



WBEZ Investigations

Takeaways From Our Investigation Into Chicago's Broken Towing Program

By Elliott Ramos

Mar. 31, 2019, 6:41 p.m. CT



Thousands of cars are impounded at Chicago's auto pound on North Sacramento Boulevard. Bradley French / for WBEZ



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WBEZ has scrutinized Chicago's vehicle-towing practices for more than three years, uncovering disturbing truths about them along the way. Our [latest interactive investigation](#) follows an examination of hundreds of thousands of towing records, more than a hundred invoices, vendor contracts, and internal documents obtained through more than 100 public records requests. What we've found paints an alarming picture of the city's frenzied towing, booting and impound practices. In 2017 alone, this decades-long, practically for-profit program towed nearly 94,000 cars off the street; more than 24,000 of them were eventually sold



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on a problematic private contract. It also demonstrates that — after deploying contractors and many city employees — it barely makes money for the city.

Here are key takeaways.

Chicago’s towing programs are massive

The Chicago Auto Impound At Sacramento Boulevard



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Just off North Sacramento Boulevard, the city operates an auto pound that’s more than half a mile long. This West Side lot is just one of five city impounds the city



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According to our analysis, Chicago impounded 93,857 vehicles in 2017. Chicago [tows more cars per resident than Los Angeles](#), a city with 1.3 million more people and even more dependent on cars.

Many Chicago drivers cannot afford to get their vehicles out of the impound; when that happens the city sells the car for scrap value to the city's towing vendor, United Road Towing. This happened to just under 24,000 vehicles – or an average of 66 cars a day – each for less than \$200.

Sales included: a 2016 Ford Mustang for \$176.09, a 2014 Audi A3 for \$147.15, and a 2011 Mercedes M-Class for \$143.33.

The city pays its towing contractor in cars

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\$22 Million Worth Of Cars Sold In Chicago

The city sold 24,000 cars for scrap prices. The market value was likely five times higher.

 A Flourish data visualization

In 2016, Chicago [gave URT a contract](#) to handle its towing work, at an estimated cost of \$60 million over five years. The company (known as Environmental Auto Removal until 2006) has held towing contracts with Chicago for the last 30 years, despite the fact that it's dodged many scandals.

It had faced no competition for the last contract it landed in 2016. Its last competitive contract was in 2010. It was not the lowest bidder.



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because the contract essentially lets the company keep many cars that owners don't reclaim from city auto pounds.

The payoff for URT is huge. Of the 93,857 cars towed in 2017, residents did not (or could not) reclaim 32,155 of them. URT took possession of nearly 24,000 of the towed cars, paying the city just more than \$4 million in scrap prices. But conservative estimates suggest the cars' value was far higher.

We then looked up similar cars' values compiled by the [National Automobile Dealers Association](#), which supplies car values in asset forfeiture cases, according to the Illinois State's Attorney Office. NADA returned data suggesting that the *rough* trade-in value of cars sold to URT in 2017 topped more than \$22 million.

The city barely makes money from its towing programs



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In 2017, Chicago made \$27 million from its towing and booting program. It spent, \$22 million, or 83 percent of the revenue, just to run the program. Here's a breakdown:

1 of 11

All



Source: Departments of Finance, Aviation, Procurement Services, Human Resources, Budget Management, Streets & Sanitation, Law • Credit: Elliott Ramos/WBEZ

 A Flourish data visualization

There are many problems surrounding Chicago's towing programs: There are questionable public policies, the annual number of drivers who lose their cars is equivalent to the population of some small cities, and the contract at the center of the programs deserves scrutiny. Despite all this, the city must make money from



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Yes, but barely. In 2017, Chicago pulled in \$27 million from tow fees, storage fees, and scrap-price sales to URT. It spent more than \$22 million, or 83 percent of that revenue, just to run the programs. It makes about \$4.6 million dollars, less than what it takes in from [the plastic bag tax](#).

The most notable portions on the revenue side of the equation are storage and booting fees. Booting fees (\$5.6 million) single-handedly account for the city staying in the black in 2017.

It's going to get harder for the city to keep its towing and booting programs in the black without raising fines and collecting on debts even more aggressively.

Elliott Ramos is an editor for WBEZ. Follow him [@ChicagoEl](#).



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