

**Community Services Report to  
SPC on Community and Protective Services  
2018 March 07**

**ISC: UNRESTRICTED  
CPS2018-0127  
Page 1 of 10**

## **Accessible Taxi Review**

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### **EXECUTIVE SUMMARY**

Over the past two years, Administration has undertaken a multi-phased Accessible Taxi Review aimed at achieving three key objectives: improve customer service for individuals using on-demand wheelchair accessible taxis; reduce the financial burden for Accessible Taxi Plate Licence (ATPL) holders and drivers; and assess the effects of the introduction of Transportation Network Company (TNC) operations on sustaining 24/7 on-demand wheelchair accessible service. The second phase of the review, which included options for consideration, was presented to Council on 2016 December 19. Council referred the matter back to Administration to undertake an accessible transportation scoping report between Calgary Transit Access (CTA) and Livery Transport Services (LTS). Based on Council's direction, this report concludes the CTA and LTS scoping review and provides Administration's recommendations for implementing improvements for the wheelchair accessible taxi industry. Specifically, Administration is seeking Council's endorsement to proceed with a two-phased approach aimed at improving wheelchair accessible taxi service delivery. Following Council approval of bylaw amendments to the Livery Transport Bylaw 6M2007 to be brought back no later than 2018 Q3, the first phase would include the implementation of an annual accessible incentive program for ATPL holders and drivers based on meeting customer service criteria. The second phase would monitor the effectiveness of the incentive program and explore the necessity for an accessible taxi central dispatch, with a report back to Council in 2020 Q2.

## Accessible Taxi Review

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### ADMINISTRATION RECOMMENDATION:

That the SPC on Community and Protective Services recommends that Council:

1. Receive this Report and Attachments for information;
2. Endorse the Phase 1 Accessible Incentive Program Framework in Attachment 1 and direct Administration to:
  - a. Fund the incentive through a per-trip fee applied to all taxi and TNC trips;
  - b. Bring forward amendments to the Livery Transport Bylaw 6M2007 based on this option no later than 2018 Q3; and
3. Direct Administration to monitor the effectiveness of the Accessible Incentive Program for two years and to explore the necessity of a Phase 2 Accessible Taxi Central Dispatch and report back to Council by 2020 Q2.

### RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, DATED 2018 MARCH 07:

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That Council:

1. Receive this Report and Attachments for information;
2. Endorse the Phase 1 Accessible Incentive Program Framework in Attachment 1 and direct Administration to:
  - a. Fund the incentive through a per-trip fee applied to all taxi and Transportation Network Companies trips;
  - b. Bring forward amendments to the Livery Transport Bylaw 6M2007 based on this option no later than 2018 Q3;
3. Direct Administration to monitor the effectiveness of the Accessible incentive Program for **up to** two years and report back to Council, **through the SPC on Community and Protective Services**, no later than 2020 Q2; and
4. **Direct Administration to explore options related to a pilot central dispatch approach including but not limited to:**
  - a. **Considering innovative technologies; and**
  - b. **Utilizing Calgary Transit Access or other existing mechanisms as a dispatch resource.**

### Against Recommendations:

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Recommendation 2: Councillor Chu and Councillor Gondek

Recommendation 3: Councillor Jones

**Community Services Report to  
SPC on Community and Protective Services  
2018 March 07**

**ISC: UNRESTRICTED  
CPS2018-0127  
Page 3 of 10**

## **Accessible Taxi Review**

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Excerpts from the Minutes of the Regular Meeting of the SPC on Community and Protective Services, Held 2018 March 07:

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**“Moved by Councillor Chu**

**Amendment:**

That Recommendation 2 (a) be amended by deleting the words "taxis and".

**ROLL CALL VOTE**

For: (2): Councillor Chahal, and Councillor Chu

Against: (6): Councillor Colley-Urquhart, Councillor Carra, Councillor Farkas, Councillor Jones, Councillor Woolley, and Councillor Gondek

**MOTION DEFEATED”**

### **PREVIOUS COUNCIL DIRECTION / POLICY**

On 2017 March 20, Administration was directed to report back to Council in 2018 Q1 with an options analysis and assessment to conclude the CTA and LTS scoping review and provide recommendations for collaboration on service delivery and accountability with the accessible taxi industry.

