



ADMINISTRATIVE REPORT

Report Date: March 16, 2012  
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Meeting Date: March 27, 2012

TO: Standing Committee on City Finance & Services  
FROM: General Manager of Community Services  
SUBJECT: Application for Additional Peak-Period Taxi Licenses

**RECOMMENDATION**

- A. THAT Council support the Vancouver taxi companies application to the Passenger Transportation Board for permits for 99 additional taxicabs to improve service during weekend evenings and other peak demand days;
- B. THAT Council direct staff to continue to work with the Vancouver taxi companies on other operational measures to improve service to customers at peak periods; and
- C. THAT Council ask the Passenger Transportation Board to set requirements for ongoing and standardized reporting metrics for taxi companies on trip volumes, wait times and taxicab availability for the purpose of evaluating taxi service levels and the impacts of changes in taxi service.

**REPORT SUMMARY**

This report recommends that Council support an application by the four Vancouver taxi companies to the Passenger Transportation Board (PTB) for an additional 99 taxis to operate on weekend evenings and other peak demand days, including Firework nights, Halloween, New Years Eve and high volume cruise ship days. These 99 taxis would replace the current 65 temporary taxi licences that have been operating for the past year on a pilot basis. The additional taxis will support the City's sustainability objectives, will deal with a service issue related to a lack of available transportation services during late night hours on Fridays and Saturday evenings and will help deal with Police safety concerns with respect to crowd management in the Granville Entertainment District.

In 2011, the Vancouver taxi companies received PTB approval for an additional 65 taxis on the road during the peak period times listed above as a pilot project to test the ability of the extra taxis to serve peak demand periods for taxi service in the City. Findings of a study carried out by the UBC Sauder School of Business of the peak demand and supply of taxis in the Granville Entertainment District during the pilot revealed a substantial improvement in taxi service. This conclusion was reached further to a thorough analysis and evaluation of multiple sources of data, including taxi customer surveys, screen-line vehicle counts and dispatch data.

Given the positive findings with the pilot project, staff recommend support of the PTB application. Additionally, this report recommends that staff continue to work with the Vancouver Taxi Roundtable on other operational measures to improve service to customers at peak periods and that the Passenger Transportation Board be requested to set requirements for ongoing and standardized reporting metrics for taxi companies for the purpose of evaluating future taxi service levels and the impacts of changes in taxi service.

### *COUNCIL AUTHORITY/PREVIOUS DECISIONS*

On November 16, 2010, Council directed staff to work with the Vancouver Taxi Roundtable and other stakeholders and to report back with recommendations on measures to improve service to customers at peak periods, including but not limited to possible temporary licenses.

On March 3, 2011, Council requested staff to report back on the details of any pending applications for increased taxi service before the Passenger Transportation Board along with recommendations for consideration by Council after consultation with the Taxi Roundtable. Council noted that such applications should be reviewed in the context of emerging strategies to improve taxi services throughout the city that are supportive of the established taxi operations licensed by the City.

### *GENERAL MANAGER'S COMMENTS*

The General Manager of Community Services supports the foregoing recommendations.

### *REPORT*

#### *Background/Context*

In February 2011, the four local taxi companies submitted applications to the PTB to operate a total of 65 additional vehicles in Vancouver over a 6 month period (April 2011 - October 2011) as a pilot project. The application proposed operating vehicles for limited periods only as follows:

- Friday and Saturday evenings
- High passenger volume days at the cruise ship terminals
- Celebration of Lights summer fireworks festival evenings

On March 3, 2011, Council approved a motion to advise that while the City's comprehensive review at the Taxi Roundtable of initiatives to address the issues of

improving service to the public was incomplete, it was not opposed to the issuing of the permits on a 6-month pilot basis. Furthermore, Council requested that the PTB require an appropriate metric based evaluation of the pilot to inform future initiatives to improve service to the public. Subsequently, the PTB approved 65 taxi temporary operating permits (TOPs) for the four Vancouver taxi companies. These permits have been extended by the PTB and are currently operating in the City.

