

DATE ISSUED: August 1, 2001

REPORT NO. 01-157

ATTENTION: Honorable Mayor and City Council
Agenda of August 6, 2001

SUBJECT: City of San Diego Taxicab Permit Policy

REFERENCE: City Manager's Report Nos. 98-179, 99-83, 01-050, and 01-131

SUMMARY

Issues -

1. Should the City amend its existing Council Policy 500-02 "Taxicab Permits" to:
 - a. Issue additional taxicab permits?
 - b. Modify the method of permit issuance?
 - c. Limit transferability of taxicab permits?
2. Should the City adopt a framework to implement the amended taxicab policy?

Manager's Recommendations -

1. Amend Council Policy 500-02 "Taxicab Permits" to: (See Attachment A)
 - a. Issue additional taxicab permits using a formula. The formula should be based on percent increases in population and visitation to the City.
 - b. Issue 50% of the new permits via a RFP process, 25% of new permits via a lottery and 25% via a public auction.
 - c. Designate new permits to be transferable five years after issuance, and maintain status quo on transferability of existing permits.
2. Adopt a framework to implement the amended taxicab policy that addresses processes used to issue taxicab permits, periodic issuance of permits using a formula, a transitional period, and transferability. (See Attachment B)

Other Recommendations - None

Fiscal Impact - None

BACKGROUND

In 1984, the City Council adopted a policy that capped the number of taxicab permit at 928. Due to attrition, the number of permits has fallen to 870 active permits, thus, resulting in 58 (928- 870) permits becoming unassigned. About three years ago a group of taxi drivers inquired about the process for obtaining some of the 58 unassigned permits. The current policy is silent as to what to do with permits that become unassigned.

In September 1998, the City Manager made recommendations to the City Council concerning revisions to the policy. The Mayor subsequently appointed a Taxicab Task Force to make recommendations concerning the number of taxicab permits needed and to consider the fairest way to issue permits. The City Council reviewed the Task Force recommendations at its meeting on September 28, 1999. Subsequently, the City Council directed the City Manager to hire a consultant to conduct a study and make recommendations as to the number of permits needed, how these permits should be distributed, look at the issue of transferability, and look at what other cities are doing in this area. The City retained the consultant services of Schaller Consulting (Consultant) in association with the Institute for Transportation Research and Education at North Carolina State University to conduct the study.

At the March 21, 2001 meeting of the Rules Committee, the Consultant presented his findings, conclusions and recommendations. Due to extensive public input and complexity of the issues, this item was continued to the April 20, 2001 meeting. At the April 20, 2001 meeting, Councilmembers Toni Atkins and Byron Wear presented a proposal to issue 210 additional permits using RFP, lottery and auction processes. Staff was directed to amend the Council Policy on taxicab permits to reflect this proposal and develop a framework for its implementation.

At the June 20, 2001 meeting of the Rules Committee, staff presented proposed amendments to Council Policy 500-02 "Taxicab Permits" along with a framework for implementing this policy. The framework was developed as a collaborative effort of an ad-hoc group comprised of City and Metropolitan Transit Development Board's staffs; Steve Russell of Council District Three; Francine Phillips of Council District Two; Bill Baber of the Mayor's Office; and members of the taxi industry including permit holders, drivers, and managers.

At the meeting, a motion by Councilmember Byron Wear was adopted to make conforming changes to Council Policy 500-02 "Taxicab Permits" and its implementation guidelines reflecting modifications to the Manager's Recommendations. (See Attachment C)

DISCUSSION

At the direction of the Rules Committee, Council Policy 500-02, “Taxicab Permits” has been amended as shown in Attachment A to reflect the following:

1. The use of a formula to issue additional permits – Factors used in the formula include:

Population
Visitation
2. The processes of permit issuance – RFP, lottery and auction.
3. A transitional period – During this period, 135 additional permits would be issued.
4. Transferability of new permits – All new permits to be transferable five years after issuance.

The framework for implementing the aforementioned Council Policy (Attachment B) has also been revised to reflect the proposed changes to the processes for issuing taxicab permits, the formula, the transitional period, and transferability of new permits.

ALTERNATIVE

Do not adopt the aforementioned changes to Council Policy 500-02 “Taxicab Permits.” This is not recommended because these changes are needed to enable the taxi industry to adequately serve residents and visitors to the City.

Respectfully submitted, D. Cruz Gonzalez Director, Transportation Department		Approved: George I. Loveland
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LOVELAND/HOLDEN

- Attachments:
- A. Draft Amendment to Council Policy 500-02 “Taxicab Permits”
 - B. Implementation Guidelines of amended Council Policy 500-02
 - C. Motion for Councilmember Byron Wear, Rules Committee June 20, 2001