REPORT FOR ACTION

Review of the City of Toronto Municipal Code, Chapter 546, Licensing of Vehicles-for-Hire

Date: June 14, 2019
To: General Government and Licensing Committee
From: Executive Director, Municipal Licensing and Standards
Wards: All

SUMMARY

This report proposes amendments to the Vehicle-for-Hire By-law (the City of Toronto Municipal Code Chapter 546) related to accessibility, public safety, vehicle requirements, and limousines. It also recommends technical amendments to further improve the licensing and enforcement of the vehicle-for-hire industry.

The Vehicle-for-Hire By-law came into effect in July 2016 to establish a set of rules and regulations for taxicabs, limousines, and private transportation companies such as Lyft and Uber. The By-law reset and modernized the City of Toronto's approach to regulating for-hire drivers and vehicles. It responded to the public's request for choice in regulated transportation options and provided an opportunity for the City to shift from prescriptive regulation to a risk-based licensing approach. The transition was rooted in the City's regulatory purpose of ensuring public safety and consumer protection and created the opportunity for competition.

Since May 2016, staff have focused on implementing the new regulations. The implementation of the new By-law has been a large and complex undertaking that required significant business transformation, including creating digital solutions. In June 2018, the Licensing and Standards Committee considered the Work Plan for the Review of Chapter 546, Vehicles-for-Hire, thereby launching the review of the Vehicle-for-Hire By-law.

Staff have since undertaken a review of the By-law and identified proposed changes to address several issues, including driver and vehicle requirements, limousine regulations, and cost to delivering accessible vehicle-for-hire service.

This report proposes an accessibility strategy that includes an Accessibility Fund Program and updated By-law requirements. The Accessibility for Ontarians with Disabilities Act requires the City to take steps to ensure that equitable vehicle-for-hire service is available to all individuals. The proposed strategy responds to the 2016 City
Council direction to establish an accessibility fund to collect regulatory charges from members in the industry that do not provide wheelchair accessible service and disburse these funds to wheelchair accessible taxicab owners and drivers. Staff heard from users of accessible service that the service is not always readily available and that there is sometimes inconsistent quality of service. Accessible service providers told staff that the cost of operating wheelchair accessible vehicles is higher than that of standard taxicabs and that this is due, in part, to the cost of conversion and maintenance. Higher costs, staff heard, limit the financial return that owners and drivers can expect and, as a result, act as a deterrent to having these vehicles on the road full-time. The aim of the proposed accessibility strategy is to address the higher cost of delivering accessible service, increase the availability of accessible service, and improve the consistency and quality of accessible service.

In addition to the accessibility strategy, this report recommends changes to enhance public safety, including changes to driver requirements that will contribute to greater driver experience and knowledge, by increasing the minimum years of driving experience from one to three years and introducing mandatory training requirements. Finally, removing outdated limousine restrictions will provide flexibility within the industry and greater consumer choice.

The proposed changes to the Vehicle-for-Hire By-law are based on research completed and feedback heard during consultations in 2018 and the beginning of 2019. Internal research included literature reviews, jurisdictional scans, stakeholder consultations, and an analysis of licensing, complaint, and enforcement data. In addition, staff hosted 18 public consultation meetings and two Accessibility Panel meetings.

A Transportation Impact study was also undertaken by Transportation Services with support from the University of Toronto's Transportation Research Institute. Municipal Licensing and Standards (MLS) also procured a consulting firm to complete an Economic Impact Study and a market research firm to complete public opinion research and focus group sessions. The outcome of this work is discussed in this report.

This report was prepared in consultation with Legal Services, Economic Development and Culture, Policy, Planning, Finance and Administration, and Transportation Services.

RECOMMENDATIONS

The Executive Director, Municipal Licensing and Standards recommends that:

1. City Council amend City of Toronto Municipal Code, Chapter 546, Licensing of Vehicles-for-Hire, as follows:

Accessibility Fund Program

1. Add a provision to create an Accessibility Fund Program that is:
   a) funded through regulatory charges on members of the vehicle-for-hire and private transportation company industries that do not provide City-licensed wheelchair accessible service; and
b) disbursed based on service standards and eligibility criteria to City-licensed wheelchair accessible drivers and owners that are not under contract with Toronto Transit Commission’s Wheel-Trans specialized transit service.

2. Add a provision to allow the Executive Director, Municipal Licensing and Standards or their designate to establish the funding formulas for the disbursement of funds, the service standards, and the eligibility criteria for the Accessibility Fund Program.

3. Add a provision to state that the Executive Director, Municipal Licensing and Standards shall publish the service standards and eligibility criteria.

4. Add a provision to state that accessible vehicle-for-hire drivers must meet the following minimum eligibility requirements for the Accessibility Fund Program:
   a) licensed under this chapter;
   b) current and valid training endorsement for accessible service; and
   c) declare or provide other proof that criteria and service standards, as required by the Executive Director, Municipal Licensing and Standards, have been met.

5. Add a provision to state that accessible vehicle-for-hire owners must meet the following minimum eligibility requirements for the Accessibility Fund Program:
   a) licensed under this chapter;
   b) vehicle is compliant with the Canadian Standards Association standard for wheelchair accessible vehicles; and
   c) declare or provide other proof that criteria and service standards, as required by the Executive Director, Municipal Licensing and Standards, have been met.

6. Add a provision to state that, to be eligible for the Accessibility Fund Program, licensed vehicle-for-hire drivers and owners must provide the following information as part of the application process:
   a) business licence number under this chapter;
   b) full name;
   c) mailing address;
   d) contact information such as phone number and e-mail address; and
   e) any other information as requested by the Executive Director, Municipal Licensing and Standards.

7. Add a provision that the Executive Director, Municipal Licensing and Standards may refuse or cancel funding if the accessible owner or driver does not meet the eligibility criteria or service standards as set out by the Executive Director, Municipal Licensing and Standards, if the funding was granted due to an administrative or technical error, or if the accessible owner or driver has not provided complete or accurate data or information.

8. Add a provision to state that the Executive Director, Municipal Licensing and Standards shall provide the accessible owner or driver with written notice that consideration is being given to the refusal or cancellation of their funding application and providing the accessible owner or driver with an opportunity to respond in writing to this notice within 10 days of being notified. Municipal
Licensing and Standards will then provide the accessible owner or driver with written notice of its final decision. If an accessible owner or driver's eligibility has been refused or cancelled because the owner or driver was not properly eligible or provided incomplete or inaccurate information, the accessible owner or driver will not be eligible for the Accessibility Fund Program for two years.

9. Add a provision that the Executive Director, Municipal Licensing and Standards may recover any funds disbursed in error or if the funds were disbursed based on incomplete or inaccurate information provided by the applicant.

10. Add a provision that requires, as conditions for licence renewal, that the Accessibility Fund regulatory charge be paid and that funds disbursed from the Accessibility Fund Program based on incomplete or inaccurate information provided by a funding applicant be repaid.

11. Add a provision to state that the Executive Director, Municipal Licensing and Standards has the authority to, at any time, recalibrate the funding formulas or prohibit the disbursement of funds to applicants based on the availability of funding.

12. Add a provision to state that the Executive Director, Municipal Licensing and Standards shall collect regulatory charges associated with the Accessibility Fund Program at the same time as licensing fees are collected.

**Administration, Audit Powers, and Revocation Process of Training Programs**

13. Add a provision to allow the Executive Director, Municipal Licensing and Standards to establish the mandatory components and criteria for the accreditation of training programs for all drivers licensed under this chapter.

14. Add a provision to state that the Executive Director, Municipal Licensing and Standards shall publish the mandatory components of training programs, criteria to accredit training programs, and a list of approved training programs.

15. Add a provision that each applicant for the certification of a training program shall provide, at minimum, the following information to the Executive Director, Municipal Licensing and Standards:
   a) full name of individual or business;
   b) mailing address;
   c) contact information including phone number and e-mail address;
   d) the syllabus of proposed training content; and
   e) any other information as requested by the Executive Director, Municipal Licensing and Standards.

16. Add a provision that the Executive Director, Municipal Licensing and Standards has the authority to audit approved training programs and request information related to the audit as required.
17. Add a provision that, pursuant to the audit and investigation process, the Executive Director, Municipal Licensing and Standards has the authority to revoke the accreditation of training programs if:

a) Municipal Licensing and Standards has reasonable grounds to believe that the training program no longer meets the requirements for inclusion on the approved list in accordance with the mandatory components established by the Executive Director, Municipal Licensing and Standards;

b) Municipal Licensing and Standards has reasonable grounds to believe the training program is not being delivered or its officers, directors, or employees have not acted in accordance with the intent of the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, or if incomplete or inaccurate information has been provided; or

c) Municipal Licensing and Standards has reasonable grounds to believe that the conduct of the training program or its officers, directors, or employees has resulted, or will result, in a breach of the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, or any other law.

18. Add a provision that vehicle-for-hire or private transportation company drivers who obtained a licence on the basis of their membership in a training program that is then removed from the City’s approved list must provide proof of the successful completion of another approved training program at their licence renewal, if required by the Executive Director, Municipal Licensing and Standards.

19. Add a provision that vehicle-for-hire or private transportation company drivers who do not submit proof of the successful completion of another approved training program at licence renewal will be deemed to no longer meet the licensing requirements under the By-law and the licence renewal application will be incomplete until proof of training is submitted.

**Audit and Investigative Authority of Municipal Licensing and Standards**

20. Add a provision to allow for Municipal Licensing and Standards to require private transportation companies, limousine brokers, and taxicab brokers to provide records to Municipal Licensing and Standards for the purposes of investigating compliance with this chapter and for researching and undertaking accessibility reviews, transportation planning, and environmental policies or initiatives relevant to the vehicle-for-hire industry, and require that records must be produced within 30 days and in a format satisfactory to the Executive Director, Municipal Licensing and Standards.

21. Add a provision to require that taxicab, limousine, and private transportation company records requested by a police officer shall be provided directly to the police officer within 24 hours and records requested by Municipal Licensing and Standards shall be provided within 30 days of the receipt of the request or within
24 hours, if required by the Executive Director, Municipal Licensing and Standards.

22. Add a provision that any licence holder under City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, is guilty of an offence if they provide incomplete or inaccurate information or business records to a police officer or Municipal Licensing and Standards.

Cameras

23. Delete the definition of camera.

24. Authorize the Executive Director, Municipal Licensing and Standards to establish criteria for and prohibit the use of cameras in licensed vehicles.

Collision Reporting

25. Add a provision to state that private transportation companies and limousine and taxicab brokers shall record and provide collision incident information (including type of vehicle, date and time of incident and location of incident to the nearest intersection) at a frequency that meets the satisfaction of the Executive Director, Municipal Licensing and Standards.

Inspection Powers

26. Amend the inspection powers of Municipal Licensing and Standards to confirm that they extend to vehicles-for-hire.

Limousine Owners

27. Add a provision that limousine owner licensing fees are waived for accessible limousine owners.

28. Add a provision that accessible service must be provided through vehicles that are in compliance with the standard for accessible vehicles set out in City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire.

29. Add a provision that if a camera that is capable of recording audio or video footage of the passenger is used in a limousine, then the limousine owner shall ensure that notice stating that passengers are being or may be recorded is provided through notice affixed to the vehicle in a location and manner approved by the Executive Director, Municipal Licensing and Standards.

30. Add a provision that requires limousines to have "Watch for Bike" notices affixed to the vehicle in a location approved by the Executive Director, Municipal Licensing and Standards.

31. Remove the requirement for limousine owners to enter into service agreements to permit them to dispatch their own limousine and/or accept service requests. A limousine owner who dispatches his or her own limousine will not be considered a limousine broker.
32. Remove the minimum fare requirement of $70 per hour for the first two hours, permit limousine owners and brokers to set rates to be charged on a flat or hourly basis, and require that a limousine owner or broker confirm that a passenger has accepted the rate before the vehicle is dispatched by sending written confirmation to the customer and maintaining records for three years.

33. Define a limousine as any accessible, stretch, or sedan limousine in respect of which a limousine owner’s licence has been issued or in respect of which a licence is required under this chapter.

34. Define a sedan limousine as a non-metered vehicle that may carry a maximum of seven passengers, excluding the driver, and is approved by the Executive Director, Municipal Licensing and Standards and that is, or is required to be, licensed under this chapter.

35. Define a stretch limousine as a non-metered vehicle either purpose-built or modified to provide an extended seating area and carry a minimum of seven passengers, excluding the driver, and is approved by the Executive Director, Municipal Licensing and Standards and that is, or is required, to be licensed under this chapter.

36. Define an accessible limousine as a vehicle which is designed, used, or intended to be used to provide wheelchair accessible service and is approved by the Executive Director, Municipal Licensing and Standards and that is, or is required to be, licensed under this chapter.

37. Amend the insurance requirements to ensure that each limousine with a seating capacity of more than seven passengers is insured under a policy of automobile insurance as required under the Public Vehicles Act.

**Limousine Brokers**

38. Rename limousine service company to limousine broker throughout City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire.

39. Add a provision that limousine brokers shall only dispatch licensed limousines driven by individuals holding valid vehicle-for-hire driver licences.

40. Add a provision that limousine brokers must publish business contact information online for the public.

41. Remove the stretch-to-sedan fleet ratio to allow limousine brokers to determine the appropriate type and number of licensed limousines required for their business.

42. Amend the requirements for data recorded in dispatch records to also require the following information in relation to transportation commencing or terminating in Toronto:
   a) pick up location and the destination (by reference to the nearest intersection);
b) dates and times the trip started and terminated;
c) length of time elapsing between the passenger’s service request and the start of the trip;
d) type of service provided such as request for accessible service;
e) trip status such as completed, driver cancelled, or passenger cancelled;
f) if a trip is cancelled, then the reason for cancellation; and
g) the assigned driver licence number and unique identification number used by the brokerage (if any).

43. Add a provision that data recorded in dispatch records must be produced within 30 days and in a format that is satisfactory to the Executive Director, Municipal Licencing and Standards and that a limousine broker is required to maintain the records for a minimum of three years.

Private Transportation Companies

44. Add a provision that requires private transportation companies to impose a mandatory training program on all drivers affiliated with the private transportation company. The training program must satisfactorily meet the criteria established by the Executive Director, Municipal Licensing and Standards or their designate.

45. Add a provision that states that all private transportation company drivers must ensure they are using a mounted device, secured to the vehicle, for their phone or other such electronic device when the private transportation company driver is available on the private transportation company software application.

46. Add a provision to state and confirm that drivers who provide accessible service for private transportation companies must be licensed under this chapter and meet all conditions of licensing, including the successful completion of an accessible training program.

47. Add a provision that requires every private transportation company driver to be civil and well-behaved.

48. Add a provision that if a camera that is capable of recording audio or video footage of the passenger is used in a private transportation company vehicle, then the private transportation company and private transportation company driver shall ensure that notice stating that passengers are being or may be recorded is provided through:
a) the software application prior to the passenger accepting the request; and/or
b) a notice affixed to the vehicle in a location and manner approved by the Executive Director, Municipal Licensing and Standards.

49. Authorize the Executive Director, Municipal Licensing and Standards to sign the Data Sharing Agreement and Indemnification Agreement for private transportation companies on behalf of the City of Toronto.

50. Add a provision that requires private transportation companies and private transportation company drivers to notify passengers to look for cyclists before
exiting a vehicle through:

a) the software application by sending push notifications at a frequency that is
satisfactory to the Executive Director, Municipal Licensing and Standards; and
b) "Watch for Bike" notices in the vehicle in a location approved by the Executive
Director, Municipal Licensing and Standards.

51. Amend the private transportation company driver requirements so that the
private transportation company, when submitting an application for the issuance
or renewal of a private transportation company driver's licence on a behalf of an
individual, shall also be required to submit information on the fuel type of the
vehicle that will be driven by that individual when licensed as a private
transportation company driver.

