



## REPORT FOR ACTION

## Administrative Penalty System – 2018 Activity

**Date:** March 27, 2019

**To:** General Government and Licensing Committee

**From:** Controller, City Solicitor and Director, Court Services

**Wards:** All

### SUMMARY

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This report provides information on the total number and type of parking violation notices (PVNs) issued in 2018 under the City's Administrative Penalty System (APS). APS program outcomes are also provided including number of disputes, cancellations, penalty variances and collection rates. Finally, this report identifies measured benefits of APS over the provincial court system. The benefits include faster dispute resolution timelines, improved accessibility and customer experience through online service, and a significant reduction in drive-away cancellations.

This year's report has been renamed and reformatted to reflect the adoption of the City's APS program which was fully implemented in 2018. Issuance and collection activity for parking infraction notices issued under the *Provincial Offences Act* was previously reported through the annual Parking Ticket Activity Report. The 2017 Parking Ticket Activity Report also provided an analysis of APS operations from August 28, 2017 to December 31, 2017.

This report is being submitted to the General Government and Licensing Committee together with a report from Toronto Police Service: "Annual Report – 2018 Parking Enforcement Unit Estimated Tag Issuance Report," which identifies enforcement related activity for 2018. In 2013, the Government Management Committee, during consideration of [Item GM21.6](#) requested that these reports be submitted at the same time.

### RECOMMENDATIONS

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The Controller, City Solicitor, and Director of Court Services recommend that:

1. The General Government and Licensing Committee receive this report for information.

## FINANCIAL IMPACT

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There are no financial implications arising from this report.

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

## DECISION HISTORY

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Starting this year, staff will report annually on parking violation notice (PVN) issuance and collection under the City's Administrative Penalty System.

On July 14, 2016 City Council adopted GM13.12: Administrative Penalty System for Parking Violations. By adopting the recommendations, City Council approved the governance and administrative requirements to establish an Administrative Penalty System for parking violations that included an Administrative Penalty Tribunal. The link to the staff report and Council's decisions are available at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.GM13.12>

On March 28, 2017 City Council adopted GM 18.6: Administrative Penalty System for Parking Violations – Revised Implementation Date. By adopting the recommendations, City Council approved an August 28, 2017 implementation date for the City's APS and several APS procedural amendments and clarifications. The link to the staff report and Council's decision are available at:

<https://www.toronto.ca/legdocs/mmis/2017/gm/bgrd/backgroundfile-101065.pdf>

On April 3, 2018 Government Management Committee adopted GM 26.6: Parking Ticket Activity Report – 2017. This report provided information on the total number and type of parking infraction notices issued under the *Provincial Offences Act* and parking violation notices issued under the City's Administrative Penalty System in 2017, including cancellation activity, dispute requests, and collection rates. The link to the staff report and Council's decision are available at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM26.6>

### **Issue Background**

On August 28, 2017, the City implemented an administrative penalty and dispute resolution process for all parking violations. Parking by-laws are designated under Municipal Code Chapter 610 and enforced through the issuance of parking violation notices (PVNs). Prior to August 28, 2017, the City's parking by-laws were enforced through the issuance of parking infraction notices (PINs) under the *Provincial Offences Act*. The City's parking by-laws are designed to regulate the flow of traffic and improve public safety.

The Toronto Police Service (TPS), through its Parking Enforcement Unit, is responsible for parking enforcement and enforcement practices. The TPS issued the majority of the City's PVNs in 2018. Approximately 10% of all 2018 PVNs were issued by trained Municipal Law Enforcement Officers (MLEOs).

MLEOs are independent private agencies whose staff are trained and certified by the TPS to issue PVNs on private or municipal property throughout the City of Toronto. MLEO agencies are required to obtain a license from the City's Municipal Licensing and Standards Division in order to operate in the City. Some of the City's agencies, such as the TTC and Toronto Parking Authority, employ MLEOs to enforce off-street parking in their respective areas. Currently, there are approximately 2,500 MLEOs working for 115 different agencies.

Three City divisions are involved in the administration of the APS. Revenue Services is responsible for processing and collecting administrative penalties issued in the city of Toronto. Legal Services is responsible for managing the screening review dispute resolution process, including the cancellation, variance, or affirmation of administrative penalties. Court Services is responsible for providing administrative support to the Administrative Penalty Tribunal (APT). The APT is an independent adjudicative body appointed by City Council with the authority to affirm, vary or cancel the decision of a screening officer and extend time.

