



ADMINISTRATIVE REPORT

Report Date: March 11, 2015
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RTS No.: 10915
VanRIMS No.: 08-2000-20
Meeting Date: March 24, 2015

TO: Vancouver City Council
FROM: General Manager of Community Services
SUBJECT: Response to Council Motion on City Action to Ensure Innovative, Increased Taxi Service

RECOMMENDATION

- A. THAT Council approve an amendment to the Vehicles for Hire By-law, as described in this report and included in Appendix A, to extend the moratorium and suspend issuance of any new taxi licences until October 31, 2015.
- B. THAT Council approve an extension of the deadline for staff to respond to Council's motion of October 1, 2014, and report back to Council with a comprehensive response prior to October 31, 2015.

REPORT SUMMARY

This report brings forward a recommendation and by-law to extend the moratorium on taxi licence issuance to October 31, 2015, to enable a program of action through which a comprehensive response will be developed with the taxi industry, stakeholders and consumers of taxi services.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

On March 10, 2015 the BC Supreme Court confirmed that the City and the Passenger Transportation Board (or "PTB") have concurrent jurisdiction to regulate taxis. As such the City has the authority to regulate the number of taxis in Vancouver without the need to defer in any manner to the PTB.

The Motor Vehicle Act (Section 36, ss. 11) and the Vancouver Charter give Council the authority to regulate taxi operations and the number of taxis operating. The City does so with the Vehicles for Hire By-Law (No. 6066).

On October 1, 2014 Council resolved¹:

THEREFORE BE IT RESOLVED

- A. THAT Council affirm its commitment to ensure Vancouver's taxi service remains an industry leader in the provision of safe, timely, economical, accessible, green and innovative service.
- B. THAT Council direct staff to immediately prepare an amendment to the *Vehicles for Hire By-law* to suspend the issuance of any new licences with the exception of those referred to in C below, for a period of six months to allow for consultation with the Taxi Roundtable and other stakeholders and to report to Council at the end of that time on:
 - measures necessary to expand service, while ensuring the industry responds to the needs of consumers and stakeholders in the tourism, hospitality and the disability community through innovation and best-in-class standards for environmental standards, safety and service;
 - a process to respond to the PTB decision to allow suburban taxis to work in Vancouver during certain periods;
 - measures to ensure customers achieve the full benefits of new "ride-sharing" technology without undermining the existing industry's standards for safety, accessibility, driver training and green technology.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager and General Manager of Community Services RECOMMEND approval of the above recommendations.

REPORT

Background/Context

Taxis are a vital part of Vancouver's transportation system. They offer a flexible, cost-effective and greener alternative to personal vehicle use, provide essential service to the tourism and hospitality industry, and help to reduce drinking and driving. The quality of Vancouver's taxi service is considered industry-leading with respect to driver skills, vehicle condition, and environmental performance. The City regulates vehicle safety, driver training, consumers' service and protection and

¹ See Appendix B for full Motion.

enforces compliance to the by-law. As a result of ongoing collaboration and with the support of the taxi roundtable members, staff are bringing forward recommended updates to the Vehicle for Hire By-law under a separate report (RTS #9865). These updates will modernize and further enhance safety and customer service in taxis.

The PTB has approved 38 additional licences for suburban taxis to operate in Vancouver and may be considering more. Before changing the existing cap on the taxi licences operating in Vancouver, the City needs to consider options such as those being offered by new ride-sharing technology that will reshape the local taxi industry. At least one ride-sharing company has announced its intention to operate in the Vancouver market. These significant shifts in the industry raise important questions about maintaining the standard of timely, safe, economical and quality taxi service in Vancouver. The City has a responsibility to create evidence-based policy aligned to public interest in ensuring a broad spectrum of personal mobility. Modern and progressive taxi policy will support an inclusive, healthy and liveable city that responds to changes that have implications for vehicles for hire transport.

Strategic Analysis

In addressing the challenging goals contained in Council's motion, staff's work over the last few months has made it clear that it would be in the public interest that the broad spectrum of players affected by the aforementioned shifts in industry be given an opportunity to help develop recommendations in response to the direction of Council (including measures to ensure continuing co-operation and commitment to timely, effective implementation). Accordingly, the City has made available to the prospective participants the services of facilitator, Glenn Sigurdson, who has a reputation and proven track record in facilitating consensus amongst stakeholders in sectors facing significant change and associated conflict across Canada. He is also an Adjunct Professor and Executive in Residence at the SFU Beedie School of Business. Mr. Sigurdson with his colleague Jessica Bratty are currently working to develop an inclusive, participant-driven process to include the Taxi Roundtable, City staff and other relevant stakeholders (outlined in Appendix C) on the basis of the following steps:

Phase 1: Exploring - Assessment of a Potential Interest in Participation. Meeting with all relevant stakeholders individually or in small groups as deemed appropriate, to explain the process being contemplated, explore whether the party's interests can be advanced by participating in it, and beginning to understand and develop a list of potentially "discussable issues" in the process. At the end of this stage, a determination is made by the facilitator whether there is willingness and feasibility to proceed. These meetings are currently underway.

