

Date: 2022-11-14

Subject: Towing and Storage Working Group Recommendations Update

Secondary Title: By-law Regulated Towing and Storage Fee Increase

Contact: James Bisson, Manager, Licensing Enforcement, Enforcement & By-law Services, Legislative Services, james.bisson@brampton.ca, (905) 458-3424 ext. 63222

Report Number: Legislative Services-2022-1015

Recommendations:

1. **THAT** the report from James Bisson, Manager, Licensing Enforcement, Legislative Services, dated November 14, 2022, to the Committee of Council Meeting of December 7, 2022, re: Towing and Storage working Group Recommendations Update: By-law Regulated Towing and Storage Fee Increase Report, ALL WARDS, be received.
2. **THAT** the fee set out in the Mobile Licensing By-Law 67-2014, as amended, of Schedule 5 in subsection 8(s) for the re-tow rate of \$110.00 be amended to \$150.00.
3. **THAT** the fee set out in the Mobile Licensing By-law 67-2014, as amended, of Schedule 5 in subsection 16(2) for the per kilometer rate be amended from \$3.25 per KM to \$3.50 per KM.
4. **THAT** the fee set out in the Business Licensing By-law 332-2013, as amended, of Schedule 27, in Section 5 for an all-inclusive storage fee be amended from \$60.00 to \$75.00.
5. **THAT** the amended fees be effective as of January 1, 2023.

Overview:

- This report is an update regarding the continued consultations staff have with members of the working group, composed of Brampton towing and storage business representatives.

- **On October 24, 2022, staff met with the working group to discuss an increase for the by-law fixed fees that have not been subject to any increases from the enactment of the Business and Mobile Licensing By-laws, 2013 and 2014.**
- **The all-inclusive collision tow rate will be subject to the Consumer Price Index (CPI) increase of 6.5% effective January 1, 2023 and will be increased to \$427 from \$400.**
- **In the past 9 years the CPI for the City of Toronto in the Greater Toronto Area has risen by 23% and these fees set by the city have gone unchanged.**
- **The working group suggested that the re-tow rate be set at \$150, the per Km rate be set at \$3.50 and the storage rate be set at \$75.00. The CPI percentage change supports the suggested increases.**
- **The fees would be effective January 1, 2023.**

Background:

Staff reported to Council on the initial recommendations of the working group, composed of Brampton towing and storage business representatives in accordance with Council Resolution C414-2021 to review the towing and storage schedules of the Mobile Licensing By-law and the Business Licensing By-law and report back on any recommendations. The report did not have any identified changes to the by-laws and staff recommended that the working group continue to meet to discuss concerns of the industry and to continue to monitor the legislative changes of the provincial Towing And Storage Safety And Enforcement Act(TSSEA).

Current Situation:

On October 24, 2022, staff met with the working group consisting of the following business representatives:

1. Nicola (Nick) Terenzi - Supreme Towing and Recovery Services
2. Giovanni (John) Sena - Sibia Towing & Storage Ltd.
3. Durante Spinelli - Victoria Towing Inc.
4. Abdul Mousa - Southwest Towing Inc./ Post Collision Group Inc.

The working group had an additional business representative Harprit Singh- Stalan Towing join them in the meeting.

The reason for the meeting was to discuss possible increases to the set towing and storage fees found in schedule 5 of the Mobile Licensing By-law and Schedule 27 of the

Business Licensing By-law. The group requested that these fees be increased as they have not been adjusted since the enactment of the two licensing by-laws in 2013 for the Business Licensing By-law and 2014 for the Mobile Licensing By-law. The regulated rates in question are as follows:

A. Schedule 5 of the Mobile Licensing By-law:

- Subsection 8(s) Re-tow \$110.00
- Subsection 16(2) Per KM rate \$3.25

B. Schedule 27 of the Business Licensing By-law

- Section 5 All-inclusive storage rate up to \$60.00

The all-inclusive collision tow rate was amended in January 2022 from \$286 to \$400 to reflect the rate in the City of Mississauga. The all-inclusive collision tow rate will be subject to the Consumer Price Index (CPI) increase of 6.5% effective January 1, 2023 and will be increased to \$427. The working group asked if the fees could be subject to the same CPI increases to help them stay current with the towing industry standards.

Consumer Price Index by group, month, percentage change, not seasonally adjusted, Toronto*

TIME PERIOD	PERCENTAGE CHANGE
September 2013 to September 2014	2.7
September 2014 to September 2015	1.4
September 2015 to September 2016	2.1
September 2016 to September 2017	2.1
September 2017 to September 2018	2.2
September 2018 to September 2019	1.7
September 2019 to September 2020	.2
September 2020 to September 2021	3.8
September 2021 to September 2022	<u>6.6</u>
TOTAL	22.8

*Statistics Canada. [Table 18-10-0004-12 Consumer Price Index by product group, monthly, percentage change, not seasonally adjusted, provincial cities](#)

Based on these increases, the rates in question should be increased by approximately 23%.

The working group suggested that the re-tow rate be set at \$150, the per Km rate be set at \$3.50 and the storage rate be set at \$75.00. The CPI percentage change supports the suggested increases. In the case of the mileage rate, the working group would like to have the fee set at \$3.50 a km instead of raising it to \$4.00 to stay consistent with the rates charges by the industry where it is unregulated.

Rate	Current Amount	CPI (2013-2022)% Increase 23% (Rounded Up)	Working Group Recommendation
Re-Tow	\$110	\$135	\$150
Per KM	\$3.25	\$4.00	\$3.50
All-inclusive Storage Rate	\$60	\$74	\$75

Corporate Implications:

Financial Implications:

There are no financial implications for this report.

Other Implications:

Term of Council Priorities:

This report aligns with the City of Brampton 2018-2022 Priorities:

Brampton is a City of Opportunities: Providing small business owners and operators an opportunity for competitive pricing and an opportunity for cost recovery while providing transportation services for the residents.

Conclusion:

In the past 9 years the Consumer Price Index (CPI) for the City of Toronto in the Greater Toronto Area has risen by 23% and these fees set by the city have gone unchanged.

The working group suggested that the re-tow rate be set at \$150, the per Km rate be set at \$3.50 and the storage rate be set at \$75.00. The CPI percentage change supports the suggested increases. Staff support the working groups suggested fee increases and suggest that fees come into effect at the same time as the all-inclusive collision tow rate increase becomes effective January 1, 2023.

Authored by:

Reviewed by:

James Bisson, Manager, Licensing Enforcement

Jean-Pierre Maurice, Director, Enforcement and By-law Services

Approved by:

Paul Morrison, Commissioner, Legislative Services