To: Chair and Members  
Economic Development and Planning Committee  

From: Tim McCabe  
General Manager  
Planning and Economic Development Department  

Telephone: (905) 546-4339  
Facsimile: (905) 546-4364  
E-mail: tjmccabe@hamilton.ca  

Date: February 7, 2008  

Re: Supplementary Budget Information Requested at the January 22, 2008 Economic Development and Planning Committee – Increasing Parking Fines to Provincial Averages (PED08059) (City Wide)  

Council Direction:  

Not applicable.  

Information:  

The Economic Development and Planning Committee Budget Meeting of January 22, 2008, dealt with potential new revenue sources in the Parking and By-Law Services Division of the Planning and Economic Development Department. Committee directed staff to “undertake a complete review of fines giving consideration to the Provincial average for such fines, and how to move towards implementation of increased fees, and to report back prior to the completion of the 2008 Budget process”. The requested review / report is attached hereto as Appendix A to Report PED08059.
Potential Revenue Generators - 2008 Budget

• At the January 22/08 ED&P budget meeting the following additional revenue sources (annualized) were approved:

  - Increase parking meter rates from $.50 to 1.00/hr   $500,000
  - Install paid parking in all commercial areas         $780,000
  - Increase Animal Control Fees
    (reduced by $3,500 to not eliminate 1st ride home free)  $23,180
  - Additional Revenues from Plate Denial             $100,000

Total new revenues approved to-date:  $1,403,180

• Staff were instructed to investigate/report back on bringing parking fines into line with Provincial averages
Parking Enforcement Overview

- City Council establishes parking regulations by by-law in the public interest (e.g. traffic flow, public safety, business needs, resident demands, etc)

- Parking enforcement provides a steady revenue stream to municipalities, but fine levels should be established to deter motorists from breaking the law rather than a revenue generator per se

- Parking tags issued annually in Hamilton since municipal amalgamation:
  - 2001 = 164,942
  - 2002 = 180,070
  - 2003 = 195,817
  - 2004 = 194,317  7 year average = 186,514/year
  - 2005 = 195,336
  - 2006 = 193,928
  - 2007 = 181,191

- Despite some increases to a few fines, parking tag issuance has remained constant in recent years.
Parking Enforcement Overview

• Under Provincial Offences Act:
  – set fines for parking offences approved by Province; must be paid within 15 days. After 15 days municipality begins process of seeking conviction
  – A municipality *may* establish a reduced early payment option to encourage prompt payment of fines

• Hamilton uses the early payment option; early payment is generally 33% lower than set fine

• *Example:* motorist receiving a ticket for parking in a “No Parking” area can pay $20 within 7 days or pay the $30 set fine between 8 & 15 days of receiving the ticket. After that, City notifies registered owner in writing that it intends to seek a conviction in the Courts
Parking Fines - Provincial Average/Trend

• Staff surveyed all (10) Ontario municipalities with populations of 200,000+ to determine current fine amounts

• Also found most municipalities do not/no longer use the early payment option; but where used, the early payment is 20% lower than set fine (vs. Hamilton’s 33% reduction)

• The following table aligns Hamilton’s parking fines with the Province by establishing set fines in accordance with the Provincial averages & by establishing early payments at 20% reduction
# Aligning Fines with Provincial Averages

<table>
<thead>
<tr>
<th>VIOLATION</th>
<th>Current Set fine/Early (33% &lt; set)</th>
<th>Provincial set fine Average*</th>
<th>Recommended Set fine/Early (20% &lt; set)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expired parking meter</td>
<td>$18/12</td>
<td>$24</td>
<td>$24/19</td>
</tr>
<tr>
<td>Exceed Time Limit</td>
<td>$18/12</td>
<td>$29</td>
<td>$29/23</td>
</tr>
<tr>
<td>No Parking</td>
<td>$30/20</td>
<td>$33</td>
<td>$33/26</td>
</tr>
<tr>
<td>No Stopping</td>
<td>$75/50</td>
<td>$56</td>
<td>$75/60</td>
</tr>
<tr>
<td>No Parking - Fire Route</td>
<td>$30/20</td>
<td>$100</td>
<td>$100/80</td>
</tr>
<tr>
<td>No Stopping - Fire Route</td>
<td>$75/50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heavy Vehicle off truck rte</td>
<td>$75/50</td>
<td>$71</td>
<td>$75/60</td>
</tr>
<tr>
<td>Disabled Parking Space</td>
<td>$350/300*</td>
<td>$327</td>
<td>$350/300</td>
</tr>
</tbody>
</table>

