



City of Richmond

Report to Committee

To: General Purposes Committee
From: Victor Wei, P. Eng.
Director, Transportation
Amarjeet S. Rattan
Manager, Business Liaison

Date: October 5, 2007
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Re: DEMAND FOR AND BUSINESS LICENSING OF TAXICABS IN RICHMOND –
REPORT BACK ON REFERRAL

Staff Recommendation

That the attached report entitled “Demand for and Business Licensing of Taxicabs in Richmond – Report Back on Referral” and dated October 5, 2007 be received for information.

Victor Wei, P. Eng.
Director, Transportation
(4131)

Amarjeet S. Rattan
Manager, Business Liaison
(4686)

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ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER			
Law.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
REVIEWED BY TAG	YES	NO	REVIEWED BY CAO	YES	NO
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Staff Report

Origin

At the September 17, 2007 meeting of the General Purposes Committee, staff presented a report on taxi service in the city as well as the City's bylaw regulation that limits the maximum number of vehicle licences that can be issued for Class A and Class N taxicab service in Richmond. Following discussion of the report, the following referral was carried:

That Recommendation No. 3, "That staff bring forth amendments to the Business Licence Bylaw 7360 to eliminate the maximum number of vehicle licences that can be issued for Class A and Class N taxicabs", be referred to staff for the preparation of a report which would:

- (1) include information on the need, if any, for additional Class A and Class N taxi cabs in the City both now and for the future, and whether this need could be addressed within the City's existing taxi companies or were additional companies required;*
- (2) include mechanisms to ensure that the needs of the disabled community were addressed and included in a bylaw, with appropriate fines or licence removal for those companies which did not comply with the City's standards; and*
- (3) provide a legal opinion on whether or not the City has the authority to deny business licences for taxi cab companies once approval had been given by the Provincial Transportation Board for the issuance of taxi licences for companies wanting to operate in Richmond.*

This report responds to the referral and provides a recommendation with respect to the need to amend the existing regulation of Class A and N taxicab operations in the city.

Analysis

1. Demand for Conventional and Accessible Taxicab Service

Based on staff's research, there is no industry-recognized methodology to quantify the number of taxicabs required to serve a community or the precise number of additional taxis required in the future. However, the general trend of demand and the possible future need for more taxis can be reflected by the following indicators.

Indicator 1: Applications to Passenger Transportation Board

The process to issue new or additional taxi licences by the PT Board is entirely applicant-driven and the onus is upon the applicant to demonstrate that there is a public need for the taxicab service. The applicant can substantiate that there is an unmet public need by including, for example:

- user support statements from passengers regarding wait times and the availability and cost of alternative transportation modes;
- signed contracts or agreements to enter into a contract;
- ridership and trip projections;

- information about competing services; and
- information on local demographics and economic trends.

Over the past two years, three separate applications to the PT Board have been made by Richmond-based taxi companies seeking additional or new taxi licences, which suggests that taxicab operators perceive an increased demand for their services. Of these, the PT Board has issued decisions on two of the applications: Richmond Taxi was granted four additional taxi licences in September 2005 (out of seven that were requested) and Kimber Cabs was denied an additional 10 taxi licences in September 2007. The PT Board has not yet ruled on the application by Garden City Cabs for 30 new taxi licences. In addition, two separate individuals have also met with staff to express their desire to establish new taxi companies in Richmond but have not yet applied to the PT Board.

Indicator 2: Feedback from Public and Stakeholders

Staff contacted the Richmond Committee on Disability (RCD) and Tourism Richmond, who provided the following comments:

- Richmond Committee on Disability: the RCD supports an increased availability of Class N vehicles in order to provide greater service, particularly during evening hours; and
- Tourism Richmond: the agency canvassed a number of local hoteliers who indicated support for an increased availability of Class A and N taxicabs due to a current lack of available accessible vehicles and thus long wait times for passengers with disabilities, and recent experiences of longer than usual waits for taxicabs during the evening.

Indicator 3: Comparison with Other Municipalities

Currently, Richmond has 0.52 taxicabs per 1,000 capita compared to a regional average of 0.72. Applying the regional average to Richmond indicates that approximately 40 additional taxicabs would need to be licensed to operate in the city.

Indicator 4: City Growth and Demographics

Over the next 100 years, the population of the City Centre is forecast to triple from 40,000 to 120,000 people with over 60% of this growth occurring within the next 25 years. Demand for taxi service is expected to grow commensurate with the growth in population and employment in the city. The pursuit of transit-oriented development should encourage lower car ownership and further increase the demand for taxi service as should growing tourism and future special events such as the 2010 Olympic and Paralympic Games. Finally, the expanding aging population is also expected to result in an increase in the demand for taxi service as driving may become an unsuitable option as individuals age.

