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Mr. Michael Binetti,
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365 Bay Street, Suite 200,
Toronto, Ontario, M5H 2V1.

Mr. Binetti,

I was asked to write this report during our phone conference held on November 27, 2019 at 11:30 A.M. between you, the All Taxi Owners Operators Limited (“ATOOL”) Executive Committee and myself, on the issue of the City of Toronto (“City”) legislating an Accessible Reserve Fund (“Fund”), for the Vehicles-for-Hire accessible vehicle owners and drivers.

This changes the Toronto Municipal Code, Chapter 546, Licensing, Vehicles-for-Hire (VFH”), by mandating non-accessible VFH brokerages, drivers and vehicle owners to pay an annual fee in support of this Fund. This Fund was adopted by City Council at their meetings held on July 16, 17 and 18, 2019 and will be in effect, as of January 1, 2020.

What I am providing you with in this report, is a review of how public on-demand accessible taxicab service came about and has evolved. *“This does not included the public pre-booked accessible taxicab service, which is operated, for the most part, by the City’s Toronto Transit Commission (“TTC”) Wheel Trans Program, which charges regular TTC fares to the disabled and cognitively impaired consumers, for door-to-door servicing.”*

The TTC pays the pre-book accessible taxicabs and brokerages that work under their Wheel Trans Program additional per km rates, which currently for the driver as an example, is \$3.08 per km, where the on-demand accessible vehicle owner is paid \$1.74 per km. The on-demand, has no subsidization program, and unlike the TTC vehicle who is guaranteed a varying number of km. per day, the on-demand vehicle owner has no such guarantee.

I would like to begin, by pointing out that whether you were City issued, purchased privately or transferred from another City licensing category to obtain a Toronto Taxi Licence (“TTL”) which requires an accessible van, “you did that voluntarily.”

In addition, the on-demand TTL owners or drivers servicing mandates, are not just limited to the disabled or cognitively impaired consumers, who require an accessible vehicle. Like any other City licensed taxicab, limousine and Private Transportation Company (“PTC”) member, they can service all consumers requesting VFH servicing in the City.

In principle, the accessible on-demand TTL vehicle owner and/or driver is financially better off than the non-accessible VFH vehicle owner and/driver, as they are drawing customers from an additional consumer base, which are disabled and cognitively impaired customers, that is unavailable to the non-accessible VFH member.

Accessibility For Ontarians With Disabilities Act, 2005 (AODA)

Regulation 191/11 – Duties of Municipalities – Accessible Taxicabs – Section 79 (1)

“Every municipality shall consult with its municipal accessibility advisory committee, where one has been established in accordance with subsection 29 (1) or (2) of the Act, the public and persons with disabilities to determine the proportion of on-demand accessible taxicabs required in the community.”

The City never held those meetings with the taxicab industry. During the previous taxicab reformation, which ran from December 2011, through about April 2016, the taxicab industry membership asked for meetings on accessible taxicab servicing, like they did on the PTC issues. The membership always heard during this period these issues would be discussed, but that never came to fruition.

In and around 2013, the City through its Municipal Licensing and Standards (“ML&S”) division decided they would make all taxicabs accessible vehicles. The industry knew this would cause irreparable financial harm to the industry, similarly by the way as the PTC program has caused and decided to hire you as our lawyer, to challenge this in court.

Our challenge was successful and Justice J. Stinson of the Ontario Superior Court of Justice sided with our industry and on January 30, 2015, quashed the City’s idea.

By this time, the City thinking it would not lose this case had started to issue TTL’s and mandated anyone that sold, transferred or was issued any kind of a taxicab owners licence, it had to be a TTL. This continued on until the VFH Chapter 546 came into effect on July 15, 2016. This raises the question, *“with the court decision coming into effect on January 30, 2015, was it not illegal for the City to continue its TTL licensing practices from January 30, 2015 through July 15, 2016?”*

The most recent taxicab reformation was held by the ML&S from late 2017 through June 2019. These meetings were ran somewhat differently than in the past. There were different meetings held for different by-law categories. In the case of accessible VFH servicing, only accessible brokers, vehicle owners and drivers were allowed to attend those meetings and it was from those meetings that the idea of the Fund came about.

