



POLICY REPORT

Report Date: June 24, 2019
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Meeting Date: October 2, 2019

TO: Standing Committee on City Finance and Services

FROM: General Manager of Engineering Services and Chief Licence Inspector

SUBJECT: Adapting to Provincial Legislative Changes Related to Passenger Directed Vehicles

RECOMMENDATION

- A. THAT Council approve the street management policies that support the introduction of ride-hailing vehicles and continue to support the operation of taxis and limousines in Vancouver as outlined in this report.
- B. THAT Council approve the business licensing policies that support the introduction of ride-hailing vehicles and continue to support the operation of taxis and limousines in Vancouver as outlined in this report.
- C. THAT Council direct staff to work with other municipalities in Metro Vancouver and with TransLink to develop an inter-municipal business licence for Transportation Network Services (TNS) and limousine companies.
- D. THAT Council approve, in principle, changes to the Street and Traffic By-law No. 2849 as detailed in this report and Appendix A;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Street and Traffic By-law No. 2849 as generally outlined in Appendix A.
- E. THAT Council approve, in principle, changes to the Licence By-law No. 4450 as detailed in this report and Appendix B;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Licence By-law No. 4450 as generally outlined in Appendix B.

- F. THAT Council approve, in principle, changes to the Vehicles for Hire By-law No. 6066 as detailed in this report and Appendix C;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Vehicles for Hire By-law No. 6066 as generally outlined in Appendix C.

- G. THAT Council approve, in principle, changes to the Parking Meter By-law No. 2952 as detailed in this report and Appendix D;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Parking Meter By-law No. 2952 as generally outlined in Appendix D.

- H. THAT Council approve, in principle, changes to the Granville Mall By-law No. 9978 as detailed in this report and Appendix E;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Granville Mall By-law No. 9978 as generally outlined in Appendix E.

REPORT SUMMARY

Ride-hailing is a consumer-friendly service that increases travel options, can provide first and last mile connections to transit, and has the potential to reduce impaired driving and contribute to car-free and car-light lifestyles. However, as ride-hailing services have rolled out in North America and the world, many municipalities are reporting increases in vehicle trips and congestion, declining transit ridership and reduced walking, cycling and transit trips (Appendix F). Increased curb activity in active travel areas can also impact the safety of vulnerable road users. These outcomes are in direct contradiction with the City's Climate Emergency Response and Congestion Management Strategy goals.

Provincial legislation to enable ride-hailing in BC came into force on September 16, 2019. Under this legislation, a ride-hailing vehicle is considered a Passenger Directed Vehicle (PDV), a class of vehicle that also includes taxis and limousines. In Provincial legislation, the companies that offer ride-hailing services are referred to as "Transportation Network Services" (TNSs). As of September 18, 2019, nine TNS companies have applied to operate in the region that includes Vancouver.

The Province has reduced the municipal authority to regulate Passenger Directed Vehicles. The Province now has sole authority to regulate fleet size and operational boundaries, to set vehicle standards, and to issue driver Chauffeur Permits; however, the City has retained the ability to issue business licences and regulate street use and traffic.

Using the ride-hailing principles approved by Council in January 2019, the City's Climate Emergency response, and other relevant City policies, staff have conducted a review of the Provincial legislation and regulations to determine where City objectives have, and have not, been addressed. Where they have not, staff have proposed a series of policy

and by-law changes using the business licencing and street management authorities still available to the City.

To manage streets and congestion staff are recommending the introduction of a Congestion and Curbside Management Permit (CCMP) the ride-hailing services will be required to access any curb side within the Metro Core for passenger pick up and drop off between 7 AM and 7 PM to temper the demand for vehicle-based transportation during this already congested window. The recommended fee is \$0.30 per pick up and \$0.30 per drop off; however, for zero-emission and accessible vehicles, this fee will be discounted by 50% and 100%, respectively.

Using field observations as well as the data provided by companies operating passenger directed vehicles, staff will evaluate the impact of taxis and ride-hailing vehicles on Vancouver's transportation network. Depending on the results of this evaluation, the CCMP can either be lowered or increased through a future by-law amendment by Council.

Additional on-street management measures recommended to improve safety and address congestion include:

- increasing the number of passenger pick-up and drop-off zones;
- working with ride-hailing companies to optimize pick up and drop off activity in high demand areas through a virtual perimeter incorporated into ride-hailing apps to re-direct passengers to designated passenger zones (often referred to as "geofencing"); and,
- continuing to maintain existing taxi zones and allow taxis in bus lanes, subject to further review.

For business licences, staff recommend a consistent licensing scheme for all ride-hailing, taxi, and limousine companies to provide a level playing field. Companies would be licensed and each vehicle operating in Vancouver under their licence would be registered. A key condition of this licence is the requirement to submit monthly trip and vehicle data that would be used for monitoring traffic impacts, to audit the CCMP, and to support transportation planning efforts. Additionally, similar to all businesses, companies would be responsible for ensuring that vehicle operators comply with all City by-laws including compliance with the proposed CCMP. Licensing fees are proposed at \$155 for a company licence plus \$100 per vehicle. To incentivize vehicles that align with City priorities, there will be no annual fee for wheelchair accessible and zero emission vehicles.

Staff also recommend that the City work with the Province, TransLink and other municipalities to coordinate licensing requirements and work toward an inter-municipal business licence for ride-hailing companies and limousine companies; these companies are authorized by the Passenger Transportation Board to operate within regional rather than municipal boundaries.

To support the policies and actions outlined in this report, amendments to the Street and Traffic By-law, the Licence By-law, the Granville Mall By-law, Vehicles for Hire By-law, and the Parking Meter By-law are required to enable the proposed regulations be enacted immediately so that ride-hailing companies may be licensed to operate, taxi and

limousine companies may renew licences under the new fee structure and street use management tools can be put into place.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

In 2012, Council approved Transportation 2040, providing a foundation for future transportation policy and investments.

In 2012, Council approved a motion that permits taxis to travel, but not stop, in bus lanes on a trial basis. In 2013, Council regularized this change.

In 2014, Council approved a motion to suspend the issuance of new taxi licences. Staff were directed to consult with the Taxi Roundtable and other stakeholders on measures necessary to expand service and meet evolving customer demands and to determine how to sustainably achieve the full benefits of new ride-share technology.

In 2015, Council agreed to urge the Ministry of Transportation, the Passenger Transportation Board, YVR, the taxi industry, TransLink and other stakeholders to establish a renewed regional policy direction. Council also approved amendments to the *Vehicles for Hire By-law*, a number of directions that aimed to improve taxi service, and extended the moratorium on the issuance of new taxi licences.

In 2017, in response to increasing congestion issues, Council approved the Congestion Management Strategy. This plan aims to improve traffic monitoring, road safety, and street use coordination to ensure a smart and efficient transportation system that prioritizes people and goods movement.

On December 5, 2018, Council directed staff to report back with analysis and options for ride-hailing in Vancouver, and subsequently to report back with proposed by-law changes to allow for ride-sharing and ride-hailing that includes discussion on the City's ability to regulate ride-hailing, the impact removing boundaries may have, especially on persons with disabilities, potential for extending the lifespan of accessible vehicles, the ability of the City to limit traffic congestion related to ride-hailing, and the possibility of a municipally-owned ride-hailing organization.

On January 15, 2019, Council endorsed a set of seven regulatory principles to guide feedback and input related to Provincial consultations on ride-hailing and taxi modernization and directed staff to report back on: ride-hailing impacts on transportation mode share and on the City's emission reduction goals; and key stakeholder consultation.

On April 29, 2019, Council approved its Climate Emergency Response to increase the City's efforts to tackle climate change through six big moves and 53 accelerated actions.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

Provincial legislation to enable ride-hailing in BC was introduced in November 2018 and came into force on September 16, 2019. Under this legislation, ride-hailing vehicles are “Passenger Directed Vehicles”, a class of vehicle that also includes taxis and limousines. The companies that offer ride-hailing services are “Transportation Network Services” (TNSs).

The Province regulates Passenger Directed Vehicles through the *Passenger Transportation Act*, the *Motor Vehicle Act*, and the *Commercial Transportation Act*. Companies that operate passenger directed transportation services are licensed by the independent, provincially appointed BC Passenger Transportation Board. Municipalities may issue business licences to TNSs to operate only after they have been issued Provincial licences. The Passenger Transportation Board has been accepting applications from TNSs since September 3, 2019.

Vancouver’s Current Policy Directives related to Ride-Hailing

The City has many policy goals and directives that are directly and indirectly related to the introduction of ride-hailing.

The Transportation 2040 plan establishes a modal hierarchy prioritizing walking, cycling and transit and sets targets towards achieving zero traffic related fatalities, and, by 2040, at least 2/3 of trips by walking, cycling and transit. Ride-hailing was not specifically considered as part of this plan; however, the Plan calls for working through the Taxi Roundtable to encourage the Ministry of Transportation and Infrastructure and Passenger Transportation Board to implement innovative service improvements. It also calls for support of alternative delivery mechanisms for paratransit services, including potential increased use of taxis, to lower per-ride costs, improve reliability, and reduce booking times.

