

**Corporate** NO: R223**Report** COUNCIL DATE: October 22, 2001_

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| REGULAR COUNCIL | | | |
| TO: | Mayor & Council | DATE: | October 18, 2001 |
| FROM: | Manager, By-laws & Licensing Services | FILE: | 0023-13610 |
| SUBJECT: | Allocation of New Taxi Licenses | | |

RECOMMENDATION

1. That Council consider the following options with respect to the licensing of new taxicabs:
 - (a) That Council adopt the amendments to the City of Surrey Vehicle for Hire By-law, 1999, No. 13610 attached as Appendix "A" to this report which would authorize the increase in taxicab licenses from 262 to 287 through the selection of qualified applicants by way of a lottery conducted by the City of Surrey ("City").
 - (b) Council amend Schedule "A" of Business License By-law, 1999, No. 13680 to increase the annual business license fee for taxicabs to \$1,245 per annum.
2. That Council repeal City of Surrey Vehicle for Hire By-law, 1999, No. 13610, Amendment By-law, 2000, No. 14160 that increased the number of taxicabs licensed in Surrey from 262 to 287 on the understanding the additional licenses would be auctioned.
3. That Council instruct the Acting City Clerk to prepare and introduce the appropriate amending by-laws.

DISCUSSION

This report recommends implementing a lottery to allocate the 29 new taxicab licenses to qualified taxicab drivers or operators. The successful lottery applicant shall have to meet the by-law qualifications which are set out in the form of by-law amendment attached as Appendix "A" to this report. A lottery has the advantage of being a fair and equitable process to allocate a valuable property right.

The proposed conditions for eligibility in the City's draft lottery by-law are as follows:

- (a) Obtain a valid Chauffeur's Permit issued by the City and the Surrey R.C.M.P.
- (b) Obtain an appropriate license issued by the Motor Carrier Commission within 120 days of the date the lottery is conducted.
- (c) Compliance with all other conditions of taxicab licensing under the Vehicle for Hire By-law, including an established place of business in the City, taxicab inspection and drive qualifications.
- (d) Provide a lottery application fee in the amount of \$3,500, refundable to unsuccessful lottery applicants.
- (e) Only one entry shall be permitted by a person or a corporation. In the case of a corporation, no affiliate, subsidiary, associate or parent corporations of the lottery entrant would be allowed to participate in the lottery process. This allows for a fair lottery odds process to ensure existing taxicab companies do not file multiple lottery applications.

Subsequent lotteries would be held for any taxicab licenses which cannot be issued to unqualified successful lottery applicants.

Increase in the Annual Business License Fee for Taxicabs

It is recommended that the annual business license fee for all taxicabs be raised to \$1,245 per annum.

CONCLUSION

This report recommends the adoption of a lottery process to fairly allocate the next increase of 29 taxicab licenses.

John Sherstone
Manager, By-laws & Licensing Services
Encl.

c.c. City Manager
City Solicitor

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