



Staff Report for Committee of the Whole Meeting

Date of Meeting: June 5, 2018

Report Number: SRCS.18.16

Department: Community Services
Division: By-law & Licensing Enforcement

Subject: **SRCS.18.16 Administrative Monetary Penalty Systems (AMPS) Implementation Progress Report**

Purpose:

To provide an update on implementation of Administrative Monetary Penalty Systems (AMPS) for parking offences following six months of full system operation.

Recommendation:

That SRCS.18.16 be received for information purposes.

Contact Person:

Tracey Steele, Director of By-law & Licensing Enforcement, extension 2476

Melinda Fartsalas, Supervisor of Administrative Monetary Penalty Systems, extension 5480

Report Approval:

Submitted by: Shane Baker, Commissioner of Community Services

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

Page 2

Background:

In September 2016, Council approved the implementation of an Administrative Monetary Penalty System (AMPS) for the enforcement, processing and adjudication of parking offences (SRPRS.16.140). Implementation of AMPS began on July 1, 2017 with all processes engaged as of September 2017.

AMPS is a fair and efficient municipal run alternative to the provincial court system for the administration and adjudication of by-law offences. It has been adopted by several municipalities for the administration and adjudication of parking offences, and to date Vaughan, Oshawa, Mississauga, Oakville and Hamilton have also expanded their AMPS to deal with licensing and/or other by-law offences.

This report responds to direction from September 12, 2016 to report back to Council on the AMPS program after it has been in operation for six months. It provides a summary of Richmond Hill's AMPS implementation for parking offences, and provides an update on work towards expansion of the AMPS program to other by-law areas.

Overview of AMPS Process for Parking Offences

The implementation of AMPS in Richmond Hill for parking offences began on July 1, 2017 with the issuance of parking Penalty Notices. A Penalty Notice, commonly referred to as a "parking ticket", replaced the Part II *Provincial Offences Act* Certificate of Parking Infraction as the charging document for parking by-law offences.

AMPS Screening Review appointments began in August 2017. Screening Reviews are the first level of adjudication in AMPS, and were previously known as "Facilitation" when the Town administered parking tickets under the *Provincial Offences Act* (POA). Akin to Facilitation, a Screening Review is conducted by a municipal employee and provides the individual who has been issued a parking ticket with an opportunity to discuss their ticket and have it cancelled, reduced or affirmed.

In September 2017, AMPS Hearing Reviews began. Hearing Reviews replaced the POA court trial process, which was financially inefficient and resulted in significant delays between the time that a parking ticket was Facilitated and the time it was dealt with in court. Hearing Reviews are the second and final level of AMPS Penalty Notice adjudication for a citizen who does not accept the decision of the Screening Review Officer. Hearing Reviews are conducted by a Council-appointed Hearing Officer who is independent from the Town. Hearing Reviews are currently scheduled one to two days per month to accommodate the volume of requests for review of a Screening decision.

The first Ministry of Transportation (MTO) licence plate denial requests processed under AMPS occurred in October 2017. License plate denial is the final measure a municipality can use to collect fines owed in association with parking Penalty Notices. If a parking ticket is not paid, or otherwise resolved through AMPS, a vehicle owner will be required to pay the fine amount at the MTO in order to renew their vehicle licence (i.e., obtain a new plate sticker).

Page 3

Summary of AMPS Penalty Notices

Table 1 below compares the volume and percentages of parking Penalty Notices forecasted to reach each stage of the AMPS process in SRPRS.16.140, September 6, 2016, with the actual reported volume and percentages of Penalty Notices at each stage during the first six months of AMPS operations.

Table 1 Estimated number of Parking Penalty Notices paid at various stages of the AMPS process July 1, 2017 to December 31, 2017.

| AMPS Enforcement Stage | Forecasted in SRPRS.16.140 (6 months)* | | Actual July 1 – Dec. 31, 2017 (6 months) | |
|------------------------------|--|------------|--|------------|
| | # of Penalty Notices | % of Total | # of Penalty Notices | % of Total |
| Paid by Original Due Date | 7,200 | 48% | 9,866 | 60% |
| Screening Review | 3,750 | 25% | 3,219 | 19% |
| Hearing Review | 150 | 1% | 153 | 1% |
| Sent to MTO for Plate Denial | 3,900 | 26% | 2,882 | 17% |
| Total Issued | 15,000 | 100% | 16,528 | 96%** |

*Note that Table 1 identifies one half of the “annual” volume and percentage of Penalty Notices predicted in SRPRS.16.140

**Approximately 4% of Penalty Notices are outstanding due to other reasons (e.g. out of province cancellations/no ownership cancellations, pending Hearing Review adjudication outcome)

Table 1 shows that in comparison to the estimates forecasted for 2017, the first six months of the AMPS resulted in:

- 1,528 more Penalty Notices issued than projected
- More Penalty Notices paid on time than predicted (60% vs. 48%);
- Fewer Penalty Notices proceeding to Screening Review than estimated (19% vs. 25%); and,
- Fewer Penalty Notices being sent to MTO for plate denial than forecasted (17% vs. 26%).

