



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Charlie Hales, Mayor
Jack D. Graham, Chief Administrative Officer
Thomas W. Lannom, Revenue Bureau Director

Kathleen Butler, Manager
Regulatory Division
Revenue Bureau
111 SW Columbia, Room 600
Portland, Oregon 97201-5840
(503) 823-5157
FAX (503) 823-5192
TTY (503) 823-6868

March 12, 2013

TO: Mayor Charlie Hales
Commissioner Fish
Commissioner Fritz
Commissioner Novick
Commissioner Saltzman

FROM: Kathleen Butler, Regulatory Division Manager

RE: Status Update Report: Private For-Hire Transportation Program Permits and Reforms

On November 7, 2012, City Council approved new taxi permits, and passed several ordinances related to taxi and private for-hire operations in the City of Portland (185720, 185721, 185722, and 185723 attached). Council also passed Resolution No. 36978, directing the Revenue Bureau to implement 13 reforms to regulation of the taxi industry as jointly recommended by the Bureau and Private For-Hire Transportation Board of Review. Those recommendations are attached in the report titled "Private For-Hire Transportation Program Recommendations for Taxi Industry Reform."

Resolution 36978 also called for a status update on the recommendations prior to April 1, 2012. This is provided in the attached Status Update Report dated March 2013. The final report on the 13 Recommendations for Taxi Industry Reform will be provided prior to December 31, 2013.

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Charlie Hales, Mayor
Jack D. Graham, Chief Administrative Officer
Thomas W. Lannom, Revenue Bureau Director

Kathleen Butler, Manager
Regulatory Division
Revenue Bureau
111 SW Columbia, Room 600
Portland, Oregon 97201-5840
(503) 823-5157
FAX (503) 823-5192
TTY (503) 823-6868

**Private For-Hire Transportation (PFHT) Program
Status Update
March 2013**

Status of New Taxi Permits:

The Revenue Bureau recommended on September 26, 2012, and the PFHT Board concurred on October 10, 2012, for the issuance of 78 new taxi vehicle permits in 2013. Council approved the new company, Union Cab, with 50 taxi vehicles, on November 7, 2012. The PFHT Board reaffirmed and approved the remaining 28 permits for 3 of the existing taxi companies on December 12, 2012.

1. Newly approved taxi company: Union Cab

Union Cab is expected to submit the required prospective financial statements by March 15, 2013. The company has purchased new taxi vehicles and equipment, obtained an office in Portland, and is in the process of outfitting all vehicles with the approved company colors, and all equipment required by Portland City Code. The company is preparing a significant number of newer, energy-efficient vehicles. Company start-up is expected to occur before April 15, 2013.

2. Additional taxi vehicles for existing taxi companies:

Subsequent to the November 7, 2012 Council consideration of the entire package of additional taxi permits recommended, the PFHT Board reaffirmed their vote to grant 28 additional taxi vehicle permits to existing companies. A significant number of vehicles to be put into service are required to be ADA-compliant, wheelchair accessible vehicles. The December 12, 2012 Board decision was appealed by Broadway Cab, and the appeal was heard by Council on March 6, 2013. The issuance of the additional taxi vehicle permits to the existing companies is currently stayed pending resolution of the appeal.

Status of 13 Recommendations for Reform:

The Bureau and the PFHT Board jointly recommended a list of 13 reforms for the taxi industry. On November 7, 2012, Council directed the Bureau to bring forward proposals for the necessary Code changes prior to December 31, 2013. The proposed schedule for providing proposed Code changes and implementation of reforms is as follows:

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

1. Specific performance standards taxi companies:

The use of specific taxi company performance standards to evaluate taxi company permit renewal and new permit requests was authorized by Council with the passage of Ordinance No. 185721 on November 7, 2012. The PFHT Board will take up the development of specific performance measurements in May 2013, with subcommittee meetings through June, and with the goal of draft proposed performance standards by July. August is reserved for internal review of the proposed standards, with a final draft preparation scheduled for September. When specific performance standards are approved by the Board, the Bureau will create internal procedures for evaluation using the matrix of standards. Projected completion date: December 2013.

2. Provide a mechanism for accident insurance coverage for taxi drivers:

Preliminary discussions and subcommittee meetings have been held with driver and company representatives, and representatives of insurance companies. PFHT program staff will schedule a group meeting in March to more fully discuss possible solutions to the lack of insurance for driver injury and driver-owned vehicles. April is reserved for the development of proposals by the subcommittee and the Bureau, who will present recommended options to the Board in May, and incorporate Board feedback. Necessary Code changes will be prepared in June and transmitted to Council in July 2013. The goal is to provide requirements or options for drivers to obtain the desired personal injury and automobile damage coverage.

3. Add pay-for-fare prohibitions to City Code:

This item was completed with the passage of Ordinance No. 185720 on November 7, 2012. The prohibition took effect in December 2012. The Bureau is in the process of hiring additional enforcement staff. Additional enforcement resources will be applied to this issue once the new staff members are in place.

4. Require up-to-date dispatch equipment:

During the recent evaluation of the Portland taxi industry and requests for additional permits, the Bureau began preliminary discussions with taxi companies about the need to update dispatch, GPS, credit card and other electronic equipment, including electronic reporting to the City of Portland. Several taxi companies have begun to plan for needed upgrades. During March and April, Revenue Bureau staff will assess specific company plans in place for upgrades. During this time, staff will research best practices in other cities, and develop revised minimum standards for dispatch equipment and electronic reporting. Bureau staff will meet with company representatives through May to discuss technological options. In June, staff will create a proposal for minimum standards, which will be presented to the companies in July for comment and suggestions. The proposed standards will then be presented to the Board in August, with development of the final version in September. October is reserved for OMF and Council review, with Code changes to Council by November, and new standards in effect prior to December 31, 2013.

5. Require review and approval of all taxi company charges to taxi drivers:

The Revenue Bureau conducted an initial review of taxi company charges to taxi drivers as part of the Taxi Driver Labor Market Study, released in January 2012. Additional evaluation was made during the review of taxi company requests for additional vehicle permits. On November 7, 2012, Council passed Ordinance No. 185723, thus requiring Revenue Bureau Director approval for any increase to driver fees or penalties charged by taxi companies. The value of taxi company services will be reviewed as part of taxi company performance standards, and recommendations for control of driver fees will be integrated into those standards.

