



January 15, 2018

Select Standing Committee on Crown Corporations  
c/o Parliamentary Committees Office  
Room 224, Parliament Buildings  
Victoria, BC V8V 1X4

Dear Sir or Madam,

Please accept the City of Kelowna Council's feedback for the Select Standing Committee on Crown Corporations inquiry into ride-hailing.

The City of Kelowna supports the introduction of Transportation Network Companies (TNC) that facilitate car sharing, as it aligns with the City's goals to reduce car dependency, prepares the City for new mobility and technology change in transportation, reduces the need for parking, and increases mobility options for residents.

In our preliminary work to understand the impact of TNC such as Uber and Lyft, the City of Kelowna examined the ways other municipalities are permitting this new service for their citizens. Some are experimenting by using TNC service as a supplement or replacement to transit in areas where the built environment doesn't support efficient transit service. These experiments have little bearing on larger cities, but mid-size and small cities have potential to deliver more transportation freedom for similar or lower cost than the traditional fixed-route/fixed-schedule transit models. We expect these opportunities to enable us to address transportation challenges that will grow in the future.

Many TNC feature lower costs, convenience and increased user safety. Companies that don't work to deliver safe, convenient and affordable service will fail in a competitive marketplace. Many of the elements for consideration in the provincial government's TNC/ride-hailing legislation consultation have the potential for the market to self-regulate. In the future, we expect a diverse number of competitors to emerge. Because of this, the City of Kelowna believes regulations shouldn't focus on regulating the biggest current players, Uber and Lyft. Instead, the focus should be broad, considering the larger ride-hailing market and all offerings of rides through mobile devices.

For each trip, TNCs record time, location, route, car, and the name of both passenger and driver. They do this with no effort on the part of the customer. The trip record is a powerful tool to guarantee safety. Some studies have found that TNCs increase vehicle kilometres travelled which is a rough measure of pressure on our road network. Those studies don't account for a household's ability to live a car-light or car-free lifestyle.



With lower cost and increased reliability, ride-hailing becomes a viable transportation option for residents to supplement that lifestyle. Those who don't own a car or share cars among their household can delay or eliminate a purchase of another one. This has the potential to lower pressure on our transportation network. Unfortunately, this has not been integrated into many studies on the subject.

Small and mid-sized cities with fewer dependable transportation options will likely see significantly more impact with the introduction of TNC as a mobility option compared to larger cities. It is imperative that their feedback is incorporated.

TNCs are a different offering than traditional taxi service. This offering should not be merged into existing regulations, as they require unique consideration. While TNC and taxis are different services that need to be regulated differently, there should be a focus on ensuring a level playing field is maintained for both offerings to compete.

As such, the City of Kelowna asks these specific items be taken into account for policy consideration:

**Criminal/Vulnerable sector checks** – The *Criminal Records Review Act* doesn't stipulate taxi drivers as employment that requires a criminal record check. TNC's should be treated similarly with municipalities having the discretion to apply additional regulations through specific bylaws.

**Cameras** – Cameras in taxis in some cities work as a safety tool for both driver and passengers. TNCs replicate this safety feature by recording time, location, route, car, and the name of both passenger and driver for each trip. We believe this system is more robust than safety features in taxis today. Safety must be a major consideration in any policy creation.

**Limiting numbers of drivers** – In the past, jurisdictions often chose to limit taxi licenses to ensure every taxi driver/owner was able to make a living with the fares available to them. Unfortunately, taxi demand is not static throughout a day. Demand spikes at specific times. Limiting the number of vehicles available for hire has the effect of the taxi system being unable to meet the demand when residents need them the most. Limiting the number of drivers is not advisable to achieve a dependable and reliable service. This is especially critical with respect to late evening service and options to prevent drinking and driving.

**App features** – The City of Kelowna believes regulating the features provided within ride-hailing applications is unnecessary. The market will innovate without government telling them how, as operators will want to provide features that their users value to retain customers in a competitive landscape.

**Street hails and taxi stands** – The City of Kelowna believes TNCs should not be permitted to pick up from taxi stands or accept street hails without a prior digital connection.

A key benefit of TNCs is the amount of detail created through trip records which provides a level of safety rivaling what the taxi industry delivers today. Enabling a TNC driver to perform street hails is not advisable because that digital connection is never established to generate robust trip records.



*City of Kelowna*

*Office of the Mayor*

**Drop off and pick up conflicts** – Service vehicles sometimes illegally block bike, bus and traffic lanes. Ride-hailing areas (shared service areas) need to be considered prior to the introduction of ride-hailing.

**Small and mid-sized community issues** – TNC service is most helpful in smaller and mid-sized communities where dependable public transportation options are less developed. There is future opportunity to complement or deliver public transportation services in some areas in a more responsive and efficient way through special application of TNCs. Policy creation must not limit the ability of TNCs to enter the traditional transit field.

**Consideration for all abilities** - Transportation needs to be inclusive and consider the transportation requirements for all segments of our population, which may include the provision of specialized vehicles for mobility-challenged residents. TNCs in other jurisdictions e.g., Toronto, provide accessible service for the differently abled. The City of Kelowna would like this to be required in BC.

**Data collection** – All TNCs should be required to share data with their host municipalities.

**Costs and funding for municipalities** – If there is a ride-hailing fee or tax, this should be allocated to municipalities to mitigate problems created by ride-hailing such as congestion, illegal blocking of traffic, bike and bus routes and fund infrastructure and enforcement requirements.

**City's ability to regulate** – Municipalities shall keep some ability to regulate and enforce TNCs. There should be clarity on the abilities left to each municipality to enforce and regulate TNC.

Thank you for accepting our feedback and we look forward to future correspondence.

Sincerely on behalf of Kelowna City Council,

Colin Basran  
MAYOR