

Region of Waterloo

Planning, Development, and Legislative Services

Council and Administrative Services

To: Licensing and Hearings Committee

Meeting Date: May 1, 2025

Report Title: Improving Accessible Taxi Services in Waterloo Region

1. Recommendation

That the Regional Municipality of Waterloo:

- Amend Appendix A of By-Law #16-045, to increase the accessibility fee on auxiliary taxi trips from \$0.07 to \$0.10, as per the amending by-law attached in Appendix D;
- Increase the accessible taxi fleet from 7% to 9%, by adding 5 additional accessible vans in 2026;
- Defer the implementation of the Centralized Wheelchair Accessible Vehicle Dispatch System pilot project.

As outlined in report PDL- CAS-25-006, dated May 1, 2025.

2. Purpose / Issue:

This report provides an analysis of the feasibility and necessity of a Centralized Wheelchair Accessible Vehicle (WAV) dispatch system in the Region of Waterloo. It evaluates data from regional taxi brokers, assesses comparative models in other municipalities, and explores alternative solutions to improve service quality and accessibility for the community.

The recommendations of this report accompany the information provided in report PDL- CAS-25-007, ensuring that Taxi By-law #16-044 is updated accordingly to support the improvements of accessibility taxi services while maintaining regulatory alignment.

3. Strategic Plan:

This report aligns with the Region's 2023-2027 Strategic Plan to enhance equitable services and opportunities. The recommendations aim to enhance taxi services for individuals with mobility needs while ensuring financial and operational sustainability.

4. Report Highlights:

- Staff were directed to research and provide a report on the Centralized WAV dispatch system and the possibility of implementing a pilot project. The WAV system aims to improve on-demand accessible taxi services using software

technology, to reduce wait times to under 20 minutes, and simplify the process to receive an accessible taxi.

- After completing a jurisdictional scan, the Region's current level of service compares favorably to other cities that have implemented a WAV system. Local data from 2024 indicates that 88% of accessible taxi rides in the Region had a wait time within or under 20 minutes.
- Amending Appendix A of By-law #16-045 to increase the accessibility fee paid by auxiliary taxis from \$0.07 to \$0.10, aligns with inflation and comparable municipal rates, such as in Calgary and Ottawa. The increase in the accessibility fee will result in the ability to support the expansion of incentive programs for accessible taxis and ensure the accessibility reserve does not reach a deficit by 2027, which is expected to happen at the current rate if no action is taken.
- An updated incentive program that increases the number of accessible taxis and funds for per ride subsidies, alongside GRT MobilityPlus' scheduling improvements, will offer an opportunity to optimize vehicle utilization and increase the availability of accessible taxis for on-demand services.

5. Background:

The Centralized WAV Dispatch system is a software-driven solution designed to coordinate the dispatch of accessible taxis across multiple brokers, reducing wait times to under 20 minutes, and increasing the availability of taxis. This system would enable users to book on-demand rides through a mobile app, website, or by calling a dedicated phone number. Municipalities such as Calgary and Winnipeg implemented the WAV system in response to many complaints from their community due to average wait times exceeding one hour to receive an accessible taxi. Through consultation with other jurisdictions, the WAV system would require substantial investments in technology, staff resources, and ongoing operational support to ensure its success. At this time, the Region does not have a centralized dispatch system, and individuals requesting an accessible taxi are currently booking their ride directly with the taxi company.

Data Analysis

After conducting a data analysis with all four taxi brokers in the Region, 39% of the Region's accessible taxi rides in 2024 were on-demand. The average wait time across all brokers for a customer to book and receive an on-demand accessible taxi ranged from 12 to 17 minutes with around 88% of rides in the Region completed in under 20 minutes. Less than 0.5% of accessible taxi rides experienced wait times exceeding one hour, of which rides occurred primarily due to inclement weather, vehicle availability, or high demand between 12pm to 4pm.

After completing a jurisdictional scan, the Region's current level of service compares favorably to other cities that have implemented a WAV system. For instance, Calgary and Winnipeg experienced significant service gaps and complaints from the community regarding extremely long wait times and lack of accessible vehicles on the road, before adopting WAV. However, since 2024 the Region has been able to maintain efficient

service without such interventions. This suggests that investing in a centralized dispatch system at this time is likely to be unnecessary.

Accessibility Fee

Auxiliary Taxis (Uber, Lyft and RideCo) operating in the Region are charged a \$0.07 accessibility fee, which has remained unchanged since 2016. In comparison, Calgary charges \$0.10 per ride, including accessible trips, metered, and auxiliary taxi trips. This fee generated \$1.2 million annually to fund their incentive program and their centralized WAV system, without affecting their operating and capital budget. Ottawa raised its accessibility fee from \$0.07 to \$0.10 in 2021 only for auxiliary taxis to help fund their municipal accessible transportation programs and incentive programs. By increasing the Region's accessibility fee to \$0.10 per auxiliary taxi trip, the Region will generate additional revenue to expand incentive programs and enhance accessible taxi availability.

