



Staff Report for Committee of the Whole Meeting

Date of Meeting: December 11, 2018

Report Number: SRCS.18.23

Department: Community Services

Division: By-law & Licensing Enforcement

Subject: **Proposed Amendments to the Taxi By-law 133-04 and Municipal Code Chapter 882**

Purpose:

To amend the Taxi By-law 133-04 and Municipal Code Chapter 882 regarding the licensing of taxicabs and limousines.

Recommendations:

- a) That Staff Report SRCS.18.23 be received; and,
- b) That the draft by-law attached as Attachment 1 to staff report SRCS.18.23, be enacted to amend the Taxi By-law 133-04 and Municipal Code Chapter 882 regarding the licensing of taxicabs and limousines.

Contact Person:

Tracey Steele, Director of By-law and Licensing Enforcement, Extension 2476

Chris Goode, By-law Policy Officer, Extension 2416

Report Approval:

Submitted by: Ilmar Simanovskis, 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.

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Background:

The Town of Richmond Hill first enacted a by-law to require taxi licensing in 1969. Since its enactment the Taxi By-law has been updated and amended several times including an amendment in the 1980's to extend the licensing regime to limousines.

The Town's current Taxi By-law (By-law 133-04, Municipal Code Chapter 882) was originally enacted in 2004. It not only requires licenses taxi and limousine drivers, owners, and brokers; but also sets out standardized fares, and includes limits for the number of taxi and limousine vehicle plates that can be issued by the Town. The 2004 by-law was modeled after by-laws that were commonly in use by other municipalities at the time and established a system whereby the Town sells a specific number of taxi plates. The plate owners can then lease or sell them as they desire. Plates can also be left in the custody of the Town so that the Town can assist in matching owners with potential buyers or lessors.

By-law 133-04 was subject to amendments in 2006 and 2008 to increase the number of taxi plates available for ownership in the Town to 114, and to increase allowable fares to better reflect market rates. Table 1 provides a summary of the number of licenses issued by the Town for taxi drivers, taxi vehicle plates and taxi brokerages over the last five (5) years.

Table 1. Taxi driver, plate and brokerage licenses issued in the Town over the last 5 years.

Year	Number of Driver Licenses Issued	Number of Licensed Vehicle Plates	Number of Brokerages Licensed
2014	222	112	9
2015	208	113	8
2016	180	112	8
2017	143	113	8
2018	143	109	9

As indicated in Table 1, the number of licensed taxi drivers in the Town has been decreasing, while the number of licensed brokerages and vehicle plates has remained relatively stable. It should be noted however, that staff predict that the number of licensed vehicle plates will drop markedly in 2019. The By-law and Licensing Division maintains a list of plates that are available for sale or lease by owners. While the number of plates on this list has not been tracked over the years, staff advise that previous to 2013, there were no plates on the list. Over the last five years, the length of the list has steadily increased so that there are now twenty-one (21) plates on the list.

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The initiation of the list of taxi plates available for sale coincided with the rise of private transportation companies (“PTCs” are companies that connect passengers with drivers of private vehicles through the use of computer software applications; for example, Uber and Lyft). In 2014 and 2015, the Greater Toronto Area taxi industry was being impacted by the new PTCs to such an extent that taxi drivers and owners initiated organized lobbying efforts advocating for regulations that would ban or significantly regulate ride sharing.

In response to concerns voiced by the taxi industry, the Town’s Regulatory Services Division held a meeting with taxi industry representatives in 2016. The purpose of this stakeholder meeting was to review the Town’s existing Taxi By-law and discuss concerns about the by-law arising from the new PTC environment. Fifty (50) Richmond Hill brokerage representatives, plate owners, and taxi drivers attended the meeting.

Two general themes emerged from the comments made by stakeholders:

- a) the taxi industry would like to see the Town’s Taxi By-law updated to regulate PTCs, and
- b) the Town’s By-law unnecessarily and unfairly over-regulates the taxi industry.

Over the last couple of years, Ontario municipalities (including Toronto, Mississauga, Vaughan, Barrie, and Whitby) have begun to regulate PTCs through by-law updates which incorporate PTCs into their licensing regimes. The general goals of such by-law updates have been to establish a framework for equitable regulation within the overall vehicle-for-hire industry, while responding to the public’s request for choice in regulated transportation options. The taxi industry in Richmond Hill continues to lobby staff for the update of the Town’s Taxi By-law.

Discussion:

Recent discussions between By-law and Licensing Division staff and representatives of the taxi industry have revealed that industry concerns remain much the same as they were in 2016, although there is now more focus on equitable regulation rather than advocacy for a complete ban of PTCs. Additionally, various industry representatives have an urgent interest in relief from existing licensing regulations applicable to the taxi industry and support interim amendments to the existing by-law to effect this relief in the short-term.

