

To: Corporate Services Committee

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CORP-20-11

Date of Report: February 25, 2020

Date of Meeting: March 2, 2020

Subject: Modernizing Vehicle-for-Hire Standards in the City of Oshawa,
Option "C" and Proposed Consultation Process

File: D-2200

1.0 Purpose

On November 20, 2019, the Corporate Services Committee provided the following direction:

“That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP 19-96, Section 5.7, dated November 13, 2019; and,

That staff prepare an Option ‘C’ which limits City involvement to a regulatory role and this option be included in the public consultation.”

The purpose of this report is to present a proposed Option “C” which limits City involvement in Vehicle-for-Hire licensing to a regulatory role and to seek the endorsement of the proposed Option “C” for the purpose of obtaining stakeholder and public input; and, the proposed consultation process.

2.0 Recommendation

That the Corporate Services Committee endorse Option “C” as proposed in Section 5.2 and proceed with the public and industry stakeholder consultation process as outlined in Section 5.4 of Report CORP-20-11 “Modernizing Vehicle-for-Hire Standards in the City of Oshawa, Option “C” and Proposed Consultation Process” dated February 25, 2020 and report back.

3.0 Executive Summary

Not applicable

4.0 Input From Other Sources

Legal Services was consulted in the preparation of this report.

5.0 Analysis

5.1 Background

At its November 20, 2019 Special Meeting, the Corporate Services Committee (“Committee”) considered report CORP-19-96 “Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options” (excerpts of CORP-19-96 appended as **Attachment 1**) which presented:

- Findings from the 2019 Industry-specific Stakeholder Consultation sessions with the Vehicle-for-Hire (V.F.H.) Industry (e.g. Taxi Industry, Designated Driving Services Industry, Transportation Network Companies (Uber and Lyft), and Limousines);
- Municipal benchmarking related to Transportation Network Companies (T.N.C.) regulatory frameworks; and,
- Two (2) regulatory policy options (e.g. Options “A” and “B”) for consideration.

Committee subsequently provided the following direction to staff:

“That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP-19-96, Section 5.7, dated November 13, 2019; and,

That staff prepare an Option ‘C’ which limits City involvement to a regulatory role and this option be included in the public consultation.”

The purpose of this report is to seek Committee’s endorsement on the proposed Option “C” developed by staff prior to undertaking a public and industry consultation process on the three (3) proposed options. **Attachment 2** provides a consolidated comparison of all proposed regulatory options.

5.2 Proposed Option “C” – Limited Regulatory Role

Staff have prepared Option “C” which limits City involvement to a regulatory role pursuant to Committee’s direction. Based on Committee’s deliberation at its November 20, 2019 Special Meeting, staff have interpreted the direction to create a regulatory option that limits standards to those that:

- are **critical** to addressing health and safety and consumer protection; and,
- are **legislative requirements** pursuant to provincial legislation.

The aforementioned approach will be hereafter referred to as the “Limited Regulatory Role” or Option “C”.

5.2.1 Option “C” and V.F.H. Licensing Framework

Table 1 details which V.F.H. Industry participants would be licensed under Option “C”. Unlike other Options, licences would not be required for Taxicab Brokers (i.e. Companies) as current standards applicable to Taxicab Brokers are no longer required in a Limited Regulatory Role.

Similar to Option “A”, Option “C” would introduce a consolidated V.F.H. Drivers’ Licence for Drivers that are screened and licensed by the City (e.g. Taxi, D.D., and Limo). The consolidated V.F.H. Driver’s Licence would permit City-screened Drivers to operate as a Taxicab, D.D., or Limo Driver but not as a T.N.C. Driver as T.N.C.s would be responsible for screening their own drivers. Establishing one V.F.H. Driver’s Licence will enable all V.F.H. Industries to draw from a larger pool of City-licensed drivers and address a concern expressed by the Taxi Industry that it is difficult to attract drivers.

Table 1 Option "C" - V.F.H. Industry Licensing Framework

| | Taxi | T.N.C. | D.D. | Limo |
|----------------|---------------|---|---------------|---------------|
| Broker/Company | Not Licensed | City Licenses | City Licenses | N/A |
| Vehicle Owner | City Licenses | N/A | N/A | City Licenses |
| Driver | City Licenses | T.N.C. Screens Drivers on City's Behalf | City Licenses | City Licenses |

5.2.2 Option “C” and Driver Screening Standards

Table 2 details the proposed screening requirements for Drivers.

Table 2 Option "C" - Driver Screening Standards

| | Taxi | T.N.C. | D.D. | Limo |
|---|--------|--------|--------|--------|
| Police Record Check (P.R.C.) ¹ | ✔ | ✔ | ✔ | ✔ |
| Vulnerable Sector Check ² | | | | |
| Driver's Abstract | ✔ | ✔ | ✔ | ✔ |
| Medical Clearance Letter | | | | |
| Age 25+ | | | | |
| Frequency of Driver Screening | Annual | Annual | Annual | Annual |

¹ Refers to a Criminal Record and Judicial Matters Check P.R.C. which includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

² Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety

5.2.3 Option “C” and Driver Training Standards

The City would remove all requirements for Driver Training under Option “C” (see **Table 3**). The decision to establish and/or require Driver Training would become the purview of V.F.H. Brokers/Companies.

Table 3 Option "C" - Driver Training Standards

| | Taxi | T.N.C. | D.D. | Limo |
|--|------|--------|------|------|
| Driver Training | | | | |
| Accessibility Training | | | | |
| Standard First Aid (with C.P.R. Level “C”) | | | | |

5.2.4 Option “C” - Vehicle Operating Standards

Option “C” removes vehicle age and door limits, security device requirements, reduces vehicle-marking standards and limits annual inspections to accessible taxicabs only. **Table 4** details the proposed Vehicle Operating Standards under Option “C”.

Table 4 Option "C" - Vehicle Operating Standards

| | Taxi | T.N.C. | D.D. | Limo |
|--|------------------------|--------|-----------------------|------------------------|
| Safety Standards Certificate | | | N/A | |
| Vehicle Age Limit (10 years) | | | N/A | |
| Vehicle Door Limit (4 or more) | | | N/A | |
| Municipal Inspections (once a year plus audit) | ³ | | N/A | |
| Decals, Vehicle Markings, and Plates | City-Issued Plate Only | | City-Issued Sign Only | City-Issued Plate Only |
| Security Devices (e.g. Emergency Lights or G.P.S.) | | | N/A | |
| Frequency of Vehicle Screening | Annual | Annual | N/A | Annual |

5.2.5 Option “C” and Regulation of Tariffs/Fares

Under Option “C”, the City would no longer regulate tariffs/fares for the Industry and each V.F.H. Industry would be permitted to establish its own tariff/fare model. This is detailed in **Table 5**. Notwithstanding this, pursuant to Ontario Regulation 191/11: Integrated Accessibility Standards, the City would prohibit V.F.H. participants from charging a higher

³ For accessible taxicabs only to ensure compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8.

fare or an additional fee for persons with disabilities than for persons without disabilities for the same trip and charging a fee for the storage of mobility aids or mobility assistive devices.

Table 5 Option "C" - Regulation of Tariffs/Fares

| | Taxi | T.N.C. | D.D. | Limo |
|--|------|--------|------|------|
| City-Regulated Fare | | | | |
| Company-Established or Negotiated Fare Model | ✔ | ✔ | ✔ | ✔ |
| Discounts Permitted | ✔ | ✔ | ✔ | ✔ |
| Dynamic ("Surge") Pricing | ✔ | ✔ | ✔ | ✔ |
| Clean up Fee | ✔ | ✔ | ✔ | ✔ |

5.2.6 Option "C" and Other Operating Standards

T.N.C.s would be prohibited from accepting street hails as such activities would void their insurance policy. T.N.C.s would also be required submit any applicable documentation to the City on request for licensing staff to ensure, through an audit process, that the T.N.C. and its drivers are complying with the standards established by the City. This would include, but not be limited to, all driver and vehicle screening documents (e.g. P.R.C., Driver's Abstract, Safety Standards Certificate, etc.) and insurance certificate(s). Similarly, the City would require the T.N.C. to provide anonymized⁴ distance, fare, and time (start of trip and end of trip) data for each trip occurring within its municipal boundary. The anonymized data will be regularly reviewed and enable the City to adjust its cost recovery model and to inform municipal planning purposes. The proposed operating standards for Option "C" are detailed in **Table 6**.

Table 6 Option "C" - Other Operating Standards

| | Taxi | T.N.C. | D.D. | Limo |
|--------------------------------|------|--------|------|------|
| Maintain Appropriate Insurance | ✔ | ✔ | ✔ | ✔ |
| Street Hailing | ✔ | | | ✔ |
| Picking up at Taxicab Stands | ✔ | | | |
| Data Requirements | | ✔ | | |

5.2.7 Option "C" and Plate limits

Option "C" would remove current plate limits for Taxis (detailed in **Table 7**).

⁴ Anonymized data refers to data that does not contain an individual's personal information. Collecting data that is anonymized ensures that an individual's privacy is protected.

Table 7 Option "C" - Plate Limits

| | Taxi | T.N.C. | D.D. | Limo |
|---------------------|------|--------|------|------|
| Sedan Vehicles | | | | |
| Accessible Vehicles | | | | |

5.3 Comparison of Options “A” and “C”

A consolidated comparison of all proposed regulatory options is provided in **Attachment 2** and more details on Options “A” and “B” are provided in **Attachment 1** (excerpts of CORP-19-96 “Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Policy Options”).

Option “A” reduces the regulatory burden on V.F.H. Industry participants by only establishing standards that directly address the City’s regulatory objectives of health and safety, consumer protection, and nuisance control. Option “A” proposes to establish a new V.F.H. By-law with harmonized standards that are industry-appropriate.

Option “B” maintains many of the existing standards established in the Taxicab Licensing By-law 50-2003 and Licensing By-law 120-2005 specific to the D.D. Industry and essentially prevents T.N.C.s from operating in their current form in the City of Oshawa.

Option “C” primarily differs from Option “A” in that **Option “C” eliminates:**

- the **licensing of Taxicab Brokers/Companies;**
- the requirement for Taxicab Brokers to provide **accessibility training** for Taxicab Drivers who operate accessible taxicabs;
- the City’s role in the **regulation of tariffs/fares** for the **Taxi Industry;** and,
- **plate limits** for all taxicabs.

5.4 Proposed Public and Industry Consultation Process

In accordance with Committee’s direction and pending the endorsement of the proposed Option “C”, staff will conduct a one (1) day Public and V.F.H. Industry Consultation process to obtain feedback on Options “A”, “B” and “C”. Since there has been extensive public and industry consultation, it is proposed that two (2) open houses be made available to the public and industry stakeholders and be held in the Committee Room from 9:30 a.m. to 11:30 a.m. and 5:00 p.m. to 7:00 p.m. The open houses will be communicated through the City’s website and social media accounts, newspaper advertising and direct contact with Industry Stakeholders and those who have requested updates on the initiative.

6.0 Financial Implications

There are no financial implications directly related to the recommendations in this report.

7.0 Relationship to the Oshawa Strategic Plan

The recommendation in this report respond to the following goals within the Oshawa Strategic Plan:

- 4.1 Economic Prosperity and Financial Stewardship; and,
- 4.2 Accountable Leadership.



