CONWAY

Joseph Rucci
Direct Line: 613.780.2014
Email: jrucci@conwaylitigation.ca

Assistant: Jasmine Kaur
Direct Line: 613.780.2002
Email: jkaur@conwaylitigation.ca

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VIA EMAIL

Mayor Justin Towndale
City Council
Deputy Chief Leighton Woods

City of Cornwall
360 Pitt Street
Cornwall ON K6J 3P9

Dear Mayor Towndale, Councillors Bennett, Dupelle, Gardiner, Good, Hébert, Hollingsworth, MacDonald, McIntosh, Ngoundjo, Sabourin, and Deputy Chief Woods:

RE: CITY OF CORNWALL REGULATION OF VEHICLES FOR HIRE

Our firm is counsel to Choice Taxi of Cornwall Inc. ("**Choice Taxi**"). We understand that the City of Cornwall (the "**City**") seeks to fast-track the legalization of private transportation companies such as Uber at a City Council meeting scheduled for September 14, 2026. This legalization process has been marked by its speed, as well as its lack of fairness and transparency. It privileges American business interests and will have disastrous consequences for local business in Cornwall.

Choice Taxi demands a transparent, fair, and good faith policy-making process, in which local Cornwall voices are heard and policy-making is not driven by large American tech companies. This letter sets out our client's serious concerns regarding the integrity and legality of the regulatory review process. As discussed in further detail below, should the City proceed with a vote on a vehicle-for-hire by-law without substantive industry consultation, Choice Taxi reserves its right to seek relief from the courts.

Cornwall fast-tracks the legalization of Uber

Since at least early July, Mayor Justin Towndale and Deputy Chief Leighton Woods have been searching for ways to legalize Uber prior to the next municipal election. These efforts appear to have been prompted by lobbying and meetings between the Mayor and Uber. While the Mayor has admitted that he has met with Uber, he has not disclosed the timing or content of his meetings to the public.

As the first step in this process, the City conducted an online vehicle for hire survey for only six days between July 11 to July 17, 2026. The survey posed 20 questions regarding vehicle for hire customer experience in Cornwall. It received only 321 responses. The questions were selective: the survey did not seek public opinion or views regarding the economic impact of legalizing Uber.

Following this survey and in advance of the special meeting of Council on July 27, 2026, our client released a joint statement with Tip Top Taxi Cornwall. The statement highlighted that:

(a) Cornwall is a relatively small market with limited employment opportunities;

(b) The local taxi industry employs approximately 20 local dispatchers;

(c) Cornwall currently has 56 licensed taxi plates; and

(d) Over 100 local drivers depend on the existing taxi industry as their source of income.

At the special meeting, Fire Services presented a report to Council. The report proposes (1) the transition of responsibility for taxi regulation from the police to the City; and (2) the development of a Vehicle for Hire By-law to include private transportation companies. The report also recommends that the City consult interest holders, including the taxi industry, as part of the review process:

> "Council is not being asked to approve a new Vehicle for Hire By-law through this report. Rather, the purpose of this report is to seek Council's direction regarding the transfer of administrative responsibility from the Cornwall Police Services Board to the City of Cornwall and to authorize Administration to undertake stakeholder consultation and prepare a proposed Vehicle for Hire By-law and implementation framework for future Council consideration".

In support of this recommendation, Fire Services prepared and attached a summary of the survey results that was geared to support the legalization of Uber. To this end, the summary was incomplete in that it omitted various questions posed in the survey in order to highlight results that expressed dissatisfaction with current taxi services. It also downplayed any positive comments or results about the existing taxi industry.

One critical omission is apparent from the report. Like similar reports tendered to other Ontario city councils who chose to legalize Uber, it excluded "the potentially devastating financial impact that the recommendations would have on the taxi industry."[1]

At the special meeting, Council received this report and approved a motion to undertake consultation and develop a new by-law. However, Deputy Chief Woods confirmed that the City was already in the process of developing the draft by-law prior to receiving the authorization of Council to do so and without any consultation to the taxi industry. In that regard, Deputy Chief Woods stated that "work has been ongoing in the background to develop the draft by-law" and expressed his hope that the draft by-law would be approved in September. As such, it is not clear

[1] *Metro Taxi Ltd. et al. v. City of Ottawa*, 2024 ONSC 2725 at para 163.

that the results of the consultation, even if undertaken properly, would have an impact on policy that has already been made.

Following the July 27 meeting, Choice Taxi received an e-mail from Tracey Beauregard, Interim City Clerk. In the e-mail, Ms. Beauregard confirmed that a draft Vehicle for Hire By-law will be presented to Council on September 14th. Ms. Beauregard further wrote that "Council is receiving feedback through written submissions rather than presentations". She did not disclose the draft By-law to Choice Taxi for its review and consideration.