Given that the taxi industry has been waiting for some time now to see changes that would allow their industry to remain competitive in the current vehicle-for-hire market, staff propose that the Town should amend its existing by-law immediately to provide regulatory relief for the taxi industry, and then work toward a more comprehensive renewal of the Town’s Taxi By-law to address PTCs in the future. The timing for the more comprehensive review will be prioritized along with other necessary by-law reviews and updates that are anticipated.

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Proposed Taxi By-law Amendments

This staff report recommends the following amendments to the Town's existing Taxi By-law in order to reduce the regulatory burden for taxicabs and limousines operating in the Town. These recommended amendments were determined based on comments received from the taxi industry at the 2016 stakeholder meeting, benchmarking with other municipal by-laws, and recent discussions with representatives of the taxi industry.

1. Permit electronic recording of trip details

The Taxi By-law currently specifies that drivers must keep "written" records of all of their trips. The definition of "trip sheet" is proposed to be revised so that it is clear that the Town will accept more modern electronic data recording formats.

2. Allow for use of older vehicles

Currently, the Town's Taxi By-law prohibits use of a vehicle which is of a model year older than seven (7) years. An increase to ten (10) years of age would lessen the financial strain on taxi owners by giving them three (3) additional years of vehicle usage before requiring replacement. Extension to the ten (10) years of age would be at the Licensing Officers discretion (for example, if the car does not meet the required standards of mechanical fitness the Town would still reserve the ability to refuse the license). This change would bring Town regulations in line with other municipalities such as Vaughan and Aurora.

3. Reduce requirements for license applications

The Town's Taxi By-law requires that both new license applicants and license renewal applicants submit police record checks with vulnerable sector searches, as well as medical certificates. Additionally, applicants for driver licenses are required to pass geographical, road safety and customer service testing. Benchmarking has shown that the Town's requirements are more rigorous than those of most other municipalities, particularly in the case of license renewals. The proposed amendments would provide for modernization of application requirements, streamlining of applications processes, and flexibility for staff to adjust requirements as appropriate.

4. Allow drivers to be employed by more than one brokerage

The current Taxi By-law prohibits drivers licensed in the Town of Richmond Hill from being employed by more than one taxi brokerage. Staff believe that this restriction was intended to ensure driver accountability by facilitating a clear path for tracking complaints from a driver back to a specified brokerage. However, in the current vehicle-for-hire climate this restriction unnecessarily limits the ability of drivers to generate additional income. Permitting licensed drivers to be employed by multiple brokerages, will allow brokerages to fill gaps in employment more easily, as well as provide drivers with additional options for work.

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5. Increase flexibility for the taxi industry to set market rate-based fares

The Taxi By-law establishes standard fares to be charged by taxis for their service. The proposed amendment would change the existing set fares, to establish a maximum fare, so that operators can adjust their fares as they see fit provided they do not exceed the designated maximum. Allowing fares to be on an adjustable basis would allow taxis to better compete with PTCs that are currently charging lower rates.

Financial/Staffing/Other Implications:

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

Relationship to the Strategic Plan:

The Taxi By-law amendments recommended by this report are consistent with the Strategic Plan goal of Better Choice. Reducing the regulatory burden for taxis will help to ensure that the Town's taxi industry remains viable and competitive in the current vehicle-for-hire environment so that residents and businesses in Richmond Hill have better transportation options.

Conclusion:

The Town of Richmond Hill has regulated taxis since 1969. Since that time vehicle-for-hire regulations have become increasingly more complex resulting in a heavily regulated industry, which contrasts markedly with the current operating environment for PTCs (for example, Uber and Lyft) in Richmond Hill.

Staff have met with representatives of the taxi industry and in response to their concerns are proposing enactment of the Taxi By-law amendments set out in Attachment 1 and described herein. The proposed amendments will make the regulatory framework for taxis more flexible and thereby assist the taxi industry in remaining competitive in today's vehicle-for-hire market. Overall, the reduced regulation for the taxi industry will assist the industry to remain competitive so that people in Richmond Hill continue to have a variety of transportation options.

A comprehensive review of the Taxi By-law, which will include considerations for regulation of PTCs, will be undertaken in the future with the timeline to be determined in relation to priorities for other Town by-laws.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format please contact person listed in this document.

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- Attachment 1 – A By-law to amend By-law 133-04 of the Corporation of the Town of Richmond Hill for the licensing of taxicabs and limousines, as amended, being Chapter 882 of the Town’s Municipal Code.

Report Approval Details

Document Title:	SRCS.18. 23 Taxi By-law Amendments.docx
Attachments:	- Taxi License Amending By-law 20_11_18.doc
Final Approval Date:	Nov 22, 2018

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

Ilmar Simanovskis - Nov 22, 2018 - 1:46 PM

Neil Garbe - Nov 22, 2018 - 2:22 PM