52. Add a provision prohibiting a private transportation company from allowing
vehicles that have the same colour scheme that is already in use by a taxicab
brokerage and prohibit a private transportation company driver from using such
vehicle.

53. Amend the provision that requires all private transportation company drivers
to carry, and upon request, produce to Municipal Licensing and Standards their
Ontario driver's licence by requiring that private transportation company drivers
carry and produce upon request satisfactory government-issued identification.

54. Amend the private transportation company record keeping requirements to
ensure all information on time or length of trip is measured by reference to the
nearest minute and by adding requirements that private transportation
companies keep records of:

a) the starting and ending times for each period that a private transportation
company driver was available to provide transportation services through the
platform, enroute to pick up a passenger after accepting a request, and delivering
transportation service to a passenger;
b) wait time of passengers, in accordance with Period 2 in the City of Toronto
Municipal Code Chapter 546, Licensing of Vehicles-for-Hire;
c) number of cancelled/rejected trips;
d) reason for cancelled/rejected trips;
e) volume of private transportation company vehicles available to provide service
on the private transportation company platform in any particular hour and with
reference to a particular geographic area within which the private transportation
company vehicle was available or provided service;
f) pick up and drop off data for every trip, measured to the nearest 10 metres;
g) aggregate number of vehicles that have completed a trip by hour; and
h) anonymized trip and passenger identification that meets the satisfaction of the
Executive Director, Municipal Licensing and Standards.

55. Amend the private transportation company driver requirements:

a) to remove the minimum requirement of 18 years of age;
b) increase the year of driving history from one year to three years for new
applicants and grandfather existing private transportation company driver licence
holders;
c) require that all new applicants as of June 1, 2020 must provide proof of the successful completion of a mandatory training program that is approved by the Executive Director, Municipal Licensing and Standards; and
d) require existing private transportation company driver licence holders to provide proof of the successful completion of a mandatory training program that is approved by the Executive Director, Municipal Licensing and Standards by their licensing renewal in 2020.

56. Amend the accessible requirements of private transportation companies to confirm that accessible service must be provided through vehicles that are in compliance with the Canadian Standards Association standard for wheelchair accessible vehicles.

Taxicab Bill of Rights

57. Amend the Taxicab Bill of Rights to include a section that states that taxicab drivers cannot refuse service to an individual with a mobility or non-mobility disability, where service can be accommodated, and cannot refuse service to an individual being accompanied by a service animal by reason only of the presence of a service animal.

Snow Tires

58. Rename snow tires to winter tires and add a definition of winter tires to mean a tire that meets the standards and specifications prescribed for winter tires by the Executive Director, Municipal Licensing and Standards, including tires that are labelled "M" and "S," the minimum requirement for mud and snow/all-season tires.

Taxicab Broker

59. Add a provision that any records brokerages are required to collect must be produced within 30 days and in a format satisfactory to the Executive Director, Municipal Licensing and Standards and that a taxicab broker is required to maintain all such records for a minimum of three years.

60. Amend the requirements for trip record data to be kept by taxicab brokers to require the collection of the following information:
   a) pick up location and the destination (by reference to the nearest intersection);
   b) dates and times (by reference to the nearest minute) that each trip started and terminated;
   c) length of time (by reference to the nearest minute) elapsing between the passenger's service request and the start of the trip;
   d) type of service provided, such as request for accessible service;
   e) trip status such as completed, driver cancelled, or passenger cancelled;
   f) if a trip is cancelled, then the reason for cancellation; and
   g) the licence number for each taxicab affiliated with the brokerage that provided the trip.
61. Amend the requirements for brokerages to maintain records to require the collection of the following information:
   a) the vehicle-for-hire driver's licence number, unique identification number used by the brokerage (if any) for each vehicle-for-hire driver, and the driver's first and last name for each driver affiliated with the brokerage; and
   b) the termination date, the driver's first and last name, the licence number, and the termination letter when a driver is no longer affiliated with the brokerage.

62. Add a provision requiring the collection of accessible taxicab trip data for the purposes of the administration of the Accessibility Fund Program to include:
   a) plate number, licence number, start date, start time, end date, and end time for each taxicab trip;
   b) type of point-of-sale terminal in each taxicab, including whether or not it allows for cordless payment; and
   c) driver's first and last name and licence number for each taxicab trip.

**Taxicab Owners**

63. Add a provision to require that a vehicle be registered with Municipal Licensing and Standards for use as a taxicab as a condition of renewing a taxicab owner licence.

64. Remove the provisions regarding designated agents in order to clarify the role of taxicab operator and ensure that the only individuals permitted to manage taxicabs on behalf of taxicab owners will be licensed as taxicab operators.

65. Amend the section on required equipment and markings for taxicabs to authorize the Executive Director, Municipal Licensing and Standards to approve the manner and location of "Watch for Bike" notices.

66. Amend the section on designated custodians for corporations that hold standard taxicab owner licences to require that they designate a director as custodian, instead of an employee or officer.

**Taxicab Rates and Fares**

67. Remove "on request" from the section on flat fares and airport fares and require drivers/owners to offer the flat rate to the airport.

68. Add a provision to prohibit vehicle-for-hire drivers, taxicab owners, and brokers from setting rates higher than the tariff (metered rate) for accessible service requests.

**Toronto Licensing Tribunal**

69. Amend the powers of the Toronto Licensing Tribunal to confirm that it has the power to refuse to issue a licence as set out in its mandate.
Vehicle-for-Hire Driver

70. Add a provision that states that all drivers must ensure they are using a mounted device, secured to the vehicle, for their phone or other such electronic device while operating their vehicle.

71. Add a provision that all vehicle-for-hire drivers shall carry and, upon request, produce satisfactory government-issued identification to Municipal Licensing and Standards.

72. Remove the section which prohibits a vehicle-for-hire driver from parking on any highway except at a location designated and marked as a taxicab stand by an authorized sign, as this is covered under the City of Toronto Municipal Code Chapter 950, Traffic and Parking.

73. Remove the word "first" from the restrictions on taxicabs refusing services in order to confirm that short-fare refusals are not permitted for any prospective passengers.

74. Amend the vehicle-for-hire driver requirements:
   a) to remove the minimum requirement of 18 years of age;
   b) increase the year of driving history from one year to three years for new applicants and grandfather existing vehicle-for-hire driver licence holders;
   c) require that all new applicants as of June 1, 2020 must provide proof of the successful completion of a mandatory training program that is approved by the Executive Director, Municipal Licensing and Standards; and
   d) require existing vehicle-for-hire driver licence holders to provide proof of the successful completion of a mandatory training program that is approved by the Executive Director, Municipal Licensing and Standards by their licensing renewal in 2020.

75. Amend the section on civility and oversight of taxicabs and limousines to remove the requirements to be properly dressed, neat and clean in person, and maintain that drivers shall be civil and well-behaved.

76. Amend the data required to be kept in an operator log to include break start date and time, break end date and time, and taxicab type such as non-accessible or accessible.

Vehicle Requirements and Inspections

77. Remove the definitions for alternative fuel vehicle, combined fuel consumption rating, exhaust emissions, full useful life emission bin, hybrid vehicle, and low-emission vehicle.

78. Amend the section on replacement vehicles to remove the requirement for replacement taxicab vehicles to be either accessible or alternative fuel, hybrid, or low-emission vehicles.

79. Amend the section on mechanical inspections to require that all vehicles-for-
hire are inspected prior to delivering for-hire service with a new vehicle and thereafter, once every twelve months.

**Status Updates**

2. City Council direct the Executive Director, Municipal Licensing and Standards to review and provide a status update on the vehicle-for-hire Accessibility Fund Program and work completed to create an environmental incentive program two years after the enactment of this By-law.

**Collision Reporting Incident Form**

3. City Council request the Ontario Ministry of Transportation to review the provincial collision reporting incident form and add taxicab, limousine, and private transportation company vehicles as vehicle types.

**Fees**

4. City Council amend the City of Toronto Municipal Code Chapter 441, Fees and Charges, Appendix C - Schedule 12, Municipal Licensing and Standards as follows:

   1. Amend the "Service" category to state "Vehicle-for-Hire (VFH) Licensing" instead of "Taxi and Livery Licensing."

   2. Add the regulatory charges noted below in Table A - Regulatory Charges for the Accessibility Fund Program, including an annual adjustment based on the Consumer Price Index:

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<th>Service</th>
<th>Fee Description</th>
<th>Category</th>
<th>Fee Basis</th>
<th>Fee</th>
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<tr>
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<td>Taxicab Brokerage Reserve Fund - Accessibility Fund</td>
<td>Regulatory Charge</td>
<td>Per application or renewal</td>
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### Table B - Vehicle-for-Hire Licensing Fees

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3. Remove Reference Number 20 - Re-scheduling an exam or course before it starts and Reference Number 25 - Registration for the Accessible Taxicab Driver Training Course.

4. Amend the fees listed below in Table B - Vehicle-for-Hire Licensing Fees to include an annual adjustment based on the Consumer Price Index.
Reserve Fund

5. City Council establish a new Vehicle-for-Hire Reserve Fund as a Corporate Discretionary Reserve Fund to provide funding for initiatives associated with accessibility, transportation planning, or environmental goals relevant to the vehicle-for-hire and private transportation company industries and to minimize the impact of reliance on vehicle-for-hire and private transportation company licensing revenue for Municipal Licensing and Standards' Operating Budget, in accordance with the criteria set out in Attachment 6 to this report by:

a) Amending Municipal Code Chapter 227, Reserves and Reserve Funds by adding the "Vehicle-for-Hire Reserve Fund" to Schedule 7, Corporate Discretionary Reserve Funds, with criteria as set out in Attachment 6.

b) Funding the Vehicle-for-Hire Reserve Fund in an initial amount of $6.093 million from an in-year adjustment of the 2019 Operating Budget of Municipal Licensing and Standards and, afterwards, with budgeted allocations from vehicle-for-hire and private transportation company licensing, including regulatory charges on licensees that do not provide wheelchair accessible vehicle-for-hire services. Such that:

1) For 2019, there will be a net zero expenditure and revenue budget adjustment comprised of a contribution to the reserve fund of $6,093,000, offset by an increase in vehicle-for-hire user fees (including private transportation company trip fees) of $6,093,000. The contribution to the new reserve fund would be dependent on sufficient actual user fee revenue being generated.

2) For 2020 and subsequent years, reserve funding and user fee budgets will be considered as part of the annual budget process and will be structured as indicated in the Financial Impact section of this report.

c) Establishing a minimum targeted reserve balance of $5 million.

d) Establishing Municipal Licensing and Standards as the primary owner of the account.

Implementation

6. City Council direct the General Manager, Transportation Services to consider the results of the Transportation Impact Study as part of the update on the Congestion Management Plan.

7. City Council authorize the City Solicitor and the Executive Director, Municipal Licensing and Standards to make such technical and stylistic amendments to the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, and the City of Toronto Municipal Code Chapter 441, Fees and Charges, as required to give effect to City Council’s decision.

8. City Council direct the Executive Director, Municipal Licensing and Standards to apply to the Ontario Court of Justice for any new set fines or to review and increase, as required, the current set fines.
9. City Council direct that the changes to the City of Toronto Municipal Code Chapter 546, Licensing of Vehicles-for-Hire, come into force on January 1, 2020.

**FINANCIAL IMPACT**

It is estimated that regulatory charges, as described in the table below, are required to fund the Accessibility Fund Program. Regulatory charges would be collected from all licensees in the vehicle-for-hire industry to fund the Vehicle-For-Hire Reserve Fund as seen in Table C - Proposed Regulatory Charges for the Accessibility Fund Program.

Table C - Proposed Regulatory Charges for the Accessibility Fund Program

<table>
<thead>
<tr>
<th>Licence Class</th>
<th>Fee Type</th>
<th>Proposed Regulatory Charge</th>
<th>Estimated Number of Trips</th>
<th>Estimated Number of Licences</th>
<th>Estimated Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxicab Brokerage</td>
<td>Flat-rate yearly</td>
<td>$250.64</td>
<td>N/A</td>
<td>22</td>
<td>$5,514.08</td>
</tr>
<tr>
<td>Limousine Brokerage</td>
<td>Flat-rate yearly</td>
<td>$250.64</td>
<td>N/A</td>
<td>68</td>
<td>$16,792.88</td>
</tr>
<tr>
<td>Limousine Owner</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
<td>N/A</td>
<td>534</td>
<td>$66,920.88</td>
</tr>
<tr>
<td>Private Transportation Company</td>
<td>Per-trip</td>
<td>$0.10</td>
<td>31,651,347 Based on 2019 budget</td>
<td>N/A</td>
<td>$3,165,134.70</td>
</tr>
<tr>
<td>Private Transportation Company Driver</td>
<td>Flat-rate yearly</td>
<td>$7.23</td>
<td>N/A</td>
<td>45,000 Based on 2019 budget</td>
<td>$325,350</td>
</tr>
<tr>
<td>Standard Taxicab Operator</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
<td>N/A</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Standard Taxicab Owner</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
<td>N/A</td>
<td>4,529</td>
<td>$567,574.28</td>
</tr>
<tr>
<td>Standard Taxicab Owner - Accessible Taxicab</td>
<td>EXEMPT</td>
<td>EXEMPT</td>
<td>N/A</td>
<td>97</td>
<td>$0</td>
</tr>
<tr>
<td>Toronto Taxicab Licence Owner</td>
<td>EXEMPT</td>
<td>EXEMPT</td>
<td>N/A</td>
<td>579</td>
<td>$0.00</td>
</tr>
<tr>
<td>Vehicle-for-Hire Driver</td>
<td>Flat-rate yearly</td>
<td>$62.66</td>
<td>N/A</td>
<td>13,317</td>
<td>$834,443.22</td>
</tr>
</tbody>
</table>
Total estimated funding amount from regulatory charges on an annual basis is $4,981,730.04

The proposed regulatory charges were determined by estimating the proportion of trips completed by each industry category (taxicab, limousine, and private transportation company) to determine the proportion of the fund that each should be required to contribute. The fee type (flat-rate or per-trip) was decided based on how licensing fees are currently paid to simplify the fund collection process. Staff consulted with the City's Policy, Planning, Finance, and Administration Division, as well as Corporate Finance and Financial Planning, in developing the funding model for the Accessibility Fund Program.

The Vehicle-For-Hire Reserve Fund will provide funding for initiatives related to accessibility, transportation planning, or environmental goals relevant to the vehicle-for-hire industry. As noted, funding of the Accessibility Fund Program will be through the collection of regulatory charges from non-accessible drivers and owners in the vehicle-for-hire industry. Funding would also be held in the reserve fund to minimize the impact of vehicle-for-hire licensing revenue fluctuations on MLS' Operating Budget (see page 49 of the report).

While the recommendations contained in this report are revenue neutral on an annual basis, it is estimated that an in-year budget adjustment of $6.1 million in 2019 is required for initial one-time expenditures. Funds will be utilized over 2019 and 2020 to operationalize the Accessibility Fund Program and to disburse initial grants.

Funds will also be used to make the necessary back-end technology improvements to collect enhanced data for initiatives related to audit and compliance, transportation planning, and consideration for an environmental incentive program. The initial $6.1 million will be allocated to the Vehicle-for-Hire Reserve Fund, and will fund the following initiatives:

<table>
<thead>
<tr>
<th>Reason for Expenditure</th>
<th>Estimated Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessibility Fund - Disbursements to Eligible Accessible Owners and Drivers</td>
<td>$4,552,838</td>
</tr>
<tr>
<td>Data Implementation</td>
<td>$1,540,000</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>$6,092,838</td>
</tr>
</tbody>
</table>

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

**DECISION HISTORY**

On December 4, 2018, City Council adopted MM1.15: Increasing Public Safety and Training Requirements of Private Transportation Companies (PTCs) and other vehicles-for-hire - by Councillor Mike Layton, seconded by Councillor Josh Matlow (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM1.15), which requested staff to include recommendations to increase public safety and training requirements of all vehicles-for-hire.

