

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** December 18, 2006

**FROM:** CITY MANAGER

**SUBJECT:** RESPONSE TO QUESTIONS RAISED BY TAXI CAB COMPANIES  
RELATED TO OPERATIONS.

## **RECOMMENDATION**

This report is for information purposes only.

## **BACKGROUND**

On September 25, 2006, staff presented to the City Council an agenda report regarding proposed amendments to Chapter 5.72 of the Pasadena Municipal Code "Vehicles for Hire" relating to individuals with disabilities. Staff summarized the agenda report and responded to questions including questions regarding the customer complaint process and options to address problems with the current taxicab regulations. The City Manager's recommendation was approved with the added provision that Accessibility and Disability Commission review the proposed ordinance prior to Council taking further action on the matter and incorporating some of the speakers' comments for the Commission's consideration. It was also noted that staff would be responding to issues raised by the taxicab companies. This report represents staff's response to those issues.

Prior to September 25<sup>th</sup>, staff met with two business owners who operate taxi cabs in the City of Pasadena relative to the proposed amendments to the Ordinance. The taxi companies' owners expressed support for changes to the ordinance and expressed interest in addressing the following issues not raised by the Accessibility and Disability Commission including: 1) establishing taxi stand(s) in Old Pasadena; 2) reducing taxi fees to be consistent with other cities; 3) establishing rate limits consistent with other cities; 4) establishing driver uniform requirements consistent with other cities; 5) establishing a three to five year renewal period for taxi cab licenses; 6) enforcing prohibitions against unlicensed taxi services in Pasadena;

licenses; 6) enforcing prohibitions against unlicensed taxi services in Pasadena; 7) establishing minimum insurance requirements consistent with other cities; 8) establishing an age limit for vehicles operating as taxi cabs in the City of Pasadena; and 9) studying whether the number of wheelchair accessibility taxi cabs are sufficient. At the Council meeting on September 25, 2006, the City Manager indicated that staff will further study these issues and bring them back as a separate item for discussion and appropriate action.

Staff has prepared a survey related to taxicab operations in Glendale, Burbank, Santa Monica, Anaheim and Los Angeles to address several of the issues raised by the taxicab operators. Glendale, Burbank and Santa Monica responded to the survey questions. No information was received from Anaheim and Los Angeles. This report is intended to summarize the issues raised by the operators and the Accessibility and Disability Commission and the information received in the survey related to the above listed nine issues. On December 12, 2006, Staff met again with the two business owners who operate taxi cabs in Pasadena and shared the results of the survey and staff's response to their issues. The owners of the taxicab companies expressed their desire to continue open discussions with staff to further review some of the issues discussed in this report.

#### 1. Establishment of taxi stand(s) in Old Pasadena.

Staff has held discussions with representatives of the Old Pasadena Management District (OPMD) and the Executive Director regarding the potential of strategically placing taxi stands queuing stations in the district to provide enhanced taxi cab service to district patrons. The OPMD Board agreed that a need existed, and staff concurs, based on the number of restaurants and establishments serving alcohol in the Old Pasadena district.

A second consideration was location and how many cabs would be allowed to queue. Originally it was believed that five cabs would be sufficient, but after discussions with the OPMD Safety Committee and the City's Police Department, it was decided that a number of 20-25 taxicabs is more accurate to meet the demand. Regarding the location of the taxi stands, the City's Transportation Department is working with the taxi companies to identify several locations and will work with OPMD to decide where to establish taxi stands. Staff has advised the taxicab companies that they will pay the annual meter rate for any space converted to taxi stands.

#### 2. Reduce taxi fees to be consistent with other cities.

Pasadena's licensing fee is based on the cost of providing the permitting and licensing of taxicabs. This includes verifying registration of the vehicle, checking insurance requirements, reviewing the vehicle inspection report, confirming the age of the vehicle and physically attaching the taxicab permit sticker on the window of the

vehicle. These fees are periodically reviewed for adjustment other than the Consumer Price Index (CPI) adjustment as provided in the Municipal Code section 1.08.060.

The annual licensing fee in Pasadena is \$358.48 per vehicle with no initial company application fee plus \$30 annual driver fee for a total of \$388.48. The annual licensing fee in Burbank is \$242.00 per vehicle and \$121.00 per driver for a total of \$363.00 plus an annual application fee of \$151 per taxicab company. The annual fee in Glendale is \$220.00 per vehicle and an application fee of \$475.00 per taxicab company (every 5 years). The licensing fee in Santa Monica is based on gross receipts. Staff does not recommend a reduction in this fee. Pasadena adjusts the licensing fee annually by the CPI index. Glendale and Burbank have no CPI adjustment provisions.

