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## City of Alexandria, Virginia

### MEMORANDUM

DATE: NOVEMBER 12, 2014

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: RASHAD M. YOUNG, CITY MANAGER *FOR*

FROM: YON LAMBERT, AICP, ACTING DIRECTOR, TRANSPORTATION & ENVIRONMENTAL SERVICES

SUBJECT: TAXICAB RECOMMENDATION PRIOR TO NOVEMBER BIENNIAL REVIEW

The purpose of this memo is to: 1) Update City Council on the City Manager's recommendations for proceeding with the biennial taxicab review scheduled in November and 2) Respond to questions raised by City Council regarding taxis at the September 13, 2014 public hearing.

As noted at the public hearing, a biennial review is a requirement in Section 9-12-31 of the City Code. However, this year's review is occurring during a period of uncertainty in the taxicab industry due to the simultaneous consideration at the state-level of new regulations for so-called Transportation Network Companies ("TNCs") such as Uber and Lyft. As Council is aware, this proposal is the subject of a state-level work group comprised of industry stakeholders convened by the Department of Motor Vehicles (DMV). City staff anticipates a proposal to the 2015 General Assembly that will include State Code changes whereby the DMV will regulate the TNCs and leave taxicab regulation to the local governments.

With this in mind, staff from the Department of Transportation & Environmental Services (T&ES), the City Attorney's Office and the City's Legislative Director believe it will take time for the DMV to develop new regulations for TNCs pursuant to the working group process referenced above. Once these regulations have been proposed, it will take additional time for staff to analyze those new regulations and develop meaningful changes to the City's regulatory structure. However, staff will be proposing several changes to code during the biennial review to improve and modernize the Alexandria taxi industry.

Since this will require careful consideration and engagement with local stakeholders, staff will prepare a memorandum in about the fall of 2016 for City Council as part of the biennial taxicab review, analyzing potential impacts of TNCs on the City and the next steps to ensure residents have viable transportation options during this transitional period.

At the September public hearing, Members of Council also asked several questions about downsizing the taxicab fleet. Although downsizing the fleet is best done during a biennial review, staff also proposes that City staff not recommend cab reductions during the 2014 review (which is planned to come to Council in early 2015). Alexandria is not yet experiencing significant impacts from TNCs and recommending reductions would be premature at this time. Reducing the fleet means putting drivers out of work and this should be carefully considered prior to making any changes. While there is nothing in City Code preventing the City from making changes outside the biennial review, the biennial review is the best time to do this because staff is already performing an in-depth analysis of the industry and can look comprehensively at impacts. If, however, there is a sudden and drastic change in the market that requires an immediate response, the City Manager can take action outside of the biennial review to right-size the fleet.

In the 2016 review, staff will consider possible changes to the local taxicab regulatory structure. This would likely serve to make the driver approval process, vehicle approval process and other administrative elements of the City's regulation of taxicabs similar, where appropriate, to whatever or close to what the State adopts for TNCs. These changes would potentially help "level the playing field" in terms of getting new drivers or vehicles in service. However, these local changes cannot be proposed until the State adopts its TNC regulatory scheme.

In conclusion, the taxicab market needs time to stabilize to the introduction of TNCs and it is important for the City to closely monitor and proceed methodically, both in terms of assessing the impact of TNC service on the need for taxicabs in the City and any appropriate changes to our local taxicab regulatory structure. As TNCs make inroads into Alexandria, we hope that taxi companies will make changes to better compete in the new environment. Yellow Cab is already in the process of introducing a new reservation app that is more advanced than the app used by Uber. The Alexandria taxicab companies have not reported any significant loss in marketshare and it is unclear how much of an impact TNCs will have on the Alexandria market.

Staff believes the 2016 biennial review will be the appropriate time to reevaluate the size of the Alexandria fleet after the TNC impact can be better understood. This will provide time for the market to stabilize and trends to become apparent. Staff will, however, monitor the market in 2015 when the taxi companies provide their dispatch records to the City as a key part of the biennial review process.

cc: Mark Jinks, Deputy City Manager  
Christopher Spera, Deputy City Attorney  
Bernard Caton, Legislative Director  
Sandra Marks, AICP, Deputy Director/Transportation, T&ES  
Bob Garbacz, Division Chief/Traffic Engineering, T&ES

**Gloria Sitton**

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**From:** Jackie Henderson  
**Sent:** Tuesday, January 13, 2015 10:28 AM  
**To:** Allison Silberberg; William Euille; Del Pepper; Jane McDonald; John Chapman; Justin Wilson; LaShawn Timmons; Lillian Thompson; Mark McHugh; Nancy Lacey; Nancy Lavalley; Paul Smedberg; Timothy Lovain; Wendy Donohue  
**Cc:** Mark Jinks; James Banks; Gloria Sitton; Laura Triggs; Debra Collins; Emily Baker; Kilo Grayson; Yon Lambert  
**Subject:** FW: Docket Item #24- Supplemental Material for City Council  
**Attachments:** 11.12.14 Memo re\_Taxicab Recommendation Prior to November Biennial Review....pdf

Please see the attached for tonight's meeting docket - item #24, the taxicab ordinance.

-----Original Message-----

From: Yon Lambert  
Sent: Tuesday, January 13, 2015 10:13 AM  
To: Jackie Henderson  
Cc: Emily Baker; Sandra Marks; Bob Garbacz  
Subject: Docket Item #24- Supplemental Material for City Council

Hi Jackie,

Mark and Emily request that we send the attached memo to City Council as supplemental material for Docket Item #24 on tonight's agenda. This memo was originally sent to City Council via email from Julie Fuerth on behalf of Rashad on November 12, 2014. Please let me know if you need any additional information.

Thanks,  
Yon

Yon Lambert, AICP  
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# City of Alexandria, Virginia

## MEMORANDUM

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THROUGH: RASHAD M. YOUNG, CITY MANAGER *RM*

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