On June 14, 2018, Licensing and Standards Committee referred LS26.4: Transfer of Taxicab Licences - Accessible Taxi Service (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.LS26.4) to staff for further review and consultation with industry stakeholders.


On May 22, 2018, City Council referred MM41.13: Fairness for Toronto Taxicab Licence Holders - by Councillor Janet Davis, seconded by Councillor Kristyn Wong-Tam (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.MM41.13) to the Licensing and Standards Committee, which requested staff to present a work plan for the review of accessible ground transportation.

On November 29, 2017, Public Work and Infrastructure Committee referred PW25.13: Motion to Reduce the Number of “Doorings” in Toronto (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PW25.13) to staff and requested a report on ways to reduce the number of doorings by increasing training and mandating rear-view mirrors on all passenger doors for vehicle-for-hire vehicles.


On May 3, 2016, City Council adopted LS10.3: A New Vehicle-for-Hire By-law to Regulate Toronto's Ground Transportation Industry (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.LS10.3), resulting in a series of changes to the vehicle-for-hire industry, including permitting private transportation companies to operate under a licensing regime. City Council directed staff to report back on a number of items, including rates/fares, congestion management, the City's accessibility strategy, implementation updates and outcomes of the by-law.

On September 30, 2015, City Council adopted LS6.1: 2015 Ground Transportation Review: Taxis, Limos, and Uber (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.LS6.1) which directed staff to report back on a number of items, including developing a framework to equitably regulate all ground transportation providers, to update and modernize the municipally-licensed limousine service, and to review accessible ground transportation in Toronto.
On April 28, 2015, Toronto Accessibility Advisory Committee adopted, with amendments, DI2.4: Accessible Taxis in Toronto (http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.DI2.4) which requested staff to research the possibility of mandating side-entry accessible taxicabs.


COMMENTS

Purpose of the Review

Since 2016, there have been several directives from City Council and Committees to review certain vehicle-for-hire issues and by-law requirements related to accessibility, public safety, and vehicle requirements. As directed by City Council, MLS began a review of the Vehicle-for-Hire By-law as outlined in the Work Plan for the Review of Chapter 546 at the June 2018 meeting of the Licensing and Standards Committee. Over the past year, the review was completed in four phases: Launching Public Consultations and Studies; Executing Studies and Internal Research; Final Analysis; and Reporting to Committee.

This review addressed a number of outstanding directives from Committees and City Council, including:

- how to proceed with an accessibility strategy;
- results of a transportation impact study and an economic impact study; and
- recommendations for addressing new and/or outstanding issues, such as mandatory equipment, training and other considerations related to licensing and public safety.

A summary of the research, study findings and proposed changes to Chapter 546, Licensing of Vehicles-for-Hire is provided below.

Research and Consultation

The Vehicle-for-Hire By-law review was informed by an analysis of licensing, complaint and enforcement data, best practice research from other jurisdictions and feedback obtained through public consultation meetings and third-party public opinion research.

Licensing and Complaint Data

The number of taxicab and limousine drivers has remained relatively consistent over the last several years, ranging from 11,131 in 2013 to 13,317 drivers as of June 1, 2019. Since the licensing of PTCs, the number of PTC drivers has increased from 29,051 PTC drivers in 2016 to 90,435 PTC drivers as of June 1, 2019. With respect to PTCs, the number of drivers does not equate to the number of vehicles on the road as many PTC
drivers drive occasionally or for a period of time. For example, in October 2018, Uber Canada noted that the average number of PTC vehicles on the road on an hourly basis was 3,500.

The number of complaints in the vehicle-for-hire industry has decreased over the last three years, from 1,562 in 2016 to 941 in 2018. The most common complaint categories are: fail to be civil and well-behaved (taxicab), staging in front of a business such as a hotel (limousine), and general investigation/behaviour of driver (PTC). There are relatively low volumes (less than 5%) of limousine and PTC-related complaints to the City as consumers typically contact the companies directly.

Jurisdictional Scan

Staff conducted a scan of 10 North American jurisdictions that permit and regulate PTCs including Calgary, Chicago, District of Columbia, Edmonton, Hamilton, New York City, Ottawa, Portland, Seattle, and Winnipeg (see Attachment 1).

The jurisdictional scan focused on elements of regulatory frameworks that were key to the by-law review including licence requirements, record-keeping obligations, fares, vehicles inspections, mandatory equipment, training, emissions standards, limousine provisions, and existing studies around transportation, and economic impacts.

All jurisdictions identified currently require licences for PTCs to operate with various conditions and fee structures. Some require City-issued licences for PTC drivers, while others only require that they register with a PTC platform. Driving records and criminal background checks are required in all jurisdictions identified in the scan, and are collected by either the City or the PTC, depending on how the PTC driver is licensed. Most cities require markings/decals on the vehicles, but few require other mandatory equipment such as cameras or passenger mirrors. Some cities have implemented driver training, and those that have tend to use a City approval process for courses.

For the proposed accessibility strategy, staff completed a separate jurisdictional scan of Canadian and American municipalities that are developing strategies to advance accessible vehicle-for-hire service. These were: Calgary, Chicago, Edmonton, Hamilton, Montgomery (Maryland), New York City, Ottawa, Portland, San Francisco, Seattle, and Winnipeg. To encourage operators to provide wheelchair accessible transportation, these municipalities have developed or are in the process of developing subsidy or incentive programs to offset the higher cost of delivering accessible service compared to non-accessible service. More information about this jurisdictional scan can be found in Attachment 3.

Public Consultation Process

During the review process, staff hosted two rounds of public consultations for a total of 18 meetings. In addition to these meetings, staff received over 250 written feedback submissions throughout the review process. A summary of what was heard during these public consultation meetings can be found online. Feedback was also incorporated throughout the report and is noted under the sections "research and consultation."
In the second round of public consultations, MLS provided an update of work completed to date as well as presented and sought feedback on approaches and considerations for accessibility, vehicle equipment and public safety. Held in March 2019, there was a total of nine public meetings. These meetings were promoted through:

- The City's Get Involved website;
- The City's internet site (this included alerts on relevant websites);
- Updates to the City's 311 Knowledge Base;
- Online event postings (BlogTO and Now Magazine);
- The City's various corporate social media (Facebook, Instagram, Twitter);
- Outreach to Councillors, Business Improvement Areas, Resident Associations, brokerages, and private transportation companies;
- An email to those who have signed up for updates on the City's e-Updates webpage;
- A press release; and
- Paid media, which included social media and ethnic newspaper notices (advertised in Arabic, Farsi, Tamil, and Urdu)

Attendance at the meetings ranged from 12 to 66 participants; the Toronto Taxicab Licence (TTL) and Standard Taxicab Owner meetings were the highest attended. Individuals who attended more than one meeting were counted for each attendance. Despite additional paid advertising in the second round of consultations, interest in the public consultation meetings was low.

Staff also hosted two Accessibility Panel consultation meetings and conducted an online survey for users of accessible service to better understand the provision of accessible service in Toronto.

**Third-Party Public Opinion Research**

To better understand resident attitudes, experience, and satisfaction with the vehicle-for-hire industry, MLS procured a third-party market research firm to conduct public opinion research. In compliance with the City's procurement policy, The Strategic Counsel was the successful vendor.

Between February 20 and March 1, 2019, The Strategic Counsel conducted an online survey of 1007 respondents. A sampling plan was used to ensure a representative cross section of Torontonians by gender, age, district, and socioeconomic status, reflective of the most recent Statistics Canada data. In addition, many of the same questions from the 2015 public opinion research were re-used to determine if there had been a shift in resident attitudes or opinions. The full report on the public opinion research can be found in Attachment 2.

Key findings include:
- There is a reported shift towards using PTCs over taxicabs and limousines: Over the past four years, the use of PTCs has increased (by 23%), while taxicab and limousine use has decreased (from 58% to 35% and 17% to 5%, respectively).
- Among those who have used a PTC vehicle in the past 12 months, cheaper cost (89%) and convenience – ability to order (89%) and pay (86%) using a mobile app – are the main reasons they use the service.
• Age has a significant impact on acceptance of, and satisfaction with, vehicle-for-hire companies. Younger users, aged 18-34, are significantly more satisfied with PTC’s customer service, safety and cleanliness than are the older age cohorts.

• The primary uses of a vehicle-for-hire are fairly consistent across providers, with the exception of limousines. Torontonians generally hire a PTC or taxicab for the purpose of going to/from a late night activity, when they are running late or travelling to/from the airport. Limousines are primarily used for transportation to/from the airport.

Generally, the trends and patterns reported in 2015 (increased use of PTCs based on cost and convenience, and differentiated opinions based on age) have remained the same. Overall, there has been a greater shift from for-hire vehicles such as taxicabs and limousines towards PTCs.

The Strategic Counsel also conducted six focus group meetings between March 25 and 27, 2019 for staff to better understand residents' perception and experience with the vehicle-for-hire industry. Three of the meetings were with members of the general public. The remaining three meetings were focused exclusively on accessibility: one meeting with providers of accessible service and two meetings with users of accessible service.

Studies: Accessibility, Transportation Impact, and Economic Impact

In addition to the above research and consultation efforts, the review also involved three major studies: an Accessibility Strategy, a Transportation Impact Study and an Economic Impact Analysis. Below is a brief description of each. The research and consultation completed for the Accessibility Strategy can be found in Attachment 3, and executive summaries for the Transportation Impact Study and Economic Impact Analysis can be found in Attachments 4 and 5. The full reports will be published on the City of Toronto's website.

Accessibility Strategy

As directed by Council, staff in MLS has developed a vehicle-for-hire accessibility strategy based on the Council-mandated “goal of achieving an inclusive and accessible vehicle-for-hire industry that will ensure that all Toronto residents and visitors have equal access to Toronto's vehicle-for-hire industry” (endorsed in 2016).

The accessibility strategy under consideration proposes to:

• **Create and administer an Accessibility Fund Program** that would collect regulatory charges from members in the vehicle-for-hire industry that do not provide wheelchair accessible service, and disburse funds to City-licensed wheelchair accessible owners and drivers who meet and maintain eligibility for the fund. Funding would be disbursed based on service standards established by the Executive Director of MLS, reflecting the higher capital and operating costs of providing accessible service, and will be determined through declaration and trip data. MLS will audit declarations, and trip data to ensure compliance against service
standards. This will encourage, through financial incentives, wheelchair accessible taxicabs to be available to deliver service.

- **Update accessibility-related By-law requirements** to address unmet accessibility needs. These include requiring all drivers in the industry to have accessibility training, updating the Taxicab Bill of Rights to include language about fare refusals related to accessibility, and requiring PTC drivers who provide wheelchair accessible service to complete a City-approved accessibility training program. In addition, the proposed accessibility strategy includes a recommendation to license all providers of accessible service to ensure that all accessible trips meet minimum requirements for safety and consumer protection.

In developing the proposed strategy, staff sought feedback from users of accessible vehicles-for-hire. This was done through public consultation meetings, Accessibility Panel meetings with users, advocates, experts, and providers, the procurement of a third-party to facilitate focus group meetings with both users and providers, and an online survey for users of accessible service.

In addition to these outreach efforts, staff consulted with the Toronto Accessibility Advisory Committee, completed a jurisdictional scan, leveraged the general public opinion survey to ask about attitudes and use of accessible vehicle-for-hire service, undertook a preliminary data collection exercise of brokerage, PTC, and Wheel-Trans data, and analyzed complaint and enforcement data. Throughout the review, MLS consulted with staff in the Equity and Human Rights Office to seek their advice on best practices on matters related to consultations, survey development, and disability research.

Through research and consultations, staff heard from users of accessible service that accessible vehicles are not readily available, there is inconsistent quality of service, and that the focus of the accessibility strategy should be on understanding the supply and demand of accessible vehicles-for-hire. From drivers and owners of accessible vehicles-for-hire, staff heard that the higher operating cost of delivering accessible service acts as a significant barrier in advancing on-demand accessible service, particularly wheelchair accessible service.

The specific by-law changes recommended to City Council, and corresponding rationale, is provided in this report under "Proposed Changes to the Vehicle-for-Hire By-law".

**Transportation Impact Study**

The Transportation Impact study expands the City's understanding of vehicle-for-hire trips in Toronto by exploring how the introduction of PTCs has changed travel patterns and behaviour in the City as well as the potential impact of PTC trips on city street networks. The study was led by the Transportation Services Division's Big Data Innovation Team in collaboration with a research team at the University of Toronto's Transportation Research Institute (UTTRI).
The findings from this study informed the overall review of the Vehicle-for-Hire By-law and will help inform staff, City Council and the public on potential policy implications for relevant City policies and strategies such as the Official Plan Review for Transportation Policy and the Congestion Management Plan. The methodology of the study is outlined in the executive summary (see Attachment 4) and was structured around the following datasets: PTC trip records, PTC pick-up and drop-off locations, historical travel speed data, the Transportation Tomorrow Survey (TTS) and a travel behaviour survey conducted by UTTRI. Brokerages declined to participate in this study. The study sought to answer three questions, outlined below, with respect to overall trends and patterns, impacts on the transportation network and the evolution of travel choices.

*What are the trends and patterns in vehicle-for-hire travel in the city?*

PTC trip records were aggregated and filtered by location to study trends in PTC trips since the Vehicle-for-Hire By-law was enacted to answer overall questions on the types of trips made, how far people travel, where they travel, and at what times of day trips are completed.

PTC trips have grown rapidly since the service was first licensed by the City in September of 2016. On average 160,400 trips were being made daily as of January 2019, an increase of almost 160% over September 2016. As of January 2019, 90 million PTC trips have been completed in Toronto, meaning approximately 3% of all transportation trips in Toronto now use a PTC. The busiest time of day for PTC travel is Friday and Saturday nights, with the busiest hour of service occurring around midnight on Saturday night/Sunday mornings. Aside from the nighttime trips, PTC trips are also used for commute trips in the traditional morning and afternoon peak periods. This is seen across the city, both downtown, and in the suburbs of Toronto where growth in PTC trips has been the fastest since 2016.

Although the use of PTCs is growing fastest in the suburbs of Toronto, overall, the largest proportion of PTC trips are in the downtown core. An analysis of the trips in the downtown core showed that approximately half of PTC trips could be accomplished by active modes (i.e. walking or cycling) as 50% of PTC trips are less than 6 km. However for these trips, PTCs were chosen based on other factors such as time, convenience, safety and comfort.

*How has this travel impacted traffic congestion and the transportation network?*

This part of the study used the PTC trip data to develop estimates of the total amount of PTC travel in the City, and the volumes of PTC vehicles on City streets at key times. It also studied the relationship with changes in travel times on key streets in the downtown core. A methodology was developed to measure the total Vehicle Kilometres Traveled (VKT) of PTC vehicles by neighbourhood in the city, including both the activity of PTC vehicles carrying passengers as well as deadheading activity where PTC vehicles are cruising or enroute to pick up passengers.

Isolating the impacts of a specific change, such as the introduction and continued growth of PTCs, from other factors is challenging, in part because many of the underlying causes of changes to vehicle travel times and volumes tend to interact with each other. For example, the downtown neighbourhoods that are associated with the
highest volumes of PTC trips, are also those that have experienced significant operational changes in the past two years, such as major construction projects and the King Street Transit Pilot.

