



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** August 15, 2005
From: Victor Wei, P. Eng. **File:** 12-8275-02/2005-VOL 01
Acting Director, Transportation

Joanne Hikida
Licence Inspector

Re: BUSINESS LICENSING OF CLASS A AND CLASS N TAXICABS IN RICHMOND

Staff Recommendation

That the Chief Licence Inspector be directed to bring forward amendments to the Business Licence Bylaw and the Vehicle For Hire Bylaw that would:

- (a) remove the limit on the maximum number of Class A and Class N taxicabs permitted to be licensed; and
- (b) require taxicab operators to have completed Level 1 of the TaxiHost Training Program.

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Joanne Hikida
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FOR ORIGINATING DIVISION USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

The City has recently received two separate requests from an existing and a potential taxicab operator regarding the provision of additional Class A taxicab services in Richmond. As the City limits the number of Class A taxicabs that are issued business licences and all of these licences have been issued, this report provides a recommendation with respect to the issuance of additional business licences to support an increased number of taxi licences in the city.

Analysis

1. Current City Regulation of Taxi Operators

The City's Business Licence Bylaw No. 7360 limits the number of vehicles licensed by the City to operate as taxicabs as detailed in the table below.

Class of Taxicab	Definition	Maximum # of Vehicles Licensed
A	A vehicle having not less than 4 doors and a seating capacity of not less than 4 and not more than 6 passengers.	73
N	A taxicab of a type and design which is used primarily for transporting a person with disabilities, and which is equipped with a hydraulic lift or ramp, or other equipment for loading or unloading persons who use wheelchairs for mobility.	18

Currently, all of the Class A and N business licences have been issued. Richmond Taxi/Coral Cabs holds all of the Class A licences while Kimber Cabs holds all of the Class N licences. The bylaw would need to be amended to allow the operation of more Class A or Class N taxicabs in Richmond from the current number. An additional 340 Class D taxicabs, which operate solely from the Vancouver International Airport, are licensed by the City. Licensed Class D taxicabs are permitted to pick up passengers at the airport only and drop off only in Richmond (i.e., Class D taxicabs cannot pick up passengers in Richmond). The City does not limit the number of business licences issued for Class D taxicabs.

2. Limits on the Number of Class A and Class N Taxicabs Licensed

The City policy to limit the number of Class A taxicabs was originally adopted in 1958 in response to a taxicab war that had resulted in confrontations between drivers over fare issues. Prior to that time, there was no limit to the number of licences issued and the number of taxicabs operating was greater than what local demand could support. The present Class A limit was established in 1969 and has remained unchanged since that time.

The last staff report on the need to limit the number of Class A taxicabs was presented to Council in 1986 and was prompted by a request of the GVRD for the City to review the GVRD's recommendations regarding the regulation of taxi operations in the Lower Mainland. One of the GVRD recommendations was that municipalities "consider the need for their current by-laws limiting the number of municipally licensed taxis." At that time, staff recommended that the City maintain the current bylaw limiting the number of Class A taxis licensed by the City, which was approved by Council.

Class N taxicabs were established in 1986 in response to a request for a taxicab service that would meet the needs of the physically disabled community. A maximum number of 18 Class N taxicabs licensed by the City was established at that time.

3. Comparison of Municipalities – Maximum Number of Class A Taxicabs Licensed

Staff researched the bylaws of other Lower Mainland municipalities with respect to the maximum number of similar Class A taxicabs each municipality licences to operate within its boundaries. The table below compares selected municipalities with Richmond and, based on that municipality's per capita figure of number of taxicabs per 1,000 population, calculates the comparable figure for Richmond.

Municipality	Maximum # of Class A Taxicabs	Taxicabs per 1,000 Population	Comparable Taxicabs per 1,000 Population for Richmond
Vancouver	1.2 per 1,000 population	1.20	216
Burnaby	107	0.54	97
New Westminster	57	1.00	180
Surrey	282	0.71	127
<i>Richmond</i>	73	<i>0.41</i>	-

Based on the City's current Business Licence Bylaw regulation of a maximum number of 73 Class A taxicabs, there are approximately 0.41 taxicabs per 1,000 population in Richmond, which generally is a lower per 1,000 capita ratio than other comparable municipalities in the Lower Mainland. Similarly, the last column shows the equivalent number of Class A taxicabs that would be licensed to operate in Richmond based on the per 1,000 capita ratio of the other four municipalities. Again, Richmond's current maximum number of 73 Class A taxicabs is relatively less than other Lower Mainland municipalities. Note that the 1986 staff report on taxi operations suggested a ratio of one taxicab per 1,450 population, which translates to 0.69 taxicabs per 1,000 population or a total of 124 Class A taxicabs based on Richmond's current population.

4. Process to Obtain a Licence to Operate a Commercial Passenger Vehicle

Commercial passenger vehicles are licensed and regulated in British Columbia under the *Passenger Transportation Act* (PTA). The Passenger Transportation Board (PT Board) and the Registrar of Passenger Transportation are separate entities with distinct responsibilities under the PTA. The Registrar accepts applications to operate commercial passenger vehicles.

Applications requiring special authorization (e.g., taxi and limousine services) are forwarded to the PT Board for a decision, and if approved by the Board, a licence may be issued by the Registrar. The PTA requires the PT Board to consider applications in light of the following considerations:

- (a) whether there is a public need for the service the applicant proposes to provide under any special authorization;
- (b) whether the applicant is a fit and proper person to provide that service and is capable of providing that service; and
- (c) whether the application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.

Applications for a licence require a business plan with financial statements and supporting documentation, including evidence of public need for the service. Potential taxicab operators must meet both economic entry criteria as well as safety requirements. Given these existing provincial requirements to obtain a taxi licence, it is questionable as to whether or not the City needs to further regulate taxicab operations via imposition of an upper limit on the number of taxicabs that operate in Richmond.

5. Proposed Removal of Upper Limit on Number of Taxicabs Licensed by City

The original impetus to establish a maximum number of Class A taxicabs that would be licensed by the City was apparently prompted by an oversupply of licensed taxicabs operating in the municipality, which suggests that economic entry criteria may not have been fully considered at that time by the provincial agency responsible for issuing taxi licences. The PTA became effective in June 2004 and specifically created the PT Board, which is responsible for, among other matters, determining whether applications for passenger directed vehicles (i.e., taxicabs) meet an economic test.

As the PT Board must explicitly consider economic entry criteria, staff suggest that the City no longer needs to impose an upper limit on the number of taxicabs that operate in Richmond. Staff therefore recommend that the Chief Licence Inspector bring forth amendments to the relevant bylaws that would remove the limit on the number of vehicles licensed by the City to operate as Class A or Class N taxicabs. The future RAV Line and the City's acceleration of transit-oriented development in the City Centre, both of which may encourage lower car ownership, plus growing tourism suggests that a higher number of taxicabs available would be beneficial for the community.

6. Consultation with Tourism Richmond

Staff contacted Tourism Richmond regarding the proposed removal of the upper limit on the number of taxicabs licensed by the City. The agency fully supports the staff recommendation and further suggests that all taxicab operators in Richmond be required to complete the SuperHost for Taxicab Drivers Program, which is a series of workshops developed by Tourism BC originally for Expo 86 that provide customer service training. This program is a module of the TaxiHost Level 1 Program described in Section 8 below.

7. Customer Service Training for Taxicab Operators

The Greater Vancouver Taxi Partnership Committee developed the TaxiHost Program in 1994 to help create a consistently high standard of taxicab service in the Greater Vancouver area. The program is offered through the Justice Institute of BC and includes applicant screening, training and testing. It is open to current taxicab drivers who wish to update their professional skills or receive a certificate to document their proficiency, and to new drivers who wish to develop the basic attitudes, knowledge, and skills required to be a successful taxicab driver.

As shown in the table below, several Lower Mainland municipalities plus the Vancouver International Airport Authority require completion of Level 1 and/or Level 2 of the TaxiHost Program before a chauffeur's permit (Cities of Vancouver and New Westminster) or business licence (City of Surrey) will be issued. Tourism Richmond reports that the program has been successful for the City of Vancouver.

Municipality/Agency	TaxiHost Program Requirement
City of Vancouver	<ul style="list-style-type: none"> • at least 27 hours of Level 1 Training; and • at least 18 hours of Level 2 Training, effective January 1, 2006
City of Surrey	<ul style="list-style-type: none"> • completion of TaxiHost Program
City of New Westminster	<ul style="list-style-type: none"> • completion of Level 1 or Level 2 Training
Vancouver International Airport Authority	<ul style="list-style-type: none"> • completion of Level 1 and Level 2 Training

To provide improved customer service to visitors and the local community as well as consistency of service levels across the region, staff recommend that Chief Licence Inspector bring forth amendments to the relevant bylaws such that proof of completion of Level 1 of the TaxiHost Program would be a requirement for the issuance of a business licence to operate a taxicab in Richmond.

Financial Impact

The City may realize increased revenue via the issuance of a higher number of business licences for taxicabs.

Conclusion

The City's current maximum of 73 Class A taxicabs licensed to operate in Richmond has been reached and the City has received requests to increase the number of these vehicles licensed. As the City's per capita ratio of taxis to residents is relatively low and the new provincial Passenger Transportation Board explicitly considers economic entry criteria when assessing applications for taxicab licences, staff recommend that the Chief Licence Inspector bring forth amendments to the relevant bylaws to remove the limit on the number of vehicles licensed by the City to operate as Class A or Class N taxicabs and to require that taxicab operators have completed Level 1 of the TaxiHost Training Program.



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