

### Administrative Penalty System – 2019 Activity

**Date:** September 21, 2020

**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 2019 under the City's Administrative Penalty System (APS). APS program outcomes are also provided including number of disputes, cancellations, penalty variances and collection rates. The benefits of APS include faster dispute resolution timelines, improved accessibility and customer experience through online service, and a significant reduction in drive-away cancellations.

This report is being submitted to the General Government and Licensing Committee together with a report from Toronto Police Service: "Annual Report – 2019 Parking Enforcement Unit Estimated Tag Issuance Report," which identifies enforcement related activity for 2019. 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. For the 2019 fiscal year, the actual number of tickets issued of 2,219,544 exceeded the budget estimate of 2,200,000 tickets, a positive variance of approximately 1 per cent. The higher than planned ticket issuance also contributed to a positive variance of 9% in net revenues from parking ticket operations for 2019, with actual net revenues of \$124.0 million exceeding the budgeted amount of \$113.1 million.

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

## **DECISION HISTORY**

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On April 3, 2018, Government Management Committee adopted [Item 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.

On April 23, 2019, General Government and Licensing Committee adopted [Item GL4.12: Administrative Penalty System – 2018 Activity](#). This report provided information on the total number and type of parking violation notices issued through the City's Administrative Penalty System in 2018, including cancellation activity, dispute requests, and collection rates.

### **Issue Background**

On August 28, 2017, the City implemented an Administrative Penalty System (APS) 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 2019. Approximately 10% of all 2019 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 2019, the City of Toronto issued 2,219,544 parking violation notices (PVNs). The Toronto Police Service's Parking Enforcement Unit issued 1,947,102 PVNs and the balance (272,442) were issued by Municipal Law Enforcement Officers (MLEOs).

Table 1 below compares the number of PVNs issued in 2019 with the total number of PVNs issued in 2018. 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 Parking Violation Notices (PVNs) – 2018 vs. 2019**

	2018 PVNs	2019 PVNs	Approximate Increase / (Decrease)
Toronto Police Services: Parking Enforcement Officers	1,823,550	1,938,902	6.3%
Toronto Police Services: Police Officers/Cadets	5,844	8,200	40.3%
Subtotal: Toronto Police Services	1,829,394	1,947,102	6.4%
Municipal Law Enforcement Officers (MLEO's)	216,104	272,442	26.1%
<b>TOTAL</b>	<b>2,045,498</b>	<b>2,219,544</b>	<b>8.5%</b>

The number of PVNs issued in 2019 is more than the number of PVNs issued in 2018 by approximately 8.5% percent (increase of 174,046).

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

Attachment 1 provides a detailed breakdown of PVNs issued in 2019 by parking by-law category. 2019 totals by category are compared to PVNs issued in 2018.

In 2019, the largest single parking by-law violation category was "Private Property" (i.e. violations related to parking contrary to the parking rules on private properties). This category represented 456,684 PVNs issued in 2019 compared to 393,743 PVNs in 2018. The "Private Property" category represented 20.58% of all PVNs issued in 2019, compared to 19.25% in 2018.

The next highest 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). In 2019, 414,165 PVNs were issued in this category compared to 402,485 combined PINs and PVNs in 2018. This represented an increase in issuance of PVNs of 11,680.

**Collection Activity for PVNs Issued in 2019 and 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, 2019. It also shows the number of combined PINs and PVNs that have been paid as of December 31, 2019.

Based on analysis of prior years' collections experience, staff project a long-term average collection rate of approximately 83% for 2019. 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 2019 and paid as of December 31, 2019. The details show that approximately 60.54% of PVNs issued in 2019 were paid in 2019. However, given that PVN recipients will continue to pay 2019 PVNs in 2020 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 2019 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 2019**

Total 2019 PVN Issuance	2,219,544	
<b>Screening Office Outcome Type</b>	<b>Outcomes</b>	
	<b>#</b>	<b>% of 2019 PVNs</b>
Screening Reviews Requested: Online	233,761	10.53%
Screening Reviews Requested: In-Person	75,728	3.41%
Screening Decision – Cancellation	62,519	2.82%
Screening Decision – Variance	55,483	2.50%
Screening Decision – Affirmation	83,569	3.77%

Administrative Cancellations	Outcomes	
	#	% of 2019 PVNs
Parking Tag Operations – Cancellations	16,694	0.75%
Cancelled due to plate errors – plate does not exist, plate is unattached	23,454	1.06%

Table 3 below outlines Administrative Penalty Tribunal (APT) outcomes for PVNs issued in 2019. This includes the number of hearing reviews requested, cancellation rates, variance rates, and affirmation rates.

