

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