187092 As Amended

*Revise Private For-Hire Transportation regulations pertaining to taxi companies and Transportation Network Service operators (Ordinance; amend Code Chapter 16.40 and add Code Sections 14B.50.060 and 14B.50.065).

The City of Portland ordains:

ORDINANCE No.

Section 1. The Council finds:

- 1. The purpose of the City of Portland's Private For-Hire Transportation Program (PFHT) is to provide for the safe, fair and efficient operation of private "for-hire" transportation services;
- 2. The City Code defines private for-hire transportation as providing vehicular, horse-drawn carriage or pedicab transportation for compensation of any kind within the Portland City limits. However, it does not include transportation provided by a public or governmental entity, transportation that is regulated entirely by the state of Oregon or the federal government;
- 3. The City of Portland has a responsibility to ensure the safety and reliability of vehicles for-hire as a matter of public concern and has the authority, delegated by ORS 221.495, to license, control and regulate privately owned vehicles for hire operating within the City of Portland;
- 4. The private for-hire market has significantly changed as consumer demands have evolved and as Portland experiences population growth and a thriving tourism industry;
- 5. An ECONorthwest study found that in 2013, Portland had 7.5 taxis per 10,000 residents in 2013, the second-lowest among 10 cities in the study.
- 6. Six of the ten cities in the ECONorthwest study had taxis available at twice the rate as Portland;
- 7. New models of for-hire transportation have emerged in response to changing markets and consumer demand;
- 8. City Council has defined a new PFHT business models as "Transportation Network Companies" (TNCs) under section 16.40.030 of City Code;
- 9. The City of Portland's private for-hire transportation network is made up of different modes of PFHT service with different business models, privileges and regulatory burdens, and that each type of service serves an essential role in the overall city-wide transportation network;

- 10. The City has an interest in ensuring that each type and mode of PFHT provider complies with City regulations that protect public health, safety, consumer protection, morals or general welfare;
- 11. Transportation Commissioner Steve Novick convened a 12-member, community PFHT Innovation Task Force (Task Force) to provide guidance and recommendations on how the City's PFHT regulatory program should evolve and respond to new developments in the industry, including the entry of TNCs;
- 12. The Task Force has met ten times since January 2015 and has heard from taxi drivers, taxi companies, TNC drivers, TNC companies and the general public;
- 13. The Task Force convened a Listening Session for PFHT drivers and a Community Forum for the general public;
- 14. The Task Force is recommending a two-phase approach to reform PFHT regulations;
- 15. The Task Force recommends that Phase 1 include a 120-day pilot program, during which time TNC permits will be made available, regulations for taxi companies will be modified and market data will be collected and analyzed;
- 16. The Task Force recommends that during Phase 2, the Task Force will assess market data and solicit public input that will inform recommendations for an overhaul to all of the City's PFHT rules;
- 17. The Task Force's final report is expected in July 2015 with regulatory recommendations for all modes of for-hire transportation, including taxicabs, TNCs, accessible for-hire transportation service, Limited Passenger Transportation companies, pedicabs and shuttles;
- 18. The Task Force's Phase 1 recommendations were presented to Council on April 9, 2015;
- 19. City Council met in worksession regarding private for hire transportation on April 14, 2015;
- 20. The PFHT Innovation Pilot Program (Pilot Program), outlined in administrative rules to City Code Section 16.40 is necessary to implement the Task Force recommendations in order to ensure public safety and consumer protections in light of the evolving private for-hire transportation;
- 21. The Pilot Program will allow permitted Transportation Network Companies to operate in the City of Portland and create parity, where possible, between the permitted taxi companies and TNCs to avoid any prejudice to the interests of affected parties;
- 22. This Pilot Program is necessary to provide sufficient private for-hire supply to meet currently unmet public demand and to meet demand for accessible ride service;

