

Calgary



Livery Industry Improvements – C2016-0918

Presentation to Council
2016 November 28



Background

On 2016 February 22, Council approved Livery Transport Bylaw amendments that:

- Enabled flexible taxi rates
- Licensed TNCs
- Regulated safety requirements
- Maintained a Taxi Plate Licence limit



Provincial Regulations for TNCs

Regulations were introduced in 2016 July:

- New insurance product available to qualifying TNCs
- TNC drivers must have a Class 1, 2 or 4 Alberta Driver's Licence
- Established minimum standards for an acceptable police check, including a vulnerable sector check



Continued research and engagement in Calgary

- Participated in discussions with key interest groups and LTAC
- Annual Taxi Customer Satisfaction Survey
- Taxi and TNC trip data
- 311 compliments/concerns
- Citizen feedback
- Councillor feedback



What we heard

- Calgarians want more choice
- Calgarians want lower prices
- Calgarians want better service especially on weekends and during special events (e.g. Stampede)
- Calgarians want a safe ride



One Year Pilot – TNC Combined Fee option

- **Administrative Fee** is an annual, scalable fee based on the number of drivers authorized to use the TNC’s app

| Administration Fee | |
|--------------------|----------------------------|
| Number of Drivers | Minimum Administration Fee |
| 1 – 100 | \$5,000 |
| 101 – 500 | \$10,000 |
| 501 – 1000 | \$15,000 |
| 1001 – or more | \$20,000 |

- **Licence Fee** of \$15 per driver is payable by the TNC for each of its drivers and paid quarterly to The City
- **Per-trip fee** of \$0.20 (for all trips arranged through the TNC app), collected by the TNC and paid quarterly to the City
- Quarterly reports published by LTS – operating costs for regulating TNCs and fees paid.
- TNCs may need to be reimbursed for overpayment or be charged additional licence fees for underpayment.

TNC Fee Comparison

- TNCs can choose the licence fee option that best supports their individual business needs

| Option 1: Current TNC Fees | Option 2: Proposed Alternate Fees |
|----------------------------|---|
| TNC Fee: \$1,753 | A scalable TNC administrative fee: up to a maximum of \$20,000. |
| Per driver fee: \$220 | Per driver fee: \$15 |
| Per trip fee: N/A | Per trip fee: \$0.20 |



How does option 2 compare across Canada?

| City/Region | Admin Fee | Driver Fee | Per Trip Fee | Guaranteed Minimum |
|---------------------------|---------------------------------------|-------------|---------------|---------------------|
| Calgary (proposed) | \$5,000 to \$20,000 (scalable) | \$15 | \$0.20 | \$220/driver |
| Toronto | \$20,000 | \$15 | \$0.30 | - |
| Edmonton | \$70,000 | - | \$0.06 | - |
| Ottawa | \$7,253 | - | \$0.11 | - |
| Niagara Region | \$7,500 | - | \$0.11 | - |

Automated TNDL Registration System

- Allows TNC drivers to submit documents through an automated system
- All of the documentation required to become a TNC driver would still be required
- Potential to lower administrative costs – to be reviewed through pilot



Data Requirements

- Calgary requires trip data each month from licensed taxi brokers, TNCs are required to do the same
- Regular and accessible trip data from TNCs includes:
 - pick up location and destination
 - date/time the trip began and ended
 - length of time between the passenger's service request and the beginning of the trip
 - whether a wheelchair trip was requested
- LTS will rely on this data to develop policy recommendations, licence fee audits and conduct investigations.



Taxi Plate Licence Release

- LTAC and Administration are recommending the release of 222 TPLs
- Council has approved 1,699 TPLs (250 TPLs are waiting Council's approval for release)
- Allow taxi industry more opportunity to compete with new market entrants
- Improve customer service during peak periods
- Support other policy considerations:
 - overall decline of car ownership, and
 - shift to shared transportation resources.



Livery Fees

- Maintain 2017 licence fees at 2015 levels
- Fees for all services contribute to the cost recovery model used in Livery Transport Services which covers all administrative and enforcement costs
- Fee structure will be closely monitored to ensure that industry fees are fair for all participants



Other Livery Transport Bylaw Amendments

- clarify and streamline processes in relation to TNC operations and technology
- accelerate The City's commitment to increasing transportation options
- allow LTS more operational flexibility



Administration Recommendation: That Council:

1. Give three readings to the proposed bylaw 42M2016 to amend the Livery Transport Bylaw 6M2007;
2. Maintain 2017 livery licence fees at 2016 levels and increase 2018 livery licence fees by four per cent;
3. Direct Administration to report to Council in 2018 Q1 with an update regarding the one-year pilot for the combined TNC licence fee option;
4. Release a total of 222 Taxi Plate Licences (TPLs), all of which were previously approved by Council on 2014 September 22; and
5. Direct that (Attachment 4) remain confidential under Section 24(1) (a) and 25(1) (c) of the Freedom of Information and Protection of Privacy Act (Alberta).