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## **Public Vehicle Pilot Program Committee**

### **Date**

2016/06/21

### **Time**

10:04 AM

### **Location**

Civic Centre, Council Chamber,  
300 City Centre Drive, Mississauga, Ontario, L5B 3C1 Ontario

### **Members Present**

Bonnie Crombie, Mayor  
Karen Ras, Councillor - Ward 2 (Vice-Chair)  
Ron Starr, Councillor - Ward 6 (Chair)  
Al Cormier, PVAC Citizen Member Representative  
Chris Schafer, TNC Sector Representative  
Mark Sexsmith, Taxi Industry Representative

### **Staff Present**

Mickey Frost, Director, Enforcement  
Daryl Bell, Manager, Mobile Licensing Enforcement  
Robert Genoway, Legal Counsel  
Karen Morden, Legislative Coordinator

### **Others Present**

Tracey Cook, Executive Director, Municipal Licensing and Standards, City of Toronto  
Vanessa Fletcher, Policy Advisor, City of Toronto

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1. **CALL TO ORDER – 10:04 AM**

2. **APPROVAL OF AGENDA**

Chris Schafer, TNC Sector Representative requested that the minutes from the previous meeting on June 13, 2016 be amended to reflect the following:

1. That “staff reports” be amended to “media reports”.

Mr. Schafer further provided clarification with respect to his comment regarding general pilot programs, which was noted by the Committee but did not require an amendment to the minutes.

Mayor Crombie inquired about a comment made by Councillor Ras at the previous meeting with respect to the length of the pilot program, to which Councillor Ras noted that it would come up again under the framework review and no amendment to the minutes was required.

Mayor Crombie requested that correspondence from Chris Schafer, TNC Sector Representative sent earlier that morning be included on the agenda.

Councillor Starr advised that written submissions not received the evening prior to future meetings would not be included in the agenda.

Approved, as amended (Councillor Ras)

3. **DECLARATION OF CONFLICT OF INTEREST – Nil.**

4. **MINUTES OF PREVIOUS MEETING**

- 4.1. Minutes from the June 13, 2016 meeting of the Public Vehicle Pilot Program Committee  
Amendments as listed under “Approval of the Agenda”.

Approved, as amended (A. Cormier)

5. **DEPUTATIONS – Nil.**

6. **MATTERS TO BE CONSIDERED**

6.1. Pilot Program Discussion Framework

Mickey Frost, Director, Enforcement advised that staff brought the document forward to focus the discussion of the Committee with respect to the purpose and parameters in

the development of the pilot program and requested that the Members speak to their written submissions respectively. Mr. Frost further commented that due to the conflicting nature of each of the submissions, his hope was for the Committee to come to a compromise with their positions.

Al Cormier, PVAC Citizen Member Representative noted that he did not submit further comments as he was suggesting a different approach.

Mark Sexsmith, Taxi Industry Representative inquired as to whether the Members would comment individually to each of the questions in the discussion framework, to which Councillor Starr advised that they would.

Chris Schafer, TNC Sector Representative noted that he also did not respond directly to the outlined framework but that his comments would align with the discussion.

Mr. Frost suggested that each stakeholder present their position and provide any additional information to the Committee.

Mr. Cormier noted that his submission, included in the original agenda, may be in contradiction of the current By-law that detailed the Capture Option and that allowing TNCs to operate in a pilot program under their business model could be contrary to the Council approved Capture Option. He further noted that if the pilot program allowed TNCs to operate under the conditions outlined by staff, it would be too restrictive due to the cap on the number of vehicles and drivers and that it would not demonstrate the full potential of TNCs. Mr. Cormier further noted that if a “middle of the road” approach was taken, with parameters acceptable to both TNCs and the taxi industry, it would be difficult to measure the performance of the pilot project in servicing the residents of the City of Mississauga in that the comparison to a new service in comparison to an established service and that monitoring the whole City would be difficult. Mr. Cormier also noted that providing that level of detail may be difficult to ascertain the level of success and that limiting the pilot to an east/west would be more manageable.

Mr. Sexsmith commented on the difficulty in determining how the TNC sector could deliver their service without an impact on the taxi industry and further noted that TNCs should recognize that they are taxis.

