**

OUT-OF-TOWN-RETRIEVALS

Classification	Current Fee Per Mile	2024 TRC Proposed Fee Per Mile
Light/Medium Duty	\$4.00	\$6.00
Heavy-Duty	\$6.95	\$8.89

- Notes: (A) Per the Police Authorized Towing contracts, the mileage for "Out-of-Town Retrievals" is to be calculated from the point at which the tow truck exits the City of Detroit city limits to retrieve the vehicle, to the point at which the tow truck and towed vehicle re-enters the City of Detroit city limits using the most reasonably efficient route:*
- (B) The charges are "in addition" to the towing fees associated with the category and classification of the item being towed.*

STORAGE FEES

Category	Storage	Current Daily Fee	2024 TRC Proposed Daily Fee
Motorized Vehicles and Recreational Vehicles	Light Duty	\$ 15.00	\$ 30.00
	Medium Duty	\$ 20.00	\$ 40.00
	Heavy-Duty	\$ 25.00	\$ 50.00
Boats, Trailers, and Campers	Heavy-Duty	\$ 25.00	\$ 50.00
Motorcycles	Light Duty	\$ 15.00	\$ 30.00

- Notes: (A) According to the Detroit Police Department Manual, storage fees are waived if a complainant's vehicle is towed, transported, and held at the Department's approved evidence lot for the purpose of collecting and processing evidence, if the crimes are either homicide, criminal sexual conduct, robbery, or carjacking.*
- (B) The Detroit Police Department does not assess fees when a vehicle was stolen and recovered in the City of Detroit. Exceptions include situations where the vehicle is being picked up by a corporate or business entity, such as an insurance company, or where the individual has insurance that includes payment of towing and storage fees.*



OFFICE OF THE AUDITOR GENERAL

2024 TOWING RATE COMMISSION

Recommended Towing and Other Fees Schedule

ADMINISTRATIVE FEE

Current Fee	Proposed Fee
\$75.00	\$75.00

Note: Under Section 46-2-114. Administrative fees:

- (a) An administrative fee shall be charged to, and paid by, the owner of each vehicle towed by a private tow company in a non-consensual tow, other than a Department authorized tower, from a location inside the City.*
- (b) The Police Department shall establish the administrative fee for non-consensual tows in accordance with Section 9-507 of the Charter subject to approval by the City Council through adoption of a resolution.*