- 23. The Pilot Program will allow the City to gather critical market and industry data in to improve all aspects of the City's PFHT regulations and the Portland's transportation network;
- 24. The Pilot Program will be detailed under administrative rules to City Code section 16.40 and will establish specific taxi and TNC requirements for the following: Equity and inclusion, vehicle inspections, driver background checks, insurance, driver training and testing, permit fees and penalties, minimum standards of service, local agents of service, fare rates and pricing, vehicle signage/notices, street hailing and taxi stands, and data reporting;
- 25. That Council and the Task Force is committed to improving for-hire transportation service for people with disabilities;
- 26. That failure to comply with the Pilot Program requirements will result in penalties and/or a revocation of a Pilot Program permit;
- 27. Under Chapter 16.40 operating private for-hire vehicles without permits is a criminal offense, subjecting the operator to arrest and vehicle impoundment;
- 28. In order to provide greater deterrence, the City believes that continued violations of the criminal provisions of Chapter 16.40 and the property that is used to commit such prohibited conduct should be subject to civil forfeiture.

NOW, THERFORE, the Council directs:

a. The Code Section is amended in Sections 16.40.030, 16.40.090, 16.40.100, 16.40.110, 16.40.190, 16.40.210, 16.40.270, 16.40.280, 16.40.290, 16.40.300, 16.40.370, 16.40.450, 16.40.540 and 16.40.590 and add Code Sections 14B.50.060 and 14B.50.065, as set forth in Exhibit A.

Section 2. Council declares that an emergency exists because a delay in the City's approval would impair the City's ability to fulfill its obligation to ensure the safety and reliability of vehicles for-hire as a matter of public concern. Therefore this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, APR **2** 1 2015 Commissioner Steve Novick Prepared by: Bryan Hockaday Date Prepared: 4-16-2015

Mary Hull Caballero Auditor of the City of Portland Ausan Various By Deputy

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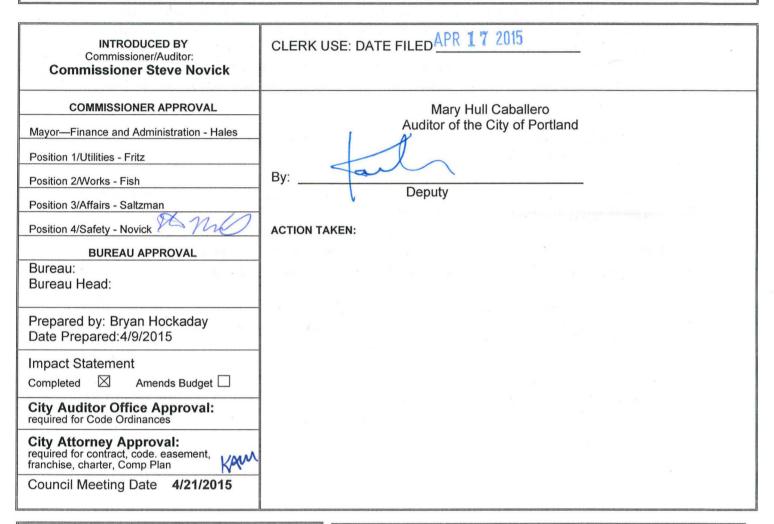
187092 As Amended ORDINANCE

V140

Title

Agenda No.

*Revise Private For-Hire Transportation regulations pertaining to taxi companies and Transportation Network Service operators (Ordinance; amend Code Chapter 16.40 and add Code Sections 14B.50.060 and 14B.50.065).



AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
TIME CERTAIN ⊠ Start time: 5:00 PM			YEAS	NAYS
Total amount of time needed: <u>2 hrs</u> (for presentation, testimony and discussion)	1. Fritz	1. Fritz		
	2. Fish 🔶	2. Fish	\checkmark	
CONSENT	3. Saltzman	3. Saltzman	\checkmark	
REGULAR	4. Novick	4. Novick	\checkmark	
Total amount of time needed: (for presentation, testimony and discussion)	Hales	Hales	\checkmark	