## COMMENTS

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In 2018, the City of Toronto issued 2,045,498 parking violation notices (PVNs). The Toronto Police Service's Parking Enforcement Unit issued 1,829,394 PVNs and the balance (216,104) were issued by Municipal Law Enforcement Officers (MLEOs).

Table 1 below compares the number of PVNs issued in 2018 with the total number of parking infraction notices (PINs) issued under the *Provincial Offences Act* (POA) from January 1, 2017 to August 27, 2017 and PVNs issued under the City's APS from August 28, 2017 to December 31, 2017. These statistics are broken down by the type of issuing officer/unit. It is important to note that for the purposes of issuance analysis, there is no difference between a PIN issued under the POA and a PVN issued under the City's APS.

**Table 1: Issuance of PINs (POA) and PVNs (APS) – 2017 vs. 2018**

	2017 (PINs and PVNs)	2018 (PVNs)	Approximate Increase / (Decrease)
Toronto Police Services: Parking Enforcement Officers	1,916,317	1,823,550	-4.84%
Toronto Police Services: Police Officers/Cadets	10,876	5,844	-46.27%
<b>Subtotal: Toronto Police Services</b>	<b>1,927,193</b>	<b>1,829,394</b>	<b>-5.07%</b>
Municipal Law Enforcement Officers (MLEO's)	219,333	216,104	-1.47%
<b>TOTAL</b>	<b>2,146,526</b>	<b>2,045,498</b>	<b>-4.71%</b>

The number of PVNs issued in 2018 is less than the number of combined PINs and PVNs issued in 2017 by approximately 4.71% per cent (decrease of 101,028). This reduction may be partially explained by staff shortages in 2018 in the Toronto Police Service's Parking Enforcement Unit, and reductions associated with lane closures due to construction and bicycle lanes. Reduced issuance also reflects the success of various congestion related initiatives, higher fine / penalty amounts, and habitual offender towing. All of these factors have contributed to a reduction in issuance over the last three years.

### **PVN Issuance by Parking By-law Category**

Attachment 1 provides a detailed breakdown of PVNs issued in 2018 by parking by-law category. 2018 totals by category are compared to PIN and PVN issuance in 2017.

In 2018, the largest single parking by-law violation category was "No Parking" (i.e. violations related to parking contrary to the parking rules at a given time and place). This category represented 402,485 PVNs issued in 2018 compared to 447,401 combined PINs and PVNs in 2017. The "No Parking" category represented 19.7% of all PVNs issued in 2018, compared to 20.8% in 2017.

The next highest parking by-law violation category was "Park on Private Property" (i.e. violations related to parking on private land without the owner's consent). In 2018, 393,743 PVNs were issued in this category compared to 369,178 combined PINs and PVNs in 2017. This represented an increase in issuance of 24,565.

### **Collection Activity for PVNs Issued in 2018, PINs and PVNs issued in 2017, and PINs Issued in Prior Years**

Attachment 2 to this report provides information on PINs issued each year from 2008 to August 27, 2017 and PVNs issued from August 28, 2017 to December 31, 2018. It also shows the number of combined PINs and PVNs that have been paid as of December 31, 2018.

Based on analysis of prior years' collections experience, staff project a long-term average collection rate of approximately 83% for 2018. The collection rate on PVNs which are collectible (i.e. excluding those cancelled) is estimated at 99%.

Attachment 2 outlines the collection rate(s) for PVNs issued in 2018 and paid as of December 31, 2018. The details show that approximately 63.35% of PVNs issued in 2018 were paid in 2018. However, given that PVN recipients will continue to pay 2018 PVNs in 2019 and later years (when renewing their vehicle license plates at the Ministry of Transportation), or following disputes, the final collection rate is expected to approach approximately 83% (or 99% when excluding cancelled PVNs).

### **APS 2018 Program Outcomes – Cancellations, Variances, and Affirmations**

Under the City's APS, City-employed screening officers review PVNs at the recipient's request. Screening officers decide whether to cancel, vary, or affirm the administrative penalty based on the merits of the case and any evidence presented. If the disputer is not satisfied with the decision of a screening officer, they may request a review of that decision before an Administrative Penalty Tribunal (APT) hearing officer. This final review (referred to as a hearing review) is conducted by an independent hearing officer

at the APT. Table 2 outlines screening office outcomes for PVNs issued in 2018. This includes the number of screening reviews requested, cancellation rates, variance rates, and affirmation rates. Administrative cancellation statistics are also provided below.

