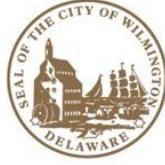


City of Wilmington



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Department of Finance

Policy 2019 – 01: Version 9.0

Rules for Collection of Delinquent Accounts

Approved - May 17, 2022

Revised – August 22, 2023

Revised – April 2024

Revised -- 2024

Objective: In the collection of delinquent accounts, the Department of Finance will make reasonable efforts to contact account owners, ~~and~~ property owners, ~~and~~ vehicle owners to resolve delinquent balances and provide opportunities for repayment of debts before taking enforcement actions such as shut-off, ~~and~~ Sheriff Sales, ~~and~~ vehicle immobilization/towing. The Department will document on the account all attempts to make contact. Once notice is given, customers who fail to respond may be liable for enforcement actions as provided in these Rules and/or by law.

H) Payment Agreements (excluding payment agreements for parking and photo-enforced red-light ticket debt which is addressed in Section K):

K) Parking:

- ~~_____ a. The thresholds for the booting of vehicles is set by Code.~~
- ~~_____ b. The thresholds for the towing of vehicles is set by Code.~~
- ~~_____ c. Customers may apply for a partial payment on parking tickets, boot fees and tows.~~
- ~~_____ d. Customers must pay one half of the total balance as a deposit.~~
- ~~_____ e. The remainder of the balance must be paid within 30 days.~~
- ~~_____ f. Any missed payment on the parking ticket payment agreement will result in placement back on the boot list if the applicable thresholds are met.~~

K) Payment Agreements for Parking and Photo-Enforced Red-Light Ticket Debt (Chapter 37 of the Wilmington City Code):¹

- a. The thresholds for the immobilization (i.e., “booting”) and towing of vehicles is set by the Wilmington City Code.
- b. A vehicle owner whose vehicle has been immobilized or towed can obtain a release of their vehicle by entering into a payment agreement with the City and making their first payment.
- c. A vehicle owner with at least seventy-five dollars (\$75.00) in parking or red-light ticket debt (including late fees/penalties) and boot fees that could result in the vehicle being towed may obtain a payment agreement. There shall be no charge to set up or maintain a payment agreement.
- d. If the vehicle owner has one hundred dollars (\$100.00) or less in parking or red-light ticket debt (including late fees/penalties) and boot fees, the outstanding fines and associated fees/penalties subject to the payment agreement must be paid within 12 months. If the vehicle owner has over one hundred dollars (\$100.00) in parking or red-light ticket debt (including late fees/penalties) and boot fees, the outstanding fines and associated fees/penalties subject to the payment agreement must be paid within 24 months. The City’s Finance Director, at their discretion, may authorize a payment agreement longer than 24 months if a vehicle owner demonstrates they are unable to pay the amount due within 24 months.
- e. “Lost boot” fees (fees assessed to a vehicle owner for having removed a boot unlawfully) will not be subject to payment agreements.
- f. Payment agreements will provide for payments in equal monthly installments. A vehicle owner may choose to pay more than the monthly installment for any given month or pay the balance in full at any time.
- g. Vehicle owners may continue to make payments by credit card (except American Express), debit card, check, cash or any other convenient form of payment authorized by the Director of Finance. Payments may continue to be submitted to the City by mail, on-line, in-person, or by any other manner designated by the Director of Finance.
- h. Payment agreements will not be provided to vehicle owners who have previously removed a boot from their vehicle unlawfully, unless 1) the owner has paid the

¹ Sections K, L, M, and N of this Policy are subject to the terms of the Settlement Agreement reached by the parties in the matter of *Ameera Shaheed and Earl Dickerson v. City of Wilmington, First State Towing, LLC, and City Towing Services, LLC*, Civil Action No. 21-cv-01333 (CFC). The terms of the Settlement Agreement include, but are not limited to, the maintenance of certain policy provisions contained in these Sections for a specific period of time. Please refer to the Settlement Agreement before making any changes to the foregoing Sections.

“lost boot” fee in full; or 2) the car to which the lost boot fee was applied was scrapped, sold, or disposed of by a towing contractor, i.e., a vehicle owner gets a “fresh start” each time they lose a vehicle.