Page 4

AMPS Revenue

The following operating revenues are considered to be “AMPS Fees” or “AMPS Revenues” because they did not exist prior to the establishment of the AMPS program:

- MTO Registered Owner Search Fee incurred in association with a Penalty Notice when the ticket holder fails to respond by the notice due date. In such cases the Town must conduct a search (costing \$8.25) to retrieve the mailing address associated with the license plate so that a notice can be mailed. The Town charges \$10 for administration of this fee with a net revenue of \$1.75 per search;
- A late payment fee of \$26 incurred when a past due notice is mailed to the vehicle owner;
- A \$51 fee incurred when a Screening Review is scheduled but no one appears to attend the Screening; and,
- A \$102 fee incurred when a Hearing Review is scheduled but no one appears to attend the Hearing.

SRPRS.16.140 (September 6, 2016), estimated that AMPS program implementation would result in a \$282,500 increase to operating revenue in 2017 (July 1, 2017 to December 31, 2017). \$157,500 of this revenue was forecasted to be the direct result of AMPS Fees and \$125,000 was predicted to come from the “increased recovery of penalties after screening review.” The forecast of AMPS Fee revenue was further refined through the 2017 Operating Budget, which estimated that AMPS Fees would generate \$173,900 of revenue in 2017.

The actual amount of AMPS Fees collected as reported at year end of 2017 was \$114,598. This amount is lower than anticipated for two main reasons. Firstly, as indicated in Table 1, there were a greater percentage of Penalty Notices paid on time than predicted (and therefore fewer tickets incurring AMPS Fees). Secondly, the six month time frame in 2017 (July 1, 2017 to December 31, 2017) represents six months of time the AMPS program was active, but AMPS was not running at full capacity until September when the first escalating tickets reached the Hearing Review stage of the process. Over a period of six months when AMPS was running at full capacity (September 1, 2017 to February 28, 2018), it is estimated that \$164,552 in AMPS Fees were billed, which is actually slightly more than the six month estimate for AMPS revenue forecasted in SRPRS.16.140 and closely approximates the 2017 operating budget estimate for AMPS Revenue. It should be noted however, that the \$164,552 represents fees billed and not fees collected and that it can take up to two years to collect the fees associated with any ticket given the two year license plate renewal period.

It is impossible to identify exactly how much of the 2017 Parking Fine revenue could be attributed to AMPS implementation. The 2017 Operating Budget forecasted that Parking Fine revenue for 2017 would be approximately \$1.37M. This estimate was predominantly based on Parking Fine Revenues from previous years. The actual amount of Parking Fine revenue collected in 2017 was \$1.89M (\$520,000 more than

Page 5

forecasted). The Parking Fine revenue collected is more than anticipated for a number of reasons:

- Realization of the full effects of a new \$20 administration fee that MTO added to all POA fines that go to plate denial (It should be noted that this fee does not apply to tickets issued under AMPS so the resultant revenue increase is not expected to be sustained into the future);
- A full complement of Parking Enforcement Officers on staff for most of 2017; and,
- Payment efficiencies resulting from process changes associated with AMPS.

AMPS Staffing and Workload

Overall, AMPS has been running well from an operational perspective. The current staff complement (Supervisor, Coordinator, Screening Officer and Clerk) is very busy but sufficient for operation of the existing parking offence program.

In the first six months of operation staff handled approximately 1,350 general public inquiries related to AMPS that came in through phone, email and in person visits to the Town offices. In addition, over the same six month period, staff responded to approximately 2,800 phone calls, emails and in-person visits related to the booking of AMPS Screening reviews; and, a further 300 phone calls, emails and in-person visits related to time extensions and the booking of Hearing Reviews. In total, this amounts to staff addressing an average of 740 AMPS-related inquiries per month.

