



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

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| TO: | Chair and Members Planning Committee |
| COMMITTEE DATE: | February 6, 2024 |
| SUBJECT/REPORT NO: | Inactive Taxi Plate Fee (PED24019) (City Wide) |
| WARD(S) AFFECTED: | City Wide |
| PREPARED BY: | Dan Smith - Manager, Licensing (905) 546-2424 Ext. 6435 |
| SUBMITTED BY: | Monica Ciriello Director, Licensing and By-law Services Planning and Economic Development Department |
| SIGNATURE: | |

RECOMMENDATION

- (a) That the reinstatement of the temporary Inactive Taxi Plate Fee of \$120 be approved and remain in place until such time as the staff directed review of Licensing By-law 07-170, Schedule 25 (Taxi cabs) identified as Item 8 of Planning Committee Report 23-020 be completed.
- (b) That subject to the approval of recommendation (a), the City of Hamilton User Fees and Charges By-law No. 23-112, be amended as per attached as Appendix "A" to Report PED24019.

EXECUTIVE SUMMARY

Staff received direction through Item 9 on Planning Committee Report 23-020 approved by Council on December 13, 2023, to report back to Planning Committee respecting the feasibility of restoring an annual Inactive Taxi Plate Fee to approximately \$120.00.

Staff are recommending the temporary reinstatement of the Inactive Taxi Plate Fee of \$120 until such time as the review of Schedule 25 (Taxi cabs) within the Licensing By-law 07-170 is complete and comprehensive staff recommendations are presented to Planning Committee as approved in Item 8 of Planning Committee Report 23-020.

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.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Temporary reinstatement of the Inactive Taxi Plate Fee of \$120/annually

- 101 inactive taxi plate fees x \$120 = \$12,120
- 101 active taxi plate fees x \$712 = \$71,912
 - Approximate loss in revenues of \$59,792 annually.

Staffing: Not applicable

Legal: Not applicable

HISTORICAL BACKGROUND

On December 16, 2020, Council approved Report PED20213 which established an inactive taxi plate fee for temporary relief from the annual taxi plate licence fee for one year. This fee was established to assist the taxi industry through the COVID-19 pandemic and the impacts the industry was encountering. The program was extended annually from December 2020 until December 31, 2022, as approved through report PED22055. On January 1, 2023, the fee was removed from the City User Fees and Charges By-law.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

- Licensing By-law 07-170, Schedule 25
- City of Hamilton User Fees and Charges By-law 23-112

RELEVANT CONSULTATION

- Corporate Services Department, Financial Planning Administration and Policy Division, Finance & Administration Section
- City of Waterloo
- City of Brantford
- City of Kingston
- City of Guelph
- City of Windsor

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Throughout and as part of the COVID-19 pandemic exit, City of Hamilton Licensing and By-Law Services staff have had ongoing discussions with the taxi industry. Both taxi brokers sought to have the inactive taxi plate fee reinstated as the industry continues to

face financial difficulties coming out of the COVID-19 pandemic. Rising insurance rates are also impacting the industry and many taxi plate owners and drivers are struggling to meet financial demands in order to have their vehicles active.

At the time of this report, there is a 101 out of 470 taxi plates out of service. This is made up of 86 standard taxi plates and 15 out of 40 accessible taxi plates. Section 49.1(c) of the Business Licensing By-law 07-170 requires that taxi cabs remain in continuous operation, without a break in service.

The temporary reinstatement of the Inactive Taxi Plate Fee will allow for a temporary hold of the taxi plates as was previously permitted as opposed to the surrender of the plate to the City for not having the plate in operation while staff complete the comprehensive Schedule 25 review. As part of the Schedule 25 review, staff will assess the need to continue an Inactive Taxi Plate Fee based on a potential new structure and regulation within a new Schedule 25.

As of December 2023, the renewal fee for a taxi plate was \$712. The Inactive Taxi Plate Fee as recommended of \$120, will result in the loss of revenue of approximately \$59,792 annually based on 101 plates remaining inactive. This loss may increase in 2024 should the annual increase in the City-Wide User Fees and Charge By-law be approved by Council.

Should the reinstatement of the Inactive Taxi Plate Fee be approved, officer staff time dedicated to these plates may be lowered as vehicles would not require proactive inspection, scheduled inspection or enforcement through complaints to ensure compliance with by-laws. However, time would remain for administrative staff tasks which would be cost recovery by the \$120 inactive taxi plate fee.

If a taxi plate is activated within the same calendar year, the inactive plate fee of \$120 would be reduced from the renewal fee. Staff will take the number of months the plate is back on the road until the renewal date, less the amount paid (\$120) and the plate owner would pay the prorated difference.

The recommendation of a reinstated inactive taxi plate fee of \$120 (subject to yearly increases), will alleviate the concerns from the industry about plate repossession while staff complete a full Schedule 25 review.

Risk

An approval of the temporary extension to the Inactive Taxi Plate Fee may result in an increase of taxi plates becoming inactive resulting in fewer taxi cabs in operation. This may impact taxi availability within the city for residents and visitors. Staff note that this may also impact the availability of accessible transportation within the city as well, as the Inactive Taxi Plate Fee applies to accessible plates as well.

Jurisdictional Scan

Staff consulted with the City of Waterloo, City of Brantford, City of Kingston, City of Guelph, and the City of Windsor as part of the review on the temporary reinstatement of the Inactive Taxi Plate Fee. No municipalities consulted offer an inactive plate fee or any similar program to their licensed taxi industry. The City of Hamilton is the only municipality that continues to offer this temporary relief.

ALTERNATIVES FOR CONSIDERATION

Continue with the requirements in the current Business Licensing By-law 07-170, requiring all inactive plates to be surrendered to the City or pay the current taxi plate licensing fee while requiring the plate to be in operation.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED24019 – Fees and charges By-law 23-112 Amendment.