- i. Payment agreements are limited to one payment agreement per vehicle. If a vehicle owner defaults (as defined below) on a payment agreement for the vehicle, the City will not provide the vehicle owner with a second payment agreement for the same vehicle.
- j. Towing and storage fees are not subject to a City payment agreement.
- k. Information regarding the availability of payment agreements will be included in:
 - i. parking tickets affixed to vehicles;
 - ii. letters sent to vehicle owners regarding individual tickets;
 - iii. warning notifications affixed to vehicles when ticket debt approaches the threshold for towing;
 - iv. notifications affixed to vehicles when the vehicle has been immobilized;
 - v. hearing notifications sent pursuant to Section L below; and
 - vi. the City’s website.
- l. When payment agreements are entered into, vehicle owners will be asked for and should provide contact information for text messages, emails, and/or paper mail for communications and notices about their payment agreement. Vehicle owners may update their contact information.
- m. If a vehicle owner is late on a monthly payment under a payment agreement, the City will notify the owner by text or email (if the owner has provided the necessary information to the City), by mail, and, if the vehicle is located on a public street, by placing a sticker or other notice on the windshield/window of the vehicle that the vehicle may be subject to immobilization or towing and to contact the Department of Finance for additional information.
- n. A vehicle that is subject to a payment agreement will not be immobilized or towed based on unpaid parking ticket and photo-enforced red-light ticket debt if the owner remains in compliance with the payment agreement (i.e., not in default).
- o. A vehicle owner is in default of their payment agreement when they are 90 (ninety) days late on a scheduled payment. If a vehicle owner defaults on their payment agreement **and** the amount owed at the time of default meets the immobilization threshold, their vehicle will be placed on the immobilization list and subject to immobilization or towing.

L) Contesting Immobilization or Towing of a Vehicle for Unpaid Parking Ticket and Photo-Enforced Red-Light Ticket Debt

- a. A vehicle owner who has received an immobilization warning or whose vehicle has been immobilized or towed for unpaid parking or red-light tickets will be provided

with the opportunity for a hearing to determine whether the threshold for immobilization or towing has been met, or that the immobilization or towing was the result of extraordinary circumstances (e.g., the vehicle owner was in the hospital or out of town due to a family emergency) or inability to pay. **The hearing will not be a second opportunity to challenge the validity of the parking or red-light ticket.**

- b. A hearing officer will conduct the hearing as a neutral arbiter. The hearing officer may be a City employee or an individual contracted to perform such task within either the Finance Department or Law Department. Hearing officers will not be incentivized to make a particular decision, nor will their contract or employment depend on deciding hearings in the City's favor.
- c. Hearings will be available upon the request of the vehicle owner. The vehicle owner may choose to participate in the hearing either by phone, video (e.g., Zoom or Teams), or in-person at the Louis L. Redding City/County Building.
- d. Notices scheduling hearings will include information about how to request a payment agreement from the City's Finance Department prior to the hearing or from the hearing officer at the hearing. The hearing officer will also expressly inform vehicle owners of the option to enter into a payment agreement during the hearing. If the vehicle owner requests a payment agreement during the hearing, the hearing officer has the authority to have the Finance Department enter into a payment agreement with the owner consistent with and on the terms provided in Section K above.
- e. Hearings will be available within 7 (seven) days of a vehicle being towed. However, if the City's towing contract provides for a shorter period before storage fees can be assessed by the contractor, then the hearing will be available within this shorter period. Towing contracts shall provide a period of at least 3 (three) days before storage fees can be assessed by the contractor.
- f. A vehicle owner may request a hearing up until 15 (fifteen) days prior to the end of the period the towing contract requires vehicles to be held. If a hearing is held after the time period provided in Section L(e) above, the towing and storage fees allowed under the City's towing contract shall not be waived unless the hearing officer determines that:
 - i. the vehicle was towed in error, or
 - ii. the vehicle owner can demonstrate extraordinary circumstances (e.g., the vehicle owner was in the hospital or out of town due to a family emergency).
- h. For good cause, the hearing officer may waive 1 (one) outstanding violation and any associated late fees. For good cause, the hearing officer may also recommend to the Director of Finance a further reduction in the amount due or owing. The Director of Finance has the discretion to void tickets, fees and/or penalties.
- i. The decision of the hearing officer will be an internal agency decision that will not

have preclusive effect in any court.

M) Parking Tickets and Violation Letters – Content:

Parking tickets and violation letters will contain the following information (in addition to date, location, description of violation, applicable fines and penalties, how to pay, and any other information required by the Code or that the Director Finance believes may be appropriate):

- i. the availability of payment agreements and contact information to request one;
- ii. how to appeal a parking ticket to the Justice of the Peace Court;
- iii. immobilization and towing thresholds; and
- iv. how to contest the immobilization or towing of a vehicle.

N) Immobilization and Towing Notices:

Immobilization and towing notices (letters, windshield/window stickers and placards) will contain the following information (in addition to any other information required by the Code or that the Director Finance believes may be appropriate):

- i. the license number and state of registration of the vehicle;
- ii. the date, time, place and nature of the violation;
- iii. how to contest the immobilization or towing of the vehicle;
- iv. how to submit payment for outstanding ticket debt;
- v. the availability of payment plans and contact information to request one; and
- vi. the name and identifying badge number of the person directing the immobilization or removal of the vehicle.

↳ O) Condominiums:

↳ P) Business Licenses:

↳ Q) Rental Property Licenses:
