

**Community Services Report to
Community Development Committee
2024 May 22**

**ISC: UNRESTRICTED
CD2024-0660**

Vehicle-for-Hire Transitional Strategy

PURPOSE

Provide an opportunity for Council to approve the Vehicle-for-Hire Transitional Strategy that provides a framework for an evolving industry.

PREVIOUS COUNCIL DIRECTION

On 2024 April 30, Council directed Administration to report back with the Vehicle-for-Hire Transitional Strategy. In addition, on 2023 October 17, Council directed Administration to undertake a review of the Livery Transport Bylaw 20M2021. Background and Previous Council Direction is included as Attachment 1.

RECOMMENDATIONS:

That the Community Development Committee recommends that Council:

1. Approve the Vehicle-for-Hire Transitional Strategy as outlined in Attachment 2.
2. Direct Administration to draft proposed amendments to the Livery Transport Bylaw 20M2021 and report back to Council by Q4 2024.

GENERAL MANAGER COMMENTS

General Manager Katie Black endorses the transitional strategy as a foundation to modernize the services provided by the Vehicle-for Hire program and enable all Calgarians to live their lives to their full capacity with a sense of belonging and connection.

HIGHLIGHTS

- Rapid changes in the vehicle-for-hire industry require thoughtful and responsive solutions to a complex and evolving industry.
- This transitional strategy will provide a framework for planned policy changes that will help address opportunities for improvement.
- Administration is committed to continuing its engagement efforts in the vehicle-for-hire industry to ensure the needs and concerns of all interested parties are understood.
- The City of Calgary, in its role as the industry regulator, will continue to foster a mobility system that is safe, accessible, connected and responsive.

DISCUSSION

The development of the Vehicle-for-Hire Transitional Strategy (Attachment 2) was guided by Council direction, a review of the current Vehicle-for-Hire program, a jurisdictional scan of other municipalities (Appendix A of the transitional strategy), and feedback and engagement from the vehicle-for-hire industry (Appendix B of the transitional strategy). These findings help shape our

Vehicle-for-Hire Transitional Strategy

vision, mission and the path for further improvements and modernization of the Vehicle-for-Hire program.

Over the past eight years the vehicle-for-hire industry has dramatically changed with the introduction of transportation network companies to the licensed market in 2016. Despite the recent review of the Livery Transport Bylaw in 2021, there is an increased desire to ensure The City of Calgary, as the regulator, provides a modernized approach to regulating a rapidly changing industry. This transitional strategy is Administration's plan for what we will do, how we will measure success and what we are continuing to watch. This is outlined through our three focus areas: Licensing, Safety and Accessibility.

- **Focus Area 1: Licensing**

As the regulator, The City of Calgary is committed to responsible and responsive regulation. The City will further modernize the Vehicle-for-Hire program by expanding the use of technology, using engagement feedback, monitoring data and measuring successes to continually improve service. Initiatives we can implement now include but are not limited to: coordinating licence renewals with plate renewals (as identified by Council on 2023 January 24); allowing drivers to virtually provide licensing documentation; and exploring potential pilot projects and funding opportunities that incentivize the use of electric vehicles.

- **Focus Area 2: Safety**

Paramount to any transportation network is the protection and well-being of both the traveling public and the vehicle-for-hire industry drivers. An education-first approach is embedded within the safety focus area and encourages safe, responsible and respectful behaviour. The safety focus area also promotes an equitable, anti-racist, inclusive and welcoming environment where people of all backgrounds, identities and experiences have access to safe, respectful and inclusive vehicle-for-hire services. Some examples of how The City will do this include: exploring options to streamline the police information check process to provide consistency for all vehicle-for-hire industry members; promoting respectful and inclusive behaviour through the expansion of education outreach in the community; and introducing upfront payment options for all industry service providers.

- **Focus Area 3: Accessibility**

Strengthening our accessibility program, advancing equity, and removing barriers for consumers with mobility challenges is at the forefront of this focus area. The City is committed to creating an environment that encourages accessible services to better meet the needs of consumers, while creating incentives for drivers to deliver accessible services. Some of the initiatives include: providing an online training module for drivers to become re-certified in providing wheelchair accessible services to consumers; exploring Wheelchair Accessible Vehicle Calgary upgrades; and strengthening the partnership with The City's Advisory Committee on Accessibility.

Council's direction from 2023 January 24, which identifies seven areas for improvement to modernize the mandate of the Vehicle-for-Hire program, is included as Attachment 3 with the response by Administration related to each suggested area for improvement and where these responses fit within the transitional strategy.

Vehicle-for-Hire Transitional Strategy

Through its review, Administration has concluded that Council's recommendation #5 regarding the viability of creating a central dispatch model for taxis as vehicles-for-hire is not a feasible option. The reasons for this include the fact that the costs to initiate and operate a central dispatch model would require a significant increase to fees for drivers that might be passed on to the consumer. In addition, this would undermine the efforts of companies who have invested significantly to operate their own dispatch services.

As part of implementing this transitional strategy, the Vehicle-for-Hire program will continue to engage with all interested participants in the industry and our partners. This will allow The City to continue to improve and to be responsive to the needs of this complex and changing industry. The transitional strategy's implementation road map is in Appendix C of the transitional strategy and provides a timeline for each action.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required |

Internal and external subject matter experts were consulted to provide multiple perspectives. Previous and current feedback from vehicle-for-hire industry surveys, open houses and other engagements provided insights into developing the transitional strategy's focus areas and key initiatives. The City is committed to continue working with industry participants through engagement to understand needs and concerns.

IMPLICATIONS

Social

Calgary's demographics and the needs of Calgarians are increasingly diverse and complex. Many Calgarians, especially those with mobility challenges, need the support of a robust vehicle-for-hire industry to assist them in achieving independence in their daily lives. To support these challenges, the Vehicle-For-Hire program provides all Calgarians with equitable and safe, connected, accessible, responsive and convenient alternatives to driving.

Environmental

The Vehicle-for-Hire Transitional Strategy supports the use of environmentally-friendly modes of personal transportation through an integrated network that does not require vehicle ownership. Many taxis and transportation network companies in Calgary have introduced low-emission vehicles into their fleets. In 2023, 40 per cent of Calgary's licensed taxis were hybrid and 11 per cent of transportation network company vehicles were either hybrid or electric. The transitional strategy proposes actions to support net-zero goals including working with industry and The City's strategic partners, particularly the Calgary Climate Strategy – Pathways to 2050, to

Vehicle-for-Hire Transitional Strategy

explore potential pilot projects and funding opportunities to incentivize the use of electric vehicles.

Economic

The vehicle-for-hire industry contributes to our city's economic development by encouraging Calgarians and visitors to explore all areas of our city, and to supporting local businesses using economically friendly modes of transportation. The City's Vehicle-for-Hire program supports employment opportunities for existing and new industry members. This transitional strategy supports our comprehensive mobility network, helping to ensure that Calgary continues to be one of the most livable cities in the world.

Service and Financial Implications

Existing operating funding - base

There is no anticipated impact to the operating budget from endorsing this transitional strategy. Costs associated with some of the actions listed in the transitional strategy that require bylaw amendments prior to implementation can be absorbed by the existing rates and fees collected through the Livery Transport Bylaw 20M2021. Any adjustments to rates and fees for 2026 will be considered through the regulatory review process.

RISK

As The City of Calgary prepares for changes to the Vehicle-for-Hire program, this transitional strategy would serve to guide Administration in organizing and prioritizing its work. In the absence of a Council-approved transitional strategy, there is a risk that Administration's work may not align with Council's priorities. In addition, if the transitional strategy is not approved, The City would miss out on an opportunity to clarify its regulatory role in relation to this complex, evolving industry. Approval of the Vehicle-for-Hire Transitional Strategy today would support The City to further enable improvement and modernization of the program in the future.

ATTACHMENTS

1. Background and Previous Council Direction
2. Vehicle-for-Hire Transitional Strategy
3. Council Direction from 2023 January 24 and Actions Taken
4. Presentation

Community Services Report to
Community Development Committee
2024 May 22

ISC: UNRESTRICTED
CD2024-0660

Vehicle-for-Hire Transitional Strategy

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Iain Bushell	Director, Emergency Management & Community Safety	Approve
Erendira Cervantes-Altamirano	Director, Community Strategies	Consult
Linda Kongnetiman	Managing Lead, Anti-Racism Program	Consult
Jill Floen	City Solicitor, Law Department	Consult

Author: Lorna Kearnes, Community Strategies