On 2016 December 19, Council considered Report CPS2016-0898 (Accessible Taxi Review), which included a recommendation for Council to endorse Option 1: The Broker Accountability Model. Council moved that the Report be referred to Administration to undertake an accessible transportation policy scoping Report between CTA and LTS, and report back to Council no later than 2017 Q1.

On 2016 February 22, Council received for information Report C2016-0144 (Transportation Network Company Amendments), which included Phase 1 of the Accessible Taxi Review.

On 2015 December 02, Council approved the 2016 Taxi and Limousine Advisory Committee work plan, which included Phase 1 of the Accessible Taxi Review in 2016 Q1 and Phase 2 in 2016 Q4.

### **BACKGROUND**

Through its regulation of the livery industry, The City of Calgary has a responsibility to ensure that persons with disabilities who require wheelchair accessible transportation do not experience barriers to service. Accordingly, it is important that The City's regulatory regime supports service providers in accommodating passengers with disabilities, which they are required to do by law.

To address accessible transportation requirements for passengers with disabilities through the livery industry, The City first issued 100 ATPLs in 2006 through a plate selection process involving qualified drivers. This process adhered to Council's direction incorporated into the Livery Transport Bylaw to provide plates to independent owner-operated accessible taxi drivers rather than to brokers. Prior to that date, limited wheelchair accessible taxi service was

## **Accessible Taxi Review**

provided by some brokers using regular Taxi Plate Licences (TPLs). Over time, changes were recommended aimed at making improvements to delivering wheelchair accessible taxi service to ensure reasonable comparability to regular taxi service in Calgary. In 2010, as a response to these recommendations, Council implemented a recommendation from Hara Associates to release additional ATPLs to achieve a target of 11 per cent of the city's total taxi fleet. To date, The City has issued a total of 189 ATPLs, held by individual drivers.

In 2016, Administration undertook a Council-directed two-phased Accessible Taxi Review to consider options with three key objectives: improve customer service for individuals using on-demand wheelchair accessible taxis; reduce the financial burden on accessible taxi plate holders and drivers, and; assess the evolving taxi industry, specifically relating to the effects that TNC operations could have on sustaining on-demand wheelchair accessible service. Council received the Phase 1 report in 2016 February, which included a best practice review and current state data analysis of the industry. Phase 2 included a detailed options analysis and significant stakeholder engagement, resulting in three options being presented to Council on 2016 December 19. Administration recommended a Broker Accountability Model to transition the responsibility for the provision of accessible taxi service from individual ATPL holders to brokers. Council referred the matter back to Administration to undertake further work and bring forward, by 2017 Q1, an accessible transportation policy scoping report between CTA and LTS to explore opportunities to collaborate on possible solutions aimed at improving on-demand wheelchair accessible taxi service for Calgarians, and further consider the Broker Accountability Model as part of this work

On 2017 March 20, Council received Administration's preliminary assessment of CTA and LTS collaboration opportunities for service delivery, indicating that a greater level of analysis would be required to determine whether a collaborative model for on-demand accessible service was possible. Accordingly, Council directed Administration to report back in 2018 Q1 with a comprehensive review and recommendations. At that time, Council also approved amendments to the Livery Transport Bylaw to eliminate the annual ATPL \$220 licence fee to provide some financial relief to ATPL holders while Administration considered other options as part of its detailed analysis (in comparison, the 2017 licence fee for TPLs was \$877). In 2017, of the 6,650,069 taxi trips taken, 18,460 were for customers requesting wheelchair accessible taxis.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

Administration's analysis has been informed by: research and engagement performed in association with earlier phases of the accessible taxi review presented to Council in 2016 December; further engagement with stakeholders (see Attachment 2); a supplementary review of best practices in other jurisdictions (see Attachment 3); and qualitative interviews with accessible customers completed by Leger Research in 2017 Q4 on overall satisfaction with Calgary's wheelchair accessible taxi service. This section provides a summary of the current state of wheelchair accessible taxi service delivery, an analysis of CTA and LTS collaboration opportunities, a further assessment of the Broker Accountability Model and Administration's recommendations for improving wheelchair accessible taxi service delivery.

