Jackie Henderson

1-10-17

From:

Yon Lambert

Sent:

Tuesday, January 10, 2017 11:58 AM

To:

Justin Wilson

Cc:

City Council; Mark Jinks; Emily Baker; Carrie Sanders; Bob Garbacz

Subject:

Re: Biennial Taxi Review

Vice Mayor Wilson,

Thank you for your questions regarding the biennial taxi review. Staff works to put the City in line with neighboring jurisdictions in terms of regulating the taxicab industry, but as with all other jurisdictions, market conditions are causing major shifts in the industry. Please find the following response to your questions below.

- 1) The docket item mentions that we should increase the amount of time an authorization can be vacant from 90 days to 18 months. Cited in support for that is the fact that several accessible cabs have been terminated from service. Why not just extend the vacancy time for accessible cabs? Why do we constantly pull back from mechanisms in the Code that would allow for an organic reduction in the industry size? The main reason staff proposes to extend the vacancy limits from 90 days to 18 months is to be consistent with surrounding jurisdictions (surrounding jurisdictions also do not distinguish vacancy limits between accessible cabs and non-accessible cabs). The request to extend authorizations allows for regional consistency, so that Alexandria does not disproportionately compound pressure on the taxicab industry relative to neighboring jurisdictions. Organic reductions based on vacancies will still occur, only at a slower rate that will provide the industry with a more graceful transition.
- 2) The Traffic & Parking Board memo indicated that GoGreen Cab was unable to provide dispatch records. Doesn't the Code require that? How are they still in compliance with their certificate? Yes, the code requires dispatch records and GoGreen will be placed on probation if they are unable to provide the required dispatch records by the end of this month
- 3) The memo notes that TNC's are doing well due to the availability of vehicles, and cites the "limited number of cabs." There seems to be a disconnect for me here. We have 730 cabs on the streets (30 vacancies). That's 100 more than Fairfax County! How is it we have a limited number of cabs? What is the average daily service hours for these vehicles? Where are they? The reference to the limited number of cabs is in comparison to the number of vehicles available through TNC's. One of the reasons TNCs do well is that they have oversaturated the market with drivers and can have a car on location within five minutes of a request. There are approximately 143,000 TNC cars in northern Virginia compared to the 2,260 taxicabs. The Alexandria taxicab market has 760 cabs distributed among six cab companies. The largest Alexandria company, Yellow Cab, only has 279 cabs that serve the City 24 hours a day, 7 days a week throughout Alexandria but they do not have enough cabs to compete with the 5 minute response times of TNCs.
- 4)The memo calls for a "paradigm shift" for the correct number of cabs. Do we want the industry bigger or smaller? The industry needs to be able to adjust itself to right size, based on the market and competitive forces, that best serves the public good. The proposed Code Changes seek to make Alexandria in line with neighboring jurisdictions and not disproportionately affect the industry relative to the region, but at the same time let market conditions shape the future of the industry.
- 5) Every two years, we keep saying something to the effect of "TNC's are taking over. We need to watch and see how we should react." When are we going to actually do something? These seem to be all changes designed to help the taxi cabs tread water for another year, not actually provide any sort of competition to the TNCs. This issue is bigger than the Alexandria taxicab market. Uber is a 40 Billion Dollar company that operates world-wide. Taxicab companies can only operate in their respective jurisdictions and this really hinders a company's ability to compete in the Washington D.C. market where there are multiple jurisdictions. Staff has approached the other Virginia jurisdictions about developing a liberal reciprocity agreement that would allow Virginia cabs to freely operate in all the Virginia jurisdictions. Staff has also met with the Alexandria Taxicab companies as well as with the drivers looking for ways to improve demand for service. Yellow Cab is changing their operation to compete with TNCs and is developing an Uber like ride app and has negotiated arrangements with taxicab companies in other Northern Virginia jurisdictions to use that app to provide a seamless service across jurisdictional boundaries. Through the proposed Code changes, the City can bring Alexandria in line with neighboring jurisdictions and not disproportionately affect the industry relative to the region but it is up to the taxicab companies to improve demand for their service.

6) What is the status of the airport taxi license regime? I recall they had capped their numbers for a while. Is that still the case? The airport still has a cap on the number of taxicabs allowed at the airport and is not issuing any new taxi licenses.

Best Regards,

Yon Lambert, AICP
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From: Justin Wilson

Sent: Monday, January 9, 2017 12:20 AM

To: Yon Lambert

Cc: Emily Baker; James Banks Subject: Biennial Taxi Review

Yon,

I had a few questions on the biennial taxi industry review on our docket for Tuesday:

- 1) The docket item mentions that we should increase the amount of time an authorization can be vacant from 90 days to 18 months. Cited in support for that is the fact that several accessible cabs have been terminated from service. Why not just extend the vacancy time for accessible cabs? Why do we constantly pull back from mechanisms in the Code that would allow for an organic reduction in the industry size?
- 2) The Traffic & Parking Board memo indicated that GoGreen Cab was unable to provide dispatch records. Doesn't the Code require that? How are they still in compliance with their certificate?
- 3) The memo notes that TNC's are doing well due to the availability of vehicles, and cites the "limited number of cabs." There seems to be a disconnect for me here. We have 730 cabs on the streets (30 vacancies). That's 100 more than Fairfax County! How is it we have a limited number of cabs? What is the average daily service hours for these vehicles? Where are they?

The memo calls for a "paradigm shift" for the correct number of cabs. Do we want the industry bigger or smaller?

- 4) Every two years, we keep saying something to the effect of "TNC's are taking over. We need to watch and see how we should react." When are we going to actually do something? These seem to be all changes designed to help the taxi cabs tread water for another year, not actually provide any sort of competition to the TNCs.
- 5) What is the status of the airport taxi license regime? I recall they had capped their numbers for a while. Is that still the case?

Thanks. I suspect I'll want to discuss this a bit on Tuesday evening.

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