



LEGISLATIVE AND COURT SERVICES MEMORANDUM

TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: R. OSBORNE, SUPERVISOR OF ENFORCEMENT SERVICES
T. BANTING, MANAGER OF ENFORCEMENT SERVICES

NOTED: W. COOKE, ACTING CITY CLERK/DIRECTOR OF LEGISLATIVE AND COURT SERVICES

D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: 1ST QUARTER UPDATE: TRANSPORTATION INDUSTRY BY-LAW – PILOT PROJECT

DATE: NOVEMBER 13, 2017

The purpose of this memorandum is to provide members of Council with the first quarterly update concerning the changes to the Transportation Industry By-law (Taxi Cab Companies, Ride Sharing/Private Transportation Companies and Driver for Hire/Designated Driver Companies).

Background

On April 10, 2017, City Council approved changes to both the Transportation Industry Business Licensing By-law and the Fees By-law as part of a one-year pilot that started effective August 1, 2017. The first quarter of the Transportation Industry pilot program ended on October 31, 2017. This memorandum will summarize the results of the community survey which focused on customer satisfaction of the industry before and after August 1, 2017. It will also indicate any public complaints received concerning the operation of the various businesses. A review of the administrative process will highlight both the positive impact and the challenges faced as a result of the pilot program by-law amendments. Enforcement of the by-law will also be reviewed with a focus on the cost of enforcement, effectiveness of enforcement activity and the resulting ability to ensure a safe and vibrant transportation industry with a minimum amount of municipal intervention.

Customer Survey

A Transportation Industry Survey was provided to the public from July 1st until September 1st, allowing the community to take part in helping shape the industry by identifying the results of public ride experiences both prior to and after August 1, 2017. The survey focused on the three business models: Driver for Hire/Designated Drivers, Private Transportation Service (Rideshare) and Taxicab Companies. In order to gain an understanding of the rider experience, the survey asked the participant to identify when they used a particular service, the quality of the driver/vehicle, the driver's driving etiquette, how safe they felt using the service, what they felt about the fare charged, how often they use a particular form of transportation, overall opinions of their ride experience and whether or not they would recommend the service.

A review of the survey results to date identifies that a majority of the responses were received prior to the August 1st implementation (85%), with only 14% submitted responses after the August 1st date. The survey clearly indicates that the Private Transportation Services experience is highly regarded within the community. The responses indicated that Private Transportation Services/Ridesharing is much less expensive, the vehicles are cleaner and in better repair and the satisfaction with the drivers is higher than with the other forms of available transportation. Based on the responses to the survey, Driver for Hire/Designated Driver services are utilized less often than either taxis or Private Transportation Services/Ridesharing.



LEGISLATIVE AND COURT SERVICES MEMORANDUM

Summary of Survey Results:

Survey Item	Driver for Hire/Designated Driver	Private Transportation Service/Ridesharing	Taxi Cab Services
Percentage of Responses	23%	50%	27%
Respondents' Frequency of Use	Daily – 8.47% Weekly – 15.25% Monthly – 38.8% Rarely – 35.59% Never – 1.69%	Daily – 2.4% Weekly – 31.2% Monthly – 44.0% Rarely – 18.4% Never – 4.0%	Daily – 5.89% Weekly – 19.12% Monthly - 22.06% Rarely - 60.00% Never – 2.94%
General Comments Received (small sample)	<ul style="list-style-type: none"> “Flat rate in Barrie is amazing” “Good rate to get me and my car home” 	<ul style="list-style-type: none"> “Uber was great” “Uber has better drivers” “Much more affordable than cabs” “Uber services is exceptional, clean, neat and polite” 	<ul style="list-style-type: none"> “I felt safe in the cab” “Driver spent whole ride complaining about money & took long way” “Can’t afford cab as single mother, cars dirty” “Cab overcharged, missed my street, I had to show them the way & no discount” “Driver was rude and un-kept” “Driver rounded fare down to cash I had on hand”

Complaints Received

Since August 1, 2017, only two public complaints have been received by Enforcement Services staff. The complaints dealt with the operation of taxis. Complaints have also been received regarding unlicensed Driver for Hire/Designated Driver companies. The number of complaints received before and since implementing the Pilot Program has not increased. Taxi companies continue to voice their displeasure with Private Transportation Companies/Ridesharing competing with the taxi industry.