**Table 2: Screening Office and Administrative Outcomes – PVNs Issued in 2018**

Total 2018 PVN Issuance	2,045,498	
<b>Screening Office Outcome Type</b>	<b>Outcomes</b>	
	<b>#</b>	<b>% of 2018 PVN Issuance</b>
Screening Reviews Requested: Online	230,253	11.3%
Screening Reviews Requested: In-Person	84,271	4.1%
Screening Decision – Cancellation	69,703	3.4%
Screening Decision – Variance	125,701	6.1%
Screening Decision – Affirmation	76,609	3.7%
<b>Administrative Cancellations</b>	<b>Outcomes</b>	
	<b>#</b>	<b>% of 2018 PVN Issuance</b>
Parking Tag Operations – Cancellations	39,482	1.9%
Cancelled due to plate errors – plate does not exist, plate is unattached	7,459	0.04%

Table 3 below outlines Administrative Penalty Tribunal (APT) outcomes for PVNs issued in 2018. This includes the number of hearing reviews requested, cancellation rates, variance rates, and affirmation rates.

**Table 3: Administrative Penalty Tribunal Outcomes – PVNs Issued in 2018**

Total Hearing Reviews Requested	21,895	
<b>APT Outcome Type</b>	<b>Outcomes</b>	
	<b>#</b>	<b>% of Hearing Reviews Requested</b>
Hearing Decision – Cancellation	2,226	10.2%
Hearing Decision – Variance	2,672	12.2%
Hearing Decision – Affirmation	11,369	51.9%

Table 4 below outlines cancellation activity for PINs (POA) and PVNs (APS) in 2017. This includes all cancelled PINs and PVNs issued in 2017 organized by category. This information is provided for comparison purposes with APS program outcomes in 2018.

**Table 4: Breakdown of PINs and PVNs Cancelled – 2017**

Reason for Cancellation	PINs and PVNs Cancelled in 2017	
	#	% of 2017 issuance
Cancelled by a Justice of the Peace, Parking Ticket Operations, or Screening Officer	175,585	8.18%
Cancelled due to Out-of-Province vehicles – license plate/owner information not available.	80	0.00%
Cancelled due to Drive Away – offender drives away before officer can serve the ticket (for tickets issued prior to August 28, 2017)	45,986	2.14%
Cancelled due to Plate errors – plate does not exist, plate is unattached	10,606	0.49%
Error on parking ticket	7,878	0.37%
<b>Total cancelled – 2017</b>	<b>240,135</b>	<b>11.19%</b>

There were 121,265 fewer PVNs cancelled in 2018 (118,870) compared to the number of PINs and PVNs cancelled in 2017 (240,135). There are many contributing factors to the decrease in the number of cancellations including:

- The ability under the City's APS to vary the administrative penalty (i.e. to reduce the penalty amount).
- The ability under the City's APS to serve a penalty notice by regular mail, eliminating drive-away cancellations.
- PVNs issued to vehicles with out-of-province ownership are no longer routinely cancelled.

In addition, the percentage of PVNs cancelled in 2018 (5.8% of total issuance) is also lower than 2017 (11.19%). The largest decrease occurred in the drive-away category given that the City now has the authority to mail tickets to those who drive away after being parked illegally before a PVN can be served.

### **Benefits of APS over the Provincial Court System – Experience to Date**

#### **Faster Dispute Resolution Timelines**

Moving the parking dispute resolution process to an APS has led to faster dispute resolution timelines. The average time to trial for PINs issued in 2016 was 225 days. By comparison, the average time to screening review for PVNs issued in 2018 was 53

days. If a hearing review at the APT was requested, the average time to hearing was 81 days from the hearing request date.

If a 2018 PVN recipient requested a screening review and a subsequent hearing review, he or she received a resolution in average of 134 days. This represents a significant improvement compared to 2016 service levels under the provincial court system. Staff will continue to modernize the APS program to improve customer service in this area.

### **Improved Customer Experience through Online Service**

The City's APS has proven to be more accessible to the public compared to the provincial court system. APS has provided customers with greater access to dispute resolution services for parking matters through the implementation of on-line options for disputing or paying a penalty. Online dispute options were not permitted for PINs issued under the POA.