Since the Fund only requires payment from the non-accessible members of the City’s VFH industry, would it not have been necessary for the ML&S to hold meetings with these by-law categories, since they are the only ones being mandated to pay into the Fund? There were no meetings held with the non-accessible VFH categories that discussed anything to do with accessible taxicab servicing.

“The reason for the Fund, has come about because the City never held the required meetings for on-demand accessible taxicab servicing, as mandated by the Province in the AODA Regulation 191/11 Section 79 (1), where the required numbers would have become apparent and the over issuance of TTL’s, would have or should have never occurred.”

I believe a number of graphs that I will list in this report, will show the real reasons that are behind this Fund, which will become very apparent to anyone of ordinary care and judgment, showing “Increasing licensing revenues are what is behind this Fund.” To give you an overall perspective of accessible taxicab servicing in the City, let’s begin with the number of current vehicles involved in accessible taxicab servicing in Toronto.

Note: *“The numbers I use in this report, come from City Hall and if I have extrapolated or used estimated numbers, they fall well within acceptable parameters, as I have used the City’s numbers to achieve them.*

City of Toronto Accessible Vehicle Numbers Graph

Category	# Accessible Vehicles	Fleet Size	% Of Fleet	Type of Vehicle Entry
TTL Vehicles	330	5204	6.34%	Side Entry
TTL Vehicles	249	5204	4.78%	Rear Entry
Standard Taxicab Vehicles	104	5204	1.99%	Side Entry
PTC Vehicles	35	94,923(Current)	0.03%	Unknown
Limousine Vehicles	0	584	0.00%	No Accessible Vehicles

Since all of the side entry accessible taxicabs are under contract to the TTC Wheel Trans Program, they cannot make claim on the Fund. I suspect this came about, because of the differences in earning power between the TTC contracted side entry accessible taxicabs and the on-demand rear entry accessible taxicabs.

Presuming that the PTC accessible vehicles will make claim on the Fund and again presuming they are all rear entry accessible vehicles as well, the total number of accessible vehicles that can legally make claim on the Fund is 249 rear entry TTL’s and 35 rear entry PTC vehicles totalling 284. The reason why you must decipher between rear entry and side entry accessible vehicles, is that there are different payouts for rear entry as compared to side entry vehicles.

I am sure if asked how the City came to the number of accessible taxicabs required, they will refer to recommendations from reports from both internal and external sources. I challenge the City, to show any report that shows 12.81% of the taxicab fleet is required to be accessible taxicabs.

I also challenge the City to show me a report why only 0.03% of the PTC fleet is accessible and 0% of the limousine fleet is accessible, compared to the taxicab industry's 12.81%, since we are all governed by the same VFH by-law under Chapter 546, and operate a taxi business, as defined in the federal Excise Tax Act Section 123 (1).

Regulatory Charges For The Accessibility Reserve Fund

Service	Fee Description	Category	Fee Basis	Fee	Annual Adj.
VFH Licensing	Taxicab Brokerage Reserve Fund – Accessibility Fund	Regulatory Charge	Per application or renewal	\$250.64	Yes
VFH Licensing	Limousine Brokerage Reserve Fund – Accessibility Fund	Regulatory Charge	Per application or renewal	\$250.64	Yes
VFH Licensing	Limousine Owner Reserve Fund	Regulatory Charge	Per application or renewal	\$125.32	Yes
VFH Licensing	Private Transportation Company Reserve Fund – Accessibility Fund	Regulatory Charge	Per Trip	\$0.10	Yes
VFH Licensing	Private Transportation Company Driver Reserve Fund – Accessibility Fund	Regulatory Charge	Per application or renewal	\$7.23	Yes
VFH Licensing	Standard Taxicab Operator Reserve Fund – Accessibility Fund	Regulatory Charge	Per application or renewal	\$125.32	Yes
VFH Licensing	Non-Accessible Standard Taxicab Owner Reserve Fund – Accessibility Fund	Regulatory Charge	Per application or renewal	\$125.32	Yes
VFH Licensing	Vehicle-for-Hire Driver Reserve Fund – Accessibility Fund	Regulatory Fund	Per application or renewal	\$62.66	Yes

