



## STAFF REPORT ACTION REQUIRED

### Out-of-Province Parking Ticket Collection

<b>Date:</b>	October 29, 2009
<b>To:</b>	Government Management Committee
<b>From:</b>	Treasurer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2009\Internal Services\rev\gm09031rev (AFS#9858)

#### SUMMARY

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This report discusses the feasibility and financial implications of not issuing parking tickets to vehicles with non-Ontario license plates and instead providing a warning notice to these drivers advising them that they are parked illegally. The report also summarizes the practices employed by other municipalities in relation to out-of-province parking tickets.

#### RECOMMENDATIONS

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**The Treasurer recommends that:**

1. This report be received for information.

#### FINANCIAL IMPACT

There are no financial implications associated with this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

#### DECISION HISTORY

At its meeting of July 25 – 27, 2006, City Council authorized staff to: i) initiate, on a pilot basis, a program to pursue collection of outstanding City of Toronto parking tickets issued to vehicles registered in the states of New York, Pennsylvania, Maine and Ohio, by issuing a Notice of Fine and Due Date to the offenders following a registered conviction of the offence by the Courts; and, ii) negotiate and enter into agreements with these states to obtain license plate information for vehicles registered in those states for the purpose of pursuing collection of unpaid parking tickets [re: Policy and Finance

Committee Report 6, Clause 55 titled “Parking Tickets Issued to Out-of-Province Vehicles”]. This report can be found at:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060725/cofa.pdf>

Subsequently, at its meeting held on April 29-30, 2009, in considering a staff report presenting the evaluation of the aforementioned pilot project approved in July 2006 (re: Government Management Committee report GM22.10 “Out-of-Province Parking Ticket Collection Pilot Program”), City Council adopted the following resolutions:

1. City Council discontinue the Out-of-Province Parking Ticket Collection pilot program given that the costs to operate the program exceed the revenues being realized.
2. City Council again request the Province of Ontario to negotiate data transfer and data exchange agreements with other provincial and state governments, so as to provide municipalities with name and address information for out-of-province plate owners who remain on the default parking ticket payment listing; priority should be given to the provinces of Quebec, Alberta and British Columbia, and the states of New York, Michigan and Florida, which account for more than 50 per cent of all out-of-province tickets issued.
3. City Council request the Acting Treasurer and Councillor McConnell to enter into discussions with the “Big 12” Police Services Board, the Ontario caucus of FCM and Tourism Toronto regarding Out-of-Province Parking Ticket Collections and seek their endorsement of the City’s initiative to negotiate data transfer and data exchange agreements with the Province and other provincial and state governments.

The Government Management Committee also requested the Acting Treasurer to report to the November 9, 2009 Government Management Committee meeting on the feasibility of not ticketing Out-of-Province vehicles for parking violations and include the cost benefits and financial implications of providing a notice to these drivers that would advise them that they are parked illegally, and further, provide the practices of other municipalities when dealing with this issue.

The decisions and recommendations of Council and Committee can be accessed at:

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-04-29-cc35-dd.htm>

<http://www.toronto.ca/legdocs/mmis/2009/gm/decisions/2009-04-15-gm22-dd.pdf>

## **ISSUE BACKGROUND**

The City of Toronto issues approximately 2.8 million parking tickets each year. Of those, approximately 114,000 are issued to vehicles bearing out-of-province licence plates. Of the 114,000 out-of-province tickets issued in 2008, approximately 18,400 or 16.2 per cent were paid voluntarily. Attachment 1 provides the breakdown of tickets issued in 2008 to out-of-province vehicles.

Efforts to pursue collection on the balance of out-of-province tickets cannot be initiated unless the City has access to vehicle ownership information for out-of-province license plates. This information is required in order to enable the City to identify and thus pursue the vehicle owner for payment via the issuance of a Notice of Fine and Due Date once a conviction has been registered. In order to pursue collection on out-of-province tickets, vehicle information (i.e., ownership and mailing address information) must be secured within 35 days of a ticket being issued in order to allow sufficient time to receive the information and process the ticket within 75 days of the date of issue in order to secure a conviction. The *Provincial Offences Act* requires that parking infraction notices be fully processed within 75 days of the date of issue otherwise the ticket must be cancelled. Once a conviction is registered, a Notice of Fine and Due Date is mailed to these offenders.

