



**City of Kingston
Report to Council
Report Number 21-078**

To: Mayor and Members of Council
From: Lanie Hurdle, Chief Administrative Officer
Resource Staff: Alan McLeod, Acting Director, Legal Services & City Solicitor
Date of Meeting: March 2, 2021
Subject: Taxi Commission and Ride Share Regulation Harmonization

Council Strategic Plan Alignment:

Theme: Corporate business

Goal: 3.5 Explore a pilot model for providing transportation connections in rural Kingston.

Executive Summary:

The purpose of this report is to update Council on discussions with the Kingston and Area Taxi Licensing Commission (KATLC) and Loyalist Township on a proposal to enter into a new model for regulating the taxi and ride share industries within the joint boundaries of the municipalities. It is proposed that a model be developed in which the three bodies modify their by-laws to move to a form of regulation consistent with other municipalities in Ontario which will create both efficiencies and improved enforcement.

This initiative would result in the KATLC amending its by-laws to regulate taxi operators that are more in line with best practices and the municipalities passing by-laws to regulate ride sharing programs such as Uber and Lyft. A number of urban municipalities in Ontario have had by-laws to regulate ride share programs for multiple years. City staff would work with Loyalist Township to review and develop a draft by-law that is reflective of industry best practices. Staff would also undertake consultation with KATLC and ride share programs in the development of the draft by-law. Loyalist Township Administration has been consulted and is also supportive of this approach. It is anticipated that Loyalist Township's CAO will bring a report to their Council in March as well.

March 2, 2021

Page 2 of 8

Recommendation:

That Council direct the Chief Administrative Officer and Acting Director of Legal Services and City Solicitor to represent the City in discussions with the Kingston and Area Taxi Licensing Commission (KATLC) and Loyalist Township and to undertake industry and community consultations in order to prepare an updated system of draft by-laws and any other related documents regulating the taxi and ride share industries within the joint boundaries of both municipalities and report back to Council for considerations.

March 2, 2021

Page 3 of 8

Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services

Peter Huigenbos, Commissioner, Business, Environment & Projects Not required

Brad Joyce, Commissioner, Corporate Services

Jim Keech, President & CEO, Utilities Kingston Not required

Desirée Kennedy, Chief Financial Officer & City Treasurer Not required

Sheila Kidd, Commissioner, Transportation & Public Works

March 2, 2021

Page 4 of 8

Options/Discussion:

The Kingston and Area Taxi Licensing Commission (KATLC) is the legislated authority for the licensing, regulating and governing of the owners and drivers of taxi cabs in the City of Kingston and the Township of Loyalist. KATLC was first created by the *City of Kingston and the Townships of Kingston, Pittsburgh and Ernestown Act, 1989*. This statute was amended in 1990 to clarify KATLC jurisdiction over taxi brokers. While independent from the two municipalities in its jurisdiction, the board of the KATLC is selected by the elected officials of the remaining municipalities within its jurisdiction, the Council of the City of Kingston and the Council of Loyalist Township. This model of regulation is very uncommon in Ontario. One other similar delegation of authority exists in the City of North Bay which has fully delegated the power to license and regulate taxis to its local Police Services Board. In other jurisdictions, the regulation of taxis and ride share services such as those offered by international corporations like Uber and Lyft is simply provided directly by local municipalities. Pursuant to its 1989 governing statute, the KATLC has the independent and sole authority of a municipality to license, regulate and govern the owners and drivers of taxicabs. It is also granted by-law making powers.

After recent discussions with the City’s Chief Administrative Officer (CAO) and Acting Director of Legal Services & City Solicitor, the Board of the KATLC requested that the City of Kingston and Township of Loyalist consider entering into a new system of regulating not only the taxi industry within the joint boundaries of the municipalities, but also taking on the regulation of Ride Share Services such as those offered by Uber and Lyft. Since 2015, the Legal Services Department of the City of Kingston has assisted the KATLC with issues related to its unique governance model as well as regulation of ride shares. In 2016, draft amendments to KATLC by-laws were developed with input from the Legal Services Department to govern ride share services supporting independent legal counsel retained by KATLC to perform services related to prosecutions and other matters.

The table below provides an overview of other municipality’s regulations as it relates to ride share programs in Ontario. Staff will review and assess details of these by-laws and models in the development of Kingston by-laws.

Municipality	By-Law Passed	By-Law
Toronto	<p>Original: March 2016</p> <p>2020 by-law updates</p> <ul style="list-style-type: none"> • Private Transportation Company (PTC) vehicles are not be allowed to use the same color scheme that is already in use by a licensed taxicab brokerage. • Taxicab vehicles do not need to be low-emission, alternative fuel or hybrid. <p>2021 by-law updates</p> <ul style="list-style-type: none"> • In December 2020, City Council adopted bylaw amendments that placed a moratorium on the 	<p>A New Vehicle-for-Hire Bylaw to Regulate Toronto’s Ground Transportation Industry (PART 5 – Proposed Regulations for Private Transportation Companies (PTCs))</p> <p>LICENSING OF VEHICLES-FOR-HIRE</p>

