

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

(Deliver original to City Budget Office. 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 (hearing date): March 6, 2013	4b. Calendar (Check One)  <div style="display: flex; justify-content: space-around;"> <span>Regular X</span> <span>Consent <input type="checkbox"/></span> <span>4/5ths <input type="checkbox"/></span> </div>		5. Date Submitted to Commissioner's office and CBO Budget Analyst:
6a. Financial Impact Section: X Financial impact section completed		6b. Public Involvement Section: X Public involvement section completed	

**1) Legislation Title:** Appeal of Private for Hire Transportation Board of Review decision to issue 28 permits to existing taxicab companies and deny application of Broadway Cab for additional taxicab permits.

**2) Purpose of the Proposed Legislation:** : Respond to Broadway Cab appeal of Private for Hire Transportation Board of Review decision to issue 28 permits to existing taxicab companies and deny application of Broadway Cab for additional taxicab permits.

**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                  |                                    |                                    |                                |

**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.

If the appeal of Broadway Cab denying additional permits to the other existing companies is upheld, there would be a reduction of \$16,800 in permit revenue (\$600 annual permit fee multiplied by 28 vehicles) each calendar year. This is revenue that would be paid by the existing taxicab companies. There would be a corresponding decrease in the number of taxicab driver permits issued, at a revenue loss to the City of approximately \$5,600, calculated at 2 driver

permits per vehicle, \$100 per annual permit.

If Broadway's request for 30 additional permits for Broadway Cab and 13 additional permits for Sassy's Cab were upheld on appeal, that would increase Bureau revenue by \$25,800 per year for new taxicab permits, and approximately \$8,600 per year for driver permits.

**5) Expense:** What are the costs to the City as a result of 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 year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. 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.)*

If the appeal is upheld to deny the additional 28 permits for existing taxicab companies besides Broadway, the cost this fiscal year would be approximately \$11,200 in lost revenue; future fiscal years the cost would be approximately \$22,400. If the City Council overturned the decision by the Board to not issue permits to Broadway Cab and Sassy's Cab at this time, the impact for this fiscal year would be an additional \$17,000 in revenue.

**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.)*

It could reduce staffing in the Revenue Bureau by approximately 1/3 FTE.

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

A continuing revenue shortfall of \$22,400 per year could reduce staffing by 1/3 FTE.

*(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

## **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:**

: Appeal of Private for Hire Transportation Board of Review decision to issue 28 permits to existing taxicab companies and deny application of Broadway Cab for additional taxicab permits.

☒ **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?**

If the appeal is upheld this would reduce the availability of taxicab service to City of Portland residents, for which there is existing unmet demand. It would have a negative impact on taxicab company performance and the City's ability to monitor those performance standards.

**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 multiple public meetings in 2011 and 2012 to consider the living standards of taxicab drivers, the state of taxicab service in the City of Portland, and the need for growth and improved safety in the taxicab industry. This included a series of six workshops held by the Board, as well as regularly scheduled Board meetings over the last two years.

All the taxicab companies were involved in these discussions, along with drivers, passengers, minority community members, other city and state agencies, and representatives of those using and needing accessible transportation. The Board involved in this extensive public outreach included representatives from the tourism industry, the Port of Portland, the persons with disabilities community, the riding public, and driver and company representatives.

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

The Board voted, with strong support from the public, in favor of the additional 28 permits being issued, the item being appealed by Broadway Cab.

**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](mailto:Kathleen.Butler@portlandoregon.gov)

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

The Revenue Bureau continues to work with the Company and Driver Standing Committees, and the Board, to monitor the results of the issuance of the 28 permits and their impact on the taxicab industry in Portland.

Thomas W. Lannom, Director, Revenue Bureau



APPROPRIATION UNIT HEAD (Typed name and signature)



**CITY OF PORTLAND**  
OFFICE OF MANAGEMENT AND FINANCE

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Jack D. Graham, Chief Administrative Officer  
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**BROADWAY CAB APPEAL**

**I. Recommendations and Board Motions Regarding Broadway Cab's Request for Additional Vehicle Permits**

The September 26, 2012 Revenue Bureau Staff Recommendation Report for City of Portland Taxi Vehicle Permits were submitted to the Private for Hire Transportation Board and accepted by the City Council on November 7, 2012.

**II. Recommendation Report for City of Portland Taxi Vehicle Permits**

This included recommendations for the new company (Solidarity Cab Cooperative d/b/a Union Cab) and existing company taxi vehicle permit requests for the 6 currently existing cab companies operating in Portland.