#### *Current State*

**Customer Service Gaps:** There continues to be dissatisfaction with wait times for on-demand trips, with stakeholders expressing frustration over the delay in making decisions to improve

## **Accessible Taxi Review**

wheelchair accessible taxi service delivery. Specifically, the review identified that more work can be done to:

- improve awareness around the availability of wheelchair accessible taxis;
- improve driver interactions with customers; and
- expand the use of Access Calgary Extra (ACE) payment cards, which are provided to eligible CTA clients, to all taxi companies, which would enable increased access to the available fleet of wheelchair accessible vehicles.

Stakeholders have also indicated that if service gaps are addressed, the result could be latent demand for wheelchair accessible taxi service.

Financial Burden of Accessible Taxi Plate Holders and Drivers: Stakeholders representing ATPL holders and drivers continue to raise concerns about the increased costs associated with operating a wheelchair accessible vehicle and reiterated requests that The City provide financial compensation. Since late 2016, 22 non-transferable ATPL plates have been permanently surrendered to LTS, although it should be noted that trip data collected by LTS shows that the operators of these surrendered plates were not delivering wheelchair accessible trips. Administration continues to monitor impacts to service delivery and will determine the appropriate timing for re-issuing these plates, which would occur through a plate selection process managed by a third party. Nevertheless, stakeholders have indicated that more plates are likely to be surrendered without some form of financial compensation, and also identified:

- deadheading costs associated with wheelchair accessible trips which may lead to drivers refusing these dispatched trips;
- challenges with attracting customers for regular trips which drivers rely on to make a living in between delivering wheelchair accessible trips; and
- some drivers being unable to attract accessible customers who use ACE payment cards to pay for on-demand accessible trips when they are not affiliated with the taxi companies who are currently under contract with CTA to accept this method of payment.

Impacts of TNCs on Accessible Taxi Service Delivery: TNCs have yet to have an appreciable impact on wheelchair accessible taxi service delivery in Calgary. In 2017, TNCs delivered 2,278,467 trips to Calgary customers, and it is anticipated that this number will continue to grow. The introduction of TNCs into the city's transportation system has precipitated the need to review the existing regulatory structure with a view to ensuring that rules for accommodating passengers requiring wheelchair accessible service are applied to all transportation providers. Accordingly, Administration is committed to engaging with TNCs and exploring opportunities to facilitate the delivery of wheelchair accessible service by these companies.

### *Analysis of Collaboration Opportunities between CTA and LTS*

In analysing potential collaboration opportunities between CTA and LTS, Administration reviewed Action Plan 2015-2018 priorities aimed ensuring people move well and safely throughout the city, using a variety of convenient, affordable, accessible and efficient transportation choices. Through its regulation of the livery industry, The City enables the operation of a 24/7 on-demand taxi system that provides customers, including those who use wheelchairs, with a mode of transportation that gives them the flexibility to choose, arrange and pay for their own travel options. In comparison, for the cost of a transit fare, CTA provides a Mill Rate funded, pre-booked, shared-ride transit service for persons with disabilities who are unable to access public transit, subject to meeting eligibility requirements. Both transportation options

## **Accessible Taxi Review**

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contribute to achieving Council's priority to enable A City that Moves. Acknowledging this priority for transportation choices, Administration identified the following key challenges in coordinating a 24/7 on-demand wheelchair accessible taxi service with CTA's specialized transit service for eligible customers through existing operations:

- **Financial Resources:** Some livery stakeholders have suggested that The City find efficiencies in CTA's current operating budget and assign Mill Rate funding to support service improvements in wheelchair accessible taxi service delivery. Upon further review, Administration has determined that re-assigning a portion of CTA's existing Mill Rate to fund wheelchair accessible taxi service improvements would result in service cuts to CTA eligible customers. In addition, previous audits of CTA's budget have found that the service currently runs efficiently and effectively.
- **Different Service Requirements:** Unlike the livery industry, CTA does not currently provide a 24/7 on-demand dispatched service to its customers. Additional resources would be required to hire staff to support a shift to a 24/7 operation.
- **Technology Requirements:** Integrating different services would require all parties involved (brokers, ATPL holders/drivers and CTA) to invest in technology hardware and software systems that would need to be sustained and updated over time. Encouraging this level of investment by the service providers presents a challenge, especially in consideration of the current accessible taxi trip volume and in the context of today's economic climate.

Administration, however, did identify opportunities where ongoing collaboration between CTA and LTS would serve to improve wheelchair accessible taxi service. In particular, it was noted that CTA staff and drivers receive significant training focused on responding to the specific needs of their customers. While ATPL drivers receive accessible training through LTS, there are opportunities for CTA and LTS to work together in identifying areas where this training can be enhanced to address some of the customer service concerns identified through this review. As part of this collaboration, CTA also provided clarity around concerns raised through engagement with customers, ATPL holders and drivers about CTA's ACE payment cards, noted above. Accordingly, stakeholders were advised that the CTA'S current contract with service providers who accept ACE payment cards will expire at the end of 2018 and were informed about the upcoming opportunity to compete for the new service contract to be published through an RFP in 2018 August. The contract is expected to be awarded in 2018 October to brokers who are successful through the supply/procurement process, with service beginning in 2019 January.

### *Analysis of the Broker Accountability Model*

As part of this report, Administration was directed to further analyze the Broker Accountability Model, recommended to Council in 2016 December 19 as an option for improving wheelchair accessible taxi service by shifting responsibility for this service from individual taxi plate holders and drivers to taxi brokers. This model would have provided taxi brokers the ability to obtain an unlimited number of ATPLs, with the expectation they achieve strict service standards and dispatch response times to ensure wheelchair accessible service was comparable to regular taxis. In addition, brokers would have been offered two TPLs for each ATPL their companies deployed to offset some of the additional costs associated with operating wheelchair accessible vehicles. Existing ATPL holders would have also been given the option to switch to a TPL, and many had expressed interest in doing so at the time.

## **Accessible Taxi Review**

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Over the past year, the number of total taxi trips taken decreased by 5.3 per cent or 372,021. While the economic downturn has contributed to this decrease, it has also been suggested that the introduction of TNCs into the Calgary market has drawn some trips away from the existing taxi industry as more transportation options are provided to customers. These impacts have resulted in some brokers questioning their endorsement for the Broker Accountability Model. Notably, some brokers acknowledged they would be challenged to attract drivers to operate the additional TPLs and ATPLs obtained through this process. While one taxi broker continues to advocate that The City implement this model, other brokers have indicated that, in today's climate, they would no longer support this option.

### *Administration's Recommendations*

Based on the above analysis, Administration seeks Council's endorsement to implement a Two Phased approach aimed at improving 24/7 wheelchair accessible service delivery. Stakeholders have been engaged on these recommendations and their feedback is summarized in Attachment 2.

Phase 1 - Implement an Annual Accessible Incentive Program: Administration recommends the implementation of an annual incentive of up to \$5,000 (up to \$3,000 provided to ATPL holders and up to \$2,000 for drivers, the details of which are provided in Attachment 1). ATPL holders would be provided with an annual capital grant of \$1,500. To qualify for the remaining \$3,500 incentive, recipients would be required to demonstrate they met specific criteria aimed at improving service delivery to wheelchair accessible customers. Administration would manage the incentive program, evaluate ATPL holder and driver performance based on the criteria, and distribute payments for incentives in alignment with timelines for licence renewals.