Unpaid parking tickets issued to out-of-province plates cannot be pursued through the current and highly effective plate denial system operational in Ontario (i.e., prohibiting drivers from renewing their license plates until all parking fines are paid in full), as other jurisdictions do not have a plate denial system in their provinces/states. In addition, these unpaid tickets cannot be pursued through the courts, since in order to obtain a conviction on a parking fine the *Provincial Offences Act* requires a registered and certified label of ownership information to confirm vehicle ownership, something that cannot be obtained on out-of-province vehicles.

## **COMMENTS**

Staff have reviewed a variety of options to collect out-of-province parking tickets, including the pilot projects to evaluate the benefit and effectiveness of: i) using collection agencies; and ii) purchasing vehicle ownership information from other jurisdictions. These options have not been continued given that the costs to collect the unpaid out-of-province tickets approach or exceed the parking ticket revenue realized.

Where tickets issued to out-of-province vehicles are paid voluntarily by the vehicle owners, net revenue is generated for the City. In 2008, approximately 16.2 per cent of tickets (18,417 tickets) issued to out-of-province vehicles were paid voluntarily, with no collection efforts on the part of the City. The revenue received from these 18,417 voluntarily-paid tickets was approximately \$585,000, while the labour and processing costs associated with issuing and processing all out-of-province tickets (i.e. approximately 114,000 tickets issued in 2008) was approximately \$102,000, and includes officer time, data entry time, printing costs and hardware and software costs. In light of this, it is beneficial to the City to continue to issue tickets to out-of-province vehicles.

While the financial benefit to the City is positive, there are other important reasons to continue this practice. By-laws do not provide exemptions for vehicles with out-of-province license plates. Consistent enforcement approaches require that all vehicles in contravention of a by-law be ticketed equally, without regard for the license plate attached to the vehicle. Furthermore, when towing is required such as during rush-hour periods, by-laws require the issuance of a parking ticket before the vehicle can be towed.

## **Issuing Warning Notices for Out-of-Province Vehicles**

In reviewing the feasibility of not issuing tickets to out-of-province vehicles, and instead issuing a printed warning advising drivers that they are parked illegally, the costs to provide such warnings would likely far outweigh the value of any goodwill created by not issuing tickets to out-of-province vehicles, and would also not likely serve as a deterrent to such vehicles parking illegally in future.

Parking violations are issued by staff of Toronto Police Services Parking Enforcement Unit, or by trained Municipal Law Enforcement Officers under contract with various agencies for ticket issuance on private or municipal property. Ticket-issuing officers typically patrol areas on foot, or use bicycles or vehicles. If a vehicle is determined to be illegally parked, the enforcement officer must take the time to stop, survey the vehicle, view the license plate, and then issue the ticket, either with a hand-held ticket writing device, or using a hand-written ticket. This process would be the same whether the vehicle was an Ontario-registered license plate or an out-of-province plate. The actual time spent issuing the ticket makes up a very small portion of the officer's overall time once it is determined that the vehicle is illegally parked. Therefore, there would be a net cost associated with having officers determine that a vehicle is illegally parked, and then issue a warning notice instead of a ticket – the largest percentage of the officer's time is in patrolling and in identifying the infraction.

Additionally, a warning notice, in order to be effective, would have to identify the nature of the parking violation – this would require the officer to identify the violation from a checklist of violations (e.g. expired meter, failed to display pay-and-display notice, parking during prohibited area or prohibited times, etc.). The time taken to identify the infraction would be equivalent to the time taken to issue an actual ticket. Therefore, the costs of having enforcement officers issue a ticket would be equivalent to the costs of having officers issue a warning notice instead – with no associated revenue from those tickets that are paid voluntarily. As indicated above, there is a financial benefit to issuing out-of-province tickets since although only a fraction are paid, the revenues received from the tickets that are paid is far greater than the cost of issuing and processing all out-of-province tickets. If warning notices were issued instead of tickets, there would be no net revenue generated, while labour costs would remain unchanged.

