Chicago Seized And Sold Nearly 50,000 Cars Over Tickets Since 2011, Sticking Owners With Debt

Sandra Botello, 41, stands for a portrait on the spot where her car was seized and eventually sold to a private tow company in the city of Chicago on December 20, 2018. Manuel Martinez / WBEZ



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WBEZ Investigations

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Tickets Since 2011, Sticking Owners With Debt

By Elliott Ramos Jan. 7, 2019, 5:01 a.m. CT

Sandra Botello moved to Chicago five years ago for what she called "the opportunities."

Now 41, she and her children had been evicted from her home in Idaho when her landlord's property was foreclosed.

The move to Chicago indeed delivered opportunities. She earned an associates degree and then enrolled at the University of Illinois at Chicago, and now works as an executive administrative assistant downtown. And, two of her four kids snagged scholarships to private schools.

But her time in Chicago has also been mired with a major hurdle. It started with citations for the city road tax collected through "city stickers." After failing to keep up with ticket payments, the city seized her car and sold it to a private towing company, only to have none of the sale price applied to her debt.

Botello is not alone.

According to a WBEZ analysis of thousands of towing records and invoices, the city regularly pulls residents into a nexus of ticket-related debt and car seizures that is stunning in its scope.

In 2017 alone, Chicago booted more than 67,000 vehicles for unpaid tickets. In about a third of those cases, the driver couldn't afford to remove the boot, and the vehicle was later towed to a city impound lot.

Of those 20,000 impounded cars, more than 8,000 ended up like Botello's: They were sold off, with the owners receiving none of the sale proceeds. Instead, the city and its towing contractor pocketed millions of dollars, while residents were left with ticket debt.

All told, there have been nearly 50,000 of these sales since 2011.

The vast majority of cars bound in these tow-and-sell operations hail from low-income and minority communities on Chicago's West and South Sides, where experts have said residents are already hard-pressed to pay for effective transportation.

The quick road to losing your car in Chicago



The city has a term for those who owe ticket money: "scofflaws." It's a Prohibition-era term that was applied to those who drank illegally — or flouting the law. City officials use the term regularly, conflating the inability to pay debts with criminal activity.

The road to becoming a Chicago scofflaw can be short, starting with workers or contractors sometimes issuing multiple tickets on the same day — against a city ordinance.

Fines accrued from just two or three outstanding tickets will prompt the city's revenue workers to boot a car. Owners have just 24 hours to pay \$100 to remove a boot; hitting that deadline can be difficult for unemployed or underemployed motorists, or those without access to quick credit. If the window's missed, the car's towed, and the owner becomes responsible for a \$150 towing fee.

Once at the impound, cars can be sold in as little as three weeks, but not before drivers rack up storage and other fees.

Translation: A small financial hole can open into a massive chasm, as the city assesses fees that build each day.

Botello's story illustrates how thousands of residents get caught in the trap.

She moved to Chicago in 2014. She drove her 2003 Lincoln Continental to her South Shore neighborhood and quickly purchased a city sticker and Illinois license plates. The sticker was only valid for three months, so the city prorated the \$86 price to \$57.

"I tried getting everything in order," Botello said. "I like following the law."

But Botello's first few months were hard; she hadn't found a job and was on the fence about whether Chicago was going to work out. Even though her son got a scholarship to Mount Carmel High School, a private school, they still had to pay a \$400 registration fee.

She chose to pay for the school registration instead of renewing her city sticker.

That's when the tickets started. Within 45 days, she received five city sticker citations — at \$200 each.

Botello said she couldn't cobble together enough for the sticker, "so I got another ticket, and I was just getting ticket after ticket."

She eventually bought another sticker, she said, but "they charged me an additional \$60 for being late."

By this point, she couldn't afford to pay her outstanding tickets on time. The city added late penalties and collections fees, for a total of \$2,934.

According to towing data, Botello's car was booted on March 16, 2015, and towed the following day — with a valid city sticker on the windshield.

You're a scofflaw and lost your car. What's the harm?



Botello thought that surrendering her car at traffic court would help pay down her debt.

"I went to court, and told them, here's the keys, sell my car, and whatever you get out of it, put it toward my tickets," Botello said.

But it doesn't work that way in Chicago.

One lingering effect is that owners lose their cars but are still saddled with ticketrelated debt.

The eventual sale of scofflaw-related cars — again, to the tune of 8,000 cars in 2017 alone — doesn't wipe out any tickets, towing costs, or storage fees. (The Sun-Times first reported on the city's sale program in 2004, but those articles have not survived online archiving.)

Here's what the city's own website says regarding the seizure of cars for ticket debts: "The signing over or involuntary surrender of your vehicle to the City does not waive or decrease any outstanding debt you owe the City."

Records show the city sold Botello's car to United Road Towing, a private contractor, for \$138.96 after 33 days in the impound.

"If you have property and can't pay the city what you owe, and they take your property, the reason that they're taking your property is because they need to consolidate that debt with that," Botello said. "They're a bunch of thieves."