6. Require back seat, customer-operated credit card processing equipment in taxis:

Two of the existing taxi companies have installed the back seat, customer-operated machines, which bring greater security of credit card data, higher customer satisfaction, and higher tips for taxi drivers. The Bureau is engaged in discussions with taxi companies regarding compliance with this upcoming requirement. Companies are researching the various technological options and providing feedback. The Bureau expects to prepare Code language with specific requirements in April, with Board review in May, and submission of Code change to Council in June 2013. The timetable for compliance will be included in the proposed Code language.

7. Institute procedures and expand capacity for regular analysis of key indicators:

The Bureau is currently in the process of hiring two new PFHT specialist positions. The additional Bureau staff will enable the Bureau to collect additional information regarding indicators of demand and performance: taxi availability; wait times; utilization; dispatch versus street hail trips; taxi vehicle condition; compliance with maintenance of required equipment; taxi meter inspections; compliance with driver permitting, training and reporting requirements; accident rates; etc. The collection, audit and analysis of this information by City staff will provide a key component of the implementation of company performance standards (Item 1).

8. City sponsored driver-training:

Revenue Bureau staff have solicited taxi company, taxi driver and stakeholder input about additional training needs for taxi drivers. In April, the Bureau will review best industry practices for driver training requirements, with an internal review of options in May. Code or Administrative Rule language to update driver training requirements will be developed in June, and provided to the Board and stakeholders for comment in July. Recommended Code or rule language will be forwarded the Board or Council as appropriate in August, with completion of this item scheduled for September. Any internal (City provided) training components will be finalized September through December 2013.

9. Raise taxi meter rates:

This item was completed with the passage of Ordinance No. 185722 on November 7, 2012.

10. Raise fees for taxi company and vehicle permits to fund increased enforcement and oversight:

This item was completed with the passage of Ordinance No. 185723 on November 7, 2012. Board and stakeholder discussions have since focused upon the need to consider parallel increases in other PFHT industry segments, such as Limited Passenger Transportation (LPT) permits (including limousine and executive sedan vehicles). Many of the enforcement issues are common to all industry segments, and additional enforcement resources will not be limited to taxi permittees. The Board is scheduled to consider permit fee increases for the LPT permit holders at their meeting in May 2013.

11. Clarify regulations for non-taxi providers:

Revenue Bureau staff has attended preliminary meetings with Oregon Department of Transportation to enable more coordinated regulation in of non-taxi transportation providers, such as limousines, executive sedans and shuttles. The Bureau plans to work with the City Attorney's office in May to provide proposed updates clarifying these regulations, which will be sent for review and comment to the PFHT Board in June. A draft of proposed changes will be prepared and reviewed internally in July and August, with a proposal to Council by September 2013.

12. Clarify Specially Assisted Transportation (SAT) operations for taxi companies:

After several discussions at the PFHT Board and Company Standing Committee meetings, a subcommittee of the Board met with stakeholders on February 20, 2013. Several hours of careful and detailed discussion resulted in a thorough assessment of the issues and challenges presented by the current set of regulations and changes in the industry. The Board is scheduled to discuss Board goals for regulations of taxi companies operating SATs at their meeting scheduled for March 27, 2013. At least one additional subcommittee meeting is expected before proposed ordinance or administrative rule language is reviewed by the Board. Internal review of the draft proposal could be completed in May, with action on proposed changes to ordinance or administrative rule language expected prior to June 30, 2013.

13. Criminalize unpermitted taxi companies from operating in Portland.

This item was completed with the passage of Ordinance No. 185498 on July 11, 2012.

RESOLUTION No. 3 697 8

Direct the Revenue Bureau and the Private For-Hire Transportation Board to prepare proposed changes to Portland City Code Chapter 16.40 and Administrative Rule changes, as necessary to implement the joint Bureau and Board Private For-Hire Transportation Program Recommendations for Taxi Industry Reform (Resolution)

WHEREAS, in April 2011, Mayor Sam Adams directed that the Revenue Bureau review the working and economic conditions of Portland taxi drivers; and

WHEREAS, the Bureau published a report in January 2012, the Taxi Driver Labor Market Study (the Study), finding that many contracted taxi drivers in the City of Portland long hours for low wages, without health care, retirement, vacation or sick leave; and

WHEREAS, the Study found a relationship between high payments to the taxi company and low net driver income; and

WHEREAS, the impacts of these working conditions are not limited to drivers and their families: the Study noted that passenger safety declines and costs to the community increase when drivers work long hours for inadequate wages; and

WHEREAS, the Study was widely distributed and publicized and the Bureau engaged in an extensive public comment process, including email distribution to 1,128 stakeholders, with 839 completed comment forms received; and

WHEREAS, the Board held a series of Board meetings in 2011 and 2012 to consider working and economic conditions of drivers and potential regulatory reforms, including a series of six interactive workshops in February and March 2012 following release of the Study; and

WHEREAS, on September 26, 2012, the Revenue Bureau issued thirteen Recommendations for Taxi Industry Reform (Exhibit A); and

WHEREAS, on October 10, 2012, the Board voted to concur with the thirteen Revenue Bureau recommendations for reform; and

WHEREAS, the Board also voted to review the impacts of all regulatory changes permits issued after one year's time; and

NOW, THEREFORE, BE IT RESOLVED that the City Council directs the Bureau and the Board to develop proposals for Portland City Code changes and Administrative Rules to implement the thirteen Recommendations for Taxi Industry Reform; and

BE IT FURTHER RESOLVED that proposals for the necessary Code changes will be brought forward to Council prior to December 31, 2013; and

3 697 8

BE IT FURTHER RESOLVED that the City Council directs the Bureau and the Board to report to Council regarding the status of the Private For-Hire Transportation Program no later than April 1, 2013.

