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TO: Detroit City Council

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: September 7, 2021

RE: Report on Possible Predatory Parking Practice

The Legislative Policy Division (LPD) has received a request for Council Member Roy McCalister, Jr. to look into a citizen complaint regarding a potential predatory parking practice that may have occurred at a Downtown Detroit parking lot. LPD has obtain information regarding the incident and submits this report for City Council's review.

The complainant, a City of Detroit resident indicated that on June 17, 2021 she attended an event at the Music Hall Center for the Performing Arts. Complainant went to park at the surface lot located at 440 Madison, which is licensed and operated by Park Rite, Inc. Complainant indicates that when she arrived at the parking lot, the attendant required cash to access the main parking spaces. Complainant had no cash on hand and was informed that there was an area with parking spaces that allowed a patron to pay via a Mobil application.¹ The Complainant went to the area to park via the Mobil application. In that parking area there was a sign that provided instructions to text which would provide the ability to pay via credit card to park in the provided parking spaces. Complainant indicates, the Mobil instructions were followed via text and entered her vehicle and credit card information. Complainant indicates the charge received to park was \$10.50. Complainant left the vehicle and went to the intended event. Upon Complainant's return to the vehicle, she found a "Parking Notice" place on the vehicle indicating the vehicle was "in breach of the posted rules and use limitations of the property location identified..." The notice also indicates the reason for the breach was "NO PAYMENT TO PARK 80". The parking penalty fee

¹ The Park Rite, Inc. link for mobile text parking is <HTTPS://parkerlink.t2p.mobi/old-mobi/42EC1BB1> to purchase parking time. LPD went to the link on September 1, 2021 at approximately 4:30 pm and received a parking fee of \$10.00 with a convenience fee of .50 cents. The parking expiration time was 4:00 am. This would have provided a parking time of approximately 12 hours before expiration.

was listed as \$80.00. The Notice also provides that to dispute the notice Parking Revenue Recovery, Inc. has exclusive authority to review and resolve all disputes concerning the notice.

The Complainant has been in consultation with Parking Revenue Recover, Inc. to resolve this matter. Complainant has so far been unsuccessful, although Complainant indicates there is documentation to show her bank account was debited in the amount of \$10.50 the amount of the parking fee.² Complainant also received a letter from an attorney debt collector for Park Rite demanding payment of the \$80.00 parking penalty fee.

LPD's assessment of the information provided is two-fold. The issue regarding whether the Complainant properly paid the initial parking fee of \$10.50 and therefore not required to pay the parking penalty of \$80.00 is a civil dispute between the Complainant and Park Rite, Inc.

LPD's second assessment is whether Park Rite, Inc. has complied with the City of Detroit ordinance provisions regarding licensed parking lots under Section 32-1-20, Signs denoting hours and rates, provides in pertinent part:

- (c) Where separate rates or charges are made during the day, notice thereof shall be posted on the signs described in Subsection (b) of this section.

Park Rite, Inc. has provided signs at the parking lot located at 440 Madison and their website as follows:

- Max (Standard Rate): \$50
- Max (Rate A): \$40
- Max (Rate B): \$30
- Max (Rate C): \$25
- Max (Rate D): \$20
- Max (Rate E): \$15
- Max (Rate F): \$10
- Max (Rate G): \$8
- Max (Rate H): \$5

The Park Rite website also provides the mobile app text information "Text 'PR440' to 25023 to pay for parking." The amount the Complainant was charged is consistent with the "Max (Rate F): \$10.00". This would also be consistent with LPD's findings of the fee that would have been charged on September 1, 2021 at approximately 4:30 pm. (See footnote 1)

Section 32-43 *Schedule of rates to be filed with application; rate categories; manner of changing same.* Which provides in pertinent part:

- (b) No charge other than the rates specified in such schedule shall be made except as otherwise provided for in this section.
- (d) Where separate day and night rates are charged, and a vehicle is parked while day rates are in effect, the day rate shall continue until 6:00 p.m. and charges shall be

² Complainant indicates the Parking Revenue Recovery is demanding the Complainant provide the receipt that would have been provided had the transaction been properly completed to resolve the matter.

made accordingly. In no event may a rate greater than the maximum daily rate be charged.

Pursuant to the City Code provisions under Section 32-1-43 (b) and (d), only the rates specified in the schedule is to be charged and/or if the patron is being charged a day rate and stays beyond 6:00 p.m. and into the night rate, the charges may be changed accordingly. However, the Code provides that under no circumstance can the rate be greater than the maximum daily rate. Park Rite, Inc. "Maximum Standard" daily rate at the 440 Madison lot is \$50.00. The Notice the Complainant received is charging \$80.00. If the Complainant is a legitimate patron and has stayed beyond the permitted time, it appears under the Code the standard maximum rate at the lot to be charged is \$50.00. If Park Rite, Inc. sees the Complainant as a trespasser, the question is whether Park Rite can penalize the Complainant by charging \$80, beyond its maximum standard rate.

The license granted by the City to parking lot owners and/or operators require that they comply with all ordinances and City regulations. Certainly, Park Rite, Inc. has the right to remove vehicles that are illegally trespassing at the owner's expense. However, it is LPD's opinion that they cannot charge parking fees beyond the listed scheduled rates or the maximum daily rate.

LPD believes the matter regarding compliance with the City Code should be referred to the Law Department and Building Safety, Environmental and Engineering Department for review and any further action if necessary.