Brenda Jeffs, Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

Attachments

Public Report

To: Corporate Services Committee

From: Tracy Adams, Commissioner,
Corporate Services Department

Report Number: CORP-19-96

Date of Report: November 12, 2019

Date of Meeting: November 20, 2019

Subject: Modernizing Vehicle-for-Hire Standards in the City of Oshawa
and Proposed Regulatory Policy Options

File: D-2200

1.0 Purpose

The purpose of this report is to respond to City Council's June 10, 2019 direction (CORP-19-57) by presenting:

- findings from the 2019 Industry-specific Stakeholder Consultation sessions with staff to discuss regulatory policy options used in other municipalities and obtain preliminary input on potential options identified by the Taxi Industry; Designated Driving Services Industry; Transportation Network Companies (Uber and Lyft); and Limousines;
- municipal benchmarking related to Transportation Network Companies (T.N.C.) regulatory frameworks; and,
- two (2) regulatory policy options for consideration.

2.0 Recommendation

That the Corporate Services Committee recommend to City Council:

That staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Modernizing Vehicle-for-Hire Standards in the City of Oshawa and Proposed Regulatory Options, CORP-19-96, Section 5.7, dated November 12, 2019.

3.0 Executive Summary

The recent entrance of T.N.C. in many municipalities and the public's affinity for T.N.C. services has compelled regulators to review their Vehicle-for-Hire (e.g. taxis, designated

drivers, and limousines) licensing systems to ensure that the public's interests are addressed.

The last substantial review of the City of Oshawa (the "City") Taxicab Licensing By-law 50-2003 (T.L.B.) occurred in the early 2000s and since then, new technologies and services have introduced new opportunities for both regulators and the Vehicle-for-Hire (V.F.H.) Industries.

Staff initiated an extensive public and industry consultation process and conducted comprehensive analysis on the issue of T.N.C.s. The process identified:

- Oshawa residents use T.N.C.s and are satisfied with the service;
- the City's regulations for Taxis and Designated Driving (D.D.) services are more restrictive compared to the standards other municipalities use to regulate T.N.C.s¹;
- the Taxi Industry believes they have been financially impacted by T.N.C.s; and,
- opportunities exist to streamline licensing administration through the regulation of T.N.C.s.

At its June 10, 2019 meeting, City Council approved a process and anticipated timeline to harmonize and modernize V.F.H. standards in the City of Oshawa. This process is detailed in report CORP-19-57 and the anticipated timeline is detailed in CORP-19-61. In October 2019, staff completed V.F.H. Industry-specific Stakeholder Consultation Sessions which mostly affirmed the current findings.

The following attachments are appended:

- **Attachment 1** – Summary of Proposed V.F.H. Regulatory Options
- **Attachment 2** – Report CORP-19-57: which details the Council-approved process; public and industry-specific feedback; and background information
- **Attachment 3** - T.N.C. Regulatory Regimes and Municipal Survey (March 2019)
- **Attachment 4** – Consolidated Option "A" Proposed V.F.H. Licensing Framework
- **Attachment 5** – Report CORP-15-60 "Automatic Taxicab Tariff Increase 2015 and Taxi Industry Ability to Discount Taximeter Rates"

This report presents the following two (2) Vehicle-for-Hire regulatory options for consideration:

- **Option "A"**, detailed in Section 5.7.1, would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. industry participants in the City of Oshawa.
- **Option "B"**, detailed in Section 5.7.2, would essentially prevent T.N.C.s from operating in their current form in the City of Oshawa by regulating them under a

¹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law (“Business Licensing By-law”).

Attachment 1 provides a summary of key proposed standards for V.F.H. Regulatory Options “A” and “B” for reference.

This report recommends that staff be directed to proceed with holding Industry-specific Stakeholder Consultation sessions and a public open house to attain feedback on the proposed regulatory options as outlined in Section 5.7.

4.0 Input From Other Sources

The following were consulted in the preparation of this report:

- Legal Services
- Durham Municipal Insurance Pool (D.M.I.P.)
- Durham Region Transit
- Durham Regional Police Service – Records Management
- Financial Services Commission of Ontario
- Statistics Canada
- Other municipalities

Staff initiated a comprehensive V.F.H. Industry-specific stakeholder consultation process in October 2019 which consulted the following groups detailed in **Table 1**.

Table 1 V.F.H. Industry-specific Stakeholder Consultation Sessions

| V.F.H. Industry Stakeholder | Date | Attendance |
|----------------------------------|------------|----------------|
| Taxicab Drivers and Plate Owners | October 2 | 25 |
| Limousine Drivers and Owners | October 2 | 2 |
| D.D. Drivers and Brokers | October 3 | 3 ² |
| City Wide Taxi (Taxicab Broker) | October 22 | 4 |
| Blue Line Taxi (Taxicab Broker) | October 23 | 4 |
| Uber Canada (T.N.C.) | October 22 | 3 |
| Lyft (T.N.C.) | October 24 | 4 |

² None of the (3) three D.D. Brokers that were in attendance were licensed to operate as a D.D. Driver or Broker in the City of Oshawa. There are presently six (6) licensed D.D. Brokers operating in the City of Oshawa.

5.0 Analysis

5.1 Background

At its June 10, 2019 meeting, City Council directed staff to undertake a process to examine the modernization and harmonization of the City's V.F.H. standards which included the following phases detailed in **Table 2**.

Table 2 Council-approved Process for Modernizing the City's V.F.H. Standards

| Consultation Item | Status |
|--|---------------------|
| Hold Industry-specific Stakeholder Consultation Sessions with staff to discuss regulatory policy options used in other municipalities and obtain preliminary input on potential options identified by the Industry which includes: <ul style="list-style-type: none"> • Taxi Industry • Designated Driving Services Industry • Transportation Network Companies (Uber and Lyft) • Limousines | Completed |
| Present proposed regulatory policy options including an overview of feedback and benchmarking prepared by staff to the Corporate Services Committee and obtain authority to hold Industry-specific Stakeholder Consultation Sessions and a public open house to obtain comments on the options. | In progress |
| Hold Industry-specific Stakeholder Consultation Sessions and a public open house with staff to obtain comments on the options: <ul style="list-style-type: none"> • Taxi Industry • Designated Driving Services Industry • Transportation Network Companies (Uber and Lyft) • Limousines | Awaiting Direction |
| Report back on a recommended regulatory policy option at a special meeting of the Corporate Services Committee. | Anticipated Q1 2020 |

5.2 V.F.H. Modernization Review

The V.F.H. Modernization Review also examined a number of related issues, some of which are on the Corporate Services Committee Outstanding Items List. These issues are detailed in **Table 3**.





Table 3 V.F.H. Modernization Review and Outstanding Items List

| Item | Subject | Direction and Date |
|------|---|--|
| 1 | City Wide Taxi – Request for Exemption or Revision to the Taxicab By law to Permit a 10% Discount for Oshawa Senior Citizens, Students Attending Trent, Ontario Tech University and Durham College, and Members of Unifor Local 222 | Referred back to staff for further discussion and clarification and a subsequent report. (Council – September 28, 2015) |
| | Tammy Karantinas, Neal Mattice and Keith Howell – Taxi Driver Course Re: changing Taxi Driver Training from every 5 years to 10 years. | Referred to staff for consideration of any upcoming report regarding the taxi industry. (CORP – September 12, 2016) |
| 14 | City Wide Taxi requesting Additional Accessible Taxi Plates | That Report CORP-19-47 concerning additional taxicab plates for City Wide Taxi be referred back to staff to bring forward a recommendation concerning the number of plates to be made available and if the plates will be offered to other taxi companies. (CORP – March 25, 2019) |

5.3 Vehicle-For-Hire Industry in the City of Oshawa

The local V.F.H. industry includes Taxis, T.N.C.s, D.D. Services, and Limousines. While all V.F.H.s provide similar services, there are a number of inherent differences that are unique to each industry. **Table 4** details the various similarities and differences within each industry. It is important to note that Limousine Brokers, Owners and Drivers were previously regulated by the City of Oshawa however; standards related to the Limousine Industry were rescinded by Council in 1995.

Table 4 City of Oshawa's Current V.F.H. Industry Participants

| |  Taxi |  T.N.C. |  D.D. Services |  Limousine |
|--|--|--|--|---|
| Conveyance of Passenger(s) | Commercial Vehicle | Personal Vehicle | Customer's Personal Vehicle | Commercial Vehicle |
| Arranging Rides | Mobile App Phone Street Hail | Mobile App | Mobile App Phone Street Hail | Phone Internet/Email |
| Fares | Fixed | Dynamic | Negotiated | Negotiated |
| Limit on Vehicles | Limited at 1:1500 population ³ Taxicabs: 94 Accessible: 14 Total: 108 | No Limit ⁴ | No Limit | No Limit |
| Operation | Local | Local/ Regional | Local/ Regional | Local/ Regional |
| Applicable Regulatory Framework | Taxicab Licensing By-law | Taxicab Licensing By-law ⁴ | Business Licensing By-law | Not Regulated |

5.4 V.F.H. Industry-specific Stakeholder Consultation Sessions and Feedback

The V.F.H. Industry-specific Consultation Process, detailed in Section 4, was comprised of various consultation sessions with each V.F.H. stakeholder group. Public notice was provided in the local newspapers, on the City's T.N.C. webpage (www.oshawa.ca/tnc)

³ Section 10.3.1 of the T.L.B. states that the population figure to be used shall be as determined by the latest revised population figures available from Statistics Canada (annual estimates and the five-year actuals). Staff contacted Statistics Canada who confirmed that the latest population figures for the City of Oshawa are from the 2016 Census.

⁴ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry.

and staff directly engaged V.F.H. stakeholders in advance of the consultation sessions. At each session, staff:

- presented the feedback received from the public and industry consultation process;
- provided an update on the Council-approved Process for Modernizing the City's V.F.H. Standards;
- presented regulatory policy options used in other municipalities that regulate T.N.C.s; and,
- obtained feedback from stakeholders.

The next sections provide a summary of the preliminary feedback received from each stakeholder group.

5.4.1 Taxicab Drivers and Plate Owners

City staff engaged local Taxicab Drivers and Plate Owners⁵; the following are the key points gathered from the consultation session:

- They believe the Taxi Industry has been impacted financially (loss of income) since T.N.C.s entered Oshawa.
- There is a high level of anger, stress, and frustration arising from the entrance of T.N.C.s in Oshawa.
- There is a desire for the City to more effectively enforce the T.L.B.
- It is difficult to attract and hire new Taxicab Drivers.
- The most important issues for the Taxi Industry are:
 - There is a desire to prohibit T.N.C.s from operating in the City of Oshawa.
 - If T.N.C.s are regulated, they should be regulated with identical standards.
- Taxicab Drivers reported that other than accessible training, taxicab driver training provided very little value for experienced drivers.
- The majority of participants reported that the City should regulate all V.F.H. industry participants.

5.4.2 Taxicab Brokers

Taxicab Brokers provide dispatch services to Taxicab Drivers, operate as fleet managers for some vehicles, and hold many of the City-issued taxicab plates. Staff met with the two (2) Taxicab Brokers, City Wide Taxi and Blue Line Taxi, individually. The following are the key feedback received from the Taxicab Brokers:

⁵ A person to whom a taxicab plate(s) is issued to.

