



## Staff Report

**File #:** 17-209

**Version:** 1

**Date:** 5/8/2017

**Item #:** 7.2 b.

**TO:** Mayor and City Council

**FROM:** Steve Powers, City Manager

**SUBJECT:**

Vehicles for hire, taxis, and transportation network companies, Engrossed Ordinance Bill No. 3-17 amending SRC chapter 30.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

**ISSUE:**

Shall City Council advance Engrossed Ordinance Bill No. 3-17, amending SRC chapter 30 relating to vehicles for hire, taxis and transportation network companies, to second reading for enactment?

**RECOMMENDATION:**

Advance Engrossed Ordinance Bill No. 3-17 to second reading for enactment.

**SUMMARY AND BACKGROUND:**

In August 2015, City Council amended SRC Chapter 30 to allow for operation of transportation network companies, such as Uber and Lyft, within the City Limits. Around the time City Council passed the amendments, Uber ceased operation within the City and there are no transportation network companies ("TNC") currently operating within Salem.

On January 9, 2017, Council directed staff to prepare amendments to the Salem Revised Code to better allow TNCs to operate in Salem.

In early March, staff provided a future report to City Council along with a copy of the ordinance bill. Staff also sent a copy of the draft ordinance to Yellow Cab, Uber, and Lyft. Council conducted a public hearing on April 24, 2017, and voted to engross the ordinance consistent with draft amendments presented at the meeting, and advance the engrossed ordinance to second reading.

**FACTS AND FINDINGS:**

Engrossed Ordinance:

Below is a summary of the proposed changes to the engrossed ordinance:

- 1) 30.705(b) - Driver records. Requires companies to provide driver records to the City pursuant

to a bi-annual audit requirement in SRC 30.720, instead of promptly on demand by the City.

- 2) 30.705(c) - Sex offender registry. This change clarifies that a person on a sex offender registry is prohibited from being a taxi or TNC driver for as long as the person is on the registry.
- 3) 30.710(c) - Insurance - Removes City's authority to impose different insurance requirements than those provided by the code, unless the requirements are imposed by the State.
- 4) 30.715(b) - Modifies the "marking" requirements for TNC vehicles. Requires taxis to be clearly marked with the company name or logo, phone number and vehicle ID. Requires TNC vehicles to simply be marked by the company name or logo, in addition to the requirement that the TNC application display for the passenger, the make, model, and license plate number for the TNC vehicle.
- 5) 30.720 - Modifies the audit section to limit records provided under an audit to 30 driver records chosen at random by the TNC or Taxi Company. Retains language that allows the City access to records related to investigation of a specific alleged violation of the SRC, or other law.

Further modifies the section to allow Taxi Companies or TNCs to designate records provided to the City as confidential, and requires the City to maintain them as confidential records, subject to Oregon public records law.

- 6) 30.725(a) - Removes a redundancy in the section regarding violations.

#### Licensing Fee:

SRC 30.700(e) of the engrossed ordinance states that the application fee for the company shall be based on "the number of drivers operating for the Taxi Company or TNC at the time of the application, and shall be intended to account for the City's costs in administering the requirements of the chapter."

The City's current fee for Taxi Companies and TNCs is \$82.50, with a similar charge to each driver applying for a license. Until the Taxi Companies and TNCs have begun operating under the new regulations, it is difficult to determine the City's administrative costs, and thus difficult to determine the fee. The City of Bend, which recently adopted a similar ordinance, has established annual fees of \$285 for Taxi Companies, and \$680 for TNCs, based on an estimate of administrative costs.

The current \$82.50 fee will be maintained through June 2017. A different fee may be proposed in June when Council considers the City's fee schedules. SRC 30.735 allows currently licensed Taxi Companies to maintain their current license until January 1, 2018, or apply for a new license immediately.

**Attachments:**

1. Attachment 1- Engrossed Ordinance Bill No. 3-17
2. Attachment 2 - Comparison Table
3. Attachment 3 - Background Check Comparison