**III. Criteria used in Recommendation Report**

Criteria used by the staff in its Recommendation Report and by the PFH Board in its decision with regard to Broadway's application are found on Pages 25-26 of the Report and include reference to the recommendation factors in PCC 16.40.160B.

- 1) The current status of the public transportation system in the City;
- 2) The current and future ability of the public transportation system to provide the timely and effective movement of persons;
- 3) The ratio of population within the City of Portland to the number of taxicabs currently in operation;
- 4) The demonstrated need for additional taxicab service in the City that is not accomplished by existing companies, as shown by the applicant;
- 5) The present utilization patterns of taxicabs currently in operation;
- 6) The interests of the applicant in establishing a local business to legitimately serve the citizens of this City.

In addition, the Recommendation Report and the PFHT Board used criteria found in PFH Administrative Rule 16.40.200-01 regarding Market Saturation Factors including:

- 1) Data specified in the Final Report recommendations of the latest Demand Study.

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*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.*

- 2) The total population of Portland based on population statistics as provided by Portland State University (PSU).
- 3) Travel patterns with regard to the level of dependency on public conveyance based on passenger statistics as provided by Tri-Met, as well as the status of other ground transportation providers.
- 4) The number of airline passengers flying in and out of Portland International Airport (PDX).
- 5) The number of conventions and convention goers in Portland based on statistics as provided by Travel Portland.
- 6) Current number of operational LPT vehicles per industry type in Portland's regulatory jurisdiction.
- 7) Any unforeseen social, economic, or other circumstances that create an unexpected demand or lack of demand for that particular LPT industry type of vehicle.

#### **IV. General Findings for Additional Permits**

The general findings in the Recommendation Report regarding vehicle permits (for both new and existing companies) are numbered 1-8 on pages 26 through 27 of the Staff Recommendation Report City of Portland Taxi Vehicle Permits. Here is a shorter version:

- 1) Statistical demand indicators provide support for issuing new taxi permits;
- 2) Portland lags far behind comparable cities in taxi numbers, negatively impacting service to taxi customers;
- 3) Regulation of taxi numbers must be balanced with the needs for taxi company growth;
- 4) Taxi drivers are a customer of the taxi companies—driver needs comprise a legitimate "demand" factor;
- 5) Stagnant permit caps without performance measures for companies provide insufficient incentives for companies to provide adequate services at reasonable costs to drivers;
- 6) There is a legitimate public interest in guiding standards for taxi company performance;
- 7) Competition between taxi providers improves innovation, value and service to the public;
- 8) Improvements to Portland's taxi permit system should provide gradual opportunities for growth and innovation.

#### **V. Staff Recommendation to Deny Broadway's Request**

- 1) Broadway's lack of any evidence for unmet demand for service by their company;

- 2) The need to resolve outstanding issues surrounding Broadway's operation of 100 SAT permits prior to consideration of any request for additional permits, particularly since reform of SAT regulations might result in additional taxi permits being recommended for Broadway.

## **VI. Board Actions**

On Wednesday, October 10, 2012, the PFHT Board Decision by Motion was:

- 1) Concur with all (Bureau) recommendations for reform, and for the issuance of the (Bureau recommendations for the) first year's permits to existing companies (none recommended for Broadway), with a review and assessment on reforms and status of the industry after one year experience with new permits.
- 2) There was a clarification by a Board member that this motion includes the intention for resolution of issues surrounding taxi company operations of specially assisted transportation permits, with the potential for conversion of SAT permits to taxi permits for Broadway. There was also a clarification that no permits would actually be granted by the Board to existing companies until after the Council reviewed the entire package of recommendations on November 7.

This motion carried on a motion of 9 in favor to 1 opposed, with 2 abstentions and 1 absent.

On December 12, 2012, the Board Decision motion was:

- 1) Deny the Broadway application for additional permits, as per the September 26 Revenue Bureau recommendations and previous October 10 Board decision.