The ML&S has stated they want to keep the Fund at the level of 5 million dollars, which they have initially supplied to begin the Fund. The amount of licensing revenues they will be collecting for this Fund on an annual basis, far exceeds the 5 million dollar threshold and recommended payouts they have set. This brings into question, how were the contributions from each non-accessible licensing category calculated, as they are obviously well above any reasonable need to sustain this Fund?

If these funds are collected as mandated, it also brings into question, as to what will be done with the extra revenues, as by provincial mandate, they are not supposed to exceed cost recovery and any extra monies are to be spent on the licensing category they were collected from.

The 2016 – 2018 amount collected numbers in the chart below, came from the City. Please note the 2016 numbers only covered about 24 weeks, as the by-law did not come into effect until July 15th. As you will see, there was a 57.74% growth from 2017 to 2018. The estimated growth from 2018 to 2019 would be 30.88% and considering the growth rate is slowing, I estimated the growth from 2019 to 2020 to be about 20%. All of the estimated numbers come within acceptable parameters.

Year of Collection	Per Trip Fee	Number of Runs	Amount Collected
July 15, 2016 – December 31, 2016	\$0.30 Per Trip	7,306,786	\$2,192,036
January 1, 2017 – December 31, 2017	\$0.30 Per Trip	28,242,340	\$8,472,702
January 1, 2018 – December 31, 2018	\$0.30 Per Trip	44,551,256	\$13,365,377
January 1, 2019 – December 31, 2019	\$0.30 Per Trip	58,309,053 <i>(Estimated)</i>	\$17,492,715 <i>(Estimated)</i>
January 1, 2020 – December 31, 2020	\$0.40 Per Trip	69,970,863 <i>(Estimated)</i>	\$27,988,345 <i>(Estimated)</i>

Estimated Total – \$69,511,175

2020 – Estimated \$0.10 Per Trip PTC Payment to the Fund – \$6,997,086

The per trip licensing fees do not include the annual licensing fees for PTC drivers. Below are the City numbers for PTC drivers licences from 2016 to December 1, 2019. You will notice that 2016-2017 increased 74.28%, 2017-2018 increased 53.07% and 2018 – December 1, 2019 increased 23.35%.

Using these percentage increases and seeing them levelling out and decreasing, I estimate the percentage increase from 2019-2020 will be in the range of 15%, which might end up being low.

Estimated PTC Drivers Licensing Fees – July 15, 2016 – December 31, 2020

Year	Number of PTC Drivers	Annual Fee	Total Licensing Fees Collected
2016	28,844	\$15.00	\$432,660
2017	50,271	\$15.00	\$754,065
2018	76,951	\$15.00	\$1,154,265
2019	94,923	\$15.00	\$1,423,845
2020	109,161 <i>(Estimated)</i>	\$15.00	\$1,637,415 <i>(Estimated)</i>

Estimated Total PTC Drivers Licensing Fees From 2016-2020 - \$5,402,250

Estimated Regulatory Charges For The Accessibility Reserve Fund For 2020

Licence Class	Fee Type	Proposed Regulatory Charge	Estimated Number of Trips	Estimated Number of Licences	Estimated Total
Taxicab Brokerage	Flat-rate yearly	\$250.64	N/A	22	\$5,514.08
Limousine Brokerage	Flat-rate yearly	\$250.64	N/A	68	\$17,043.52
Limousine Owner	Flat-rate yearly	\$125.32	N/A	584	\$73,186.88
Private Transportation Company	Per-trip	\$0.10	69,970,683 <i>(Estimated)</i>	N/A	\$6,997,068.30 <i>(Estimated)</i>
Private Transportation Company Driver	Flat-rate yearly	\$7.23	N/A	109,161 <i>(Estimated)</i>	\$789,234.03 <i>(Estimated)</i>
Standard Taxicab Owner	Flat-rate yearly	\$125.32	N/A	4,521	\$566,571.72
Standard Taxicab Owner – Accessible Taxicab	Exempt	Exempt	N/A	104	\$0.00
Toronto Taxicab Licence Owner	Exempt	Exempt	N/A	579	\$0.00
Vehicle-for-Hire Driver	Flat-rate yearly	\$62.66	N/A	13,317	\$834,443.22

