




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

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	December 8, 2020
SUBJECT/REPORT NO:	Inactive Taxi Plate Fee (PED20213) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Adam Palmieri (905) 546-2424 Ext. 5438
SUBMITTED BY:	Ken Leendertse Director, Licensing and By-law Services Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That staff be authorized to create a one-year inactive taxi plate(s) temporary relief program along with a user fee in the amount of \$115, to conclude December 23, 2021, as a pandemic response to allow for current inactive taxi plate(s) to be placed on hold and be permitted to return to service at a time determined by the operator;
- (b) That subject to the approval of Recommendation (a) the City Wide User Fees and Charges By-law No. 15-158 be amended accordingly.

EXECUTIVE SUMMARY

Throughout the COVID-19 pandemic the City of Hamilton (City), Licensing and By-Law Services (LBS) staff have had ongoing discussions with the taxi industry. Both taxi brokers identified a need for temporary assistance with inactive taxi plates due to the COVID-19 pandemic.

Currently the brokerages are reporting that 100 out of 475 taxi plates are out of service, equating to approximately one quarter of the overall fleet being inactive. The City's Business Licensing By-law 07-170 (Licensing By-law) requires that taxi cabs remain in continuous operation, without a break in service or the plate is to be surrendered to the City.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

By creating a one-year inactive taxi plate(s) temporary relief program along with an inactive taxi plate fee in the amount of \$115, as a pandemic response, inactive taxi plates could be placed on hold, for one calendar year, opposed to being surrendered to the City for not being in operation. The new inactive taxi plate fee would then be reduced off the cost of the lease fee, which at the time of this Report is \$661 (subject to yearly increases).

This temporary relief program would conclude on December 23, 2021 and would only be available for taxi plates that are currently out of service. Refunds will not be given to plates that currently have valid lease agreements.

Alternatives for Consideration – See Page 3

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Staff is recommending a new inactive taxi plate fee in the amount of \$115 annually during the one-year inactive taxi plate(s) temporary relief program. LBS would lose approximately \$66,100 in revenue at \$661 per lease renewal. While the new inactive taxi plate fee of \$115 for 100 taxi plates would generate approximately \$11,500, creating \$54,600 net loss revenue during 2020. This is an estimate, assuming only 100 plates will remain out of service during the current pandemic.

Staffing/ Legal: No staffing implications.

HISTORICAL BACKGROUND

See analysis for details.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Blue Line Taxi and Hamilton Cab were consulted in the preparation of this Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Hamilton Cab and Blue Line Taxi are the two brokers that provide the City with taxicab and accessible taxicab services. Both taxicab brokers are reporting that collectively approximately 100 cabs, or one quarter of the taxi fleet are not in operation due to decreased demand during the current COVID-19 pandemic. As the plates remain out of

service, the taxi industry continues to have concerns about the overall strength of the business, and how it will rebound from the current economic downturn.

The recommendation of a new inactive taxi plate fee of \$115 (subject to yearly increases if the temporary relief program is extended), will alleviate the concerns about plate repossession. Schedule 25 of the Licensing By-law, states that a plate owner must; “*continuously operate the vehicle for which a taxicab owner’s plate has been issued*”. The creation of a new user fee will allow the plate to be held, without needing to be in operation continuously.

LBS would lose approximately \$54,600 in revenue during the one-year temporary relief program.

If a taxi plate is activated within the same calendar year, the inactive plate fee of \$115 would be reduced from the lease renewal fee. The renewal date for the plate would then be pushed forward to align with the date of payment, to ensure a full year service was provided.

ALTERNATIVES FOR CONSIDERATION

1. Continue with Licensing By-law as written, requiring all inactive plates to be surrendered to the City.
2. Rewrite Licensing By-law, schedule 25, and omit the requirement for plates to continuously operate.
3. Increase the inactive taxi plate fee to \$200 which would decrease the LBS revenue loss to \$46,100.
4. Enforce the \$115 inactive taxi plate fee, as a hold to prevent surrender of the plate to the City but require the full payment of the \$661 licence fee when the taxi plate is back on the road.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

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

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

N/A