

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2020 Oct 06

FROM: DIRECTOR - PUBLIC SAFETY AND
COMMUNITY SERVICES

**SUBJECT: REPEAL OF TAXICAB BYLAW REGULATIONS AND REDUCTION
OF THE BUSINESS LICENCE FEES CHARGED FOR TAXICABS**

PURPOSE: To recommend that Council repeal the *Burnaby Cab Regulations Bylaw 2009* and related penalties in the *Burnaby Bylaw Notice Enforcement Bylaw 2009* and amend the *Burnaby Business Licence Fees Bylaw 2017* to reduce licence fees for taxicabs.

RECOMMENDATIONS:

1. **THAT** Financial Management Committee recommend Council to authorize the City Solicitor to bring forward a bylaw to repeal the *Burnaby Cab Regulations Bylaw 2009* in response to Provincial legislative changes related to Passenger Directed Vehicles.
2. **THAT** Financial Management Committee recommend Council to authorize the City Solicitor to bring forward an amendment to the *Burnaby Bylaw Notice Enforcement Bylaw 2009* to repeal the portion of the bylaw relating to the *Burnaby Cab Regulations Bylaw 2009*.
3. **THAT** Financial Management Committee recommend Council to authorize the City Solicitor to bring forward an amendment to the *Burnaby Business Licence Fees Bylaw 2017* to align business licence fees for taxicabs with the fees for Transportation Network Services vehicles (TNS or ride-sharing vehicles) under *Burnaby Inter-Municipal TNS Business Licence Bylaw 2020*.
4. **THAT** Financial Management Committee recommend Council to authorize a partial refund to Bonny's Taxi Ltd. for its 2020 business licence fees based on the reduced fees set out in this report.

REPORT

1.0 BACKGROUND

Passenger Directed Vehicles (PDVs) are a class of vehicle that includes taxis, limousines and Transportation Network System (TNS) vehicles. TNS vehicles are also commonly referred to as ride-hailing and/or ride-sharing vehicles. The Province regulates PDVs through the *Passenger Transportation Act*, the *Motor Vehicle Act*, and the *Commercial Transportation Act*. Prior to the introduction of TNS operations in BC, taxicabs made up the vast majority of provincial PDV operations.

On 2019 September 16 the Provincial Government implemented legislation that greatly reduced municipal authority to regulate all classes of PDVs. Preceding this action, local governments and the Province held parallel authority in regulating PDVs. Many municipalities had bylaws in place that regulated taxicab operations within their borders and established fees for business licences.

On 2020 April 27, Council adopted the *Burnaby Inter-Municipal TNS Business Licence Agreement Bylaw 2020* and the *Burnaby Inter-Municipal TNS Business Licence Bylaw 2020*. These bylaws were enacted in order to permit Burnaby to participate in a joint licensing scheme for TNS vehicles along with 25 other municipalities, and to set fees for the new inter-municipal business licence.

As a result of the limitations placed on local government's authority to regulate PDVs, and the adoption of the ride-sharing Inter-Municipal Business Licence (IMBL) regulatory scheme, Licence Office staff have undertaken a comprehensive review of the bylaw regulations governing taxicab operations in Burnaby. This report outlines the results of that review, and provides recommendations to Council related to taxicabs.

2.0 POLICY SECTION

The recommended actions align with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the plan:

Goal

- A Connected Community
 - Partnership - Work collaboratively with businesses, educational institutions, associations, other communities and governments
- A Dynamic Community
 - Economic opportunity - Foster an environment that attracts new and supports existing jobs, businesses and industries

3.0 NEW REGULATORY STRUCTURE

3.1 Provincial vs. Municipal Authority

The table below illustrates the changes in regulatory authority related to PDVs prior to and post 2019 September 16. The vast majority of regulatory authority now rests with the Province.

