



TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE MEETING ON JANUARY 23, 2018
FROM:	G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT & COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL
SUBJECT:	VEHICLE FOR HIRE BY-LAW - SIX MONTH STATISTICS

RECOMMENDATION

That, on the recommendation of the Managing Director, Development & Compliance Services and Chief Building Official, Civic Administration **BE DIRECTED** to report back on ridership and licensing statistics after a full year implementation (April 2018) of the Vehicle for Hire By-law.

BACKGROUND

On January 31, 2017, Municipal Council resolved that Civic Administration report back to the Community and Protective Services Committee with an analysis and evaluation of whether or not the fees are covering all associated costs incurred by the City within six months of implementation of the new Vehicle for Hire By-law.

The Vehicle for Hire By-law was passed on February 14, 2017 and came into force and effect on April 4, 2017. The By-law includes schedules for Drivers, Owners, Brokers, Fares and Fees.

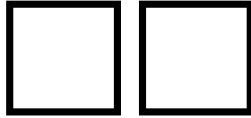
For flexibility purposes, all Driver licence fees are collected on variable renewal periods ranging from three months to two years.

Cab and Limousine Owner Licences are renewed annually in October. Broker (including Transportation Network Companies (TNC)) licences are also renewed annually in October. In addition to a Broker fee, TNCs pay an additional fee of 11 cents per Trip.

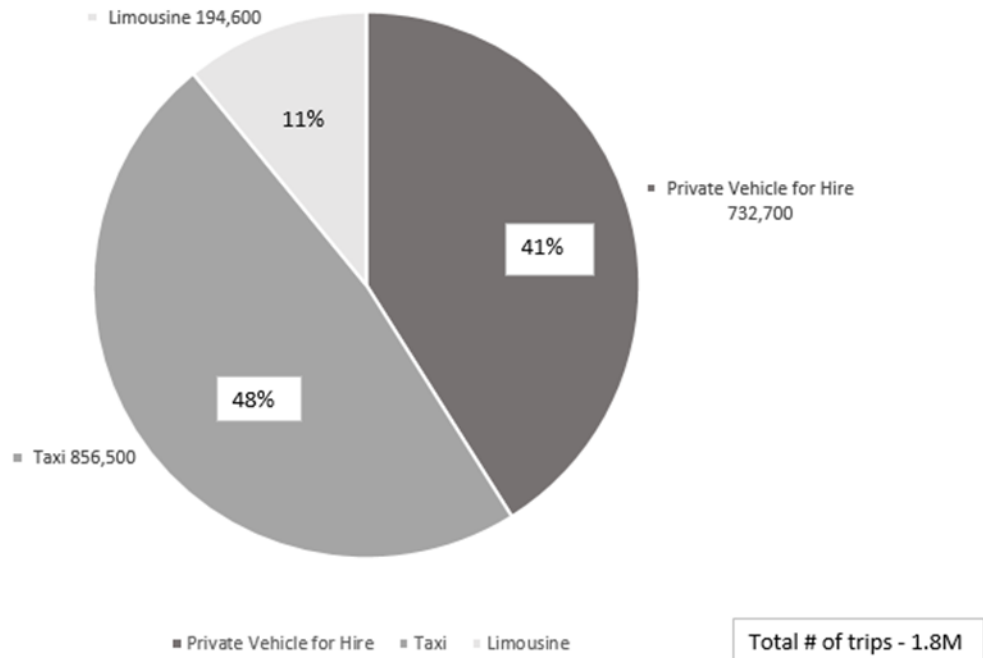
The following presents some vehicle for hire statistics:

- # of licensed cab/limousine drivers – 1,085
- # of licensed private vehicle for hire drivers – 2,591
- # of licensed cab owners – 367
- # of licensed limousine owners – 90
- # of licensed brokers – 5
- # of licensed TNCs – 1

The following chart represents the number of rides provided by vehicle category:



Vehicle for Hire Industry
 Number of trips provided between April - Sept 2017



For the first six months of implementation of the new by-law (April – September), a total of \$252,600 in fees were collected. Of this total, private vehicle for hire fees accounted for \$ 182,000 and cab/limousine fees accounted for \$70,600.

As with the implementation of any new By-law, there are initial higher process “start-up” costs. On April 5, 2017, one day after the by-law came into effect, 975 private vehicle for hire driver applications were received from Uber. As staff began to process the applications, changes were being implemented both on the City’s end and from the applicant to establish a paperless and seamless applications and approvals process. It would be reasonable to conclude that the costs of administration during the initial application period are not anticipated to continue as the weekly number of driver applications has been reduced to a manageable volume.

Civic Administration previously estimated that the annual cost of administering and enforcing the new By-law would be an additional \$290,000. This was based on a reallocation of resources as no new administration or enforcement staff were hired. Given the fees collected during the initial six months, it would be reasonable to conclude that annual fees anticipated to be collected will cover the reallocated costs.

It is difficult and unjustifiable to recommend any changes to fees based on an initial six month analysis for the following reasons:

- Cab and Limousine owner renewals are collected annually in October and are not reflected in the above six month statistics;
- Broker and TNC renewal fees are collected annually in October; Uber has paid for the initial six month period and again in October (\$100K);
- Data for the most busiest ridership months (November - December) is not reflected in the above statistics;
- Another TNC (Lift) has entered the Ontario vehicle for hire market and is expected to be operational in London.

--	--

It would be practical to report back after one year of implementation of the Vehicle for Hire by-law at which time a full year of data will be available as justification for any recommendations for changes to the Fee schedule. Civic Administration will be reporting back in Q2 2018 on potential changes to the number of cab owner licences and could report back simultaneously at that time with full one year implementation statistics.

PREPARED BY:	RECOMMENDED BY:
OREST KATOLYK, MLEO (C) CHIEF MUNICIPAL LAW ENFORCEMENT OFFICER	GEORGE KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT AND COMPLIANCE SERVICES & CHIEF BUILDING OFFICIAL