### 3. Establish rate limits consistent with adjacent cities.

The City of Pasadena, similar to Glendale and Santa Monica, does not set the rates taxicab companies charge their passengers. The City of Burbank taxicab rates are set based on the City of Los Angeles rates. In order to raise rates in Pasadena, taxicab companies have to file a notice with the City Manager's office 30 days prior to raising the rates. Similar procedures exist in Glendale and Santa Monica. Staff believes that market competition should determine and set the rates without any government interference; therefore, no change is recommended on this issue.

### 4. Establish driver uniform requirements consistent with other cities.

Pasadena, Glendale and Santa Monica do not regulate the attire a taxicab driver can wear. There are no requirements for a uniform. The City of Burbank is the only city requiring uniforms. The uniform requirement should be at the discretion of the taxicab companies.

### 5. Establish a three to five year renewal period for taxi cab licenses.

The City of Pasadena renews the licenses annually. The same procedures are followed annually in licensing the vehicles (i.e. vehicle registration check, validate insurance requirements, vehicle inspection and affix the permit sticker) to ensure that the taxicab vehicles meet the city's requirements. The City of Glendale, Burbank and Santa Monica also re-license the taxicabs annually. This practice is consistent with surrounding cities and no change is recommended.

6. Enforce prohibitions against unlicensed taxi services in Pasadena by increasing the size of window permits to enable the police to easily identify unlicensed taxicabs.

Taxicabs that are approved to operate in the City of Pasadena display a taxicab permit adhered by Business License staff to the passenger window behind the taxicab driver. The business License Section provides a sample permit to the Police Department. The sticker permit on the taxicab makes it easier for the Police department, City staff and the public to readily identify taxicabs that are approved to operate in the City.

Business License staff will design a larger size and more visible permit that will be displayed in the taxi cabs. This process will enable the Police Department to enhance its enforcement against unlicensed taxicab operators in Pasadena.

7. Establish insurance requirements more in line with adjacent cities.

The City Council has established by Resolution insurance requirements for taxicab operators of \$100,000 per person for bodily injury, \$300,000 per accident, \$50,000 for property damage or a combined single limit of \$350,000. Glendale and Santa Monica have similar insurance requirements while Burbank requires a combined single limit of \$1 million. No change is recommended. Pasadena's insurance requirement is consistent with the surrounding cities.

8. Establish an age limit for vehicles operating as taxi cabs in the City of Pasadena.

The City's current taxicab ordinance sets a vehicle age/mileage limit of seven years and 200,000 miles, whichever is less. City staff physically checks the odometer reading of each taxicab approved to operate within the City's limits. This requirement was added to the Ordinance in 1997 by the request of the taxicab companies and no change is recommended at this point.

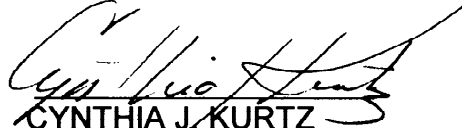
The age limitation in Burbank is seven years, Glendale has a maximum of eight years and Santa Monica has no age limitation. Neither Glendale, Burbank nor Santa Monica have odometer mileage limitations.

9. Determine whether the number of wheelchair accessible taxicabs are sufficient.

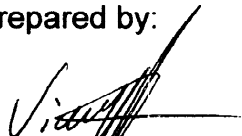
The City of Pasadena requires that the approved taxicab companies provide one wheelchair accessible vehicle for every 20 taxicab vehicles operating in the City. The City of Glendale, Burbank and Santa Monica have no such requirements. The Accessibility and Disability Commission had determined that the City's requirement of

one wheelchair accessible vehicle for every 20 taxicab vehicles is adequate and staff concurs.

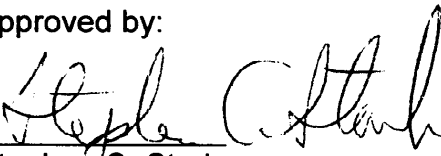
Respectfully submitted;

  
CYNTHIA J. KURTZ  
City Manager

Prepared by:

  
Vic Erganian  
City Treasurer

Approved by:

  
Stephen C. Stark  
Director of Finance