Conclusion re Demand for Taxi Service

Based on the above indicators, it is staff's assessment that the trend of general demand for taxi service in Richmond can only increase in the coming years.

In the immediate to short-term, the demand for taxicabs to serve the general public may be able to be met by more intensive use of both existing conventional and accessible taxis. However,

based on the feedback from the disabled community, there appears to be an immediate lack of service of accessible taxicabs (Class N) to serve the disabled customers, particularly in the evening hours. The elimination of the upper limit only for this class of taxicabs would allow for a more streamlined approval process, and thereby encourage an increase of the number of accessible taxicabs that would be regulated under an enhanced City bylaw to ensure quality service.

In the medium- to long-term, additional taxis will likely be needed, either by existing companies obtaining additional taxi licences or by new companies obtaining new taxi licences. It is also anticipated that as 2010 approaches, there will be a need for a significant increase of taxicabs for the region, especially in cities where the Olympic and Paralympic Games events will be held. To this end, the PT Board has already initiated discussions with Richmond and other key municipalities to explore the means to meet this temporary increased demand for taxicab service.

2. Mechanisms to Meet Needs of Disabled Community

At the September 24, 2007 regular Council meeting, staff were directed to bring forth amendments to the Vehicle for Hire Bylaw to address service, training and equipment standards for both Class A and Class N taxicabs (Part 2 of Resolution) as well as to add specific fines for violations (Part 3 of Resolution). It is intended that these amendments and fines would address the needs of the disabled community with respect to taxicab service in Richmond.

3. City Authority to Deny Business and Vehicle Licences for Taxicab Companies once Approval has been Given by the PT Board for Provincial Taxi Licences

The City's Law Division is of the opinion that Council may, by bylaw, continue to set limits on the number of municipal vehicle licences available to taxicab companies through a bylaw process. In addition to the general authority under the *Community Charter* to regulate business, the *Local Government Act*, Section 657, directly authorizes Council to limit the number of vehicles for which an applicant may be licensed in a class of carrier (including taxis). There is no direct conflict between bylaws made under these statutes and the requirements of the *Provincial Transportation Act*. As such, bylaw limits can be different for different classes of taxis. There are no circumstances in which the City *must* impose a limit, and so an existing limit for any particular class could be eliminated while other limits for other classes continue to apply.

As a result, the City's Business Licence Bylaw No. 7360, Section 2.1.27.3, establishing a limit of 75 Class A (conventional) taxicabs and 20 Class N (accessible) taxicabs, continues to be valid and enforceable, notwithstanding the approval by the PT Board for provincial taxi licence.

4. Existing Maximum Limits of Taxi Licenses

With respect to the existing maximum limits set by the City on the number of vehicle licences for taxis operating in Richmond, staff summarize the following three options for Council's consideration.

Option A: Status Quo - that the existing limits on the maximum number of Class A and N taxicab vehicle licences that can be issued be retained as a required municipal approval step in addition to the PT Board approval process.

Should the maximum limit on Class A and N vehicle licences be retained at the current numbers and a taxicab company is successful in obtaining a taxi licence from the PT Board, then staff and Council would be required to address each application separately and, if necessary, amend Bylaw 7360 accordingly each time.

Option B: Elimination of Class A and Class N Limits (Previously Recommended) - that the limits on the maximum number of Class A and N taxicab vehicle licences that can be issued be eliminated to streamline the approval process and encourage increased service levels for all taxis.

The elimination of the maximum number for City-issued vehicle licences will streamline the administrative procedures by removing the need for the City to continually review each application involving new provincial taxi license(s) and, if necessary, amend its Vehicle for Hire Bylaw.

Option C: Elimination of Class N Limit Only - that the limit on the maximum number of Class N taxicab vehicle licences that can be issued be eliminated to streamline the approval process and encourage increased service levels for accessible taxis only.

Stakeholder feedback indicates there is a need for increased accessible taxi service, particularly during the evening. This option may encourage taxi companies to apply to the PT Board for accessible vehicle taxi licences with the incentive of a more streamlined approval process over conventional taxis. The elimination of the upper limit of the number Class N licenses would also be consistent with most other municipalities in the region.

Financial Impact

None of the recommendations in this report would result in additional capital or operating financial costs to the City.

Conclusion

The process to increase the number of taxicabs operating in Richmond is entirely applicant driven. Based on various factors considered by staff as indicators of taxi demand such as regional statistics, comments from various stakeholders, future growth, and planned transit-oriented developments, there appears to be an upward trend on the demand for taxi service in Richmond. In addition, the expanded use of taxi service in this community would be consistent with the City's long term sustainability objective of encouraging and supporting other transportation alternatives to private automobile ownership.



Joan Caravan
Transportation Planner
(4035)