The City of Toronto collects car travel time data on most major streets in the downtown core, the area of the City where PTC trip concentrations are highest. This data shows marginal changes in travel times over the last 18 months in the downtown core. Between October 2017 and March 2019, downtown travel times on major streets has increased by 4% in the morning peak hour (7 a.m. to 10 a.m.), and decreased by 1% in both the afternoon peak period (4 p.m. to 7 p.m.) and on Friday and Saturday nights (10 p.m. to 1 a.m.). These changes are within normal year-to-year ranges, and can be driven by a number of factors ranging from major construction projects to seasonal variation. Based on the information available, it is not possible to determine if these changes are due to the introduction of PTC services in Toronto, or what these trends would have shown without the introduction of PTC services. Overall, the introduction of PTCs in Toronto has not conclusively increased travel times on downtown streets.

There is additional evidence to suggest that these nominal changes in travel times in the downtown core are similar to those occurring city-wide. Recent independent third party studies completed separately by Inrix and TomTom have reported no increases in travel times on Toronto streets over the past year.

The City adopted a 5-year congestion management Plan in November 2015 with a capital budget of about $7 million annually. The plan has resulted in improved management of traffic congestion on Toronto’s streets and expressways. This has been achieved through the expanded use of Intelligent Transportation Systems technologies, operational enhancements such as the traffic warden program and signal coordination studies, as well as enforcement and information sharing. Transportation Services is embarking on an update to the Congestion Management Plan, and the results of the PTC analysis will help to inform that work.

How have travel choices evolved in Toronto?

As part of this study, UTTRI undertook a survey of Toronto residents in May 2019 in order to analyze the factors that influence residents’ choices of when or if they choose to travel by exclusively, and/or shared PTC services in the city. The survey collected information from a random sample of residents within the city of Toronto selected from a market research panel. Respondents were asked a series of questions pertaining to personal and household characteristics, information on the extent to which respondents use PTC services, and their familiarity with and perceptions of PTC services. In addition, respondents were asked to complete a series of real and hypothetical questions, which were used to understand the trade-offs that people make when choosing a mode of travel in the city.

In total, 723 completed responses were obtained from a total of 913 participants. Of the survey respondents, 65% reported that they had used a PTC service at least once, with half currently having a PTC app installed on their phone. Of the respondents who use PTC service, one quarter reported making PTC trips more than once a week, and more than half reported making a trip more than once a month. Of the trips reported
being made using a PTC service, 24% used a shared service, while the other 76% used an exclusive service.

The question “for your most recent ride-hailing trip, if ride-hailing services were not available, how would you have made the trip” was asked of all respondents: 49% stated they would have taken public transit, while 33% stated they would have taken a taxi. The remaining 18% would have driven, been driven by someone, walked, biked, or would have not made the trip at all.

In order to understand the trade-offs that residents are making when they decide to use a PTC, hypothetical scenarios were used to allow respondents to make the direct trade-off between time, cost and other relevant factors (for example, comfort and convenience). This portion of the survey found that when the time and costs of people's trips changed, the modes most commonly replaced by PTC trips were transit (60% for commute trips, 35% for non-commute trips) followed by driving solo (24% commute, 27% non-commute). While looking at the respondents trade-offs, it was observed that respondents placed greater importance on convenience, comfort and safety when considering using ride-hailing services. In addition, about two-thirds of respondents indicated that they were more likely to choose ride-hailing services than public transit if they are running late for an appointment or meeting.

Next Steps and Recommendations

The transportation impact study notes that the demand for PTC services is likely to continue to increase over the upcoming years, continuing to place additional pressures on the City to manage flow on its streets. This report recommends that Chapter 546 be amended to incorporate new and refined data requirements to position the City to better monitor changes in trip demand, and further evaluate the impacts of all vehicles-for-hire on traffic flow, public transit and other modes of travel. It also recommends that the transportation impact study is considered as part of the forthcoming Congestion Management Plan. Transportation Services will consider further research on the impact of vehicles-for-hire on vehicle kilometres travelled (VKT), traffic congestion, curbside management policies and greenhouse gas (“GHG”) emissions.

In collaboration with Toronto Police Services and the Ontario Ministry of Transportation, Transportation Services will also further investigate whether there is a road safety impact by changing the requirement for vehicles-for-hire to submit all collision records. Currently, taxicabs and PTCs are not considered vehicle types on the provincial collision reporting incident form; therefore, data on the number of collisions associated with vehicles-for-hire is unavailable.

Economic Impact

The Economic Impact study explores the economic and social changes affecting consumers, drivers, residents, and the vehicle-for-hire industry, since the introduction of the Vehicle-for-Hire By-law in 2016. The project was led by the successful candidate of a Request for Proposal process, WSP Canada. The executive summary is outlined in Attachment 5.
Below is a summary of key findings from the analysis. While the study aims to improve the quality and scope of information, the limitations encountered include the limited access to data in the taxicab and limousine industries; the low response rate of taxicab drivers for the driver survey; and the relatively recent emergence of PTCs and few years under regulation.

**Economic and Social Changes Affecting Residents, Consumers and the City**

To evaluate the economic and social changes affecting residents and consumers, WSP Canada used a combination of qualitative and quantitative analyses. Quality of life and consumer choice was measured using consumer surplus. Consumer surplus is a measure of economic utility that is gained from the consumption of a good or service and is defined as the difference between the total amount a consumer is willing to pay for a service, and the total amount they pay (for example, market price).

Overall, the combined total consumer surplus for all taxicab and PTC users increased from $255.7 million in 2011 to $368.6 million in 2016. This was mainly due to the entrance of PTCs in 2012, making the Toronto vehicle-for-hire market more competitive. The consumer surplus demonstrates that consumers benefited from the entrance of PTCs because they paid less for a vehicle-for-hire trip.

Consumer choice may also be explored through the change in transportation modes. From the TTS, the overall number of trips (by all modes of transportation) between 2011 and 2016 increased by 2.2%; however, when normalized for population growth, the overall number of trips per person has decreased by 4.5%, even with the introduction of a new transportation option (PTCs). This indicates that PTCs have likely captured the majority of their ridership from other modes of transportation. However, through the TTS, transit ridership and active transportation modes have seen an increase while ridership for private automobile, automobile passengers, and taxicab ridership has seen a decline.

**Economic Impacts to Drivers and the Vehicle-for-Hire Industry**

The economic impacts affecting drivers, and their associated industries, was evaluated through supply and demand curves, the economic valuation of the industry, and the impact to ancillary industries. An online survey targeting drivers was also conducted to better understand quality of life and willingness to drive among all drivers.

In the survey, it was found that quality of life in terms of flexibility of work, expenses, job satisfaction, and job stability for taxicab drivers have all reportedly “Strongly Decreased” since the entrance of PTCs. Conversely, PTC drivers reported an overall positive impact to their quality of life across each category since the introduction of PTCs and ride-hailing services in Toronto. Furthermore, it was found that almost half of taxicab drivers indicated that the vehicle-for-hire regulations “Strongly Decreased” their willingness to drive. Taxicab drivers also reported that the average hours of driving per week has remained stable since the introduction of PTCs, but the average driver earnings per week and average number of trips per week continues to decrease (by 4.3% and 7.5%, respectively), indicating a relative decrease in earnings per hour.
The economic valuation of the vehicle-for-hire industry in Toronto was assessed using two methods; firstly, as the total market surplus, and secondly, through the use of driver survey responses with Statistics Canada’s input-output model. The market total surplus represents the overall value of economic transaction between consumers and producers. With the arrival of PTCs, there has been an overall increase in economic valuation of $140.7 million from 2011 ($363.5 million) to 2016 ($503.2 million) in the vehicle-for-hire industry. This should not be confused with market value. Economic valuation can be described as an estimated measure of the benefit from a good or service and is often greater than the market value.

Finally, WSP utilized Statistic Canada’s Input-Output multipliers to understand the impacts to ancillary industries. Overall, the taxicab industry continues to support ancillary industries, but the GDP and employment generated from the taxicab industry has decreased from 2012 to 2018. However, the economic gain from the entrance of PTCs outweighed the economic loss, mainly due to the large number of PTC drivers available on the market.

**Proposed Changes to the Vehicle-for-Hire By-law**

During the Vehicle-for-Hire By-law review, feedback from the industry and public focused on outstanding issues in accessibility, public safety, vehicle requirements and limousine regulations. A number of technical amendments were also suggested to further improve the licensing and enforcement of the vehicle-for-hire industry such as the creation of a reserve fund. Outlined below is a discussion of these issues, including proposed changes to the By-law and the research and consultations completed.

1. **Accessibility**

   **Current Regulations:**
   The AODA has specific requirements for municipalities as it relates to wheelchair accessible taxicabs, including identifying progress made toward meeting the need for on-demand service. In Toronto, wheelchair accessible service is provided by PTCs as well as through two types of taxicab licences: Toronto Taxicab Licences (TTL) and standard taxicabs that are wheelchair accessible.

   The TTL category was created in February 2014 as part of the Taxicab Industry Review. At the time, City Council amended Chapter 545, Business Licensing (the Toronto Municipal Code that previously governed taxicabs and limousines) to require any standard taxicab to convert to a TTL upon sale. The goal was to gradually move taxicabs to being 100% wheelchair accessible. It was estimated this process would take up to 50 years. TTLs are dual-purpose taxicabs as they can provide service to users who require accessible or non-accessible service. With the creation of the Vehicle-for-Hire By-law in 2016, this mandatory requirement was amended by City Council and standard taxicabs were no longer mandated to convert to a TTL upon sale.

   Currently, the City has 579 TTLs and 97 standard taxicabs with wheelchair accessible vehicles. This means that 13% of the City's taxicab fleet is wheelchair accessible. The 97 standard taxicabs are not mandated to be wheelchair accessible vehicles. All 97 standard taxicabs are affiliated with the TTC's Wheel-Trans program. Under the By-law,
every TTL is required to be affiliated with a brokerage. There are currently 17 brokerages with TTLs associated with them. The number of TTLs each brokerage has ranges from 1 to approximately 160.

As required in the Vehicle-for-Hire By-law, all of the City's wheelchair accessible vehicles must be D409 compliant. That is, they comply with the Canadian Standards Association vehicle standards for motor vehicles designed or converted, and equipped for the purpose of transporting persons with physical disabilities.

PTCs with more than 500 drivers are required to provide wheelchair accessible service to the public. This service must be available when requested through the platform within the average wait time for non-accessible taxicab service and the fare cannot be higher than the fare charged for the lowest-cost non-accessible service.

Throughout the consultation process, MLS heard concerns from users about inconsistent access and quality of service of wheelchair accessible vehicles-for-hire. Brokerages, drivers, and owners of accessible vehicles also noted the higher financial cost of providing accessible service (due to the purchase price, replacement cost and maintenance required for accessible vehicles).

To improve the provision of on-demand accessible vehicles-for-hire in the city, MLS recommends (A) creating an Accessibility Fund Program, (B) enhancing compliance and audit powers through data, (C) updating accessibility driver training, and (D) requiring that unlicensed drivers, owners, and arrangers of wheelchair accessible transportation services operating in Toronto are brought under the Vehicle-for-Hire By-law.

A. Creating an Accessibility Fund Program

Proposed Changes:
It is recommended that a Vehicle-for-Hire Accessibility Fund Program is created to help offset the higher cost of providing wheelchair accessible vehicle-for-hire service. This program would be funded through a regulatory charge on members of the vehicle-for-hire industry that do not provide wheelchair accessible service and disbursed, based on a funding formula and service standards, to City-licensed wheelchair accessible vehicle-for-hire owners and drivers. The fund is initially intended for licensed wheelchair accessible taxicab owners and drivers who provide accessible service.

In order to fund the proposed Accessibility Fund Program, staff recommend amending Chapter 441, Fees to include the regulatory fees outlined in Table 3. Revenues collected as part of the Accessibility Fund Program would be held in the "Vehicle-for-Hire Reserve Fund," discussed further on in this report. It is also recommended that the Executive Director, MLS has the authority to disburse funds, and that owners and drivers affiliated with the TTC Wheel-Trans program are ineligible for funding as they are compensated through the Wheel-Trans contract.
Table 1: Proposed regulatory charges for Accessibility Fund Program

<table>
<thead>
<tr>
<th>License Category</th>
<th>Fee Type</th>
<th>Fee Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxicab Brokerage</td>
<td>Flat-rate yearly</td>
<td>$250.64</td>
</tr>
<tr>
<td>Limousine Brokerage</td>
<td>Flat-rate yearly</td>
<td>$250.64</td>
</tr>
<tr>
<td>Limousine Owner</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
</tr>
<tr>
<td>Private Transportation Company</td>
<td>Per-trip</td>
<td>$0.10</td>
</tr>
<tr>
<td>Private Transportation Company Driver</td>
<td>Flat-rate yearly</td>
<td>$7.23</td>
</tr>
<tr>
<td>Standard Taxicab Operator</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
</tr>
<tr>
<td>Standard Taxicab Owner - Non-accessible Taxicab</td>
<td>Flat-rate yearly</td>
<td>$125.32</td>
</tr>
<tr>
<td>Standard Taxicab Owner - Accessible Taxicab</td>
<td>EXEMPT</td>
<td>EXEMPT</td>
</tr>
<tr>
<td>Toronto Taxicab Licence Owner</td>
<td>EXEMPT</td>
<td>EXEMPT</td>
</tr>
<tr>
<td>Vehicle-for-Hire Driver</td>
<td>Flat-rate yearly*</td>
<td>$62.66</td>
</tr>
</tbody>
</table>

*Accessible vehicle-for-hire drivers will be reimbursed the $62.66 regulatory charge if they meet the eligibility requirements for the Accessibility Fund Program.

It is estimated that $4,981,730.04 in regulatory charges will be required each year to fund the Accessibility Fund Program. Standard taxicab owners with an accessible vehicle, and TTL owners will be exempted from the regulatory charge when they present proof of vehicle conversion at licensing renewal. Vehicle-for-hire drivers with accessibility training must pay the regulatory charge at licensing renewal; however, if they are eligible for the Accessibility Fund Program, the regulatory charge will be reimbursed as part of the incentive.

The proposed disbursement of funds is provided in Table 2.

Table 2: Proposed disbursement of the Accessibility Fund Program (estimates only)

<table>
<thead>
<tr>
<th>RECIPIENT</th>
<th>GRANT (frequency)</th>
<th>INCENTIVE (frequency)</th>
<th>SERVICE STANDARDS TIED TO INCENTIVE</th>
<th>EXCEPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessible taxicab owner: side-entry conversion</td>
<td>$2,898.21 (annually)</td>
<td>Up to $1,898.21 (annually)</td>
<td>Yes</td>
<td>Owners affiliated with TTC Wheel-Trans are not eligible for incentive or grant.</td>
</tr>
<tr>
<td>RECIPIENT</td>
<td>GRANT (frequency)</td>
<td>INCENTIVE (frequency)</td>
<td>SERVICE STANDARDS TIED TO INCENTIVE</td>
<td>EXCEPTIONS</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>-------------------</td>
<td>-----------------------</td>
<td>-------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Accessible taxicab owner: rear-entry conversion</td>
<td>$2,312.71 (annually)</td>
<td>Up to $1,312.71 (annually)</td>
<td>Yes</td>
<td>Owners affiliated with TTC Wheel-Trans are not eligible for incentive or grant.</td>
</tr>
<tr>
<td>Driver of accessible taxicab</td>
<td>N/A</td>
<td>Up to $2,187.50 (annually)</td>
<td>Yes</td>
<td>Drivers affiliated with TTC Wheel-Trans are not eligible for incentive.</td>
</tr>
</tbody>
</table>

If the in-year budget adjustment of $6.1 million is adopted by City Council, MLS recommends that the disbursements for eligible owners and drivers are disbursed beginning March 1, 2020 as retroactive funding for 2019. Beyond 2020, applications for the program may be made at the renewal stage for owners and drivers, and will be subject to data validation. In addition, the disbursement funding formula will be reviewed, and higher disbursements may be made if the Accessibility Fund program receives lower than anticipated applicants.

