



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Licensing and By-law Services Division

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	January 14, 2020
SUBJECT/REPORT NO:	Accessible Taxicab Financial Incentive Program (PED18082(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Monica Ciriello (905) 546-2424 Ext. 5809
SUBMITTED BY:	Ken Leendertse Director, Licensing and By-law Services Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the Accessible Taxicab Financial Incentive Pilot Program be extended for an additional 16 months to the end of April 2021 and that the program be funded through the Working Funds - General Reserve 112400 at an estimated net cost of \$80,000 or \$5,000 per month;
- (b) That funding for a permanent Accessible Taxicab Financial Incentive Program be considered during the 2021 budget deliberations.

EXECUTIVE SUMMARY

Following Council's approval of Item 9 of the Planning Committee Report 18-082 on July 27, 2018, staff initiated the Accessible Taxicab Financial Pilot Program (Pilot Program) in September 2018. The report was created in conjunction with members of the Advisory Committee for Persons with Disabilities (ACPD) and the Taxicab Brokers in Hamilton, with a goal to improve accessible taxicab service.

The Pilot Program provided a \$5 incentive for each dispatched accessible trip. The \$5 incentive has ignited interest among taxicab drivers resulting in previously underutilized accessible taxicabs that are now on the road providing accessible trips to persons with disabilities.

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The Pilot Program was initially funded by the Licensing and By-law Services Division, utilizing funds generated from licensed Personal Transportation Providers (Uber, Lyft etc.) who annually pay \$20K each in-lieu of providing accessible services.

The preliminary findings of the Pilot Program, demonstrate success for both drivers providing the accessible taxicab service and the community in need of the accessible taxicab service. There was an increase in accessible trips (24,702) with a simultaneous decrease in complaints for lack of service and or long wait times.

An 18-month extension to the Pilot Program is required to review financial sustainability, impact on ridership, impact on the DARTS program, and process improvements to ensure proper utilization by the accessible community. Staff are requesting that the Pilot Program continue before it is considered a permanently funded program during the 2021 budget deliberations.

Alternatives for Consideration - See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The Pilot Program was completely funded through revenues collected through the “in-lieu” payments made by PTP licence holders over the past two years. The original cost of the program was estimated at \$115K per year. The actual cost of the one-year pilot was \$107,360.

The continuation of this program and its success cannot solely rely on funding from the PTP licensees who make voluntary annual payments as these funds are not sufficient. To ensure no disruption to the accessible community and maintain the current level of service, staff is requesting an additional \$5K per month from the Working Funds - General Reserve 112400 be allocated to this program until the conclusion of the 2021 budget deliberations.

Staffing: In 2018, Council approved .25 FTE to support the administration of the Pilot Program, funded from the existing licensing fees from Personal Transportation Providers (PTP) under Schedule 24 of the Business Licensing By-law 07-170. No additional staff is required.

Legal: N/A

HISTORICAL BACKGROUND

On April 27, 2016, Council approved Item 9 of the General Issues Report 16-011 directing that the ACPD Report 16-002, Item 1, respecting Financial Incentives for

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Accessible Taxi Services, be referred to staff for a report back to the Planning Committee.

On May 10, 2017, Council approved Item 8 of the General Issues Committee Report 17-010 directing the Director of Licensing and By-Law Services to review and address the lack of on-demand accessible taxicabs in full consultation with members of ACPD and that staff be directed to report back to ACPD on steps to be actively taken to ensure full and equitable access to the City's taxicab service for all persons with disabilities.

In September 2017, following consultation with the Taxicab Industry and the ACPD, it was determined that there was a need for additional accessible taxicabs, more efficient management of complaints and amendments to the Business Licensing By-law 07-170 to improve accessible taxicab service delivery.

On June 27, 2018, Council approved Item 9 of Planning Committee Report 18-010 directing staff to create a one-year pilot program to provide a subsidy for accessible taxicab trips to further support the accessible community. The program was to provide a \$5 flat subsidized rate to all qualified accessible taxicab drivers for each accessible taxicab trip dispatched by Hamilton Cab and Blue Line Taxi at an estimated cost of \$115K. The one-year Pilot Program commenced in September 2018.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The *Accessibility for Ontarians with Disabilities Act Ontario Regulation 191/11 (AODA)* outlines a general standard for equal or equivalent access to persons with disabilities in communication, transportation and employment. Its coverage is broad, including both private and public sectors under provincial jurisdiction.

RELEVANT CONSULTATION

Finance and Administration, Hamilton Cab, Blue Line Taxi and the ACPD Working Group were consulted in the preparation of this Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

Hamilton Cab and Blue Line Taxi are the two brokers that provide the City with taxicab and accessible taxicab services.

