

Licensing and Standards Committee

Meeting No.	14	Contact	Dela Ting, Acting Administrator
Meeting Date	Friday, June 6, 2008	Phone	416-397-7769
Start Time	9:30 AM	E-mail	lsc@toronto.ca
Location	Committee Room 1, City Hall		

Item	Page
LS14.3 Taxicab Fuel Surcharge and Fare Increase Proposals (Wards: All)	1
LS14.4 Taxicab Lease Agreements (Wards: All)	3

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LS14.3	Adopted			Ward: All
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Taxicab Fuel Surcharge and Fare Increase Proposals

City Council Decision

City Council on June 23 and 24, 2008, adopted the following motions:

1. City Council amend the City of Toronto Municipal Code, Chapter 545, Licensing, to increase taxicab fares, as follows:
 - i. increasing the initial taximeter drop rate by \$1.00 from \$3.00 to \$4.00; and
 - ii. increasing in the per kilometre rate from \$0.25 per 0.170 kilometres (170 metres) to \$0.25 per 0.155 kilometres (155 metres).
2. City Council require the new tariff card to include the "flat fare to the airport provisions" of the by-law and the owners be provided with multiple copies of the airport flat fee map, preferably on tear-off pads that can be handed to passengers.
3. City Council direct the Executive Director, Municipal Licensing and Standards, to review, in consultation with the industry and the disabled community, the rates charged for non-Wheel Trans rides and the results of that consultation be tabled at the Licensing and Standards Committee in four months; the format of that consultation to be approved by the Executive Director, Municipal Licensing and Standards, in consultation with the Chair and Vice-Chair of the Licensing and Standards Committee.
4. City Council amend the by-law to require brokerages to register their brokerage fees with Municipal Licensing and Standards Division so that they can be taken into consideration when setting meter rates.
5. City Council direct the City Solicitor to prepare the necessary bill to give effect to these recommendations.

Statutory - City of Toronto Act, 2006

(May 27, 2008) Report from Acting Executive Director, Municipal Licensing and Standards

Committee Recommendations

The Licensing and Standards Committee recommends that:

1. City Council amend the City of Toronto Municipal Code, Chapter 545, Licensing, to increase taxicab fares, as follows:
 - (i) increasing the initial taximeter drop rate by \$1.00 from \$3.00 to \$4.00; and
 - (ii) increasing in the per kilometre rate from \$0.25 per 0.170 kilometres (170 metres) to \$0.25 per 0.155 kilometres (155 metres);
2. City Council require the new tariff card to include the "flat fare to the airport provisions" of the by-law and the owners be provided with multiple copies of the airport flat fee map, preferably on tear-off pads that can be handed to passengers;
3. City Council direct the Executive Director, Municipal Licensing and Standards, to review, in consultation with the industry and the disabled community, the rates charged for non-Wheel Trans rides and the results of that consultation be tabled at the Licensing and Standards Committee in four months; the format of that consultation to be approved by the Executive Director, Municipal Licensing and Standards, in consultation with the Chair and Vice-Chair of the Licensing and Standards Committee;
4. City Council amend the by-law to require brokerages to register their brokerage fees with Municipal Licensing and Standards Division so that they can be taken into consideration when setting meter rates; and
5. City Council direct the City Solicitor to prepare the necessary bill to give effect to these recommendations.

Committee Decision Advice and Other Information

The Licensing and Standards Committee requested the Executive Director, Municipal Licensing and Standards:

1. to report directly to City Council, for its meeting on June 23, 2008, on the effect of increasing in the per kilometre rate from \$0.25 per 0.170 kilometres (170 metres) to \$0.30 per 0.190 kilometres (190 metres);
2. in reporting on a program for shifting all taxis and limousines operating in the City of Toronto to low emission or hybrid technologies by 2015 or earlier, to include an analysis of the possible use of smaller vehicles as taxis or limousines within the City; and

3. to report to the Licensing and Standards Committee at such time as the Greater Toronto Airports Authority (GTAA) fares are adjusted.

Financial Impact

The recommended taxicab fare increase is intended to help offset the cost for taxicab drivers of rising fuel prices. The increase will result in fare increase to passengers in the order of 11.4 per cent to 17.5 per cent for trips of five kilometres and 20 kilometres, respectively.

The adoption of the recommended increase in taxicab fares will require ML&S to purchase approximately six thousand meter seals, at a cost of approximately \$2,000.00, in order to accommodate the taximeter testing and resealing task associated with any change to the taxicab fare. A new tariff card for each licensed taxicab will also need to be printed. These direct expenditures are provided for within the current operating budget, as a normal part of service delivery by the ML&S Licensing Enforcement Team.

The Toronto Transit Commission's Wheel-Trans operating costs for sedan service to the disabled community in Toronto will be impacted by the adoption of the recommended increase in taxicab fares. These impacts will result in expenditure increases of approximately \$350,000.00 in 2008 and approximately \$1,000,000.00 in 2009. The 2008 expenditures will be accommodated within the 2008 Council Approved Operating Budget for TTC-Wheel Trans. The 2009 annualized impact of the fee increase will be considered during the 2009 Budget process.

The Deputy City Manager and Chief Financial Officer have reviewed the recommendations and concur with the financial impact statement.