- **Preferred T.N.C. Regulatory Model:** Both Taxicab Brokers did not support the T.N.C. regulatory models adopted in many other municipalities within the Greater Toronto Area. One (1) Taxicab Broker, supports the T.N.C. regulatory model that is presently established in Niagara Region.⁶
- **Market Conditions:** Both Taxicab Brokers stated that it is difficult for the Taxi Industry to operate in the existing “tight” regulatory framework when T.N.C.s are not subject to the same regulatory framework. Both Taxicab Brokers believe that T.N.C. drivers should be required to come in to the City to obtain a City licence.
- **Driver Screening:** One (1) Taxicab Broker is concerned that the T.N.C. driver that has been screened for a Police Record Check and a Driver Abstract check may not be the individual providing the service (i.e. the screened driver lends their T.N.C. driver mobile app to another individual that has not been screened). None of the Taxicab Brokers expressed an interest to screen its own Taxicab Drivers in the same manner as T.N.C.s.
- **Vehicle Caps:** There was concern from both Taxicab Brokers about the number of T.N.C. vehicles operating within the City and specifically that it would cause an oversaturation of the market; both mentioned that a vehicle cap should apply. One (1) Broker suggested establishing graduating licensing fees based on the number of T.N.C. vehicles operating in the City.
- **Taxicab Tariffs and Discounts:** Both Taxicab Brokers stated that they preferred the City to continue to regulate taxicab tariffs and that they did not want an increase in the tariff rates. Additionally, Taxicab Brokers supported permitting Taxicab Drivers to offer discounts off the metered rate subject to conditions. One (1) Taxicab Broker specifically mentioned that it did not want the ability to implement dynamic pricing (also referred to as “surge” pricing).
- **Driver Training:** One (1) Taxicab Broker asserted that training is seen as critical for new drivers; however, refresher training for experienced drivers is not necessary. Another Taxicab Broker stated that it would like driver training to be administered by the Taxicab Brokers as opposed to the City’s training provider (Durham College), as it believes it is better positioned to deliver appropriate training. If training requirements were removed from the existing T.L.B., both Taxicab Brokers would provide training.
- **Accessible Taxicab Plates:** Both Taxicab Brokers are requesting the issuance of additional Accessible Taxicab Plates; one (1) Taxicab Broker is requesting four (4) to six (6) Accessible Taxicab Plates and another is requesting five (5) to ten (10). Both Taxicab Brokers have said they would ensure that their accessible Taxicab Drivers were appropriately trained. One (1) Taxicab Broker mentioned that their Accessible Taxicabs would be available on-demand 24/7 year round. Another Taxicab Broker stated that Accessible Taxicab Plate issuance should not be considered as part of the one (1) to one-thousand five hundred population (1,500) ratio; however, Accessible Taxicab Plates should be issued to the Brokers.

⁶ A comprehensive list of various applicable municipal standards, including those established in Niagara Region, is appended in Attachment 3.

5.4.3 Designated Driving Brokers and Drivers

The Designated Driver Industry is comprised of two (2) groups: Brokers and Drivers. Brokers dispatch calls to Drivers and Drivers provide designated driving services to clients. Individuals can be licensed as both Brokers and Drivers. City staff engaged the D.D. Industry; however, it is important to note that despite directly engaging all licensed D.D. Brokers, only unlicensed D.D. Brokers and Drivers attended the meeting. The following are the key points that were gathered from the three (3) unlicensed D.D. Brokers that attended:

- The D.D. Broker(s) mentioned that they have screening practices for their Drivers which includes reviewing the individual's driver's abstract; however, the unlicensed D.D. Broker(s) stated that they do not currently screen their Drivers' Police Record Checks.

Note: D.D. Drivers licensed by the City of Oshawa are currently required to submit Police Record Checks, Driver Abstracts, and Medical Clearance Letters as part of the licensing process.

- They believe the City's Licensing Framework for the D.D. Industry is making it difficult to attract D.D. Drivers.
- There is a desire to have D.D. licensing be undertaken at the Regional level.
- D.D.s have a working relationship with the City's Taxi Industry and will refer calls to licensed taxis if an individual requires a taxi service. The working relationship recognizes that taxicabs and D.D.s operate differently.

The City did not receive any feedback from the six (6) licensed D.D. Brokers operating in the City of Oshawa.

5.4.4 Limousine Companies and Drivers

City staff engaged locally-based Limousine Companies and Drivers. Only one (1) company attended the designated consultation session and the following are the key points from that meeting:

- They were supportive of screening V.F.H. drivers for Police Record Checks and Drivers Abstracts.
- They stated that the operating model of T.N.C.s is different than the Limousine Industry.
- They noted that if standards such as limits on the age of vehicles are established for limousine vehicles, consideration should be given to older limousines that are considered classic cars.
- Certain Limousines (vehicles with a seating capacity, not including the driver, of 10 or more) are required to comply with the province's Commercial Vehicle Operator's Registration system and must be inspected for mechanical safety and Drivers of such vehicles must comply with maximum driving time standards.

- They were supportive of a licensing system which included regulating the mechanical safety of sedans used as limousines (vehicles with a seating capacity of less than 10 passengers).

5.4.5 Transportation Network Companies

There are presently two (2) T.N.C.s operating within the City of Oshawa: Uber Canada (“Uber”) and Lyft. The City engaged both T.N.C.s and the following are the key points that were gathered:

a) Uber

Staff met with representatives from Uber on October 22, 2019. The following are the key points articulated by representatives from Uber:

- Uber operates predominantly on a regional basis in that Uber drivers offer rides across the Greater Toronto Area (G.T.A.).
- Uber is recommending the following standards be established in a proposed regulatory framework for T.N.C.s:
 - **Driver screening:** Uber recommends the City adopt the City of Hamilton’s driver screening practices as detailed in their by-law⁷. Under this structure, Uber manages the robust background check and driver abstract processes and supports the City in its audits.
 - **Vehicle inspection and requirements:** Uber recommends allowing vehicles that are 10 years old or newer, as long as they pass annual vehicle inspections.⁸
 - **Data sharing/reporting:** Uber is happy to provide trip counts on a quarterly basis. In the interest of protecting the privacy of Uber’s riders and drivers, Uber does not share individual trip-level data.
 - **Service quality:** Uber’s mobile app utilizes a two-way rating system along with 24/7 customer support to ensure service quality.

b) Lyft

Staff spoke with representatives from Lyft on October 24, 2019. The following are the key points articulated by representatives from Lyft:

- Lyft presently operates in the Greater Toronto Area and within the City of Ottawa. Lyft drivers in the G.T.A. often operate across multiple jurisdictions,

⁷ A comprehensive list of various applicable municipal standards, including those established in the City of Hamilton, is appended in Attachment 3.

⁸ Safety Standard Certificates can be obtained at a Ministry of Transportation of Ontario licensed inspection station.

sometimes even within the same day or week. Therefore, Lyft suggests that the City of Oshawa adopt vehicle-for-hire standards that are consistent with other municipalities in the G.T.A. to ensure a harmonized experience for passengers and drivers. In particular, Lyft believes that Oakville's⁹ by-law may serve as a good example. If the City of Oshawa is interested in licensing drivers, Lyft suggests adopting a provision that allows for reciprocity with neighboring jurisdictions. This will prevent an interruption in service for Oshawa residents, reduce the administrative burden shouldered by the City, and ensure that Drivers have a clear understanding of their regulatory obligations.

5.4.6 Consultation with Durham Region Transit

Staff consulted with Durham Region Transit (D.R.T.) and received the following input:

D.R.T. makes public safety its top priority. All D.R.T. operators are highly trained and licensed professionals focused on ensuring the safety of passengers on-board their vehicles along with all other road users. D.R.T. believes it is paramount that any passenger transportation operator in Durham Region satisfy all provincial and municipal regulatory requirements to ensure the safety of its customers and the public at large. Proposed regulations for T.N.C.s should maintain or increase these safeguards and not diminish current safety standards for passengers and the public.

D.R.T. recognizes that T.N.C.s may have a role to play as part of an integrated mobility network providing travel options for areas of Durham that are not well suited to scheduled, fixed-route transit service. D.R.T. is exploring the application of ride sourcing/hailing and micro-transit models that could better connect residents and businesses in lower demand areas with the broader transit network, including as part of the Rural Transit Review currently underway. D.R.T. also continues to monitor the experience in other jurisdictions in partnering with third party providers, such as Uber's agreement with the Town of Innisfil. An April 26, 2018 report to the Region's Transit Executive Committee (Report 2018-DRT-13) compared Innisfil's experience with D.R.T.'s own on-demand approach to offer similar mobility options.

D.R.T. maintains that new private transport options (along with emerging technologies such as autonomous vehicles) should be leveraged to complement and strengthen the public transit system, rather than compete with it, to achieve broader policy goals of improving mobility, reducing congestion and minimizing harmful emissions. The implications of T.N.C.s on overall mobility will need to be monitored and assessed closely. While the impact of T.N.C.s on mobility and transit use in Durham Region is largely unknown at this time, studies in other jurisdictions have found that T.N.C.s may be contributing to busier roadways and reduced transit use¹⁰.

⁹ A comprehensive list of various applicable municipal standards is appended in Attachment 3.

¹⁰ An October 2017 study from the University of California, Davis concludes that ride-hailing services such as Uber and Lyft are "currently likely to contribute to growth in vehicle miles traveled (V.M.T.) in the major [U.S.] cities represented in this study." The

D.R.T. is also monitoring the impact of T.N.C.s on accessible taxicabs which provide contracted accessible transportation services to meet service needs. Approximately nine (9) of the City of Oshawa's thirteen (13) accessible taxicabs augment D.R.T.'s specialized services. Any revised regulatory changes for taxicabs and T.N.C.s should safeguard D.R.T.'s ability to leverage accessible V.F.H. to meet demands for specialized services, including meeting requirements of the Accessibility for Ontarians with Disabilities Act (A.O.D.A.).

5.5 Public Interest and City's Regulatory Objectives

The City regulates the V.F.H. Industry such as Taxicabs and D.D. Services for three (3) principal objectives: health and safety, consumer protection, and nuisance control. These three (3) objectives, articulated in Schedule 4 of the T.L.B. and in **Table 5** below, have traditionally been interpreted as the public's interest.

Table 5 T.L.B. and Regulatory Objectives

| Regulatory Objective | Description | Examples |
|----------------------|--|--|
| Health and Safety | To enhance and encourage safe maintenance and operational practices for drivers and owners; ensure experienced and qualified drivers are providing services; supply passengers with drivers who have proven themselves to be trustworthy to care for their belongings and their person; and ensure accountability of industry participants for health and safety issues. | <ul style="list-style-type: none"> • Driver Screening and training • Smoke free environment • Requiring vehicle mechanical safety checks • Providing assistance to passengers with accessibility needs |
| Consumer Protection | To enhance and encourage equal, fair and courteous treatment of passengers, drivers, owners and brokers; protect the property of passengers; ensure competence of owners and drivers in providing taxicab services; promote accountability; ensure consistency in the application of fares; and support proper and good business practices. | <ul style="list-style-type: none"> • Regulating fares and inspecting meters • Requiring Taxicab Drivers to maintain trip sheets • Requiring Taxicab Drivers to undertake training, including accessibility training and first aid certification |
| Nuisance Control | To promote professional behaviour; fair dealing amongst participants in the industry; ensure courteous treatment; and | <ul style="list-style-type: none"> • Establishing driver dress code |

study also found that ride hailing led to a 6 per cent decrease in transit use in major urban centres. [<https://steps.ucdavis.edu/new-research-ride-hailing-impacts-travel-behavior/>]

| Regulatory Objective | Description | Examples |
|----------------------|---|--|
| | limit or mitigate unsightliness, unnecessary noise, nuisance or disruption for passengers, Drivers, Owners, Brokers and the general public. | <ul style="list-style-type: none"> Establishing driver conduct code |

5.5.1 Shift in Public Interest

A staff analysis of feedback from the public survey found that the majority of respondents (77%) expressed a desire for the City to regulate the broader V.F.H. industry. Nevertheless, there appears to be a shift in the public’s interest as it relates to establishing regulations for the V.F.H. industry. Historically, addressing the public’s interest included regulations which would ensure an emphasis on consumer protection (e.g. regulating fares, record-keeping requirements, regulating fares, record-keeping requirements, driver first-aid training) and quality of services (e.g. cleanliness of vehicles, availability of service, driver appearance). The survey of the general public has found that respondents are now less concerned with addressing issues related to consumer protection (depicted in **Figure 1**) and quality of services (depicted in **Figure 2**). As identified earlier, addressing public health and safety (depicted in **Figure 3**) remains important to the public. Such a shift in interest marks a departure from the public’s historical positions on V.F.H. regulations.