Mr. Schafer responded that the submissions from Mr. Sexsmith and Peter Pellier, Taxi Industry attempted to create a pilot that wouldn't pilot what it was intended to, and that if the pilot were run exclusively through the taxi industry it would not be a true pilot program. Mr. Schafer commented that he suggested a different pilot with a “made in Mississauga” approach and compared it to what Boston is currently doing with a “peer to peer ridesharing” approach and that it would reduce regulatory burdens by adopting some of the regulatory proposals with reasonable and proportionate rules, but not

common rules, and that there would need to be more detail in the proposal.

Mr. Sexsmith commented that he felt that the City had already been running a pilot program the past two years since Uber had been operating in the City and that a clear impact on the taxi industry was known. Mr. Sexsmith spoke to the price of Uber, the positives of the app that Uber uses and that customers don't care about minor variations in regulations, just the cheaper price to use Uber. Mr. Sexsmith further noted that the needs of the customers could be met by the taxi industry with staff enforcing all by-laws, ensuring safety for customers. Mr. Sexsmith suggested an amendment to the By-law to allow taxi operators to accept orders from any platform such as through an app, street hail, or phone.

Councillor Ras inquired whether current TNC drivers would be able to participate in the model suggested by Mr. Sexsmith, to which he spoke to streamlining the process of obtaining a taxi licence.

Mr. Schafer noted numerous challenges in adopting Mr. Sexsmith's proposal, most significantly in attempting to turn TNC drivers, who typically drive less than 10 hours per week, into taxi drivers. Mr. Schafer spoke to sections 31 and 32 of his written submission commenting that his proposal would allow taxis to have fare flexibility and to section 14 regarding safety, such as criminal record searches and Ministry of Transportation checks, and spoke to an independent company customer satisfaction study which reported that Uber outperforms taxis.

Councillor Ras inquired as to the frequency of vehicle inspections, to which Mr. Schafer advised that it would be annually, as it is a one year pilot. Councillor Ras further inquired whether the City has adequate staff resources with respect to inspections, to which Mr. Frost explained that with no limit on the number of vehicles, as proposed by Mr. Schafer, staff's ability to accommodate this is unknown at this time and further noted that due to Uber cars not being marked, there would be no way to know if a vehicle is an Uber vehicle in order to perform an inspection.

Mr. Schafer spoke to the creation of a passenger account for staff in order to book rides and perform spot checks and noted that Toronto created a decal under their by-law, so Mississauga drivers would also have the decal as they are undergoing the same process as the Toronto drivers.

Mr. Cormier inquired about the number of taxi drivers also driving as Uber drivers and whether there was data available regarding the Uber usage of Mississauga residents, to which Mr. Schafer advised that data collection and sharing is included in his proposal. Mr. Schafer further noted that there were a number of taxi drivers who apply and don't make it due to background checks and screening by Uber.

Mayor Crombie inquired as to how many of the five thousand Uber drivers in

Mississauga were also taxi drivers, to which Mr. Schafer advised that the intake data would have had to be flagged as a taxi driver. Mr. Schafer further noted that most drivers work less than 10 hours per week, so there would never be five thousand on the road at the same time. Mayor Crombie inquired as to the number of people who did not pass their background check and requested clarification on the background check process. Mr. Schafer spoke to section 14 of his proposal, in which the process is borrowed from Toronto and completed by a police service in Cobourg which sends the results straight to Uber instead of the applicant and spoke to the ease of obtaining the screening through an online process.

Mayor Crombie inquired as to whether Uber's screening process was different than the taxi industry, to which Mr. Sexsmith noted that the industry has standards set by the By-law and enforced by City staff and that criminal record searches are performed by the police in the city of the taxi operator's residence. Mr. Sexsmith further commented that the brokerages keep all records on file for examination at any time by City staff or social services. Mayor Crombie further noted that all Mississauga residents are potential TNC customers and no limit should be placed on who TNCs can have as customers.

Mayor Crombie requested information on data sharing processes in Boston, to which Mr. Schafer referred to section 39 of his proposal regarding trip level data and spoke to the Boston model. Mr. Schafer further spoke to the Uber Wave service in Toronto that partners with the taxi industry and third party transportation services to provide accessible service, noting that an accessibility levy could be negotiated. Mayor Crombie inquired as to whether the data Uber collected is what staff requires and whether staff is able to collect is similar, to which Mr. Frost noted that the City collects very similar data under the By-law and noted that TNC data could be collected if TNCs could confirm the number of drivers and the number of hours worked, as staff have noted TNC drivers working as much as taxi drivers. Mr. Frost further commented that staff's position is to use the pilot program as an opportunity to expand accessible service.

Mr. Schafer commented that full-time driving is in the minority and spoke further to the Uber Wave and Uber Assist services, noting that Ottawa is negotiating an accessibility levy in which the funds collected could be used to expand the city's accessible services. Mayor Crombie inquired whether Ube could implement an accessible service in Mississauga for the pilot, to which Mr. Schafer advised that Uber could not due to timing. Mayor Crombie inquired whether the taxi industry is able to collect the data, to which Mr. Bell advised that the data required by the City is already collected under the By-law and spoke to the need to find out what to do with accessible service in the City.

Councillor Starr advised Mr. Schafer that further information was necessary with respect to how the TNC sector thinks a pilot would work, the statistics on the number of hours that drivers drive, how many professional drivers Uber employs, and the number of full-time Ube drivers, noting that full-time Uber drivers had spoken at public meetings.

Councillor Starr further noted that more data was needed from Uber, that the City has all of the taxi/limo data, and spoke to the need to define the purpose of the pilot program and the terms under which it would operate.

At this time Tracey Cook, Executive Director, Municipal Licensing and Standards and Vanessa Fletcher, Policy Advisor, City of Toronto joined the meeting. Councillor Starr requested that Ms. Cook provide information on the Toronto model to the Committee and that questions from the Committee would be welcome.

Ms. Cook provided a brief background on the emergence of TNCs in Toronto, spoke to the lost court injunction, and noted that there were over 100 changes to the Toronto taxi by-law resulting from a series of consultations and public survey engagement. Ms. Cook further spoke to the number of Uber vehicles operating in Toronto and noted that the highest number of TNC drivers on the road peaked one Friday/Saturday night with 5000 drivers operating at the same time. Ms. Cook spoke to the recommendations that were made to Toronto City Council, and noted that Toronto did contemplate a pilot but decided against it, as they already had the experience of Uber operating in the city and that the industry needed stability. Ms. Cook noted the challenge in how to address accessibility and Toronto's accessibility strategy that addresses licensing fees being waived on accessible taxis and the requirement of "Private Transportation Companies" with more than 100 vehicles to have accessible vehicles operating. Ms. Cook spoke to accessibility levies, data collection, flexible fares, the continued limits on the number of taxis and limos, and the phasing out of Toronto's "Ambassador" plates. Ms. Cook further noted that things would come into effect on July 15, 2016, spoke to the waitlist, and the transition to "Standard" plates.

Mr. Cormier inquired as to whether Toronto did a study to which Ms. Cook commented on their consultation efforts that found that people like different options, or a "suite of options", that people reporting liking the Uber experience, and noted she would forward the study to the Committee. Mr. Frost noted that the Toronto study information was included in the Corporate Report to General Committee on March 2, 2016.

Mr. Sexsmith requested Ms. Cook's comments in the efficiency of running supply/demand in Mississauga, driver income and investor security, to which Ms. Cook spoke to using a consultant to determine the appropriate number of taxis based on passenger wait times and passenger service, and noted that consumers want a fast pick-up which has boosted Uber's appeal. Mr. Sexsmith spoke to Uber Taxi, to which Ms. Cook advised that Toronto didn't do Uber Taxi, as Uber came into Toronto and started driving taxis as Uber X, which is the challenge as Uber X will not run like a taxicab.

Mayor Crombie expressed agreement with Ms. Cook with respect to service, wait times, choice, and noted that Mississauga has no hail business, that wait times are 9-10

minutes in Mississauga, and that people want faster service. Mayor Crombie noted that since Council's adoption of the Capture Option, there has been an outcry from the public for the need for choice. She further noted that although the taxi industry reports that business has been seriously impacted, the statistics show otherwise. Ms. Cook noted that when approached, the Toronto taxi industry could not articulate the impact, that this is a difficult, emotional issue, that similar situations are happening in all kinds of sectors, that this is a period of change, and that she wanted all parties to be successful.

Mayor Crombie inquired as to whether Mr. Frost was concerned about adding more flexibility to the industry, to which Mr. Frost explained that there is less of an opportunity for the layers to occur in Mississauga due to having different plate issuance requirements than Toronto. Mayor Crombie inquired as to whether taxi plates still trading in the marketplace was a concern, to which Ms. Cook spoke to the transference of plates and market values.