Administration would require additional data from brokers to evaluate driver eligibility for incentives (i.e. minimal refusals of dispatched accessible trips) and, when engaged as part of this review, most brokers indicated this data could be provided to LTS. In addition, in driver engagement sessions, the proposed annual incentive received general support from regular taxi drivers as a good start in addressing the financial burden associated with operating wheelchair accessible taxis, while ATPL drivers advocated for a significant increase to the amounts of the proposed incentive (see Attachment 2). Although the proposed annual incentive is below what was suggested by ATPL drivers, if collected over the anticipated life of a wheelchair accessible vehicle (six to eight years), ATPL holders and drivers would be eligible to receive up to \$40,000.

As summarized in Attachment 1, the annual cost for the program, including incentive payments and administrative costs, is estimated to be \$1.5 million. Administration has calculated that this program could be paid through the implementation of a per trip accessibility fee that would be added to every taxi and TNC trip (approximately \$0.20/trip), but is asking for Council's consideration on whether this program could be paid with funds allocated through the Mill Rate. Through stakeholder engagement, it was suggested that the cost of the program should not be paid solely by livery customers, noting the societal benefit of providing a subsidy (Attachment 2). However, best practices research in other jurisdictions across North America (summarized in Attachment 3) found that municipalities have been collecting surcharges to fund incentives that financially compensate wheelchair accessible taxi drivers to offset the increased capital and operating costs of these vehicles. In addition, municipalities that have implemented incentive programs have seen significant improvements in wheelchair accessible taxi service delivery.

## **Accessible Taxi Review**

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Administration would work with brokers to collect the fee through weekly stand rent and with TNCs through their respective apps, which would be remitted to The City on a regular basis. During engagement, most brokers indicated their systems could support the fee collection through this process.

If endorsed by Council, Administration would bring forward amendments to the Livery Transport Bylaw, no later than 2018 Q3, with the aim of implementing the Accessible Incentive Program following Council's approval. Upon implementation, Administration would consider providing ATPLs holders with a \$1,500 grant at the beginning of the first year of the incentive program. The criteria-based incentives would be assessed for one year prior to being paid out to all ATPL holders and drivers.

Additional Livery Industry Improvements: In addition to implementing the incentive program, Administration would continue to work with industry on other initiatives addressing concerns raised through this review, including:

- *Public Awareness Campaign:* efforts would be focused on improving awareness among customers who use wheelchair accessible vehicles about 24/7 availability, how they can provide feedback on their satisfaction with the service, and communicating the dual-purpose nature of these vehicles to all livery customers;
- *Collaboration with Brokers on Communicating Wait Times:* this work would include developing consistent guidelines for the industry to address customer concerns with uncertainties about when they can expect taxis to arrive once a trip has been dispatched.
- *Advocacy with other governments:* this would include advocating to the other orders of government on transportation issues for persons with disabilities and exploring opportunities for collaboration between The City and the provincial government aimed at supporting wheelchair accessible service delivery.

Phase 2: Explore Potential for Centralized Dispatch Managed by CTA: It is anticipated that Phase 1, in combination with the additional livery improvements recommended above, will address key concerns identified through this review. However, if approved by Council, Administration would evaluate the Annual Accessible Incentive Program over a period of two years to assess whether the proposed changes are meeting the key objectives of the Accessible Taxi Review. Over this two year period, Administration would continue to explore the potential for an Accessible Taxi Centralized Dispatch managed by CTA. While this report identified that CTA's existing operations could not currently absorb the costs associated with performing a centralized dispatch function for wheelchair accessible taxi service delivery, there is merit in exploring how the existing infrastructure could be leveraged, provided the challenges raised are addressed. During this time, Administration would undertake a more comprehensive analysis of the requirements for a centralized dispatch system, incorporating lessons learned from other jurisdictions that have implemented this system, and report back to Council on the findings by 2020 Q2.

