



STAFF REPORT ACTION REQUIRED

Chapter 545, Licensing, Article VIII, Owners and Drivers of Taxicabs – Information on Amendments to Standard Taxicab Regulations

Date:	April 7, 2015
To:	Licensing and Standards Committee
From:	Executive Director, Municipal Licensing and Standards
Wards:	All
Reference Number:	P:\2015\Cluster B\MLS\LS15009

SUMMARY

At its meeting of March 24, 2015, the Licensing and Standards Committee directed the Executive Director, Municipal Licensing and Standards to submit to Licensing and Standards Committee at its meeting on April 21, 2015, the necessary by-law amendments to reinstate the Standard taxicab regulations in force prior to July 1, 2014.

To reinstate the former Standard taxicab regulations, amendments would be required to the provisions of Chapter 545, Licensing, Article VIII, Owners and Drivers of Taxicabs, related to Standard taxicab sales, the transition of Standard taxicabs into Toronto Taxicab Licences, the definition of a "Standard Taxicab", and related provisions, as well as Chapter 441, Fees and Charges, to reinstate certain licensing fees related to Standard taxicabs.

Reinstating the pre-July 1, 2014 regulations governing Standard Taxicabs would be directly contrary to City Council's adoption of owner-operator principles in the 1998 and 2014 Reviews. It would perpetuate a multi-tier licensing system, the adverse consequences of which were one of the key considerations underlying the amendments adopted by City Council in 2014. It would additionally render City Council's goal of achieving 100% wheelchair accessibility unattainable.

RECOMMENDATIONS

The Executive Director, Municipal Licensing and Standards recommends that:

1. Licensing and Standards Committee receive this report for information.

Financial Impact

There are no financial impacts beyond what has already been approved in the current year's budget.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of February 19, 2014, City Council adopted the Taxicab Industry Review Final Report with amendments, which created the Toronto Taxicab Licence, an owner-operated and wheelchair accessible taxicab, among other changes to the industry.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.LS26.1>

At its meeting of January 21, 2015, Licensing and Standards Committee directed the Executive Director, Municipal Licensing and Standards to provide information regarding the licensing regimes of the Standard and Ambassador taxicabs and the process for reinstating taxicab regulations for Standard taxicab owners that existed prior to February 19, 2014.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getDecisionDocumentReport&meetingId=9796>

At its meeting of March 24, 2015, Licensing and Standards Committee directed the Executive Director, Municipal Licensing and Standards to prepare the necessary bylaw amendments to reinstate the Standard Taxicab regulations that were in effect prior to the bylaw that was enacted on June 13, 2014.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.LS2.1>

ISSUE BACKGROUND

In February 2014, City Council adopted the recommendations of the 2014 Taxicab Industry Review Final Report, as amended.

The 2014 Review recommended the creation of a new class of licence, the Toronto Taxicab Licence (TTL) and a gradual transition of all licences to the new taxicab licence category which is owner-operated and wheelchair accessible. The goal of the TTL was, in part, to address industry concerns of perceived inequity among the existing taxicab licence categories and to achieve the goal of an on-demand wheelchair accessible taxicab fleet. The Final Report from the 2014 Taxicab Industry Review is contained in Attachment 1 to this report.

The 2014 Taxicab Industry Review included extensive consultations, during which staff:

- received and analyzed thousands of emails, phone calls and written proposals;
- conducted three issue-based surveys which garnered over 3,000 responses; and
- engaged more than 4,500 stakeholders at 100+ meetings and 40 consultations, one of which was attended by over 2,000 taxicab drivers.

The By-law, as it currently stands:

- transitions all licences to TTLs by a gradual process of sale and reissuance;
- does not require existing Standard Taxicab owners to drive or to sell their taxicabs;
- by effecting a gradual transition to TTLs and by not requiring existing Standard Taxicab owners to sell their taxicabs, the By-law continues to allow for the transfer of existing Standard Taxicab owners' licences to the estates of deceased owners, and continues to allow those estates to sell the taxicabs; and
- by effecting a gradual transition to TTLs and by not requiring existing Standard Taxicab owners to sell their taxicabs continues to allow existing Standard Taxicab owners to lease their taxicabs and continues to allow them to use the services of a designated agent.

The City has issued 328 TTLs and another 100 are in the process of being issued. This has allowed the City to meet its goal of 6% of Toronto's taxicab fleet offering wheelchair accessible service for the Pan/ParaPan Am Games. It is projected that 10% of Toronto's fleet will be wheelchair accessible by the Games.