Further, in order to issue warning notices, such notices would have to be printed in bulk, with associated printing, layout and production costs, and carried by enforcement officers in addition to their normal ticket-issuing materials. Finally, as the largest percentages of tickets issued, both to Ontario-registered vehicles and out-of-province plates, are for expired meter offences and parking during prohibited areas or times, it is unlikely that a warning notice would serve as a deterrent to drivers in future, as such offences are generally inadvertent in nature, and so a warning or education would not likely result in a reduction in the possibility of repeat offences.

In summary, while it is feasible to have parking enforcement officers issue warning notices to out-of-province vehicles instead of parking tickets, this practice would not be

cost-effective, and in fact would result in additional net costs to the City due to the loss in revenue from voluntarily-paid tickets.

### **Best Practices and Comparisons to other Municipalities**

Staff reviewed the practices of several other Canadian and American municipalities in an effort to identify best practices for dealing with the issue of out-of-province/out-of-state parking enforcement models. Staff concluded that the approach used by the City of Toronto is virtually identical to the practices of other municipalities across Canada and the United States.

As Table 1 below outlines, while each city uses different methods to deal with the issue, the practices are similar insofar as most municipalities do not actively pursue out-of-province offenders and simply cancel out-of-province tickets which remain unpaid.

**Table 1  
Survey of enforcement methods for out-of-jurisdiction parking offenders**

<b>City/Jurisdiction</b>	<b>Pursue Out-of-Province/State Offenders?</b>	<b>Indirect Strategy Employed</b>
Ottawa	No	Only pursue Quebec registered plates
Niagara Falls	No	Only pursue US registered plates
Edmonton	No	None
Vancouver	No	None
Calgary	No	None
Anchorage	No	None
Pittsburgh	No	None
Philadelphia	No	Booting, Habitual Offender Lists
New York	No	Booting, Habitual Offender Lists
Los Angeles	No	Booting, Habitual Offender Lists

“Booting” is a process used by many American municipalities whereby enforcement staff install a device on a vehicle’s tire which immobilizes the vehicle and prevents movement. In order to have the device removed drivers are required to pay any outstanding fines. While this process can be effective in some areas, there are a number of concerns with using this approach in Toronto:

- a) **Traffic Congestion:** One of the goals of the City’s parking bylaws and its parking enforcement activities is to maintain unimpeded traffic flow on city streets. The use of “booting” prevents the vehicle from being moved, with the result that the vehicle remains on the street. This in turn results in further traffic congestion. As such, the Toronto Police Parking Enforcement Unit has not adopted this method of enforcement for Toronto.
- b) **Cost implications:** Immobilization or booting devices are themselves expensive, and their use would likely require additional parking enforcement staff resources and other specialized equipment and or vehicles beyond those currently utilized for ticket issuance.

- c) Legal and liability implications: While legislation permits the towing and impounding of vehicles for illegal parking, there is a possibility that attaching a booting device to a vehicle could constitute an offence under current federal or provincial statutes, or result in potential liability, either for damage caused by attaching the device to the vehicle, or from attendant liability arising from the vehicle being immobilized. As such, we are not aware of any Canadian municipality that uses booting for parking enforcement.

Given the above factors, the use of booting devices as a parking enforcement method, whether for Ontario-registered or out-of-province vehicles, has not been adopted to date. To adopt such an approach would require a thorough evaluation of the costs and benefits, traffic implications and potential legal or liability considerations, in consultation with Transportation Services, the City Solicitor's Office, Toronto Police Service, Tourism Toronto, and Economic Development, Culture and Tourism.

A review of other jurisdictions revealed that some municipalities issue warning notices with redeemable coupons, which act to both notify the public of the parking rules as well as provide a marketing tool for local businesses. Generally speaking, these municipalities tend to be smaller municipalities with few out-of-province or out-of-state offenders. As explained above, the use of warning notices instead of parking tickets does not provide an adequate mechanism to control illegal parking and would result in a loss of approximately \$585,000 annually in revenue from voluntarily paid parking tickets.

