



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

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	April 5, 2024
SUBJECT/REPORT NO:	Taxi Financial Incentive Pilot Program (PED24035) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Dan Smith (905) 546-2424 Ext. 6435
SUBMITTED BY:	Monica Ciriello Director, Licensing and Bylaw Services Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the Accessible Taxi Financial Incentive Pilot Program, be extended beyond April 1, 2024, up to such time as when the comprehensive review of Licensing By-law 07-170, Schedule 25 (Taxicabs) is completed as per direction through Planning Committee report 23-020 Item 8.
- (b) That subject to the approval of recommendation (a), the City of Hamilton User Fees and Charges By-law No. 23-112be amended to support the temporary extension of the pilot program.

EXECUTIVE SUMMARY

Through report PED22055, staff recommended the extension of the Accessible Taxi Financial Incentive Pilot Program (Pilot Program) until April 1, 2024. The impacts of the Pilot Program on the Accessible Taxi industry were not able to be assessed due to data inconsistencies caused by the COVID-19 pandemic. Additionally, staff were recommending, and Council approved an enhancement to the Pilot Program which included an additional incentive. This most recent extension also aimed to allow time for the enhancement roll out and for staff to analyse the results.

Staff are recommending a temporary extension of the Pilot Program from April 1,2024 until such time as the comprehensive review of Schedule 25 of the Licensing By-law 07-

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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.

170 is complete. On December 13, 2023, Council passed a motion directing staff to complete a comprehensive review of Schedule 25.

The purpose of the extension is to allow staff to consider the future of the Pilot Program alongside the comprehensive review of the taxi regulations, and also allow staff to further consult with internal and external stakeholders ensuring, the best service delivery needs without compromising public safety or consumer protection.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Estimated cost of the program is \$73,000.
Fully funded through Personal Transportation Provider “in-lieu of accessibility” fees.

Staffing: Not applicable

Legal: Not applicable

HISTORICAL BACKGROUND

In 2018, staff met with the Advisory Committee for Persons with Disabilities Transportation Working Group and the two City taxi brokers to discuss the need for an improved on-demand accessible taxicab service.

These discussions led to staff report PED18082, approved by Council on June 19, 2018. The report proposed a one-year pilot program to provide accessible taxicab drivers a \$5 subsidy following each dispatched accessible trip. The goal of the Pilot Program was to seek opportunities to provide financial incentives to accessible taxicab drivers in order to increase accessibility transportation in the community and lower wait times to individuals requiring these specialized services. The pilot program is fully funded by Licensing and By-Law Services Division, utilizing the Personal Transportation Provider “in-lieu of accessibility” fees.

On February 10, 2022, Council approved report PED18082(a) which extended the program until April 1, 2023, due to the temporary pause of the Pilot Program during the COVID-19 pandemic and staffing resources redirected to the enforcement of new provincial legislation. In report PED22055 Council further approved an extension of the Pilot Program until April 1, 2024, noting that the majority of the Pilot Program had been running on and off through the COVID-19 pandemic. Staff sought to track data of the Pilot Program without the inconsistencies that the pandemic created for the industry.

In addition to the extension, staff recommended an enhancement to the Pilot Program, creating an additional revenue opportunity for the accessible taxi drivers.

At the December 5, 2023, Planning Committee, a motion was passed directing staff to report back on the feasibility of a Schedule 25 review. At the December 13, 2023, Council meeting, Council approved Planning Committee Report 23-020, Item #8. Should staff's recommendation be approved, the comprehensive review of the Pilot Program will occur in alignment with the full Schedule 25.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Not applicable

RELEVANT CONSULTATION

- Corporate Services Department, Financial Planning Administration and Policy Division, Finance & Administration Section.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The City has 40 accessible taxicab plates and licenses 111 accessible taxicab drivers. Out of the 111 licensed accessible taxicab drivers, 50 are registered and 19 are actively submitting trips as part of the Pilot Program and may be eligible to receive the incentives.

The Pilot Program is fully funded through the Personal Transportation Provider "in-lieu of accessibility" fee. The licensed Personal Transportation Provider companies, including Uber and Lyft are required to submit payment of \$.32 per trip to the City, of which \$.06 is specifically used as an "in-lieu of accessibility" fee. The \$.06 fee is used to fully support the Pilot Program.

Upon the original approval of the Pilot Program in PED18082(a), \$60,000 was approved to support the cost of the program through the Working Funds – General Reserve account 1124000. These funds were to be accessed as a second source of funding should the "in-lieu of accessibility" fee be insufficient to support the incentives earned by the accessible taxi drivers. From inception of the pilot program these funds have not been required and as such have been removed as a funding source. As of February 2024, Licensing and By-law Services current has \$282,895.27 in the "in lieu of accessible" fund.

There is no requirement for accessible taxicab drivers to participate in the Pilot Program. For the 50 registered accessible taxicab drivers, there are two incentive opportunities available.

The first is a \$5.00 per trip subsidy available to an accessible taxicab driver who completes an accessible trip. There is no cap on the number of trips that an accessible taxicab driver can complete each year. Licensing staff audit trips to ensure the trip was for an accessible purpose.

The second provides a lumpsum subsidy to an accessible taxicab driver for completing a certain number of accessible trips quarterly. This is an additional incentive that aims to encourage accessible taxicab drivers to take on additional accessible trips. This incentive places accessible taxi drivers within a “5 step” system to determine the incentive which they may qualify for annually. Steps 1-5 are outlined below:

Steps 1-5:

- 1) 0-74 trips per year – \$5 per trip incentive only (phase 1 of the incentive program)
- 2) 75-124 trips – additional \$100 plus \$5 per trip incentive annually
- 3) 125-174 trips – additional \$250 plus \$5 per trip incentive annually
- 4) 175-224 trips – additional \$400 plus \$5 per trip incentive annually
- 5) 225 trips and over – additional \$500 plus \$5 per trip incentive annually

While to date the Pilot Program has been well received by users and the taxi industry, staff are recommending a holistic report back on all taxi regulations, that will include consult with internal and external stakeholders inclusive of municipal comparators.

ALTERNATIVES FOR CONSIDERATION

1. To allow the Accessible Taxi Financial Incentive Pilot Program to expire as of April 1, 2024.
2. To make the Accessible Taxi Financial Incentive Program permanent based on the current operation and incentives paid to approved accessible taxi drivers.

APPENDICES AND SCHEDULES ATTACHED

Not applicable