Figure 1 Regulating Consumer Protection

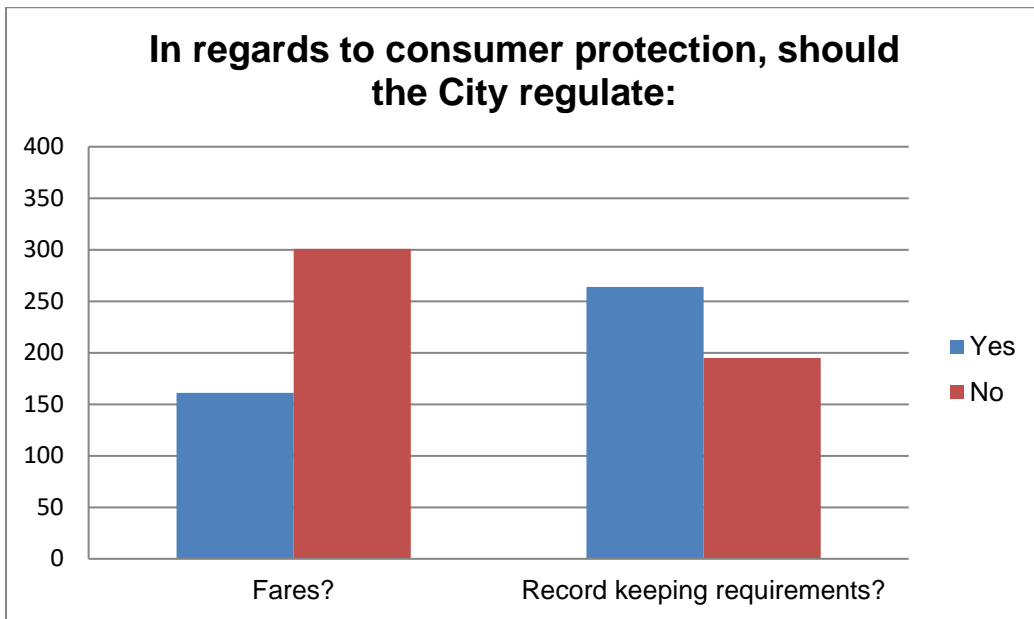


Figure 2 Regulating Quality of Service

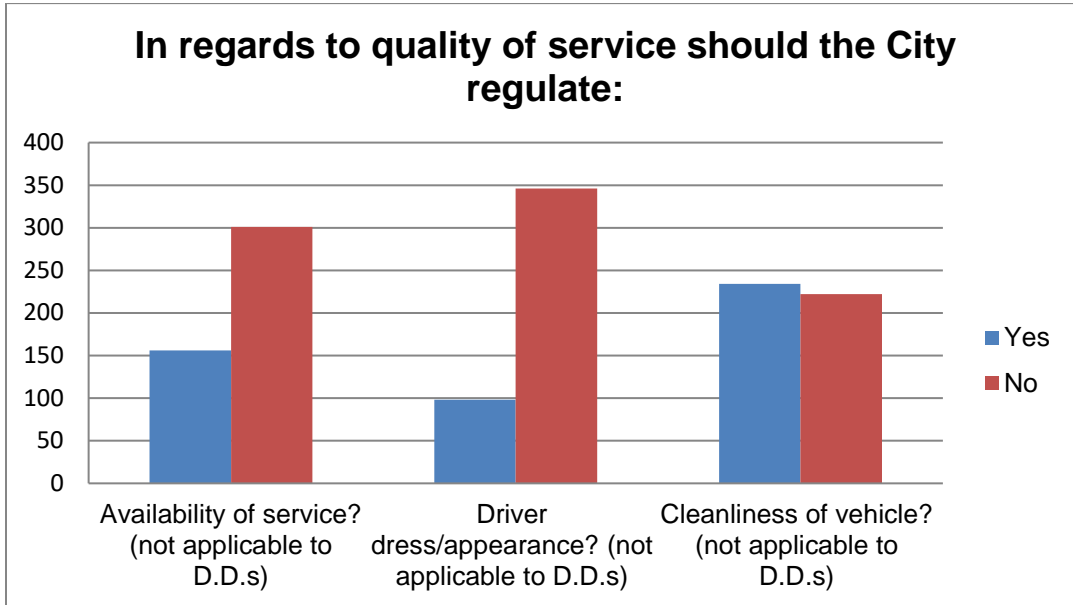
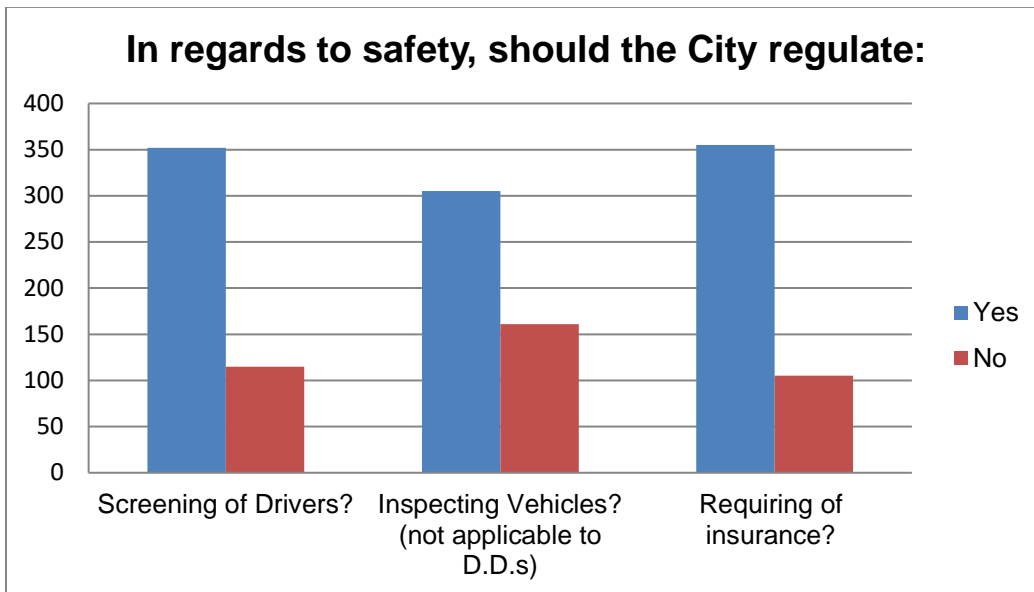


Figure 3 Regulating Health and Safety



The full results of the Public and Industry Consultation Survey are appended in report CORP-19-57 (**Attachment 2**).

5.6 Municipal Benchmarking: Regulatory Frameworks for T.N.C.s

In March 2019, staff updated the municipal benchmarking exercise presented in the initial report CORP-17-24 “Transportation Network Companies and Proposed Public and Industry Stakeholder Consultation Process” and found that the majority of regulatory standards governing T.N.C.s remained the same. The updated municipal benchmarking of

T.N.C. regulatory frameworks is appended as **Attachment 3**. The common elements in municipal T.N.C. licensing systems are as follows:

- **Driver Screening** – Municipalities establish screening standards and licensing thresholds with respect to criminal and driving offenses and permit T.N.C.s to use third-party background checking companies to screen its Driver's police record checks and Driver's abstracts to ensure compliance with municipal standards/thresholds.

Note:

- Staff have confirmed with D.R.P.S. that the Criminal Records and Judicial Matters Check ("Level 2" Police Record Check) undertaken by Uber and Lyft through a third-party background checking company is the same Criminal Records and Judicial Matters Check that D.R.P.S. would provide.
 - The benchmarking exercise found that the only municipalities that licence T.N.C.s directly are the City of Toronto and Niagara Region. To facilitate this process, the City of Toronto has developed a sophisticated integrated system with Uber to remit driver information to the City on a daily basis. The City of Toronto performs its own checks for document validity and works with the Ministry of Transportation to screen for driver abstracts. Conversely, Niagara Region requires all prospective T.N.C. drivers to attend their licensing office and submit the appropriate documents to receive a Niagara Region T.N.C. Driver's Licence.
- **Vehicle Standards** – Municipalities establish vehicle age limits (typically 7 or 10 years) for taxis and T.N.C. vehicles, require that T.N.C. decals be displayed on T.N.C. vehicles, and require that the driver submit a safety standards certificate attesting to the mechanical safety of the T.N.C. vehicle as part of the screening process.
 - **Licensing fee structure** – T.N.C. licensing systems generally establish a combination of a flat T.N.C. licensing fee, a per driver fee, and/or a per trip arranged fee.
 - **Insurance** – Appropriate insurance products are also required by municipalities. Typically, the insurance product is a \$5 million Commercial General Liability insurance policy approved by the provincial financial regulator: Financial Services Commission of Ontario, and a \$2 million and Automobile Liability Insurance for owned, non-owned, or leased T.N.C. Vehicles.
 - **Street Hailing** – T.N.C. drivers are prohibited from accepting rides through street hailing, as this would void insurance coverage.
 - **Auditing** - Municipalities require T.N.C.s to submit documentation (e.g. T.N.C. drivers' Police Record Checks, safety standard certificates, etc.) for audit purposes to ensure that T.N.C.s are complying with applicable municipal standards.
 - **Security Technology (e.g. in-car cameras)** – Given that T.N.C.s leverages a two-way reputational ranking system whereby the client's information is shared with the driver and the driver's information is shared with the client, security technology is not required.
 - **Limit on number of T.N.C. drivers/vehicles** – Municipalities that regulate T.N.C.s do not limit the number of T.N.C. drivers/vehicles that operate in its jurisdiction.

5.7 Proposed Regulatory Policy Options for Consideration

Staff are presenting two (2) regulatory policy options:

- **Option “A”**, detailed in Section 5.7.1, would establish a new harmonized and equitable V.F.H. By-law governing all V.F.H. operators in the City of Oshawa.
- **Option “B”**, detailed in Section 5.7.2, would essentially prevent T.N.C.s from operating in their current form in the City of Oshawa by regulating them under a Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law.

5.7.1 Option “A” Establish a new V.F.H. By-law

Option “A” proposes the creation of a new consolidated V.F.H. By-law governing all V.F.H. operators in the City of Oshawa and an amendment to the General Fees and Charges By-law 13-2003 to support Licensing Fees as outlined in **Table 14**. The proposed consolidated V.F.H. By-law would apply to all V.F.H. Industries including Taxis, D.D.s, T.N.C.s, and Limousines. The principal objective of Option “A” is detailed below:

Principal Objective of Option “A”: to create a harmonized and equitable regulatory framework for the City’s V.F.H. Industries that would enhance the City’s ability to address the public’s interests and achieve the City’s regulatory objectives.

A consolidated table of proposed standards under Option “A” is appended as **Attachment 4** for reference purposes.

a) V.F.H. Licensing Framework

Under Option “A”, the City of Oshawa would establish a licensing framework (see **Table 6**) which would license all V.F.H. Brokers/Companies, Vehicle Owners, and/or Drivers. Notwithstanding this, given the unique operating model of T.N.C.s, the City would permit licensed T.N.C.s to screen its own drivers and submit applicable documents to the City for audit purposes (detailed further in Section 5.7.1 (h)).

During the Taxicab Broker Stakeholder Sessions, both Taxi Brokers did not express interest in screening their own Taxicab Drivers in a similar manner as T.N.C.s. Both Taxicab Brokers stated that they would prefer the City to continue to screen and license Taxicab Drivers.