## **Bus Parking Violations**

One of the challenges the City faces is large tour buses that park illegally in the downtown core, impeding vehicular and pedestrian traffic. A large number of these tour buses are registered out of province. Each day many buses enter the City to deliver passengers who are visiting the City and in doing so, park illegally while waiting for passengers to return. In many cases, buses are parked illegally on main or arterial roads for several hours while passengers are attending the theatre, shopping or sightseeing. Under normal conditions, where a regular passenger vehicle is found to be parked illegally on a main arterial road or during rush hour, it would simply be ticketed and towed to ensure traffic flow resumes. While these buses are ticketed regularly, many towing companies refuse to tow buses since they either don't carry the proper liability insurance for this type of large vehicle and/or they refuse to tow these vehicles because there is great risk of damaging the frame of the bus, where repairs could exceed \$100,000. Similarly, booting is not used for buses due to the size of the vehicle tires, liability issues and other concerns discussed above.

As with other out-of-province vehicles, the City of Toronto is unable to collect on the outstanding parking tickets issued to these out-of-province buses. In an effort to address this issue, the City's Transportation Division developed a pilot project to try to stem the illegal parking of large buses on main or arterial roads. The project involved the leasing of a parking lot designated specifically for buses where the drivers could drop off passengers and wait in this lot. This area was intended as a rest area for drivers and allowed them to park for long periods of time. The project proved unsuccessful due in

large part to the fact that the drivers opted not to use this facility, especially where the designated bus parking lot was located some distance away from the attraction.

The City's Transportation Division continues to work with Economic Development, Culture and Tourism to deal with the bus issue in the City and to look at alternatives for bus parking. This strategy has led to the creation of new bus parking spaces on some of the roads in the downtown core.

Given the attractions and popularity of Toronto, the City will continue to receive out-of-province visitors each day. History has shown that some of these visitors will park illegally and receive parking tickets. This is not a unique problem for the City of Toronto as nearly all other large municipalities experience the same challenges. As identified in the body of this report, the City of Toronto has tried a number of approaches to mitigate the number of out-of-province vehicles that are ticketed and whose fines remain unpaid.

In April 2009, Council adopted a resolution to again request the Province of Ontario to negotiate data transfer and data exchange agreements with other provincial and state governments, so as to provide municipalities with name and address information for out-of-province plate owners who remain on the default parking ticket payment listing. Staff believe that this is the most effective and viable option and will continue with its efforts to work with the Ontario caucus of FCM and the Big 12 Police Services Board on securing provincial support for data-exchange agreements with other jurisdictions.