Estimated Total Amount Collected For 2020 – \$9,209,874.87

PTC's & Their Drivers Estimated Contributions Of Total Amount – \$7,786,302.33

PTC's have no apparent issues in paying extra non-accessible licensing fees, which should be given serious consideration for a number of reasons. One being their accessible on-demand vehicles are not required, as we are overstocked without them and another being the approximate money they will pay into the Fund in 2020 and in future years, negates any other VFH category from being requiring to pay into the Fund.

The PTC contributions more than covers the \$5,000,000 total that ML&S recommended the Fund be kept at including the annual payouts, plus the PTC contributions will increase exponentially on a day-to-day, month-to-month and year-to-year basis.

These figures also show that the City Council's recommendation, which was not adopted, that the Standard Taxicab Owners annual licensing renewal fee be reduced by 75%, is easily attainable

There are certain mandates, that any on-demand accessible vehicle owner and driver must meet, which have yet to be finally determined, before he/she is entitled to collect from the Fund.

Proposed Disbursements Accessible Taxicab Owner Service Standards Tied To Incentive

Criteria	How It Will Be Measured	Weighting Assigned in Evaluating Funding Eligibility
Minimum number of hours a vehicle is operating and available for dispatch. (for example, 1300 hours annually, which is an average of 25 hours weekly) (Executive Director to have the authority to modify criteria and set minimum standards)	Declaration/Brokerage data	95%
Cordless POS is available (yes/no)	Declaration/Brokerage data	5%

Proposed Accessible Taxicab Driver Service Standards Tied To Incentive

Criteria	How It Will Be Measured	Weighting Assigned In Evaluating Funding Eligibility
Minimum number of hours a driver is operating and available for dispatch. (for example, 1300 hours annually, which is an average of 25 hours weekly) (Executive Director to have authority to set minimum standards)	Declaration/Brokerage data	50%

Accepts all wheelchair accessible vehicle trips dispatched by brokerage in accordance with restrictions against service refusals in Chapter 546 (Executive Director to have authority to set minimum standards)	Declaration/Brokerage data	50%
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The Grant portion is for the taxicab owners to assist in the conversion costs of their accessible vehicles. The incentive portion is tied to service standards for the owners and drivers, which have yet to be determined. If you are an owner who drives, you can apply for both. *“You can be assured, that not all on-demand accessible vehicle owners or drivers will meet these mandates, which will reduce the payouts from this Fund.”*

Proposed Disbursements Of The Accessibility Fund Program (Estimates Only)

Recipient	Grant (Frequency)	Incentive (Frequency)	Service Standards Tied To Incentive	Exceptions
Accessible Taxicab Owner Side-Entry Conversion	\$2,898.21 (Annually)	Up to \$1,898.21 (Annually)	Yes, See Service Standards	Owners affiliated with TTC Wheel Trans are not eligible for incentive or grant.
Accessible Taxicab Owner Rear Entry Conversion	\$2,312.71 (Annually)	Up to \$1,312.71 (Annually)	Yes, See Service Standards	Owners affiliated with TTC Wheel Trans are not eligible for incentive or grant.
Driver of Accessible Taxicab	N/A	Up to \$2,187.50 (Annually)	Yes, See Service Standards	Drivers affiliated with TTC Wheel Trans are not eligible for incentive

Knowing that not all accessible vehicle owners and drivers will meet the standards and therefore will not collect all of the benefits, I would like to now show you, if all the Fund's benefits were paid out, what the "maximum total payout" would be.