Administration of the By-law Changes

The Transportation Industry Pilot Program has created a number of changes within the day to day administration of municipal licensing. Prior to the introduction of the pilot program there were nine cab companies operating 177 taxicabs within the City. As at October 26, 2017, there were twelve cab companies operating 170 taxi cabs. As a number of regulations have been removed from the By-law in order to create a more friendly business climate for the industry, the licensing enforcement staff have redirected their attention to other enforcement duties.

Classification	Number of Companies Licensed	Number of Registered Drivers	Number of Registered Vehicles (if applicable to category)
Taxi Cab	12	284	170
Driver for Hire/Designated Driver	4	40	n/a
Private Transportation/Ridesharing	1	880	868



LEGISLATIVE AND COURT SERVICES MEMORANDUM

While the taxi industry has presented few new concerns, the introduction of Private Transportation Service/Ridesharing business licensing has been challenging. UBER, being Barrie's only licensed "ride share" company has added greatly to the administrative workload of the Enforcement Services Branch. UBER currently registers over 800+ drivers and vehicles, as noted above and each driver and vehicle must be vetted by the enforcement staff to ensure they meet the requirements set out in the City's by-law. Each vehicle must be issued a City of Barrie decal prior to operating.

In addition to the original application, the Fee's By-law allows for a company to submit amendments to their registry as needed, with a service fee for each amendment submission of \$33.25 charged. UBER has submitted several hundred applications in one amendment package compared to the other industries with smaller volumes in their individual amendment submissions. Staff's time to review the UBER submissions, the cost to produce the decals and the subsequent time to print and mail out to the vehicle owner is not being fully recovered by the administrative service fee. Staff will be monitoring this matter to determine if this pattern continues and will make recommendations to address the fee structure, if deemed necessary.

Enforcement

The City of Barrie has two full time Municipal Law Enforcement Officers assigned to administer and enforce the provisions of all types of municipal licensing. Enforcement of the Transportation Industry By-law forms part of this task. The pilot program made significant changes to the Taxi Industry and introduced the new business classifications of Private Transportation Company and Driver for Hire.

Enforcement to ensure compliance with both the taxi industry and private transportation/ridesharing industry has been straight forward as both the taxi cabs and UBER vehicles are generally easily identified (with Uber having an APP as well as decals). Within the pilot, the Driver for Hire/Designated Driver Companies are not currently required to identify their vehicles as the vehicles are not directly used in the service provided. Complaints from rival companies indicate that there is open defiance of the requirement to license the business within the City. As a result of those complaints, staff attempted to educate those companies who appeared to operate in Barrie as well as notices were sent to the business owners (via Registered Mail). Both efforts have had limited success.

Enforcement staff have observed that the general appearance of some taxi cab vehicles has deteriorated since the removal of the regulations related to cosmetic appearance of the vehicles. It is anticipated that the business owners will deal with such issues as time passes. Taxi fares appear to have remained consistent with those found prior to the introduction of the pilot program. There have been no reports of price gouging or surge pricing.

A total of 5 Overnight Enforcement shifts have taken place to date, with the results of the overnight shifts summarized below:

Classification	Inspections conducted	Violations Found
Taxi Cabs	164	2
Private Transportation Services	22	2
Driver for Hire*	2	0

Note:

- * In addition, due to the use of a mystery shopper type approach, one Driver for Hire company was found operating without a licence – legal action is pending

Violations consisted of:

- * Failing to post Driver ID card
- * Failing to affix decal to vehicle
- * Driver not registered / approved
- * Roof light / 911 emergency indicator not working



LEGISLATIVE AND COURT SERVICES MEMORANDUM

Enforcement staff believe enough time has passed and all members of the industry are well aware of the requirements set out in the by-law. Staff have been taking a “zero tolerance” approach to enforcement. Any violations found at this point, have resulted in and will result in legal action.

NEXT STEPS

As this is the first update on the pilot program, staff will continue to monitor the changes to the Transportation Industry By-law and its impacts on the public. Although it appears that the addition of the private transportation/ridesharing and driver for hire/designated driver sector are welcomed by the public, the administration and enforcement is both costly and time consuming for the municipality. The taxi industry continues to struggle with poor public perception based on the results of the survey. These matters will be monitored in order to ensure the public safety is not compromised.

Finally, enforcement efforts have been enhanced to ensure the “playing field” is equal for all Driver for Hire/Designated Driver businesses.

Please contact Ron Osborne, Supervisor of Enforcement Services or Tammy Banting, Manager of Enforcement Services, should you have any questions or require further information.