## **CONTACT**

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## **SIGNATURE**

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Giuliana Carbone, Treasurer

## **ATTACHMENTS**

Attachment 1: Parking Tickets Issued to Out-of-Province Vehicles in 2008

Attachment 1  
Parking Tickets issued to Out-of-Province Vehicles in 2008

Province/State	# of Parking Tickets Issued	% of Tickets Issued to Out-of – Province Plate	# of Tickets Paid(at September 30, 2009)	% Paid	# of Tickets Outstanding(at September 30, 2009)	% Outstanding
Quebec	27,550	24.21%	5,512	20.01%	22,038	79.99%
New York	10,993	9.66%	2,284	20.78%	8,709	79.22%
Alberta	10,456	9.19%	718	6.87%	9,738	93.13%
British Columbia	6,109	5.37%	579	9.48%	5,530	90.52%
Michigan	4,884	4.29%	1,007	20.62%	3,877	79.38%
Florida	4,835	4.25%	613	12.68%	4,222	87.32%
Nova Scotia	3,842	3.38%	558	14.52%	3,284	85.48%
Illinois	3,464	3.04%	397	11.46%	3,067	88.54%
Maine	3,309	2.91%	360	10.88%	2,949	89.12%
Ohio	3,240	2.85%	532	16.42%	2,708	83.58%
Pennsylvania	2,905	2.55%	984	33.87%	1,921	66.13%
Manitoba	2,814	2.47%	248	8.81%	2,566	91.19%
Arizona	2,571	2.26%	528	20.54%	2,043	79.46%
New Jersey	2,278	2.00%	445	19.53%	1,833	80.47%
California	2,255	1.98%	189	8.38%	2,066	91.62%
New Brunswick	1,819	1.60%	263	14.46%	1,556	85.54%
Saskatchewan	1,620	1.42%	133	8.21%	1,487	91.79%
Texas	1,413	1.24%	142	10.05%	1,271	89.95%
Oregon	1,354	1.19%	411	30.35%	943	69.65%
Maryland	1,328	1.17%	189	14.23%	1,139	85.77%
Connecticut	1,240	1.09%	219	17.66%	1,021	82.34%
Virginia	1,230	1.08%	240	19.51%	990	80.49%
Indiana	1,147	1.01%	103	8.98%	1,044	91.02%
North Carolina	1,028	0.90%	109	10.60%	919	89.40%
Georgia	862	0.76%	126	14.62%	736	85.38%
Newfoundland	839	0.74%	81	9.65%	758	90.35%
Minnesota	740	0.65%	102	13.78%	638	86.22%
Tennessee	669	0.59%	174	26.01%	495	73.99%
Wisconsin	659	0.58%	80	12.14%	579	87.86%
Washington	535	0.47%	76	14.21%	459	85.79%
Prince Edward Island	524	0.46%	90	17.18%	434	82.82%
Missouri	452	0.40%	53	11.73%	399	88.27%
Colorado	349	0.31%	40	11.46%	309	88.54%
New Hampshire	330	0.29%	39	11.82%	291	88.18%
South Carolina	303	0.27%	58	19.14%	245	80.86%
Nevada	297	0.26%	19	6.40%	278	93.60%
Maryland	290	0.25%	91	31.38%	199	68.62%
Kentucky	254	0.22%	59	23.23%	195	76.77%
New Mexico	249	0.22%	23	9.24%	226	90.76%



Province/State	# of Parking Tickets Issued	% of Tickets Issued to Out-of – Province Plate	# of Tickets Paid(at September 30, 2009)	% Paid	# of Tickets Outstanding(at September 30, 2009)	% Outstanding
Oklahoma	247	0.22%	53	21.46%	194	78.54%
Vermont	238	0.21%	52	21.85%	186	78.15%
Rhode Island	219	0.19%	48	21.92%	171	78.08%
Alabama	215	0.19%	22	10.23%	193	89.77%
Minnesota	205	0.18%	65	31.71%	140	68.29%
Massachusetts	181	0.16%	78	43.09%	103	56.91%
New Mexico	155	0.14%	9	5.81%	146	94.19%
Kansas	149	0.13%	28	18.79%	121	81.21%
Delaware	129	0.11%	18	13.95%	111	86.05%
Yukon Territories	125	0.11%	7	5.60%	118	94.40%
Los Angeles	121	0.11%	29	23.97%	92	76.03%
Iowa	114	0.10%	16	14.04%	98	85.96%
Utah	108	0.09%	6	5.56%	102	94.44%
District of Columbia	84	0.07%	8	9.52%	76	90.48%
Idaho	78	0.07%	7	8.97%	71	91.03%
Arizona	70	0.06%	7	10.00%	63	90.00%
West Virginia	54	0.05%	17	31.48%	37	68.52%
New England	52	0.05%	12	23.08%	40	76.92%
South Dakota	44	0.04%	17	38.64%	27	61.36%
Northwest Territories	42	0.04%	17	40.86%	25	59.52%
Arkansas	32	0.03%	9	28.13%	23	71.88%
Nunavut	26	0.02%	8	30.77%	18	69.23%
North Dakota	22	0.02%	5	22.73%	17	77.27%
Wyoming	19	0.02%	4	21.05%	15	78.95%
Hawaii	13	0.01%	1	7.69%	12	92.31%
Virginia	2	0.00%	0	0.00%	2	100.00%
Mississippi	1	0.00%	0	0.00%	1	100.00%
<b>Totals</b>	<b>113,781</b>	<b>100.00%</b>	<b>18,417</b>	<b>16.19%</b>	<b>95,364</b>	<b>83.81%</b>