Region of Waterloo Incentive Program

In 2016, the Taxi By-law established a 7% minimum threshold for the accessible taxi fleet in the Region, in collaboration with the Accessibility Advisory Committees. In 2024, the Region provided van owners with \$40,000 per vehicle to assist in covering the cost of a new accessible vehicle, leading to nine new accessible vans. All but one van was replaced, bringing the total to 25 accessible taxis out of 331 active licenses. Some taxi brokers expressed an interest to have more accessible vans, however, due to limited funds in the accessibility reserve, the Region could not support this expansion.

In 2024, Council approved the increase of funding to the Taxi Scrip program from \$40,000 to \$55,000, which was implemented in 2025. In 2024, the Region also increased their per-trip incentive for accessible rides from \$2 to \$5. This incentive aims to offset the high cost of operating accessible taxis and encourage drivers to maximize service availability. The increase in the incentive was in response to complaints from drivers about insufficient maintenance funding. Since the increase in the incentive, staff have not received any further complaints from the drivers. Following these incentives, ride volumes increased by nearly 40%.

An alternative to the implementation of the WAV system is to update the Region's incentive program. First, this can be accomplished by increasing the accessible fleet from 7% to 9% by providing subsidies to brokers to purchase accessible taxis. This increase will bring 5 additional accessible taxis, totaling 30 accessible vans to increase the availability of vehicles on the road. Second, staff and the accessibility advisory committees should assess the wait times of accessible taxis and their availability annually.

Collaboration with GRT

GRT MobilityPlus is in the process of procuring a modern and dynamic scheduling software in the next year. This new system is anticipated to optimize existing vehicle utilization and decrease the use of accessible taxis to take care of pre-booked calls for MobilityPlus clients. Currently, taxi companies handle approximately 35% of

MobilityPlus to support their services. With the upcoming scheduling software update, it is projected that taxis will handle fewer MobilityPlus trips, increasing the availability of accessible taxis for on-demand trips, which may further reduce wait times. Staff will need to wait to assess the impact of the new software system on taxi companies.

Staff are consulting with the GRT MobilityPlus team to explore potential collaboration on a WAV system in the future. Discussions with the team and potential software vendors aim to identify opportunities to reduce costs, streamline, and enhance existing services.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities:

Formal engagement with area municipalities has not yet begun. If the Region proceeds with WAV or update any incentives, staff will inform municipalities of these updates.

Public:

Staff met with the Grand River Accessibility Advisory Committee and Cambridge's Accessibility Advisory Committee to discuss concerns about accessible taxi services and the implementation of WAV. There was support to expand the accessible taxi fleet as the population and demand grows. Taxi brokers also provided feedback on the incentive program, indicating no concerns about the per-trip incentive. The majority of brokers do not find the need to implement a WAV system due to low wait times and sufficient resources.

7. Financial Implications:

| | Current Year | Future Year(s) |
|------------------------------------|---------------------|-----------------------|
| Budget Impact? | Align | Align |
| Capital Plan Impact? | N/A | N/A |
| Tax Rate Increase | N/A | N/A |
| Impact to Average Household | N/A | N/A |

Key financial insights are provided in Appendix A, considered a key artifact of this report. At an accessibility fee rate of \$0.07 per ride, the accessibility reserve is anticipated to move into a deficient position in 2027, and thus, the reserve will not be able to support the current incentives to be paid out to drivers for accessible taxi services, or any additional vans after 2025. Staff recommend that the accessibility fee be increased from \$0.07 to \$0.10 per ride for auxiliary taxis. This allows the reserve to stay in a funded status past 2030; allowing current incentives to be paid and providing the ability to potentially increase incentives.

After consulting with the City of Calgary to implement a WAV system, the Region can expect that there will be both capital and ongoing costs of operations if this were to be executed. The associated costs, listed below, will need to be distributed from the

accessibility reserve, and this poses a financial risk as the reserve may not generate a consistent amount to support the costs annually. The capital cost will include the purchase of the software and resources to implement the software. Ongoing costs include software updates, system maintenance, funding dispatch services and hiring an FTE. Winnipeg and Calgary have allocated approximately \$1.5 million dollars from their accessible reserve to fund their WAV system and their incentive programs. Staff are evaluating the need for the WAV system and exploring collaboration with GRT. As a result, a detailed plan for its implementation, including specific estimates, has not yet been developed.

8. Conclusion / Next Steps:

An analysis of data from the Region's taxi brokers revealed that approximately 88% of on-demand accessible taxi rides have a wait time of under 20 minutes. Therefore, the immediate implementation of a WAV dispatch system, costing over \$1 million, is not warranted. However, staff outlined alternative solutions to further enhance the Region's accessible taxi services. First, is to increase the accessibility fee to \$0.10 per trip for auxiliary taxis, to align with the rate of inflation and generate revenue to the accessibility fund. This increase will allow the Region to support the purchase of 5 additional accessible taxis in 2026, bringing the total of the Region's accessible fleet from 7% to 9%, with a total of 30 accessible vans. Second, is to leverage the updates to MobilityPlus' scheduling software which will manage accessible taxi availability and potentially reduce wait times for on-demand calls. Lastly, postponing the implementation of the WAV system until the proposed initiatives are assessed and reviewed to ensure staff are optimizing resources and services.

9. Attachments:

Appendix A: Accessibility Reserve and Financial Projections

Appendix B: Graphs for Accessible Taxi Services

Appendix C: Accessible Taxi Services Slide Deck

Appendix D: Draft By-law to Amend By-Law #16-045

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