All of the on-demand accessible vehicles, to my knowledge are rear entry vehicles, so I will show what the "maximum payouts" would be, if every vehicle is rear entry and all of the owners/operators and drivers actually meet City mandates, to collect from the Fund.

Maximum On-Demand Accessible Taxicab Reserve Fund Payouts For 2020

Licence Class	Grant Frequency	Grant Incentive	Number of Licences	Number of Drivers	Per Unit Fee Combined	Total Funds Collected
TTL's Rear-Entry Vehicles	\$2,312.71 (Annually)	\$1,312.71 (Annually)	249	N/A	\$3,625.42	\$902,729.58
PTC's Rear-Entry Vehicles	\$2,312.71 (Annually)	\$1,312.71 (Annually)	35	N/A	\$3,625.42	\$126,889.70
Drivers of On-Demand Accessible Vehicles	N/A	\$2,187.50 (Annually)	N/A	568	Estimated 2 Per Vehicle	\$1,242,500.00

Estimated Maximum Total Payout For 2020 – \$2,272,119.28

Estimated Accessibility Reserve Fund Numbers For 2020

Estimated Total Amount Collected For The Fund In 2020	\$9,209,874.87
Estimated Total Amount Paid Out From The Fund In 2020	\$2,272,119.28
Estimated Balance	\$6,937,755.59

Estimated Total Licensing Revenues From PTC's and Their Drivers 2016 – 2020

Estimated Total Per Trip Licensing Fees	\$69,511,175
Estimated Total Driver Licensing Fees	\$ 5,402,250
Estimated Total	\$74,913,425

In an email response I received from Accessibility Ontario on September 17, 2018 it stated "Transportation Standards under the Act, requirements for taxicabs are placed on municipalities, as opposed to the individual owners/operators. **As a result, individual owners/operators are not accountable under the Act.**"

If the on-demand taxicab owners/operators are not accountable under the Act, how can the non-accessible VFH membership be held accountable for the Fund, which came

about because the City failed to follow provincial mandates for on-demand accessible taxicabs under the Act's Regulation 191/11 Section 79 (1) and ended up over-issuing TTL's?

Does this not bring the City in violation of the Act and its Regulation and therefore anything going forward that involves on-demand accessible taxicab service in any way, including the Fund, must be considered ultra vires, redundant and therefore a moot point and without effect?

Since the necessity of the Fund came about because of the over-issuance of City TTL's, how is it the legal responsibility of the non-accessible VFH membership to finance this Fund and not the City's responsibility?

Does City Council have the legal right to adopt the Fund, when there were no meetings held with the non-accessible VFH membership, who are the only ones being mandated to financially support and maintain the Fund?

The idea of the Fund, holds a hidden agenda, which is the normal modus operandi used by the ML&S, Committee and City Hall. That hidden agenda is "How do we increase licensing revenues from the VFH industry?"

The non-accessible VFH industry membership is being mandated to pay 4 times more into the Fund than is required to initiate and sustain it at the ML&S recommended level including the potential of maximum payouts.

This I believe once again, shows the true reasons behind this Fund, which far exceeds providing accessible taxicab owners and drivers a few extra dollars per year, that wouldn't even cover 4-months' worth of gas expenditures, but puts millions of additional annual licensing dollars into the City coffers.

This report shows there can be no dispute, that since it was an over-issuance of TTL's that caused the Fund to be enacted, it is the City is responsible for financially initiating and sustaining the Fund, not the non-accessible VFH membership. It is brutally obvious, that the City is fraudulently using the Fund to increase licensing revenues, since the payouts are 4 times less than what is collected. The ML&S needs to re-visit the licensing equalization program, that was established by the City many years ago.

It is my belief that the content of this report, along with what I suspect you and your staff will uncover as far as violations of statute and protocols surrounding the City's adoption of this Fund, will assist you and your staff's final determinations in this case.

I remain,



Gerald H. Manley