On January 15, 2019, Council endorsed a set of seven regulatory principles relating to ride-hailing to guide feedback and input to Provincial consultations on ride-hailing and taxi modernization. They are summarized below and in Appendix G:

1. **Are regionally coordinated** and operate effectively with Metro Vancouver to achieve net positive sustainable transport goals for both the city and region.
2. **Prioritize passenger and public safety**, companies, drivers and vehicles meet minimum safety standards, and be held accountable for meeting them. Effective enforcement mechanisms and sufficient resources should be in place to ensure compliance.
3. **Enhance mobility**, complementing transit and active travel, advancing shared mobility and contributing to an efficient and safe transportation system.
4. **Enhance accessibility**, contributing to a system that maintains or exceeds standards for accessibility and ensures sufficient availability and maintenance of accessible vehicles.

5. **Reduce carbon emissions** through company programs and targets that encourage drivers to use hybrid or zero emission vehicles. The City request of the Province to retain the ability to regulate new TNS or PDV licences, in particular if they are not hybrid or zero emission vehicles, in order to meet the City's established and emerging carbon reduction goals.
6. **Are economically viable** for passenger directed vehicle services drivers and business owners, including the opportunity for drivers to earn a living wage.
7. **Provide affordable ride services** as part of an enhanced mobility framework.

In April 2019, Council approved its Climate Emergency Response report. The intent of this report is to increase the City's climate actions in order to limit global warming to 1.5°C, which is the guiding target in the Paris Agreement. Big moves and accelerated actions of this report relevant to ride-hailing include:

- Big Move #2, which is to accelerate the existing sustainable transportation target by 10 years, so that by 2030, two-thirds of trips in Vancouver will be by active transportation and transit;
- Big Move #3, which calls for 50% of the kilometres driven on Vancouver's roads to be by zero emission vehicles by 2030;
- Accelerated action 8c, Supporting transportation pricing that would curtail emissions and support zero emission mobility; and,
- Accelerated action 9b, which proposes to update curbside management and enforcement to encourage efficient use of street space and transition to zero emission vehicles.

Recent Updates to Provincial Legislation on Ride-hailing and Passenger Directed Vehicles

Changes to the *Vancouver Charter* that came into effect on September 16, 2019 have significantly reduced the role and authority of the City of Vancouver in regulating Passenger Directed Vehicles and TNSs. Key changes are the removal of municipal authority to regulate fleet size and operational boundaries, and vehicle conditions such as maximum age, accessible features or emission standards. The Province sets the requirements for criminal and driver record checks for all drivers, and the issuance of Chauffeur's Permits. It also regulates vehicle identifiers. Table 1 shows the division of authority.

In July 2019, Provincial regulations on ride-hailing were released, including the requirement for a Class 4 driver's licence. Staff participated in the Provincial consultation process that developed these regulations with a written submission to the Select Standing Committee on Crown Corporations public hearing on ride-hailing using the Council-approved ride-hailing principles as a guide. In August 2019, the Passenger Transportation Board announced its regulations on fleet size and operational boundaries for TNS vehicles and taxis.

Municipalities have retained regulatory authority to issue business licences and to regulate street use. However, municipalities cannot restrict or prohibit a provincially licensed TNS or PDV from operating. For example, the City cannot require TNSs to operate accessible or zero/low emission Passenger Directed Vehicles.

Table 1 Regulatory authority over Passenger Directed Vehicles

	Regulatory condition (per Passenger Transportation Act and Regulations)	Province	City Current authority	City Remaining Authority
1.	Vehicles - number operating in Vancouver	✓	✓	X
2.	Vehicles - service area/operating boundary	✓	✓	X
3.	Vehicle - standards such as age, accessibility, and emissions	✓	✓	X
4.	Vehicle - standards safety and inspection requirement; vehicle identification	✓	✓	X
5.	Driver – chauffeur permit requirements including criminal and driving record checks	✓	✓	X
6.	Fare rates	✓	X	X
7.	Licence companies and vehicles	✓	✓	✓*
8.	Manage street use and traffic	X	✓	✓

*Municipal business licence requirements cannot restrict a Provincially licensed company or vehicle from operating in the City.

Table 1. Provincial Regulations and Passenger Transportation Board (PTB) conditions and requirements by company type

	TNS	Taxi	Limousine
Fleet Size	No limit	Limit determined by PTB	Limit determined by PTB
Operational Boundaries	Regional Boundaries*	Municipal	Determined by PTB on per application basis
Driver Licence	BC Issued, Class 4	BC Issued, Class 4	BC Issued, Class 4
Vehicle Requirements	Maximum age 10 years No requirement for accessible vehicles No requirement for zero emission vehicles	No age requirement Additions to fleet must be low emission	No age requirement No requirement for accessible vehicles No requirement for low emission vehicles

*5 Regions. Region 1 includes Metro Vancouver, Fraser Valley and Squamish – Lillooet.

A more comprehensive summary of Provincial and Passenger Transportation Board legislation and regulations can be found in Appendix H.

The Province will be enforcing compliance with provincial regulations and licence conditions. Field investigations will be carried out by the Commercial Vehicle Safety and Enforcement (CVSE) Branch; the Registrar of the Passenger Transportation Branch is authorized to investigate and audit companies for issues including compliance with licence conditions and public safety. At this time, it is unclear how many provincial enforcement staff will be assigned to address potential issues in Vancouver.

Strategic Analysis

Staff have conducted a review of the Provincial and Passenger Transportation Board legislation and regulations to determine how they align with City policies, objectives and ride-hailing principles. Further, staff have assessed the City's ability to regulate the industry with respect to these priorities given the new legislative framework.

Key findings from this review are:

Regional Coordination – The regional operating boundaries set for TNS companies align with goals for regional coordination. There are five operating boundary regions; a TNS company applies to the Passenger Transportation Board for a licence to operate within one or many regions.

The City has authority to partner with other municipalities to coordinate licence conditions and pursue a regional business licensing approach through an inter-municipal business licence.

Passenger safety – Passenger safety relating to driver background and criminal record checks is the full responsibility of the Province. The Province has authority to set training and education requirements; it has signalled its intention to do so in the coming year, and to consult with municipalities.

The City may not regulate with regard to driver criminal record checks and may not issue chauffeur permits.

Accessibility – The need for accessible services have been considered by the Province through the introduction of a \$0.30/trip fee on non-accessible ride-hailing vehicles that will be collected to fund accessible transportation. The Province has not yet announced specific plans for this program, including whether any funds would be shared with municipalities or the region to support accessible transportation. There are no requirements for TNS companies to provide accessible vehicles within their fleet. Taxis can now use side-entry vehicles, a provision that allows owners more choice in purchasing and outfitting accessible vehicles.

Changes to the Vancouver Charter prohibit the City from setting vehicle requirements that would prohibit a Passenger Transportation Board authorized vehicle from operating in the city. The City cannot impose requirements that mandate that accessible vehicles be provided as this could be easily construed as a regulation that would prohibit a TNS company from operating. Furthermore, the Passenger Transportation Board currently has no requirement for TNS companies to accessible vehicles. There will no longer be a maximum age for taxis, meaning that existing wheelchair accessible vehicles may remain in operation for longer.

Enhanced Mobility – The Province has made no provisions to actively manage congestion related to the introduction of ride-hail vehicles. TNS companies may operate an unlimited number of vehicles under a company licence in any region where they are provincially licensed.

The Province requires monthly, historical data submissions from TNS and taxi companies. Data will include information such as drop off and pick up locations, vehicle licence information, driver shift duration and frequency. A complete list of Provincial data requirements is in Appendix I. The Province has indicated they will use data to monitor impacts and in consideration of setting fleet sizes in the future.

At this time the Province has indicated that they intend to share data with municipalities; however, they have not announced how, if or when this will occur.

Reduced Carbon Emissions - There are no provisions to promote zero or low emission vehicles for TNSs.

Changes to the *Vancouver Charter* prohibit the City from setting vehicle requirements that would prohibit a Passenger Transportation Board authorized vehicle from operating in the city. The City cannot impose requirements that mandate that zero emission vehicles be provided as this could be easily construed as a regulation that would prohibit a TNS company from operating. Furthermore, the Passenger Transportation Board currently has no requirement for TNS companies to provide zero emission vehicles.

Economic Viability and Affordability - The Passenger Transportation Board will continue to consider economic conditions in the Passenger Directed Vehicle industry as part of its company application and licensing process. The Province has full authority to set fare rates and structures, for all Passenger Directed Vehicles including taxis, limousines and ride-hail vehicles.

