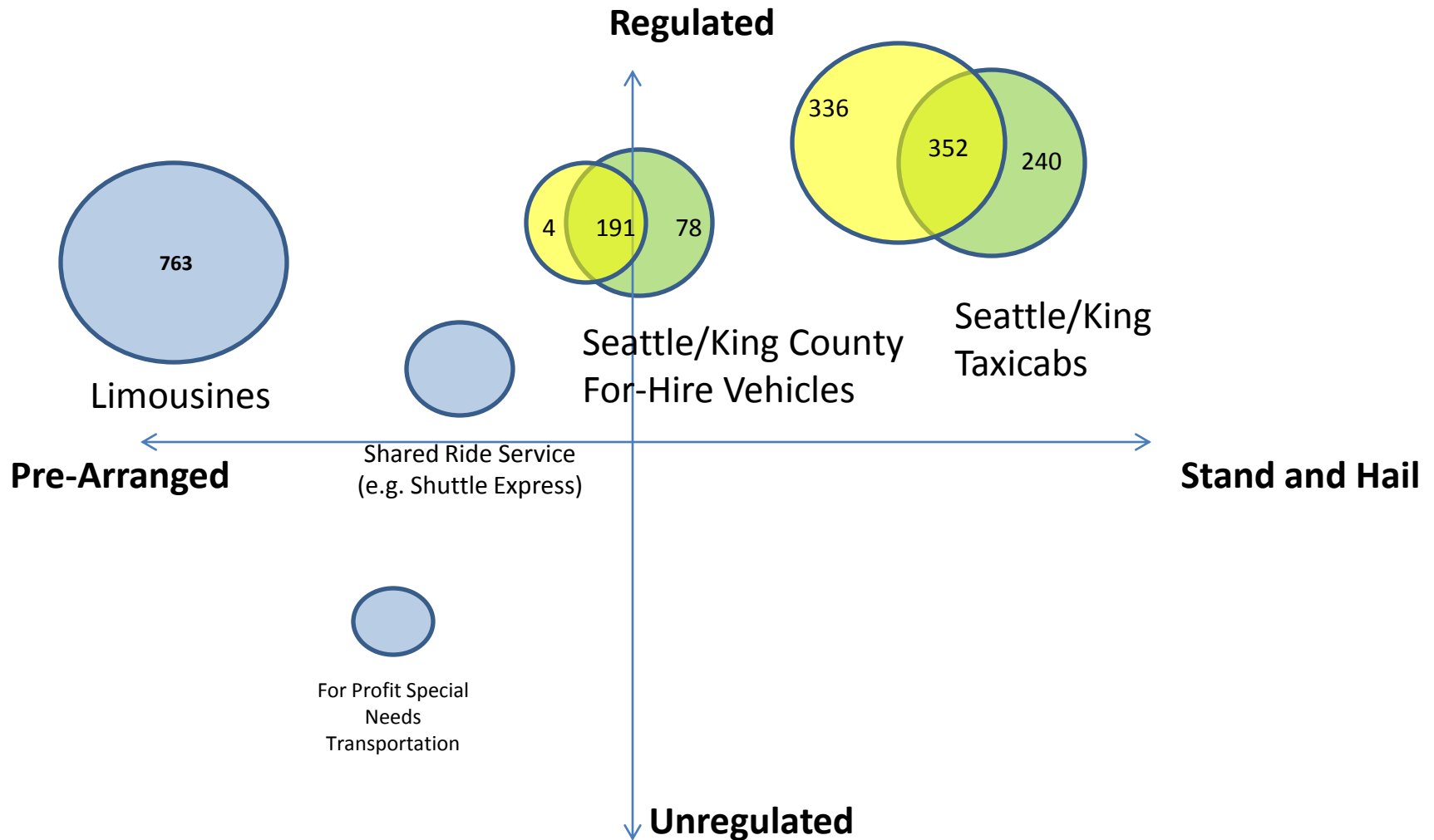


Taxicabs, For Hire Vehicles, and
Limousines in Seattle
An Industry Primer

Finance and Administrative Services

March 14, 2013

Commercial motor vehicle industry operating in Seattle/King County



Other Potential Industry Competitors



Taxicabs, For Hire Vehicles, and Limousines

How you can tell them apart



Taxis: Each taxi association has unique color. Taxis have meters and top lights. Plates in back.