Adopted by the Council: NOV 07 2012

Mayor Sam Adams

Prepared by: Kathleen Butler

Date Prepared: October 29, 2012

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

Agenda No.
RESOLUTION NO. 36978
 Title

Direct the Revenue Bureau (Bureau) and the Private For-Hire Transportation Board (the Board) to prepare proposed changes to Portland City Code Chapter 16.40, and Administrative Rule changes, as necessary to implement the joint Bureau and Board Private For-Hire Transportation Program Recommendations for Taxi Industry Reform (Resolution)

INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>NOV 02 2012</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>[Signature]</i>	LaVonne Griffin-Valade Auditor of the City of Portland
Position 1/Utilities - Fritz	By: <i>[Signature]</i> Deputy
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard	
BUREAU APPROVAL Bureau: OMF/Revenue CAO: Jack D. Graham Bureau Head: Thomas W. Lannom <i>[Signature]</i>	ACTION TAKEN: <i>[Signature]</i>
Prepared by: Kathleen Butler Date Prepared: October 29, 2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date November 7, 2012	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter	

AGENDA TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:00</u> <i>6 of 6</i> Total amount of time needed: _____ (for presentation, testimony and discussion) CONSENT <input type="checkbox"/> REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA		COMMISSIONERS VOTED AS FOLLOWS:	
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	

ORDINANCE NO. 185720 As Amended

*Amend Private For-Hire Transportation Regulations to add new section Paid Passenger Referrals Prohibited (Ordinance; add Code Section 16.40.710)

The City of Portland ordains:

Section 1. The Council finds:

1. The Revenue Bureau and the Private For-Hire Transportation Board of Review (the Board) held a series of public meetings and workshops in 2010 and 2011 regarding the problem of payments that were being solicited or required from hotel staff, and in some case taxi company dispatchers, in return for steering the passenger to a particular taxi or executive sedan vehicle. Testimony was received at these public meetings and hearings from many taxi drivers, as well as from hotel valets and managers.
2. The Revenue Bureau and the Board agree that when a cash payment for a taxi fare is required, the choice of service provider is no longer dependent solely upon the quality, safety, or promptness of the service provider and the public is not served.
3. The Revenue Bureau and the Board have found that fares are sometimes assigned to unpermitted and potentially unsafe vehicles, and customers are sometimes denied the service provider or type they request, or are made to wait longer than they should, as a result of payments for fares.
4. Many taxi drivers testified to the Board, and many drivers have complained to Revenue Bureau staff, that they cannot obtain airport fares at many downtown hotels unless they agree to make a \$5 or \$10 cash payment for each fare to the hotel valet.
5. The practice of requiring payments from drivers in return for assigning fares results in higher taxi costs for taxi customers, who are often tourists and business travelers: the Board heard testimony that drivers may be more likely to take longer routes to the airport than necessary in order to make up these payments.
6. The requirement for payments to hotel valets contributes to driver inequities such as long hours for low pay, and lower net driver income, as documented in the January 2012 Taxi Driver Labor Market Study. Low pay and long hours for drivers are associated with decreased passenger safety.
7. Revenue Bureau staff obtained additional information regarding similar problems in other cities, and noted that several cities had existing prohibitions on such payment arrangements, and several cities had recently added prohibitions against this practice.

8. At their meeting on September 28, 2011, the Private For-Hire Transportation Board voted to recommend that the Council adopt a prohibition against the practice of accepting, soliciting, or requiring payment in return for fares.
9. At their meeting on October 10, 2012, the Private For-Hire Transportation Board voted to affirm their earlier recommendation.
10. The City Council finds that the prohibition of paid passenger referrals is a necessary means of ensuring public safety and welfare with regard to private-for-hire transportation in the City of Portland by (1) protecting the travelling public from inconvenience and illegal fare inflation; (2) protecting the public from unsafe drivers; (3) providing for the safe, fair and efficient operation of for-hire transportation services; and (4) recognizing that the industry constitutes an essential part of the City's transportation system and as such regulation is necessary to insure public safety is protected, the public need provided, and the public convenience promoted.

NOW, THEREFORE, the Council directs:

- a. Add Section 16.40.710 Paid Passenger Referrals Prohibited as follows:
 - A. All private for-hire transportation drivers are prohibited from providing payment to hotel staff, dispatchers, or any other person for referral of a passenger or passengers. The penalties for violation of Subsection 16.40.710 A. are as follows: \$1,500 for the first offense; \$2,000 and 10-day driver permit suspension for the second offense; and \$2,500 and driver permit revocation for the third offense.
 - B. It is prohibited for any person to solicit or accept payment for referral of a passenger to a motor vehicle for hire, or for any person or business, firm, association or corporation to act in concert with or on behalf of another person or persons to solicit or accept payments for the referral of passengers to a motor vehicle for hire. This prohibition does not include payment for legitimate advertising placement, such as placement of flyers or posters, or legitimate commissions provided by tour companies that do not operate on demand. Advertising or commission payments exempted herein must be documented, and said documentation must be provided to the Administrator when requested. The penalties for violation of Subsection 16.40.710 B. are as follows: \$1,500 for the first offense; \$2,500 for the second offense; and \$3,500 for the third and each subsequent offense.
 - C. It is prohibited for any person to solicit or accept gifts and/or gratuities or anything of value from any holder of a City of Portland company, vehicle or driver permit, except as authorized in this Chapter, in return

for any dispatch call, assignment, vehicle or shift. The penalties for violation of Subsection 16.40.710 C. are as follows: \$1,500 for the first offense; \$2,500 for the second offense; and \$3,500 for the third and each subsequent offense.

- D. If a limousine, executive sedan, taxicab, shuttle or other for-hire vehicle is in a marked hotel zone or loading/unloading zone, it is a rebuttable presumption that it is parked there to provide private for-hire transportation services that require a log book entry. Taxis, shuttles, executive sedans and limousines parked in a hotel zone must provide properly documented log book entry when requested by the Administrator. The penalties for violation of Subsection 16.40.710 D. are as follows: \$500 for the first offense; \$1,000 for the second offense; \$2,500 and suspension for the third and subsequent offenses.
- E. Other than for drop off, for-hire vehicles may not park in the hotel zone without a reservation or request for service. Per Section 16.40.460 limousine and executive sedan service must be prearranged. The penalties for violation of Subsection 16.40.710 E. are as follows: \$500 for the first offense; \$1,000 for the second offense; and \$2,500 and suspension for the third and subsequent offenses.
- F. Taxicabs may not park in the hotel zone or loading/unloading zone prior to 15 minutes before pick up for a dispatch or request for service. The dispatched call/request for service must be documented in the required log format, and available for review by any authorized enforcement officer inspecting logs in the field. The penalties for violation of Subsection 16.40.710 F. are as follows: \$500 for the first offense; \$1,000 for the second offense; and \$1,000 and driver permit suspension for the third offense.