From: Parking Payments <postmaster@text2park.com>

Date: August 17, 2021 at 11:15:09 AM EDT

To: ladyt327@aol.com

Subject: Payment Receipt

Thank you for parking with Park Rite

Payment Receipt

MAIN, 440 Madison

Ticket #: 440009041

Date In: 6/17/2021

Time In: 7:17 PM Phone: +13136109227

Plate 6BF94

Park Time: 8h 43m

Parking Fees: \$10.00

Convenience fee \$0.50

Total Paid: \$10.50

MasterCard **1084

Your CC statement will say "PARKING - RECEIPTS.COM"

Thanks,

Park Rite

www.parking-receipts.com

+1 469 453-2000

Thank you for parking with Park Rite

9w Robert
anyone parking prrs.com
email




web address
parking-receipts.com

Parking Notice

The vehicle described below is parked on private property and is in breach of the posted rules and use limitations of the property location identified below. The Parking Operator and Parking Revenue Recovery, Inc. are NOT governmental or affiliated agencies.

NOTICE# 1000895218



DATE	TIME	CHECKER
6/17/2021	7:11 PM	
LICENSE	STATE	STALL #
6BF94	MI	
VEHICLE	TYPE	COLOR
FORD	4D	MRN
LOT	LOCATION	
(01)	440 Madison Street	
REASON		
NO PAYMENT TO PARK 80		
COMMENTS & PHOTO(S):		
2 Photos Taken. Checker cannot accept payment or void notice.		
		
PARKING PENALTY FEE: \$80.00		

After 14 days, the payment will be considered in default and this account assigned to a debt collector. The above vehicle may be subject to towing or booting and the owner may be liable for additional costs and fees, to the extent permitted by law.

TO PAY THIS NOTICE:

By Credit / Debit Card, pay online at:
<https://prrs.paymynotice.com>

By Check: Place this Notice and your payment in the accompanying envelope. Write this Notice number on your check. Make your check payable to PRR.

DO NOT SEND CASH!

Payment Center - PRR
P.O. Box 440350
Aurora, CO 80044

TO DISPUTE THIS NOTICE:

Parking Revenue Recovery has the exclusive authority to review and resolve all disputes concerning this Notice. Please submit all requests and disputes to PRR directly, IN WRITING, within 14 days of issuance of this Notice.
Email: appeals@ParkingRevenueRecovery.com

PLACE
STAMP
HERE

NAME _____
ADDRESS _____

Payment Center - P.R.R.S.
12381 E Cornell Ave.
Aurora, CO 80014

Daniel B. Kelley
Attorney at Law
12381 E. Cornell Avenue
Aurora, CO 80014

Tel: (888) 851-6558
Fax: (303) 733-9802
Email: disputes@parkingattorney.com

08/03/2021

YVETTE MCELROY ANDERSON
CENTER RD

RE: Park Rite - Detroit
License Plate Number: 6BF94 / MI

Notice Number	Date	Violation	Location	Balance Due
1000895218	06/17/2021 at 19:11	NO PAYMENT TO PARK-80	440 Madison Street	\$80.00

This law firm represents the above Creditor concerning the above PARKING NOTICE and BALANCE DUE which is IN COLLECTION.

Although this letter is from a law firm, at this time no attorney has independently evaluated your case or made any recommendations regarding the validity of the creditor's claims or personally reviewed the circumstances of the Parking Notice and Balance Due. This law firm is acting solely as a debt collector and not in any legal capacity in sending this letter. This is an initial communication to collect a debt only.

This firm will assume the debt to be valid unless you notify this firm within thirty (30) days after receipt of this COLLECTION NOTICE that you dispute the validity of this debt, or any portion thereof. If you notify this firm in writing within the thirty (30) day period that you dispute the debt, or any portion thereof, this firm will obtain verification of the debt and the firm will send you a copy of such verification. Upon your written request within the thirty (30) day period, this firm will provide you with the name and address of the original creditor, if different from the current creditor.

You have the right to request in writing that a debt collector or collection agency cease further communication with you. A written request to cease communication will not prohibit a debt collector, collection agency, or creditor from taking any action authorized by law to collect the debt. Debt collectors or creditors may invoke specified remedies which debt collectors or creditors ordinarily invoke; an example of a specified remedy is reporting credit/consumer information to one or more credit/consumer reporting agencies after expiration of the thirty (30) day period, in accordance with applicable law.

Please identify the PARKING NOTICE NUMBER and your LICENSE PLATE NUMBER on ALL communications. Unless otherwise notified, contacting this firm via methods other than regular mail, e.g., email, fax or telephone, constitutes express consent to reciprocal future communications with you, including voice messages. Please specify if we may discuss your debt with, or accept payment from, any other person(s).

Please pay the BALANCE DUE stated above. Payments by check should be made payable to PRRS and mailed to P.O. Box 440350, Aurora, CO 80044. You may pay by credit/debit card online at <https://prrs.paymynotice.com> or call 1-720-465-7906.

Your opportunity to contact us or pay does NOT overshadow, negate, or abridge any of your thirty (30) day rights or affect the legal requirement to notify this firm of any dispute in writing in order to obtain verification of the debt.

Sincerely, Daniel B. Kelley, ESQ

THIS COMMUNICATION IS FROM A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. FOR INFORMATION ABOUT THE FEDERAL FAIR DEBT COLLECTION PRACTICES ACT, SEE: <http://ftc.gov/bcp/edu/pubs/consumer/credit/cre27.pdf>.

8/9 - sent email
- left message 9:50 PM

anyone
email
parking-receipts.com