Accordingly, it is our client's understanding that the City has asked for input on the vehicle for hire by-law in the abstract, without disclosing the content of what will actually be considered by Council. Further, the City has denied our client the opportunity to make an oral presentation at the Council meeting where the draft by-law will be presented and voted on. This means that Choice Taxi will not have any substantive opportunity to review or comment on the draft by-law before it is voted on by Council.

The review process is procedurally unfair and discriminatory

It appears that the City has pre-determined the outcome of the draft by-law and does not genuinely intend to consult the Cornwall taxi industry. This is unlawful for four reasons:

First, the City is required to provide advance public notice and receive a majority vote from Council before authorizing its staff to proceed with the development of a by-law.[2] However, the City chose to ignore its own procedures: it appears that City staff already began developing the by-law prior to the special meeting, in consultation with Uber and without notice to the public. What is more, City staff did not disclose the steps they already undertook to develop the by-law without the authorization of Council. Notably, Councillor Hollingsworth stated at the special meeting his understanding that Council was being asked for its support to conduct an investigation for a future by-law. However, Deputy Chief Woods stated that the investigation "has been ongoing for the past several months" and that he was already at a "critical point" and "starting to make decisions". As a result, the City chose to deprive the public and interest holders, including Choice Taxi, of the opportunity to participate in the review process and fulsomely debate and analyze the by-law.

Second, the review process is discriminatory in that it has unfairly favoured Uber over the local taxi industry. The taxi industry has served and invested in the Cornwall community for decades. It has provided essential transportation services to citizens 24 hours a day, 365 days a year, even in inclement weather. Despite this long-standing dedication, Mayor Towndale has not even met with the local taxi industry about the proposed Vehicle for Hire By-law. Council refuses to even hear an oral presentation from our client on this issue, although the City has directly met with Uber behind the scenes. This is contrary to the spirit of s. 106 of the *Municipal Act, 2001*, which prohibits municipalities from directly or indirectly assisting a commercial enterprise through the granting of bonuses.

[2] See By-law 2023-112 generally, and s. 5.5.1 "No individual Member may direct any staff to perform such duties that have not been authorized by resolution of Council".

Third, the principles of procedural fairness require the City to provide Choice Taxi with an opportunity to be heard. This is particularly the case because the legalization of Uber poses an existential threat to the entire taxi industry, including its plate owners, drivers, and dispatch workers. Many taxi owners invested tens of thousands of dollars and years of hard work into owning a taxi plate. Taxi drivers and employees rely on the current regulatory framework to put food on the table for their families and make ends meet. In the circumstances, a written submission and a six-day online survey is plainly an insufficient basis for consultation. The absence of procedural fairness in the review process suggests a lack of good faith.

Finally, the overwhelming majority of Cornwall's taxi industry are hardworking new Canadians and visible minorities. The *Canadian Charter of Rights and Freedoms* and the *Ontario Human Rights Code* prohibit discrimination on the basis of race and ethnic origin: they forbid the City from making policy that adversely or disproportionately affects racialized or new Canadians. As other cities have witnessed, the legalization of private transportation companies has adversely impacted taxi drivers and taxi plate owners, who are overwhelmingly racialized. To our knowledge, the City has not conducted an analysis as to whether the impacts of legalizing Uber will violate its constitutional obligations not to discriminate on the basis of race and ethnic origin.

The proposed by-law puts Cornwall for sale to a large American technology company

The review also appears to be founded on a faulty and irrational premise: the introduction of the gig-economy will create economic opportunities for citizens of Cornwall.[3] The evidence shows that the introduction of Uber will have the opposite effect. It will eradicate economic opportunities for taxi drivers, introduce poverty wages for a new, unlimited set of Uber drivers, and grant an American corporation a monopoly over the vehicle for hire market in Cornwall, all at a time where our country faces a dire economic threat from the United States.

Uber is not a Canadian business. Uber Canada Inc. is owned and controlled by Uber Technologies Inc., its parent company with a head office in San Francisco.[4] Notably, President Donald Trump owns an estimated millions of dollars of shares in Uber Technologies Inc.[5] This company and its Chief Executive Officer have each donated $1 million USD to President Trump's inaugural fund in the fall of 2024, at a time that he began publicly claiming that Canada is the 51st State.[6] This week, President Trump has even threatened to rename Lake Ontario "Lake America".[7]

[3] As communicated by Mayor Towndale at the special meeting.
[4] See, in this regard, Registry of Lobbyists, Office of the Commissioner of Lobbying of Canada, Uber Canada Inc., Michael van Hemmen, Senior Director, General Manager, In-house corporation details.
[5] See President Trump's Annual Financial Disclosure Report, June 30, 2026; Trump's Investments In Palantir And Nvidia Draw Scrutiny – Here's What Companies Were Traded, Antonio Pequeno IV, Forbes, May 15, 2026.
[6] Uber and its CEO donate $1m each to Trump's inaugural fund, Anna Betts, The Guardian, December 18, 2024; Canada could be '51st state,' Trump joked during Mar-a-Lago dinner with Trudeau, Adrian Morrow, Steven Chase, The Globe and Mail, December 3, 2024.
[7] Trump floats renaming Lake Ontario as 'Lake America' as trade war with Canada escalates, Darlene Superville and Rob Gillies, AP News, August 25, 2026.