Accessible taxicab driver's earnings can be significantly lower than those who operate standard taxicabs because of the additional maintenance costs and time required to assist passengers and load/unload equipment. As a result, accessible taxicab drivers not only have to pay more to operate their accessible vehicles but are unable to provide the same number of rides during their shift. Furthermore, due to the relatively small

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number of available accessible taxicab vehicles which requires drivers to travel further distances to pick-up and return clients, including wait times resulting in again, fewer daily trips and less money earned by the driver.

The accessible community requires additional qualified accessible drivers to transport persons with disabilities. In consultation with the taxicab industry and ACPD, it was determined that there was a need for additional accessible taxicab trips, which can only be achieved with additional accessible vehicles and qualified, accessible taxicab drivers to provide the service.

Licensing and By-law Services implemented the Pilot Program in 2018 and entered into agreements with the two City taxi brokers that required each broker to provide the City with monthly data documenting the number of accessible trips dispatched through its company for the relevant period. Pursuant to the agreement, the City would pay the \$5 incentive monthly for each accessible trip dispatched directly to the accessible driver.

As of October 2019, Licensing and By-law Services established an internal auditing process consisting of accessible trip video downloads being cross compared to accessible trip data provided by the brokers to ensure that the Pilot Program payments being claimed match that of the video footage obtained. At the time of this Report being finalized, Licensing and By-law Services has downloaded approximately 70 videos, of which only 2 raised concern and required additional follow up. During the Pilot Program, there will be a continuous auditing process to ensure compliance with the established process.

In addition to the extra 18 accessible taxicabs plates in service, the Pilot Program resulted in an increase of taxicab drivers who wanted to be trained and registered as accessible taxicab drivers. Since 2018 the number of accessible taxicab drivers has increased to 146 and a total of 40 accessible taxicab vehicles are in service today.

In support of accessibility transportation, 18 additional Accessible Taxicab Plates have been issued, almost doubling the accessible taxicab vehicle fleet and increasing the total number of accessible taxicab drivers by a third. The following are the changes since the additional plates and the Pilot Program was implemented.

Accessible Taxicab Statistics prior to the additional 18 plates and the Pilot Program:

- An average of 868 accessible taxicab rides per month;
- A monthly average of approximately 115 ride refusals or denials;
- Average of 45 no-shows per month; and
- The ratio of accessible taxicabs per person of 1:25,381 (based on population of 558,397).

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Accessible Taxicab Statistics after the additional release of 18 plates and the implementation of the Pilot Program:

- An average of 2,058 accessible taxicab rides per month;
- No reported ride refusals or denials during the pilot;
- Five complaints of no shows or late during pilot; and
- The ratio of accessible taxicabs per person improved to 1:13,959 (based on population of 558,397).

Over the 12 months of the Pilot Program:

- 24,702 (monthly average 2,058) accessible taxicab trips provided by accessible taxicab vehicles; and
- \$107,360 paid out from the \$5 flat rate per accessible trip subsidy provided by the PTP licensees.

Staff anticipate that the necessary cost to fund the Pilot Program for the next 16 months will be \$10,000 per month totalling \$160K. In January 2020 and 2021, Licensing and By-law Services is expected to receive \$40K per year from the licensed PTPs as a voluntary “in-lieu” payment, leaving a levy impact of \$80K for this program.

In 2020, staff will be examining the current funding model involving PTPs with a focus on improving the “in-lieu” payment, allowing for a more sustainable Financial Incentive Program for Accessible Taxis.

Approving the recommendations contained within this Report will provide sustainability of this pilot, allowing staff an opportunity to examine critical areas including funding. The Pilot Program has improved the quality of life of persons with disabilities within our municipality as well as our aging community.

ALTERNATIVES FOR CONSIDERATION

1. The Pilot Program, could be funded by increasing the cost of taxicab vehicle renewals by \$200 to owners and taxicab driver's licence renewals by \$20. These changes could be made to the City's User Fees and Charges By-law however; it may cause concern from the Taxicab Industry. The current taxicab vehicle renewal fee is \$642 and the taxicab driver's licence is \$104. This proposal would equate to a 31% increase to taxicab vehicle renewal fees and a 20% increase to Taxicab Driver's Licence renewals.
2. Cancel the Financial Incentive Pilot Program. Due to funding shortages, the pilot may be cancelled or deferred to another year.

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3. Reduce the subsidy for accessible taxi trips from \$5 to \$2. The total projected cost of the program would be \$48K which could be covered by the current funding available from the “in-lieu” payments from PTPs.
4. Negotiate with the current PTP partners to increase the “in-lieu” payments from 20K to 30K to assist in funding a reduced incentive Program from \$5 per trip to \$3 per trip.

The AODA does not permit downloading the additional cost of operating an accessible taxicab vehicle to the customer and further requires municipalities to work towards providing “on demand service”.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

APPENDICES AND SCHEDULES ATTACHED

N/A

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