In light of the above findings, staff recommend a number of key measures and actions to continue to regulate Vehicles for Hire, within the limited authorities retained by the City. The recommendations are limited to on-street management through street and traffic by-laws and updates to business licensing. Further, because Provincial regulation prohibits the City from setting accessible and zero emission vehicle requirements, the recommendations have been constructed to incentivize these vehicles.

On-Street Management

Congestion Management Pricing

Vancouver is one of the last major North American municipalities without ride-hailing and much has been learned from other municipalities that have experienced growth in this service. Ride-hailing can offer an alternative to private vehicle trips, increasing transportation options for late night workers and for those planning to consume alcohol. Ride-hailing can also complement rapid transit as a first/last mile travel option and provide flexible employment for full and part-time workers.

These on-demand travel options also create challenges to the transportation system. In many major cities, ride-hailing is showing to increase congestion with more cars on the

road, deadheading trips and illegal stopping activity, most often in urban areas with the highest access to transit and active travel. Cities are also reporting declining transit ridership and that ride-hailing may be replacing walking, cycling and transit trips. These outcomes are in direct contradiction with the City's Climate Emergency Response and Congestion Management Strategy goals.

To mitigate these potential impacts, staff recommend the implementation of a congestion management fee based upon curbside access. This is consistent with the City's ride-hailing enhanced mobility principle which called for the ability for road user charges to be used to manage mobility outcomes and Climate Emergency Response accelerated action 8 C: Transportation Pricing to curtail vehicle emissions and support zero emissions mobility.

Ride-hailing trips tend to be concentrated in high density urban centres adding to existing traffic and competing with transit service. Accordingly, it is anticipated that Vancouver's Metro Core, which has the highest population and employment density in the region, will likely experience the highest ride-hailing pressures.

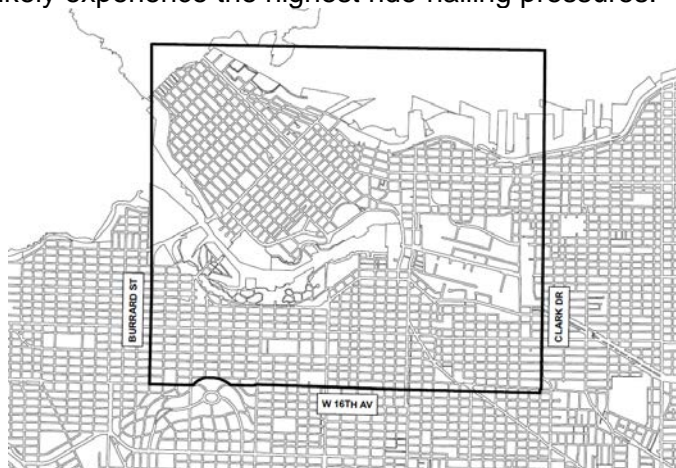


Figure 1 - Vancouver's Metro Core

Today, congestion within the Metro Core is already prevalent, even without the additional pressure of ride-hailing. This congestion does vary by time of day, however, and typically occurs between 7 AM and 7 PM. During this same time period, the Metro Core also has the best transit access in the region and the best conditions for walking and cycling are present.

In light of the above, staff recommend requiring ride-hailing companies to purchase a Congestion and Curbside Management Permit (CCMP) to allow the vehicles operated under their licence to access any curb side for pick-up or drop-off within the Metro Core between 7 AM and 7 PM to temper the demand for vehicle-based transportation during this already congested window. An added advantage to focusing on this daytime window is that the City is not adding any additional cost barriers to ride-hailing activity that serves late night demand. During late night periods, many individuals may rely on these services to avoid impaired driving or to avoid situations on the transportation network which they believe to be unsafe.

Given that this is a new system in Vancouver, staff recommend keeping the initial CCMP cost low. Additionally, to incentivize zero emission vehicles and more wheelchair

accessible vehicles, staff recommend providing 50% and 100% discounts, respectively. As ride-hailing becomes more established in Vancouver, staff will monitor to determine if this fee should be raised or lowered based upon ride-hailing’s measured impact to Vancouver’s roadways. To assist in this review, staff recommend requiring data to be supplied as part of the business licence.

If approved by Council, permit fees will be paid directly by the ride-hailing companies post-event. It is expected that the ride-hailing companies will incorporate the fee directly into their mobile applications. Staff will also use on-street observations to audit fees submitted to the City. In the event of significant discrepancies, the City has the ability to enforce for non-compliance.

At this time, the CCMP is only recommended to be required for ride-hailing vehicles since, as of the time of this report, taxis are still limited by boundaries and caps instituted by the Passenger Transportation Board. Should these boundaries and caps change in the future, the applicability of the CCMP to taxis will require re-evaluation.

A summary of the CCMP for ride-hailing vehicles can be found in Table 3 below.

Table 2. Summary of Congestion and Curbside Management Permit for Ride-Hailing Vehicles

Area in effect	Metro Core (See Figure 1)
Hours in effect	Every day, 7 AM to 7 PM
Cost	\$0.30/passenger pick-up \$0.30/passenger drop-off
Discounts	50% discount for zero emission vehicles 100% discount for accessible vehicles

In order to facilitate the CCMP, amendments to the Street and Traffic By-law No. 2849 are required as outlined in Appendix A.

To allow time for the ride-hailing industry to prepare for the introduction of CCMP fees, it is recommended that they do not come into effect until January 6, 2020.

Using field observations as well as the data provided by companies operating passenger directed vehicles, staff will evaluate the impact of taxis and ride-hailing vehicles on Vancouver’s transportation network. Depending on the results of this evaluation, the CCMP can either be lowered or increased through a future by-law amendment by Council.

Additional On-Street Management Measures

In addition to the CCMP, staff have identified a number of other on-street management tools to address ride-hailing. To facilitate these additional on-street management measures, amendments to the Parking Meter By-Law 2952, Granville Mall By-Law No. 9978, Street and Traffic By-Law No. 2849 as outlined in Appendices D, E, and A:

Passenger Zones

Passenger zones, dedicated on-street spaces that can be used for pick-up and drop-off, are allocated within the city under the authority delegated to the City Engineer. Typically, these zones are allocated adjacent to theatres, hotels, transit stations, and some restaurants that offer valet services. There are approximately 270 passenger zones within the city of Vancouver today with 200 of these located in the Metro Core. With the introduction of ride-hailing, pick-up and drop-off activity is expected to increase. To promote safe pick-up drop-off activity, staff intend on installing approximately 30 additional passenger zones by the end of 2019. On an on-going basis, staff will install passenger zones within the city based upon requests, observations, and data provided by ride-hailing and taxi companies.

Similar to taxis today ride-hailing vehicles will be allowed to stop in metered spaces for up to two minutes, while actively picking up or dropping off passengers.

Optimize pick up and drop off activity in high demand areas through geofencing

Geofencing is a virtual perimeter that is incorporated into ride-hailing apps that restrict where pick-up activity can occur. Geofencing is commonly used in airports, transit stations, during major events and other high activity locations. Staff plan on working with ride-hailing companies and other stakeholders to increase safety and reduce congestion using this tool. It should be noted that as the City Engineer is authorized to limit where classes of vehicles may stop on City Streets. Accordingly, passenger directed vehicles that contravene street stopping regulations set by the City Engineer may be subject to fines.

Many high demand locations already experience competition and congestion from taxis, limos, tour buses and shuttle buses include Canada Place and cruise ship terminals, the Granville Entertainment District, Stadium district, and special events zones (fireworks, marathons, etc.).

Taxi Stands and Taxis in Bus Lanes

On Vancouver streets, taxi travel is supported by taxi stands and access to transit priority lanes. Currently, there are 110 designated taxi stands in the city and, supported by a 2013 Council motion, taxis are allowed to travel, but not stop in transit priority lanes (with the exception of accessible taxis). Bus speed and reliability is a key priority for moving people in our region.

Staff recommend that taxi stands remain for taxi access only, given their unique operational ability to pick up street hails as well as pick up on a first-come/first-served basis. Designating respite or staging areas for ride-hailing vehicles will be considered based upon a balance of operational requirements of ride-hailing vehicles and other curbside uses.

Buses make up the majority of transit trips and bus ridership has seen significant growth in recent years. Much of that growth has occurred within the city of Vancouver. However, those same bus journeys have been experiencing increasing delays and unreliability due to growing congestion on the road network; 80% of bus routes across the region are slower today than they were in 2014. TransLink has stated that they believe allowing taxis in bus lanes adds delay and risk to bus reliability for critical portions of the transit network and has requested that the City of Vancouver restrict their access. Staff will continue to work with TransLink to collect further data on this matter prior to making a final recommendation.

In light of the above, staff recommend that ride-hail vehicles be restricted from operating in transit lanes and that taxis maintain access under existing parameters. Staff will continue to work with TransLink to further review and collect data that determines if taxis operating in bus lanes impact bus speed and reliability.

