

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 23, 2018

Item 17, Report No. 18, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on May 23, 2018.

17 TECHNICAL AMENDMENTS RESPECTING TAXICAB OWNERSHIP AND OTHER MINOR MATTERS

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Deputy City Manager, Community Services, dated May 8, 2018:

Recommendations

1. That City Council amend the City's consolidated Licensing By-law No. 315-2005 in line with the specific changes provided in Attachment 1, subject to final wording and in a format satisfactory to the City Solicitor, Legal Services; and
2. That staff be authorized to undertake any other actions or amend any other by-laws, as required, to give effect to the recommendations of this report.

(A copy of the attachments referred to in the following report have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

Item:



Committee of the Whole Report

DATE: Tuesday, May 08, 2018

WARD(S): ALL

TITLE: TECHNICAL AMENDMENTS RESPECTING TAXICAB OWNERSHIP AND OTHER MINOR MATTERS

FROM:

Mary Reali, Deputy City Manager, Community Services

ACTION: DECISION

Purpose

To continue to allow agreements for the leasing of taxicab plates, while ensuring that all relevant parties are held responsible for compliance with the City's taxi regulations, staff are seeking approval for two technical amendments to the Licensing By-law.

In addition, staff are recommending technical amendments to the Licensing By-law to address two drafting errors and one provision requiring elaboration.

Recommendation

1. That City Council amend the City's consolidated Licensing By-law No. 315-2005 in line with the specific changes provided in Attachment 1, subject to final wording and in a format satisfactory to the City Solicitor, Legal Services; and
2. That staff be authorized to undertake any other actions or amend any other by-laws, as required, to give effect to the recommendations of this report.

Report Highlights

- In September of 2017, City Council adopted new regulations for the private ground passenger transportation industry that included regulatory relief and specifically the elimination of the requirement to file taxicab leases with the City.
- The changes inadvertently prohibited the leasing of taxicabs not owned by Taxicab Owners (and usually owned by the lessees), an arrangement prevalent in the industry and affecting most leasing arrangements.
- To address the negative impact on Taxicab Owners, staff are recommending two technical amendments to continue to allow Taxicab Owners to enter into leasing agreements without being required to own the motor vehicle.

Background

In June of 2017, Council considered and approved staff recommendations to overhaul the regulatory framework for the private ground passenger transportation industry. Part of the review's mandate was to provide regulatory relief and level the competitive field between different types of services.

For the taxicab industry this included the elimination of numerous administrative requirements, including the requirement for Taxicab Owners to file leasing agreements with the City. Specifically, staff recommended the repeal of Section 27.0(49), which stated:

Taxi Owners may rent or lease their taxicab provided a copy of the agreement between all parties has been submitted to and approved by the Licensing Officer, prior to the date of signing of the agreement.

- a) For the purposes of subsection 27.0 (49), the terms "rent" and "lease" include any arrangement or agreement whereby the owner gives up to some other person the right to possession and control of the taxi for a period of more than one normal operator's shift, and also any arrangement or agreement relating to the use of the taxi by any person other than a bona fide fare enduring or intended to endure for more than one day;
- b) ***If the provincial motor vehicle permit and/or plate portion is/are registered in the name of the licensed Taxi Operator as noted in the approved agreement it is understood that the Owner of the Vaughan taxi plate is equally responsible and accountable for compliance to this By-law; [emphasis added]***
- c) A rental or lease agreement shall not confer transfer of ownership of the Vaughan taxi plate.

The above provision was significant not only because it required Taxicab Owners to file leasing agreements with the City, but also because subsection b) was the only provision in the By-law that recognized that, for purposes of leasing, the motor vehicle could be owned by the Taxicab Operator (i.e., Taxicab Driver). However, this same provision also explicitly made, in these circumstances, the Taxicab Owner equally responsible and accountable for compliance with the By-law.

Section 27.0(49) was repealed in an effort eliminate the requirement for *Taxicab Owners* to have to submit their leasing agreements to the City. However, the deletion of section 27.0(49) inadvertently eliminated the option for *Taxicab Owners* to enter into leasing agreements with *Taxicab Drivers*, which is a common arrangement in the industry.