Standard Taxicab Sales since July 1, 2014

As a result of an interim stay granted by consent order of the Court in the application challenging the 2014 amendments, purchasers of Standard Taxicabs have been issued Standard Taxicab owners licences since July 2014 on an interim basis only. Now that the Court application has been substantially dismissed and the by-law has been substantially upheld, this interim stay is no longer in effect. As a result, the fourteen individuals who received these Standard Taxicab owners' licences on an interim basis must convert their taxicabs to TTLs upon renewal.

COMMENTS

Reinstating the pre-July 1, 2014 regulations governing Standard Taxicabs would permit Standard owners to sell their taxicabs to individuals who would not be required to drive, moving Toronto's taxicabs away from the owner-operator principles adopted by City Council in the 1998 and 2014 Reviews.

In those reviews, absentee ownership was identified as a primary factor which adversely affects vehicle safety and customer service. This concern about absentee ownership founded the creation of the Ambassador Taxicab Licence.

Reinstating the pre-July 1, 2014 regulations governing Standard Taxicabs would also perpetuate a multi-tier licensing system by preventing the harmonization of existing licence categories to the TTL. In the 2014 Review, the City identified the perceived inequity among drivers, Ambassador owners, and Standard Taxicab owners, along with the use of agents or "middlemen" by Standard Taxicab owners, as a significant problem within the taxicab industry that could be remedied by transitioning all existing licence categories over time to a single licence, the TTL.

Finally, removing the existing transition provisions would render unattainable City Council's goal of achieving a 100% wheelchair accessible taxicab fleet. Under the current by-law, upon sale or death, all existing taxicab licences are converted to TTLs, which require the use of a wheelchair-accessible vehicle.

Figure 1: Comparison of Standard Taxicab Properties before and after the enactment of the By-law resulting from the 2014 Taxicab Industry Review.

Standard Taxicab Properties	Before June 2014	After July 2014
Transferability (ability to sell the taxicab)	<p>Taxicab can be sold to a licensed taxicab driver who does not have to drive the taxicab and may use a non-accessible vehicle.</p> <p>Taxicab can be transferred to the estate of a deceased owner, the estate can sell the taxicab, and the purchaser is issued a standard taxicab licence.</p>	<p>Taxicab can be sold to a licensed taxicab driver who must drive the taxicab full-time, can have a second driver, and must use a wheelchair-accessible vehicle.</p> <p>Taxicab can be transferred to the estate of a deceased owner, the estate can sell the taxicab, and the purchaser is issued a TTL licence.</p>
Leasing	<p>Taxicab can be leased until it is sold or transferred.</p> <p>Taxicab can be leased by new owner.</p>	<p>Taxicab can be leased until it is sold or transferred.</p> <p>Taxicab cannot be leased by new owner.</p>

Licensing and Standards Committee directed staff to report to its next meeting on the necessary by-law amendments to reinstate the Standard Taxicab licence. Drafting by-law amendments is a complex and time consuming undertaking, a task which could not be completed in time to meet the agenda closing deadline for the April 21st Licensing and Standards Committee meeting.

Committee and Council often discuss and make amendments by either adding or deleting recommendations. Until Council approves the final recommendations and staff receive clear direction from Council it is difficult to draft the bill and ultimately implement the changes. In order for Council to consider a bill it needs to adopt a set of recommendations that capture the following specific items described below.

Reinstating the Standard Taxicab regulations that existed prior to July 1, 2014 would require amendments to the provisions of Toronto Municipal Code, Chapter 545, Licensing, Article VIII, Owners and Drivers of Taxicabs. These amendments would:

- permit the transfer of Standard Taxicabs upon sale or death, where a Standard Taxicab licence will be issued to the new purchaser;
- reinstate the previous definition of a "Standard Taxicab"; and
- reinstate other necessary provisions related to, or impacted by, sales and transfers of Standard taxicabs.

The reinstatement will also require amendments to Chapter 441, Fees and Charges, to reinstate certain fees related to Standard Taxicabs.

Should Licensing and Standards Committee recommend to City Council to adopt these changes and City Council subsequently adopts these changes, a bill containing the necessary amendments will be prepared for a meeting of City Council.

CONTACT

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SIGNATURE

Tracey Cook, Executive Director
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ATTACHMENT

Attachment 1: Taxicab Industry Review Final Report