



City of Huntington Beach

File #: 19-392

MEETING DATE: 4/1/2019

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Fred A. Wilson, City Manager

PREPARED BY: Antonia Graham, Assistant to the City Manager

Subject:

Adopt Ordinance No. 4178 amending Huntington Beach Municipal Code Chapter 5.48 relating to Taxi Cabs

Approved for introduction 3/18/2019 - Vote: 5-0-2 (Brenden, Delgleize absent)

Statement of Issue:

With the implementation of Assembly Bill 1069 (Low), the regulation of taxi cabs in the State of California has changed dramatically and required all cities which previously had adopted similar ordinances for inclusion in the Orange County Taxi Administration Program (OCTAP) to amend those ordinances based on the new law. This Council Action seeks to amend the City's Municipal Code Chapter 5.48 relating to Taxi Cabs. The amendment retains the OCTAP partnership and adopts the OCTAP regulations as approved by the OCTAP Steering Committee.

Financial Impact:

None with this action. On December 17, 2018, City Council authorized the City Manager to execute Cooperative Agreement No. C-8-2015. This agreement specifies that the City's funding share of OCTAP is 6.04% or \$5,943.21 in FY 18/19, \$14,306.84 in FY 19/20 and \$10,634.91 in FY 20/21. Funding is included in the City Manager's annual budget 10030101. The share is based on population and the costs are estimates and could be adjusted slightly each year.

Recommended Action:

Adopt Ordinance No. 4178, "An Ordinance of the City of Huntington Beach Amending Huntington Beach Municipal Code Chapter 5.48 Taxi Cabs."

Alternative Action(s):

Do not adopt and direct staff accordingly.

Analysis:

The Orange County Transportation Authority (OCTA) has administered the Orange County Taxi Administration Program (OCTAP) on behalf of Orange County cities and the County of Orange since

1998. At that time, OCTAP was created to consolidate the licensing, application, and administrative functions to assist the cities and the County of Orange (member agencies) in meeting their requirements set forth in Government Code Section 53075.5 and Vehicle Code 21100, *et seq.*

In October 2017, then Governor Brown signed into law new taxi regulations (AB 1069 - Chapter 753, Statutes of 2017). This new law changed the way taxis were regulated and OCTAP could no longer operate as it once was. In October of 2018, the OCTA Board of Directors directed staff to establish a cooperative agreement with Orange County cities and the County of Orange for the administration of the Orange County Taxi Administration Program from January 1, 2019, through December 31, 2020. On December 17, 2018, the City Council approved Cooperative Agreement No. C-8-2015 with OCTA and the Cities within Orange County for the program.

Since its inception, OCTAP was designed to be funded entirely through permit and license fees collected from taxi operators and drivers. With the arrival of transportation network companies (TNC), such as Uber and Lyft, the marketplace has greatly reduced revenues and, thereby, created a financially unsustainable condition for OCTAP as currently funded. Following discussion with the Orange County City Manager's Association (OCCMA), it was determined that contributions from member agencies would be required for OCTA to continue to administer OCTAP. Due to the continued decline of taxicab permits, the permit fees alone are not enough to sustain the program and therefore external contributions from member agencies were agreed upon using a population-based cost sharing model.

A new OCTAP structure was established, which included the formation of a Steering Committee, which the City's Assistant to the City Manager sits on along with members from the Cities of Fullerton, Garden Grove, Newport Beach, Orange, and the County of Orange. At the February 5, 2019, meeting, the OCTAP Steering Committee approved new bylaws, adopted new (and reduced) taxi regulations, a fine schedule, metered rates, and considered OCTAP permit fees for OCTA Board consideration. The committee unanimously approved all items, including recommending the proposed permit fees to the OCTA Board.

Environmental Status:

Not Applicable

Strategic Plan Goal:

Enhance and maintain public safety

Improve Quality of Life

Attachment(s):

1. Ordinance No. 4178, "An Ordinance of the City of Huntington Beach Amending Huntington Beach Municipal Code Chapter 5.48 Taxi Cabs"
2. Legislative Draft.