An additional consideration that the City may need to take into account when looking at taxi stands or taxis in bus lanes, is the potential ability for existing taxi companies that are authorized outside of Vancouver obtaining authorization to operate as a ride-hailing vehicle within Region 1, which includes Vancouver. In this case, there may be vehicles that look like taxis, but are not operating as such. To date, there have been no applications to the Passenger Transportation Board of this nature, so it is unclear as to how this would look in practice.

Licensing Passenger Directed Vehicles and Companies

Licensing in Canadian Cities

Ride-hailing is regulated in a number of Canadian municipalities including Toronto, Calgary, Edmonton, Regina, and Winnipeg. Business licensing structure and regulations vary among cities, as does the degree of provincial versus municipal oversight and regulatory authority (Appendix J). British Columbia is unique in the extent of regulatory authority assumed by the Province. British Columbia and Alberta are the only provinces to require drivers of all PDVs to hold a commercial driver's licence (Class 4).

Current Licensing and Regulation in Vancouver

To date, companies, vehicles and drivers of Passenger Directed Vehicles have been licensed and regulated under the City's *Vehicles for Hire By-law*. Licensing has included issuance of a City-owned licence plate, annual renewal decals, and vehicle inspections (semi-annual taxi meter testing for compliance with provincially mandated fare rates).

Many existing licence requirements must now be removed from City by-laws to align with the new Provincial regulations. These include all requirements that duplicate or are contrary to Provincial legislation. Removal of these requirements will benefit taxi and limousine operators; for example, they will no longer have to submit to City inspections and meter testing.

Recommended Licensing and Regulation

Staff recommend a consistent licensing regime for taxi, limo and TNS companies. Staff recommend that each company that operates PDVs in Vancouver requires a business licence, and must provide information to the City regarding each PDV that operates (pick-ups, drop-offs) in Vancouver.

Licence Conditions

Business licence conditions for TNS, taxi and limousine companies will require trip and vehicle data to be provided to the City on a monthly basis. The data requested will be consistent with the data these companies must provide to the Province. The data will be used to audit for compliance with vehicle registration, monitor and evaluate the impact of the expanded Passenger Directed Vehicle industry; to audit the Congestion and Curbside Management Permit; and for transportation planning. Although the Province is requiring data from taxi and ride-hailing companies, at this time it is unable to provide assurance of municipal access.

Companies will be responsible for ensuring that vehicles operating under their Passenger Transportation Board licence comply with all municipal by-laws including compliance with the proposed Congestion and Curbside Management Fee. The City will support companies in educating their drivers, to ensure they are aware of the City's curbside regulations related to pick up and drop off, and other street use restrictions.

A company licensed by the Passenger Transportation Board to operate in Region 1 would not require a City licence if it does not plan to operate vehicles for pick up and drop off in Vancouver but only in other Region 1 municipalities. Similarly, a company licensed in Vancouver only needs to report on vehicles that will be conducting pickup and drop off in Vancouver.

Licence Fee

Companies will pay an annual licence fee of \$155 and an annual per vehicle fee of \$100. Licence fees will be prorated, similar to all other business licence fees. These fees are intentionally set low to not excessively restrict a local or small TNS operator from entering the Vancouver market. The fees are also set at the same level across the industry to reflect Council's desire for a level playing field.

To incentivize vehicles that align with City priorities, there will be no annual fee for wheelchair accessible and zero emission vehicles.

Taxi and limousine companies will realize a significant reduction in fees under the new licensing structure: from \$616 per taxi and \$235 per limousine to \$100 per vehicle.

The full cost of managing the expanded Passenger Directed Vehicle industry is as yet unknown. Anticipated costs include administration, data management, review and audit of company data; on-going industry monitoring, and policy refinement in partnership with other municipalities and the Province.

Regional Coordination of Licensing

Because the Passenger Transportation Board has set regional operating boundaries for ride-hailing companies and some limousine companies, companies could be required to obtain licences from each municipality in which they choose to conduct passenger drop off or pick up activity. Staff are working with Metro Vancouver municipalities and TransLink to advance a regionally coordinated licensing approach. The goal is to establish an Inter-municipal Business Licence (IMBL) so that companies could obtain one business licence to operate throughout the region, with common conditions such as data submission requirements, vehicle registration and vehicle identification (trade dress). At the time of this report, Staff are aware of four jurisdictions within Passenger Transportation Board's Region 1 that may be bringing forward licensing frameworks for

TNSs before the end of 2019: the University of British Columbia, Vancouver International Airport (YVR), the City of Richmond, and the North Shore (City of West Vancouver, City of North Vancouver and District of North Vancouver through their existing inter-municipal business licence program).

Enforcement of Licence Conditions

Staff will work with companies to ensure compliance with street use and licence by-laws. The City has a number of tools to pursue by-law compliance. This can include Licensing Orders, fines for violation of licence conditions, including fines for operating without having an appropriate business licence, of up to \$1,000 a day. Further, enforcement action can include suspensions of the business licence and prosecution for those that do not come into compliance with the City's by-laws and regulations.

The proposed changes to City regulation of Passenger Directed Vehicles require amendments to the City's *Vehicles for Hire By-law No.6066* and *Licence By-law No.4450*. Draft amendments are in Appendices B and C.

Licence fees for all Vehicles for Hire are adjusted annually for inflation. As this report recommends amendments taxi and limousine fees, staff are bringing forward the recommendation for annual inflationary fee increases as well. The draft *Vehicles for Hire By-law* includes a recommended annual inflationary fee increase of 2.6% for all Vehicles for Hire. This increase is consistent with the annual inflationary fee increase of 2.6 % approved by Council on September 11, 2019, for all business Licence and Animal Services fees.

Municipally Owned and Operated Ride-hailing

Council directed staff (December 5, 2018) to report back on the possibility of a municipally-owned ride-hailing organization. There is considerable private interest in operating TNSs, and non-profit organizations are eligible to apply to the Passenger Transportation Board. There is also significant uncertainty about the role and performance of TNSs as part of the Passenger Directed Vehicles industry. While it is within City authority to operate businesses, staff do not recommend operating a municipally owned ride-hailing company at this time.

Next Steps

As ride-hailing is a new transportation service in Vancouver, there will likely be many lessons learned after its introduction. Furthermore, the ride-hailing industry is also known for being exceptionally dynamic and fluid in the types of services it offers. Consequently, the manner in which the City responds to ride-hailing must continue to evolve to ensure that its goals and objectives continue to be met.

Staff have identified a number actions to ensure that the City continues to work towards its goals and objectives:

Continued Work with the Province

As the Province controls most of the key regulatory levers that determine how passenger directed vehicles operate, staff will continue to work with the Province to further the City's ride-hailing principles. In particular, staff will look to identify further ways to

incentivize an increased number of accessible and zero-emission passenger directed vehicles.

Furthermore, the *Passenger Transportation Act* requires a Provincial review to assess impacts and effectiveness of the ride-hailing legislation on or before January 1, 2022. Staff will pursue opportunities to contribute to this review.

Regional Coordination

Staff have been participating in TransLink and Provincial lead regional working groups and the Regional Transportation Advisory Committee (RTAC) to advance local and regional goals. To help with regional coordination, the creation of an inter-municipal business licence (IMBL), which would be a replacement for the City's business licence, would ensure that the City's as well as the region's concerns relating to passenger directed vehicles are met and provide a simplified regulatory environment for ride-hailing, taxi, and limousine companies to operate.

Staff recommend that the City work with our regional partners and TransLink to develop an IMBL to regulate these operators.

Adjustments to On-Street Management

Staff routinely make adjustments to City streets, such as through changes to parking or traffic regulations, to manage on-street operational issues. Using the street management tools identified in this report, such as geofencing and the introduction of passenger zones, staff will encompass the management of ride-hailing vehicles into this practice. In particular, staff will focus on working with key interest groups to implement safety and traffic congestion measures in high activity areas such as stadiums, Canada Place, and the Granville Entertainment District.

Monitoring

Using the data provided by the company, staff will continue to monitor impacts of ride-hailing on streets at city block level and wider transportation trends. Staff will also incorporate ride-hailing related questions in to the transportation panel survey. This will help inform adjustments to on-street management and transportation planning efforts.

Public/Civic Agency Input

Staff held two rounds of consultation meetings, in July and August 2019. Attendees included the taxi industry, Transportation Network Services companies, Vancouver Port Authority, Vancouver Tourism Association, Vancouver Board of Trade, and Business Improvement Associations. At the first meetings staff learned about key stakeholder priorities for ride-hailing and taxi regulation. In the second round of meetings staff shared the proposed framework for licensing and street use regulation for feedback and consideration. The full list of stakeholders is shown in Appendix K.

Staff also presented to the City of Vancouver People with Disabilities Advisory Committee and the Transportation Advisory Committee. The Transportation Advisory Committee has put forward a motion for council consideration; see Appendix L.

Implications/Related Issues/Risk

Financial

There are two forms of revenue described in this report. The revenue generated from the licensing framework for taxi's, limousines, and ride-hailing companies as well as the revenue generated from the congestion and curbside management permit for ride-hailing vehicles.