Summary

The purpose of this report is to make a recommendation for an increase in taxicab fares in the City of Toronto due to the unprecedented increase in gasoline prices and the resulting additional costs to and impact on the Toronto taxicab industry.

Background Information (Committee)

Staff Report from Acting Executive Director, Municipal Licensing and Standards
(<http://www.toronto.ca/legdocs/mmis/2008/ls/bgrd/backgroundfile-13487.pdf>)

Background Information (City Council)

(June 16, 2008) supplementary report from the Executive Director, Municipal Licensing and Standards (LS14.3a)
(<http://www.toronto.ca/legdocs/mmis/2008/cc/bgrd/backgroundfile-13815.pdf>)

Communications (Committee)

(May 31, 2008) e-mail from Louis M. Seta, President Toronto Taxicab Industry Association (LS.New.LS14.3.1)

(June 2, 2008) letter from Jim Bell, President, Toronto Taxicab Alliance (LS.New.LS14.3.2)

(June 6, 2008) fax from Mike Tranquada, President, Independent Toronto Taxi Inc. (LS.New.LS14.3.3)

Speakers (Committee)

Jim Bell, President, Toronto Taxicab Alliance (Submission Filed)

Louis M. Seta, President, Toronto Taxicab Industry Association (Submission Filed)

LS14.4	Adopted			Ward: All
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Taxicab Lease Agreements

City Council Decision

City Council on June 23 and 24, 2008, adopted the following motions:

1. A Working Group, to include interested Councillors, staff and industry representatives, be established to review the existing licensing provisions related to taxicab leasing and to report back to the Licensing and Standards Committee in September 2008 with recommendations for any necessary amendments to the City of Toronto Municipal Code, Chapter 545, Licensing.
2. Until such time as City Council has acted on the recommendations of the Working Group, the 45-day time limit by which a vehicle owner must register their vehicle, in the event the lease of the plate is cancelled, is suspended.
3. The composition of the Working Group shall be determined by the Executive Director, Municipal Licensing and Standards, in consultation with the Chair and Vice-Chair, Licensing and Standards Committee.
4. The terms of reference of the Working Group shall be expanded to also review:
 - a. the employment status of lessees and second drivers, particularly as it pertains to recent court decisions related to similar issues in Sault Ste Marie, Ontario; and
 - b. other matters arising from the 1998 Taxi Reforms that have not yet been acted upon as it pertains to designated agents.
5. The Executive Director, Municipal Licensing and Standards, be authorized to seek outside legal assistance on this matter at his discretion, if required.
6. The City Solicitor be directed to prepare the necessary bill to give effect to these recommendations.

(May 27, 2008) Report from Acting Executive Director, Municipal Licensing and Standards

Committee Recommendations

The Licensing and Standards Committee recommends to City Council that:

1. a Working Group, to include interested Councillors, staff and industry representatives, be established to review the existing licensing provisions related to taxicab leasing and to report back to the Licensing and Standards Committee in September, 2008 with recommendations for any necessary amendments to the City of Toronto Municipal Code, Chapter 545, Licensing;
2. until such time as City Council has acted on the recommendations of the Working Group, the 45-day time limit by which a vehicle owner must register their vehicle in the event the lease of the plate is cancelled, is suspended;
3. the composition of the Working Group shall be determined by the Executive Director, Municipal Licensing and Standards, in consultation with the Chair and Vice-Chair, Licensing and Standards Committee;
4. the terms of reference of the Working Group shall be expanded to also review:
 - (a) the employment status of lessees and second drivers, particularly as it pertains to recent court decisions related to similar issues in Sault Ste Marie, Ontario; and
 - (b) other matters arising from the 1998 Taxi Reforms that have not yet been acted upon as it pertains to designated agents;
5. the Executive Director, Municipal Licensing and Standards be authorized to seek outside legal assistance on this matter at his discretion, if required; and
6. the City Solicitor be directed to prepare the necessary bill to give effect to these recommendations.

Financial Impact

The recommendations will have no financial impact beyond what has already been approved in the current year's operating budget.

Summary

Members of the taxicab industry have raised concerns related to the regulations governing the leasing for taxicabs contained in the Toronto Municipal Code Chapter 545, Licensing.

Therefore, it is proposed that a Working Group be established to further consult with the stakeholders, evaluate the existing licensing provisions, and if appropriate, recommend amendments to Chapter 545, Licensing, to address issues identified in the review. The proposed Working Group would include interested Councillors, staff and members of the industry and would report back to the Licensing and Standards Committee in September, 2008 with the

results of its consultations and any recommendations it considered appropriate.

Background Information (Committee)

Staff Report from Acting Executive Director, Municipal Licensing and Standards
(<http://www.toronto.ca/legdocs/mmis/2008/ls/bgrd/backgroundfile-13513.pdf>)

Communications (Committee)

(May 31, 2008) e-mail from Louis M. Seta, President, Toronto Taxicab Industry Association (LS.New.LS14.4.1)

Speakers (Committee)

Jim Bell, President, Toronto Taxicab Alliance

Louis M. Seta, President, Toronto Taxicab Industry Association (Submission Filed)

Submitted Friday, June 6, 2008

Councillor Howard Moscoe, Chair, Licensing and Standards Committee