Notice of the proposed amendments to the Licensing By-law was conducted in accordance with Section 4(3) of the City's Notice By-law No. 394-2002.

Previous Reports/Authority

Committee of the Whole (Working Session) [Report No. 24, Item 3](#). (approved by Council on June 27, 2017).

Amending [By-law 123-2017](#).

Licensing [By-law 315-2005](#).

Analysis and Options

In reviewing the restrictions respecting motor vehicle ownership and leasing agreements, staff conclude that two technical amendments are required to: (1) recognize that a Taxicab Owner need not own the motor vehicle; and (2) ensure that responsibility for compliance with the By-law rests on the appropriate parties.

Definition of Taxicab Owner

Staff are proposing an amendment to the existing definition of Taxicab Owner, where the current definition reads:

“Taxicab Owner” means the owner of a *Taxicab* who is licensed or required to be licensed under the provisions of this By-law.

And where,

“Taxicab” means a motor vehicle of a type approved by the Licensing Officer, licensed or required to be licensed under the provisions of this By-law which is used for the hire and conveyance of persons, materials or luggage, from a point of origin within the City of Vaughan to a destination directly or indirectly and shall not include an Accessible Taxicab.

The new definition is proposed to read as:

“Taxicab Owner” the holder of the Taxicab Owner licence or the Person required to hold such licence.

Ownership of motor vehicle

In order to remedy the inadvertent restriction of leasing a *Taxicab*, staff are further recommending that Section 27.0(36) be deleted.

Interim approach

Over the course of this review, staff have suspended the requirement for *Taxicab Owners* to demonstrate that they are the owners of the motor vehicle being used as the licensed *Taxicab*. This was done in anticipation of changes to the By-law. Staff will continue to accept renewals for leased plates, for which the motor vehicle is owned by a third party, until the recommendations in this report are either approved and an amending by-law is passed, at which time the new regulations would take force, or until Council decides otherwise.

Other amendments

In the course of their review of the By-law, staff also identified two drafting errors, specifically the duplication of one provision and the incorrect numbering of provisions in section 27.0.

Staff also identified the need to elaborate on the provision requiring Taxicab Brokerages to maintain a ratio of Accessible Taxicabs in their fleet. The provision provides specific numbers for fleets of up to 199 vehicles, but is not explicit on the requirement for larger fleets, as shown in Table 1 below.

Table 1 – Current requirements for accessible vehicles required by fleet

Fleet Size	Accessible Taxicabs Required
1-19	1
20-39	2
40-59	3
60-79	4
80-99	5
100-119	6
120-139	7
140-159	8
160-179	9
180-199	10

Staff recommend amending the section to include a formula for fleets of 200 vehicles or more, outlined in Figure 1.

Figure 1 – Proposed formula for calculating the number of accessible vehicles required for a fleet of over 200

total number of licensed Taxicabs and Accessible Taxicabs in brokerage	X	5 % + 1 (rounded to the nearest whole number)
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Table 2 provides examples of the number of accessible vehicles that would be required should the formula in Figure 1 be accepted.

Table 2 – Requirements for accessible vehicles based the formula in Figure 1

Fleet Size	Accessible Taxicabs Required
200	11
250	14
300	16
500	26

Financial Impact

The recommendation of this report does not have an impact on the City's budget.

Broader Regional Impacts/Considerations

Not applicable.

Conclusion

The technical amendments recommended in this report are intended to continue to allow the holder of Taxicab Owner licence to enter into leasing agreements with Taxicab Drivers where the motor vehicle being licensed as the Taxicab is not owned by the former. Additionally, the proposed changes also confirm that the holder of Taxicab Owner licence is to be either jointly or wholly responsible for compliance with the By-law, depending on the circumstances surrounding motor vehicle ownership.

For more information, please contact: Gus Michaels, Director, By-law and Compliance, Licensing and Permit Services, ext. 8735.

Attachment

1. Amendments to Licensing By-law 315-2005, as amended.

Prepared by

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