In July, 2011, 16 non-Vancouver taxi companies in the Greater Vancouver Regional District submitted an application to operate 15% of their fleet in the City of Vancouver on Friday and Saturday evenings and other peak days. As there was insufficient time to prepare a Council report at that time, staff forwarded comments to the PTB suggesting that consideration of these applications from suburban taxi companies was premature in light of the TOP pilot project underway at the time. Staff advised that the ability of the 65 additional part-time Vancouver cabs to improve peak period service demand should be evaluated first before consideration is given to outside taxi companies' attempt to resolve Vancouver's peak-period taxi issues. The applications from the 16 suburban taxi companies are still before the PTB for a decision and the PTB is not taking further submissions on these applications at this time.

In January, 2012, the four Vancouver taxi companies submitted an application to the PTB to operate an additional 99 vehicles on weekends and select special days on a permanent basis. This is a more permanent solution to the peak period demand as the 99 permanent part-time licences are intended to replace the 65 temporary part-time licenses that have been operating since April, 2011 and would add another 34 part-time taxis over the current levels. This would augment the 588 permanent taxis operating in the City on a full-time basis.

The PTB's input submission deadline on these applications is March 8, 2012, however, staff have been advised that in light of the City's intent to proceed to Council with a report on March 27<sup>th</sup>, the PTB will allow the City until April 10, 2012 to provide input. There is no regulatory obligation for the City to provide input, but Council has requested that this be provided given the importance of adequate taxi service in Vancouver.

### *Strategic Analysis*

The City recognizes that taxis are a vital part of Vancouver's transportation system. They offer a flexible, lighter footprint travel alternative to personal vehicle use and a safe alternative to drinking and driving. Many citizens rely on taxis to get around Vancouver as an extension to public transit and walking trips. Taxis also serve as a supplementary on-demand service to TransLink's HandyDART for people with a permanent or temporary disability and those who do not find walking, cycling and conventional public transit feasible. As part of the consultation work that was done for the City's Transportation Plan Update in 2011, staff heard from some stakeholder groups that there should be more taxis during peak periods, particularly during late night/early morning hours when transit service coverage is minimal. The proposed application for more taxi licences identified in this report responds to that concern. The Vancouver Police Department also rely on taxis as a key part of the strategy to deal with crowd management in the Granville Entertainment District. It is important

from a safety perspective to disperse crowds leaving the bars after closing hours in a fast and orderly manner.

As part of their approval of the 65 TOPs, The PTB requested the Vancouver taxi companies to develop a methodology and data collection process to monitor the results of the pilot. To evaluate service improvements resulting from the increased TOPs during the pilot, the Vancouver taxi companies commissioned a study by the UBC Sauder School of Business.

The study used multiple points of reference, including:

- Data from company dispatch systems
- Taxi customer surveys in the Granville Entertainment District
- Screen-line taxi counts at specific downtown locations.

The study's findings [report "*Peak Demand and Supply of Taxis In Vancouver's Downtown Entertainment District Final Report - Garland Chow*"] demonstrated positive results with the pilot. Key results are as follows and pertain to service impacts during the 10pm to 4am time period on weekend evenings:

Metric	Change	Conclusion
<b>Trips</b>		
Available taxis	+11%	More taxis available Fri/Sat evenings
Total number of trips	+10%	Total numbers of trips increased commensurate with increased supply (based on data from Yellow Cabs)
Taxis available for pickup (screen line counts)	-2%	Fewer taxis available for pickup indicate a greater utilization of taxis even with more on the road
<b>Wait Times</b>		
Dispatch time -downtown trips -from dispatch data	-7%	Reduced wait times downtown (16.5min to 15.3 min)
Dispatch time -downtown trips -from customer feedback	-21%	Reduced wait times downtown (30.6min to 24.1min) (includes time taken for customer to get through to taxi company)
Dispatch time -all trips -from dispatch systems	-0%	No change in dispatch time from other areas of the City
Time to flag a taxi downtown	-6%	Slight improvement in time to flag a taxi (by 1min)
<b>Patron satisfaction rating</b>		
Patrons rating of very satisfied and satisfied	63% to 71%	Increase in patron satisfaction with taxi service (entertainment district)