Table 6 Option “A” Proposed V.F.H. Licensing Framework

| | Taxi | T.N.C. | D.D. | Limo |
|-----------------------|---------------|--|----------------|----------------|
| Broker/Company | City Licenses | City Licenses | City Licenses | Not Applicable |
| Vehicle Owner | City Licenses | Not Applicable | Not Applicable | City Licenses |
| Driver | City Licenses | T.N.C. Screens Drivers on City’s Behalf | City Licenses | City Licenses |

b) Proposed V.F.H. Driver Screening Standards

The City establishes standards for the screening of drivers to address health and safety. **Table 7** details the City’s existing driver screening regulations and the proposed driver screening standards under Option “A”.

Table 7 Existing Standards v. Option “A” Proposed V.F.H. Driver Screening Standards

| | Existing Standard | | | Option “A” | | | |
|--|-------------------|-------------------------|---------------|------------|--------|--------|--------|
| | Taxi | T.N.C. ¹¹ | D.D. | Taxi | T.N.C. | D.D. | Limo |
| Police Record Check (P.R.C.) ¹² | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Vulnerable Sector Check ¹³ | ✓ | | ✓ | | | | |
| Driver’s Abstract ¹⁴ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Medical Clearance Letter | ✓ | | ✓ | | | | |
| Age 25+ | | | ✓ | | | | |
| Frequency of Driver Screening | Every 2 years | Annual | Every 2 years | Annual | Annual | Annual | Annual |

¹¹ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Uber and Lyft have confirmed that they subject their drivers to certain driver screening requirements including reviewing Police Record Checks and Drivers’ Abstracts on an annual basis.

¹² Includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

¹³ Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety.

¹⁴ Driver identification: legal name, driver’s licence number, date of birth, gender, class (e.g. G, M, D, F, etc.), conditions (e.g. air-brake endorsement or if glasses/contact lenses are needed), licence status (licensed, unlicensed, suspended), issue date and expiry date, due date for medical (controlled class licences only – Class A, B, C, D, E, F), active Highway Traffic Act and Criminal Code of Canada convictions, suspensions and reinstatements over past 3 years, conviction dates, offence date, demerit points and description(s) of violations.

Option “A” proposes the following amendments:

- **Police Record Checks** – maintain the requirement for a P.R.C. and specifically require all V.F.H. drivers to undertake an annual Criminal Record and Judicial Matters Check which discloses:
 - all criminal convictions;
 - all pending charges;
 - outstanding warrants;
 - outstanding court order;
 - peace bond;
 - Etc.

- **Vulnerable Sector Check (V.S.C.)** – applicants for taxicab, designated driver and limousine driver licences are currently required to submit a V.S.C. in addition to their P.R.C. Staff reassessed the V.S.C. requirement and are recommending that this no longer be required for the following reasons:
 - **All Criminal Code convictions**, including Part V Sexual Offences, will be reported on the individual’s Criminal Records and Judicial Matters Check.
 - While pardons (now referred to as “record suspensions”), approved by the Parole Board of Canada, are not reported on an individual’s P.R.C. (with the exception of a V.S.C.), the presence of a pardon/record suspension does not automatically exclude an applicant from being issued a licence at the present time.

The issuance of a licence for Taxicab Drivers, Owners and Brokers, and Designated Drivers is denied in cases where there is a conviction pursuant to Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada. Given that all Criminal Code convictions are disclosed on a Criminal Records and Judicial Matters Check, it is recommended that a V.S.C. not be required. **Table 8** details the relevant excerpts from the sections in the applicable by-laws.

Table 8 Excerpts from Applicable By-laws

| Licensing Class | Applicable By-law and Section | Paragraph |
|---|---|---|
| Taxicab Driver Taxicab Owner Taxicab Broker | Taxicab Licensing By-law Section 4.7.1 (a) | The City Clerk shall refuse to issue a Licence under this By-law to any Person if: that Person has been convicted of an offence, for which a pardon has not been granted, pursuant to any one or more of Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada, R.S.C. 1985 c. C-46, as amended. |
| Designated Driver | Business Licensing By-law Schedule "N" Section 2. (b) | Condition of holding a licence: The Designated Driver is, at no time, convicted of an offence, for which a pardon has not been granted, pursuant to any one or more of Parts V (Sexual Offences), VIII (Offences Against Persons) or IX (Offences Against Property) of the Criminal Code of Canada, R.S.C. 1985 c. C-46, as amended |

- Option "A" proposes to increase the frequency of V.F.H. driver screening by requiring P.R.C.s and Drivers Abstracts to be undertaken annually as opposed to every two (2) years.
- This approach will align the City's V.F.H. screening practices with many municipalities in the Greater Toronto Area (G.T.A.).
- **Medical Clearance Letter** – applicants for Taxicab Driver and Designated Driver licences are currently required to submit a Medical Clearance Letter as part of their application to have a medical professional confirm that the applicant is medically fit to provide driving services. Option "A" recommends removing the standard as a review has determined that concerns related to an individual's ability to operate a motor vehicle may be addressed through existing provincial legislation. Specifically the Sections 203 and 204 of the Highway Traffic Act, 1990 require physicians and optometrists to report to the Registrar of Motor Vehicles any patient age sixteen (16) or over who may be suffering from a medical/visual condition that may impair driving ability. The Ministry of Transportation reviews the report and the driver's licence may be suspended if it is determined that the driver's medical condition does not qualify them to operate a motor vehicle. Removing the Medical Clearance Letter requirement may serve to reduce the regulatory burden.

- **Designated Driver Age Requirement** – Option “A” recommends removing the twenty-five (25) year age limit for Designated Driver applicants. Staff contacted the Financial Services Commission of Ontario who reported that the agency is not aware of any condition that would void coverage to an individual under the age of twenty-five (25) to operate a register motor vehicle owner’s vehicle provided they are given consent and are licensed to operate a motor vehicle in the province of Ontario.
- **Frequency of Driver Screening** – it is recommended that V.F.H. driver screening be conducted annually as opposed to every two (2) years. This will establish a higher level of screening to address public safety in terms of screening for Criminal Code convictions and an individual’s driving record. Additionally, to further streamline the Driver Licensing process, Licensing Services will facilitate an online licensing process where applicants can submit screening documents via email and licences can be mailed to the applicant.

c) Driver Training and Standard First Aid

Option “A” would remove the requirement for Taxicab Drivers to attend a City-administered driver training course and to be certified in Standard First Aid (with C.P.R. Level “C”). Presently, all Taxicab Drivers must attend a three (3) hour Taxicab Driver training course delivered by Durham College when they first apply for a licence and every five (5) years as a refresher. **Table 9** details the existing v. proposed Driver Training and Standard First Aid requirements under Option “A”.

Table 9 Existing Standards v. Option “A” Driver Training and Standard First Aid

| | Existing Standard | | | Option “A” | | | |
|--|-------------------|--------------|------|-----------------|-----------------|------|------|
| | Taxi | T.N.C. 15 | D.D. | Taxi | T.N.C. | D.D. | Limo |
| Driver Training | | | N/A | Broker provided | T.N.C. provided | N/A | N/A |
| Accessibility Training | | | | Broker provided | T.N.C. provided | N/A | N/A |
| Standard First Aid (with C.P.R. Level “C”) | | | N/A | | | N/A | N/A |

It is recommended that the training of Taxicab and T.N.C. drivers be delivered by Taxicab Brokers and T.N.C.s respectively. This approach would enable V.F.H. companies to tailor their drivers’ training to their industries’ unique needs. The recommended approach is in

¹⁵ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Both Uber and Lyft have confirmed that they provide training to their drivers.

keeping with best practices established in other municipalities and through input received from one (1) Taxicab Broker and from T.N.C.s. Industry-specific consultation sessions. Nevertheless, Taxicab Drivers operating accessible taxicabs would be required to complete a City-approved accessible driver's course to ensure they are appropriately trained to provide accessible services.

In regards to the existing requirement for Standard First Aid (with C.P.R. Level "C"), a municipal survey of Durham Lakeshore Municipalities (Pickering, Ajax, Whitby, and Clarington) respecting taxicab driver standards found that the City of Oshawa was the only municipality requiring Taxicab Drivers to be certified in Standard First Aid (with C.P.R. Level "C"). Furthermore, there was a broad consensus amongst Taxicab Drivers that the certification was not useful. It is proposed that the standard requiring Taxicab Drivers to be certified in Standard First Aid (with C.P.R. Level "C") be removed.

d) Consolidated V.F.H. Driver's Licence for: Taxis, D.D.s, and Limousine Drivers

Option "A" recommends the creation of a consolidated V.F.H. Driver's Licence for the proposed City-screened licensing classes which include: Taxicab Drivers, Designated Drivers and Limousine Drivers. A consolidated V.F.H. Driver's licence would permit City-screened Drivers to operate as Taxicab Drivers, as Designated Drivers and Limousine Drivers with the same licence. The consolidated V.F.H. Driver's licence is premised on the fact that Driver screening standards, as detailed in 5.7.1 (b), are harmonized across V.F.H. Industries and that the Broker is responsible for ensuring that their Drivers are appropriately trained. The consolidated V.F.H. Driver's licence would not permit a City-screened Driver to operate as a T.N.C. Driver considering the T.N.C. is responsible for screening its own Drivers. Establishing one V.F.H. Driver's Licence will enable all V.F.H. Industries to draw from a larger pool of City-licensed drivers and address a concern expressed by the Taxi Industry that it is difficult to hire Drivers.

e) Proposed Vehicle Operating Standards

The City's regulatory framework establishes standards for V.F.H. to fulfil the public interest of health and safety and consumer protection. **Table 10** details the City's existing vehicle operating standards and the proposed standards under Option "A". Vehicle operating standards for D.D.s are limited to requiring a D.D. support vehicle to display markings, contact, and licensing information for the Designated Driving Broker with whom the Designated Driver is affiliated on the exterior of the Motor Vehicle. This is because D.D.s provide transportation services in the customer's vehicle rather than in their support vehicle and accordingly, many vehicle operating standards are not applicable to their Industry.

Table 10 Existing Standards v. Option “A” Proposed Vehicle Operating Standards

| | Existing Standard | | | Option “A” | | | |
|--|-------------------|----------------------|------|------------|--------|------|--------|
| | Taxi | T.N.C. ¹⁶ | D.D. | Taxi | T.N.C. | D.D. | Limo |
| Safety Standards Certificate | ✓ | ✓ | N/A | ✓ | ✓ | N/A | ✓ |
| Vehicle Age Limit (10 years) | ✓ | ✓ | N/A | ✓ | ✓ | N/A | ✓ |
| Vehicle Door Limit (4 or more) | ✓ | ✓ | N/A | | | N/A | |
| Municipal Inspections (once a year plus audit) | ✓ | N/A | N/A | ✓ | N/A | N/A | |
| Decals/Vehicle Markings | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Security Devices (e.g. Emergency Lights or G.P.S.) | ✓ | | N/A | ✓ | | N/A | |
| Frequency of Vehicle Screening | Annual | Annual | N/A | Annual | Annual | N/A | Annual |

- Safety Standards Certificate** – A safety standards certificate is a provincial document confirming that a motor vehicle meets minimum standards of mechanical safety. They can be attained from most provincially-licensed inspection stations. It is recommended that an annual submission of a safety standards certificate be required for Taxicabs, T.N.C. vehicles and Sedan Limousines¹⁷. Stretch Limousines¹⁸ are inspected semi-annually for mechanical safety and subject to the province’s Commercial Vehicle Operator’s Registration (C.V.O.R.) system. Accordingly, the City would only require a proof of valid C.V.O.R. certificate in lieu of a safety standards certificate.
- Vehicle Age Limit (e.g. Model Year Restrictions)** – Vehicle model year restrictions are established to address safety, passenger comfort and vehicle reliability. Many T.N.C.s have established self-imposed vehicle model year

¹⁶ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Uber and Lyft have confirmed that it requires vehicle safety standards certificates to be submitted on an annual basis and establish specific vehicle standards for its drivers.