Section 2. The Council declares an emergency exist due to a problem where towncars and taxis are getting payments in return for fares and this is undermining the ability of the intent of the laws related to taxis versus towncars and taxis selection based on availability as opposed to payment in return for favored treatment and it creates a safety issue; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: **NOV 07 2012**

Commissioner: Mayor Sam Adams
Prepared by: Kathleen Butler
Date Prepared: October 25, 2012

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland

By:


Deputy

Agenda No. **185720** As Amended
ORDINANCE NO.
 Title

*Amend Private For-Hire Transportation Regulations to add new section Paid Passenger Referrals Prohibited (Ordinance; add Code Section 16.40.710)

NOV 02 2012

INTRODUCED BY
 Commissioner/Auditor:
Mayor Sam Adams

CLERK USE: DATE FILED

COMMISSIONER APPROVAL

Mayor—Finance and Administration - Adams

Position 1/Utilities - Fritz

Position 2/Works - Fish

Position 3/Affairs - Saltzman

Position 4/Safety - Leonard

LaVonne Griffin-Valade
 Auditor of the City of Portland

By:

Deputy

ACTION TAKEN:**BUREAU APPROVAL**

Bureau: OMF/Revenue
 CAO: Jack D. Graham
 Bureau Head: Thomas W. Lannom

Prepared by: Kathleen Butler
 Date Prepared: October 26, 2012

Financial Impact & Public Involvement Statement

Completed ☒ Amends Budget ☐

Portland Policy Document

If "Yes" requires City Policy paragraph stated in document.

Yes ☐ No ☒

Council Meeting Date

November 7, 2012

City Attorney Approval:

required for contract, code, easement, franchise, comp plan, charter

AGENDA**TIME CERTAIN** ☒Start time: **2:00**

Total amount of time needed: _____
 (for presentation, testimony and discussion)

CONSENT**REGULAR** ☒

Total amount of time needed: _____
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA**COMMISSIONERS VOTED AS FOLLOWS:**

		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	

ORDINANCE NO. 185721 As Amended

*Authorize taxi company performance review for permit renewal process and for additional vehicle permit requests (Ordinance; amend Code Sections 16.40.170 and 16.40.210)

The City of Portland ordains:

Section 1. The Council finds:

1. The January 2012 Revenue Bureau Taxi Driver Labor Market Study found that taxi permits have been issued to the same companies for many years, with relatively few performance requirements.
2. The Study also found that there are too few incentives for existing taxi companies to provide adequate services at reasonable cost to drivers.
3. The City of Portland regulates taxi fares and the number of company and vehicle permits, but does not regulate the quality or quantity of services provided to drivers in exchange for substantial payments charged to each driver by the taxi company on a daily, weekly or monthly basis.
4. The Private For-Hire Transportation Board of Review (the Board) held a public meeting solely dedicated to consideration of taxi company performance standards on March 14, 2012.
5. The Revenue Bureau and the Board agree that sustainable conditions for drivers, as well as taxi customer convenience and safety can be improved by regular review of taxi company performance standards regarding: relative value of services provided to drivers, customer phone and taxi wait times, condition of vehicles and equipment, availability of hands-free dispatch and GPS tracking, availability of customer-operated credit card payment machines, levels of service to all trip types (including short trips and service outside the downtown area), quantity and quality of dispatch business provided to driver, level of driver satisfaction with services provided by the company, customer service satisfaction, company complaint procedures, investment in wheelchair accessible and sustainable fuel vehicles, compliance with reporting requirements, innovation, and response to transportation needs of the community.
6. At their meeting on October 10, 2012, the Board voted to recommend to that the City Council adopt of a process whereby each taxi company would be required to meet minimum performance standards as a condition of renewal of a minimum number of vehicle permits, and that addition or renewal of vehicle permits above the minimum will be evaluated in relation to the matrix of performance standards.
7. The City Council finds that regulation of taxi company performance standards is a necessary means of ensuring public safety and welfare with regard to private-for-hire transportation in the City of Portland by (1) protecting public access to modern,

convenient taxi service; (2) protecting the public from unsafe vehicles and drivers; (3) providing for the safe, fair and efficient operation of for-hire transportation services; and (4) recognizing that the industry constitutes an essential part of the City's transportation system and as such regulation is necessary to insure public safety is protected, the public need provided, and the public convenience promoted.

NOW, THEREFORE, the Council directs:

a. Add PCC 16.40.170 G. as follows:

G. Company and vehicle permits will not be renewed if the company does not achieve the minimum score on the matrix of taxi company performance standards. The number of taxi vehicle permit renewals granted will be related to review of the performance standards. Taxi company performance standards will be described by administrative rule.

b. Add PCC 16.40.210 E. as follows:

E. Board review of taxi company requests for additional vehicle permits will include evaluation of taxi company performance standards, as described by administrative rule.

Section 2. The Council declares an emergency exist for the purposes of health safety of drivers and quality of life of drivers; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: **NOV 07 2012**

Commissioner: Mayor Sam Adams

Prepared by: Kathleen Butler

Date Prepared: October 25, 2012

LAVONNE GRIFFIN-VALADE

Auditor of the City of Portland

By: 

Deputy

1261 =

1190

Agenda No. **185721** *As Amended*
ORDINANCE NO.
 Title

*Authorize taxi company performance review for permit renewal process and for additional vehicle permit requests (Ordinance; amend Code Section 16.40.170 and 16.40.210)

INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED NOV 02 2012
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>Sam</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy
BUREAU APPROVAL Bureau: OMF/Revenue CAO: Jack D. Graham <i>[Signature]</i> Bureau Head: Thomas W. Lannom <i>Thomas</i>	ACTION TAKEN:
Prepared by: Kathleen Butler Date Prepared: October 26, 2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date November 7, 2012	
City Attorney Approval: <i>[Signature]</i> required for contract, code, easement, franchise, comp plan, charter	

AGENDA TIME CERTAIN <input checked="" type="checkbox"/> Start time: 2:00 <i>3 of 6</i> Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	

ORDINANCE NO. 185722

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

The City of Portland ordains:

Section 1. The Council finds:

1. ORS 221.495 authorizes cities to regulate rates charged by taxicabs.
2. Portland City Code Chapter 16.40 regulates taxicabs operated within the City of Portland.
3. Portland City Code Section 16.40.290 Taxicab Fare Rates establishes the maximum meter rate which may be charged for taxicab service within City limits.
4. Current maximum meter rates adopted on April 9, 2008, allows for \$2.50 initial charge ("drop rate"), \$2.30 per mile, \$30.00 per hour waiting (stationary) time for one passenger, plus a \$1.00 charge for each additional passenger.
5. The Revenue Bureau is authorized by Portland City Code Section 16.40.290 to perform a rate study annually to determine appropriate maximum meter rates.
6. The City of Portland has not raised the maximum meter rate since April, 2008.
7. Since April, 2008, the consumer price index has increased 5.41%.
8. The Private-for-Hire Transportation Board is authorized by Portland City Code Section 16.40.070 to impose, modify and rescind fuel surcharges.
9. A temporary fuel charge of \$.10 per mile was approved by the Board in January 2011, was raised to \$.20 per mile in March 2011, and has remained in effect since that time.
10. The January 2012 Revenue Bureau Taxi Driver Labor Market Study found that many Portland taxi drivers work long hours for low wages, and that the average driver hourly wage is less than the Oregon Minimum Wage and the 2011 City of Portland Fair Wage.
11. The Taxi Driver Labor Market Study found that low pay and long hours for drivers are associated with decreased passenger safety.
12. At their meeting of October 10, 2012, the Private For-Hire Transportation Board voted to recommend to Council approval of an increased maximum meter rate to make permanent the current \$.20 fuel surcharge, as well as an additional slight increase to account for inflation.

