



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 03/04/03
AGENDA ITEM 4
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Chief of Police
SUBJECT: Revisions to the City of Hayward Taxicab Ordinance

RECOMMENDATION:

It is recommended that the City Council introduce the attached revisions relating to the operation of taxicabs in the City.

BACKGROUND:

The Hayward Municipal Code deals with the operation of public motor vehicles, including taxicabs, within the City of Hayward. The existing ordinance has been in effect since 1979 with one revision in 1998.

At the beginning of 1995, there were three taxicab companies operating in Hayward. As of January 2003, there are twelve taxicab companies operating in the City, and ninety-three taxi drivers licensed by the City. With the growth in the number of businesses, the Police Department has experienced an increase in the number of complaints from residents, taxi drivers and company owners. In July of 2001 the taxi drivers and owners went to a City Council meeting requesting an updated ordinance similar to San Francisco's ordinance.

OVERVIEW OF ORDINANCE CHANGES:

There are three proposed changes to the existing ordinance. All proposed changes would provide better public service and safety to the public from the taxicab companies doing business in Hayward. The three proposed changes are in the areas of vehicle certificates of compliance, financial responsibility and radio dispatch.

Vehicle Certificates of Compliance:

Under the current ordinance there is no cap on the number of cabs that can operate in the City at one time. Taxicabs currently sit at various taxi stands for over one and one half hours before a customer uses the cab. There has never been a complaint filed against a taxicab

company that a taxicab took too long to pick up a customer. However, because of increased competition for the same customer taxicab companies violate other sections of the ordinance in order to keep the company economically sound. For example, taxicab drivers have been offering customers a flat fee to drive the customer to their destination rather than using the meter.

There are currently 68 yearly vehicle certificates of compliance. The amendment to the ordinance would reduce that number from 68 to 50 yearly vehicle certificates through attrition. Once the 50 yearly vehicle certificates are reached, 50 yearly vehicle certificates will be maintained until the needs of the public require more. This is based on one cab for every three thousand people.

Currently vehicle certificates of compliance expire throughout the year from the date of issue, whenever the issue occurred. Amending the ordinance would make all certificates expire on December 31 of each year. This change would aid both the Police Department and taxicab companies in keeping taxicabs current and in safety compliance. Changing all certificates to expire on December 31 of each year would be accomplished by extending the time the current certificates are valid.

Financial Responsibility:

In order to best protect the motoring public and residents of Hayward, the financial responsibility section of the taxicab ordinance needs to be amended to require a minimum of \$500,000 for each incident. Currently the ordinance requires taxicab companies to carry the minimum coverage established by the vehicle code, which is \$15,000/\$25,000 for each incident. A survey of neighboring cities resulted in coverage from \$500,000 to \$1,000,000 for each incident.

In order to ensure that each taxicab is insured, it is necessary to amend the ordinance to require that each vehicle must be described in the insurance policy.

Radio Dispatched:

Several taxicab companies do not have a radio permitting a two-way communication with a radio dispatch service. Amending the ordinance to require a radio permitting a two-way communication with a radio dispatch service would not only protect the customer but the driver also. Having the two-way dispatch service would aid in the various companies' record keeping process.

On Thursday, February 13, a public meeting was held at the Hayward Police Department. Letters were sent to all owners of taxicab companies on contract with the City, and the meeting notice was published in the newspaper. Four people were in attendance. All were in favor of the recommended changes to the Taxi Ordinance, with the exception of the radio dispatch requirement to which three were opposed.

CONCLUSION:

The purpose of these revisions is to assure that all the taxicab companies operating in the City provide a safe environment for their passengers. These changes will give the Police Department the ability to bring all of the companies into compliance. It is recommended that the City Council introduce the attached amendments to the ordinance relating to the operation of taxicabs.

Prepared by:



Steve Akacsos, Traffic Bureau Sergeant

Recommended by:



Craig H. Calhoun, Chief of Police

Approved by:



Jesús Armas, City Manager

Exhibits: Draft Ordinance

DRAFT NH 2/2/05

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 6, ARTICLE 5 OF THE HAYWARD MUNICIPAL CODE BY AMENDING CERTAIN PORTIONS OF SECTIONS 6-5.01, DELETING SECTION 6-5.01(c)(4), RENUMBERING EXISTING SECTIONS 6-5.08 AND 6-5.09, AND INSERTING A NEW SECTION 6-5.07, RELATING TO THE OPERATION OF TAXICABS IN THE CITY OF HAYWARD

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Chapter 6, Article 5, Sec. 6-5.01, of the Hayward Municipal Code is hereby amended by adding the following sentences to the first paragraph: "The City Council finds that the public convenience and necessity require that one taxicab be available for approximately each 3,000 residents or a portion thereof. The holder of a taxicab owner's permit shall have a minimum of five taxicabs as provided in section 6-5.01(a)(3) of this code."

Section 2. Chapter 6, Article 5, Sec. 6-5.01, subparagraph (a)(3) is hereby amended to read in full as follows:

"(3) Proof that a taxi owner applicant is prepared to operate with at least five four-door vehicles large enough to assure the comfort and safety of the passenger(s), together with a description of every motor vehicle the applicant proposes to use, including trade name, vehicle identification number, state license number, seating capacity, and body style;"

Section 3. Chapter 6, Article 5, Sec. 6-5.01, subparagraph (c)(4), is hereby deleted in its entirety.