¹⁷ Sedan Limousines are Limousines that carry less than ten (10) passengers (excluding the Driver).

¹⁸ Stretch Limousines are Limousines that carry ten (10) or more passengers (excluding the Driver).

restrictions. It is recommended that a vehicle model year restriction of ten (10) years¹⁹ (not including the current year) be established for all V.F.H. vehicles, with the exception of the D.D. Industry²⁰, operating within the City of Oshawa. Notwithstanding this, the Limousine Industry has indicated that vehicle model year restriction of (10) years may limit classic limousines from being licensed. It is proposed that such instances be considered on a case-by-case basis.

- **Vehicle Door Limit** – It is recommended that the requirement for a minimum number of doors be removed as this is a quality of service standard and best left to the V.F.H. Industry to self-regulate.
- **Municipal Inspections** – A taxicab is required to undergo two (2) municipal inspections each year to ensure that the vehicle complies with the standards set out in the T.L.B. Perhaps the most important portion of the inspection is the inspecting of taximeters which determine the fare the client pays based on the tariff rates established by the City. Taxicab Owners must also submit a safety standards certificate, issued by a mechanic, twice a year demonstrating that the vehicle complies with the Province of Ontario’s standards for mechanical safety. Option “A” proposes to reduce the number of municipal inspections to once (1) a year and on an as-required basis if complaints are received. This proposed amendment would reduce the regulatory burden. Many municipalities²¹ have moved from a bi-annual inspection regime to an annual inspection regime. Municipal inspections are not recommended for other V.F.H. vehicles given that T.N.C.s and Limos do not have taximeters and D.D.s operate their client’s vehicle as opposed to a commercial vehicle.
- **Decal/Vehicle Markings** – Taxicabs and D.D. Support Vehicles are required to display their Broker affiliations on their vehicles for identification purposes. Option “A” would similarly require T.N.C. drivers and Limousine Owners to display their affiliation in the form of a decal/vehicle markings to allow passengers to identify their V.F.H.
- **Security Devices** - Taxicabs are required to be equipped with either two (2) emergency lights or a Global Positioning System to be activated by the Taxicab driver in the event the driver is in distress. Safety devices are not required for D.D.s considering the transportation service is provided in the client’s vehicle. Option “A” recommends maintaining the requirement for Taxicabs to be equipped with security devices but does not recommend that the same requirement to be established for D.D.s and T.N.C. drivers for the following reasons:
 - D.D.s provide transportation in the client’s vehicle and therefore it would not be feasible to install safety devices in the client’s vehicle prior to providing service.

¹⁹ Ten (10) years is the standard established for Taxicabs in the T.L.B.

²⁰ The service is provided in the client’s vehicle.

²¹ Brampton, Halton Hills, Milton, Newmarket, Vaughan, etc.

- o Both the T.N.C. driver and customers exchange their personal information (name, licence plate number, reputational ranking, etc.) when a ride is arranged via a mobile app. Moreover, an electronic record of the entire transaction is maintained. In the event of an emergency situation, information about each party can be transmitted to Police. Conversely, considering Taxicabs take street hails, the identity of the passenger(s) is unknown and therefore there is a greater impetus for taxicabs to be equipped with security devices.

f) Fares/Rates

Municipalities have traditionally regulated taxicab fares (also referred to as “tariffs”) by establishing fixed rates for the purpose of consumer protection. The City of Oshawa establishes the following fixed rates detailed in **Table 11** and on the City’s Taxicab Tariff Webpage. Taxicabs are prohibited from charging any other rate with the exception of providing services under a written contract between a Taxicab Owner and another person for a period greater than nine (9) months at an agreed fare, rate or charge.

Table 11 Taxicab Tariff Rates

| Taxicab Tariffs (Detailed on the City’s Taxicab Tariff Webpage) | Rate |
|---|--------------|
| First 132 metres or part thereof | \$3.75 |
| Each additional 132 metres or part thereof | \$0.25 |
| Waiting time while under engagement, for each 33.1 seconds | \$0.25 |
| For each package or piece of luggage handled by driver in excess of four (4) pieces | \$0.30 |
| Wheelchairs, walkers, etc. | No Charge |
| Debit Service Charge | Up to \$1.75 |

T.N.C.s establish fare structures akin to municipally-regulated tariffs for taxi services in that they often have a fare structure which includes a base fare, a minimum fare, fares calculated by distance travelled and time engaged. In addition to this structure, T.N.C.s leverage data to implement dynamic pricing whereby in periods of higher demand, “surge” pricing (price multiplier) comes into effect. This is to attract more T.N.C. drivers into the high-demand area and to encourage customers who can wait until demand decreases to arrange rides at a lower fare. T.N.C.s provide fare estimates, including notifications that surge pricing is in effect, to their customers prior to requesting a ride when they engage the T.N.C.’s mobile app.

Option “A” recommends permitting T.N.C.s the ability to establish their own fare schedules which would facilitate dynamic pricing or lower rates during periods of low demand and surge pricing, or higher rates, during periods of high demand. Additionally, T.N.C.s will be required to provide pricing details and cost estimates in advance of arranging a trip and

that a receipt providing particulars (e.g. total fare, distance, etc.) be provided to the customer.

Under Option “A” fares for taxicab rides arranged by street hail will continue to be regulated in accordance with the rates established in the T.L.B. This is premised on the notion that a cost estimate of a ride arranged through street hail could not be provided in a timely manner. In other words, the customer would have a limited ability to make an informed decision on whether or not they wish to arrange a ride as a cost estimate would not be available at the time of the street hail. Moreover, both Taxicab Brokers have requested that the City continue to regulate taxicab tariffs at their existing rates. Additionally, one (1) Taxicab Broker has requested the ability for its drivers to charge a cleaning fee in cases where the client(s) fouls the taxicab; Option “A” recommends that such a fee be established.

Option “A” would similarly permit Taxicab Drivers to offer discounts off the metered rate according to the conditions as detailed in report (CORP-15-60, **Attachment 5**):

- A discount is optional and not mandatory.
- The discount can be applied to anyone at the driver’s discretion.
- The taximeter must be operated for the duration of the trip, and the rate charged must not be higher than the metered rate.
- Harmonized Sales Tax (H.S.T.) must be included in the agreed discounted rate and not added after.
- Taxicab drivers are prohibited from offering discounts to passengers already seated inside another licensed taxicab.

Both Taxicab Brokers supported permitting Taxicab Drivers to offer discounts subject to the conditions detailed above. Fares for D.D. and Limousine services would continue to be negotiated under Option “A” as D.D. Services are provided in a customer’s vehicle and the installation of taximeters to facilitate the regulated rates would not be feasible and Limousines enter into a contract prior to the provision of Limousine services. **Table 12** details the existing versus proposed standards for regulating fares/rates.

The principle intent of the proposed amendments to fares/rates in Option “A” is to provide greater flexibility for V.F.H. companies and choice for customers while addressing consumer protection concerns. It is important to emphasize that under Option “A” consumer protection is achieved through the premise that **prior to accepting a ride, the customer is fully informed of the cost of the ride and is able to efficiently determine whether or not they would like to engage the service provider.**

Table 12 Existing Standards v. Option “A” Proposed Standards for Regulating Fares

| | Existing Standard | | | Option “A” | | | |
|--------------------------------|-------------------|----------------------|------|------------|--------|------|------|
| | Taxi | T.N.C. ²² | D.D. | Taxi | T.N.C. | D.D. | Limo |
| Regulated Fare | ✓ | | | ✓ | | | |
| Negotiated Fare | | | ✓ | | | ✓ | ✓ |
| Company-Established Fare Model | | ✓ | | | ✓ | | |
| Dynamic (“Surge”) Pricing | | ✓ | | | ✓ | | |
| Clean up Fee | | ✓ | | ✓ | ✓ | N/A | N/A |

g) Operating Standards

i. Insurance:

Option “A” recommends requiring all V.F.H. industry participants to maintain appropriate insurance at all times (detailed in **Table 13**). Specific to T.N.C.s, appropriate insurance refers to maintaining a provincially-approved fleet auto insurance policies or other applicable provincially-approved insurance products. Fleet auto insurance provides coverage from the moment the T.N.C. mobile app is turned on to the moment passengers exit the vehicle. When the mobile app is turned off, the vehicle owner’s personal auto insurance policy applies.²³ It is incumbent on the T.N.C. driver to notify their personal vehicle insurance company that they are operating as a T.N.C. driver.

Table 13 Existing Standards v. Option “A” Proposed Insurance Requirements

| | Existing Standard | | | Option “A” | | | |
|--------------------------------|-------------------|----------------------|------|------------|--------|------|------|
| | Taxi | T.N.C. ²⁴ | D.D. | Taxi | T.N.C. | D.D. | Limo |
| Maintain appropriate Insurance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

²² While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry.

²³ Ontario, Financial Services Commission of. “Ridesharing and auto insurance in Ontario.” Financial Services Commission of Ontario / Commission des services financiers de l’Ontario, Financial Services Commission of Ontario, Corporate Policy and Public Affairs Branch, 14 Nov. 2018, www.fsco.gov.on.ca/en/auto/Pages/ridesharing-info.aspx. Accessed 11 Apr. 2019.

²⁴ While the T.L.B. did not contemplate the operating model of T.N.C.s, the standards of the T.L.B. presently apply to the T.N.C. Industry. Both Uber and Lyft’s insurance policy is available on the Financial Services Commission of Ontario webpage.

The Superintendent of the Financial Services Commission of Ontario (F.S.C.O.), the provincial regulatory body for insurance and other financial services, has approved fleet auto insurance coverage for the following T.N.C.s (current as of October 2019):

- **Uber** – policy provided by Intact Insurance
- **Lyft** – policy provided by Aviva Insurance Company of Canada
- **RideCo** – policy provided by Northbridge Insurance
- **ecoRIDES** – policy provided by Northbridge Insurance
- **Facedrive** – policy provided by Northbridge Insurance
- **DriveHER** – policy provided by Northbridge Insurance
- **Urider** - policy provided by Northbridge Insurance

It is important to note that staff consulted the City’s insurance specialist, Durham Municipal Insurance Pool (D.M.I.P.), who have confirmed that the insurance requirements for T.N.C.s as detailed in Option “A” are appropriate. The insurance policies for each T.N.C. are regularly updated on the F.S.C.O.’s webpage.²⁵

ii. **Arranging Rides (“Street Hailing”)**

Option “A” recommends prohibiting T.N.C. drivers from accepting street hails and limiting the hailing of rides exclusively through the T.N.C.’s mobile app for consumer protection purposes. More specifically, the insurance products detailed above provide coverage only when the mobile app is engaged. The T.N.C. driver’s personal automobile insurance policy provides coverage when the mobile app is turned off. Personal automobile insurance excludes coverage for the insured when they are carrying paying passengers and accordingly consumer protection is jeopardized when a T.N.C. driver provides services arranged through street hail.

iii. **Prohibiting T.N.C.s from Picking Up Passengers in Taxicab Stands**

Taxicab Stands are areas set aside and designated by the City to be used by a taxicab while it is waiting for or picking up goods or passengers. For this exclusive privilege, taxicab owners must pay an annual levy to defray the cost of forgone municipal revenues which could have been received through paid on-street parking. It is recommended that T.N.C. drivers be prohibited from picking up passengers in taxicab stands.

h) **T.N.C. Data Requirements and Ensuring Compliance**

The T.N.C. would be required to submit any applicable documentation to the City on request for licensing staff to ensure, through an audit process, that the T.N.C. and its drivers are complying with the standards established by the City. This would include, but not be limited to, all driver and vehicle screening documents (e.g. P.R.C., Driver’s Abstract, Safety Standards Certificate, etc.) and insurance certificate(s). Similarly, the City would require the T.N.C. to provide anonymized distance, fare, and time (start of trip and end of trip) data for each trip occurring within its municipal boundary. The anonymized data will be

²⁵ F.S.C.O. webpage: <https://www.fsco.gov.on.ca/en/auto/Pages/ridesharing-info.aspx>

regularly reviewed and enable the City to adjust its cost recovery model and to inform municipal planning purposes.

