

Accessible Transit Voucher Pilot Program

Recommendation

1. That the October 16, 2020, City Operations report CR_8036, be received for information.
2. That Attachment 2 of the October 16, 2020, City Operations report CR_8036, remain private pursuant to section 27 (privileged information) of the *Freedom of Information and Protection of Privacy Act*.

Previous Council/Committee Action

At the February 3, 2020, City Council meeting, the following motion was passed:

That Administration:

1. provide a report on the feasibility, costs, and steps required to implement a pilot program (for medical trips only) for approved DATS passengers to receive vouchers for licensed accessible taxi services where the passenger pays the equivalent of the applicable DATS cash fare and the taxi service provider is compensated by the City for the difference between the DATS fare and the approved taxi fare (or actual cost of providing the service).
2. explore whether the current accessibility surcharge imposed by the Vehicle for Hire bylaw can be a sufficient funding source for this program.

Executive Summary

Disabled Adult Transit Service (DATS) provides door-to-door shared-ride transportation for residents who are unable to use conventional public transit due to a physical or cognitive disability. DATS registrants meet eligibility criteria and book trips in advance.

Implementation of a pilot taxi voucher program would offer an additional transportation option to DATS registrants. A taxi voucher program would require the development of additional administrative policies, a new program registration stream, and staff resources to administer and monitor a taxi voucher pilot program.

A pilot program using accessible taxis is estimated to cost up to \$500,000 in ongoing operating costs to only provide trips to and from medical appointments for non-ambulatory DATS registrants who require accessible taxis. An estimated

\$200,000 in initial one-time start-up and administrative costs would be redirected. The legal implications of the taxi voucher program are discussed in Attachment 2.

Improvements to the DATS customer experience are underway with a three-year plan as further discussed in the October 16, 2020, City Operations report CR_7353, DATS Program and Service Enhancements. In addition to work underway, there are opportunities for the City to develop other policy tools that could provide more accessible taxi options and increase the supply of accessible taxis in Edmonton. The combination of these efforts would reduce barriers to accessible transportation for Edmontonians with disabilities, regardless of whether or not they require DATS service or conventional transit service.

Report

Taxi Voucher Pilot Program

Through a taxi voucher program, the City would subsidize accessible taxi trips in Edmonton for DATS registrants. The main goals of providing subsidies on taxi trips are to provide more options for registrants and reduce demand for paratransit services. From a customer perspective, taxi vouchers can offer another accessible transportation option. Subsidizing taxi service for DATS users would also provide economic support to local taxi companies. However, a taxi voucher program will not directly or immediately increase the supply of accessible taxis in Edmonton. Experience from other municipalities has shown that taxi voucher programs do not achieve the goal of reducing demand for paratransit service. DATS is currently meeting its accommodation and on-time performance targets for both ambulatory users and those who require non-ambulatory (requiring mobility aids like wheelchairs or scooters) accessible service.

Taxi Voucher Program Implementation and Program Costs

The implementation of a taxi voucher pilot program would require initial start-up efforts projected to cost \$200,000 within existing resources and include:

- Establishment of a policy framework around program eligibility, subsidy levels, and cancellation and refund policy and procedures;
- Additional procurement and negotiation with potential partner taxi companies;
- Establishment of subsidy product and distribution channels;
- Development of processes for program registration, payment administration, record keeping and accounting;
- Development of treasury management processes; and
- Development of a staffing resource plan to administer, monitor and evaluate the program.

Costs for ongoing annual program administration are projected to range from \$100,000 to \$500,000, depending on the scope of the program.

The ongoing costs of providing taxi subsidies vary and would depend on a number of variables, including:

- The number of program registrants,
- Subsidy maximum per trip,
- Availability of the program,
- A per-trip cost estimate for the average metered fare trip would be roughly \$16.00 per trip, after the regular fare was deducted. If the subsidy included additional costs to help subsidize additional costs of operating an accessible taxi, this amount would be roughly \$23.00 per trip. There is an estimated \$7 difference between the costs of a conventional taxi trip and an accessible taxi trip.