On an interim basis, it is the intention of the Executive Director to consider and approve applications for funding from the Accessibility Fund based on a declaration that eligible wheelchair accessible owners and drivers will be required to submit. Owners and drivers will be required to declare that they have satisfactorily met the criteria and service standards set by the Executive Director, MLS. Details contained in the declarations could be audited by MLS based on trip data and other records maintained by taxicab brokers.

The Executive Director will require that, at a minimum, the declarations for owners include:
- plate number, and taxicab owner licence number;
- type of conversion (for example, side-entry or rear-entry);
- the number of drivers who have received accessibility training who are affiliated with the taxicab, including their vehicle-for-hire driver licence number; and
- declaration confirming that the service standards as prescribed by the Executive Director, MLS were met in the previous year.

The Executive Director will require that, at a minimum, the declarations for drivers include:
- confirmation that the driver has received accessibility training and has been licensed to provide accessible service as of June 17, 2019;
- vehicle-for-hire driver licence number;
- plate number of the accessible vehicle the driver is affiliated with, including a signature from the owner of the accessible vehicle confirming that the driver is affiliated with that vehicle; and
• declaration confirming that the service standards as prescribed by the Executive Director, MLS were met in the previous year.

Accessible owners and drivers will be required to apply to the Accessibility Fund Program, by submitting their applications and declarations, by December 1, 2019. The disbursements for eligible owners and drivers will begin March 1, 2020, and will reflect retroactive funding for 2019.

As part of the implementation process, MLS will work to develop a back-end technology system to support the collection and evaluation of trip data, to validate service standards. This may not be completed until a year after the implementation of these proposed changes due to the technological improvements required.

Research and Consultation:
Staff heard from owners of wheelchair accessible taxicabs that the capital and operating costs of wheelchair accessible taxicabs is higher than standard taxicabs. Owners and drivers noted that the cost of converting a vehicle to wheelchair accessible is high (approximately $18,300 to $26,600), that wheelchair accessible vehicles consume more fuel, and that providing accessible service requires higher time commitments. The higher cost limits the financial return that owners and drivers may expect, and as a result, staff heard from drivers and owners that these vehicles are not fully utilized. Owners and drivers noted during consultations that they believe there is an adequate number of wheelchair accessible vehicles to service Toronto, and that the key concern is reducing the high capital and operating costs of providing service in order to promote availability.

From users of accessible service, staff heard that the availability of wheelchair accessible vehicles varies considerably throughout the day, with limited vehicles available in the late-evenings and early-mornings. Users also flagged concerns with driver training, customer service, and vehicle condition. To address these issues, staff are proposing tying funding to specific service standards such as vehicle and driver availability.

To encourage operators to provide wheelchair accessible transportation, the majority of municipalities examined through the jurisdictional scan have developed, or are in the process of developing, subsidy or incentive programs to offset the higher cost of delivering accessible service. Calgary, for example, is implementing a taxicab incentive program. A fee of $0.30 is collected for every non-accessible taxicab and PTC trip, and is allocated to an Accessibility Fund Program. This fund is used to offset the higher operating costs for owners and operators. In Calgary, owners are entitled to a maximum of $3,000 per year. Half of this amount is a set amount of money per year as a grant, and the other half is tied to service standards, such as minimum number of days on the road providing service, and minimum number of hours operating. Similarly, drivers in Calgary are entitled to a maximum of $2,000, based on service standards.

For other municipalities developing a subsidy or incentive program, programs included:

• subsidizing the purchase of a wheelchair accessible vehicle or conversion of a vehicle to a wheelchair accessible vehicle;
• subsidizing the maintenance and the operation of the vehicle (for example, vehicle repairs and the increased cost of fuel);
• compensating drivers for the provision of wheelchair accessible service;
• waiving licensing fees; and/or
• paying for training.

In developing the proposed Accessibility Fund Program for Toronto, the following was considered:

• All members of the vehicle-for-hire industry providing non-wheelchair accessible trips are expected to contribute to the fund;
• Wheelchair accessible taxicab owners and drivers impacted by higher capital and operating costs are eligible for funding if service standards and eligibility criteria are met. This includes owners and drivers of both TTLs and standard taxicabs with wheelchair accessible vehicles, and excludes those affiliated with the TTC’s Wheel-Trans program;
• The City expects meaningful return on its investment. To achieve this, the City will establish service standards to determine eligibility for funding;
• The City will structure the fund so that, over the 7-year life of a wheelchair accessible vehicle, the full cost of conversion and some maintenance costs for eligible vehicles may be covered. This is intended to encourage wheelchair accessible taxicabs to remain in service for the maximum of the model years allowed for the vehicle.

Through research, staff have identified that the average cost to convert a non-accessible vehicle is $26,575 for side-entry conversion and $18,378 for rear-entry conversion. Therefore, staff are proposing that accessible owners be eligible for an annual grant that would, over the seven year life of the vehicle, offset half of the average conversion cost. The remaining conversion costs would be offset though incentives tied to service standards.

In developing this recommendation, staff considered providing grants equal to the full conversion cost up-front; however, this disbursement of funds may not encourage an accessible vehicle to be on the road and providing service for the full lifespan of the vehicle. As a result, the recommendation is intended to prorate the conversion cost over the lifespan of the vehicle, based on both a yearly grant and incentive tied to service standards. Staff also heard from owners that there are higher costs associated with the maintenance of wheelchair accessible vehicles, and as such, staff propose that a portion of the grant considers the higher cost of maintenance.

The report also proposes that drivers of accessible vehicles be eligible for up to $2,187.50 annually and this amount be tied to service standards, as outlined in section "B" below. Staff heard that there are higher operating costs associated with delivering wheelchair accessible service; including, fuel consumption, the length of time deadheading to customers who may be geographically distributed, and the length of time to assist the passenger into the vehicles and safely secure the passenger and their mobility device. This feedback was considered as part of the fund. The fund also includes reimbursement of the Accessibility Fund Program regulatory charge, and a reimbursement for an average accessibility training program ($250 averaged over 4 years).
Staff recommend that owners and drivers affiliated with the TTC Wheel-Trans program are ineligible for funding from the Accessibility Fund Program. Through discussions with TTC staff, it was identified that the higher operating cost associated with delivering this contracted service is considered as part of the current compensation model. As such, the City, through TTC Wheel-Trans, already subsidizes the cost to deliver this service for these licensees. Further, the intent of the Accessibility Fund Program is to advance on-demand service. Accessible taxicabs and drivers, by providing Wheel-Trans service, are not available to provide on-demand service in the same capacity as owners and drivers not affiliated with Wheel-Trans.

Staff heard general support from all stakeholders for the creation of an Accessibility Fund Program; however, while TTL owners generally supported the fund, some owners would prefer the option to convert to a standard taxicab licence, and not be required to provide accessible service.

**B. Compliance and Audit Powers for Accessibility Fund Program**

*Proposed Changes:*
In order to implement the proposed Accessibility Fund Program, the City requires increased access to data related to accessible vehicle-for-hire service. This data will allow the City to better determine demand, assess wait times, and will assist in future planning and monitoring of the program.

As an interim approach, MLS will require declarations from eligible owners and drivers confirming that they have met the service standards required for the Accessibility Fund Program. This information may be audited by MLS' compliance team, and/or a third-party auditor procured by MLS. If it is determined that incomplete or inaccurate information was provided as part of the application process, an owner or driver would be barred from the fund for two years, and may be guilty of an offence under the By-law.

Moving forward, MLS will implement a back-end data system that will aid in the collection, evaluation and validation of service standards. MLS recommends amending the data requirements for taxicab brokerages to include additional data such as accessible trip information, wait time, trip length, and dispatch type (such as sedan or wheelchair accessible), in addition to require the collection of data currently required in the by-law in a method that is satisfactory to the Executive Director of MLS. The proposed service standards for these incentives are provided in Table 3 and 4 below.
Table 3: Proposed accessible taxicab owner service standards tied to incentive

<table>
<thead>
<tr>
<th>Criteria</th>
<th>How it will be Measured</th>
<th>Weighting Assigned in Evaluating Funding Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum number of hours a vehicle is operating and available for dispatch (for example, 1300 hours annually, which is an average of 25 hours weekly). (Executive Director to have authority to modify criteria and set minimum standards).</td>
<td>Declaration/Brokerage data</td>
<td>95%</td>
</tr>
<tr>
<td>Cordless POS is available (yes/no)</td>
<td>Declaration/Brokerage data</td>
<td>5%</td>
</tr>
</tbody>
</table>

Table 4: Proposed accessible taxicab driver service standards tied to incentive

<table>
<thead>
<tr>
<th>Criteria</th>
<th>How it will be Measured</th>
<th>Weighting Assigned in Evaluating Funding Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum number of hours a driver is operating and available for dispatch (for example, 1300 hours annually, which is an average of 25 hours weekly). (Executive Director to have authority to set minimum standards)</td>
<td>Declarations/Brokerage data</td>
<td>50%</td>
</tr>
<tr>
<td>Accepts all wheelchair accessible vehicle trips dispatched by brokerage, in accordance with restrictions against service refusals in Chapter 546 (Executive Director to have authority to set minimum standards).</td>
<td>Declarations/Brokerage data</td>
<td>50%</td>
</tr>
</tbody>
</table>

It is recommended that the Executive Director, MLS be delegated the authority to set service standards related to the eligibility of owners and drivers. This will allow the City to respond to changes in demand for accessible vehicles (for example, introducing the number of days required to be in service or requiring service during certain time periods such as late nights). This also provides the opportunity for the City to remove service standards that are not making a demonstrable improvement to accessible service.
For accessible taxicab owners, staff propose implementing two service standards aimed at promoting availability and ease of payment, as outlined in Table 3 and detailed below:

- **Hours vehicle is available for dispatch:** the intent of this is to benefit owners of accessible taxicabs who have their vehicles on the road, available to deliver service. Owners who do not do so would be ineligible for full funding in the Accessibility Fund Program.

- **Cordless point-of-sale (POS) terminal:** users told staff in the consultations that the availability of a cordless POS is important since not everyone has the ability to access the front of the taxicab. A privacy concern exists anytime a customer has to hand over their card. The presence of a cordless POS would help address the potential for fraud and increase consumer confidence in the security of their payment information.

For accessible taxicab drivers, staff are proposing three service standards aimed at increasing availability, encouraging a timely response to accessible service requests, and improving service delivery, as outlined in Table 4 and detailed below:

- **Hours vehicle is available for dispatch:** staff heard through the consultation process that the majority of trips completed by a wheelchair accessible taxicab are for individuals not requiring a wheelchair accessible vehicle. Both drivers and brokerages stated that the overall demand for metered wheelchair accessible taxicabs is low. Based on data from other sources discussed in this report, however, it is believed that people who require wheelchair accessible service are not receiving it in a timely manner. To address this, staff recommend encouraging, through financial incentives, drivers to be on the road available to deliver wheelchair accessible service.

- **Driver accepts all wheelchair accessible trips:** during the consultations, staff heard from brokerages that drivers sometimes refuse a request for service for an individual requiring wheelchair accessible service because of the increased length of time required to complete the trip. Having a service standard tied to accepting all wheelchair accessible requests dispatched to them helps ensure that drivers who are on the road are making their wheelchair accessible taxicabs available to those who require them.

In addition, MLS recommends having the authority to audit and investigate licensees affiliated with the Accessibility Fund Program, including taxicab brokerages. To ensure adequate records are maintained for audit and compliance purposes, this report also recommends requiring taxicab brokerages to retain business records for a minimum of three years; this aligns with requirements for PTCs. Lastly, to promote accurate record-keeping, staff have recommended creating offences related to failing to provide data under the By-law and/or providing incomplete or inaccurate information.

Staff in MLS have worked with Legal Services to ensure that the City has the necessary tools to reinforce zero tolerance for misuse or abuse of the Accessibility Fund Program. In the event that a licensee is suspected to be abusing the program or to have received
monies in error, the City would have the authority to properly investigate, disqualify the licensee from future participation, and take action to recover any costs, as appropriate.

Staff will also implement an appeal process for licensees to appeal a decision made with respect to the Accessibility Fund Program. The appeal process would include occasions where a driver is deemed ineligible for participation in the program, does not agree on the funding received, or believes that they were incorrectly or unfairly penalized. Upon informing the applicant of the decision of MLS, the applicant has an opportunity to respond in writing to the Executive Director, MLS within 10 days of notice of a decision for an appeal. The decision of the Executive Director, MLS is final.

Research and Consultation:
Currently, there are no specific provisions in Chapter 546 for the taxicab industry to provide data on accessible vehicle-for-hire service. As a result, it is challenging for the City to determine the wait time for accessible service and assess how efficiently wheelchair accessible vehicle service is provided.

To better understand the current provision of accessible service, the City undertook a preliminary data collection exercise. This involved requesting data from the four brokerages affiliated with the TTC Wheel-Trans wheelchair accessible vehicle contracts, as well as the brokerage with the highest number of TTLs. Staff also used the data collected from PTCs to assess the number of wheelchair accessible vehicle trips taken through PTC platforms. Staff estimate that there were approximately 4.4 million accessible trips provided in Toronto in 2018. Wheel-Trans delivered approximately 77% of these trips, brokerages delivered 22% and PTCs delivered 1% of accessible service. More information about this data collection exercise, including limitations, can be found in Attachment 3.

While the data provided staff with a general understanding of accessible trips in the city, the data was aggregated at a high level and would not be sufficient for audit and compliance purposes.

The proposed service standards are based on what staff heard through the public consultations, City-hosted online survey for accessible users, and the focus group meetings. In addition, this was informed by a jurisdictional scan to determine best practices. Calgary is implementing a similar system; however, they have more complex service standards. It should be noted that Calgary collects substantially more information from the taxicab industry and have done so for several years. The service standards proposed in this report can be implemented by staff in a practical way with minimum administrative burden.

C. Updating Accessibility Training Requirements

Proposed Changes
To ensure consistency in accessible for-hire service, this report recommends requiring accessibility, diversity, and sensitivity training as a component of training for all non-accessible vehicle-for-hire and PTC drivers. To provide wheelchair accessible service, vehicle-for-hire drivers must still complete a separate training program that is dedicated to providing wheelchair accessible service. The report also recommends extending this
requirement to include PTC drivers to ensure that all drivers who provide wheelchair accessible service have successfully completed a City-approved accessible training program.

The cost of accessible training is also considered as part of the Accessibility Fund Program, and MLS will offset the cost of accessible training for eligible wheelchair accessible drivers to cover the average cost of training over four years.

Research and Consultation:
In the current by-law, drivers of wheelchair accessible taxicabs must undertake accessibility training in order to provide accessible service. To be eligible to deliver accessible training, accessible training programs must meet the City's current criteria including having an awareness of the mobility and non-mobility disabilities, and a working knowledge of applicable laws such as the AODA and the Ontario Human Rights Code. An in-class training component is also required to provide the technical knowledge needed to assist passengers requiring accessible service. As of May 2019, there are four organizations who are approved to deliver accessible training programs.

Currently, there are no accessibility training requirements for PTC drivers delivering wheelchair accessible service or for non-wheelchair accessible vehicle drivers. Staff heard during the consultation process that accessible users, depending on their disability, may require a sedan instead of a wheelchair accessible vehicle. As such, it was suggested that expanding training to all drivers in the vehicle-for-hire industry may ensure a greater awareness of the needs of accessible users and, therefore, promote a higher quality of service for all.

D. License Accessible-only Service Providers
Staff recommend creating a licence category under the limousine licence regime, called accessible limousine, to capture wheelchair accessible transportation providers who exclusively provide vehicle-for-hire service to users with accessibility needs. The current licensing categories of the Vehicle-for-Hire By-law do not capture this type of service, and as a result, operators are working outside of the regulatory regime. Licensing these providers under the Vehicle-for-Hire By-law would ensure that they are meeting requirements for safety and consumer protection, including the requirement for a D409 compliant accessible vehicle and the requirement for drivers to be trained by City-approved accessibility training programs.

