

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

WORKSHOP SUMMARY

Meeting Date: February 28, 2012
Department: Department of Public Safety
Submitted By: Department of Public Safety
Submitted For: Division of Consumer Affairs

I. EXECUTIVE BRIEF

Title: Vehicle For Hire (VFH) Industry status update regarding additional amendments to the VFH ordinance and discussion regarding implementation of long term solutions to help regulate future expansion of the Vehicle for Hire industry.

Summary: In response to the Vehicle for Hire (VFH) industries concern regarding the number of companies operating in our County, on May 25, 2011, Palm Beach County implemented a moratorium capping the numbers of VFH companies operating in Palm Beach County which totals approximately 600. Since last May, staff has held over 12 meetings with the VFH committee to address numerous issues affecting the industry and to standardize the fees currently accessed to VFH companies permitted to operate within our county. Some immediate short term solutions were identified and implemented and additional solutions have been identified and will be presented to the Board for direction. In addition, the VFH committee will be discussing some long term solutions that will be presented to the Board for direction such as the development of a lottery program or franchise/ medallion program which will help regulate future expansion of our VFH industry. To provide sufficient time to develop such a program, the VFH industry is also requesting the Board extend the current moratorium scheduled to expire May 25, 2012 for an additional 12 months.

Background and Policy Issues: There are over 600 Vehicle for Hire companies currently operating in Palm Beach County. This number far exceeds Broward and Dade county which has a greater population than our county. The Board directed staff to work with the VFH industry to address these issues.

Attachments:

- 1. VFH Power Point presentation of issues and recommendations

Recommended by: Vincent Bonvento 2/23/12
Department Director Date

Approved By: Vincent Bonvento 2/23/12
County Administration Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
Net Fiscal Impact	<u>0</u>	_____	_____	_____	_____

ADDITIONAL FTE POSITIONS (Cumulative) *N/A* 0 0 0 0 0

Is Item Included In Current Budget? Yes _____ No _____

Budget Account Exp No: Fund _____ Department _____ Unit _____ Object _____
 Rev No: Fund _____ Department _____ Unit _____ Object _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Departmental Fiscal Review: Stephanie Sepioha 2/23/12

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

[Signature] 2/24/12
 OFMB
 2/23/12
 2/24/12
 2/23/12

[Signature] 2/24/12
 Contract Administration

B. Legal Sufficiency:

[Signature] 2/24/12
 Assistant County Attorney

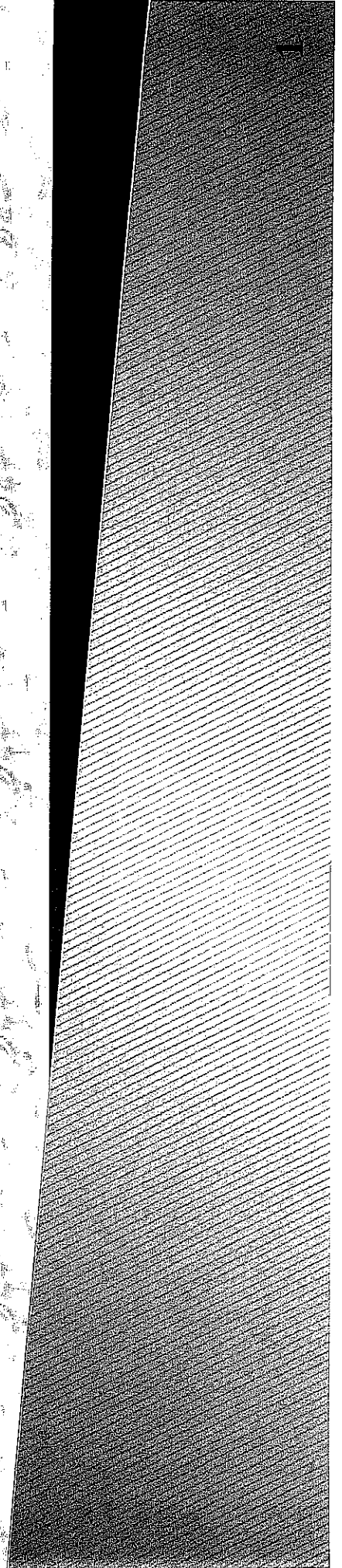
C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.



