

REPORT

Office of the Chief Administrative Officer

To: Mayor Johnstone and Members of Council **Date:** May 8, 2023

From: Lisa Spitale, Chief Administrative Officer **File:**

Item #: 2023-288

Subject: Expanding the Inter-municipal TNS (Ride-Hailing) Business Licence to include Hope, Kent and Mission

RECOMMENDATION

1. THAT Council give Three Readings to Inter-Municipal TNS Business Licence Scheme Bylaw No. 8391, 2023;
 2. THAT Council forward Inter-Municipal TNS Business Licence Scheme Bylaw No. 8391, 2023 to an Opportunity to be Heard at the Regular Meeting of Council on May 29, 2023; and
 3. THAT Council give Three Readings to Inter-Municipal TNS Business Licence Agreement Bylaw No. 8393, 2023.
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PURPOSE

To expand the inter-municipal business licence (IMBL) for ride-hailing companies to include the District of Hope, District of Kent and City of Mission.

SUMMARY

The City of New Westminster participates with 24 other municipalities in an inter-municipal business licence (IMBL) for ride-hailing companies (Transportation Network Services or TNSs). The participating municipalities are all located in the Passenger Transportation Board's (PTB) ride-hailing boundary of *Region 1*¹ which encompasses

¹ See Table 2 for [PTB operating regions](#) for ride-hailing (Transportation Network Services (TNS))

Metro Vancouver, Fraser Valley, and Squamish-Lillooet. The IMBL allows companies to purchase one business licence and operate across all participating municipalities. The City of Vancouver is the licensing authority for the IMBL which means it issues and administers the licences, and is responsible for sharing licence fee revenue with participating municipalities at the end of each calendar year. The purpose of the IMBL is to simplify processes for ride-hailing businesses, and it recognizes the regional nature of travel patterns. Three *Region 1* municipalities wish to join the IMBL: the District of Hope; the District of Kent; and the City of Mission. Their inclusion would increase the total number of *Region 1* municipalities participating in the IMBL to 28 out of a total of 32.

To allow new entrants to the IMBL, each participating municipality must approve and enact a new IMBL Agreement and Bylaws (see Appendix A and Appendix B). Staff recommend Council approve the bylaws to expand the IMBL program to include the District of Hope, the District of Kent and the City of Mission. Concurrently, the existing IMBL TNS bylaws will need to be repealed as part of the process.

If approved, the expanded licence would come into effect on June 1, 2023.

BACKGROUND

Ride-hailing was legalized in B.C. on September 16, 2019. The Province regulates ride-hailing companies through the *Passenger Transportation Act*, the *Motor Vehicle Act*, and the *Commercial Transportation Act*. The BC Passenger Transportation Board (PTB) has sole authority to approve companies to operate ride-hailing services, and it establishes the boundaries of each company's operations. Ride-hailing companies are generally authorized to operate in multiple municipalities based on a system of 5 Regions established by the PTB. Vancouver is part of the PTB's *Region 1* which includes Metro Vancouver, the Fraser Valley, and Squamish-Lillooet. Municipalities may issue business licences to ride-hailing companies approved by the PTB to operate within their municipal boundaries.

On June 22, 2020, Council approved the establishment of the bylaw and New Westminster's participation in an IMBL agreement of 25 *Region 1* municipalities. With the IMBL a ride-hailing company needs to purchase only one licence to operate in all participating municipalities. See Appendix C for the current agreement and bylaw.

Region 1 comprises 32 municipal authorities and all were invited to participate in the development and implementation of the 2020 IMBL. At the time of ratification 25 municipalities endorsed the bylaws and entered into the Agreement².

² See Appendix C for a list of participating municipalities.

An IMBL is formed through common bylaws enacted by each participating municipality. The IMBL Agreement Bylaw allows municipalities to enter into agreement with the partner municipalities. It addresses terms such as the fee, revenue sharing formula and distribution, and overall administration of the licence. A second bylaw, the IMBL bylaw, is the formal mechanism through which the IMBL is implemented in each municipality and sets out the various terms and conditions that apply to the IMBL across the participating municipalities. In ratifying the IMBL bylaws for Ride-hailing in 2020, participating municipalities agreed to the following:

- The City of Vancouver is the licensing authority meaning that all ride-hailing IMBLs are issued by the City of Vancouver. Vancouver recovers administrative costs of issuing the IMBL and remaining revenue is shared based on the percent of total regional pick-ups and drop-offs that occur within each municipality. The information on pick-ups and drop-offs in each municipality is provided by the licensees.
- The annual licence fee is a company fee of \$155 plus per vehicle fees of \$150 for each vehicle; \$30 for each zero emission vehicle; and \$0 for each wheelchair accessible vehicle.
- Licence Conditions: Companies are required to comply with the municipal bylaws and regulations of each participating municipality. Each municipality retains authority to enforce its own bylaws, for example street and traffic regulations, and also to suspend or cancel an IMBL. Staff in participating municipalities have established a shared protocol for escalating enforcement and have agreed to communicate enforcement actions between each other prior to any municipality considering suspension or cancellation of a licence.

Staff and participating members of the IMBL meet on a regular basis to discuss ride-hailing related matters such as municipal access to Provincial ride-hailing data, and expanding the IMBL partnership to include all 32 *Region 1* municipalities. In 2022, three municipalities the District of Hope, the District of Kent, the City of Mission have requested to join the IMBL.

ANALYSIS

The IMBL for ride-hailing program is in its third year of operation. Licence administration processes including the year-end revenue sharing with participating municipalities are functioning effectively. It is staff's assessment that the addition of the District of Hope, the District of Kent, and the City of Mission can be accomplished with limited administrative effort and any incremental administrative costs incurred through the addition of will be recovered by the City of Vancouver, as per Section 11 of the

Agreement (Appendix A). Other than adding the three municipalities, the IMBL would remain unchanged from the 2020 Agreement.³

Amendments to the IMBL Agreement and Bylaws must be approved and enacted by all participating municipalities. Staff in the 28 municipalities have agreed to bring the Agreement and Licence Bylaws to their Councils by May 31, 2023. Should it be approved, the new Agreement will come into force on June 1, 2023. From that day forward, licence holders and new licensees would be able to operate in all 28 municipalities. No action is required on the part of licence holders. The full list of proposed, participating municipalities can be seen in Appendix A, the draft Agreement Bylaw.

The IMBL was conceived as a means to support the industry roll-out and on-going operations with a single licence and consistent ride-hailing regulations across *Region 1* municipalities. The addition of the District of Hope, the District of Kent, and the City of Mission would be a further step in fulfilling the original goal of the IMBL.

NEXT STEPS

Should Council give three readings to the two bylaws, the next step would be an Opportunity to Be Heard and consideration of adoption. In addition to the publication of the notification of the Opportunity to be Heard in two editions of the local newspaper, the City would also notify all TNS companies who have previously expressed an interest in operating in Region 1 and both taxi companies licensed to operate in the City of New Westminster of this matter.

The existing IMBL TNS business license scheme bylaws will also be repealed as part of this process.

FINANCIAL IMPLICATIONS

There are no financial costs associated with the expansion of the IMBL scheme to the City of New Westminster. Section 11 of the IMBL Agreement provides for the City of Vancouver to retain revenue to cover cost of licence administration.

OPTIONS

The following options are presented to Council for consideration:

³ The exceptions are edits to remove text related to the “initial licence year” since the licence is now in its 3rd year.

1. THAT Council give Three Readings to Inter-Municipal TNS Business Licence Scheme Bylaw No. 8391, 2023;
2. THAT Council forward Inter-Municipal TNS Business Licence Scheme Bylaw No. 8391, 2023 to an Opportunity to be Heard at the Regular Meeting of Council on May 29, 2023; and
3. THAT Council give Three Readings to Inter-Municipal TNS Business Licence Agreement Bylaw No. 8393, 2023.
4. THAT Council give alternate direction.

Staff recommends options 1, 2, and 3.

ATTACHMENTS

Appendix A: IMBL TNS Business Licence Agreement Bylaw No. 8393, 2023
Appendix B: IMBL TNS Business Licence Scheme Bylaw No. 8391, 2023
Appendix C: Existing IMBL TNS Business Licence Bylaws

APPROVALS

This report was prepared by:
Carolyn Armanini

This report was reviewed by:
Blair Fryer

This report was approved by:
Lisa Spitale