

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: REP 4-15

Department Source: City Manager

To: City Council

From: City Manager & Staff

Council Meeting Date: December 15, 2014

Re: Taxicab and Transportation Network Company Regulations

Documents Included With This Agenda Item

Council memo

Supporting documentation includes: None

Executive Summary

During the 12/1/2014 Council meeting Council asked for a report concerning the City of Columbia's taxicab regulations and how they compare with proposed regulations for Transportation Network Companies (TNCs), such as, Uber or Lyft. Many of the perceived advantages or disadvantages for either system is created by the model by which they operate not regulations. However, the older regulations for taxicabs are in need of modernization.

Discussion

This report outlines differences between current regulations for taxicabs with the proposed regulations for Transportation Network Companies (TNCs) and how these regulations may create an unfair advantage for TNCs. The report also outlines current regulations for taxicabs that have been identified by taxi operators and owners as burdensome and/or outdated.

While staff agrees that some regulations for taxicabs are in need of change, many perceived advantages or disadvantages of TNCs is more the result of differences in the way the two systems operate not regulations. One perceived advantage of TNCs is that they do not have to use taxi stands downtown. Transportation Network Operators (TNOs) are not allowed to park and solicit drives. They can only connect with customers via the app provided by the TNC. Taxis are allowed to both respond to request for service via electronic communication and by parking and waiting for customers to come to them. Taxi stands provide an easy place for downtown patrons to find a cab and TNCs are prohibited from using them. Taxi stands do not give one system an advantage over the other, rather the difference in how the systems get customers. Staff does recognize that taxi stand hours need to be reevaluated and will work to bring forward changes.

The proposed regulations for TNCs try to achieve the same outcomes for public safety as regulations for taxicabs. The amount of fees to operate are roughly the same as well. Both require a businesses licence from the company, proof of insurance, clean driving records, a right to investigate and revoke licenses and permits, and etc. Both taxis and TNCs need to maintain the appearance of their vehicles, provide a log of their business interactions, and provide a way for customers to lodge complaints. While the proposed regulations for TNCs require much of the same materials and

City of Columbia

701 East Broadway, Columbia, Missouri 65201



verifications as taxicabs (background check, vehicle inspection, proof of insurance) the TNCs are required to implement these themselves not City staff. The volume of drivers produced by a TNC operation would quickly overwhelm business licence staff and thus staff would like TNCs to be responsible for insuring drivers have clean records and safe vehicles. The quality to which some of these verifications and inspections have been implemented by TNCs has been called into question and will need to be addressed. Metering is another difference between TNCs and taxis. Taxis can only meter by distance and are regulated by state statute while TNCs can meter by time and distance and are able to provide an estimated cost for the ride beforehand.

Councilpersons and staff have heard from taxi drivers and owners that some ordinances regulating taxis are archaic and create barriers for entrepreneurs wishing to enter the industry. Specific ordinances of concern include: 28-86 (a) requiring an operator to maintain an office and public phone line, 28-102 (a) requiring a uniform color scheme for each vehicle a company owns, and 28-103 requiring drivers to wear a uniform with the company's logo.

The general trend for taxicab regulations is that they become more detailed and demanding in larger cities. This is most likely due to greater traffic issues, greater demand for taxi services, the size of taxi companies, and the longer history these cities have with taxi services. In some larger cities (Austin) taxi companies are required to apply for a franchise license while other cities set taxi cab fare rates (Des Moines).

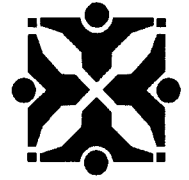
Columbia's regulations are similar to many mid to small size cities across the Midwest. Columbia does not require that a company provide 24 hour 7 days a week service like other cities (Austin, Ann Arbor, Iowa City), but does require that a company maintain an office and public phone line. The requirement for an office and phone line is found in many cities but not all (Cape Girardeau). Some cities explain that the reason for requiring an office is related to zoning and that the company needs to have nexus on commercially zoned property. Many cities also require companies to maintain a public phone number in phone books that can be reached 24/7. Columbia regulations do require a publicly listed phone number, but not that it can be reached 24/7. All cities that were examined required a distinctive color scheme for a company's vehicles. All cities examined require that driver's maintain a clean appearance, but few required a logoed uniform like Columbia.

Staff agrees that many of the regulations in Chapter 28 for taxicabs are in need of review and modernization. Other regulations for consideration include: 28-105 (a) no sleeping or playing of loud music while waiting for customers, and the current hours of taxi stands.

Staff is preparing a survey to get a better understanding of which regulations taxi operators find burdensome and/or outdated. Using this information staff will begin bringing recommended changes to Council in the near future. Staff is also reevaluating hours for taxi stands and will be reaching out to taxi operators, CID, and other interested parties to consider reducing the hours and days taxis have to use the stands.

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Fiscal Impact

Short-Term Impact: N/A

Long-Term Impact: N/A

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Transportation

Strategic Plan Impact: Not Applicable

Comprehensive Plan Impact: Not Applicable

Suggested Council Action

Informational

Legislative History

Council requested this report during the 12/1/2014 Council meeting.



Department Approved



City Manager Approved