VEHICLE FOR HIRE WORKSHOP





GOAL AND MISSION

**OUR GOAL AND MISSION IS TO ESTABLISH A WELL
FUNCTIONING VEHICLE FOR HIRE INDUSTRY THAT
CAN BE A VALUABLE RESOURCE FOR THE COUNTY
AND ITS RESIDENTS, VISITORS, AND BUSINESS
TRAVELERS**

MAIN ISSUES

The excessive number of vehicle for hire companies trying to serve a minimum number of downtown locations, residential communities, hotels, marinas and airport is more than the industry warrants.

**TOTAL VEHICLE
FOR HIRE
COMPANIES
OPERATING IN 2011**

**TOTAL NUMBER
OF VEHICLE
PERMITS ISSUED
IN 2011**

601

2,841

The current Vehicle for Hire licensing requirement criteria is too lax, and needs to be enhanced.

VEHICLE FOR HIRE ADVISORY COMMITTEE

The Vehicle for Hire Committee has worked with Public Safety Staff for almost one year to identify and provide professional input, feedback, and expertise to both staff and the County Commissioners on matters and issues related to the Vehicle for Hire Industry.

The Advisory Committee's main responsibility was to protect the safety and welfare of Palm Beach County residents and visitors and to improve the professionalism of all Vehicle for Hire companies and drivers.

There are a total of thirteen (13) Vehicle for Hire Committee members. Eight (8) committee members represent the Vehicle for Hire Industry, and five (5) members represent the Palm Beach County Community.

Members

Brock Rosayn - Chair

Ray Garcia - Vice-chair

Willy Sainvil

Lorraine Wilde

Sandy Benjamin

Crystal Oliveros

Franck Saragossi

Joe Davis

James T. Waldron Jr.

Ray Walter

Capt. Thomas Mitchell

Phillip Shapkin

Deputy John Cardascia

Industry

Representation

Large Taxi companies

Limousine companies

Small Taxi companies

Large Sedan companies

Small Sedan companies

Large Non-Medical

Small Non-Medical

Large Vehicle for Hire Company

Consumer Affairs Hearing Board

PBIA

Municipal League of Cities

Emergency Medical Services

Palm Beach County Sheriff's Office

ACTIONS AND ACCOMPLISHMENTS

12 Vehicle for Hire committee and sub-committee meetings were held between March 30, 2011 and January 30, 2012.

Ideas and concerns were discussed, and some possible immediate "short term" recommendations were identified. Staff and the Vehicle for Hire Committee have also identified several additional options for the "long term" goals to establish procedures to help reduce the number of companies and vehicles in Palm Beach County.

It was agreed that staff will continue to work with the Vehicle for Hire Committee to establish an effective, efficient, and safe Vehicle for Hire industry that will also provide some economic viability for Vehicle for Hire Companies and drivers.

BCC actions taken to date regarding the Vehicle for Hire Industry:

Implemented a Moratorium beginning May 25, 2011, for six (6) months to prevent the acceptance of applications for new vehicle for hire business permits. The Moratorium was subsequently extended on November 25, 2011, for an additional six months and shall expire on May 25, 2012.

Established standardized rates and fee structures for business permits, vehicle decals, and driver ID badges.

Established the ability to implement a Special Master to enforce the provisions of and initiate proceedings of the Vehicle for Hire Ordinance.

Created a new category for a "Luxury Sedan" to further define the differences in rules/operations between taxis limousines, and standard sedans.

Established restrictions to prevent false, misleading or deceptive advertising.

Eliminated Municipal Exemption credit allowed for companies operating within cities.

OVERVIEW OF THE VEHICLE FOR HIRE INDUSTRY

Palm Beach County currently has a very open entry system that has enabled large numbers of taxi and sedan companies to operate. As a result the system has also created an over abundance of vehicles, particularly in the taxi and sedan category. Some companies provide "exclusive" service and dedicate 100% of their entire fleet to a specific category of service, while others provide "multi-category" services and maintain a variety vehicles (i.e. taxis, sedans, limousines, vans, etc).

Company Type	Number of Companies Operating in 2011	Percentage of Total Companies Operating in 2011	Number of Vehicle Permits Issued in 2011	Percentage of Vehicle Permits Issued in 2011
TAXI	89	15%	794	28%
SEDAN / SUV	384	64%	1406	50%
LIMOUSINE	54	9%	212	7%
VAN/SHUTTLE	45	7%	296	10%
NON-MEDICAL WHEELCHAIR & STRETCHER	29	5%	133	5%
TOTAL	601	100%	2841	100%

OVERVIEW OF THE TAXI INDUSTRY

In 2011, 89 taxi companies operated 794 permitted vehicles. The majority of these companies, (77) provide "exclusive" taxi service and maintain no other types of vehicles in their fleet. These companies represent 87% of the taxi industry.

