

## **Authorization of Licensing Training Agreements**

<b>Date:</b>	April 9, 2010
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	Executive Director, Municipal Licensing and Standards
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2010\Cluster B\MLS\Ls10013

### **SUMMARY**

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The purpose of this report is to authorize the City to enter into agreements with appropriate educational institutions under which the City will customize the curriculum materials of the City's taxicab and limousine driver training courses, train instructors and permit the licensed use of such materials on the same basis that the City enters into such agreements with municipalities in Canada and elsewhere, and authorize the City to agree with municipalities and other entities to provide training directly to their drivers. This expanded authority will allow the Municipal Licensing and Standards Division to generate additional revenues and further enhance the City's profile as an innovator and international leader in the field of taxicab and limousine driver/owner training.

### **RECOMMENDATIONS**

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The Executive Director, Municipal Licensing and Standards, recommends that the City be authorized to enter into agreements with;

1. any appropriate non-profit educational institution for the customization of the curriculum materials of the City's taxicab and limousine driver training courses, training of instructors and a licence to use the materials on the same basis (other than sublicensing) that apply to such agreements with municipalities; or
2. any municipality or transportation-related company in Canada or elsewhere to provide customized training for taxicab drivers/owners, limousine drivers/owners and others for the purpose of developing a revenue stream through the use of Division resources, including staff, equipment and facilities, either by direct contractual negotiation or by responding to calls for such training, in each case at

a fee reflecting the value to the recipient of what is being provided, and the value of City staff time.

### **Financial Impact**

The adoption of the recommendations in this report will allow for additional revenue generation. Future revenues are dependent on successful negotiations with external companies and municipalities. Any proposed agreements for the provision of training services will be structured to provide net positive revenues to the City.

Fees will be structured to ensure a profit is realized above the cost of staff resources and materials. For example, a 5-day training course designed and delivered by and in the City of Toronto for the licensees of a neighbouring municipality. The cost of delivering the program, at 2010 rates, includes staffing resources (32 hours of training and administration x \$37.00/hour = \$1,184.00 / course) and miscellaneous administration fees (documentation and manuals at \$20.00 per client). Minimum and maximum class sizes of the program are predetermined, and range between 8 and 25 clients. Client fees for the course (\$100.00/day x 5 days) equate to \$500.00 per client. At the minimum class size of eight (8) clients, costs of \$1,344.00 would be covered by \$4,000.00 of client fees, leaving net revenue of \$2,656.00 per course. With 25 clients, costs of \$1,684.00 would be covered by \$12,500.00 client fees, leaving net revenue of \$10,816.00 per class.

The City of Toronto has been approached by a neighbouring municipality to provide a five-day training course for approximately two hundred (200) taxicab driver applicants and a two-day refresher training course for approximately one thousand (1000) licensed taxicab drivers.

In addition to the revenues generated from training clients, each municipality or transportation related company will be required to pay a negotiated fee associated with the development of each training course based on the duration and number of training modules and an annual licence renewal fee in the amount of \$1000.00 (as approved by Council) for each training program.

### **DECISION HISTORY**

City of Toronto Council, at its meeting held on November 6, 7 and 8, 2001, adopted Motion No. 18, as amended, to enter into purchase agreements/contracts with municipalities for the sale of customized Taxicab Driver/Owner Courses;

City of Toronto Council, at its meeting held on June 18, 19 and 20, 2002, adopted Clause No. 14 of Report 7 of the Planning and Transportation Committee with respect to the Non-exclusive, Non-transferable Service and Licensing Agreements for the Use of Customized Ambassador and Accessible Taxicab Training Courses by Municipalities in Canada and elsewhere; and

City of Toronto Council, at its meeting held on October 29, 30, and 31, 2002, adopted Motion No. J15, without amendment, with respect to Amendments to Service and Licence Agreements for Ambassador and Accessible Taxicab Training Courses.

## **ISSUE BACKGROUND**

### **Licensing Agreements**

The City has entered into service and licensing agreements with the Cities of Ottawa (Ontario) and Calgary (Alberta), for non-exclusive, non-transferable use under licence of customized versions of the City's copyrighted taxicab driver training materials for an annual fee. Those licences permit sublicensing of a City-approved non-profit educational institution to perform the training.

Municipal Licensing and Standards has also provided customized accessible taxicab driver training to the cities of Oshawa, Ontario and London, Ontario and to an Ontario accessible-transportation company in the past several years.

Several municipalities within the Greater Toronto Area (G.T.A.) have mandated taxicab driver training for new driver applicants. These courses are currently being delivered through Durham College in Oshawa, Ontario. A significant amount of the materials for the current curriculum offered by Durham College mirror those of the City but it has not contracted with the City for a paid licence. To ensure protection of the City's intellectual property rights and maximization of their use for generation of revenue, it is prudent that the City expand the scope of the services and licence agreements to include non-profit educational institutions.

### **Training Agreements**

Jurisdictions within the G.T.A. are beginning to realize the significance of quality training for participants in the taxicab industry; however, most do not have the internal training capacity to deliver the programs. For example, the City of Brampton now requires its taxicab drivers to attend mandatory training courses at the City of Mississauga's taxi training facility

More to the point, in recognition of the City's leadership in the field, staff of the Town of Markham have enquired regarding the feasibility of delivery by Municipal Licensing and Standards staff of customized training courses on an ongoing basis at the Division's Training Centre facility at 1530 Markham Road.

In order to enable the City to enter into formal agreements for such training, Council authority is required.

## **COMMENTS**

The City of Toronto is recognized internationally for its exemplary taxicab industry training. To maintain this status, it is vital that the City of Toronto's copyright training materials be protected. Licensing those appropriate educational institutions that provide training using City of Toronto materials will enable the City to protect its intellectual property rights.

Jurisdictions within the G.T.A. recognize that the City of Toronto is best positioned to provide customized taxicab and limousine driver training courses for their clientele. Using Division resources to directly provide training to other jurisdictions will enable the Division to generate a sustainable revenue source that will impact future budgets. In addition, this initiative will greatly assist with the overall marketing of City training products.

This report has been prepared in consultation with City of Toronto Legal Services Division and the Policy, Planning, Finance and Administration Division.

## **CONTACT**

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## **SIGNATURE**

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