Mayor Crombie spoke to licensing requirements and inquired what the differences were between TNCs and taxis and how to harmonize the two. Ms. Cook spoke to the implementation of equal regulations where possible such as criminal record searches, driver abstracts, vehicle inspections, and insurance. Mayor Crombie thanked Ms. Cook for her insight and attendance at the meeting.

Mr. Frost noted that Ms. Cook's overview of Toronto's model was very similar to staff's first recommended approach with respect to imposing some regulations on TNCs and lowering the regulations for taxis so they could compete and noted that the impact could be a reduction in plate values. Mr. Frost spoke to the process of extensive discussions at the Public Vehicle Advisory Committee meetings, the education session, the proposal of licensing drivers and TNCs, and information flowing through the TNC to the City.

Councillor Ras noted agreement, commenting that a "do nothing" option would be more detrimental, her hope that with the taxi industry the Committee can look at the types of regulations that need to be implemented. Councillor Ras further noted that gaps in the transportation system provided opportunities for the industry to fill in the gaps with a focus on the public and consumer safety. Councillor Ras inquired as to the licensing process for TNC drivers in Toronto, to which Ms. Cook advised that they are working through that currently with respect to criminal record searches, driver abstracts, and vehicle certifications, which will be remitted through the Private Transportation Company to the City who in turn would advise the PTC if the submissions are acceptable. Councillor Ras inquired about customer service standards, to which Ms. Cook noted agreement with respect to accessibility and the ability to provide accessible service through Ube Wave, that service standards are equivalent, and it is the responsibility of the PTC to comply.

Mr. Schafer commented on Ms. Cook's report of 5000 TNC drivers operating at the

same time in Toronto, clarifying that the way Uber defines Toronto is larger than the actual technical boundaries and includes other municipalities such as Brampton, Oakville, and Mississauga. Mr. Schafer further commented that in forming regulations, he was more akin to Toronto and Ottawa's plan than to Calgary's, and that he is willing to work with Mr. Frost on the development of the regulations. Ms. Cook noted the need for a level of regulation that is appropriate to the service and spoke to "equity" rather than "equal".

Mr. Schafer requested Mr. Frost's opinion on his proposal, noting that it included maximum flexibility, that taxis would reorganize so they could compete, and that his proposal borrowed elements of the Toronto model. Mr. Schafer further inquired as to whether the Toronto by-law as it currently exists could be implemented as a pilot program in Mississauga. Mr. Frost commented that the licensing standards proposed by Mr. Schafer are different from what is in the Mississauga by-law and spoke to the staff proposal for the pilot, noting that it was very similar to what Mr. Schafer is proposing with the exception of a cap and commented that staff's proposal is TNC-friendly and similar to Toronto and Ottawa's models, but with Mississauga's higher standards in place.

Councillor Starr thanked Ms. Cook and Ms. Fletcher for attending the meeting and inquired whether two members of the public who wished to speak would prefer to defer to the next meeting after more information had been shared, to which they agreed.

6.2. Pilot Project Input - Al Cormier, PVAC Citizen Member Representative

Mr. Cormier spoke to this item during discussions.

6.3. Response to June 13 Panel – Mark Sexsmith, Taxi Industry Representative

Mr. Sexsmith spoke to this item during discussions.

6.4. Pilot Programme Parameters - Peter Pellier, Taxi Industry

6.5. Tracey Cook, Executive Director, Municipal Licensing and Standards and Vanessa Fletcher, Policy Advisor, City of Toronto regarding the Toronto regulatory model.

Discussion on this item is recorded above in 6.1.

6.6. Second Reply to Pilot Panel – Mark Sexsmith, Taxi Industry Representative

Mr. Sexsmith spoke to this item during discussions.

6.7. Uber Response - Pilot Program Proposal – Chris Schafer, TNC Sector Representative

Mr. Schafer spoke to this item during discussions.



7. **INFORMATION ITEMS** – Nil.
8. **OTHER BUSINESS** – Nil.
9. **DATE OF NEXT MEETING** – Monday, June 27, 2016 – 10:30 AM, Council Chambers
10. **ADJOURNMENT** – 12:35 PM