In addition to taxi services, 12 other companies provide multi-services with sedans/SUV's, van/shuttles, and limousines.

FLEET SIZE OF COMPANY	NUMBER OF EXCLUSIVE TAXI COMPANIES	NUMBER OF MULTI-SERVICE COMPANIES	TOTAL COMBINED COMPANIES
*0 cars	6	0	6
1 car	23	0	23
2 cars	9	2	11
3 cars	8	1	9
4 cars	2	0	2
5 cars	7	0	7
6 to 10 cars	10	3	13
11 to 15 cars	8	2	10
16 to 25 cars	0	2	2
26 to 50 cars	3	1	4
50 plus	1	1	2
TOTAL COMPANIES	77	12	89

* Companies currently licensed with no vehicles in operation.

OVERVIEW OF THE SEDAN/SUV INDUSTRY

In 2011, 384 sedan/SUV companies operated 1,406 permitted vehicles. The majority of these companies, (292) provide "exclusive" sedan/SUV service and maintain no other types of vehicles in their fleet. These companies represent 76% of the sedan/SUV industry.

In addition to sedan/SUV services, 92 other companies provide multi-services with limousines, van/shuttles, and taxis.

FLEET SIZE OF COMPANY	NUMBER OF EXCLUSIVE SEDAN/SUV COMPANIES	NUMBER OF MULTI-SERVICE COMPANIES	TOTAL COMBINED COMPANIES
* 0 cars	11	0	11
1 car	168	0	168
2 cars	55	9	64
3 cars	30	10	40
4 cars	15	6	21
5 cars	6	7	13
6 to 10 cars	7	39	46
11 to 15 cars	0	7	7
16 to 25 cars	0	3	3
26 to 50 cars	0	6	6
50 plus	0	5	5
TOTAL COMPANIES	292	92	384

* Companies currently licensed with no vehicles in operation.

OVERVIEW OF THE LIMOUSINE INDUSTRY

In 2011, 54 limousine companies operated 212 permitted vehicles.

Twenty (24) of these companies provide "exclusive" limousine service and maintain no other types of vehicles in their fleet. These companies represent 44% of the limousine industry.

In addition to limousine services, 30 other companies provide multi-services with sedans, van/shuttles, and taxis.

FLEET SIZE OF COMPANY	NUMBER OF EXCLUSIVE LIMOUSINE	NUMBER OF MULTI-SERVICE COMPANIES	TOTAL COMBINED COMPANIES
* 0 Limo	4	0	4
1 Limo	15	0	15
2 limos	1	18	19
3 limos	1	4	5
4 limos	1	1	2
5 limos	1	1	2
6 to 10 limos	1	6	7
11 to 15 limos	0	0	0
16 to 25 limos	0	0	0
26 to 50 limos	0	0	0
50 plus limos	0	0	0
TOTAL COMPANIES	24	30	54

* Companies currently licensed with no vehicles in operation.

OVERVIEW OF VAN/SHUTTLE COMPANIES

In 2011, 45 companies operated 296 permitted vehicles. The majority of these companies, (35) provide "exclusive" van/shuttle service and maintain no other types of vehicles in their fleet. These companies represent 78% of the van/shuttle industry.

In addition to van/shuttle services, 10 other companies provide multi services with sedans/SUV's, taxis, and limousines.

Overall, the total number of Van/Shuttle Companies and the total number of vehicles has not had a significant impact on the industry.

FLEET SIZE OF COMPANY	NUMBER OF EXCLUSIVE VAN/SHUTTLE COMPANIES	NUMBER OF MULTI-SERVICE COMPANIES	TOTAL COMBINED COMPANIES
* 0 cars	2	0	2
1 car	23	0	23
2 car	7	1	8
3 car	2	4	6
4 car	0	1	1
5 car	1	2	3
6-10 car	0	2	2
11-15 car	0	0	0
16-25 car	0	0	0
26-50 car	0	0	0
TOTAL	35	10	45

* Companies currently licensed with no vehicles in operation.

