



Council Communication

Office of the City Manager

Date

June 18, 2007

Agenda Item No. 58

Roll Call No. 07-

Communication No. 07-356

Submitted by: Dale P. Patch, Chief of Police

AGENDA HEADING:

Modification of Article VIII of the City Ordinance - Second Hand Goods.

SYNOPSIS:

Modify the Second Hand Goods Ordinance to require salvage dealers to acquire additional information on their clientele concerning all ferrous and non-ferrous metal transactions and to increase the annual salvage license fee from \$325 to \$1,122. At present there are 27 licensed salvage dealers in the City of Des Moines. After a one-year period, staff will assess the effectiveness of these measures and provide a report to Council with recommendation for changes or continuance.

FISCAL IMPACT:

Amount: Annual Licensing Fee to increase from \$325 to \$1,122 per dealership beginning July 1, 2008. The increase in the license fee will cover the \$21,000 expense of a new part-time position, with the Detective Bureau.

Funding Source: FY07 Operating Budget GE001, POL070100, page 177.

ADDITIONAL INFORMATION:

In recent years, the dramatic increase in the value of ferrous and non-ferrous metal has fostered an increase in theft of copper and aluminum from a variety of sources. Many of these sources have a direct effect on community safety and service. A number of residential and commercial burglaries have been committed for acquisition of copper and aluminum. Thieves tamper with electrical substations, telephone equipment, water systems, transportation systems, and agricultural irrigation systems in order to obtain the copper utilized by these infrastructures. These thefts have at times resulted in severe injury or death to the suspect. Copper thefts have almost doubled in the last twelve months and the Police Department anticipates such crimes will increase in 2007. In an effort to help curtail this type of criminal activity and reduce the safety hazards associated, the Police Department, Community Development Department, and the Finance Department have met and identified several proactive measures that can be taken by the Council.

City Ordinance Article VIII "Secondhand Goods" will require scrap and salvage dealers in the Des Moines area to gather additional identification records on those persons and or vehicles that deliver junk material for sale to the dealership. The annual licensing fee for scrap and salvage dealerships will increase in part to fund a police employee to work with the Community Development Department to more accurately monitor scrap and salvage dealership transactions. The new annual fee will be \$1,122. (The current annual fee is \$325 and has not been changed since 1981.) The Police Department Operating

Budget will fund the new part-time position beginning July 1, 2008. In addition, it is also recommended that all scrap and salvage dealerships requesting a hearing on their annual license status be brought before an Administrative Hearing Officer instead of the City Council.

The Police Department met on several occasions with a number of scrap and salvage dealerships to review this problem. The Police Department's intention is to address the theft issue and identify an approach conducive to the efficient operation of their business. Those dealers in attendance agreed they would prefer an increase to the annual licensing fee as opposed to a transaction fee.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

It is anticipated that before the license fee be changed in the future, a fee study would be conducted.