



CITY COUNCIL AGENDA STATEMENT



April 9, 2019

File ID: 19-0173

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE FIRST AMENDMENT TO THE AGREEMENT FOR ADMINISTRATION OF TAXICAB AND OTHER FOR-HIRE REGULATIONS BETWEEN THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM AND THE CITY OF CHULA VISTA

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On September 11, 2018, City Council approved an agreement with San Diego Metropolitan Transit System (MTS) to regulate taxicabs and other for-hire vehicles, which would provide a high level of regulatory service to a greater number of for-hire vehicles, to the benefit of public safety. This agreement ends on June 30, 2019, and the Police Department is recommending to approve an agreement amendment to extend to June 30, 2024.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. In addition, notwithstanding the foregoing, the Director of Development Services has also determined that the "Project" qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

AB 1069 changed taxi regulation in California. The bill was supported by the taxi industry to make taxis more competitive with Uber and Lyft by reducing operating costs. The bill replaced longstanding city-by-city regulation, requiring multiple permits and fees, with regional regulation and a single permit and fee. Enacted in 2017, the bill imposes requirements on cities that are effective on January 1, 2019. One, in order to require a business license, the taxi company must be substantially located in the city. Substantially

located means the taxi company has a primary business address in the city, or the largest share of the taxi's originating trips are in the city, as demonstrated by a taxicab operator. Two, a city must create a Joint Powers Agreement with other government entities, or enter into an agreement with a transit agency, for the purpose of regulating taxicab companies and taxicab drivers. Three, regardless of where a taxi is substantially located or the type of regional regulation adopted, cities may impose certain regulations on taxis, including: a) limiting the number of taxicab providers that may use taxi stand areas or pick up street hails; b) requiring taxicab service providers to provide services in a manner that ensures equal access for all populations in the city; and c) enacting other public health, safety or welfare ordinances relating to taxicabs.

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MTS is a transit agency that has been providing transit services in the region since 1976 (originally named the Metropolitan Transit Development Board), including bus and trolley services in Chula Vista. MTS has a dedicated Taxicab Administration unit and a robust inspection program to protect the public safety. Responsibilities include determining owner eligibility; inspecting vehicles; issuing permits; monitoring compliance with administrative and operational regulations; and investigating passenger complaints. In addition to regulating taxis, the Taxicab Administration unit regulates other for-hire transportation services, such as jitneys (shuttles following a fixed route), charter, sightseeing, low-speed and non-emergency medical vehicles. MTS provides regulatory services by contract for these vehicles in most cities in its service area, including El Cajon, Imperial Beach, National City, La Mesa, Lemon Grove, Poway, Santee and San Diego. Only Coronado administers their own taxicab regulations.

If Council approves the agreement amendment, then MTS will go to the MTS board for consideration. If approved by the MTS board, the agreement would extend to June 30, 2024.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

As part of the annual business license renewal process, the City will continue to collect business licenses from the taxicab businesses, which is \$5,400 annually. Approving the agreement amendment with MTS for taxicab administration will result in no current-year fiscal impact.

ONGOING FISCAL IMPACT

Approving the agreement amendment with MTS for taxicab administration will have no ongoing fiscal impact.

ATTACHMENTS

ATTACHMENT 1: First Amendment to Agreement with San Diego Metropolitan Transit System for Administration of Taxicab and Other For-Hire Vehicle Regulations

ATTACHMENT 2: Agreement with San Diego Metropolitan Transit System for Administration of Taxicab and Other For-Hire Vehicle Regulations

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