OVERVIEW OF THE NON-MEDICAL WHEELCHAIR AND STRETCHER TRANSPORTATION COMPANIES INDUSTRY

In 2011, 29 companies operated 133 permitted vehicles. These companies, provide "exclusive" non-medical wheelchair and stretcher transportation services and maintain no other types of vehicles in their fleet.

Non-Medical Transportation companies account for a small number of vehicles in the industry.

FLEET SIZE OF COMPANY	NUMBER OF EXCLUSIVE NON-MEDICAL COMPANIES	NUMBER OF MULTI-SERVICE COMPANIES	TOTAL COMBINED COMPANIES
1 car	11	0	11
2 cars	3	0	3
3 cars	5	0	5
4 cars	1	0	1
5 cars	0	0	0
6-10 cars	6	0	6
11-15 cars	1	0	1
16-25 cars	2	0	2
26-50 cars	0	0	0
50+	0	0	0
TOTAL	29	0	29

OVERVIEW OF OUT OF COUNTY COMPANIES LICENSED TO OPERATE IN PALM BEACH COUNTY

129 of the 601 Vehicle for Hire Companies licensed in Palm Beach County operate their businesses from other counties (Broward, Miami-Dade, Martin, St. Lucie, and Indian River). These companies account for approximately 22% of the total companies and about 25% vehicles. 86 of these companies provide exclusive service and maintain no other types of vehicles in their fleet.

In September 2008, in an effort to reduce the number of out of county companies, the Vehicle for Hire Ordinance was amended to require all new out of county companies not licensed in Broward or Miami-Dade to establish a commercial business location or residential home office in Palm Beach County.

All companies licensed prior to September 2008, were grandfathered and exempt from this requirement. 106 out of county companies were exempted, and only 27 became licensed after September 2008. 86 of the 129 companies operate exclusively as sedan, limousine, van/shuttle, non-medical or a taxi companies.

Out of County Companies provide transportation services primarily to and from the airport, and Palm Beach County generates over \$70,000 in revenues from the licensing and airport fees.

COUNTY	NUMBER OF COMPANIES	NUMBER OF VEHICLES
Broward	80	448
Martin	16	47
Miami-Dade	12	92
St. Lucie	15	44
Indian River	6	31
TOTAL	129	664

FLEET SIZE	NUMBER OF EXCLUSIVE	NUMBER OF MULTI-SERVICE	TOTAL COMBINED
1 car	48	0	48
2 cars	21	8	29
3 cars	8	4	12
4 cars	6	4	10
5 cars	3	6	9
6-10 cars	0	15	15
11-25 cars	0	2	2
26-50 cars	0	2	2
50+ cars	0	2	2
TOTAL	86	43	129

OUT OF COUNTY COMPARISION

Compared to other Florida Counties, Palm Beach County has significantly more companies per population

County and Population (Based on 2010 census)	Total Companies and Vehicles	Non-Medical Companies and Vehicles	Taxi Companies and Vehicles	Sedan/SUV Companies and Vehicles	Limo Companies and Vehicles
PBC 1, 320,134	601 companies 1841 vehicles	30 companies 133 vehicles	86 companies 794 vehicles	265 companies 1406 vehicles	103 companies 212 vehicles
Broward 1,748, 066	349 companies 2018 vehicles	Not regulated	10 companies 887 taxis	108 companies 393 sedans	*231 companies with a total of 172 limos, vans and shuttles
Miami-Dade 2,496, 435	386 companies 3,827 vehicles	Not regulated	37 companies 2,105 taxis	100 companies 629 sedans	66 companies 128 limousines
Hillsborough 1,229, 226	279 companies 1,733 vehicles	Not regulated	23 companies 633 taxis	*184 companies with a total of 808 sedans and limousines tracked under the same license.	
Duval -City of Jacksonville Metro area 1,345,596	132 companies 1,024 vehicles	Not regulated	7 companies 663 taxis	*125 companies with a combined total of 361 sedans, limos, vans/shuttles	

*- These counties track and/or categorize limousines, vans and shuttles and sedans under the same license.

CREATING AN EFFECTIVE, EFFICIENT AND SAFE VEHICLE FOR HIRE INDUSTRY

Issues:

There is an excessive number of taxi and sedan companies trying to serve a minimum number of downtown locations, residential communities, airport, hotels and marinas, and the lax licensing requirement criteria has allowed for easy access in the open entry system.