1. Licensing: \$155 company business license, plus \$100 per vehicle fee with a 100% discount (\$0) for accessible and zero emission vehicles (electric and hydrogen fuel cell).

The revenue generated from the new licensing framework for taxi, limousine and ride-hailing companies will be largely dependent on the number of companies and PDV's that operate in Vancouver upon receipt of their PTB licence and as such revenue generated from the introduction of the new licensing framework is uncertain. Overall, the City expects to see a net loss from taxi and limousine licensing of approximately \$500,000; however, our estimates based on the uptake in other Cities suggests we will make up that loss under the new licensing framework and be revenue neutral.

2. Curbside management permit for ride-hailing vehicles: \$0.30/passenger pick-up, \$0.30/passenger drop off (daily 7 AM to 7 PM in the Metro Core) with a 50% discount for zero emission vehicles and 100% discount for accessible vehicles. Conservative estimates indicate this could generate between \$200,000 and \$400,000 in 2020.

One additional operations and data specialist at an approximate cost of \$100,000 per year will be required to process and analyze the data associated with taxis and ride-hailing. In addition, staff estimate there will be a one-time start-up costs of approximately \$40,000. These costs will be funded from the incremental revenue generated from the curbside management permit for ride-hailing vehicles.

Revenues and costs will be built into the annual operating budget and monitored closely.

CONCLUSION

Ride-hailing has been enabled in BC under the Provincial *Passenger Transportation Act*. As an addition to existing Passenger Directed Vehicle services (taxis and limousines) in Vancouver, ride-hailing will offer increased options for travellers. Under Provincial regulation, the City's ability to regulate ride-hailing is limited to business licences and the ability to regulate street and traffic.

To avoid or mitigate potentially negative outcomes that have been observed with ride-hailing in other jurisdictions, staff are recommending a Congestion and Curbside Management Permit fee be applied to ride-hailing trips that occur inside the Metro Core between 7 AM and 7 PM. Additionally, staff recommend instituting more passenger zones on street to facilitate safe pick-up and drop-off activity as well as working with

companies to direct passenger to safe pick up and drop off areas in their respective apps.

For business licences, staff recommend a consistent licensing scheme for all ride-hailing, taxi, and limousine companies to provide a level playing field. Companies would be licensed and each vehicle operating in Vancouver under their licence would be identified. A key condition of this licence is the requirement to submit monthly trip and vehicle data that would be used for monitoring traffic impacts, to audit the CCMP, and to support transportation planning efforts.

Staff also recommend that the City work with the Province, TransLink and other municipalities to coordinate licensing requirements and work toward an inter-municipal business licence for ride-hailing companies and limousine companies; these companies are authorized by the Passenger Transportation Board to operate within regional rather than municipal boundaries.

To support the policies and actions outlined in this report, it is recommended that amendments to the Licence By-law, the Vehicles for Hire By-law, the Parking Meter By-law, and the Granville Mall By-law be enacted and brought into force and effect immediately so that ride-hailing companies may be licensed to operate, taxi and limousine companies may renew licences under the new fee structure and street use management tools can be put into place. The Street and Traffic By-law will come into force and effect on January 6, 2020.

* * * * *

**DRAFT By-law to amend Street and Traffic By-law No. 2849
Regarding Transportation Network Services**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This By-law amends the indicated provisions of the Street and Traffic By-law.
2. In section 3, Council adds the following definitions in the correct alphabetical order:
 - (a) **“Accessible Passenger Directed Vehicles”** has the same meaning as in the Passenger Transportation Act.”;
 - (b) **“Metro Core”** means area west of Clark Drive, north of 16th Avenue, east of Burrard Street, and south of Burrard Inlet.”; and
 - (c) **“Transportation Network Services”** has the same meaning as in the Passenger Transportation Act.”.
3. In section 3, Council strikes out the definition of “Zero Emission Vehicle” and substitutes:

“Zero-emission Vehicle” means a motor vehicle that is exclusively propelled by electricity or hydrogen from an external source, or a motor vehicle that has been approved by the City Engineer as a zero-emission vehicle.”.
4. Council adds a new section 21.8 as follows:
 - “21.8 (1) Except for accessible passenger directed vehicles, a transportation network services provider must not cause, allow, or permit any passenger directed vehicles being operated under the license issued to them under the Passenger Transportation Act to stop to pick up or drop off any passengers on any city street within the Metro core between 7:00 a.m. and 7:00 p.m. unless they hold a valid congestion and curbside management permit, in which case the passenger directed vehicles may stop at any place where stopping is permitted within the Metro core between 7:00 a.m. and 7:00 p.m. for the purposes of picking up or dropping off passengers.
 - (2) The City Engineer may issue a congestion and curbside management permit to a transportation network services provider for a fee of \$0.15 per pick up or drop off within the Metro core between 7:00 a.m. and 7:00 p.m. for zero-emission vehicles, and \$0.30 per pick up or drop off within the Metro core between 7:00 a.m. and 7:00 p.m. for all other passenger directed vehicles, payable monthly at the end of each month in a manner satisfactory to the City Engineer.”.
5. In section 23.6(b), Council strikes out “, being the area west of Clark Drive, north of 16th Avenue, east of Burrard Street, and south of Burrard Inlet”.
6. In section 100, Council strikes out “and E” and substitutes “, E, F, G, and H”.

**DRAFT By-law to amend License By-law No. 4450
Regarding Passenger Directed Vehicles**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This By-law amends the indicated provisions of the License By-law.
2. In section 2, Council adds the following definitions in the correct alphabetical order:
 - (a) ““Accessible Passenger Directed Vehicle” has the same meaning as in the Passenger Transportation Act.”;
 - (b) ““Zero-Emission Vehicle” means a motor vehicle that is exclusively propelled by electricity or hydrogen from an external source, or a motor vehicle that has been approved by the City Engineer as a zero-emission vehicle.”;
 - (c) ““Mobility Aid” has the same meaning as in the Passenger Transportation Act.”;
 - (d) ““Passenger Directed Vehicles” means taxis, limousines, and vehicles operated under a license held by a transportation network service provider under the Passenger Transportation Act.”;
 - (e) ““Transportation Network Services” has the same meaning as in the Passenger Transportation Act.”; and
 - (f) ““Passenger Directed Vehicle Services” means a person carrying on the business of providing passenger directed vehicles.”.
3. Council adds a new section 26.5 as follows:

“

PASSENGER DIRECTED VEHICLE SERVICES

- 26.5 (1) The provisions of this section apply to all persons carrying on the business of providing passenger directed vehicle services.
- (2) Every person providing passenger directed vehicle services must provide the Inspector with any information, including personal information, and data that the Inspector may require, including, without limitation, information and data respecting:
- (a) the passenger directed vehicles operating under the authority of that passenger directed vehicle services provider, including the license plate number of each vehicle, and the number of accessible passenger directed vehicles and zero emission vehicles;

(b) the availability of the passenger directed vehicles, at given points in time, for hailing by the methods as permitted under the Passenger Transportation Act; and

(c) trips taken by passengers transported in passenger directed vehicles, including:

(i) pick-up times and locations in decimal degrees latitude and longitude,

(ii) drop-off times and locations in decimal degrees latitude and longitude,

(iii) trips taken by passengers in accessible passenger directed vehicles and zero-emission vehicles, and

(iv) trips taken by passengers that included pick-ups or drop-offs in the Metro core, as defined in the Street and Traffic Bylaw.

(3) All information and data that the Inspector requires must be submitted on a monthly basis, within 5 business days of the end of each month.

(4) If additional passenger directed vehicles begin operating under the authority of a passenger directed vehicle services provider after the annual license fee is paid, the passenger directed vehicle services provider shall:

(a) report the additional vehicles to the Inspector, indicating the total number of vehicles added, and the number of accessible passenger directed vehicles and zero-emission vehicles added, within 5 business days of the end of the month in which the vehicles were added; and

(b) shall pay the additional per vehicle fee set out in Schedule "A", pro-rated by dividing the applicable annual license fee for each vehicle by 12 and multiplying the resulting number by the number of whole or partial months remaining in that calendar year.

(5) Every passenger directed vehicle services provider must ensure that the drivers of passenger directed vehicles operating under their authority comply with all City by-laws."

4. In Schedule A, Council adds the following in the correct alphabetical order:

"Passenger Directed Vehicle Services	Per annum, plus	\$155.00
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for each vehicle except for

accessible passenger directed vehicles
and zero-emission vehicles \$100.00".

**DRAFT By-law to amend Vehicles for Hire By-law No. 6066
Regarding the Passenger Transportation Amendment Act
and Inflationary Adjustment Fees for 2020**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This By-law amends the indicated schedules of the Vehicles for Hire By-law.
 2. In section 2, Council strikes out the following definitions:
 - (a) Chauffeur's Permit;
 - (b) Chauffeur's Permit (New Driver);
 - (c) Chauffeur's Permit (Graduated Driver);
 - (d) Limousine; and
 - (e) Taximeter.
 3. In section 2, Council amends the Vehicle for Hire definition by:
 - (a) adding “, other than a passenger directed vehicle as defined in the License By-law,” after “means a vehicle”;
 - (b) striking out the following classifications:
 - a. Antique Limousine;
 - b. Bus Limousine;
 - c. Dual Taxicab;
 - d. Handicapped Cab;
 - e. Luxury Limousine;
 - f. Part-time Taxicab;
 - g. Sedan Limousine;
 - h. Sport Utility Limousine;
 - i. Stretch Limousine; and
 - j. Taxicab.
 4. In section 4(b), Council strikes out “section 7(2)” and substitutes “section 6(2)”.
 5. Council:
 - (a) strikes out the following sections:
 - i. section 6,
 - ii. section 7A,
 - iii. section 11(5),
 - iv. section 13,
 - v. section 14,
 - vi. section 18,
 - vii. section 23,
 - viii. section 24, and
 - ix. section 25; and
- (12)

-
- (b) renumbers sections 7, 8, 9, 11, 12, 15, 16, 19, 20, 21, 22, and 26 through 34 as sections 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17 through 25, respectively.
6. In section 6, Council:
- (a) in section 6(3):
- i. adds “and” to the end of section 6(3)(d),
 - ii. strikes out “and” at the end of section 6(3)(e) and substitutes “.”, and
 - iii. strikes out section 6(3)(f);
- (b) strikes out section 6(5); and
- (c) strikes out section 6(6).
7. In section 8, Council:
- (a) in section 8(2), strikes out “section 7(3)” and substitutes “section 6(3); and
- (b) in section 8(5), strikes out “section 7(1)” and substitutes “section 6(1).
8. In section 11, Council:
- (a) renumbers section 11(2)(a) as section 11(3);
- (b) in renumbered section 11(3), strikes out “section 15(2)” and substitutes “section 11(2); and
- (c) renumbers sections 11(3) through 11(5) as sections 11(4) through 11(6), respectively.
9. In section 12(4), Council strikes out “including, without limitation, section 12.6”.
10. In section 14(1)(l), Council strikes out “section 2 of”.
11. In section 16, Council:
- (a) strikes out the following sections:
- (i) section 16(1),
 - (ii) section 16(2),
 - (iii) section 16(3), and
 - (iv) section 16(7); and
- (b) renumbers the remaining sections 16(4) through 16(6) as sections 16(1) through 16(3), respectively.
12. In section 18(6), Council strikes out “section 27” and substitutes “section 18”.
13. In section 19, Council:
- (a) in section 19(6), strikes out “holds a subsisting taxi driver’s license in the case of taxicabs, or in the case of any other vehicle for hire”;
- (b) in section 19(14), strikes out the final sentence; and
- (c) strikes out section 19(17).
14. In section 23(1), Council strikes out “section 7(1), 23(14), 23(15)(b) or (c), 23(16) or 23(21)(a)” and substitutes “section 6(1)”.

15. Council:
 - (a)
 - (a) repeals Schedule A, and substitutes Schedule A attached to this By-law; and
 - (b) approves the fees set out in the new Schedule A.
16. Council strikes out "Schedule 1" at the top of Schedule B, and substitutes "Schedule B".

**DRAFT By-law to amend Parking Meter By-law No. 2952
Regarding Transportation Network Services**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This by-law amends the indicated provisions of the Parking Meter By-law No. 2952.
2. In section 2, Council adds the following definition in the correct alphabetical order:

““Passenger Directed Vehicle” means taxis, limousines, and vehicles operated under a license held by a transportation network service provider under the Passenger Transportation Act.”.

3. In section 6(5), Council strikes out “taxicabs” and substitutes “passenger directed vehicles”.

**DRAFT By-law to amend Granville Mall By-law No. 9978
Regarding Transportation Network Services**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This By-law amends the indicated provisions of the Granville Mall By-law.
2. In section 2, Council:
 - (a) strikes out the definition of “limousine” and substitutes ““limousine” means a vehicle licensed as such by the Passenger Transportation Board, and being operated as a limousine and not as a transportation network services vehicle;”;
 - (b) strikes out the definition of “taxi” and substitutes ““taxi” means a vehicle licensed as such by the Passenger Transportation Board, and being operated as a taxi and not as a transportation network services vehicle;”
 - (c) strikes out “and” at the end of the definition for “transitway”; and
 - (d) adds the following definition in the correct alphabetical order:

““transportation network services vehicle” means a vehicle being operated under a license held by a transportation network service provider under the Passenger Transportation Act; and”.

Research Findings

Following are key findings from a number of reports highlighting the impact, challenges and benefits ride-hailing:

Table 1. Research findings and associated sources

Adoption	Source
In the US, more than 2.61 billion ride-hailing trips were taken in 2017, a 37% increase over the 1.90 billion trips in 2016.	Schaller, Bruce (2018) The New Automobility: Lyft, Uber and the Future of American Cities, Schaller Consulting. http://www.schallerconsult.com/rideservices/automobility.htm
A study of seven major US municipalities revealed that ride-hailing is used by 30% of adults daily and 24% weekly.	Clewlow, Regina R. and Gouri S. Mishra (2017) Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States. Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07
Convenience, avoiding parking and avoiding drinking and driving are the most common reasons cited for taking ride-hailing.	Clewlow, Regina R. and Gouri S. Mishra (2017) Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States. Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07
Benefits	Source
First/Last Mile Service. Some studies show that ride-hailing can complement first and last mile service with rapid transit.	Clewlow, Regina R. and Gouri S. Mishra (2017) Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States. Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07
Increased options for those who can't drive. App based technologies can be utilized to meet the needs of specific users including seniors and people with disabilities. For example, Rapid, a Michigan Transit Agency and the VIA ride-hailing company have partnered to provide on-demand paratransit service to decrease passenger wait times.	The Rapid (2019) https://www.ridetherapid.org/articles/new-app-offers-the-rapids-gobus-passengers-convenience-and-less-wait-time
Reducing drinking and driving. Some cities have found that drinking and driving related crashes have reduced with the introduction of ride-hailing.	Dills, Angela K. and Mulholland, Sean E. (2017) Ride-Sharing, Fatal Crashes and Crime. https://ssrn.com/abstract=2783797
Reduced parking demand. TNSs are associated with reduced parking, particularly at restaurants and bars, event venues, and airports.	University of Colorado Denver (2019) Cities rethink parking as ride-hailing grows and parking revenue declines: Uber and Lyft are shifting parking demand in major US cities, and researchers believe it's a good thing. ScienceDaily. www.sciencedaily.com/releases/2019/03/190320102022.htm

Challenges	Source
<p>Increased congestion. Multiple studies found that TNSs contribute to increased congestion, mostly in urban centres and during peak travel. A recent study showed that TNCs increased vehicle miles travelled by 12.8% in San Francisco’s urban core; 7.7% in Boston’s and 6.9% in Washington D.C. Only 50% are attributed to trips with a passenger in a vehicle.</p>	<p>City of Toronto & University of Toronto Transportation Research Institute (2019) Research & Analysis; The Transportation Impacts of Vehicle-for-Hire in the City of Toronto. www.toronto.ca/wp-content/uploads/2019/06/96c7-Report_v1.0_2019-06-21.pdf Schaller Consulting (2018) The New Automobility: Lyft, Uber and the Future of American Cities. www.schallerconsult.com/rideservices/automobility.htm B. McGuigan and C. Pangilinan (2019) Estimated TNC Share of VMT in Six US Metropolitan Regions (Revision 1). Fehr & Peers.</p>
<p>Transit Ridership Decline – Ride-hailing is associated with transit ridership decline experienced in many major cities. One study of 7 major metropolitan areas reported an average 6% ridership decline, another study reported that municipalities can expect 1.7% decrease in bus ridership per year with the introduction of ride-hailing.</p>	<p>Clewlow, Regina R. and Gouri S. Mishra (2017) Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States. Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07 M. Graehler, R. A. Mucci, G.D> Erhardt. (2018) Understanding the Recent Transit Ridership Decline in Major US Cities: Service Cuts or Emerging Modes? University of Kentucky https://www.researchgate.net/publication/330599129_Understanding_the_Recent_Transit_Ridership_Decline_in_Major_US_Cities_Service_Cuts_or_Emerging_Modes</p>
<p>Replacing sustainable trips. Multiple travel surveys indicate that about 42 - 50% of urban TNS users would have walked biked or taken transit or not taken the trip at all, if TNSs had not been available.</p>	<p>Clewlow, Regina R. and Gouri S. Mishra (2017) Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States. Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07 MAPC (2018) Share of Choices: New Ride-Hailing Research Brief. https://www.mapc.org/planning101/shareofchoices/</p>
<p>Ride-hailing is not associated with a decrease in private vehicle trips. One report stated that TNS rides added 2.6 new miles to city traffic for every mile of a personal auto taken off the road</p>	<p>Schaller, Bruce (2018) The New Automobility: Lyft, Uber and the Future of American Cities, Schaller Consulting retrieved from http://www.schallerconsult.com/rideservices/automobility.htm</p>
City Initiatives	Source
<p>Optimizing pick-up and drop-off through app technology (Geofencing). San Francisco and other jurisdictions have been using geo-fencing technology to direct passengers through the app to designated pick-up zones.</p>	<p>“Lyft Restricts Pick-Ups, Drop-Offs On Busy San Francisco Streets” (2018) https://sf.curbed.com/2018/8/27/17785734/lyft-geofencing-valencia-permanent</p>
<p>Flexible passenger zones. Washington D.C. is conducting pilots to replace parking with passenger zones between 10pm and 7am in popular night time locations to increase safety and manage congestion.</p>	<p>DDOT.(2019). https://ddot.dc.gov/release/ddot-expand-pick-and-drop-zones-through-research-pilot</p>
<p>Partnerships - Over 27 US Municipalities and transit agencies have partnered with ride-hailing operators to supplement transit and paratransit services</p>	<p>Schwieterman, J.; Livingston, M.; Van Der Slot, S. (2018) Partners in Transit: A review of Partnerships between transportation network companies and public agencies in the United States. Chaddick Institute for Metropolitan Development at DePaul University</p>