Council should have serious reservations abut providing American tech giants with unfettered economic access to Cornwall. To do so would be contrary to the Mayor's recent comments that "small businesses are the backbone of our community" as well as Ontario's stated message that Ontario and Canada are **not for sale**.[8] It would also be inconsistent with Cornwall's promotion of "Buy Canadian" procurement strategies to enhance Canadian economic sovereignty.

An economic analysis regarding the impact of the legalization of Uber must be undertaken prior to voting on the proposed by-law. There is a serious risk that it will introduce an exploitative labour model that pays Cornwall citizens significantly lower than the minimum wage. This is because an unlimited supply of vehicles-for-hire will overwhelm customer demand, which in turn reduces the amount of income each driver can possibly make. In 2024, a study conducted by Ridefair concluded that Toronto ride-hail drivers received an estimated median pay as low as $6.37 per hour.[9]

An accessibility analysis is also necessary. In the past decade, the experience of other municipalities has shown that introducing Uber will not promote accessibility. In this regard, it is common knowledge that no Ontario municipalities require Uber to provide accessible vehicle for hire services. And where Uber has been legalized, accessible taxi services have decreased dramatically.[10] As Uber takes away fares from taxi operators, the local taxi industry will have **zero** economic incentive to invest in accessible vehicles, which are significantly more expensive than standard taxicab vehicles. In the end result, people with disabilities will be subject to unreasonable wait-times and a lack of available rides, regardless of whether they choose a taxi or an Uber.

Next Steps

We trust that the foregoing clarifies that it would be unlawful and discriminatory for Council to proceed with a vote on the proposed by-law at the September 14, 2026 meeting. Substantive analysis, including meaningful consultation with the taxi industry and other interest holders, is required before the draft by-law can be presented to Council for debate. In this regard, the current review process has been tainted. To comply with its legal obligations, the City must establish a new regulatory review process that is fair, transparent, and independent.

To address our client's concerns regarding the integrity of the review process thus far, we hereby request the following elements:

(a) a written confirmation that the City will establish a new regulatory review process and framework;

(b) a formal report on the Vehicle for Hire by-law review process thus far, including the names of the individuals consulted, how they were consulted, and disclosure of their comments; and

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[8] Interview of Justin Towndale with Wade Barras, YouTube, August 25, 2026.
[9] "Legislated Poverty", February 12, 2024, RideFair.
[10] Report to Emergency Preparedness and Protective Services Committee and Ottawa City Council, On-Demand Accessible Taxicab Service Study and Minor Amendments to Vehicle-for-Hire By-law related to Taxicabs, June 6, 2023, at p. 4.

(c) disclosure of the names, dates of meetings, and correspondence between individuals at the City and private transportation companies such as Uber.

As part of the revised review process, we hereby request the following elements:

(a) disclosure of the current draft Vehicle for Hire by-law to the public;

(b) the following substantive analyses in support of any draft by-law:

a. a formal report on the revised Vehicle for Hire by-law review process, including the names of the individuals consulted, how they were consulted, and disclosure of their comments;

b. an economic analysis on how the legalization of private transportation companies and the destruction of the local taxi industry will impact local businesses, workforce, wages, and the labour market in Cornwall;

c. an analysis on the accessibility and *Charter/Code* impacts of the legalization of private transportation companies on the citizens of Cornwall;

d. a written explanation as to how the legalization of private transportation companies is consistent with Cornwall's Buy Canadian practices and Canadian economic sovereignty; and

(c) an opportunity for Choice Taxi to present oral and written submissions on the review process and the draft by-law, following the completion of the revised review process and with sufficient time to review the draft by-law and all substantive supporting analyses.

Choice Taxi is asking for nothing more than a transparent, fair, and good faith policy-making process, in which local Cornwall voices are heard and policy-making is not driven by large American business interests.

We request that the City confirm that Council will implement a new review regulatory process and not proceed with a vote on the draft on September 14th, all by next Friday, **September 4, 2026.** If we fail to receive this confirmation, Choice Taxi reserves the right to seek relief before the courts.

We look forward to your response.

Yours very truly,

Joseph Rucci

cc Wayne Meagher, City Barrister, and Tracey Beauregard, Interim City Clerk