In the creation of this category, staff considered that:

- Accessible transportation services for medical transfers similar to ambulance or paramedic care or under exclusive contract for organizations such as rehabilitation centres or hospitals are exempt;
- Drivers must be licensed by the City of Toronto and have an accessibility endorsement;
- Fare must be transparent, and customers must agree prior to vehicle dispatch;
- Licensing fee is waived as they are providing exclusively accessible service; and
- Trip records must be maintained for a minimum of 3 years and shared with the City upon request.
When examining the appropriate licensing category for these providers, consideration was given to the type of markings and equipment required for the vehicles, the limitations on passenger pick-up, and the type of dispatch. It was determined that these providers aligned most appropriately with the limousine category as they use unmarked vehicles (there is no cab light or emergency light), they transport pre-arranged passengers and they are dispatched by any method (phone or website) a minimum of 20 minutes beforehand.

2. Public Safety

*Current Regulations:*
To ensure the safety of consumers, drivers and the public, all drivers are subject to driver screening, driver and vehicle requirements and mandatory insurance coverage. In the Vehicle-for-Hire By-law, drivers are categorized as either a vehicle-for-hire driver, meaning they can drive a taxicab or a limousine, or as a PTC driver, meaning they drive a personal vehicle and are affiliated with a PTC. Drivers are assessed against a set of screening criteria at the licensing application and renewal stages as well as during periodic audit and compliance checks. An application or renewal is denied if drivers do not meet the screening criteria, including if they have 9 or more demerit points, or if they have been convicted under the *Criminal Code, Controlled Drug and Substances Act or Highway Traffic Act*. To ensure responsiveness to safety concerns, the Executive Director of MLS has the delegated authority to amend the screening criteria as necessary and the residual power to bring any licensing concerns to the Toronto Licensing Tribunal.

In addition to passing screening criteria, all drivers must be 18 years of age or older, have a valid Province of Ontario Class G (or higher) driver’s licence, one year of driving experience and a three year driving history recorded by the MTO. All vehicles upon application must obtain a safety standards certificate issued by a MTO-licensed garage. Once licensed, all vehicles must have a new safety standards certificate once every six months if the vehicle has travelled 40,000 or more kilometres in the prior year, and once every twelve months if the vehicle has travelled less than 40,000 in the prior year. Enforcement officers also have the authority to direct licensees to complete a new Safety Standards Certificate if a vehicle does not appear to meet safety standards during an investigation.

Taxicab, limousines and PTCs must also provide proof that every vehicle operating is insured with a minimum of $2 million of coverage for third-party liability, loss or damage resulting from bodily injury or death and loss or damage to property. With respect to PTCs, all vehicles are insured as soon as drivers are available for passenger requests. The Insurance Bureau of Canada (IBC) and Intact Insurance have advised MLS that they believe this system of insurance coverage for PTCs has worked well as there is a strong incentive for PTC drivers to claim an incident under a PTC’s commercial policy rather than personal automobile insurance (as claims under the commercial policy do not impact their personal insurance premiums).

As part of the review, MLS was directed by City Council to explore measures to increase public safety. Public safety was also identified as a concern during the public
consultation meetings and public opinion research. Six-in-ten (56%) of respondents feel safe as a passenger in limousines or PTC vehicles, while seven-in-ten (67%) of respondents feel safe as a passenger in a taxicab. However, age significantly impacts views on safety, as those aged 18-34 feel significantly safer in PTC vehicles (71%) than limousines (42%) or taxicabs (53%). Through the review, additional changes to enhance public safety were identified; such as, (A) increasing the minimum years of driving experience, (B) introducing mandatory training requirements, (C) reviewing camera requirements, (D) introducing push notifications or "Watch for Bike" notices for PTC vehicles to reduce the dooring of vulnerable road users such as cyclists, and (E) introducing a requirement for hand-held devices to be mounted and secured to vehicles when driving.

A. Increasing the Minimum Years of Driving Experience

Proposed Changes:
This report recommends increasing the current minimum years of driving experience required for all drivers from one year to three years. It also recommends removing the requirement to be 18 years of age or older while maintaining the requirement to present a valid, unrestricted Class G or higher, driver's licence issued by the Province of Ontario.

Research and Consultation Findings:
As part of the driver screening process, the City requires a driving abstract of three years recorded by the MTO. During public consultations, some participants identified that the three year driving abstract conflicts with the minimum requirement to have one year of driving experience. In addition, industry stakeholders noted that higher age restrictions are placed on drivers who wish to drive for some PTCs (minimum age of 21) or for some taxicab owners and brokerages (minimum age of 25) due to increased insurance premiums. The IBC noted that there are no age requirements for insurance; however, premiums are based on the likelihood of a collision and the estimated cost of a collision which may be higher due to the younger age of a driver. Overall, participants at the public consultation meetings generally agreed that increasing the minimum age or years of driving experience may ensure more experienced drivers are entering the vehicle-for-hire industry.

Currently, the requirement for a valid, Class G or higher driver's licence ensures that all drivers have one year of driving experience. All provincially licensed Class G or higher drivers in Ontario have completed the graduated licensing system. The graduated licensing system allows new drivers to obtain driving experience and skills through a three-step licensing process that takes at minimum, 20 months to complete. If a driver has obtained their licence outside of Ontario, then a driver may be eligible to exchange their licence for an Ontario driver's licence if the licence is from a jurisdiction with a reciprocal agreement with the Province of Ontario. Without a reciprocal agreement, a driver is not able to exchange their licence. In order to receive an equivalent class of driver's licence in Ontario, upon passing a vision test, the applicant must provide acceptable proof of having held a full class of driver's licence in the reciprocating jurisdiction for at least 24 months in 36 months prior to the driver's licence exchange; otherwise, they will receive a class G2 (novice class) driver's licence.
Increasing the years of driving experience to three years would, by default, bring the minimum age of a driver to 19 years old. This assumes the driver obtained their G1 at the age of 16 and completed all steps of the graduated licensing process on time. The Province of Ontario also places additional restrictions on G licence drivers who are 21 years of age or younger such as a blood alcohol level of zero. In the jurisdictional scan, several jurisdictions have a higher age minimum such as New York City (19 years of age or older) or Chicago and Portland (21 years of age or older). Other jurisdictions, such as Montreal and New South Wales, Australia, require one year of driving experience after obtaining an unrestricted licence.

To determine if a driver has three years of driving experience, MLS staff would use the "earliest date of licensing" noted on all MTO driving abstracts. This data is included for all drivers, including drivers who obtained their license outside of Ontario. The earliest date of licensing notes the date that drivers began learning how to drive. For example, if a driver obtained their G1 on May 28, 2007, then the earliest date of licensing would be May 28, 2007. In conversation with the MTO, it was determined that the driving abstract does not record the date a driver obtained their unrestricted licence; therefore, MLS would need to rely on the earliest date of licensing as well as the valid, Class G (or higher) driver's licence to determine driving experience.

In reviewing the ages of current licences, there are 124 taxicab or limousine drivers under the age of 25 and 7,598 PTC drivers under the age of 25. The greatest proportion of drivers are late 30s to early 50s, with the average age of a taxicab or limousine driver being 51 and the average age of a PTC driver being 39. It was determined that 16 taxicab and limousine and 2,668 PTC currently licensed drivers would be affected by this change; therefore, it is recommended that they be grandfathered into the new licensing requirement.

**B. Mandatory Training Requirements**

*Proposed Changes:*

To enhance the driving safety knowledge of drivers, it is recommended that all drivers successfully complete a City-approved training program as a requirement of licence issuance or renewal. As a PTC driver must be affiliated with a PTC, it is recommended that PTCs require a mandatory City-approved training program be completed by all individuals who are affiliated with them. It will not be mandatory for taxicab brokers or limousine service companies to provide training programs because vehicle-for-hire drivers are not required to be affiliated with a specific taxicab or limousine brokerage and so, as discussed below, it will be the responsibility of the driver to obtain the training. The successful completion of a City-approved training program would be transferable across all non-accessible driver licence categories. For currently licensed drivers, it is recommended that all drivers must successfully complete a training program prior to their licence renewal in 2020.

For City-approval, the training program must meet the criteria established by the Executive Director of MLS. A preliminary set of training criteria is outlined below, but will be further developed as part of the implementation process:
1.0 - Transporting Passengers in a Safe Manner
   1.1 - Safe driving behaviours, including safe pick-ups and drop-offs;
   1.2 - Sharing the road with vulnerable road users;
   1.3 - Driving at night and in bad weather; and
   1.4 - Distracted driving.

2.0 - Driving in an Urban Setting
   2.1 - Cycle Tracks and Bike Lanes;
   2.2 - Transit Corridors such as King Street; and
   2.3 - Sharing the road with TTC.

3.0 - Providing Service to Accessible Users
   3.1 - Disability Awareness; and
   3.2 - Service Provision – Mobility and Non-mobility Disabilities, including users with service animals.

4.0 - Anti-racism and Cultural Diversity Sensitivity
   4.1 - What is Discrimination?
   4.2 - Types of Harassment;
   4.3 - Understanding Diversity and Developing Cultural Awareness; and
   4.4 - Addressing Unwelcome Behaviour.

5.0 - Legal Requirements
   5.1 - Compliance with the *Highway Traffic Act*;
   5.2 - Rights and Responsibilities under the *Ontario Human Rights Code*; and
   5.3 - Offences and Charges under Chapter 546.

Staff recommend that the Executive Director of MLS is granted the delegated authority to set the training criteria, and to amend as necessary. This ensures that the training criteria is continuously reviewed and updated.

In addition, by-law amendments are recommended that will permit staff to proactively audit training programs. This will allow the City to audit programs to ensure compliance with established criteria, and will be complemented by a new revocation process.

*Research and Consultations:*
In 2016, the requirement for mandatory training for all non-accessible drivers was removed. In the context of an expanded vehicle-for-hire market, the previous 5-day limousine and 17-day taxicab training programs, which focused on topics such as customer service, business acumen, route planning and geography, were deemed to be regulatory barriers for the taxicab and limousine industries. It was also determined that many components of the City-run training program would be managed through competition and the adoption of technology (such as driver or company reviews and GPS).

Taxicab training began in 1953 when a 3-day training program was required as part of the issuance of taxicab licence. The 5-day limousine and 17-day taxicab training program was introduced as part of the 1998 Taxicab Review. With the removal of training in 2016, it was anticipated that the vehicle-for-hire industry would enhance or
implement new training as part of their business practices. MLS licenses and permits 99 different businesses, but has only provided City-run training programs for the taxicab and limousine industries.

During the 2018 and 2019 consultation meetings and public opinion research, training was identified as a concern in the vehicle-for-hire industry. Members of the taxicab industry and the public generally expressed support for exploring training requirements for all drivers. However, there were differences in opinion regarding how this training could be delivered (for example, by the City, by colleges or by industry).

Suggestions regarding the content of this training also varied. Members of the taxicab industry generally felt that training should include general knowledge about providing accessible service, knowledge of landmarks and hospitals, navigation, driving downtown with other road users such as public transit and cyclists, methods of preventing dooring of cyclists and defensive driving. Members of the public also suggested training or additional education on rules around hails, payment types, and fare refusals.

In the public opinion research, there is significant support (two-thirds of respondents) for drivers to receive training; particularly for city navigation, pick-up and drop-off safety, customer service and distracted driving. Weighting was different for each of the industries, with greater support for training on customer service (76%), city navigation (68%) and distracted driving (67%) for taxicabs versus city navigation (66%), pick-up and drop off safety (66%) and distracted driving (64%) for PTC drivers. In the jurisdictional scan, training was found to be mandated for all vehicle-for-hire drivers in several American jurisdictions such as Chicago, New York City, Portland, and Seattle and one major Canadian city, Montreal. Several other Canadian cities mandate training for accessible service only such as Edmonton, Winnipeg and Ottawa. If training for all drivers is mandated, it is generally a City-approved program that is either delivered by a third-party, or industry. This allows city government to determine the major components of the training program, but creates flexibility in delivery and enables the industry to participate in the training of their own members.

Training criteria in other jurisdictions include:

- Guidelines on transporting passengers in a safe manner, including pick-up and drop-off safety (particularly in the context of vulnerable road users such as cyclists);
- Guidelines on driving in an urban setting (for example, in Toronto, this may include driving on Transit Priority Corridors such as King Street or driving on streets with permanent bike lanes such as Richmond/Adelaide);
- Compliance with relevant municipal or provincial legislation (in Toronto, these would include Chapter 546 and the Highway Traffic Act);
- Guidelines on providing service to accessible users such as assisting passengers with mobility and non-mobility disabilities and providing service to individuals with service animals; and
- Anti-racism and diversity sensitivity training.

The proposed training program for non-accessible drivers is consistent with the current process for accessibility training whereby the City approves training programs based on a set of mandatory components. The initial mandatory components are based on
concerns heard during the consultation process, best practices from other jurisdictions, and feedback from internal stakeholders such as Transportation Services. The final mandatory components will be developed as part of the implementation process and in consultation with industry.

Currently, there is no audit or revocation process for accessibility training programs. Provisions are required to ensure that training programs (whether related to accessible or non-accessible services) are operating in compliance with the by-law, and that MLS has the authority to review training programs in a fair and transparent manner. Therefore, MLS recommends introducing a process to review all training programs, including criteria for removal as well as a process to revoke a training program from the City's approved list. As part of the implementation of the by-law, MLS is also exploring the use of a third-party reviewer to support the review and evaluation of all training programs.

C. Changes to Camera Requirements

Proposed Changes:
MLS recommends removing the definition of camera, and maintaining the requirement for cameras that record passengers as mandatory equipment for taxicabs. Cameras are mandated in taxicabs due to the anonymity of picking up passengers from street-hails or cabstands.

If cameras are present in a PTC or limousine, it is recommended that notice is given to passengers by a PTC through their software application, or by a PTC driver through a notice affixed to the vehicle. For limousine owners, notice must be affixed to the vehicle. Notice to passengers is also required in taxicabs.

Research and Consultations:
During the review process, TPS Forensic Identification Services noted that there are several concerns with the current cameras that lead to unsuccessful downloads of footage needed in police investigations. The current definition and technical specifications for cameras restrict the number of available models for use so that access to images is limited to law enforcement personnel only. Today there are only two systems (24/7 and Verifye) that meet the technical specifications and requirements of the by-law.

TPS downloads images for the purpose of investigating the following offences: murder, attempted murder, assault causing bodily harm, robbery and sexual assault. Over the last three years, TPS downloaded images from taxicabs, on average, 130 times per year. However, over this same time period, the number of unsuccessful downloads has increased from 5% in 2016 to 10% in 2018. This is a result of aging camera systems and failing memory cards. Unfortunately, technical support for this type of equipment is limited and often located outside of Canada. The restrictive camera requirements and technical specifications also do not reflect advancements in camera technology. Therefore, Chapter 546 should be updated to allow for greater flexibility in camera choice.
Cameras were first introduced in taxicabs as an optional safety measure in 2001. They were one of several safety measures identified in the 2000 Taxicab Driver Safety program. Prior to 2000, crimes against taxicab drivers had increased, with a high of 743 criminal incidents in 1997. After cameras were introduced, there was a steady decline in criminal incidents. As a result, Council mandated cameras in all taxicabs in 2005. Cameras were mandated to both deter acts of violence and provide images of offenders. In the staff recommendation, it was noted that the camera is most effective as a deterrent.

In the 2019 public consultation meetings, participants were divided on whether or not cameras should be mandated in all for-hire vehicles. The taxicab industry was generally supportive of cameras in pre-booked services such as limousines and PTCs, while PTC drivers would like the option to decide whether to use cameras. Members of the public were undecided as some debated the effectiveness of cameras and others noted the potentially prohibitive cost of cameras for drivers. In the public opinion research, 78% of respondents believe cameras should be required in PTCs. In the jurisdictional scan, it was found that observed cities only require cameras in taxicabs as they are the only licence category that is permitted to pick-up anonymous passengers.