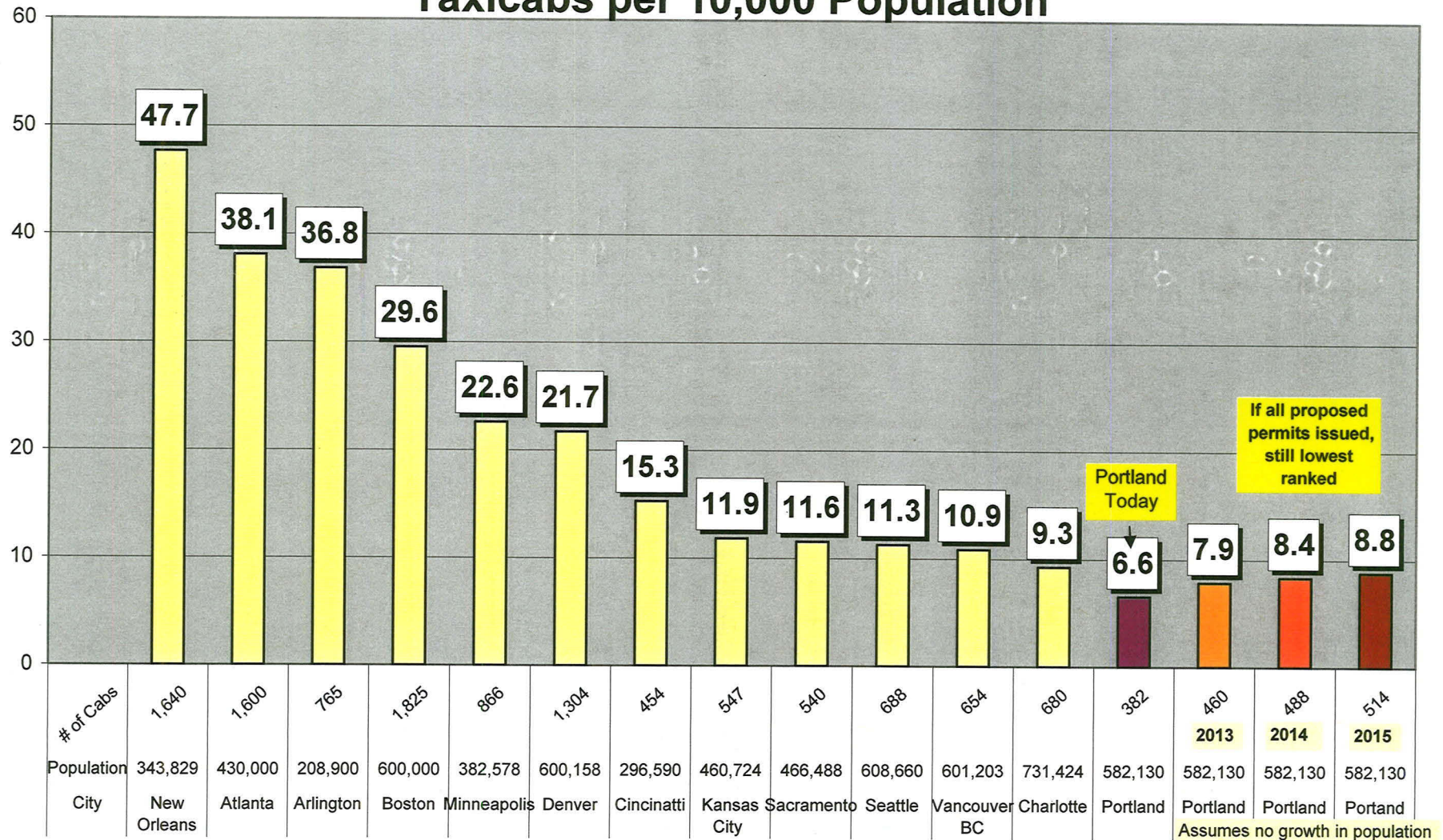
This motion carried on a vote of 7 in favor to 2 opposed, with 1 abstention and 3 absent.

- 2) There was the same motion made for the Sassy's request, which carried on a vote of 8 in favor to 1 opposed, with 1 abstention and 3 absent.



REVENUE  
BUREAU  
3-6-13

## Taxicabs per 10,000 Population





**Parsons, Susan**

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**From:** Moore-Love, Karla  
**Sent:** Wednesday, March 13, 2013 3:11 PM  
**To:** Parsons, Susan  
**Subject:** 229 motions

*MARCH 13, 2013*

Motion #1

Saltzman motion seconded by Hales:

**Council modify the board's December 12, 2012 decision to allow more taxicabs with the condition that Broadway Cab receive an additional 10 permits to operate permitted cabs in Portland**

**N-4, Y-1 Saltzman Motion Failed**

Motion #2

Fritz motion seconded by Fish:

**Deny the appeal and uphold the board's decision**

**Y-5**