Although CTA has the ability to support a central dispatch system leveraging existing technology, several other considerations are highlighted that contribute to the incremental cost to provide 24/7 central dispatch and field monitoring. Currently, CTA provides service between 6:00 am and midnight with the CTA customer service centre operating between 8:30 am and 4:30 pm. It is estimated that additional costs to CTA to implement an accessible taxi central dispatch would include:



## **Accessible Taxi Review**

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- Capital cost (one time) – approximately \$330,000 would be required to prepare a Request for Proposal (RFP) that would select a vendor to develop an interface with existing taxi providers as well as customize existing technology for field service monitoring;
- Operating cost (ongoing from inception) – approximately \$410,000 would be required annually to hire and train three additional dispatch and operations staff to provide 24/7 service; and
- Approximately \$180,000 would be required for ongoing system maintenance and software license fees for 24/7 service.

It is important to note that these costs would be in addition to the subsidies required to incent performance and compensate drivers as outlined in Phase 1.

Through stakeholder feedback, it was suggested that a centralized dispatch be implemented in combination with an accessible driver incentive program. Administration's recommendation for a two-phased approach is to gather information on the effectiveness of the incentive program before committing to additional operating costs to fund an initiative that may not measurably improve wheelchair accessible taxi service.

### **Stakeholder Engagement, Research and Communication**

Engagement and research relating to accessible taxi service has been ongoing for several years, and has included stakeholders representing the Advisory Committee on Accessibility, customers who use wheelchair accessible taxis, brokers, drivers, TNCs, and the tourism and hotel industry. A summary of engagement activities associated with this report is provided in Attachment 2.

### **Strategic Alignment**

This report aligns with Calgary City Council Priorities from Action Plan 2015-2018 relating to A City that Moves and strategic action M5: Improve the taxi system.

### **Social, Environmental, Economic (External)**

Administration is committed to providing a safe, sustainable and customer focused livery system. Accessible livery service enhances mobility and reduces social isolation for those with disabilities in Calgary communities. Further, the taxi, limousine and TNC industries serve to facilitate the city's economic development while promoting the use of environmentally friendly modes of transportation by enabling personal travel by an integrated network that does not require purchasing a vehicle.

### **Financial Capacity**

#### ***Current and Future Operating Budget:***

There are no anticipated changes to the LTS operating budget as a result of this report. However, the recommendations contained in this report will impact the operating budget as one FTE would be required to administer the annual accessible incentive program. This cost has been captured in the estimates and would be recovered as part of the costs to implement the program (Attachment 1). Also, auditing, geospatial and enforcement requirements to implement this incentive would be managed through existing resources, but would be monitored over the two year period to determine whether any additional adjustments are necessary.

## **Accessible Taxi Review**

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### ***Current and Future Capital Budget:***

There are no anticipated changes to the LTS capital budget as a result of this report, however, Administration will monitor any budget implications and report back to Council through the budget adjustment process with any necessary adjustments.

### **Risk Assessment**

Administration has analysed options for improving wheelchair accessible service. If Council does not endorse the recommendations contained in this report, there is a risk that ATPL holders could continue to surrender licences, further reducing the available number of wheelchair accessible vehicles. This, in turn, would negatively impact customers who use wheelchair accessible taxi services. There is also a risk that the Annual Accessible Incentive Program does not sufficiently incentivize drivers to seek out accessible trips. Administration will mitigate this risk by monitoring its effectiveness over two years and by continuing to explore further service improvements, including a Phase 2 Accessible Taxi Central Dispatch managed by CTA, with a report back to Council by 2020 Q2.

### **REASON(S) FOR RECOMMENDATION(S):**

Following the conclusion of the two-phased Accessible Taxi Review and the subsequent completion of the CTA and LTS scoping review, Administration is recommending that Council endorse options contained in this report aimed at: improving customer service for individuals using on-demand wheelchair accessible taxis; reducing the financial burden for Accessible Taxi Plate Licence (ATPL) holders and drivers; and sustaining on-demand accessible taxi service in the evolving livery industry. If endorsed, Administration would draft amendments to the Livery Transport Bylaw 6M2007 and report back Council for approval no later than 2018 Q3.

### **ATTACHMENT(S)**

1. Attachment – Proposed Framework for an Annual Accessible Incentive Program
2. Attachment – Summary of Engagement and Communication with Stakeholders
3. Attachment – Summary of Best Practices in North American Municipalities