Of the 2018 PVN recipients that chose to dispute their administrative penalty at a screening office, 73% took advantage of the online option. This figure is consistent with a City-survey conducted in October 2015 that indicated 70% of people would prefer to schedule screening reviews, ask about their penalties, and inquire about cancellations online.

### **Significant Reduction in Drive-Away Cancellations**

The City's APS allows PVNs to be served by regular mail. This occurs in situations where a vehicle is parked illegally and drives away before the PVN can be served. The Toronto Police Service's Parking Enforcement Unit issued 32,198 PVNs with 2018 violation dates by regular mail.

Under the provincial court system, these penalties were cancelled as there was no legal mechanism to serve the notice. The number of cancellations from drive-away situations decreased from 45,986 in 2017 to 302 in 2018. The ability to serve PVNs by regular mail supports the City's efforts to regulate the flow of traffic through enforcement of parking bylaws.

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## **SIGNATURE**

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## **ATTACHMENTS**

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Attachment 1: Breakdown of PVN and PIN Issuance by Parking By-law Category – 2017 and 2018

Attachment 2: Collection Activity for PVNs Issued in 2018, PVNs and PINs Issued in 2017, and PINs Issued in prior years (2008-2016)



## Attachment 1

### Breakdown of PVN and PIN Issuance by Parking By-law Category – 2017 and 2018

Note: The “Other Violations” category is a summation of all other parking violations where issuance is under 1,000 in each category. The fines / penalties in this category range from \$15 - \$150.

Parking Bylaw Category	Fine / Penalty Amount	PINs & PVNs Issued in 2017		PVNs Issued in 2018	
		#	%	#	%
<b>No Parking</b> – “Park Signed Highway during Prohibited Times/Days – Excess Times”	\$50.00	447,401	20.84%	402,485	19.68%
<b>Expired Meter Offences</b> – “Park at Expired Meter, Fail to deposit fee/display receipt”	\$30.00	279,325	13.01%	262,192	12.82%
<b>No Valid Permit</b> – “Park (Prohibited area/location) without a Permit”	\$30.00	342,903	15.97%	304,990	14.91%
<b>Private Property</b> – “Park Vehicle on Private Property without Consent”	\$30.00	369,178	17.20%	393,743	19.25%
<b>No Stopping</b> – “Stop Vehicle signed Highway Prohibited Time/Day”	\$60.00- \$150.00	188,679	8.79%	180,763	8.84%
<b>Parking – 3 Hour Limit</b> - “Park Longer than 3 Hours”	\$15.00	123,238	5.74%	113,135	5.53%
<b>Parking with Expired Plates</b> – Parking vehicle displaying expired license plate	\$40.00	76,737	3.57%	89,467	4.37%
<b>No Standing</b> – “Stand Vehicle signed Highway Prohibited Time/Day”	\$60.00- \$150.00	87,194	4.06%	75,370	3.68%
<b>Other Violations</b> – Park facing wrong direction, etc.	\$15- \$150*	1,752	0.08%	1,592	0.08%
<b>Fire Hydrant</b> – “Park – 3M of Fire Hydrant”	\$100.00	32,674	1.52%	28,434	1.39%
<b>No Parking</b> 2:00am – 6:00am in North York from Dec 1 to Mar 31	\$40.00	26,760	1.25%	25,917	1.27%
<b>Parking – Transit Zone</b> – “Stand Vehicle - Signed Highway – Transit Zone”	\$150.00	23,848	1.11%	23,803	1.16%
<b>Stop Sidewalk/Footpath</b> – “Stop - on/over sidewalk/footpath”	\$150.00	15,348	0.72%	13,072	0.64%
<b>Parking – Public Lane</b> - “Park in Public Lane”	\$40.00	14,359	0.67%	13,009	0.64%
<b>Fire Route</b> – “Park Vehicle in Designated Fire Routes”	\$250.00	13,093	0.61%	12,820	0.63%
<b>Parking – 9M Intersection</b> - “Park - 9M of Intersecting Highway”	\$50.00	11,416	0.53%	10,589	0.52%
<b>Park Passenger/Freight Loading Zones</b> contrary to Permitted times	\$40.00	22,799	1.06%	23,325	1.14%
<b>Unauthorized Parking on Boulevard</b>	\$50.00	10,493	0.49%	10,528	0.51%
<b>Disabled Parking</b> – “Park Vehicle in Designated Disable Parking Space”	\$60.00- \$450	16,039	0.75%	13,898	0.68%
<b>Municipal Offences</b> – “Park Vehicle on Municipal Property without Consent”	\$30.00	10,776	0.50%	12,921	0.63%
<b>Park not within period permitted</b>	\$30.00	1,903	0.09%	1,638	0.08%
<b>Parking – Parallel to Curb</b> – “Fail to Park/Stop Parallel to curb”	\$30.00	5,436	0.25%	4,757	0.23%