The current Moratorium eliminates any new applications for Vehicle for Hire Companies. However, the current Ordinance has allowed for a proliferation of taxis and sedans which presents a major challenge to limit the number of vehicles and companies currently operating in our County.

Solutions and Goals:

To continue to work with the Vehicle for Hire Industry to address the issues caused by the over supply of vehicle for hire companies and vehicles.

Establish additional methods, standards, and regulations designed to improve overall safety and service quality.

Establish a well functioning vehicle for hire system that can be a valuable resource for the County, its residents, guests, business travelers, and patrons of restaurants, bars, clubs and retail establishments.

Create a process that will provide economic viability for vehicle for hire company owners and drivers.

Establish a method and or ratio/formula based on population, economic analysis, and comparisons to other counties to create and enforce the new system.

ESTABLISHING NEW REGULATIONS, METHODS, AND MINIMUM STANDARDS

Additional regulations and minimum standards that apply to all new and existing Vehicle for Hire Companies and drivers were discussed and agreed on by the Vehicle for Hire Committee and staff. The proposed revisions and changes to the Ordinance and the long term proposals are the beginning steps to ensure and meet the goal of an effective, efficient, and safe Vehicle for Hire Industry.

PROPOSED - ADDITIONAL ORDINANCE AMENDMENTS

On January 30, 2012, Palm Beach County staff met with the Vehicle for Hire Committee. The committee approved making additional revisions and changes to the Vehicle for Hire Ordinance.

Long term proposals in reference to the prevention of an oversupply of vehicles for hire were identified and discussed.

With regard to the long term proposals, staff will require additional time to work with the industry to determine the best option, and finalize a decision.

Proposed New Amendments

Establish a new comprehensive definition of a Vehicle for Hire Company

Establish and develop procedures for Sale or Transfer of existing business

Establish procedures to allow for additional enforcement action for failure to maintain required commercial liability insurance

Provide new regulations to clarify Vehicle for Hire Name and color/signage scheme requirements

Establish additional inspections and vehicle age requirements

Establish new minimum standards for new Vehicle for Hire Companies

Establish new minimum standards for existing Vehicle for Hire Companies

Extend Moratorium to meet long term objectives

Develop and establish solutions such as a Lottery selection process or an awarding of franchise/medallion system

Ordinance Amendment: Comprehensive Definition of a Vehicle for Hire Company

Issues:

The Vehicle for Hire Industry and staff have identified companies (i.e.; private organizations, corporations, health clinics, hotels, etc.), that provide transportation services for their customers, clients and guests.

The drivers that provide the transportation may be salaried employees, while others receive some other form of compensation, including tips. The vehicles used to provide the services may be owned by the company, individual, or in some cases, drivers are provided to drive the customer's personal vehicle.

The current Vehicle for Hire Ordinance definitions for a vehicle for hire and a vehicle for hire company does not address companies that provide these types of services, and a comprehensive definition was developed to provide additional regulation for the industry.

Proposed Amendment:

The term "Vehicle for Hire" and/or "Vehicle for Hire Company" shall mean any individual, partnership, association, corporation, broker, or other legal entity which holds business permits for or contracts with any motorized, self-propelled vehicle(s) engaged in the transportation of persons upon the streets of Palm Beach County with the intent to receive any form of compensation or salary for providing such transportation. The term shall not be construed to exclude any person owning, controlling, operating or managing any type of motor vehicle used in the business of transportation of persons for compensation. The term shall include, but not be limited to non-medical wheelchair and stretcher transportation services, taxicabs, transport vans/shuttles, sedans, SUV's, limousines, and the use of personal vehicles engaged in the transportation of persons, and shall exclude ambulances and buses.

The Vehicle for Hire Committee agreed by a majority vote (10-1) to accept the definition.

Ordinance Amendment - Sale or Transfer of Business

Issues:

The current Vehicle for Hire Ordinance does not have a provision to allow for the sale of a company to a new company with a different name and address without the new company meeting new business requirements.

With the Moratorium in effect, the new company would not be permitted, unless it keeps the purchased company name.

An Ordinance amendment would allow for the sale, transfer or change in ownership structure without restrictions.

Proposed Amendment:

A permit is not transferable or assignable, nor shall the ownership structure of the company be so modified as to constitute a change in the control or ownership of the permit. If the business transfers, sells, or changes its name or ownership structure, within forty-five (45) days of said change, a new business permit application and all business permit fees and administrative processing fees approved by the Board by resolution shall be assessed by the Division. If the ownership changes more than 51%, it will be considered a new company, and new business fees established by the Board by resolution shall apply. Any restrictions or moratorium shall not preclude companies with existing business permits from the transfer, sale or change of ownership to a new business.