Option “A” would require T.N.C.s to provide passenger/driver accounts for staff to conduct compliance inspections. Moreover, T.N.C.s would be required to restrict a T.N.C. driver’s access to the T.N.C.’s mobile app and provide proof upon being notified by the City that the driver and/or their vehicle is being operated in a manner that negatively impacts the public interests and City’s regulatory objectives as outlined in Section 5.5. If cases of non-compliance are identified, the City may utilize a broad range of compliance tools including:

- education;
- issuing Provincial Offences Act tickets or A.M.P.s;
- suspending and revoking business licenses; and,
- requiring the T.N.C. to suspend a T.N.C. Driver’s access to the T.N.C. mobile app.

i) Option “A” - Licensing Fees and Cost Recovery

The proposed fee schedule, detailed in **Table 14**, is premised on the notion of achieving full-cost recovery for the administration of the V.F.H. licensing system. Staff would review the licensing fees periodically and propose applicable amendments to ensure that full-cost recovery was achieved.

Table 14 Proposed Licensing Fee Schedule for Option “A”

| V.F.H. Licence Class | Proposed Licensing Fee (Annual fee unless otherwise noted) | New or Existing Fee? |
|---------------------------------------|--|-----------------------------|
| T.N.C. Licence | Licence Fee (based on the number of drivers affiliated with the T.N.C.): <ul style="list-style-type: none"> • 1 to 100 drivers: \$5,000 • 101 to 500 drivers: \$10,000 • 501 to 1000 drivers: \$15,000 • 1001 or more drivers: \$50,000 Per Trip Fee (to be remitted quarterly): \$0.11 | New Fee |
| V.F.H. Driver (Taxi, D.D., Limousine) | \$75 | New Fee |
| Taxicab Broker | \$250 | Existing Fee |
| Taxicab Owner | \$250 | Existing Fee |
| D.D. Broker | \$250 | Existing Fee |
| Limousine Owner | \$250 | New Fee |

5.7.2 Option “B” Regulate T.N.C. under a Taxi and D.D. licensing framework within the T.L.B. and Business Licensing By-law

Presently, the City’s T.L.B. and Business Licensing By-law 120-2005 regulate Taxicabs and D.D. services respectively. Under the current regulatory framework, T.N.C. drivers are

considered to be operating “taxicabs” contrary to the T.L.B. when providing T.N.C. services, as they are not currently licensed.

The existing framework would essentially prevent T.N.C.s from operating, in their current form, within the City. This is because T.N.C. vehicles are considered as taxicabs under the T.L.B. and, in essence, no new taxicabs are permitted to operate based on the Owner Plate limits established in Section 10.3.1 of the T.L.B. A review of the existing regulatory framework confirms that T.N.C.s would be unable to operate in the City of Oshawa given that Section 10.3.1 of the T.L.B. limits the number of Owner Plates, and therefore Taxicabs, within the City based on a ratio of one (1) Owner Plate per fifteen-hundred (1,500) residents in the City of Oshawa. The number of Owner Plates by Type is detailed in **Table 15**.

Table 15 Number of Taxicab Plates by Type

| Type of Owner Plate | Transferable | Number of Plates/Taxicabs |
|---|----------------|---------------------------|
| Standard Plate (“Sedan Taxicab”) | Yes | 87 |
| Executive Plates (“Sedan Taxicab”) | No | 7 |
| Accessible Plate (“Accessible Taxicab”) | No | 14 |
| Total | Not Applicable | 108 |

The ratio is determined by the latest revised population figures available from Statistics Canada (annual estimates and the five-year actuals). Staff contacted Statistics Canada who informed that their latest population figures are from the 2016 Census which is 159,458. Accordingly, the limit on the total number of Owner Plates is presently 106 and therefore **no additional Executive Plates²⁶ may be issued**. It is important to note that City Council has in the past approved number of Executive and Accessible Plates in excess of the Owner Plate limit.

In addition to the limit on the number of Taxicab Owner Plates, there are several regulations designed specifically to apply to the Taxi Industry which present significant barriers for the operation of T.N.C. including, but not limited to, requiring the vehicle to be:

- equipped with a taxicab meter;
- in operation not less than thirty-five (35) hours per week at all times. Taxicabs may not comply with this requirement for a period of up to eight (8) weeks, consecutive or intermittently, in one (1) licence year without violating this requirement; and
- equipped with security systems such as emergency lights or Global Positioning System for monitoring the position of the taxicab at all times.

Option “B” would regulate T.N.C. under the City’s existing regulatory framework established in the T.L.B. Furthermore, it is proposed that the T.L.B. be amended to:

²⁶ Section 10.3.4 of the T.L.B. states that only Executive Plates will be issued.

- remove requirement for refresher Driver Training for Taxicab Drivers;
- permit Taxicab Drivers to offer discounts to customers off the metered rate subject to certain conditions as detailed in CORP-15-60 (**Attachment 5**);
- implement other minor technical amendments related to the Taxi Industry as detailed in Section 5.7.3; and,
- maintain existing Taxicab Plate Owner Limits for Standard Plates and Executive Plates and remove the Plate Owner Limits for Accessible Taxicab Plates as detailed in Section 5.7.4.

5.7.3 Modernizing Standards Respecting the Taxi Industry (Applies to Both Options “A” and “B”)

Other technical amendments would be implemented to modernize the existing standards related to the Taxi Industry which would apply to both Options “A” and Options “B”. These technical amendments include but are not limited to:

- updating definitions and references;
- removing dress and deportment standards for Taxicab Drivers;
- removing interior minimum dimension standards to permit the Taxi Industry to use a broader selection of vehicle makes and models as Taxicabs;
- removing outdated licensing administrative requirements (e.g. submitting passport photos) and taxicab standards (e.g. keeping a current street guide, maintaining written trip sheets as opposed to electronic trip sheets, etc.); and,
- establishing an Administrative Monetary Penalty (A.M.P.) system.

5.7.4 Taxicab Owner Plate Limits and Accessible Taxicab Plates (Applies to Both Options “A” and “B”)

The V.F.H. Modernization Review considered the issue of the Owner Plate limits which, as mentioned earlier, limits the number of taxicabs operating within the City of Oshawa. The Owner Plate limit, established in Section 10.3.1 of the T.L.B., applies to all types of Taxicab Plates (Standard, Executive, and Accessible) and has been historically established for the following reasons:

- addresses concerns related to the oversaturation of the market and provides an opportunity for Taxicab Drivers to earn a reasonable income;
- the Taxi Industry has supported maintaining the Owner Plate limit; and,
- it reduces the licensing administration for the City as there is a fixed number of taxicabs for the City to inspect, license, and enforce.

After considering the aforementioned reasons for maintaining the Owner Plate Limit, it is recommended that the City maintain the existing Owner Plate limits as prescribed in Section 10.3 of the T.L.B. for Standard and Executive Plates only. It is further recommended that the Owner Plate limit not be applied to the issuance of Accessible

Taxicab Plates. The Review also considered requests from both Taxicab Brokers concerning the issuance of additional Accessible Taxicab Plates to enhance on-demand accessible taxicab services in the City. One (1) Taxicab Broker requested four (4) to six (6) Accessible Taxicab Plates and another requested five (5) to ten (10). This Review also responds to the Corporate Services Committee's March 25, 2019 direction:

“That Report CORP-19-47 concerning additional taxicab plates for City Wide Taxi be referred back to staff to bring forward a recommendation concerning the number of plates to be made available and if the plates will be offered to other taxi companies.”

Staff consulted both Taxicab Brokers on the issuance to additional Accessible Taxicab Plates and both were agreeable to excluding Accessible Taxicab Plates from the existing Owner Plate Limit but preferred to have the issuance of additional Accessible Taxicab Plates to the Broker and be managed on a case-by-case basis. A concern that was brought forward by one (1) Taxicab Broker was that it believed that the Broker would be more capable of ensuring that the accessible taxicab driver was appropriately trained and qualified.

After careful consideration, it is recommended that the Owner Plate limits not be applied to the issuance of Accessible Taxicab Plates and that any individual or Taxicab Broker should be permitted to apply for and qualify to operate an Accessible Taxicab. This recommendation would apply to Options “A” and “B” and is premised on the following:

- More than fifteen (15) percent of Ontarians have a disability, and that number will continue to rise as our population ages.
- While staff did not consult the Oshawa Accessibility Advisory Committee (O.A.A.C.) as part of this Process given that the initial phase of this Process was limited to consulting V.F.H. Industry-specific Stakeholders, staff are aware of concerns related to excessive wait times and a demand for more Accessible Taxicabs through past consultations and complaints received from the community.
- One (1) Taxicab Broker stated that the existing on-demand Accessible Taxicab service is limited and depending on the time of day, the wait for an on-demand Accessible Taxicab can be up to thirty (30) minutes.
- The majority of Accessible Taxicabs are being used on contract to Durham Region Transit.
- Staff are not able to determine the appropriate number of additional Accessible Taxicab Plates to be issued at this time.
- Currently, Taxicab Owners must be affiliated to a Taxicab Broker and Taxicab Drivers must be affiliated with the Taxicab Owner. Given this connection, and pursuant to the proposal to require Taxicab Brokers to provide industry-appropriate training to their affiliated Taxicab Drivers, the Taxicab Brokers would be able to ensure that its Taxicab Driver are appropriately trained.
- Concerns relating to the oversaturation of Accessible Taxicabs may be mitigated given that the financial cost to purchasing and operating an accessible vehicle or

retrofitting an existing vehicle is high. For instance, a 2015 study commissioned by the City of Ottawa found that the average cost of a three (3) year-old sedan taxicab was \$15,000 compared to \$40,000 for an accessible taxicab of the same year. Furthermore, when it came to daily operating costs, the sedan taxicab's cost was approximately \$123.03 compared to the accessible taxicabs \$196.86.

6.0 Financial Implications

There are no direct financial implications related to the recommendations in this report. Notwithstanding this, a full costing of the recommended regulatory option will be undertaken in the subsequent report.

7.0 Relationship to the Oshawa Strategic Plan

The recommendation in this report respond to the following goals within the Oshawa Strategic Plan:

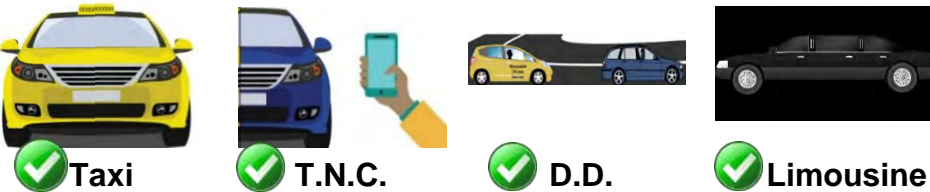
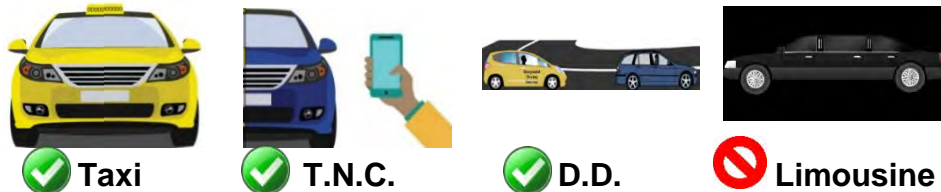
- 4.1 Economic Prosperity and Financial Stewardship; and,
- 4.2 Accountable Leadership.