- 887281
13. In conjunction with the Private For-Hire Transportation Board recommendation, Revenue Bureau staff conducted review of taxi meter rates in similar jurisdictions, and found the proposed increase to be comparable to current meter rates in these jurisdictions.
 14. An increase to the maximum taxicab fare rates, in combination with additional regulation of taxi company charges to drivers, will contribute to an increase in net driver wages.
 15. The City Council finds that the regulation of maximum taxi fare meter rates is a necessary means of ensuring public safety and welfare with regard to private-for-hire transportation in the City of Portland by (1) providing reasonable consumer information and protection to the travelling public; (2) protecting the public from unsafe drivers; (3) providing for the safe, fair and efficient operation of for-hire transportation services; and (4) recognizing that the industry constitutes an essential part of the City's transportation system and as such regulation is necessary to insure public safety is protected, the public need provided, and the public convenience promoted.

NOW, THEREFORE, the Council directs:

a. PCC Subsection 16.40.290 A. 2 is hereby amended as follows:

- A. 2. Subsequent to the initial charge provided for in Subsection 16.40.290 A.1., the maximum charges may not exceed ~~\$2.30~~ \$2.60 per mile; and

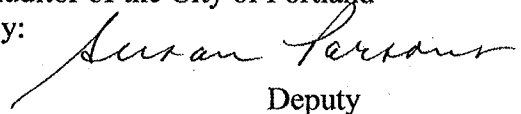
Section 2. This Council declares an emergency because it is necessary that these rates be established as soon as possible. Therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: NOV 07 2012

Commissioner: Mayor Sam Adams
Prepared by: Kathleen Butler
Date Prepared: October 25, 2012

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland

By:


Deputy

1262

✓190

Agenda No. 185722
ORDINANCE NO.
 Title

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

INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>NOV 02 2012</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>[Signature]</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy
BUREAU APPROVAL Bureau: OMF/Revenue CAO: Jack D. Graham Bureau Head: Thomas W. Lannon <i>[Signature]</i>	ACTION TAKEN:
Prepared by: Kathleen Butler Date Prepared: October 26, 2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date November 7, 2012	
City Attorney Approval: <i>[Signature]</i> required for contract, code, easement, franchise, comp plan, charter	

AGENDA TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>2:00</u> 4 of 6 Total amount of time needed: _____ (for presentation, testimony and discussion) CONSENT <input type="checkbox"/> REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)
--

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	—	
Adams	Adams	✓	

ORDINANCE NO. 185723

*Increase taxi company and taxi vehicle fees (Ordinance; amend Code Sections 16.40.590 and 16.40.430)

The City of Portland ordains:

Section 1. The Council finds:

1. Portland City Code Chapter 16.40 regulates taxicabs operated within the City of Portland.
2. Portland City Code Section 16.40.590 Fee Table establishes the application, permit, and renewal fees for taxi company and taxi vehicle permits. Currently, the permit fees for initial taxi company permits are \$1,250 per year and taxi company yearly renewals are \$500. Initial taxi company vehicle fees are \$225 per year, and renewals are \$180 per vehicle per year.
3. The January 2012 Taxi Driver Labor Market Study found that the average potential yearly income via taxi driver payments is \$26,000 per year per vehicle.
4. The Revenue Bureau and the Private For-Hire Transportation Board of Review (the Board) agree that, despite increases in 2009, taxi company permit fees and vehicle permit fees are insufficient to fund the required regulatory oversight, and that additional staff are needed to adequately enforce current ordinances and provide oversight and evaluation of permitted companies.
5. The Board voted on October 10, 2012 to recommend that Council approve an increase in taxi company permit fees, on a sliding scale from \$500 to \$3,000 per year renewal fee, depending on the number of vehicle permits held by the company, in order to fund additional clerical and administrative staff.
6. The Board voted on October 10, 2012 to recommend that Council approve an increase in taxi company vehicle permit renewal fees from \$180 to \$600 per year per vehicle, in order to fund two additional positions for the administration and enforcement of taxi regulations.
7. The City Council finds that the increase in taxi company permit fees is not meant to place an undue burden on taxi drivers in the form of increased daily, weekly or monthly "kitty" payments or other payments required by taxi companies.
8. The City Council finds an increase in taxi company and taxi vehicle permit fees, and the required review and approval by the Director or his or her designee of changes to fees and payments required from taxi drivers, are necessary means of ensuring public safety and welfare with regard to private-for-hire transportation in the City of Portland by (1) providing additional resources for monitoring compliance and

enforcement of regulations related to safety and convenience of the public; (2) protecting the public from unsafe vehicles and drivers; (3) providing for the safe, fair and efficient operation of for-hire transportation services; and (4) recognizing that the industry constitutes an essential part of the City's transportation system and as such regulation is necessary to insure public safety is protected, the public need provided, and the public convenience promoted.