Principles on Regulation of Ride-hailing as approved by Council on January 15, 2019

1. **Regional coordination** -Regulation is coordinated across the Metro Vancouver Region and can operate effectively within our regional context to achieve net positive sustainable transport goals for both the city and region.
2. **Passenger safety** -Companies, drivers and vehicles meet minimum safety standards, and be held accountable for meeting them. Effective enforcement mechanisms and sufficient resources should be in place to ensure compliance.
3. **Enhanced accessibility** -Ride-hailing companies should contribute to a system that maintains or exceeds standards for accessibility and ensures sufficient availability and maintenance of accessible vehicles.
4. **Enhanced mobility** -Ride-hailing is a complement to transit and active, safe travel, thereby advancing shared mobility and contributing to an efficient transportation system including supporting public safety, reducing congestion and overall reduced dependency on private vehicle ownership. The following mechanisms support this:
 - a. Ride-hailing vehicles are subject to city by-laws regulating streets, traffic and parking.
 - b. Municipalities are assured access to company/app data for traffic management and policy and planning purposes.
 - c. The City (or region) is provided future opportunities for road user charges (eg. a per-trip mobility fee) to best manage mobility outcomes, manage curbside demands, minimize congestion, ideally by time of day in any problematic areas, and further incentives to pooled shared vehicles & low emissions are enabled.
5. **Reduced carbon emissions** -Ride-hailing companies have ambitious programs and ultimately targets that encourage drivers to use hybrid or zero emission vehicles in order to be leaders in provincial climate change transition for all vehicles. That the City request of the Province for the City to retain the ability to regulate new TNS or Passenger Directed Vehicles licences, in particular if they are not hybrid or zero emission vehicles, in order to meet the City's established and emerging carbon reduction goals.
6. **Economic viability** -The regulatory regime ensures opportunity for financial viability of the existing taxi industry and new entrants to the market for Passenger Directed Vehicle services such as ride-hailing including non-profit organizations. Additionally, in line with Council's commitment to providing living wage employment in Vancouver, and considering the high local cost of living, the City advocate for a regulatory regime that provides strong employment standards and the opportunity to make a living wage for ride-hailing drivers, as contractors or employees.
7. **Affordability**: The regulatory regime provides consideration and opportunity for the provision of affordable ride services as part of an enhanced mobility framework.

Table 1. Passenger Transportation Act and Regulations

New Definitions	
Passenger Directed Vehicle (PDV)	a commercial passenger vehicle, when the vehicle is operated to or from locations determined by or on behalf of the passengers (includes taxis, limousines, shuttle buses, and ride-hailing vehicles)
Transportation Network Service (TNS)	services respecting the connection of drivers of passenger directed vehicles with passengers who hail and pay for the services through the use of an online platform
Changes to municipal regulatory authority	
Supply and prohibition of PDVs	Municipalities cannot regulate supply; cannot prohibit provincially approved vehicles from operating within municipal boundaries
Driver background checks	Province will determine driver criminal & driver record check requirements and issue Chauffeur Permits
Insurance	
ICBC Authority	ICBC is authorized to develop new insurance products for Passenger Directed Vehicles and companies
Data submission required	
Taxi and TNS	Must submit data to the Passenger Transportation Board; data may include trip rates, wait times, pick up and drop off locations and times
Driver requirements - all Passenger Directed Vehicle drivers including ride-hailing	
Driver's Licence	BC issued Class 4 licence
Provincial Record Check	Annual police information check with Vulnerable Sector Search and driver abstract (record of driving infractions)
Licensee (company) requirements – All PDV and TNS	
Driver identity	Ensure identity of driver matches criminal record check; may issue record check certificate
National Safety Code	Obtain National Safety Code which requires company to: ensure drivers are properly licensed; monitor hours of driver service; ensure vehicles are mechanically sound
Vehicle safety requirements	
Mechanical Inspections, all PDVs	Annual mechanical inspection required; semi-annual if 40,000 or more km per year
Vehicle Age – TNS vehicles	Vehicles must be 10 years old or newer
Taxi & Limousine	No minimum age, however new fleet must be low emissions
Licence fees	
TNS	\$5,000 annual + \$0.30 fee per trip made by non-accessible vehicles
Taxi & Limousine	\$100 per vehicle fee annually
Enforcement & Fines	
All PDV	Audit and inspection is a PTB function Fines increased to a maximum of \$5,000/day for drivers and \$100,000/day for unlicensed companies

Table 2. Passenger Transportation Board Licence Conditions

Licence Condition	TNS	Taxi & Limousine
Company fleet size	unrestricted fleet size	current fleet sizes; application required for additional vehicles
Company service boundary	See Table 3 below	existing service boundaries maintained
Vehicle identification	Determined by PTB	Determined by PTB
Fare rates	Total fare may not be lower than Taxi flag drop rate;	rates set by Passenger Transportation Board, unchanged;
Data submission	See Appendix H	See Appendix H

Table 3. Passenger Transportation Board TNS Service Boundaries

Region 1: Lower Mainland, Whistler	Region 2: Capital	Region 3: Vancouver Island, excluding CRD	Region 4: Okanagan- Kootenay Boundary- Cariboo	Region 5: BC North Central & other regions of BC
<ul style="list-style-type: none"> • Metro Vancouver • Fraser Valley • Squamish-Lillooet 	<ul style="list-style-type: none"> • Capital Regional District 	<ul style="list-style-type: none"> • Cowichan Valley • Nanaimo • Comox Valley • Alberni-Clayoquot • Strathcona • Mt. Waddington • Qathet (Powell River) 	<ul style="list-style-type: none"> • Okanagan-Similkameen • Central Okanagan • North Okanagan • Kootenay Boundary • Shuswap Cariboo • Thompson-Nicola • Columbia 	<ul style="list-style-type: none"> • Fraser-Fort George • Bulkley Nechako • Kitimat-Stikine • Peace River • Northern Rockies • North Coast • Island Trust • Sunshine Coast

Table 1. Passenger Transportation Board Data submission requirements for Taxis, TNS and Limousines

No.	Category	Requirement
1.	Licensee Information	<ul style="list-style-type: none"> • User Id number • Application Id number • Passenger transportation (PT) licence number • National Safety Code (NSC) number
2.	Trip and Shift Classification	<ul style="list-style-type: none"> • Service type – taxi service, TNS service, limousine service • Start date of submitted trip data • End date of submitted trip data • Data and time of file creation
3	Shift, Driver and Vehicle Information	<ul style="list-style-type: none"> • Vendor shift ID • Vehicle registration number • Province/State in which the vehicle is registered • Driver's licence number • Province/State in which the driver is licenced • Start of driver's shift or login into the dispatch system • End of driver's shift or logout from the dispatch system
4.	Trip Data	<ul style="list-style-type: none"> • Shift ID • Trip ID • Trip type (accessible, conventional, pre-booked, service animal) • Trip status (Completed, cancelled by requester, no-show of requester, refused by driver) • Hail type (flag, phone, interactive voice response request (IVR), application based request (app), request via website)
5.	Trip Initiation	<ul style="list-style-type: none"> • Date/Time when the trip request was initiated or assigned. • Time elapsed from call initiation to call answer by the dispatcher or IVR system • (for IVR and phone hails) • Degrees latitude of the requested pickup location • Degrees longitude of the requested pickup location
6.	Trip metrics	<ul style="list-style-type: none"> • Trip duration • Trip distance • Fare of the trip
7.	Pick-Up and Drop-off times and locations	<ul style="list-style-type: none"> • Date and time of arrival at the requested passenger pick-up and drop-off location • Date and time of departure from the requested passenger pick-up and drop-off location • location • Degrees latitude of the requested passenger drop-off location • Degrees longitude of the requested passenger drop-off location

