

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

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

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

**1) Legislation Title:** 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)

**2) Purpose of the Proposed Legislation:** This ordinance amends Portland City Code by providing for the review of performance standards for taxi companies when considering annual permit renewal and requests for additional taxi vehicles.

**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)?**

- City-wide/Regional       Northeast       Northwest       North  
 Central Northeast       Southeast       Southwest       East  
 Central City  
 Internal City Government Services

**FINANCIAL IMPACT**

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

No.

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

The development of and review of taxicab performance standards will require additional staff time, which is intended to be paid for by an increase in permit fees.

**6) Staffing Requirements:**

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

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

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

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

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

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

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>

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

**PUBLIC INVOLVEMENT**

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

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

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

**9) If “YES,” please answer the following questions:**

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

Sustainable conditions for drivers, as well as taxi customer convenience and safety, can be improved by regular review of taxi company performance standards. It is expected that having performance standards will better help us have a modern convenient taxi service, where the public is protected from unsafe drivers and vehicles, and drivers are getting better services for what they are paying for.

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

The Private For-Hire Transportation Board of Review (the Board) held several public meetings in 2011 and 2012 to consider the working and economic conditions of Portland taxi drivers. A public workshop dedicated to the topic of taxi company performance standards was held on March 14, 2012, and additional discussion occurred at an open topic meeting on March 22, 2012. In addition to extensive testimony from taxi drivers, Board members include representatives of the riding public and the tourism industry.

The January 2012 Revenue Bureau Taxi Driver Labor Market Study (the Study) found that large weekly payments from the driver to the company are a major factor in the low net income and long working hours of the professional taxi driver. The Study was widely distributed and publicized. The Revenue Bureau initiated a public comment process, which included (1) sending the Study via email to a list of 1,128 stakeholders, with solicitation of written comments; (2) the Study was posted on the Revenue Bureau website, with an easy-to-use comment form; (3) copies of the Study were distributed to taxi drivers at the Driver Standing Committee, at other informal meetings with drivers, at the airport backfield, and when drivers visited the Revenue Bureau for permit renewal and other business; (4) The Study findings were discussed at the January 25, 2012 and February 22, 2012 Board meetings, which were well attended and included many comments from taxi drivers and other members of the public; (6) 259 completed comment forms were received online and 580 paper comment forms were received; (7) A series of workshops was held by the Board to discuss specific topics related to taxi driver compensation; (9) the

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

The Private For-Hire Transportation Board (the Board) held several public meetings in 2011 and 2012 to consider how taxi permits should be allocated between existing and new companies. In addition to extensive testimony from drivers about the practices of the currently permitted companies, Board members that include representatives of the riding public, TriMet, the Port of Portland, and Travel Portland discussed the issue at several Board meetings.

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

The Taxi Driver Labor Market Study Found that the oversupply of taxi drivers relative to the limited number of tightly-held taxi permits creates artificially poor market conditions for drivers, with too few incentives for companies to provide adequate services for at reasonable cost to drivers. The need for evaluation of specific performance standards, and the need to link that evaluation to permit renewal were identified as a key requirement in order to improve conditions for drivers and service for taxi customers. There was determined to be widespread support for improving the taxi industry through the use of performance standards.

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

The Revenue Bureau, Regulatory Division manager, Board members, drivers, and staff have all contributed to the design and implementation of the public process.

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

Kathleen Butler, 503-865-2486  
[Kathleen.Butler@portlandoregon.gov](mailto:Kathleen.Butler@portlandoregon.gov)

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

Specific performance standards and the taxi company evaluation process will be discussed at public Board meetings and workshops. Administrative rules defining specific performance standards will be developed through the public process.

Thomas W. Lannom



BUREAU DIRECTOR (Typed name and signature)



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

Revenue Bureau  
 Thomas W. Lannom, Director  
 111 SW Columbia St., Room 600  
 Portland, Oregon 97201  
 (503) 823-5154  
 FAX (503) 279-2669  
 TTY (503) 823-6868

**FOR MAYOR'S OFFICE  
 USE ONLY**

**DATE:** November 7, 2012

**TO:** Mayor Sam Adams

**FROM:** Thomas W. Lannom, Revenue Bureau Director

**RE:** 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)

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

**7. BACKGROUND/ANALYSIS**

The Revenue Bureau (the Bureau) January 2012 Taxi Driver Labor Market Study found that taxi permits have been issued to the same companies for many years, with relatively few performance requirements. The Study also found that there are too few incentives for existing taxi companies to provide adequate services at reasonable cost to taxi drivers. The City of Portland current regulates taxi fares and the number of company and vehicle permits, but does not regulate the quality or quantity of services provided to taxi drivers in exchange for large driver payments to the company. During a series of meetings in 2011 and 2012, the Private For-Hire Transportation Board of Review (the Board) also discussed and identified additional standards on which taxi company performance should be evaluated as part of the company permit renewal process. The Bureau and the Board agree that sustainable conditions for drivers, as well as taxi customer service and safety, can be improved by regular review of taxi company performance standards. On September 26, 2012, the Bureau issued Private For-Hire Transportation Program Recommendations for Taxi Industry Reform. The Board voted on October 10, 2012 to concur with the thirteen recommendations for reform, including the proposed increase to taxi company and vehicle permit renewal fees.

**8. FINANCIAL IMPACT**

This legislation has no financial impact to the General Fund.

**9. RECOMMENDATION/ACTION REQUESTED**

The Bureau respectfully requests that the ordinance be passed in order to improve taxi service and taxi driver working conditions.

*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.*

[www.portlandonline.com/omf/revenue](http://www.portlandonline.com/omf/revenue)