NOW, THEREFORE, the Council directs:

a. PCC Subsection 16.40.590 A. is hereby amended as follows:

A. The following table outlines the fee costs associated with this Chapter.

PERMIT and APPLICATION FEES				
PERMIT TYPE	APPLICATION (nonrefundable)	INITIAL PERMIT	RENEWAL	REPLACEMENT
Taxi/LPT Driver	\$100	\$100	\$100	\$25
Pedicab Driver	\$25	\$25	\$25	\$10
LPT Company	\$250	\$500	\$500	\$75
Taxi Company < 25 permitted vehicles	\$250	\$1,250	\$500	\$75
Taxi Company 25-50 permitted vehicles	<u>\$250</u>	<u>\$1,250</u>	<u>\$1,000</u>	<u>\$75</u>
Taxi Company 50-100 Permitted vehicles	<u>\$250</u>	<u>\$1,250</u>	<u>\$2,000</u>	<u>\$75</u>
Taxi Company > 100 permitted vehicles	<u>\$250</u>	<u>\$1,250</u>	<u>\$3,000</u>	<u>\$75</u>
Pedicab Company	\$100	\$125	\$125	\$75
Taxi Vehicle	N/A	\$225	\$180 <u>\$600</u>	\$75
LPT Vehicle	N/A	<u>\$225</u>	<u>\$180</u>	<u>\$75</u>

Pedicab	N/A	\$25	\$25	\$10
GENERAL FEES				
Moving Decals or Taxiplates to Another Vehicle		\$150		
Temporary Decals During Vehicle Repair		\$25		

- B. Fees are rounded up to a full monthly rate when being prorated for any particular decal, taxiplate or permit, regardless of what date of the month the fee is actually paid on.
- C. For the purposes of this Fee Table Schedule, pedicabs are not considered to be LPT vehicles and are treated separately.
- b. Amend PCC 16.40.430 as follows:
- 16.40.430 Financial and Operating Restrictions Data and Reporting
- c. Add Subsections PCC 16.40.430 D. – F. as follows:
- D. All permitted taxi companies must submit to the Director, or his or her designee, a comprehensive accounting of all current payments required from drivers to the taxi company as of October 1, 2012;
- E. Any payments or fees charged by taxi companies to drivers may not be raised or modified without the review and approval of the Director, or his or her designee, after receiving written application from the taxi company.
- F. The Director or his or her designee will review the application in accordance with the criteria established in Administrative Rule.


Section 2. The Council declares an emergency because it is necessary that these rates be established as soon as possible. Therefore, this ordinance shall be in full force and effect from and after its passage by the Council

Passed by the Council: NOV 07 2012

Commissioner: Mayor Sam Adams
 Prepared by: Kathleen Butler
 Date Prepared: November 1, 2012

LAVONNE GRIFFIN-VALADE
 Auditor of the City of Portland

By:


 Deputy

Agenda No. **185723**
ORDINANCE NO.
 Title

*Increase taxi company and taxi vehicle fees (Ordinance; amend Code Section 16.40.590 and 16.40.430)

INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>NOV 02 2012</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration <i>Sam Adams</i>	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy ACTION TAKEN:
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard	
BUREAU APPROVAL Bureau: OMF/Revenue CAO: Jack D. Graham Bureau Head: Thomas W. Lannon <i>Thomas</i>	
Prepared by: Kathleen Butler Date Prepared: October 26, 2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date November 7, 2012	
City Attorney Approval: <i>KAM</i> required for contract, code, easement, franchise, comp plan, charter	

AGENDA TIME CERTAIN <input type="checkbox"/> <i>5 of 6</i> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	—	
Adams	Adams	✓	



Private For-Hire Transportation Program
Recommendations for Taxi Industry Reform
September 26, 2012

City of Portland Revenue Bureau
Office of Management and Finance

Table of Contents

Background	3
1-Specific Performance Standards for Taxi Companies.....	3
2-Provide a Mechanism for Accident Insurance Coverage for the Driver	3
3-Add Pay-for-Fare Prohibitions to City Code	4
4-Require Up-to-Date Dispatch Equipment.....	5
5-Require Review and Approval of All Charges to Drivers	5
6-Require Back Seat, Customer-Operated Credit Card Processing.....	6
7-Institute Procedures and Add Staff Capacity for Regular Analysis of Key Indicators	6
8-City Sponsored Driver Training	7
9-Raise Taxi Meter Rates	7
10-Raise Fees for Taxi Company and Vehicle Permits to Increase Oversight.....	8
11-Clarify Regulations for Non-Taxi Providers	8
12-Clarify Specially Assisted Transportation (SAT) Operations for Taxi Companies	8
13-Criminalize Unpermitted Taxi Companies from Operating in Portland	9

Background

The Revenue Bureau released a report titled *Taxi Driver Labor Market Study: Long Hours, Low Wages* in January, 2012.¹ This report detailed the many challenges faced by Portland taxicab drivers and in particular, long hours worked for low net income. To address the issue of poor driver working conditions and low net pay, as well as other issues identified during the public comment process following the release of the report, reform of Portland's taxi regulations is necessary. This is especially so as the City seeks to expand the number of permitted vehicles operating in Portland. This document outlines recommended changes to the City's regulation of the taxi industry. Some of the recommendations may need further review by the City Attorney.

1-Specific Performance Standards for Taxi Companies

More specific performance standards are needed to improve taxi service in Portland. The Portland City Council has recognized in several past discussions of requests for new permits that there is need for more specific measures of good performance. Staff agrees that specific performance standards for companies should be linked to the renewal of permits and the ability of existing companies to obtain additional vehicle permits.

We recommend a biennial evaluation of the performance of each company, based upon measurements related to safety, excellent service to drivers and taxi customers, and alignment with other community goals and values. Some examples of performance standards discussed include: relative value of services provided to drivers, taxi customer telephone and taxi wait times, condition of vehicles and equipment, availability of hands-free dispatch equipment and GPS tracking, availability of customer-operated credit card payment machines, service of broad trip type (including "short trips") and trips outside the downtown area, level of dispatch business provided to the driver, level of driver satisfaction with services provided by the company, taxi customer service satisfaction, company complaint investigation procedures, investment in wheelchair accessible vehicles and sustainable fuel vehicles, compliance with reporting requirements, innovation and response to transportation needs of the community.

The Bureau recommends a process whereby each renewing company would be eligible for a certain number of renewal permits if they meet the minimum standards in place. The companies would also be awarded additional vehicle permits sought based upon their score on a matrix of performance standards. The City Council should be provided regular opportunities in the future to review the performance standards, and add new standards or eliminate standards that no longer apply. This allows for consistent policy input from elected officials regarding the desired community standards and services for taxi companies.

2-Provide a Mechanism for Accident Insurance Coverage for the Driver

Insurance coverage is one of the costs often assessed to the taxi company, and recognized in the industry as one of the main benefits (along with advertising and dispatch) provided to the driver in return for the payments made to the company. Portland City Code requires the company to provide liability insurance, accident and vehicle insurance. All motorists in Oregon are required to

¹ The full report can be found on the Revenue Bureau website at <http://www.portlandonline.com/omf/index.cfm?c=57849&a=397492>.

carry accident and injury insurance for all passengers, but longstanding exemptions in State law allow taxi vehicles to operate without this coverage. It has been industry practice in Portland that insurance coverage to pay for medical expenses does not include coverage of medical expenses related to driver injuries resulting from accidents.