The Vehicle for Hire Committee agreed by majority vote to accept the definition (10-1).

Ordinance Amendment – Impoundment and/or Revocation for Failure to Maintain Insurance Requirements

Issues:

There are unlicensed vehicle for hire operators in Palm Beach County that operate without the required Commercial Automobile Liability Insurance.

Many other licensed companies fail to maintain the required liability insurance. Staff is often notified by the insurance agency in regard to cancelled policies days or sometimes weeks after the cancellation. Subsequently, the companies licenses are suspended, but they may have been operating without the required insurance.

The current Vehicle for Hire Ordinance has a very complicated and time consuming process regarding impoundment. A new streamlined process needs to be established to ensure unlicensed companies comply with the Ordinance and Florida statutes.

An amendment to the Vehicle for Hire Ordinance Insurance and Impound procedures will help to resolve this issue.

Proposed Amendment: Any licensed driver and/or vehicle for hire business that has been suspended more than one time within a 12 month period for failure to meet the required commercial liability insurance requirements may have its vehicle impounded and its business permit revoked. Designated Division of Consumer Affairs Compliance Officers or law enforcement officers are authorized to seize and impound any unlicensed vehicle for hire believed to be operating without commercial liability insurance in violation of this Ordinance and Florida statutes.

The Vehicle for Hire Committee unanimously agreed to support this proposal.

Ordinance Amendment - Clarify Vehicle for Hire Name and Color/Signage Scheme Requirements

Issues:

Many taxicab and some non-medical wheelchair and stretcher transportation companies operating in Palm Beach County have selected very similar names and color/signage schemes.

These similarities create confusion for our residents, business travelers and guests, which results in difficulty for staff and local law enforcement agencies to investigate complaints.

Proposed Amendment:

Each taxicab and non-medical transportation service business shall operate under a trade name which is distinctive from and not substantially similar to any existing vehicle for hire company, and shall be required to display, select and use a uniform, specific and consistent color and signage scheme for all taxicabs and non-medical vehicles registered to the business. Existing taxicab and non-medical businesses identified not meeting this requirement shall have up to **24 months** to comply with this Ordinance.

Note: Staff recommends 18 months for companies to meet this requirement.

The Vehicle for Hire Committee unanimously agreed by vote to support this proposed amendment (for 24 months).

Ordinance Amendment – Vehicle Age Requirements

Issues:

The issue has been raised in regards only to older taxis and standard sedans commonly used as taxis may not meet Ordinance vehicle safety and appearance requirements.

It was debated between industry companies whether or not the vehicle age limit be reduced from ten years to seven years. It was also discussed that the age requirements be applied only to taxis and standard sedans because of frequent use, and not to luxury sedans, limousines, vans, shuttles, and non-medical transport services.

The committee ultimately decided to include all vehicles.

Proposed Amendment:

A taxi, sedan, SUV, luxury sedan/SUV, limousine, van/shuttle or non-medical transportation service vehicle shall not be used if vehicle is older than ten (10) years based on the vehicle registration, and a bi-annual inspection shall be required after seven (7) years.

The bi-annual inspection shall be performed by an Automobile Technician or Master Automobile Technician both of which must be certified by the National Institute for Automotive Service Excellence (ASE), and the vehicle shall also meet the existing Ordinance Safety and Appearance Requirements.

The Vehicle for Hire Committee agreed by a majority vote (10-1) to accept the proposed amendment.

Ordinance Amendment – Minimum Standards for Existing Companies

Additional operating standards are being recommended for companies that operate less than three (3) vehicles. For those companies operating three or more vehicles, and any new companies (regardless of the number of vehicles) would also be required to meet the new operating standards.

Recommendations:

All existing Vehicle for Hire Companies licensed in Palm Beach County that maintain a fleet of **three or more vehicles** would need to meet the following requirements within ***12 months**:

Commercial Business location with an office space of a minimum of 150 square feet (10' X 15') per company

24-hour dispatch service or telephone answering service

Vehicle for Hire Companies currently operating with less than three vehicles would be permitted to operate from a residential home office location in Palm Beach County. Any new Vehicle for Hire Company established after the Moratorium expires will be required to meet the commercial business/office space 150 square foot minimum and provide 24-hour dispatch or telephone answering service.