Section 4. Chapter 6, Article 5, Sec. 6-5.01, subparagraph (d) is hereby amended to read in full as follows:

"(d) Each certificate issued hereunder shall expire on the 31st day of December of each year, and may be renewed by filing by filing with the City Manager, or his or her designee, an application for renewal, at least 30 days prior to expiration. Said application for renewal shall be subject to investigation pursuant to section 6-5.01(b) of this code. If there are no material changes and the provisions of this code have been satisfied, the certificate shall be renewed. In the event the Chief of Police finds material changes in the owner's operation, the renewal application shall be considered as a new application.

Section 5. Chapter 6, Article 5, Sec. 6-5.01, subparagraph (f), is hereby amended to read in full as follows:

“(f) Proof of Financial Responsibility Required.

“(1) It shall be unlawful to drive or operate any public motor vehicle in the City unless the owner thereof shall have obtained a vehicle liability insurance policy or policies from an insurance company authorized to issue such policies under the laws of the State of California, insuring the vehicle operation by the owner and covering each vehicle insured under such policy or policies. Each vehicle insured shall be designated by number and State license number. Such policy of insurance shall guarantee the payment to any and all persons suffering injuries or damage to personal property of any final judgment rendered against such owner or driver within the policy limits set forth in section 6-501(f)(2) of this code. Evidence of such insurance shall be by written certificate or certificates of such insurance corporation, including a separate endorsement naming the City of Hayward as an additional insured, filed with the City Clerk. Failure to maintain motor vehicle liability insurance as provided herein shall be grounds for immediate revocation of the certificate.

“(2) The motor vehicle liability policy required by this section shall insure the owner and any other person using or responsible for the use of any such vehicle, with the consent, express or implied, of the owner against loss from the liability imposed upon such owner by law for injury to or death of any person, or damage to property, growing out of the maintenance, operation or ownership of any taxicab. The policy must comply with the following minimum coverage:

“(i) Personal injury to or death of any one person, \$100,000 and subject to the limit of \$100,000 for each person injured or killed, \$450,000 for such injury to, or the death of two or more persons in any one accident;

“(ii) Damage to property, \$25,000 for any one occurrence;

“(iii) In lieu of the requirements in (i) and (ii) above, combined single limit coverage of \$500,000.

“Every certificate evidencing the insurance required under the provisions of this section shall certify that the motor vehicle liability policy or policies evidenced shall not be canceled except upon 30 days prior written notice thereof to the City Attorney's Office.

“All motor vehicle liability policies and all certificates thereof shall be subject to the approval of the City Attorney in any and all matters, and if at any time, in the judgment of the City Attorney, the motor vehicle policies are not sufficient for any cause, the City Attorney may require the owner to replace the motor vehicle policies within 10 days with other policies in accordance with the provisions of this section. If the owner fails to replace the motor vehicle policies within the 10-day period with good and sufficient policies, as set out in this section, then the City may suspend the owner's certificate until the requirement is complied with or the certificate is revoked.”

Section 6. Chapter 6, Article 5, Sec. 6-5.01(h) is hereby amended to read in full as follows:

“(h) Transferability. No certificate of compliance issued under this chapter shall be assignable or transferrable unless the prior approval of the Chief of Police is first had and obtained. Prior to presenting the proposed assignment or transfer to the Chief of Police, the person to whom the permit is intended to be assigned or transferred shall first file a statement with the Chief of Police setting forth on such statement the information required to be furnished by an original applicant, together with such additional information as the Chief of Police may request. Within five days after receipt of such statement, the Chief of Police shall make an investigation, and shall either approve or disapprove the assignment or transfer within 30 days after the filing of the statement.”

Section 7. Chapter 6, Article 5, Sec. 6-5.08 (“PENALTIES”) is hereby renumbered as Sec. 6-5.09.

Section 8. Chapter 6, Article 5, Sec. 6-5.09 (“APPEALS”) is hereby renumbered as Sec. 6-5.10.

Section 9. Chapter 6, Article 5, is hereby amended to add a new section, Sec. 6-5.07, to read in full as follows:

“SEC. 6-5.07. RADIO DISPATCH. A comprehensive and adequate telephone and two-way radio dispatch system will be maintained at all times on a 24-hour basis. Such system shall include, either on the owner’s premises or by a business elsewhere under contract to the owner, the operation of a telephone answering line and an operator in charge thereof devoted primarily and promptly answering telephone calls requesting cabs and to dispatching cabs by radio in response to such calls. The owner will have 180 days from the date of permit issuance, to have the telephone and two-way radio dispatch system in operation. The Chief of Police may extend the time for compliance on a showing that, for reasons beyond the control of the owner, compliance is not possible within 180 days. In the interim, the owner will have in place an adequate system to

handle calls for service, i.e., cellular telephone, answering service, or pager. Failure to comply with this requirement is grounds for immediate suspension or revocation of the certificate.

Section 10. SEVERANCE. Should any part of this ordinance be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 11. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of _____, 2003, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward held the ____ day of _____, 2003, by the following votes of members of said City Council.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward