

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Kathleen Butler		2. Telephone No. (503) 865-2486	3. Bureau/Office/Dept. OMF/ Revenue Bureau
4a. To be filed (date): October 31, 2012	4b. Calendar (Check One) Regular Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: October 23, 2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

* Increase taxicab fare rates (Ordinance; amend Code Section 16.40.290)

2) Purpose of the Proposed Legislation:

This ordinance increases the maximum taxicab meter rate from \$2.30 to \$2.60 per mile, in order to account for rise in taxi driver expenses since 2008 and increase the net wages per hour of taxi drivers.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT**4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

There is no financial impact to the General Fund.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

There are no additional costs associated with this legislation.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No positions will be created, eliminated or re-classified as a result of this legislation.

- **Will positions be created or eliminated in *future years* as a result of this legislation?**

No positions will be created, eliminated or re-classified in future years as a result of this legislation.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☒ **YES:** Please proceed to Question #9.

☐ **NO:** Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

The increased meter rate will help to offset expenses and increase the net hourly wage for Portland taxi drivers.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

The Private For-Hire Transportation Board of Review (the Board) held several public meetings in 2011 and 2012 to consider the working and economic conditions of Portland taxi drivers. In addition to extensive testimony from taxi drivers, Board members include representatives of the riding public and the tourism industry.

c) How did public involvement shape the outcome of this Council item?

Taxi drivers who testified at the Board meetings and workshops consistently stated that Portland taxi drivers are having severe difficulties meeting expenses and supporting their families. At Board meetings and in meetings with Revenue Bureau staff, taxi drivers also stated that high expenses and insufficient income from fares resulted in long working hours, with inadequate vacation and time with their families. Revenue Bureau staff met with several groups of taxi drivers at their request. The January 2012 Revenue Bureau Taxi Driver Labor Market Study (the Study) found that many Portland taxi drivers work long hours for low net wages, and that these conditions have a negative impact on taxi customer service and safety. The Study was widely distributed and publicized. The Revenue Bureau initiated a public comment process, which included (1) sending the Study via email to a list of 1,128 stakeholders, with solicitation of written comments; (2) the Study was posted on the Revenue Bureau website, with an easy-to-use comment form; (3) copies of the Study were distributed to taxi drivers at the Driver Standing Committee, at other informal meetings with drivers, at the airport backfield, and when drivers visited the Revenue Bureau for permit renewal and other business; (4) The Study findings were discussed at the January 25, 2012 and February 22, 2012 Board meetings, which were well attended and included many comments from taxi drivers and other members of the public; (6) 259 completed comment forms were received online and 580 paper comment forms were

received; (7) A series of workshops was held by the Board to discuss specific topics related to taxi driver compensation; (9) the Bureau consulted with the Office of Equity regarding the taxi industry generally; (10) Several taxi company managers and owners sent separate letters of comment about the study; (11) Representatives of each company met with Revenue Bureau staff to discuss the issues raised, as did many taxi drivers. (12) Written comments were also received at several of the Board meetings and workshops.

The Revenue Bureau subsequently issued Private For-Hire Transportation Program Recommendations for Taxi Industry Reform on September 26, 2012, and posted the recommendations on the Bureau website. On October 10, 2012, the Private For-Hire Transportation Board voted to concur with the recommended reforms, which included the increase in maximum taxi rates per hour.

d) Who designed and implemented the public involvement related to this Council item?

Revenue Bureau staff, the Office of Mayor Sam Adams, the Board, taxi company representatives, and taxi drivers.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Kathleen Butler, Regulatory Division Manager, Revenue Bureau
(503) 865-2486
Kathleen.Butler@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Yes. During consideration of meter rate increases, some taxi drivers suggested raising the maximum initial charge ("drop rate") for taxi service during late night hours, in order to provide some compensation for the additional costs often incurred by drivers working this shift. The Private For-Hire Transportation Board will schedule further consideration of this suggested change.

Thomas W. Lannon



BUREAU DIRECTOR (Typed name and signature)



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Sam Adams, Mayor
Jack D. Graham, Chief Administrative Officer

Revenue Bureau
Thomas W. Lannom, Director
111 SW Columbia St., Room 600
Portland, Oregon 97201
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FAX (503) 279-2669
TTY (503) 823-6868

DATE: November 7, 2012

**FOR MAYOR'S OFFICE
USE ONLY**

TO: Mayor Sam Adams

FROM: Thomas W. Lannom, Revenue Bureau Director

A handwritten signature in black ink, appearing to read "Tom Lannom".

185722

RE: *Increase taxicab fare rates (Ordinance; amend Code Section 16.40.290)

1. **INTENDED WEDNESDAY FILING DATE:** October 31, 2012
2. **REQUESTED COUNCIL AGENDA DATE:** November 7, 2012
3. **CONTACT NAME & NUMBER:** Kathleen Butler 503-865-2486
4. **PLACE ON:** ☐ CONSENT ☒ REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ Y ☐ N ☐ N/A
6. **(3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☐ Yes ☐ No ☒ N/A

7. BACKGROUND/ANALYSIS

The taxi meter rate per hour was last increased in 2008. The consumer price index has increased since 5.41% since April 2008. In January 2012, the Revenue Bureau issued the Taxi Driver Labor Market Study, finding that Portland taxi drivers work long hours for low net wages per hour. The Bureau also found that the working conditions and low net income of taxi drivers are linked to decreased taxi passenger safety and service. The Revenue Bureau and the Private For-Hire Transportation Board of Review (the Board) held a series of public meetings and workshops subsequent to the release of the Study in 2012. Substantial comment was received from taxi drivers, taxi company managers and owners, and members of the public regarding the need to improve taxi driver wages and conditions, increase the quality and safety of taxi service to the public, and increase oversight and compliance with regulations. On September 26, 2012, the Revenue Bureau released the Private For-Hire Transportation Program Recommendations for Taxi Industry Reform. On October 10, 2012, the Board voted to concur with the thirteen Revenue Bureau recommendations for reform, including the proposed meter rate increase.

8. FINANCIAL IMPACT

This legislation has no financial impact to the General Fund.

9. RECOMMENDATION/ACTION REQUESTED

The Bureau respectfully requests that the ordinance be passed in order to provide an increase in net hourly wages for taxi drivers.