Non-medical wheelchair and stretcher transportation service providers will be exempt from this requirement. Existing Vehicle for Hire Companies (15) who have reciprocity agreements with Broward, and Miami-Dade Counties would also be exempt from this requirement,

The Vehicle for Hire Committee agreed by unanimous vote to support the proposed amendment (for 12 months).

** - Staff recommends 18 months for companies to meet this requirement.*

ORDINANCE AMENDMENT - MORATORIUM

Proposed Amendment:

Extend the current Moratorium that prohibits new vehicle for hire companies which is scheduled to expire on May 25, 2012, for an additional 12 months.

The Vehicle for Hire Committee agreed unanimously to support the proposed amendment.

Staff recommends that Non-Medical Transportation Service Companies and any Vehicle for Hire Company which is under contract to provide special paratransit services for any governmental entity be exempt from this requirement.

LONG TERM VEHICLE FOR HIRE OBJECTIVES

The Moratorium extension will allow staff additional time to work with the Vehicle for Hire Committee and make recommendations that will reduce the number of companies and limit the number of vehicle for hire permits issued.

Staff will continue to work with the Vehicle for Hire Committee to develop methods that can be used to address the issues with the Vehicle for Hire industry.

Proposed Solutions

Lottery Selection Process - Develop a lottery selection process which will establish a ratio/formula based on the current population of Palm Beach County (1,320,134) for the awarding of only taxi and sedan permits.

The proposed ratio would be similar to the formula used in Broward County by dividing the existing number of permits into the current population figure. Separate ratios would be established for the taxi and sedan industry. Some vehicle for hire categories may be excluded.

Award Franchises/Medallions to regulate the Vehicle for Hire Industry - this type of system could limit competition significantly and provide economic viability for companies and drivers. Staff would work with the industry to design a process that would allow flexibility for companies to compete effectively and also restrict the number of vehicles any one company could operate. The awarding of franchises would include provisions for each vehicle for hire category, minority and women owned companies, company sizes, and vehicle for hire categories.

Regardless of the method established, additional minimum standards that apply to all vehicle for hire companies and drivers would be developed.

PROPOSED SOLUTIONS

LOTTERY SELECTION PROCESS EXAMPLE

The appropriate number of companies and vehicles would be established at a level high enough to provide sufficient service in each category.

By dividing the existing number of taxi decals issued into the population $788/1,320,134 = 1,675$. Using this formula, one taxi decal would be allowed for each 1,675 increase in population.

Broward County established a ratio for taxicabs of 1 vehicle permit for each 2,000 increase in population.

AWARDING OF FRANCHISE/MEDALLION SYSTEM EXAMPLE

Staff would issue a Request for Proposal (RFP) to award franchises or medallions to a specific number of vehicle for hire companies to operate in Palm Beach County. Staff would also establish a selection process to award the franchises or medallions, and companies would be encouraged to exceed minimum standards that are established.

The selection process would be designed to allow flexibility for companies to compete effectively and also restrict the number of vehicles any one company could operate. The provisions would include awarding franchises/medallions in each vehicle for hire category, minority companies, women owned companies, and companies that operate from other counties.

This type of system could provide economic viability for companies and drivers and limit competition significantly.

SUMMARY

ACTION REQUIRED BY THE BOARD OF COUNTY COMMISSIONERS

Authorize staff to move forward with the following recommendations and amend the existing Vehicle for Hire Ordinance accordingly:

- (1) Establish a new Comprehensive Definition of a Vehicle for Hire Company**
- (2) Establish new language for the sale or transfer of a business**
- (3) Establish new procedures to allow additional enforcement and impoundment procedures for companies that fail to maintain required commercial liability insurance requirements**
- (4) Establish new regulations to clarify vehicle for hire company name and color/signage scheme requirements for taxis and non-medical wheelchair and stretcher transportation companies**
- (5) Establish new regulation that requires bi-annual inspections for VFH vehicles after 7 years of age up to 10 years at which time they will be replaced.**
- (6) Establish new operating standards for existing vehicle for hire companies**
- (7) Extend the current Vehicle for Hire Moratorium for an additional 12 months**
- (8) Move forward with the development of a Lottery process and/or Franchise/Medallion system to regulate the number of new Vehicle for Hire Companies and vehicles.**