* $300 minimum legislated by Province

Potential revenue from bringing parking fines into line with Province is $425,000 annually
Parking Fines - Provincial Average/Trend

- Early payment (optional) established by Council; Set Fines reviewed by MAG & approved by Sr. Regional Justice

- Early payment to encourage prompt payment & resolution tool by adjudicators

- Current trend to eliminate early payment option (currently used only by Ottawa & Mississauga)

- In Hamilton, only approximately 35% use early payment option

- In addition to aligning fine level, consideration might also be given to eliminating early payment option
Parking Fines - Provincial Average/Trend

• Municipalities report good results with eliminating early payment option:
  - minor increase in Adjudication/Court activity
  - significant increase in revenues
  - administrative efficiencies

• Significant complaints at on-set; disappear in time

• Elimination of early payment option combined with set fine increases would generate additional revenues in the order of $275,000 annually (total $700,000 combined)

• Requires one additional adjudicator to handle complaints/increased Court activity
Summary - Provincial Average/Trend

• Aligning Hamilton’s parking fines with Provincial averages would result in additional revenues in the order of $425,000 annually

• Increasing set fines, & eliminating Hamilton’s early payment option would result in additional revenues in the order of $275,000 annually

* Parking tag issuance has stayed constant in recent years. It is not known how much of a deterrent effect the combination of plate denial & comprehensive fine increases will have on compliance with parking regulations
## POTENTIAL REVENUE GENERATORS - 2008 BUDGET

<table>
<thead>
<tr>
<th>REVENUE SOURCE</th>
<th>ADDITIONAL REVENUE (ANNUALIZED)</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase meter rate from $.50/hr to $1/hr</td>
<td>$500,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Paid Parking in all commercial areas</td>
<td>$780,000</td>
<td>$195,000</td>
</tr>
<tr>
<td>Increase Various Animal Control Fees (reduced by $3,500 to not eliminate 1st ride home free)</td>
<td>$23,180</td>
<td>$15,390</td>
</tr>
<tr>
<td>Additional revenues - Plate Denial</td>
<td>$100,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>January 22/08 budget meeting</td>
<td>$1,403,180</td>
<td>$510,390</td>
</tr>
<tr>
<td>Parking fine increases</td>
<td>$425,000</td>
<td>$212,000</td>
</tr>
<tr>
<td>Eliminate early payment for parking fines</td>
<td>$200,000*</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>TOTAL RECOMMENDED</strong></td>
<td><strong>$2,028,180</strong></td>
<td><strong>$822,390</strong></td>
</tr>
</tbody>
</table>

* Gross revenue = $275,000 less $75,000 for one fte (Adjudicator)

July 1st start
Implementation Timelines for Fine Increases

• Public Notice requirement
  (14 days advance notice of committee date)

• Draft report/by-Law amendments (3-4 weeks)

• Obtain certified copies of by-laws; Prepare set
  fine application; submit to MAG (1 week)

• Approval by Senior Regional Justice (6-8 weeks)

• Order new parking tag stock
## POTENTIAL REVENUE GENERATORS - 2008 BUDGET

<table>
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<tr>
<th>REVENUE SOURCE</th>
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<th>2008</th>
<th>2008 Fast track</th>
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</thead>
<tbody>
<tr>
<td>Increase meter rate from $.50/hr - $1/hr</td>
<td>$500,000</td>
<td>$250,000</td>
<td>$250,000+</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Additional revenues - Plate Denial</td>
<td>$100,000</td>
<td>$50,000</td>
<td>$66,666</td>
</tr>
<tr>
<td>Parking fine increases</td>
<td>$425,000</td>
<td>$212,000</td>
<td>$283,333</td>
</tr>
<tr>
<td>Eliminate early payment option</td>
<td>$200,000*</td>
<td>$100,000</td>
<td>$133,333</td>
</tr>
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<td>* Gross revenue = $275,000 less $75,000 for one fte</td>
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<td></td>
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<td>$2,028,180</td>
<td>$822,390</td>
<td>$943,722+</td>
</tr>
</tbody>
</table>

- **July 1st start**
- **May 1st start**