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APR 1 1 2018

ITEM: CPS2018- 0378

CITY CLERK'S DEPARTMENT



**Agenda** 

Background

**Pilot Project** 

**Pilot Analysis** 

**Housekeeping Amendments** 

**Livery Fee Review** 

**Research and Engagement** 

04/11/2018

CPS2018-037



# **Background**

In 2016 November, Council approved amendments to the Livery Transport Bylaw that:

Provided an alternative fee structure for Transportation Network Companies (TNCs) – "Combined TNC Licence Fee" 1-year pilot

Directed Administration to report back on the pilot project in 2018 Q1

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#### **Pilot Project**

Pilot project analysis focused on:

- Achievement of public safety, service quality and consumer protection for customers and service providers in the livery industry
- Ensuring administrative and enforcement costs associated with TNCs are recovered
- Identifying opportunities to create a level playing field for all industry participants

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# **Pilot Project**

### **TNC Licence Fee Options**

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

| Option 1: Flat per-driver fee | Option 2: Combined TNC Licence Fee                            |
|-------------------------------|---|
| TNC Fee: \$1824               | Scalable TNC administrative fee: up to a maximum of \$20,000. |
| Per Driver Fee: \$229         | Per Driver Fee: \$15  |
| Per Trip Fee: N/A             | Per Trip Fee: \$0.20  |
|                               |   |

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# **Pilot Project**

### **Combined TNC Licence Fee**

Minimum Fee:

Bylaw includes a minimum fee amount, ensures TNCs pay an amount equal to:

Number of Drivers on Platform x \$229 (2018 rates)

Maximum Fee and Reimbursement:

 If the fees paid by a TNC exceed the projected annual cost for regulating then, The City will either discontinue collecting fees, or reimburse any excess fees

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#### **Pilot Analysis**

#### LTS Revenues and Expenditures: 2017

| Description  | Year End 2017 Actual<br>(\$000's)<br>TNC Breakdown    |
|--|---|
| REVENUE (Taxi and Limousine) REVENUE (TNC)   | (3,461)<br>(779)                                      |
| Salary & Wages (Taxi and Limousine) Salary & Wages (TNC) Contract & General Services (TNC) Contract & General Services (TNC) Materials Equipment & Supplies (Taxi and Limousine) Materials Equipment & Supplies (TNC) EXPENDITURES (Taxi and Limousine) EXPENDITURES (TNC) | 1,948<br>621<br>610<br>94<br>259<br>64<br>3088<br>779 |
| Net Deficit (Surplus)  | (373)   |

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# **Combined TNC Licence Fee Recommendations**

- Generally, the pilot project was successful recommend no change to the per-trip fee
- Fee calculation could be simplified:
  - · recommend elimination of the \$15/driver fee; and
  - · increase the TNC administration fee for larger TNCs

#### Existing Administration Fee

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

#### Proposed Administration Fee

| Number of TNC Drivers | Administration fee |
|-----------------------|--------------------|
| 1-100                 | \$5,000            |
| 101-1000              | \$15,000           |
| 1001-3000             | \$30,000           |
| 3001 or more          | \$50,000           |

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# **Combined TNC Licence Fee Recommendations (continued)**

Minimum Fee to remain in the Bylaw – this fee ensured cost recovery in 2017

Cumulative number of Licensed Transportation Network Drivers who were authorized at any time during the term of the TNC's Licence to use any App that is administered or promoted by the TNC

\$229

· Clarify the maximum fee calculation

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#### Housekeeping Amendments to the Livery Transport Bylaw

Housekeeping amendments to ensure the Livery Transport Bylaw remains upto date:

- Increasing the number of days taxi camera footage must be retained from 3 to 5 days
- · Prohibit TNCs and Limousines from soliciting street hailed trips
- Giving the Chief Livery Inspector the ability to extend vehicle age limits, if the vehicle is shown to be in good condition
- TNC specific amendments to improve administration, clarify rules and improve enforcement ability
- · Other minor housekeeping amendments

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# **Livery Fee Review**

- · Recommend a comprehensive review of livery fees
- · Ensuring service levels are maintained
- Seek to enhance fairness across the industry, striking the right balance level playing field
- · To include further analysis of the combined licence fee option
- · Return to Council in 2019 Q2

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# Continued research and engagement in Calgary

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



#### Taxi Driver Engagement Session

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#### ADMINISTRATION RECOMMENDATION:

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

- 1. Receive this report and attachments for information;
- 2. Give three readings to the proposed bylaw to amend the Livery Transport Bylaw 6M2007 (Attachment 1); and
- Direct Administration to undertake a full review of the fee structure in the Livery Transport Bylaw 6M2007 and report back to Council through the SPC on Community & Protective Services no later than 2019 Q1.

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