The costs of reimbursements would vary depending on the scope of the program.

Option 1- A program restricted to only non-ambulatory users and medical trips is estimated to cost \$0.5 million in reimbursement costs annually. If the program was restricted to all non-ambulatory users for any trip purpose, this annual cost could be as high as \$5M. The taxi industry is not currently able to accommodate the full scope of this trip demand, and would require additional investments in non-ambulatory or wheelchair accessible vehicles. There are legal implications associated with any taxi voucher program restricted to only non-ambulatory users as outlined in Attachment 2.

Option 2- A program restricted to medical trips only for all DATS clients is estimated to be \$2.3 million in reimbursement costs annually. There would be legal implications associated with any taxi voucher program restricting service based on trip purpose, further outlined in Attachment 2.

Option 3- All DATS users could be subject to a maximum monthly cap on taxi subsidies, rather than a program based on trip purpose, which would provide equal opportunity to access voucher trips. For example, TransLink in British Columbia offers \$80 taxi vouchers per month that are 50 percent subsidized. The subsidized cost to run this program is roughly \$1.5 million per year.

All of these cost projections for each option are for maximum uptake but demonstrate the potential scale of these costs.

Bylaw 17400 - Vehicle for Hire establishes regulatory requirements for drivers, vehicles and dispatchers, and sets licence fees, including an accessibility surcharge of \$50 per vehicle to a maximum possible surcharge of \$50,000 per dispatcher if a

dispatcher cannot continually provide access to accessible vehicles. This collected amount is held in the Vehicle for Hire Reserve and is intended to fund accessibility enhancement programs. Currently, the reserve holds \$160,000 for accessibility initiatives as outlined in the Vehicle for Hire work plan (Attachment 1). While an accessible transit voucher pilot program could be funded using the amount collected to date, other funding sources would be required.

Additional Considerations

Accessible taxi service is an important alternative for Edmontonians requiring non-ambulatory accessible transportation. This option is also available to non-DATS clients who are able to use bus or LRT. Policy adjustments can help increase accessible taxi supply and ease wait time concerns. Measures being assessed by other municipalities within Vehicle for Hire bylaws and policies include:

- Per trip subsidies to compensate taxi drivers for the additional costs of providing non-ambulatory accessible trips;
- Flat subsidies to taxi companies to compensate for the additional costs of purchasing and maintaining non-ambulatory accessible taxi fleets;
- Reporting and audit mechanisms to confirm taxi companies' trip accommodation and wait time targets for accessible taxi trip requests; and
- Development of a centralized booking model for all accessible taxi trip requests that would allow oversight and compliance to trip accommodation and wait time targets for accessible taxi trip requests.

Improving DATS Customer Experience

In 2019, DATS launched a three-year action plan, as outlined in the cross-referenced City Operations report CR_7353, to improve the entire DATS customer experience. As part of this action plan, a contracted service model has been implemented, allowing DATS to utilize taxis to deliver pre-booked paratransit trips to improve cost-effectiveness, on-time performance, and trip accommodation. The contracted service providers undergo training to ensure service is consistently delivered in a safe and customer-focused manner.

Administration is focused on implementing the three-year action plan to improve the DATS customer experience, which includes service model changes that leverage taxi companies to deliver paratransit service in a more automated and streamlined fashion that aligns with paratransit industry best practice. This action plan was based on recommendations from a Program Service Review and customer feedback.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmontonians use public transit.

Outcome(s)	Measure(s)	Result(s)	Target(s)
Reliable paratransit service to connect clients to the community	DATS on-time performance	2019: 92.51%	90% or more of DATS pick-ups are to occur on time (annual target)

Attachments

1. Vehicle for Hire 2020 Work Plan
2. Legal Advice (Private)

Others Reviewing this Report

- M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- R. Smyth, Deputy City Manager, Citizen Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- B. Andriachuk, City Solicitor