Table 1. Regulation of TNS in Canadian Cities

City	Provincial Regulation	Municipal Regulation	Data Requirement	Annual Licensing Fees
Toronto, Ontario	The Province has no direct role in licensing and regulation of TNS companies; drivers or vehicles	<p>The Municipality regulates and licenses companies, vehicles and drivers</p> <p>Sets conditions with respect to:</p> <ul style="list-style-type: none"> • Company fleet size • Company identifier • Provision of wheelchair accessible service • Vehicle safety inspections • Vehicle maximum age • Vehicle standards of operation and service • Driver criminal record checks • Driver licence class (non-commercial) • Driver requires separate licence for each TNS driver operates under • Sets minimum fare rates 	Trip and vehicle data must be submitted to the Municipality when requested	<ul style="list-style-type: none"> • \$15/Driver submitted by the TNS • \$0.30 per trip fee • Submitted by TNS
Calgary, Alberta	<p>Provincial Registrar of Motor Vehicles:</p> <ul style="list-style-type: none"> • authorizes companies • requires company criminal record check <p>Province sets:</p> <ul style="list-style-type: none"> • Insurance requirements • Driver licence class (Class 4) • Driver criminal record check requirement which includes vulnerable sector check • Vehicle mechanical inspection requirements <p>Province registers drivers with Class 1-55 Ride-for-hire certificate</p>	<p>Municipality regulates and licenses companies, vehicles and drivers</p> <p>Sets conditions with respect to:</p> <ul style="list-style-type: none"> • Company app - to be approved by Chief Livery Officer • Company standards of service and operation • Driver to register vehicle with Chief Livery Officer • Driver to obtain municipal TNS Driver Licence • Vehicle maximum age 10 years 	Must submit trip and vehicle data to the Municipality on a regularly scheduled basis as determined by the Chief Livery Inspector	<ul style="list-style-type: none"> • Per Driver Fee plus a Per Trip fee payable as follows: 0-100 - \$5,000 101-1000 - \$15,000 1001-3000 - \$30,000 3001+ \$50,000 • \$0.20 per trip • Minimum annual fee total must = # of TNC Drivers x \$229 (the Municipal cost to licence a driver). Fees reconciled at year end.

Edmonton, Alberta	As for Calgary above	<p>Municipality licenses and regulates companies</p> <p>Sets conditions with respect to:</p> <ul style="list-style-type: none"> • Company responsibilities • Vehicle condition • Vehicle standards of operation and service • Driver training, criminal and driving checks • Minimum fares 	No scheduled data sharing requirement with respect to trip location and duration	<ul style="list-style-type: none"> • Per Vehicle Fee 1-15 vehicles: \$3,048 16-50 vehicles: \$10,160 51+ vehicles: \$20,320 • \$0.30 per trip fee • Accessibility Surcharge \$50/Vehicle to maximum \$50,000 (waived provided 1 accessible vehicle is available for dispatch at all times)
Regina, Saskatchewan	<p>Province sets driver licence class (can be commercial or class 5+ good driving record for 2 years)</p> <p>Insurance requirements</p> <p>Criminal record check and drivers abstract requirements</p> <p>Approves TNS driver applications</p>	<p>Municipality licenses and regulates companies</p> <p>Sets conditions for:</p> <ul style="list-style-type: none"> • Company responsibilities • Vehicle condition, standards and operation • Driver criminal and driving record checks • Driver standards of service 	Companies are required to maintain trip data for 1 year and submit to Municipality upon request	<ul style="list-style-type: none"> • Per Vehicle Fee 1 to 10 vehicles: \$2500 11 to 50 vehicles: \$12,000 51 or more: \$25,000 • \$0.20 per trip fee • \$0.07 Accessibility per trip fee • Company to report monthly the number of active vehicles
Winnipeg, Manitoba	The Province has no direct role in licensing and regulation of TNS companies; drivers or vehicles	<p>Municipality licenses and regulates companies</p> <p>Sets conditions for:</p> <ul style="list-style-type: none"> • Vehicle condition • Vehicle standards of service and operation • Vehicle identification • Driver criminal and driver record check requirements • Driver training • Process for customer complaint and dispute resolution 	Trip data to be retained by company for 3 years; to be made available to the City upon request	<ul style="list-style-type: none"> • Per Vehicle Fee 1-10 vehicles: \$2,000 11-25 vehicles: \$5,000 26-100 vehicles: \$20,000 100+ vehicles: \$50,000 • \$0.20 per trip • Accessibility Surcharge: \$0.07 per trip • Safety Surcharge: \$0.03 per trip

STAKEHOLDER CONSULTATION

Staff consulted a number of key stakeholders regarding the introduction of ride-hailing in BC and the City of Vancouver’s proposed regulations for street use and licensing. Following is a summary of what we heard identified as interests and concerns.

Table 1. Stakeholder consultation feedback

Who We Spoke to	What We Heard Interests and Concerns	How We Responded
Taxi Industry <ul style="list-style-type: none"> ○ Sunshine Taxi ○ Vancouver Taxi Association 	<ul style="list-style-type: none"> • Loss of business and drivers with the introduction of TNSs • Congestion impacts • Maintain taxi-supportive street assets (such as taxi stands) • Concern about reduction in accessible taxis continuing to operate given lack of incentives 	<ul style="list-style-type: none"> • Maintain taxi stands • Maintaining taxi access to bus lanes with further study of impacts on transit • Curbside and Congestion Management Permit will not apply to taxis • No licence fee for accessible PDVs
Ride-Hailing Companies: <ul style="list-style-type: none"> ○ Kater ○ Lyft ○ TappCarr ○ Uber 	<ul style="list-style-type: none"> • Pursue regional licencing to minimize burden and costs • Curb-side access at high activity areas • Protect company data privacy • Open to collaboration with municipalities to advance EV and accessibility initiatives • Operational viability of implementing curbside access fees or permits 	<ul style="list-style-type: none"> • Exploring an Inter-municipal Business Licence with the region • Expanding passenger zones • In response to operability concerns with the Curbside and Congestion Management Permit, staff providing a per-trip fee option that can be integrated directly into the app • CCMP is only in effect during peak times and in the Metro Core, not during late night
Vancouver Port Authority	<ul style="list-style-type: none"> • Safety and congestion management at cruise-ship terminals. Passenger volumes range from 10,000 – 15,000/day • Working with the City to geo-fence street access immediately adjacent to the terminal to limit TNS pick-up on street. 	<ul style="list-style-type: none"> • Support for management of ride-hailing vehicles adjacent to terminal to ensure safety, efficient traffic flow and coordination of multiple road users. • Continue to support taxi queuing

Stakeholder consultation feedback continued

Who We Spoke to	What We Heard Interests and Concerns	How We Responded
<p>Business Improvement Associations Vancouver Tourism Association, Vancouver Board of Trade, and Ride-share Now</p>	<ul style="list-style-type: none"> • Wide support for ride-hailing to improve transportation options for residents, workers and visitors, especially for hours and areas not well serviced by transit • Ensure ride-hailing is economically viable for full and part time drivers • Support efforts for regional coordination • Operational viability of curbside access fees or permits 	<ul style="list-style-type: none"> • Continue to work with partners to support improved travel options for residents, visitors and workers • Proposed licensing and curbside access regulations are low barrier to entry for TNS • CCMP is only in effect during peak times and in the Metro Core, not during late night
<p>TransLink:</p>	<ul style="list-style-type: none"> • Advance an Inter-Municipal Business Licence (IMBL) for the Region • Maintain bus speed and reliability, limit traffic congestion and service interruption • Strong desire to remove taxis from bus lanes • Establish mechanisms for open data sharing to set the stage for Mobility as a Service in the future 	<ul style="list-style-type: none"> • Ride hail vehicles will not be allowed in bus lanes • Staff will study the impact of taxis on bus service in transit priority lanes and mitigate current conflict areas • Staff is working towards advancing an IMBL with TransLink and Metro Vancouver municipalities

Transportation Advisory Committee Motion
Regular Meeting, September 18, 2019

WHEREAS

1. Research shows that ride hailing is increasing congestion in cities where it exists and is not having a positive impact on climate emergency goals;
2. May interfere with increased cycling, walking, and rolling, and the use of public transit;
3. May reduce the safety of vulnerable road users.

THEREFORE BE IT RESOLVED THAT Vancouver City Council adopts measures being put forward to mitigate the negative impacts of ride hailing;

FURTHER THAT Vancouver City Council encourages the Province to enact further measures to increase accessibility and the use of Electric Vehicles;

FURTHER THAT Vancouver City Council increase fines and enforcement relating to any behavior that impinges on other road users, especially vulnerable users;

AND FURTHER THAT Vancouver City Council collect occupancy data on ride hailing vehicles including in non-revenue trips (e.g. when the vehicle is empty and circulating).