Phase 2: Framing - Convene the process and draft the ground rules. Involves bringing together relevant stakeholders in meeting(s) to develop a framework/set of understandings/ground rules for how it will work together over the course of the process. A key decision is made at the outset on a timeline/deadline for if and when the group will proceed to Phase 3, below. The set of understandings will reflect conversations within the group to clarify items including, but not limited to: purpose; participants; discussable issues; relevant information required; how meetings will be

organized, scheduled and recorded; interactions with media etc. The first meeting is scheduled for March 26, 2015.

Phase 3: Agreeing - Managing the process and crafting the agreement. This is where the work of dealing with the substantive issues and attempting to develop consensus begins. It is anticipated that a good deal of work will be completed by parties between meetings by working groups, and a likely area of early exploration will be in developing a commonly acceptable information base.

Phase 4: Implementing the agreement and monitoring results.

City staff will be concurrently researching best practice in other jurisdictions, available benchmarking data, and other evidence to inform and support these efforts to enable the fulfillment of the direction of Council.

In order to allow the above-discussed process sufficient time to continue and hopefully succeed, staff recommends that the moratorium on taxi licences be extended to October 31, 2015.

CONCLUSION

The City is committed to ensuring Vancouver's providers continue maintaining and improving their high level of safety, environmental performance and consumer service. Changes underway in the taxi industry require the City to evaluate and respond quickly, while also safeguarding the highest possible performance standards. Over the next several months staff will continue to engage with the taxi industry, various stakeholders and the public to create a policy that ensures the best interests of Vancouverites. Staff will report back to Council with comprehensive policy prior to October 31, 2015.

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BY-LAW NO. _____

**A By-law to amend Vehicles for Hire By-law No. 6066
regarding licences for taxicabs and dual taxicabs**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law amends the indicated provisions and schedules of the Vehicles for Hire By-law No.6066.
2. In section 7 (5), at the end, Council strikes out "March 31" and substitutes "October 31"
3. A decision by a court that any part of this By-law is illegal, void, or unenforceable severs that part from this By-law, and is not to affect the balance of this By-law.
4. This By-law is to come into force and take effect on the date of its enactment.

ENACTED by Council this _____ day of _____, 2015

Mayor

City Clerk

Council Motion, October 1, 2014

WHEREAS

1. The City of Vancouver has long had a taxi policy framework with a view to ensuring the best possible service at a reasonable cost, delivered by an industry committed to the highest possible standards for safety, innovation, accessibility and environmental sustainability;
2. Vancouver's taxi industry has become an industry leader in smartphone dispatching systems, driver training, vehicle cleanliness, safety, and low emission vehicles;
3. Recent court decisions have emphasized the city's responsibility, along with the Passenger Transportation Branch (PTB), to regulate the industry; and
4. The PTB's decision to approve temporary operating permits in Vancouver to certain suburban taxi companies, along with the declared intention of so-called "ride-sharing" companies to enter the market with or without City and PTB approval, mark a fundamental change in the industry that threatens existing standards and operators without ensuring appropriate standards for timely, safe, economical quality service.

THEREFORE BE IT RESOLVED

- A. THAT Council affirm its commitment to ensure Vancouver's taxi service remains an industry leader in the provision of safe, timely, economical, accessible, green and innovative service.
- B. THAT Council direct staff to immediately prepare an amendment to the *Vehicles for Hire By-law* to suspend the issuance of any new licences with the exception of those referred to in C below, for a period of six months to allow for consultation with the Taxi Roundtable and other stakeholders and to report to Council at the end of that time on:
 - measures necessary to expand service, while ensuring the industry responds to the needs of consumers and stakeholders in the tourism, hospitality and the disability community through innovation and best-in-class standards for environmental standards, safety and service;
 - a process to respond to the PTB decision to allow suburban taxis to work in Vancouver during certain periods;
 - measures to ensure customers achieve the full benefits of new "ride-sharing" technology without undermining the existing industry's standards for safety, accessibility, driver training and green technology.

- C. THAT Council affirm its support for the Vancouver Taxi Association's proposal to add 78 full-time accessible taxis to the city fleet which is now under PTB review, immediately inform the PTB of that support and expedite licenses through a report to Council if the PTB approves this proposal.

List of Current and Future Stakeholders

Vancouver Taxi Association
Yellow Cabs
Black Top Taxi
MacLure's Cabs
Vancouver Taxi
North Shore Taxi
Delta Sunshine and Tsawwassen Taxi
Newton Whalley Taxi
Kimber Cabs
Sunshine Cabs
Guildford Cab
BC Taxi Association
Tourism Vancouver
Passenger Transportation Branch
Justice Institute
Vancouver Economic Commission
Association of Beverage Licenced Establishments
Vancouver Liquor Primary Association
City of Vancouver BIA Liaison Committee
BC Hotel Association
Vancouver Board of Trade
BC Chamber of Commerce
Vancouver Police Department Taxi Detail
Uber
Port Metro Vancouver
CERES Cruise Terminals
Community Centres and Neighbourhood Houses
All Business Improvement Areas (though special BIA Committee)