<b>Parking – "Park/Obstruct Driveway/Laneway"</b>	\$50.00	4,834	0.23%	4,907	0.24%
<b>Stand Signed Taxi Cab Stand</b>	\$60.00	6,011	0.28%	5,785	0.28%
<b>Park Contrary to Posted Condition</b>	\$100.00	2,658	0.12%	4,771	0.23%
<b>Fail to Park/Stop Parallel to Right Hand Side of Highway</b>	\$30.00	3,876	0.18%	3,061	0.15%
<b>Park in Park Not in Designated Area</b>	\$105.00	3,481	0.16%	3,914	0.19%
<b>Stop Roadway Side of any Stopped or Parked Vehicle</b>	\$150.00	1,769	0.08%	2,085	0.10%
<b>Stop Within 9.0M of Crosswalk</b>	\$60.00	1,753	0.08%	1,643	0.08%
<b>Park Heavy Truck Highway, Prohibited Times/Days</b>	\$90.00	793	0.04%	884	0.04%
<b>Totals</b>		<b>2,146,526</b>	<b>100%</b>	<b>2,045,498</b>	<b>100%</b>

## Attachment 2

### Collection Activity for PVNs Issued in 2018, PVNs and PINs Issued in 2017, and PINs Issued in prior years (2008-2016)

Year	A Number of PINs and / or PVNs Issued	B Number of PINs and / or PVNs Cancelled* <sup>1</sup>	C Outstanding PINs and/or PVNs (i.e. Issued but not cancelled) (A-B)	D Total # of PINs and / or PVNs Paid as of Dec 31, 2018	E Total Revenue collected (does not include MTO/MAG Fees)	F Collection Rate as a % of PINs or PVNs Issued (D/A)	G Collection Rate as of % of Outstanding PINs or PVNs (D/C)	H Anticipated Final Collection Rate* <sup>2</sup> (Est.)
	#	#	#	#	\$	%	%	%
<b>2008</b>	2,902,929	472,201	2,430,728	2,201,844	\$80,423,009	75.85%	90.58%	91.00%
<b>2009</b>	2,794,460	465,729	2,328,731	2,065,171	\$77,985,378	73.90%	88.68%	89.00%
<b>2010</b>	2,787,071	457,587	2,329,484	2,057,929	\$76,816,437	73.84%	88.34%	98.00%
<b>2011</b>	2,833,787	493,185	2,340,602	2,090,332	\$77,864,976	73.76%	89.31%	99.00%
<b>2012</b>	2,761,802	633,108	2,128,694	1,978,746	\$74,831,820	71.65%	92.96%	99.00%
<b>2013</b>	2,630,402	578,250	2,052,152	1,885,457	\$71,146,880	71.68%	91.88%	99.00%
<b>2014</b>	2,498,660	509,768	1,988,892	1,911,868	\$78,040,848	76.52%	96.13%	99.00%
<b>2015</b>	2,183,523	351,638	1,831,885	1,745,279	\$75,618,458	79.93%	95.27%	99.00%
<b>2016</b>	2,268,110	308,499	1,959,611	1,822,422	\$82,060,348	80.35%	93.00%	99.00%
<b>2017</b>	2,146,526	240,135	1,906,391	1,684,357	\$75,040,144	78.47%	88.35%	99.00%
<b>2018</b>	2,045,498	118,870	1,926,628	1,295,855	\$57,293,029	63.35%	67.26%	99.00%

1. PVNs under the City's APS are cancelled for administrative and legislative reasons in accordance with City by-laws. PINs issued under the *Provincial Offences Act* are cancelled for administrative reasons, for vehicles that drive away prior to the notice being served, for out-of-province offenders, and by the Judiciary at trial.
2. Final collection rates are based on the year-end accruals as at December 31, 2018 which includes anticipated future adjustments to the PVN values.