

Denzil Minnan-Wong

COUNCILLOR, DON VALLEY EAST, WARD 34

February 2, 2010

Councillor Howard Moscoe
Chair, Licensing and Standards Committee
City Hall, 2nd Floor
100 Queen St. W.,
Toronto, Ontario
M5H 2N2

Dear Chair,

**RE: PUTTING TAXI LEASES ON THE AGENDA FOR THE FEBRUARY 10,
2010 LICENSING AND STANDARDS COMMITTEE**

Background

In the City of Toronto, the taxi industry is highly regulated. If an individual wants to be a taxi driver, there are two options: buy a taxi plate, or lease/rent a taxi plate from an owner. An individual leasing a taxi plate is vulnerable to many risks. To become a taxi driver, one has to purchase a proper vehicle and comply with the requirements as set by Municipal Standards and Licensing. Not including the cost of leasing the taxi plate, the individual will incur upfront costs as well as the burden of monthly lease payments to pay off the vehicle. Currently, § 545-45E(5) of the City of Toronto Municipal Code allows either party to terminate the leasing arrangement with only one week's notice in writing. This gives the taxi plate owner a lot of power to arbitrarily terminate the leasing arrangement, leaving the lessee with the burden of the vehicle payments.

Issue

I have been informed of an increasing number of instances where taxi plate owners have arbitrarily terminated their leasing arrangement with the lessee. This has left the lessee with the burden of paying off the vehicle, while taking away their ability to earn a living.

Possible Solution

One solution to this problem is to put forward an amendment to the by-law that would require the parties to enter into a lease for the term of the car. The term of the car is typically three years, and this provision will provide the lessee with the



benefit of the purchased vehicle. To protect the lessor or owner of the taxi plate, a clause could be included which permits either party to terminate the lease for cause.

Request

I would like to place this item on the Agenda for the February 10, 2010 meeting of the Licensing and Standards Committee. Further, I am requesting a staff report on the feasibility of requiring taxi plate owners to enter into contracts with lessees for the life of the vehicle (3 years).

Thank-you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Denzil Minnan-Wong". The signature is written in a cursive, slightly slanted style.

Denzil Minnan-Wong,
Councillor, Ward 34