March 2, 2021

Page 5 of 8

Municipality	By-Law Passed	By-Law
	<p>enforcement of the age of vehicles for the next two years.</p> <ul style="list-style-type: none"> The change came into effect on January 1, 2021 and will apply for the next two years. This means that vehicles manufactured in 2013, 2014 and 2015 will need to be replaced by the end of 2022. This does not apply to stretch limousines or private transportation company vehicles. 	(Private Transportation - Article 10)
Ottawa	<p>Original: September 30, 2016</p> <ul style="list-style-type: none"> The City of Ottawa's new Vehicle-For-Hire By-law (By-law 2016-272). The Vehicle for Hire By-law is derived from the Taxi Cab and Limousine Regulations Report that was approved by Council in April 2016. This report was created from extensive stakeholder and public consultations conducted in fall 2015. This by-law incorporates modernized regulations to provide consumers with more transportation options, improved services and increased consumer protection. In addition to improvements to traditional taxi services, residents and visitors in Ottawa can now take advantage of innovative new ride sharing services. It is the responsibility of the Private Transportation Company to license and administer their own drivers. 	<p>VEHICLE FOR HIRE (Part IV - Private transportation company)</p>
Markham	<p>Original: 2012 March 2020 Updates</p> <p>Amendments to the City of Markham's Mobile Licensing By-law 2012-92 to:</p> <ul style="list-style-type: none"> (i) provide a regulatory framework for the licensing of Private Transportation Companies (PTCs) in the City; and (ii) revise certain elements of the City's enforcement of taxicab and limousine operations. <p>The objective of the amendments is to provide a consistent regulatory framework for those involved in the provision of ground transportation services</p>	<p>BY-LAW TO PROVIDE FOR THE LICENSING AND REGULATION OF OWNERS, OPERATORS, DRIVERS AND BROKERS OF MOBILE BUSINESSES IN THE CITY OF MARKHAM</p> <p>Licensing of Private Transportation Companies (PTCs) and Associated</p>

March 2, 2021

Page 6 of 8

Municipality	By-Law Passed	By-Law
	in the City as well as ensuring a safe and sustainable service for Markham residents.	Amendments to the Mobile Licensing By-law
Barrie	<p>Original Transportation Industry By-law: 2007 August 2017 Update</p> <ul style="list-style-type: none"> • Reduces taxicab regulations and creates two new licensing categories to address rideshare (private transportation) and driver for hire operations. • The updated regulations apply equally to all types of passenger transportation services. 	Business Licensing (Transportation) By-law
Thunder Bay	<p>June 2018</p> <ul style="list-style-type: none"> • The City of Thunder Bay introduced a by-law regulating vehicles for hire and designated driver services to improve public health and safety, and to provide consumer protection. • The by-law introduces a new type of licence – a designated driver business licence. This process captures existing taxi and limousine-type services, and also new application-based services like Uber and designated driver services. 	VEHICLE FOR HIRE BY-LAW
Oakville	<p>Original Licensing By-Law: 2016 February 1, 2017</p> <ul style="list-style-type: none"> • Beginning February 1, 2017, Transportation Network Companies (TNCs), like Uber, required a business licence to operate in the Town of Oakville. 	Licensing By-law 2016-083
Newmarket	<p>2020</p> <ul style="list-style-type: none"> • A By-law to regulate and license the operation of mobile businesses such as refreshment vehicles, driving school instructors, taxis, limousines, transportation network companies (Uber Lyft), and tow trucks. 	Mobile Business Licence By-law 2020-07

Ride share programs operators have been reluctant to accept the jurisdiction of the KATLC over its activities and challenges to enforcement have arisen. To address this situation, through recent discussions the KATLC has proposed an updated harmonized process of taxi and ride share regulation, especially with respect to enforcement. Under the proposed harmonized system, each of the two municipalities, Kingston and Loyalist would develop and implement new by-laws to regulate ride sharing programs and the KATLC would update its by-laws to reallocate certain roles to better provide for an effective and efficient system of regulation. It is anticipated

March 2, 2021

Page 7 of 8

that discussions, consultations and preparation of draft documents may be finalized by the end of Q4 2021. Key features of the proposed harmonized program include:

- creation of a three-party transition team to define respective goals, roles and resources;
- holding inclusive consultations with all ride share and taxi interests during policy development to ensure municipal bonusing of commercial firms is avoided and practical balanced processes are developed;
- undertake legal review of the available models for ride share regulations currently in place in Ontario;
- addressing the needs of all parties to the industry including taxis, ride shares and the public as well as further technological change and potential integration with public transportation systems; and
- draft updated harmonized by-laws while avoiding amendment to the 1989 governing statute of the KATLC.

A number of advantages are anticipated to be gained from the introduction of new by-laws and proposed harmonization processes. It is anticipated that municipalities and KATLC may be able to identify synergies and efficiencies maximizing their professional resources possibly in areas of licensing, enforcement and prosecution. This approach also presents an opportunity to consider the integration of on-demand service provision by taxi and/or ride share providers in low population areas in the City of Kingston and Loyalist Township.

The transition time required to achieve this outcome through harmonization is also shorter and more certain than any options involving an amendment of the 1989 governing statute.

There will be continuing issues for the KATLC and the ride share and taxi industry which will still have to be faced whether or not the proposed harmonized system of regulation is introduced. The system will not resolve business challenges faced by the taxi industry caused by new technologies. It will also not overcome any shifts or a changes in consumer behaviors. It should, however, be expected to place Kingston, Loyalist and KATCL all in a better position to manage these changes, including through industry and community consultations. This may also foster the creation of local or alternative ride share offerings to serve the community.

Based on the above, it is proposed that Council direct the CAO and Acting Director of Legal Services & City Solicitor to lead discussions with the KATLC and Loyalist Township and arrange consultations with industry and community in order to prepare an updated system of draft by-laws and other related documents regulating the taxi and ride share industries within the joint boundaries of both municipalities.

Existing Policy/By-Law:

None

Notice Provisions:

None

March 2, 2021

Page 8 of 8

Accessibility Considerations:

None

Financial Considerations:

None

Contacts:

Lanie Hurdle, Chief Administrative Officer 613-546-4291 extension 1231

Other City of Kingston Staff Consulted:

None

Exhibits Attached:

None