**Table 3: Administrative Penalty Tribunal Outcomes – PVNs Issued in 2019**

Total Hearing Reviews Requested	15,503	
APT Outcome Type	Outcomes	
	#	% of Hearing Reviews Requested
Hearing Decision – Cancellation	4,559	29.4%
Hearing Decision – Variance	6,373	41.1%
Hearing Decision – Affirmation	5,737	37.0%

Table 4 below outlines cancellation activity for PVNs in 2017, 2018 and 2019. 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 and 2019.

**Table 4: Breakdown of PINs and PVNs Cancelled – 2017, 2018 and 2019**

Reason for Cancellation	2017 Total	2018 Total	2019 Total
Cancelled by Screening Officer, or by Hearing Officer (or POA Courts prior to August 27, 2017)	113,962	71,929	79,213
Cancelled by Parking Ticket Operations (plate errors, errors on tickets, out-of-Province vehicles, etc.)	80,187	46,639	39,715
Cancelled due to Drive Away – offender drives away before officer can serve the ticket	45,986	302	433
<b>Total cancelled</b>	<b>240,135</b>	<b>118,870</b>	<b>119,361</b>

\*Error on ticket now includes other errors related to Ministry of Transportation returns, missing information or mismatched vehicle/plate.

There were 491 more PVNs cancelled in 2019 compared to the number of PVNs cancelled in 2018. Many contributing factors have led to an overall change in the number of cancellations since 2017 including:

- The ability under the City's APS to vary the administrative penalty (i.e. to reduce the penalty amount while preserving the conviction).
- 174,046 more tickets issued in 2019 compared to 2018.
- 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.

Drive-away cancellations continued to be low under the APS program in 2019 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.

## **CONTACT**

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## **SIGNATURE**

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Wendy Walberg  
City Solicitor

## **ATTACHMENTS**

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Attachment 1: Breakdown of PVN and PIN Issuance by Parking By-law Category – 2018 and 2019

Attachment 2: Collection Activity for PVNs Issued in 2018 and 2019, PVNs and PINs Issued in 2017, and PINs Issued in prior years.

## Attachment 1

### Breakdown of PVN and PIN Issuance by Parking By-law Category – 2018 and 2019

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	Penalty Amount	PVNs Issued in 2018		PVNs Issued in 2019	
		#	%	#	%
<b>No Parking</b> – “Park Signed Highway during Prohibited Times/Days – Excess Times”	\$50.00	402,485	19.68%	414,165	18.66%
<b>Expired Meter Offences</b> – “Park at Expired Meter, Fail to deposit fee/display receipt”	\$30.00	262,192	12.82%	322,637	14.54%
<b>No Valid Permit</b> – “Park (Prohibited area/location) without a Permit”	\$30.00	304,990	14.91%	288,627	13.00%
<b>Private Property</b> – “Park Vehicle on Private Property without Consent”	\$30.00	393,743	19.25%	456,684	20.58%
<b>No Stopping</b> – “Stop Vehicle signed Highway Prohibited Time/Day”	\$60.00- \$150.00	180,763	8.84%	184,218	8.30%
<b>Parking – 3 Hour Limit</b> - “Park Longer than 3 Hours”	\$15.00	113,135	5.53%	144,374	6.50%
<b>Parking with Expired Plates</b> – Parking vehicle displaying expired license plate	\$40.00	89,467	4.37%	105,214	4.74%
<b>No Standing</b> – “Stand Vehicle signed Highway Prohibited Time/Day”	\$60.00- \$150.00	75,370	3.68%	71,168	3.21%
<b>Other Violations</b> – Park facing wrong direction, etc.	\$15- \$150.00	1,592	0.08%	2,076	0.09%
<b>Fire Hydrant</b> – “Park – 3M of Fire Hydrant”	\$100.00	28,434	1.39%	29,016	1.31%
<b>No Parking 2:00am – 6:00am in North York</b> from Dec 1 to Mar 31	\$40.00	25,917	1.27%	23,545	1.06%
<b>Parking – Transit Zone</b> – “Stand Vehicle - Signed Highway – Transit Zone”	\$150.00	23,803	1.16%	19,441	0.88%
<b>Stop Sidewalk/Footpath</b> – “Stop - on/over sidewalk/footpath”	\$150.00	13,072	0.64%	12,537	0.56%
<b>Parking – Public Lane</b> - “Park in Public Lane”	\$40.00	13,009	0.64%	12,058	0.54%
<b>Fire Route</b> – “Park Vehicle in Designated Fire Routes”	\$250.00	12,820	0.63%	13,660	0.62%
<b>Parking – 9M Intersection</b> - “Park - 9M of Intersecting Highway”	\$50.00	10,589	0.52%	9,545	0.43%
<b>Park Passenger/Freight Loading Zones</b> contrary to Permitted times	\$40.00	23,325	1.14%	25,421	1.15%
<b>Unauthorized Parking on Boulevard</b>	\$50.00	10,528	0.51%	11,907	0.54%
<b>Disabled Parking</b> – “Park Vehicle in Designated Disable Parking Space”	\$60.00- \$450.00	13,898	0.68%	15,583	0.70%
<b>Municipal Offences</b> – “Park Vehicle on Municipal Property without Consent”	\$30.00	12,921	0.63%	21,367	0.96%
<b>Park not within period permitted</b>	\$30.00	1,638	0.08%	2,127	0.10%
<b>Parking – Parallel to Curb</b> – “Fail to Park/Stop Parallel to curb”	\$30.00	4,757	0.23%	5,712	0.26%
<b>Parking</b> – “Park/Obstruct Driveway/Laneway”	\$50.00	4,907	0.24%	5,488	0.25%