The \$138.96 sale price doesn't reflect the age and model of Botello's car (a 2003 Lincoln Continental). Even newer cars are sold for a few hundred dollars or less. Instead, the city sells hundreds of cars monthly to the towing company for the car's anticipated scrap price of the car.

The Department of Finance, which handles the city's debt collection and boots, and the Department of Streets and Sanitation, which contracts out the city's towing, did not dispute any of WBEZ's findings.

Marjani Williams, a spokeswoman for Streets and Sanitation, said the city does not check the condition of the vehicle before selling it to the towing company, and DSS supplies the contractor with a list of vehicles' make and year.

Representatives from United Road Towing did not respond to months-worth of inquiries from WBEZ concerning the handling and sale of scofflaw-related cars and the contract that governs the program.

For years, motorists caught in a ticket trap would turn to bankruptcy to get their cars out of the impound. City lawyers have sought to curb the practice. (This was a major factor in an explosion of Chapter 13 bankruptcies in Chicago, according to investigations from ProPublica Illinois.)

But debt is just one problem drivers faced. The more immediate problem was the sudden lack of transportation.

"People have obligations. They have families. They have medical appointments," said Eric Halvorson, a policy and communications associate for the Chicago Jobs Council.

The nonprofit advocacy group has argued Chicago's debt-collection practices have hurt access to employment.

"One of the things that we see is that a [license] suspension or taking away a car is really a family sentence," he said. "It impacts kids' abilities to get to school."

Botello said that, in her case, it was hard to run errands without a car.

"It sucked, and we don't even have a grocery store here, so all of our shopping was over at that dollar store there," she said. "You got canned food, chips, cookies, donuts, juices, and milk."

Who's harmed the most?

The city tickets aggressively for sticker noncompliance as if they're parking violations, and at rates far higher in low-income neighborhoods, a WBEZ/ProPublica Illinois investigation found.

According to ticket histories vehicles sold off in 2017, half of the tickets received that year were for expired plates and city stickers.

Given that the bulk of so many scofflaw tows and sales involve these types of tickets — and that low-income people simply have a harder time paying off ticket debt — it's no surprise that these same neighborhoods lose the most cars to the towing program.

Map: ZIP Codes Of Owners Who Had Cars Sold By Chicago For Scofflaw Related Ticket Debt — 2017

On a recent morning, Botello pointed to where her car was booted and towed on Paxton Avenue off 69th Street. The street is lined with older brick buildings, and many of her neighbors waved good morning as they walked their children to school.

This corner of the city faces more than its fair share of ticket-related woes. Her South Side neighborhood is in Chicago's 5th Ward, where residents owed \$33.2 million in parking debt to the city as of May 2018, according to a ProPublica Illinois analysis.

That same analysis, dubbed "The Ticket Trap," also showed more than 223,600 parking tickets issued in that ward between 2013 and 2017. Car bootings are also common there, according to data released last year. That data, analyzed by ProPublica Illinois and WBEZ, suggest at least a dozen other wards are even worse off when it comes to ticketing rates, ticket-related debt, and car bootings.

Many of these areas are low income, and according to research conducted by the Chicago Metropolitan Agency for Planning, our region's black residents have longer average commute times.

Liz Schuh, CMAP's principal policy analyst, wrote that "residents of minority, low income communities in south and southwest Chicago and the suburbs have particularly long commutes to jobs scattered throughout the region."

There's a lot at stake in losing a car, an important transportation option.

"Transportation plays a key role in creating pathways to opportunity for all residents, but particularly for low income communities, people of color, and people with disabilities," she wrote.

The city's take on the scope of scofflaw tows

The city works hard when it comes to scofflaw-related programs: Workers and private contractors issue tickets, collection agencies are hired to recover fines, salaried city workers operate impound lots, hired contractors boot and tow cars, and the city manages sales of cars for scrap prices.

Even with all these resources, Chicago fights an uphill battle to recover what it says it's owed. A WBEZ/ProPublica Illinois investigation revealed only one in three of the most expensive car-related tickets (e.g., city sticker tickets) gets paid.

Still, the city has committed itself to ticketing and collecting from residents, and the direction's not coming from the Finance and Streets and Sanitation departments: It's coming from the top. After Mayor Rahm Emanuel took office in 2011, he – under the approval of city aldermen – increased a slew of city fines and fees. City Hall also expanded the number of cameras that catch drivers running red lights, and added cameras to catch speeding drivers. The number of scofflaw tows and sales increased.

In recent months, though, corners of city government have been considering changes to scofflaw-related ticketing, because of reporting by WBEZ and ProPublica Illinois. The city also faces a class-action lawsuit over fine increases; plaintiffs accuse the city of exceeding legal caps on parking and compliance tickets. Other suits have been filed, too.

City Clerk Anna Valencia is backing one set of reforms. In November, she helped pass legislation to allow motorists to pay for the \$88 to \$139 sticker in four-month installments, a politically safe move that puts the city at little risk of losing revenue. Emanuel praised the changes, which had been built into the city budget. "Across the spectrum of fees and fines, we have a way to address and reflect people of different means," he said in November. "And so we're going to continue to work on that issue."