In reviewing the effectiveness of cameras, it was determined that they are still a safety measure for taxicab drivers due to the anonymity of passengers. Taxicab drivers are also more susceptible to robberies because they accept cash. Pre-booked services do not have as great a requirement for a camera as passenger information is recorded and provided to the limousine and PTC industries. Cameras do not deter driver acts of violence against passengers as drivers may disconnect a camera, cover a lens, or commit an act of violence once the passenger has exited the vehicle. Instead, other safety features such as driver screening and criminal background checks, are used to ensure the safety of passengers.

While this report recommends maintaining the mandatory requirement for cameras for taxicabs only, it does not recommend prohibiting cameras in limousine or PTC vehicles. Limousine and PTC drivers may use an inward facing camera; however, cameras used in commercial activities are governed by the federal government's Personal Information Protection and Electronic Document Act (PIPEDA). Under PIPEDA, the knowledge and consent of the individual is required for the collection, use or disclosure of personal information.

D. Reducing Dooring Incidents

Proposed Changes:
This report recommends requiring PTCs to send push notifications to passengers to look for cyclists before exiting a vehicle, and to require all PTC drivers to have "Watch for Bike" notices in a format and location approved by the Executive Director, Municipal Licensing and Standards. The requirement to have "Watch for Bike" notices will also be extended to limousines. It is also recommended that City Council authorize the Executive Director, MLS to approve the format and location of "Watch for Bike" notices through an interpretation bulletin.
A recommendation, requesting the Ontario Ministry of Transportation to review the collision reporting incident form, and add taxicab, limousine and private transportation as vehicle types, has also been included to better support the collection of collision data.

As part of the implementation process, MLS will also collaborate with the City's Vision Zero team to increase public education of the "Dutch Reach." The “Dutch Reach” involves a passenger using their far hand to open the vehicle door; therefore, positioning their head and shoulders to look out the window towards oncoming traffic before exiting.

*Research and Consultation:*

Accidents can occur when a motor vehicle door opens into the path of cyclists, sometimes resulting in injuries or fatalities of cyclists that come into contact with the vehicle door. This is typically referred to as "dooring." According to Toronto Police Services Traffic Services, the number of dooring incidents has declined over the last three years, from 213 incidents in 2016 to 132 incidents in 2018. However, dooring remains a concern and cycling advocates note that dooring incidents are under-reported to police. As directed by City Council, MLS explored ways to reduce dooring incidents, including: increasing public education of the "Dutch Reach"; mandating rear-view passenger mirrors; and mandating "Watch for Bikes" notices for all vehicles-for-hire.

Taxicabs are the only vehicles-for-hire that are currently required to have "Watch for Bikes" notices. Introduced in 2002, the mandatory requirement responded to the Regional Coroner's recommendations to address bicycle safety. Currently, taxicabs are also the only vehicles-for-hire that are permitted to pick-up and drop-off passengers in bicycle lanes (Chapter 886, Footpaths, Pedestrian Ways, Bicycle Paths, Bicycle Lanes and Cycle Tracks). While some taxicabs have introduced rear-view passenger mirrors, it is not a requirement of the By-law.

During the public consultation meetings, feedback on rear-view passenger mirrors, and "Watch for Bike" notices was mixed. Some taxicab drivers, as well as members of the general public, supported mandatory equipment to reduce dooring incidents. Other participants have not found this equipment effective and preferred increased public education. Many participants were also unaware that dooring is an offence under the *Highway Traffic Act* and that it carries a set fine of $365 plus three demerit points (for either driver, or passenger). Upon learning this, many participants suggested that public education should also include information related to the set fine.

In the jurisdictional scan, none of the cities identified required rear-view passenger mirrors. In Vision Zero research, there is also insufficient evidence to support their effectiveness. Vision Zero is based on the belief that fatalities and serious injuries on our roads are preventable, and we must strive to reduce traffic-related deaths and injuries to zero. There is, however, evidence to support both "Watch for Bikes" notices as well as public education for the "Dutch Reach."

While the "Watch for Bike" notices have contributed to cyclist safety, the current notice is not eye-catching due to its size and transparency. In consultation with the City's
Vision Zero team, a replacement notice is in development that is larger, and utilizes a stop-sign style.

The requirement for "Watch for Bike" notices will also be extended to include PTC and limousine vehicles. PTC vehicles will also be required to send cellphone push notifications asking passengers to look for cyclists. As part of the Transportation Impact study, work was completed to determine the number of pick-up and drop-offs adjacent to bike lanes and separated bike facilities. While it is difficult to conclusively determine whether a PTC drove into a bike lane in order to pick-up or drop-off a passenger, there appears to be a high risk of interaction between PTCs and the City's bike lanes.

The "Dutch Reach" is an effective tool for reducing dooring incidents because it promotes an overall change in passenger and driver behaviour. While dooring incidents are a concern in the vehicle-for-hire industry, there are also incidents with personal-use vehicles. Since vehicles-for-hire are not categorized as a separate vehicle type on the provincial collision incident report, it is difficult to determine who contributes the greatest to dooring incidents. For this reason, MLS will partner with Transportation Services to explore public education of the Dutch Reach during the implementation process.

E. Mounting and Securing Hand-Held Devices

Proposed Changes:
To further ensure the public safety of passengers and drivers, it is recommended that all drivers must securely mount their handheld devices prior to operating their vehicles, or becoming available to drive on any platform.

Research and Consultations:
In Ontario, it is illegal to drive a motor vehicle while holding or using a hand-held wireless communication device (for example, cell phone). This is often referred to as distracted driving. Under the Highway Traffic Act, a person may drive while using a hand-held wireless device if the device is in hands-free mode (for example, Bluetooth enabled through the vehicle) or if the hand-held device is securely mounted to the vehicle.

If a driver is convicted of distracted driving, the first conviction results in a fine of $615 if settled out of court, three demerit points, and a 3-day suspension.

According to the Province of Ontario, a driver using a phone is four times more likely to crash their vehicle than a driver focusing on the road. During public consultation meetings, there was general agreement that distracted driving is a concern across all vehicles-for-hire. In the public opinion research, distracted driving was also identified as a key component of any training program by 64% of participants, highlighting the importance of safe driving practices.

3. Vehicle Requirements

Current Regulations:
Under the current Vehicle-for-Hire By-law, all vehicles must be seven model years old or less, excluding stretch limousines which may be up to eight model years old. When
taxicab vehicles specifically reach their maximum age and must be replaced, the replacement vehicle must be either accessible, alternative fuel, hybrid or low-emission. A list of approved low-emission taxicab vehicles is developed by MLS, and the Environment and Energy division (EED). It is updated on an annual basis to reflect the American Environmental Protection Agency’s (EPA) and Natural Resources Canada testing procedures.

In 2016, City Council directed staff to explore and report back on options for an incentive program to reduce emissions in the vehicle-for-hire industry. Staff undertook research and consultation on this topic and gathered information on both the City’s current approach to emissions standards in the industry as well as potential future incentive programs.

With respect to vehicle requirements, staff recommend the following changes: (A) Remove the requirement for replacement taxicab vehicles to be accessible, alternative fuel, hybrid or low-emission, and (B) enhance the collection of vehicle data collected from PTCs to inform potential options for an industry-wide incentive program based on emissions and fuel type.

A. Replacement Vehicle Requirements

Proposed Changes:
This report recommends amending the taxicab vehicle requirements to enable greater flexibility for taxicab owners by removing the replacement vehicle provisions that require replacement taxicab vehicles to be accessible, alternative fuel, hybrid or low-emission.

Research and Consultations:
Through research and consultation, staff have identified a number of challenges related to the approved list of low-emission vehicles for taxicabs.

Staff have heard from taxicab owners that there is a lack of transparency in the way the approved list of low-emission taxicab vehicles is developed. The list is determined by a combination of two existing standards: the EPA's Full Useful Life Emission Bin 5, and Natural Resources Canada Fuel Consumption Rating. However, these standards are not equivalent, and at times, may conflict with one another. Furthermore, a resource of vehicles that meet the EPA standards is not available to the public. There is also a lag between when the newest standards are provided by the two agencies, and when the list is updated by the City. Therefore, standard taxicab owners who are looking to purchase a replacement vehicle may not have complete and accurate information at the time of purchase.

Staff have also heard concerns from consumers and taxicab owners about the lack of high-occupancy vehicle models reflected in the low-emission vehicle list (for example, vans or larger sports vehicles). As taxicabs are replaced according to the criteria set out in the by-law, there may eventually be no high-occupancy taxicabs in operation, despite consumer demand for them.

In response to these findings, staff recommend removing the requirement for replacement vehicles to meet this restrictive criteria. Removing these restrictions will
increase flexibility for taxicab owners, and allow the market to determine what vehicles are in demand as taxicabs. Vehicles will still be required to have four doors, seat no more than seven passengers excluding a driver, and be a maximum age of seven model years. Vehicles will also still be held to safety standards through regular mechanical inspections.

With respect to the City’s low emissions goals, it is worth noting that vehicle emissions and fuel efficiency continue to improve significantly as the automotive industry advances. Due to the maximum model year age requirement, vehicles must be replaced by a relatively new vehicle when the maximum age is reached. For instance, currently 44% of licensed taxicabs are model year 2015 or later. Since the taxicab fleet is generally now comprised of newer vehicles, improvements can be achieved without prescriptive vehicle standards.

It is recommended that taxicab owners continue to submit vehicle information such as vehicle identification number, make, model, model year, and fuel type. This data will enable MLS to explore a future emissions incentive program across the vehicle-for-hire industry.

B. Enhancing Vehicle Data Collection

Proposed Changes:
In order to develop an incentive program to reduce emissions in the industry, staff require more detailed information about the vehicles used across the vehicle-for-hire industry. MLS recommends amending the current vehicle records collected by PTCs to collect vehicle identification number, make, model, model year, and fuel type, to better understand the vehicles that are being used by PTC drivers. This would also align with vehicle data that is currently collected for taxicabs and limousines, and would enable the City to assess environmental and air quality impacts from all for-hire vehicles.

Research and Consultations:
Through an international jurisdictional scan, staff found that the most common approach to addressing emissions in the vehicle-for-hire industry is through electric vehicle adoption. According to EED, it is estimated that PTCs and taxicabs have a similar rate of electric vehicle adoption as taxicabs of less than 1% of total vehicles. However, while sufficient data is currently collected for taxicab vehicles, greater data is required for PTC vehicles in order to draw reliable conclusions. To assess the impact of the industry as a whole on GHG emissions and air quality, more research is required to understand PTC vehicles, and their use.

This data will also enable more robust analysis to inform future policy decisions. Staff intend to use this enhanced data to generate more refined estimates of GHG emissions and air quality impacts, and to explore options for a more nuanced approach to incentives across the vehicle-for-hire industry. Staff will report back on the progress of the proposed changes in this report, and potential options for incentives or fee structure changes in the future.
4. Limousine Regulations

Current Regulations:
In 2005, the City introduced a licensing regime for limousines which included regulations such as a minimum fare of $70 per hour for the first two hours, requirement that bookings be made at least 20 minutes in advance of a trip, and a requirement for Limousine Service Companies to maintain a ratio of stretch limousines relative to sedan limousines in their fleet.

In 2016, MLS recommended the removal of these regulations as they were deemed to be regulatory burdens in a changing vehicle-for-hire landscape. Most of these recommendations were not adopted by City Council, and therefore provisions for the limousine industry were transferred directly from the previous governing legislation, Chapter 545, Licensing to the new Vehicle-for-Hire By-law. The most significant changes that impacted the limousine industry in 2016 occurred by way of bringing taxicab and limousine drivers under the same licensing category of "vehicle-for-hire driver".

Today, licences are required for Limousine Owners and Limousine Service Companies. There are currently 331 licenced limousine owners and 68 licenced Limousine Service Companies. Limousine drivers are required to obtain a Vehicle-for-Hire Driver licence. Staff have revisited the limousine provisions in the Vehicle-for-Hire By-law, to assess their relevance within the context of the new regulatory framework.

Proposed Changes:
Given advances in technology, greater competition and consumer choice, staff recommend eliminating the licence issuance requirement of a stretch to sedan fleet ratio, and permitting limousine service companies to determine the appropriate type and number of limousines required for their business. Staff also recommend deleting the minimum fare requirement of $70 per hour for the first two hours, and removing the requirement that limousine owners be affiliated, and enter into a service agreement with limousine service companies.

It is also recommended that the by-law be updated to broaden vehicle options for limousines, by deleting the size requirements in definitions for "stretch limousine" and "sedan limousine", and to bring the licensing category into alignment with the chapter by renaming the Limousine Service Company licence class to Limousine Broker.

Lastly, as part of the accessibility strategy, it is recommended that a new limousine category is added called accessible limousine. Accessible limousines are considered unmarked vehicles (as there is no cab light) who may dispatch by any platform. They are not permitted to pick up passengers from a cabstand or street-hail, and they exclusively provide service for accessible users. Accessible limousines are discussed under the accessibility section of this report. However, the accessible limousine category cannot be created if the limousine recommendations, such as the removal of the stretch-to-sedan fleet ratio, proposed in this report are not adopted by Toronto City Council.
Research and Consultation:
The current limousine provisions were introduced as a means of distinguishing from the taxicab industry. For example, the stretch-to-sedan ratio requires limousine owners to invest upwards of $100,000 for a stretch limousine to maintain the necessary ratio, despite limited demand for these vehicles. During public and stakeholder consultations, staff heard concerns that the current provisions are harmful for the industry and their ability to remain competitive. Industry voiced their support for the changes that were recommended in 2016, particularly for removing the fleet ratio requirement. Given advances in technology, greater competition and consumer choice, staff maintain that these provisions are no longer necessary.

Industry stakeholders also expressed additional concerns around service agreements. The current by-law requires that all limousine owners enter into a service agreement with a limousine service company, and obtain a letter that outlines the terms of agreement as a part of their licence renewal process. Staff heard that these letters are issued by limousine service companies at a cost that can be prohibitive over time, without necessarily providing adequate dispatch services. Furthermore, many limousine owners have an established client base that make up a large proportion of their bookings, and do not necessarily require dispatch services.

Since limousines must be pre-booked, and information is exchanged from both parties prior to pick-up, staff do not recommend changes to other matters related to safety such as mandatory cameras. Similarly, since limousine drivers fall under the vehicle-for-hire driver licence class, the requirements for the vehicle-for-hire driver licence and any recommended changes to that category, including driver training, will apply to the limousine industry.

5. Reserve Fund
A related purpose of this report is to describe and propose the establishment of a new Vehicle-for-Hire Reserve Fund. The initial purpose of the Vehicle-for-Hire Fund is to collect the proposed regulatory charges to fund the Accessibility Fund Program. However, the reserve fund will also be used to provide funding support to transportation planning or environmental goals relevant to the vehicle-for-hire industry (such as congestion monitoring program and/or further incentives to reduce environmental emissions) as approved through the budget process. Additionally, budgeted allocations may be used to minimize the potential impact of future fluctuations in vehicle-for-hire licensing revenue.

Proposed Changes:
It is recommended that a new Corporate Discretionary Reserve Fund is created and called the Vehicle-for-Hire Reserve Fund. It will be funded through the collection of regulatory charges from non-accessible drivers and owners in the vehicle-for-hire industry, and annual budget allocations as required. The reserve fund will provide funding for initiatives related to accessibility, transportation planning, or environmental goals relevant to the vehicle-for-hire industry. Funding would also be held in the reserve fund to minimize the impact of vehicle-for-hire licensing revenue fluctuations on MLS’ Operating Budget. It is recommended that an initial contribution of $6.093 million is included through an in-year 2019 budget adjustment.
Research:
Reserve Funds are used to accumulate funds over time and provide a measure of financial flexibility to react to budget shortfalls or the financial impact of significant issues in a timely manner.

