



CITY OF PORTLAND
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February 21, 2013

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

FROM: Frank Dufay, Private For-Hire Transportation Administrator

RE: Report Regarding Broadway Cab Company Appeal
Recommendation to Affirm Private For-Hire Transportation Board Taxi Permit Decisions

The purpose of Portland City Code regulations regarding private for-hire transportation, as stated in Chapter 16.40, is to provide for the safe, fair and efficient operation of "for-hire" transportation services, without displacing competition with regulation or monopoly public service.

The Revenue Bureau and the Private For-Hire Transportation (PFHT) Board concurred in October 2012 that the cap on City of Portland permitted taxi vehicles, stagnant since 1998, was contributing to gaps in taxi service to the public. Taxi vehicles per population were found to be much lower than comparable cities. Stagnant permit caps were also found to contribute to a lack of competition and innovation within Portland's taxi industry. Some taxi companies are unable to meet demand with current fleet size; smaller companies find themselves unable to keep up with technical advances or grow their business because of the limited income available with a small fleet size. Stagnant permit caps were also found to negatively impact conditions for taxi drivers (Taxi Driver Labor Market Study, attached).

On September 26, 2010, the Revenue Bureau issued a Staff Recommendation Report recommending approval of additional taxi vehicles for three of the five existing Portland taxi companies, as well as recommending approval for a new taxi company (Staff Recommendation Report City of Portland Taxi Vehicle Permits, attached). On October 10, 2012, the Private For-Hire Transportation Board voted by a substantial margin to concur with these recommendations, as well as recommendations for reform of the taxi industry in Portland (Private For-Hire Transportation Program Recommendations for Taxi Industry Reform, attached).

On November 7, 2012, the Portland City Council reviewed the entire package of additional taxi permits and recommended reforms. The Council approved the permits for the *new company* (under Council authority per City Code), along with additional recommendations for reform of the taxi industry (see Recommendations memo, Resolution and Ordinances November 7, 2012, attached).

The authority for issuance of permits for *existing companies* resides with the PFHT Board, not the Council, and therefore the fleet additions for existing companies came back to the Board for a vote on December 12, 2012. The Board voted by a substantial margin to approve fleet additions for Radio Cab (13 taxis), Green Cab (11

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taxis) and Portland Taxi (4 taxis). The Board voted, again by a substantial margin, to deny additional vehicle permits to Broadway/Sassy's Cab (and New Rose City Cab).

Broadway provided no evidence of unmet demand for their taxi services. In addition, several issues regarding SAT permit operation and utilization by Broadway are currently being reviewed by staff and the PFHT Board. Broadway is currently operating nearly 100 SAT vehicles in violation of the conditions under which taxi companies are authorized to operate SAT vehicles. The Board has taken up review of these issues, with a recommendation expected within the next few months.

Broadway Cab Company has appealed the December 12, 2012 PFHT Board decision to deny Broadway Cab's application for additional taxi vehicle permits. Per Portland City Code section 16.40.580, any taxicab company aggrieved by a decision of the Board regarding fleet size increase may appeal to City Council.

The Revenue Bureau has received no documents from Broadway Cab describing the basis for their appeal, despite several requests for this information, and thus our attached reports do not address specific grounds for appeal.

The public process related to these permit requests was significant. Numerous public meetings, including interactive workshops with company and driver representatives, were held from early 2011 through October 2012 (as outlined in Staff Recommendation Report, attached). Best practices in comparable cities and the literature regarding taxi demand were reviewed and discussed by staff and members of the Board. The recommendations for additional permits and industry reform reflected numerous hours of public comment, research and discussions with stakeholders. The PFHT Board and the Council concurred with the recommendations, and work has commenced on implementing the approved reforms.

The Revenue Bureau requests that the City Council uphold the decision of the PFHT Board, and deny the appeal.

Agenda No.
REPORT NO.
Title

Transmit the Revenue Bureau report regarding Broadway Cab appeal of the Private For-Hire Transportation Board decisions of December 12, 2012 regarding fleet expansion requests from existing taxi companies (*Report*)

<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p>	<p>CLERK USE: DATE FILED <u>MAR 01 2013</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales <i>JDA</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p align="center">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p align="center"><i>[Signature]</i> By: _____ Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: OMF/Revenue <i>JDS</i></p> <p>CAO: Jack D. Graham</p> <p>Bureau Head: Thomas W. Lannom <i>Thomas</i></p>	<p>ACTION TAKEN:</p> <p>MAR 06 2013 CONTINUED TO MAR 13 2013 2 P.M.</p>
<p>Prepared by: Kathleen Butler</p> <p>Date Prepared: February 21, 2013</p>	<p>MAR 13 2013 Deny the appeal and uphold the Board decisions</p>
<p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Council Meeting Date March 6, 2013</p>	
<p>City Attorney Approval: required for contract, code. easement, franchise, charter, Comp Plan</p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 2:00 pm</p> <p>Total amount of time needed: 1hr (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

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. Novick	4. Novick	<input checked="" type="checkbox"/>	
Hales	Hales	<input checked="" type="checkbox"/>	