Regulatory Condition	Provincial Authority	Municipal Authority (Prior to Sept 16, 2019)	Municipal Authority (Current)
Licencing PDV Businesses and Vehicles	✓	✓	✓
Regulating Use of Municipal Roads	×	✓	✓
Fare Rates	✓	×	×
Issuing Chauffeur Permits	✓	✓	×
Vehicle Standards (Safety and Inspection requirements, vehicle identification)	✓	✓	×
Vehicle Standards (Age, number of accessible vehicles)	✓	✓	×
Fleet Size	✓	✓	×

Areas that the Province now has sole regulatory authority for PDVs include:

- Regulating fleet size
- Regulating service areas and operating boundaries
- Regulating vehicle requirements including age, vehicle standards, identifiers as well as conducting mileage based vehicle inspections
- Regulating driver requirements, including criminal and driving record checks and Class 4 driver's licences and the requirement to obtain a driver's check certificate
- Establishing fare rates
- Data submission requirements

Municipalities continue to have the following authority:

- Issuing business licences
- Setting business licence requirements
- Regulating use of municipal roads

Under Provincial legislation, municipalities are not permitted to:

- Refuse to issue a business licence to operate a PDV for the sole reason that the person holds a business licence issued by another municipality
- Prohibit PDVs from operating in the municipality
- Regulate the number of PDVs that may be operated, including placing requirements for a specific number of dual use taxicabs or other vehicle types
- Issue municipal chauffeur's permits to taxicabs and TNS drivers

3.2 Impact on the *Burnaby Cab Regulations Bylaw 2009* and related penalties under *Burnaby Bylaw Notice Enforcement Bylaw 2009*

As a result of the Provincial legislation, municipalities now have very limited regulatory authority in respect to PDVs. In effect, the City's authority related to taxicabs has been restricted to the ability to issue business licences and regulate various uses of City roads through the *Burnaby Street & Traffic Bylaw 1961*.

In light of the new Provincial regulatory structure, almost all of the regulations in the *Burnaby Cab Regulations Bylaw 2009* relate to matters that the City can no longer regulate. The only regulations that remain under City authority are the requirements to hold a valid Burnaby business licence, obtain approval from the Passenger Transportation Board and display a copy of the business licence at the taxicab business premises. These requirements are already adequately addressed by the *Burnaby Business Licence Bylaw 2017*. As a result, it is recommended that the *Burnaby Cab Regulations Bylaw 2009* be repealed in its entirety.

If Council approves repeal of the *Burnaby Cab Regulations Bylaw 2009*, the associated penalties for contraventions of this bylaw also need to be removed from the *Burnaby Bylaw Notice Enforcement Bylaw 2009*. It is recommended that an amendment to the *Burnaby Bylaw Notice Enforcement Bylaw 2009* be brought forward concurrently to remove the portion of this bylaw relating to the *Burnaby Cab Regulations Bylaw 2009*.

4.0 BURNABY BUSINESS LICENCE FEE BYLAW AMENDMENTS

4.1 Licence Fees

The City maintains the authority to issue business licence to taxicab operators. The existing business licence fees for taxicabs are set at \$510.00 for the first year or initial licence fee and \$280.00 for subsequent annual renewals, on a per vehicle basis. The owner(s) of each vehicle is required to obtain a business licence for that vehicle and there are no discounts for accessible or zero emission vehicles.

In contrast, the business licence fees charged for TNS vehicles under the *Burnaby Inter-Municipal TNS Business Licence Bylaw 2020* are \$150.00 for each standard vehicle, \$30.00 for zero emission vehicles, and \$0.00 for wheelchair accessible vehicles.

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In the interest of fairness, it is recommended the Burnaby business licence fees charged to taxicab operators be amended to be consistent with the fees charged to TNS operators. It is also recommended that the language used in the licence category be amended to reflect the Provincial terminology of "Passenger Directed Vehicle", rather than "Taxicab".

