



REPORT TO LAW & LEGISLATION COMMITTEE City of Sacramento

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915 I Street, Sacramento, CA 95814-2671

STAFF REPORT
June 2, 2009

Honorable Members of the
Law and Legislation Committee

Title: Discussion Paper: Unattended Donation Boxes

Location/Council District: All

Recommendation: This report is for Committee information and direction from the Law & Legislation Committee based on the options provided in this report to staff regarding unattended donation boxes.

Contact: Brad Wasson, Revenue Manager, 916-808-5844, Bob Rose, Code Enforcement Manager, 916-808-5947

Presenters: Brad Wasson, Revenue Manager, Bob Rose, Code Enforcement Manager, 916-808-5947

Department(s): Finance/Code Enforcement

Division(s): Revenue/Neighborhood Code Compliance

Dept. ID: 20001211

Description/Analysis

Issue: The City of Sacramento supports charities and their efforts to ensure that all people have adequate resources through donations. However, unattended donation boxes have begun to proliferate without the approval of property owners or without clear information about how the collected donations will be used. If not properly maintained, unattended boxes can become nuisances by attracting graffiti, trash, toxic materials and rodents.

Policy Considerations: A request has been made to bring the issue of unattended donation boxes to the Law & Legislation Committee. The increased concern about unattended donation boxes has created the potential need for a regulation policy.

Under this proposed policy, charities would be required to register every unattended donation box location with the City's Revenue Division requiring a permit fee and a per location registration fee. The permitting of charities and registering locations would come under Title 5 of the Sacramento City Code Business Licenses and Regulations. The registration process would identify responsible parties, property

owner's consent and confirm that the registrant understands the City's rules for location and maintenance.

In addition, language may be placed on the containers based on their American Institute of Philanthropy (AIP) rating. AIP is a non-profit watchdog service that rates individual charities. Their purpose is to give potential donors information on individual charities so potential donors can make informed decisions about their donations. AIP has developed a rating system that focuses on the percent spent on charitable purposes and the cost to raise \$100.

Generally a grade of "C" or better indicates that \$35 or less is spent to raise \$100 and 60% or more of proceeds are spent on programs. The balance would be spent on administration and fund raising. AIP does disclose that they adjust their ratings by some criteria that may not be agreed upon by the individual donors. However, AIP appears to be consistent with the application of these criteria.

The City may require the charity to post their AIP grade on the donation bin to give the public an idea on how much of their donation will go to services.

AIP is not a governmental agency. Individual charities voluntarily submit information to AIP to obtain a rating. AIP does not charge a fee to the charities. AIP is funded by subscribers who want the charity information for making donation decisions. Therefore, AIP appears to be independent and unbiased.

City staff does not have the resources to evaluate individual charities. Therefore, the use of AIP's information may be a reasonable option to inform and/or safe guard the public's donations to unattended bins.

The County of Sacramento is also interested in regulating unattended donation bins in the unincorporated area of the county. City and County staff are sharing information while developing recommendations for the Law and Legislation committee and Board of Supervisors. Consistency with these regulations will be beneficial to the public and charities utilizing unattended donation bins.

Environmental Considerations: Under the CEQA guidelines, continuing administrative activities do not constitute a "project" as defined in Section 15378 of the CEQA Guidelines and are therefore exempt from review.

Sustainability Considerations: There are no sustainability considerations applicable to amending City Code relating to the proposed ordinance relating to unattended donation boxes.

Rationale for Recommendation: This report is for Committee information and direction to staff on a possible ordinance regarding unattended donation boxes and policies to include in the ordinance.

Financial Considerations: Costs incurred by the City will be recovered by enforcement action and or permitting fees.

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Approved by: 
MAX FERNANDEZ
Director of Code Enforcement

Approved by: 
LEYNE MILSTEIN
Director of Finance

Recommendation Approved:


RAY KERRIDGE
City Manager

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Attachment 1

BACKGROUND

A donation box is any unattended container that is used for the collection of clothing or other salvageable personal property for charity which is usually located at entrances of a public area. These unattended donation boxes can appear to a legitimate charity. However, when the boxes are not monitored or maintained, they are likely subject to become public nuisances, particularly if no information is provided to the public about the responsible organization and/or persons.

The City of Sacramento is supporting pending State legislation, AB 918 (Adams). This would require for-profit and non-profit organizations to display the organization's name, address, telephone number, website address and a statement stating that the box is owned by a for-profit agency, a commercial fund raiser or a non profit agency on the donation box. These organizations will be required to provide licensing information and the destination of the proceeds. AB 918 allows local jurisdictions to adopt ordinances or regulations that are more stringent than the bill's provisions.

Statewide, some cities have reported problems with unattended donation boxes. In Oakland, unattended boxes have been reported to corral donations away from legitimate charitable organizations. Permits and fees for unattended donation boxes are required in Berkeley and San Rafael.

Nationwide, cities have adopted ordinances pertaining to unattended donation boxes. Chicago prohibits the installing or maintaining of any collection bin outdoors on private property without first obtaining a permit. Milwaukee requires a permit for publicly accessible bins and prohibits bins on private property unless the provider of the bin has first obtained a permit. Dade County, Florida, prohibits the placement of donation collections bins and provides for removal, destruction and recovery of costs.