From July 1, 2017 to December 31, 2017 staff also facilitated 3,043 Screening Reviews and coordinated and clerked 69 Hearing Reviews. The time that a person with a ticket would need to wait to attend a Screening Review was two to four weeks, which is similar to waiting times in the past (under the Facilitation regime). The time that a person needs to wait to attend the second level of adjudication under the AMPS regime (i.e. a Hearing Review) is much reduced in comparison to previous wait times for a court appearance (4 months versus 8 to 12 months) and even more significantly reduced in comparison to wait times that may have resulted given recent reductions in court time allocations (see below). In addition to stream-lining wait times, the AMPS process also provides for a second level of adjudication that is less formal and intimidating to citizens, is less costly overall (as it is not dependent on the operation of a full court system), and provides for a more efficient use of Parking Enforcement Officer time.

The Ticket Tracer software currently being used to manage the AMPS program is scheduled to be replaced by a new Parking Control System software (AIMS) with a target go live date of late June/early July. It is expected that over time the new software will help to alleviate some of the workload for AMPS staff and potentially free some of their time so that it can be allocated to the expansion of AMPS. In particular, the new software will make it easier for residents to pay tickets and schedule Screening Review appointments directly on-line.

Page 6

AMPS Expansion to Other By-laws

Between 2016 and 2018, the Provincial Offences Court time allocated to the Town of Richmond Hill has been reduced from 24 full days per year to 6 days per year. This is similar to reductions that have been experienced by many other municipalities and is a strong driving factor behind municipal consideration for establishment and/or expansion of AMPS programs.

Staff are currently in the process of reviewing Richmond Hill's various by-laws to determine additional areas of enforcement that would be most suitable for inclusion within the Town's AMPS program. Priority candidates would include any minor offences which are, or could be, significantly deterred through the use of a ticketing (i.e. Penalty Notice) system, as well as any minor offences that are consuming a significant proportion of our reduced court time allocation. In addition to parking, other municipalities are currently using AMPS predominantly for enforcement related to licensing, but some have also included animal control; and, Oshawa has the most comprehensive AMPS program including such things as lot maintenance, noise, tree protection and waste collection.

Expansion of the Town's AMPS program will have many benefits. It will reduce the need for the court system to address minor offences and allow the courts to concentrate allocated time on more complicated matters with serious implications. In many circumstances AMPS will also provide for better enforcement, as there are several examples of minor contraventions that could be more easily deterred if there was an effective ticketing and fine scheme in place. For example, failure to install required tree protection measures pursuant to the Tree Preservation By-law, dumping on highways prohibited by the Highway Obstruction By-law and failure to comply with the waste collection requirements of the Household Waste Collection By-law.

Staff are also participating and attending quarterly meetings with the Regional AMPS Working Group to keep abreast of legislative developments in regards to automated speed enforcement and red light camera enforcement in an AMPS process.

Staff plan to report back to Council in Q2 of 2019 regarding the implementation of AMPS for the enforcement, processing and resolution of additional by-law and licensing matters. The Q2 2019 timeline will allow for stabilization of the first phase of AMPS implementation and several months of experience with the new ticket processing software.

Financial/Staffing/Other Implications:

There are no financial or staffing implications associated with the recommendation of this report.

Page 7

Relationship to the Strategic Plan:

The use of AMPS for parking and other minor by-law offences is in keeping with the Strategic Plan Goal of “Stronger Connections in Richmond Hill” by maintaining a safe community through education and enforcement.

Conclusion:

The implementation of AMPS for the enforcement, processing and resolution of parking offences has provided a stream-lined and customer-oriented service for the citizens of Richmond Hill, with a minor net positive revenue stream for the Town (e.g. AMPS Fees less AMPS Supervisor and AMPS Clerk wages).

Overall, the Town’s first phase of experience with AMPS has been a positive one and given the recent reductions in allocated Provincial Offences court time, and the potential to use AMPS to improve by-law enforcement processes, it is in the Town’s interest to move forward with the expansion of the AMPS in the near future.

Page 8

Report Approval Details

| | |
|----------------------|---|
| Document Title: | SRCS 18 16 Administrative Monetary Penalty Systems (AMPS) Implementation Progress Report.docx |
| Attachments: | |
| Final Approval Date: | May 22, 2018 |

This report and all of its attachments were approved and signed as outlined below:

Tracey Steele - May 22, 2018 - 3:08 PM

Shane Baker - May 22, 2018 - 4:37 PM

Neil Garbe - May 22, 2018 - 4:46 PM