Taxi Service Proposals and Regulation of Transportation Network Companies – Transportation Issues

Recommendation
That the report of the General Manager, Transportation & Utilities Department dated June 11, 2018, be received as information.

Topic and Purpose
This report provides information on next steps in determining how to evaluate the impact of Transportation Network Companies (TNCs) on Transit and congestion, as well as comments on the opportunity for utilizing data generated from the taxi industry and TNCs.

Report Highlights
1. Initial research indicates that the impact of Transportation Network Companies on transit and congestion is mixed.
2. A prevalent theme found in the initial research indicates that TNCs do not share ride-sharing data and that jurisdictions should seek opportunities to mandate the provision of additional data.
3. Notwithstanding the lack of information, the Transportation division's opinion is that TNCs will not increase congestion in the City of Saskatoon.

Strategic Goals
This report supports the Strategic Goal of Continuous Improvement by leveraging technology and emerging trends, and going beyond conventional approaches to meet the changing needs of the city and expectations of citizens. This report also supports the Strategic Goal of Moving Around as Saskatoon is a city on the move and the proposed options will help to optimize the flow of people and goods in and around the City.

Background
City Council, at its meeting held on December 18, 2017, considered a report on Taxi Service Proposals and Regulation of Transportation Network Companies and resolved, in part:

> "3. That the Administration provide a further report on the mechanisms to evaluate the impact of ridesharing, taxis, and autonomous vehicles on Transit and congestion, as well as the opportunity for utilizing data generated from taxi industry and potentially ridesharing to help evaluate this;"

Report

Mechanisms to Evaluate the Impact of Ridesharing, Taxis, and Autonomous Vehicles on Transit and Congestion

The Administration completed a high-level literature search, and the results indicate that the impact of Transportation Network Companies on transit and congestion is mixed:

- Christo Wilson, a professor of computer science at Boston's Northeastern University, notes: "The emerging consensus is that ride-sharing (is) increasing congestion,"

- The Star, February 26, 2018 notes:
  - "One study included surveys of 944 ride-hailing users over four weeks in late 2017 in the Boston area. Nearly six in 10 said they would have used public transportation, walked, biked or skipped the trip if the ride-hailing apps weren't available."
  - "And a survey released in October of more than 4,000 adults in Boston, Chicago, Los Angeles, New York, the San Francisco Bay Area, Seattle and Washington, D.C., also concluded that 49 to 61 per cent of ride-hailing trips would have not been made at all – or instead by walking, biking or public transit – if the option didn't exist."

- Researchers at the Arizona State University note:
  - "For example, in metro Phoenix, research Ziru Li said that translates into 1.8 million hours that are not spent in traffic jams and more than 900,000 gallons of fuel saved. Together, the time and gas saved are valued at about $43 million since Uber entered the market in 2012."
  - "We are using econometric models to establish this causality," Hong said. "This ride-sharing service really is causing reductions in traffic reductions. It's not just an association."
  - "In the paper, the team discussed reasons why the sharing economy might lessen traffic:
    - Uber increased vehicle occupancy. A 2014 study found that ride-sharing cars averaged 1.8 passengers compared with 1.1 in a taxi.
    - The ride-hailing app model means that drivers don't have to cruise the streets looking for passengers.
    - People are depending on sharing rather than owning cars. One survey of more than 6,200 vehicles found that sharing replaced nine to 13 owned vehicles.
    - Uber increased trip bundling, with passengers doing several things in one trip rather than making several different trips.
    - Surge pricing encourages people to use ride sharing at off-peak times so they pay less."

There was no research found related to documented impact of autonomous vehicles on transit. However, there are numerous published opinions provided on both potential positive or negative impacts that autonomous vehicles will have on transit.

There are varying opinions found on the expected impact autonomous vehicles will have on congestion.

The Administration contacted City of Calgary staff, as they have had TNCs operating since 2016. City of Calgary staff indicated that they had not anecdotally noticed an increase in congestion or impact to transit, nor has this been an issue raised by the public.

Opportunity for Utilizing Data Generated from Taxi Industry and Potentially Ridesharing

A prevalent theme found in the initial research indicates that TNCs do not share ride-sharing data and that jurisdictions should seek opportunities to mandate the provision of additional data (e.g. New York Taxi and Limousine Commission approved regulations requiring companies like Uber and Lyft to share detailed data on rides in New York City).

Currently in the City of Saskatoon, the taxi industry provides information on the number of fares, fare amounts, fare start times, and fare end times. No information on routing is provided. It is possible to request this information, and it is anticipated that the taxi industry would resist due to the resources required to collect this information.

Opinion of the Transportation Division

Notwithstanding the limited information available, the opinion of the Transportation Division is that TNCs will not increase congestion in the City of Saskatoon in consideration of the following:

- The literature search provides mixed results.
- The Cities cited with increased congestion as a result of TNCs are very large coastal cities such as Boston and San Francisco with dense urban footprints and geographic limitations.
- The City of Calgary, which is much more comparable to the City of Saskatoon, has not noticed increased congestion.
- The City of Saskatoon has a largely grid development pattern within Circle Drive, and five, soon to be seven, river crossings to help spread traffic throughout the City.
- The City of Saskatoon currently experiences very low levels of congestion on arterial roads. There are points, or specific intersections, that may be congested for thirty minutes during the weekday PM peak hour traffic event, but even queues at these intersections very rarely spillback into upstream intersections.

Other Considerations/Implications

There are no options, public and/or stakeholder involvement, communication, policy, financial, environmental, privacy, or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

No follow-up is required.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by:	Jay Magus, Acting Director of Transportation
Reviewed by:	Derek Kowalski, Solicitor
	William Kuchapski, Taxi Bylaw Manager, Corporate Revenue
	Jo-Anne Richter, Acting Director of Community Standards
Approved by:	Angela Gardiner, General Manager, Transportation & Utilities

Admin Report - Taxi Service Proposals and Regulation of Transportation Network Companies – Transportation Issues.docx