Brenda Jeffs, Interim Director,
Municipal Law Enforcement and Licensing Services



Tracy Adams, Commissioner,
Corporate Services Department

| <h2 style="color: green;">Option "A"</h2> <p>Establish a new V.F.H. By-law</p> | <h2 style="color: blue;">Option "B"</h2> <p>Regulate T.N.C.s under a Taxi and D.D. Licensing Framework</p> |
|---|---|
| <p>Who is Regulated?</p>  <p> ✔ Taxi ✔ T.N.C. ✔ D.D. ✔ Limousine </p> | <p>Who is Regulated?</p>  <p> ✔ Taxi ✔ T.N.C. ✔ D.D. ⊘ Limousine </p> |
| <p>How Option "A" proposes to regulate the V.F.H. Industry: Harmonizes all V.F.H. standards in an equitable and industry-appropriate manner by developing a new consolidated V.F.H. By-law governing all V.F.H. Industry Participants.</p> | <p>How Option "B" proposes to regulate the V.F.H. Industry: Essentially Prevents T.N.C.s from operating in their current form in Oshawa by regulating T.N.C.s using existing standards in the Taxicab Licensing By-law and Business Licensing By-law specific to the Taxi Industry and D.D. Industry respectively.</p> |
| <p>Key Proposals applicable to Option "A":</p> <ul style="list-style-type: none"> • Creation of a consolidated V.F.H. Driver's Licence for Taxicab Drivers, Designated Drivers and Limousine Drivers • Streamlines Driver screening process – all V.F.H. drivers only required to submit "Level 2" Police Record Check and Drivers Abstract on annual basis • T.N.C. permitted to screen its Drivers and Vehicles based on City's standards; T.N.C. screening is subject to City audits • Brokers/Companies are responsible for driver training • All vehicles (except D.D.s) subject to annual mechanical safety checks and appropriate insurance requirements • T.N.C.s prohibited from picking up street hails and from Taxi Stands | <p>Key Proposals applicable to Option "B":</p> <ul style="list-style-type: none"> • Maintaining current licensing classes for Taxicab and Designated Drivers and requiring all T.N.C. drivers to apply for a City of Oshawa Taxicab Driver's Licence • Maintaining current Taxicab and Designated Driver screening requirements • Maintaining current City-administered Taxicab Driver Training for all new Taxicab Drivers • Requiring all T.N.C. vehicles to comply with Taxicab vehicle standards including, but not limited to: municipal inspections, plate limits, installation of taxicab meters and security systems |
| <p>Key proposals applicable to Both Options "A" and "B":</p> <ul style="list-style-type: none"> • Removes City-administered Taxicab Refresher Driver Training requirement • Permits Taxicab Drivers to offer discounts off the metered rate subject to conditions • Establishes Administrative Monetary Penalties • Permits any individual/Broker to apply for an Accessible Taxicab Plate • Implements other technical amendments related to Taxi Industry | |

Comparison of Proposed Vehicle-for-Hire (V.F.H.) Regulatory Options

1) V.F.H. Licensing Framework

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|-----------------|---------------|------------------------|---------------|--------------|---------------|---|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---|---------------|---------------|
| | Taxi | T.N.C. ¹ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Broker/ Company | City Licenses | Not Currently Licensed | City Licenses | Not Licensed | City Licenses | City Licenses | City Licenses | N/A | City Licenses | City Licenses | City Licenses | Not Licensed | Not Licensed | City Licenses | City Licenses | N/A |
| Vehicle Owner | City Licenses | Not Currently Licensed | N/A | Not Licensed | City Licenses | N/A | N/A | City Licenses | City Licenses | City Licenses | N/A | Not Licensed | City Licenses | N/A | N/A | City Licenses |
| Driver | City Licenses | Not Currently Licensed | City Licenses | Not Licensed | City Licenses | T.N.C. Screens Drivers on City's Behalf | City Licenses | City Licenses | City Licenses | City Licenses | City Licenses | Not Licensed | City Licenses | T.N.C. Screens Drivers on City's Behalf | City Licenses | City Licenses |

2) V.F.H. Driver Screening Standards

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|---|---------------|---------------------|---------------|--------------|------------|--------|--------|--------|---------------|---------------|---------------|--------------|------------|--------|--------|--------|
| | Taxi | T.N.C. ² | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Police Record Check (P.R.C.) ³ | ✔ | ✔ | ✔ | Not Licensed | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Not Licensed | ✔ | ✔ | ✔ | ✔ |
| Vulnerable Sector Check ⁴ | ✔ | | ✔ | Not Licensed | | | | | ✔ | ✔ | ✔ | Not Licensed | | | | |
| Driver's Abstract | ✔ | ✔ | ✔ | Not Licensed | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | ✔ | Not Licensed | ✔ | ✔ | ✔ | ✔ |
| Medical Clearance Letter | ✔ | | ✔ | Not Licensed | | | | | ✔ | ✔ | ✔ | Not Licensed | | | | |
| Age 25+ | | | ✔ | Not Licensed | | | | | | | ✔ | Not Licensed | | | | |
| Frequency of Driver Screening | Every 2 years | Annual | Every 2 years | Not Licensed | Annual | Annual | Annual | Annual | Every 2 years | Every 2 years | Every 2 years | Not Licensed | Annual | Annual | Annual | Annual |

¹ While the Taxicab Licensing By-law 50-2003 (T.L.B.) did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

² While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

³ Refers to a Criminal Record and Judicial Matters Check P.R.C. which includes criminal convictions in Canada and summary convictions over the past five (5) years as well as pending entries such as charges or warrants, judicial orders, Probation Orders, etc.

⁴ Includes all information disclosed in the P.R.C.; pending entries such as charges or warrants, judicial orders, Probation Orders etc.; and all record suspensions (pardons), including for Part V Sexual Offences as authorized for release by the Minister of Public Safety.

3) Driver Training and Standard First Aid

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|--|---------------|---------------------|------|--------------|-----------------|-----------------|------|------|-------------------|-------------------|------|--------------|------------|--------|------|------|
| | Taxi | T.N.C. ⁵ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Driver Training | ✓ | ✓ | N/A | Not Licensed | Broker provided | T.N.C. provided | | | ✓ No refresher | ✓ No refresher | N/A | Not Licensed | | | | |
| Accessibility Training | ✓ | | | Not Licensed | Broker provided | T.N.C. provided | | | ✓ | ✓ | N/A | Not Licensed | | | | |
| Standard First Aid (with C.P.R. Level "C") | ✓ | | N/A | Not Licensed | | | | | ✓ | ✓ | N/A | Not Licensed | | | | |

4) Proposed Vehicle Operating Standards

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|--|---------------|---------------------|------|--------------|----------------|--------|-----------------------|------------------------|------------|--------|------|--------------|------------------------|--------|-----------------------|------------------------|
| | Taxi | T.N.C. ⁶ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Safety Standards Certificate | ✓ | ✓ | N/A | Not Licensed | ✓ | ✓ | N/A | ✓ | ✓ | ✓ | N/A | Not Licensed | ✓ | ✓ | N/A | ✓ |
| Vehicle Age Limit (10 years) | ✓ | ✓ | N/A | Not Licensed | ✓ | ✓ | N/A | ✓ | ✓ | ✓ | N/A | Not Licensed | | | N/A | |
| Vehicle Door Limit (4 or more) | ✓ | ✓ | N/A | Not Licensed | | | N/A | | ✓ | ✓ | N/A | Not Licensed | | | N/A | |
| Municipal Inspections (once a year plus audit) | ✓ | N/A | N/A | Not Licensed | ✓ ⁷ | N/A | N/A | | ✓ | ✓ | N/A | Not Licensed | ✓ ⁸ | | N/A | |
| Decals, Vehicle Markings, and Plates | ✓ | | ✓ | Not Licensed | ✓ | ✓ | City-Issued Sign Only | City-Issued Plate Only | ✓ | ✓ | ✓ | Not Licensed | City-Issued Plate Only | | City-Issued Sign Only | City-Issued Plate Only |
| Security Devices (e.g. Emergency Lights or G.P.S.) | ✓ | | N/A | Not Licensed | ✓ | | N/A | | ✓ | ✓ | N/A | Not Licensed | | | N/A | |
| Frequency of Vehicle Screening | Annual | Annual | N/A | Not Licensed | Annual | Annual | N/A | Annual | Annual | Annual | N/A | Not Licensed | Annual | Annual | N/A | Annual |

⁵ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁶ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

⁷ For taximeter inspection and accessible taxicabs (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8) only.

⁸ For accessible taxicabs only (Compliance with Ontario Regulation 629: Accessible Vehicles under the Highway Traffic Act, R.S.O 1990, c. H.8).

5) Tariffs/Fares

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|--|---------------|---------------------|------|--------------|------------|--------|------|------|------------|--------|------|--------------|------------|--------|------|------|
| | Taxi | T.N.C. ⁹ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| City-Regulated Fare | ✓ | | | Not Licensed | ✓ | | | | ✓ | ✓ | | Not Licensed | | | | |
| Company-Established or Negotiated Fare Model | | ✓ | ✓ | Not Licensed | | ✓ | ✓ | ✓ | | | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ |
| Discounts Permitted | | ✓ | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ | | | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ |
| Dynamic ("Surge") Pricing | | ✓ | ✓ | Not Licensed | | ✓ | ✓ | ✓ | | | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ |
| Clean up Fee | | ✓ | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ | | | N/A | Not Licensed | ✓ | ✓ | ✓ | ✓ |

6) Other Operating Standards

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|--------------------------------|---------------|----------------------|------|--------------|------------|--------|------|------|------------|--------|------|--------------|------------|--------|------|------|
| | Taxi | T.N.C. ¹⁰ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Maintain Appropriate Insurance | ✓ | ✓ | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Not Licensed | ✓ | ✓ | ✓ | ✓ |
| Street Hailing | ✓ | | | Not Licensed | ✓ | | | | ✓ | ✓ | | Not Licensed | ✓ | | | ✓ |
| Picking up at Taxicab Stands | ✓ | | | Not Licensed | ✓ | | | | ✓ | ✓ | | Not Licensed | ✓ | | | |
| Data Requirements | | | | Not Licensed | | ✓ | | | | | | Not Licensed | | ✓ | | |

7) Plate Limits

| | Current State | | | | Option "A" | | | | Option "B" | | | | Option "C" | | | |
|---------------------|---------------|----------------------|------|--------------|------------|--------|------|------|------------|--------|------|--------------|------------|--------|------|------|
| | Taxi | T.N.C. ¹¹ | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo | Taxi | T.N.C. | D.D. | Limo |
| Sedan Vehicles | ✓ | | | Not Licensed | ✓ | | | | ✓ | ✓ | | Not Licensed | | | | |
| Accessible Vehicles | ✓ | | | Not Licensed | | | | | ✓ | ✓ | | Not Licensed | | | | |

⁹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

¹⁰ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.

¹¹ While the T.L.B. did not contemplate the operation of T.N.C.s, the standards within the T.L.B. apply to T.N.C.s.