It is proposed that the following amendments be made for the *Burnaby Business Licence Fees Bylaw 2017*, under Schedule "A":

- that the categories and fees listed below be removed:

Business Category	Initial Licence Fee	Prorated Initial Licence Fee (effective July 1)	Renewal Licence Fee	Shared Location Fee
Taxicab (Class A)	\$510	\$390	\$280	N/E
Taxicab (Class E – Charter Cab/Limo)	\$600	\$450	\$180	N/E
Taxicab (Class H – Wheelchair Access)	\$510	\$390	\$280	N/E
Taxicab (Misc)	\$600	\$450	\$180	N/E
Taxicab (Vehicle Transfer Inspection Fee)	\$0	\$0	\$110	N/E
Taxicab and Driving Instruction Office	\$600	\$450	\$180	\$180

- and the following categories and fees be added:

Business Category	Initial Licence Fee	Prorated Initial Licence Fee (effective July 1)	Renewal Licence Fee	Shared Location Fee
Passenger Directed Vehicle / per standard vehicle	\$150	N/E	\$150	N/E
Passenger Directed Vehicle – per accessible vehicle	\$0	N/E	\$0	N/E
Passenger Directed Vehicle – per zero emission vehicle	\$30	N/E	\$30	N/E
Passenger Directed Vehicle or Driving Instruction Business	\$600	\$450	\$180	\$180

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4.2 Partial Refund to Bonny's Taxi Ltd.

Bonny's Taxi Ltd. and its subsidiary company, Select Taxi Ltd., are the only taxicab operators in the City of Burnaby. For 2020, they have a total of 141 taxicabs and 24 wheelchair accessible taxicabs licenced to operate in Burnaby. The renewal cost for these vehicles for the 2020 calendar year was \$280.00 per vehicle for a total of \$46,200.00. At the beginning of 2020, Bonny's Taxi Ltd. submitted payment in full for its required 2020 business licence fees.

Under the proposed fee reduction for PDVs, the 2020 renewal costs would be reduced to \$150.00 per standard taxicab, \$0.00 per wheelchair accessible taxicab, and \$30.00 per zero emission taxicab. If these fees were in place when Bonny's Taxi Ltd. made payment on its 2020 licences, the aggregate fees would have been reduced from \$46,200.00 to \$21,150.00, a difference of \$25,050.00.

Since the 2020 licence fees that have been paid by TNS companies were at the lower rates under the *Burnaby Inter-Municipal TNS Business Licence Bylaw 2020*, it is recommended that Bonny's Taxi Ltd. also pay the reduced fees for the 2020 licence year. Therefore, staff recommend that Council authorize a partial refund to Bonny's Taxi Ltd. for the difference in 2020 licence fees of \$25,050.00.

5.0 RECOMMENDATIONS

In accordance with this report, staff recommend that Council authorize the City Solicitor to bring forward the following bylaws and bylaw amendments to:

- repeal the *Burnaby Cab Regulations Bylaw 2009* to adapt to the Provincial legislative changes related to Passenger Directed Vehicles.
- remove the portion of the *Burnaby Bylaw Notice Enforcement Bylaw 2009* relating to the *Burnaby Cab Regulations Bylaw 2009*.
- amend the *Burnaby Business Licence Fees Bylaw 2017* to align business licence fees for taxicab operations with the fees charged for TNS or ride-sharing businesses under the *Burnaby Inter-Municipal TNS Business Licence Bylaw 2020*.

It is further recommended that Council authorize a partial refund to Bonny's Taxi Ltd. for the difference between the amount paid by the company for its 2020 business licence fees and the amount payable based on the reduced business licence fees proposed in this report.

The *Community Charter* requires that before adopting a bylaw in regard to business regulation, Council must give notice of its intention and provide an opportunity for persons who consider they are affected by the bylaw to make representations to Council. In order to ensure all interested parties are provided sufficient notification, notice of the proposed amendments will be advertised in the local newspaper for two consecutive weeks after

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first, second and third reading of the above bylaws. The notice will provide a deadline of 2020 November 18 to make written submissions. All responses will be collected and provided to Council prior to final adoption of the bylaws.



Dave Critchley

DIRECTOR - PUBLIC SAFETY AND COMMUNITY SERVICES

DC:nk

Copied to: City Manager
Director Finance
City Solicitor
Chief Licence Inspector