This puts the driver at great risk of serious financial difficulty should an accident occur, and makes it difficult for drivers to obtain the care they need to recover from an accident. An injury accident can be devastating for a taxi driver, who may lose the use of the vehicle and may be unable to work for a time. The contract with the company may be terminated if the driver is unable to make weekly payments. Taxi drivers who are in a serious accident may incur significant medical costs not covered by insurance.

The Revenue Bureau recommends review of the feasibility of requiring that injury/accident/medical insurance be required for taxi drivers, along with exploration of potential sources of funding for this coverage. We propose to work with Oregon insurance regulators, the Private-for-Hire Transportation Board (PFHT Board), the Company and Driver Standing Committees, as well as insurance company representatives, to close this loophole in accident coverage for taxi drivers.

3-Add Pay-for-Fare Prohibitions to City Code

In 2011, the PFHT Board held public hearings and discussed the problem of hotel valets and dispatchers requiring payments in return for the more lucrative taxi fares. Long trips, particularly from hotels to the airport, are considered to be the "best" fares by taxi drivers.

When a cash payment to a valet for a taxi fare occurs, the choice of a service provider is no longer dependent solely on the quality, safety or promptness of the service provider. Rather, rides are given to those operators who provide payments to the valet, and, in the past, this has sometimes meant that passengers are placed in unpermitted and potentially unsafe vehicles.

Customers are also denied the service provider or service type they ask for as a result of the payments for fares. PFHT program staff has verified complaints that some valets refused to place customers with the taxi company or driver of their choice, or provided an executive sedan or shuttle when the customer specifically asked for a taxi. This practice has also resulted in customers witnessing disputes on the street between drivers. Customers may also experience delays as the valet waits for a paying taxi driver to appear, even if non-paying taxi drivers are nearby.

A great deal of testimony was received at several PFHT Board meetings regarding the problems with this practice. Many drivers confirmed that they cannot obtain airport fares at many downtown hotels unless they agree to make a \$5 or \$10 payment for each fare to the hotel valet. These payments contribute to taxi driver loss of income. Drivers may be more likely to take longer routes to the airport than necessary in order to make up these payments. Many drivers claim that the same problem exists with some of the dispatchers at the taxi companies, but this claim has not been confirmed by the Bureau.

Several other cities have prohibited the practice of giving or receiving payments in return for taxi fares. Staff has reviewed these ordinances, and prepared language for a similar prohibition. The PFHT Board has recommended that this ordinance go forward for Council approval.

4-Require Up-to-Date Dispatch Equipment

The Taxicab, Limousine and Paratransit Association² has recognized that the “dispatch system is a major factor in the provision of quality of service.” Computer dispatch should be capable of automatically tracking all taxicab vehicles, dispatching the most appropriate, responding to distress signals from the driver, and maintaining dispatch records. Two-way radios and cell phones are inferior methods for dispatching taxi service. Systems that track the driver provide enhanced driver safety. Systems that track the fares provide important reporting for regulators, and, in some cases, expose overcharging or other problems. Up-to-date equipment, with GPS tracking, is also important to providing excellent customer response times and improving driver income.

Portland must increase the requirements for the company dispatch systems. We recommend working with the PFHT Board, the Company Standing Committee, the Driver Standing Committee, and other stakeholders to develop and propose reasonable standards for taxi company dispatch equipment.

5-Require Review and Approval of All Charges to Drivers

Portland City Code prohibits companies from charging drivers a fee for the use of the permit itself. However, companies in Portland charge drivers daily, weekly or monthly “kitty” payments in exchange for the company providing services to drivers, and these charges are often regarded by drivers as a charge for the permit itself. Reasonable and appropriate charges related to the use of a taxi cab include dispatch of taxi fares, insurance coverage, marketing and advertising, vehicle equipment, and credit card/charge account administration and processing.

Throughout the work on the Taxi Driver Labor Market Study, and the series of workshops afterward, it was apparent that companies are charging many other types of fees beyond those listed above. Some examples of other charges include customer complaint fees and some types of company operating costs.

Customer Complaint Fee: Drivers in some Portland taxi companies are charged fees when a customer complaint is filed against them, merely for the investigation of the complaint. Drivers are assessed penalties for City Code violations and this occurs in the absence of notification to City personnel. Drivers report that penalties are sometimes issued without an adequate appeal process being provided. Companies have been advised to refer suspected Code violations to the appropriate PFHT program staff, but currently this is not required in City Code or Administrative rules. No driver should have to pay an “investigation fee” simply because a complaint is received. Penalties for Code violations should be issued by City staff, and include the robust appeal process provided by the Code Hearings Office.

Company Operating Costs: Companies also sometimes pass along company operating costs—such as vehicle permit fees—that should remain with the company (the permitted entity). Although PFHT staff have advised companies that this is evidence of a potential Code violation—charging for the use of the permit—this prohibition should be explicitly provided in Code. Additional

² See <http://www.tlpa.org/>.

clarification of insurance requirements is needed. Companies routinely require the driver to pay deductibles, and expectations regarding these charges should be clarified and standardized.

We recommend that Code include a specific prohibition against taxi companies assessing any fee types to the driver without a specific approval for each fee type and an approved rational basis for the amount charged. Code language should specifically indicate the company services that are expected in exchange for regular driver payments. Additional fees should be reviewed as proposed by the company. This type of restriction is already in place in other cities, including Seattle and San Francisco.

Because the City Code prohibits companies from charging drivers directly for the use of vehicle permits, and because the company is empowered to levy other contractual costs onto drivers *as a function* of holding the permit, and because these charges directly impact the net income of all drivers, the City must more closely regulate and monitor all such charges.

The company performance standard evaluation process proposed above will also provide for a regular evaluation of the services the company is providing to the driver in return for the driver payments

6-Require Back Seat, Customer-Operated Credit Card Processing

While credit card acceptance is currently mandated, it can be inconvenient to use credit cards in some of Portland's taxis. Only one service provider has implemented the back seat, customer operated credit card equipment recommended by the Private-for-Hire Administrator.

Several cities have begun to require that credit card processing is provided with customer activated back seat swipe devices, so that the customer does not have to hand over their card or personal information. These machines are now widely available. Field experience has shown that they provide the added bonus of increasing the overall amount of driver tips. Customers express strong satisfaction with the convenience and safety of these machines. These systems also provide the added benefit of a receipt for the transaction that is linked to the meter fare.

