

Meeting Date: 9/3/2013

Report Type: Staff/Discussion

Report ID: 2013-00663

Title: Nine-Month Moratorium on the Issuance of Taxicab Vehicle Permits

Location: Citywide

Issue: The City continues to explore regulatory options to limit the number of permitted taxicab vehicles and reduce the environmental impact of the permitted taxicab vehicles. Extension of the existing two-year moratorium for an additional nine months will provide adequate time to present research findings and possible code updates to the Law and Legislation Committee and City Council for consideration.

Recommendation: Pass an Ordinance imposing a nine-month moratorium on the issuance of taxicab vehicle permits.

Contact: Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance

Presenter: Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance

Department: Finance

Division: Revenue Administration

Dept ID: 06001211

Attachments:

1-Description/Analysis

2-Ordinance

City Attorney Review

Approved as to Form
Steve Itagaki
8/27/2013 10:26:54 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
John Colville
8/16/2013 12:21:32 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 8/21/2013 2:10:44 PM

Description/Analysis

Issue Detail: On August 4, 2011, the City Council adopted an ordinance to place a two-year moratorium on new taxicab vehicle permits while staff researched how best to regulate the taxi industry. Staff has completed the research and developed recommendations; however, the Law and Legislation Committee has not had an opportunity to act on these recommendations. The moratorium needs to be kept in place until updated regulations are adopted; otherwise, the Sacramento taxi industry may increase the number of underutilized taxicabs operating within the City limits. Staff estimates the code updates will be completed within nine months.

Policy Considerations: City Council has been concerned with the number of taxicabs in the downtown area and requested the City Manager research how best to regulate the industry. City Council placed a moratorium on additional taxicab vehicle permits to allow staff adequate time to research the issue. Staff is recommending that the moratorium continue until the results of the research can be considered by the Law and Legislation Committee and the Council.

Economic Impacts: None

Environmental Considerations: The proposed ordinance change is exempt from the California Environmental Quality Act (CEQA) because it does not have the potential to cause a significant impact on the environment (CEQA Guidelines §15061(b)(3)).

Sustainability: There are no sustainability considerations applicable to the formation of the ordinance change.

Commission/Committee Action: This ordinance has been deemed urgent by the City Manager. Therefore, review by the Law and Legislation Committee is not required prior to review and adoption by the City Council.

The Law and Legislation Committee is scheduled to hear the recommended changes to taxi regulations on September 3, 2013, at 3:00 pm. Staff will receive direction, draft the recommended ordinance changes, and present the revised ordinance to the Committee at a later date.

Rationale for Recommendation: Underutilized taxicabs in the Sacramento downtown area has been a long-standing City concern. The City Manager was directed to research taxi regulations and provide recommendations to protect public health, safety, and welfare by reducing the environmental impact of taxicabs and enhancing taxi service to the public. Staff is recommending that the moratorium stay in place until new regulations can be adopted by City Council.

In lieu of the ordinance being passed for publication prior to adoption by the council, the ordinance will be published in the official newspaper of the City within 10 days after adoption by the council. (City of Sacramento Charter §32(d).)

Financial Considerations: None

Emerging Small Business Development (ESBD): This change to the ordinance will not result in any direct contracts with Emerging and Small Business Development.

ORDINANCE NO.

Adopted by the Sacramento City Council

Date Adopted

**AN ORDINANCE IMPOSING A NINE MONTH
MORATORIUM ON THE ISSUANCE
OF TAXICAB VEHICLE PERMITS**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1. Findings and Purpose

The City Council of the City of Sacramento finds and declares as follows:

- A. On August 4, 2011 the City Council adopted Ordinance number 2011-034 which imposed a two-year moratorium on the issuance and approval of taxicab vehicle permits. The moratorium was imposed to protect the public health, safety, and welfare by prohibiting the issuance of more taxicab vehicle permits while the City studied whether new taxicab regulations were needed to limit the number of permitted taxicab vehicles and reduce the environmental impact of the permitted taxicab vehicles.
- B. The City continues to explore regulatory options to limit the number of permitted taxicab vehicles and reduce the environmental impact of the permitted taxicab vehicles. An increase in the number of permitted taxicab vehicles while the regulations are being studied and considered would defeat the objectives of any such regulations.
- C. City staff is scheduled to bring a report to the Law and Legislation Committee regarding a number of options and recommendations for regulating the taxi industry.
- D. The purpose of this ordinance is to protect the public health, safety, and welfare by prohibiting the issuance of more taxicab vehicle permits while the City studies whether new taxicab regulations are needed to address the issues described above.

SECTION 2. Moratorium

During the term of this ordinance, the City of Sacramento shall not issue or approve any taxicab vehicle permit.

SECTION 3. Scope

Notwithstanding the moratorium set forth in Section 2 above, the City of Sacramento may issue a taxicab vehicle permit in the following circumstances:

- A. If a taxicab vehicle permit is valid on the effective date of this ordinance, the City may renew that permit.
- B. If a person sells a vehicle that has a valid taxicab vehicle permit, the City may issue the new owner a taxicab vehicle permit for that vehicle.
- C. If a person replaces a vehicle that has a valid taxicab vehicle permit, the City may issue a taxicab vehicle permit for the replacement vehicle, if the taxicab vehicle permit for the replaced vehicle is simultaneously forfeited.

SECTION 4. Term

The term of this ordinance shall be nine months from its effective date, and shall thereafter have no further force and effect.