Parking Bylaw Category	Penalty Amount	PVNs Issued in 2018		PVNs Issued in 2019	
Stand Signed Taxi Cab Stand	\$60.00	5,785	0.28%	5,999	0.27%
Park Contrary to Posted Condition	\$100.00	4,771	0.23%	4,842	0.22%
Fail to Park/Stop Parallel to Right Hand Side of Highway	\$30.00	3,061	0.15%	3,214	0.14%
Park in Park Not in Designated Area	\$100.00	3,914	0.19%	4,838	0.22%
Stop Roadway Side of any Stopped or Parked Vehicle	\$150.00	2,085	0.10%	1,516	0.07%
Stop Within 9.0M of Crosswalk	\$60.00-\$100.00	1,643	0.08%	1,551	0.07%
Park Heavy Truck Highway, Prohibited Times/Days	\$90.00	884	0.04%	1,014	0.05%
<b>Totals</b>		<b>2,045,498</b>	<b>100%</b>	<b>2,219,544</b>	<b>100%</b>

## Attachment 2

### Collection Activity for PVNs Issued in 2018 and 2019, PVNs and PINs Issued in 2017, and PINs Issued in prior years (2009-2016)

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>2009</b>	2,794,460	465,729	2,328,731	2,070,143	\$78,167,370	74.08%	88.90%	98.00%
<b>2010</b>	2,787,071	457,587	2,329,484	2,063,015	\$76,999,695	74.02%	88.56%	98.00%
<b>2011</b>	2,833,787	493,185	2,340,602	2,095,419	\$78,048,565	73.94%	89.52%	99.00%
<b>2012</b>	2,761,802	633,108	2,128,694	1,983,232	\$74,997,987	71.81%	93.17%	99.00%
<b>2013</b>	2,630,402	578,250	2,052,152	1,890,624	\$71,336,516	71.88%	92.13%	99.00%
<b>2014</b>	2,498,660	509,768	1,988,892	1,918,568	\$78,316,929	76.78%	96.46%	99.00%
<b>2015</b>	2,183,523	351,638	1,831,885	1,753,469	\$75,971,984	80.30%	95.72%	99.00%
<b>2016</b>	2,268,110	308,499	1,959,611	1,840,059	\$82,870,657	81.13%	93.90%	99.00%
<b>2017</b>	2,146,526	240,135	1,906,391	1,752,818	\$78,239,081	81.66%	91.94%	99.00%
<b>2018</b>	2,045,498	118,870	1,926,628	1,654,664	\$74,407,279	80.89%	85.88%	99.00%
<b>2019</b>	2,219,544	119,361	2,100,183	1,343,780	\$59,886,802	60.54%	63.98%	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, 2019 which includes anticipated future adjustments to the PVN values.