The city is also revisiting storage and other fees based on motorists' ability to pay.

Botello said the city settled her storage and tow fees for less than she owed, not because her car was sold off, but because she was on Temporary Assistance for Needy Families, a federal financial support program. She still has \$1,605 left to pay on her nearly \$3,000 debt, and is now on a monthly payment plan.

A proposal currently stalled in City Council would allow TANF recipients to qualify for reduced late penalties and tow fees provided they perform community service.

Another proposal, introduced by former Finance Chairman Ald. Ed Burke (14th Ward), would have the city create more affordable payment plans for residents at risk of losing their driver's licenses. That proposal's future is up in the air, given that federal prosecutors last week charged Burke in a corruption case.

Valencia, who oversees the city sticker program and is running for election, launched a task force in December that is supposed to recommend changes to Chicago's ticketing and debt-collection practices.

When asked whether the impound and sales programs are unfair, Kristen Cabanban, a spokeswoman for the city's Finance Department, supplied the following statement:

"Vehicle owners are afforded many opportunities to avoid the boot. ... Drivers are able to enroll in a payment plan at any point in time prior to booting with as little as the first monthly payment, which would prevent the boot. After a vehicle is booted, drivers are still eligible for a payment plan. If the motorist does not enroll in a payment plan within 24 hours, the vehicle is then impounded. However, the motorist may enroll in a payment plan in order to retrieve their vehicle."

Monthly payment plans come at a cost, however, towed motorists are required to pay 50 percent of the outstanding ticket debt to remove a boot, plus storage and tow fees, a sum that's not accessible to individuals who did not have the funds to pay off initial tickets in the first place.

Changes to the city sticker program go into effect later this year, but they're too late to help Botello and hundreds of residents caught in scofflaw programs each month. Critics point to the fundamental premise of these programs: That these programs are important sources of revenue for the city and are worth the effort of enforcing.

Halvorson, with the Chicago Jobs Council, said even if you agree that there's a lot of revenue coming from tickets, "It's coming from people who have the ability to pay who get the ticket, write the check, and put it in the mail. Not from struggling families. ... It's like what's the phrase squeezing [blood] out of a stone kind of situation."

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— WBEZ's Odette Yousef, Paula Friedrich, and Manuel Martinez contributed to this report. This report was also built off collaborative efforts with ProPublica Illinois reporters Melissa Sanchez, David Eads, and Sandhya Kambhampati.

Editor's Note: This story examines the extent to which indebted drivers lose their cars and rack up additional debt through the city's impound program. A follow-up story will examine the city's entire towing program, the revenue and costs brought in, and the various private contracts the city has, including that with United Road Towing.

How we did this

WBEZ would like to express the deepest gratitude for the cooperation of the Chicago Departments of Streets and Sanitation, Finance, Budget Management, Procurement Services, Law, Human Resources, Fleet and Facility Management, and Police; and the offices of the City Clerk of Chicago, the Illinois Secretary of State, Illinois Attorney General Public Access Counselor for data and responding to more than 100 Freedom of Information Act Requests. Additional thanks to

Communities Organizing and Family Issues (COFI) and the Chicago Jobs Council for providing background research.

Towing records were obtained through several FOIA requests to the Department of Streets and Sanitation. We isolated vehicles identified as "scofflaw - immediate" and further isolated those identified as "contract sales."

Scrap values were determined using price tables obtained through a FOIA request to DSS. Those contained monthly valuations that were matched against the completion date of a contract sale in the towing data.

Vehicle manufacturers and color were available from towing data, but the models and years of the vehicles weren't. Additional FOIAs matched the vehicle identification number (VIN) of the scofflaw vehicles with tows, and VINs were decoded using the National Highway Traffic Safety Administration website, which enabled us to identify the model, series and year of the car.

That data was corroborated by providing a sample of registration information to the the Illinois Secretary of State office, which then returned other data points, including makes, models and years.

Ticket history of booted and impounded vehicles was accomplished using ticket data obtained through a FOIA request to Chicago's Department of Finance, the same data utilized in collaboration with ProPublica Illinois. (It's freely available here.) License plates were matched against tow records, and ticket history was pulled for vehicles prior to sale. A sampling of tickets from 2015-2017 were matched against plates for "scofflaw tows" from 2017.

Costs of impounds were determined using invoices obtained through a FOIA request to DSS for each month from 2013-2018. Additional voucher payments were obtained through another FOIA request to the Finance Department, which account for scofflaw boot release-and-tows.

Salaries and overtime information for city employees involved in the towing program were obtained from the Department of Human Resource via the public data portal.

We calculated scofflaw boots, tows and sales by ZIP code by joining those records from DSS with ticket data from the Department of Finance, which provides ZIP code level information on vehicle owners. This allowed us to show the areas affected by the city's car seizure and sale program.

We posted that data here on WBEZ's new data portal.