Since the introduction of the Vehicle-for-Hire By-law in 2016, there has been no established mechanism to cover multi-year vehicle-for-hire initiatives such as the modernization of business licensing and enforcement, or the studies required for this review. Instead, required funding is sourced on a case-by-case basis.

As the vehicle-for-hire industry continues to evolve, there are also implications for other City-adopted strategies such as the Congestion Management Plan. Future studies and initiatives are required to determine the potential impact or interactions with these City-adopted goals.

In addition, MLS' Operating Budget is currently vulnerable to the variability in the vehicle-for-hire industry. Since 2016, there has been considerable variance in the volume of PTC licence applications and trip fees. It is difficult to determine the future growth and evolution of this industry, and MLS has dedicated substantial licensing and enforcement resources as a result. A reserve fund would mitigate the potential impact of licensing revenue fluctuations on the overall operating budget of MLS.

With the proposed Accessibility Fund Program, the reserve fund will ensure stability, and will enable funds to be set aside to support the long term goal of achieving an inclusive and accessible vehicle-for-hire industry as endorsed by City Council in 2016 and required under AODA.

To ensure resources would be focused on initiatives related to the vehicle-for-hire industry, it is appropriate to align and limit the use of the proposed Vehicle-for-Hire Reserve Fund to initiatives that meet the criteria outlined in Attachment 6.

The proposed Vehicle-for-Hire Reserve Fund would be funded initially through an in-year budget adjustment to the MLS Operating Budget ($6.1 million) and afterwards, through annual budget contributions from MLS including the proposed regulatory charges on licensees that do not provide wheelchair-accessible vehicle-for-hire services.

6. Taxicab Operator

In 2016, City Council adopted a new licence category called taxicab operator. A taxicab operator is any person, other than a vehicle-for-hire driver operating a taxicab, who manages, rents out, controls or otherwise has custody of a taxicab, and has been given this permission on behalf of the taxicab owner. The intention of the taxicab operator licence was to ensure that anyone who manages a taxicab on behalf of a taxicab owner is licensed appropriately under the By-law. Today, these individuals are referred to as "Designated Agents" and they are licensed as vehicle-for-hire drivers. However, many agents do not drive taxicabs. The taxicab operator licence allows MLS to properly identify who is operating a taxicab on behalf of a taxicab owner, and investigate and enforce against mismanagement of a taxicab. Overall, this enables greater
accountability in the industry. However, this licensing category has not been operationalized due to the use of "Designated Agent" in the By-law.

Proposed Changes:
It is recommended that the provisions regarding designated agents are removed to clarify the role of Taxicab Operator, and ensure that only individuals permitted to manage taxicabs on taxicab owners' behalves will be licensed as Taxicab Operators.

Research and Consultations:
Currently, Designated Agents can be named by taxicab owners to have concurrent management responsibilities under the By-law; however, there is no licensing category for this purpose. Agents simply obtain a vehicle-for-hire driver's licence. It is intended that the newly created Taxicab Operators Licence is required where taxicab management and control has been designated to an individual who is not the taxicab owner.

By deleting the by-law provisions as they relate to Designated Agents, all agents would be required to obtain a Taxicab Operator licence. This would ensure that the only individuals permitted to manage taxicabs on taxicab owners' behalves will be licensed under the By-law as Taxicab Operators. This provides regulatory oversight and ensures that the person actually operating the taxicab, if not the owner, is doing so responsibly and is held accountable for the maintenance of the taxicab.

7. Technical Amendments
As part of the review process, several technical amendments were identified that would further enhance the licensing and enforcement of the vehicle-for-hire industry. The technical amendments are noted in Table 5 below. This report also recommends that City Council authorize the City Solicitor and the Executive Director, MLS to make such technical and stylistic amendments to the by-law as required to give effect to City Council’s decision.

Table 5: Proposed technical By-law amendments and rationale

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<thead>
<tr>
<th>By-law Amendment</th>
<th>Rationale</th>
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<tr>
<td>Add a provision stating that no PTC vehicle shall have a colour scheme used by a taxicab brokerage.</td>
<td>Currently, this provision only applies to taxicab brokerages. However, there have been instances where previously used taxicab vehicles are being transitioned to PTC vehicles. Although taxicab equipment has been removed (such as roof lights and lettering), they still resemble a taxicab and may confuse the public into believing they are available for street hails.</td>
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<td>Add a provision that PTC drivers shall be civil and well behaved.</td>
<td>Currently, this provision exists for VFH drivers only. MLS recommends extending this provision to include PTC drivers to ensure consistent expectations for driver behaviour across the vehicle-for-hire industry, but removing the requirement to be &quot;properly dressed, and neat and clean in person&quot; as it is overly prescriptive, and may be covered under &quot;civil and well-behaved&quot; if required for compliance.</td>
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<td>Amend the section on civility and oversight of taxicabs and limousines to remove the requirements to be properly dressed, and neat and clean in person, and maintain that drivers shall be civil and well-behaved.</td>
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<td>Add a provision that provides the Executive Director, Municipal Licensing and Standards with the authority to sign the Data Sharing Agreement and Indemnification Agreement for PTCs.</td>
<td>To sign a document on behalf of the City, an official must have authority granted to them by Council resolution or a by-law. Chapter 546 gives the Executive Director general authority to require applicants to submit certain documents or forms, but not to bind the City in an agreement. As a result, the current process is administratively burdensome as it requires sign-off from the Chief Financial Officer and the City Clerk.</td>
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<td>Add a provision that speaks to the audit and investigation authority of MLS.</td>
<td>With respect to business records, the audit and investigative powers of MLS are explicitly stated for PTC records only. As enhanced data requirements will be required for all vehicles-for-hire, particularly for the Accessibility Fund Program, the audit and investigative powers for enforcement and compliance purposes should be expanded to include records from all licensees.</td>
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<td>Add a provision to state that upon renewal, a registered vehicle must be associated with a taxicab plate.</td>
<td>Currently, it is possible for a taxicab owner to renew their licence without a registered vehicle being attached to a plate. However, under the By-law, MLS may also require a Taxicab Owner to appear before the TLT if a taxicab has not been actively operated for the public for two full shifts daily for at least five days during any seven-day period. To confirm that a taxicab should be operating, in accordance with the By-law, it is recommended that a registered vehicle must be associated with a taxicab plate upon renewal.</td>
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<td>Add an offence for any PTC driver who allows a driver who is not licensed under this chapter to use a licensed vehicle.</td>
<td>Currently, there is no explicit offence for a PTC driver allowing a non-licensed driver to use their vehicle/app. While it is still possible to charge a PTC driver for this contravention, adding a specific offence simplifies and clarifies the intent of the section.</td>
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<td>Remove the section which prohibits a vehicle-for-hire driver from parking on any highway except at a location designated and marked as a taxicab stand by an authorized sign.</td>
<td>This is covered under a separate parking by-law and enforceable against any illegally parked vehicle by way of Part II ticket (for which MLS by-law enforcement officers are not allowed to issue). As a result, the short-form wording for a set fine was rejected by the Ontario Court of Justice.</td>
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<td>Remove the word &quot;first&quot; from the section on restrictions on taxicabs refusing services.</td>
<td>Removing the word &quot;first&quot; clarifies that it is an offence to refuse service to anyone, unless one of the six reasons under § 546-100A are met and recorded in their operator log.</td>
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<td>Remove &quot;on request&quot; from the section on flat fares and airport fares to make it the responsibility of drivers/owners to offer the flat rate to the airport.</td>
<td>MLS has received complaints that taxicab drivers are not informing passengers of the available flat rate to the airport. Currently, the onus is on the passenger to request the flat rate, even though passengers may not be aware of its existence. Switching the onus to drivers ensures that passengers are aware of the flat-rate option.</td>
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<td>Amend the powers of the Toronto Licensing Tribunal to confirm that it has the power to refuse to issue a licence as set out in its mandate.</td>
<td>The section on Toronto Licensing Tribunal hearings does not explicitly state that the Toronto Licensing Tribunal has the power to refuse to issue a licence. However, this is part of their mandate, and it is consistent with the Toronto Licensing Tribunal's other powers.</td>
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<td>Amend the provision of insurance to ensure that each limousine with a seating capacity of more than seven passengers is insured under a policy of automobile insurance as required under the Public Vehicles Act.</td>
<td>Under the provincial Public Vehicles Act, any vehicle with a seating capacity of eight to twelve passengers must have automobile insurance in the amount of $5,000,000.</td>
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<td>Amend the Taxicab Bill of Rights to include a section that states that taxicab drivers cannot refuse service to an individual with a mobility or non-mobility disability, where service can be accommodated; and cannot refuse service to an individual being accompanied by a service animal, by reason only of the presence of a service animal.</td>
<td>Throughout the consultation process, staff heard from members of the public that, despite being prohibited in the By-law, fare refusals continue to occur for individuals with disabilities, including those accompanied by service animals. To help further address this, staff recommend updating the Taxicab Bill of Rights to more specifically outline the requirement that taxicab drivers have to accommodate individuals with disabilities and to accept fares where the individual is accompanied by a service animal.</td>
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<td>Amend the section on custodian of corporations to remove &quot;employees,&quot; and add &quot;director&quot; in its place.</td>
<td>Every owner shall designate an &quot;officer or director&quot; to be responsible for maintaining custody and control over a taxicab. As officers and directors are named within corporate documents, and not employees, officers and directors shall be held legally responsible.</td>
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<td>Amend MLS inspection powers to confirm that this extends to vehicles.</td>
<td>This strengthens the ability of by-law enforcement officers to inspect vehicles under Chapter 546. This was previously covered under general inspection powers in Chapter 545, Business Licensing.</td>
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By-law Amendment | Rationale
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Amend the section on PTC record keeping to include the total time (measured in hours and minutes for each calendar day) that the PTC driver was available to provide transportation services through the platform and itemized into specific levels of status including, but not limited to, offline, open, en-route and on trip. | Currently, PTCs are only required to provide “total time” for period 1, 2 or 3. However, for enforcement purposes, a breakdown is required to determine the status of the driver at the time of inspection.

Amend the section on mechanical inspections to require that all vehicles-for-hire are inspected prior to transportation service; and once every twelve months. | Currently, the By-law provides for mechanical inspections to be conducted based on kilometres driven at time of renewal; however, this does not reflect that vehicles may be registered at any time of the year. This regulation implies vehicles are registered as taxicabs on the licence renewal dates. MLS recommends that safety standards certificates are required prior to providing transportation service, and annually, from date of vehicle registration. The By-law provides other inspection powers if there is reasonable, and probable ground to believe a vehicle is mechanically defective.

8. Information on Standard Taxicab Licensing Fees

In 2016, City Council directed MLS to review the feasibility of lowering annual renewal licensing fees for Standard Taxicabs by 75%. Based on the 2019 standard taxicab licence fee of $984.16, reducing it by 75% would result in a negative budget pressure of $3.35 million, which would need to be offset through other revenue sources, or through expenditure control measures, which would include the elimination of enforcement positions. As required by the City of Toronto Act, MLS licensing fees are based on a cost recovery model. To ensure the Standard Taxicab licence continues to reflect cost-recovery, MLS does not recommend a reduction by 75%.

Other Related City Initiatives

Automated Vehicles Working Group

Automated Vehicle (AV) technology is rapidly advancing and changing the automotive landscape, which may have future implications on the vehicle-for-hire industry in Toronto. AVs are vehicles that use computers and sensors to understand their environment and drive themselves with varying degrees of input from a human driver.

Despite its rapid development, there is much uncertainty around if and when full adoption of AVs will take place. There are still many barriers to this – such as cost and the willingness of consumers to adopt. However, there are many potential impacts that policymakers should consider in preparation for the coming technology, such as: access and accessibility; equity; environment and emissions; road safety; affordability and efficiency; traffic and congestion; data, security and privacy. Given the complexity of these issues, all levels of government will need to be involved in the development and deployment of AV technology, although each with different roles and responsibilities.
There are two potential scenarios to consider with respect to the future of AV adoption. While AVs may someday be purchased by individuals and households (for example, personal ownership), they may also take the form of privately owned shared fleets (for example, mobility-as-a-service). While these scenarios are not mutually exclusive, some PTCs that currently provide vehicle-for-hire services, such as Lyft and Uber, have already begun developing and testing AV technology. In fact, Lyft is currently piloting rides in AVs with human safety operators in Las Vegas. As such, the development of AV technology, particularly as it relates to the provision of mobility services, will be an important consideration for the City of Toronto moving forward.

City of Toronto’s AV Working Group
In 2015, Transportation Services commissioned David Ticoll of the University of Toronto to write a white paper entitled, "Driving Changes" – which served as the basis for important discussions within the municipality on mobility, safety, and equity; the built environment; information and data; and economic development and impact. From those discussions, an interdivisional working group on AVs was established by senior management and a work plan was initiated.

The AV Interdivisional Working Group (IDWG) is led by Transportation Services and is comprised of multiple City divisions, including MLS, to assist with the development of the tactical plan and City's overall goals related to AVs. To date, the IDWG has built a detailed City-wide Tactical Plan, conducted extensive public and stakeholder consultation, and brought together a panel of AV experts from around the world to inform the City's direction on ensuring an AV-smart transportation plan. The AV Tactical Plan is expected at the Infrastructure and Environment Committee in Q4 2019.

MLS will continue to work collaboratively with other City divisions, and monitor progress of autonomous vehicle technology developments and their potential impact of the vehicle-for-hire industry as well as Chapter 546, Licensing of Vehicles for Hire, and any other businesses and/or vehicles licensed through MLS.

Vision Zero
Toronto’s Vision Zero Road Safety Plan (2017 - 2021) is a bold pledge to improve safety across our city using a data-driven and targeted approach, focusing on the locations where improvements are most needed. The City is committed to Vision Zero and its fundamental message: fatalities and serious injuries on our roads are preventable, and we must strive to reduce traffic-related deaths and injuries to zero.

Staff are currently in the process of preparing Vision Zero 2.0, the first major update to the Vision Zero Road Safety Plan. Vision Zero 2.0 will be presented to Council in July 2019 and proposes a key set of initiatives required to achieve meaningful reductions in serious injury and fatal collisions in the next five years (2020-2024).

MLS will continue to work with the Vision Zero team as part of the implementation of Vehicle-for-Hire By-law changes, including developing detailed criteria for training and the introduction of "Watch for Bike" notices for PTCs and limousines.
Next Steps and Implementation

It is recommended that the proposed changes to the Vehicle-for-Hire By-law come into effect on January 1, 2020 providing a period of approximately six months for staff to update licensing, administration, communications and compliance plans.

Several back-end technology improvements will require additional time, and are being considered as part of the 2020 MLS work plan, including:

- Creating a system, and process for the collection of taxicab and limousine data; and
- Enhancing the current system that collects, and reports on data collected for PTCs.

Staff will collaborate across relevant City divisions and work with industry stakeholders to develop a detailed implementation plan. The implementation plan will include components related to IT, administration, communications, compliance, and enforcement.

Staff will report back on progress and program outcomes as required.

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SIGNATURE

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Executive Director, Municipal Licensing and Standards
## ATTACHMENTS

Attachment 1 - Jurisdictional Scan  
Attachment 2 - Third Party Public Opinion Research  
Attachment 3 - Accessibility Strategy Research and Consultation Summary  
Attachment 4 - The Transportation Impacts of the Vehicle-for-Hire Industry - Executive Summary  
Attachment 5 - Economic Impact Analysis of Toronto's Taxicab, Limousine, and Private Transportation Companies - Executive Summary  
Attachment 6 - Criteria Sheet for Vehicle-for-Hire Reserve Fund