These findings indicate that the number of taxi trips increased commensurate with the increase in the number of taxis on the road, wait times were down and satisfaction ratings based on surveys of patrons in the Granville Entertainment District improved. Other general findings:

- Flag trips account for the majority (88%) of trips made by taxis on weekend evenings compared to dispatched trips (12%)
- Demand for taxis in the downtown core picks up after 1:00am and peaks between 2:00am and 3:00am
- Trip refusal rate dropped from 21% of trips to 17% of trips (information from patron surveys)
- Non-Vancouver taxis with lights on (indicating availability) make up 8.8% of in-service taxis

Input from the Vancouver Police Department indicates that based on VPD Sergeant's reports from Friday and Saturday nights, there has been a noticeable improvement in the availability of taxi's in the GED compared to previous years. This service improves the ability of the Police to clear the entertainment district after bar closing hours and reduce issues associated with fighting and other disturbances. However, the VPD note that service is not consistent and on some nights there are still problems associated with a lack of taxis, service refusal and complaints about taxi drivers.

In light of the pilot project's success, staff support the continuation of additional peak period taxis. While the pilot with 65 taxis was successful, the data indicates that the additional supply was absorbed by additional demand indicating that there is room for further improvement in service with more taxis. Additionally, the Police note that service is inconsistent at times. While it is difficult to make a recommendation on a specific number of taxis that are needed, staff support the application for 99 permanent part-time cabs to improve taxi service on weekend evenings and other peak days on an ongoing basis with further metrics on the service impacts be collected.

This study highlights the importance of an ongoing system of taxi service data collection and monitoring to evaluate taxi service levels and the impacts of changes to future service. Staff believe that the PTB should require a regular system of data collection and monitoring by the taxi companies or through a third party that can collate raw data and present the data in a consistent format. This should include a future requirement for all dispatch systems to be able to track trips served by both dispatch and flag. Currently only one of the companies has this capability. Service metrics should include total trip volumes, wait times, and taxi availability.

Staff will also continuing to work with the Taxi Roundtable on other means of improving taxi service including better management of taxi stands in the Granville Entertainment District. In 2011, a sub-group of the Vancouver Taxi Roundtable met to identify a range of possible taxi service improvements. This work was put on hold pending the completion reporting out on the taxi Temporary Operating Permit pilot, but staff will now resume this work through the Taxi Roundtable. This group identified initiatives related to managed taxi stands in the entertainment district, revising driver shift change times, transit service improvements, centralized dispatching, public education and enforcement.

Staff will continue to work with the Vancouver Taxi Roundtable and other stakeholders to refine the above initiatives to arrive at the most feasible taxi peak-period service recommendations and report these back to Council as necessary.

*Implications/Related Issues/Risk (if applicable)*

*Financial*

The City's annual license fee for taxicabs operating under a temporary permit issued by the PTB is \$256. The licensing of 99 part-time taxicabs would result in an additional 34 licences above the current number of 65 and would result in additional annual revenues of \$8700 if approved by the PTB.

*Environmental*

The 99 part-time taxicabs would improve service during peak periods by increasing taxicab usage, thereby reducing reliance on private automobiles.

**CONCLUSION**

Staff recommend that Council support the Vancouver taxi companies PTB application requesting 99 additional taxicabs to improve service during weekend evenings and other peak days based on the successful results of the pilot as reported by the UBC Sauder School of Business. This report also recommends that staff to continue to work with the Vancouver taxi companies on other operational measures to improve customer service and satisfy existing demand. Staff are also recommending that Council request the PTB to set requirements for ongoing and standardized reporting metrics for taxi companies for the purpose of evaluating taxi service levels and the impacts of changes in taxi service.

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