We recommend that a timetable be developed, in cooperation with the PFHT Board and Company Standing Committee, to require implementation of these devices in all permitted taxis.

7-Institute Procedures and Add Staff Capacity for Regular Analysis of Key Indicators

Reliable, quality taxi service has been recognized as an important component of the tourist and business traveler experience, as well as being necessary to provide needed transportation to the elderly and others with special transportation needs. Taxi service is increasingly recognized as a key adjunct to public transportation, and quality taxi service is frequently needed at both ends of other modes of transportation. Taxis have been shown to provide less expensive alternatives in many cases to agency-provided transportation.

Taxi customer call and service wait times have long been recognized as key indicators of the quality of taxi service. The 2008 Demand Study recommended that these items be more carefully analyzed in the future, to provide information regarding demand, as well as customer service.

Because of ongoing shortages in available PFHT program staff for many years, there has been insufficient analysis of these key indicators. Currently, much of the data collected relies upon company self-reports.

We propose that two additional program staff be dedicated to routine monitoring of taxi company telephone busy signals and on-hold times, taxi service wait times from different locations and at different times of the day for each different day of the week. Sufficient staff should be in place to allow this monitoring to become routine and be documented each month. These objective reports will allow for a more accurate assessment of the performance of each company.

Several avenues should be created for evaluating the quality of taxi service, including customer satisfaction surveys, and other methods to increase taxi consumer awareness and input. We propose requiring each permitted vehicle to post a "Passenger Bill of Rights" prominently visible to back seat passengers, as is required in several other municipalities. The "Passenger Bill of Rights" will be provided by the City of Portland, with the seal of the City of Portland and a place to fill in the cab number, and company complaint telephone number, accompanying the City Complaint line phone number.

8-City Sponsored Driver Training

All permitted Portland companies provide training to their drivers, but the content and quality of these training programs is inconsistent. Standards for driver training vary from one company to another. City staff members frequently provide drivers with descriptions of required knowledge that may not have been included in company training. Unfortunately, this instruction often comes after the driver has failed a knowledge test, or after a complaint has been received.

There have been calls for more robust driver training from drivers themselves, from representatives of the tourism industry, and from taxi company managers. Several municipalities have had success providing direct training to drivers. Drivers have called for more direct interaction from City staff on a regular basis. Training at the beginning of the permitting process provides the driver with key information regarding Code requirements and community standards.

We recommend that PFHT staff work with community partners, taxi company managers, drivers, the PFHT Board and Standing Committees, to develop a robust, standardized training program for taxi drivers. In partnership with community agencies, this type of program could well provide essential training in several areas, especially for new drivers that might increase income and job satisfaction.

9-Raise Taxi Meter Rates

The City of Portland has not raised the taxi meter rates since 2008. Temporary fuel surcharges are in effect. The fuel surcharge should be made permanent and rates should be slightly increased to account for inflation. This will translate to better income per hour worked for drivers. Additional review of taxi meter rates in similar jurisdictions must be undertaken prior to implementing this recommendation.

10-Raise Fees for Taxi Company and Vehicle Permits to Increase Oversight

Despite increases in company and vehicle permit fees in 2009, these taxi company permit fees are insufficient to fund the required regulatory oversight. As described in the Taxi Driver Labor Market Study, the average minimum revenue available to companies through driver "kitty" payments is \$26,000 per year, per vehicle. In comparison, taxi company permit fees are \$500 per year for the company, and \$180 per year for each vehicle.

An ongoing complaint of taxi drivers and companies alike is that there are insufficient City resources available to investigate and enforce against unpermitted and noncompliant for-hire transportation providers. In recent years, several staff members have been added, but the enforcement work required to appropriately administer the City's taxi program is greater than the current staff available. Additional staff resources are required to routinely evaluate company performance standards, conduct regular assessments of wait times and other service standards, provide adequate training and feedback opportunities for drivers, and provide adequate on-street enforcement of standards and permit requirements.

We recommend increasing taxi company permit fees to from \$500 to \$3000 per year for the company permit renewal, on a sliding scale, depending upon the number of permits held. We also recommend increasing taxi vehicle permit renewal fees from \$180 per year to \$600 per year. This change will provide increases proportionate to the number of taxi vehicle permits each company holds, thus indexing the increase to potential revenues. This increase can provide the funds necessary to obtain additional clerical and enforcement staff as discussed in this recommendation and recommendation 7 above.

11-Clarify Regulations for Non-Taxi Providers

The PFHT Board has approved new regulations for shuttle service providers, and has begun work on a set of regulations for limousine providers. Each regulated industry segment should be separately referenced and described in City Code.

12-Clarify Specially Assisted Transportation (SAT) Operations for Taxi Companies

As mentioned in the recommendations regarding new taxi permits, several taxi companies are simultaneously operating SAT permits and there are many areas of overlap with taxi service. City Code prohibits the use of meters in these vehicles, but reporting requirements makes the use of meters important to the contracting agency (TriMet). Drivers are sometimes shifted between SAT and taxi service contracts, and the differing work requirements between SAT and taxi service are related to the question of independent contractor versus employee driver. SAT fares provide reliable calls for service, may provide higher driver income when combined with other types of taxi service. The regulations for taxi companies providing SAT service must be clarified. Consideration should be given to converting some of the SAT permits currently held by taxi companies to taxi vehicle permits, based upon contracts and demands for service.

13-Criminalize Unpermitted Taxi Companies from Operating in Portland

Portland City Council passed Code changes July 11, 2012 that criminalized the operation of a taxi cab in Portland without the required permits. These code changes took effect August 10, 2012, and are noted here because it is expected to assist in increasing net driver pay by decreasing illegal taxi cab operation in Portland.

Agenda No.
REPORT NO.
 Title

Status Update Report on Private For-Hire Transportation Program Permits and Reforms

INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales	CLERK USE: DATE FILED <u>MAR 22 2013</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - <u>Hales</u> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland By: <u>[Signature]</u> Deputy
BUREAU APPROVAL Bureau: OMF/Revenue Bureau CAO: Jack D. Graham Bureau Head: Thomas W. Lannom <u>[Signature]</u>	ACTION TAKEN: MAR 27 2013 ACCEPTED
Prepared by: Kathleen Butler Date Prepared: March 11, 2013	
Financial Impact & Public Involvement Statement Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/>	
Council Meeting Date March 20, 2013	
City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	