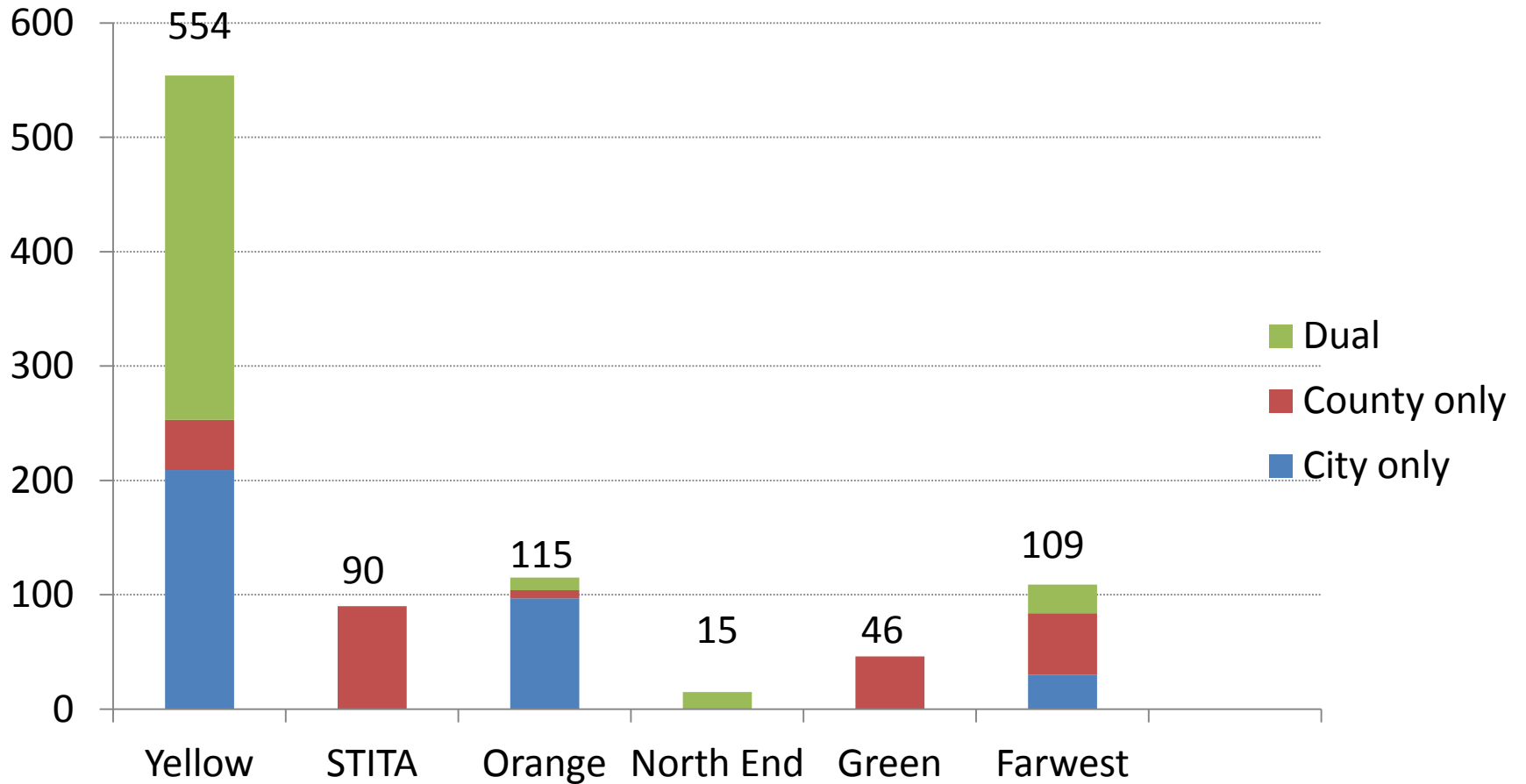


For Hires: Different colors than taxis. No top lights. No meters. Can't use words "taxi" or "cab." All licensed for-hire vehicles have decals on upper portion of windshield.



Limousines: Unmetered, unmarked luxury vehicles. Limos cannot advertise that they provide taxicab services.

Taxicab Associations



Legal Authorization To Take Passengers

	City Only License	County Only License	Dual City/County License	Limos
1) Pick up passengers from street in Seattle	Taxis only	No	Taxis only	No
2) Pick up passengers from taxi stands in Seattle	Taxis only	No	Taxis only	No
3) Take passengers on pre-arranged trips from Seattle	Taxis and For Hires	No	Taxis and For Hires	Yes 15 min in advance
4) Take passengers from County to Seattle	No	Taxis and For Hires	Taxis and For Hires	Yes 15 min in advance
5) Take passengers from City to SeaTac	Taxis and For Hires	No	Taxis and For Hires	Yes 15 min in advance
6) Pick up passengers from SeaTac (all drivers required to have "belled-in" decal from Port)	No	Belled in Taxis and For Hires	Yellow Cab on demand, other Taxis and For Hires if belled in	STILA on demand, others by pre-arrangement

Regulation Objectives

SAFETY

- Vehicles are inspected to make sure that they are safe, clean, and comfortable.
- Drivers are checked to ensure that they are licensed and have proper insurance.

QUALITY OF SERVICE

- Drivers are evaluated to insure they are competent and knowledgeable.
- The number of taxis and for hire vehicles is controlled to ensure reasonable response time.

REASONABLE FARES/RETURN ON INVESTMENT

- Taxi fares are regulated to be transparent and protect the public from being overcharged.
- The number of taxis and for hire vehicles is controlled to support a competitive and viable industry and to ensure a reasonable level of service.
- Regulations are imposed on taxicab owners to protect drivers' income.

Multiple Jurisdictions Involved



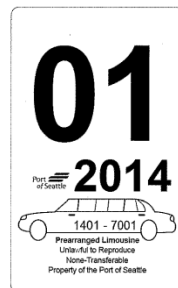
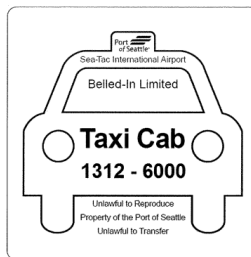
Taxi license plate attached to rear of vehicle



Meter seal attached near rear view mirror



For Hire license attached to upper portion of windshield near rear view mirror



State limo decal attached to left of rear license plate

Regulation Overview

	Taxi	For Hire	Limo
Regulatory Authority	<ul style="list-style-type: none"> • City - SMC 6.310 • County - KC Code 6.64 • Port - RCW 46.72.160 to regulate taxicabs and for-hire vehicles operating at Port facilities. 		<ul style="list-style-type: none"> • State - RCW 46.72A and WAC 308-83 (authority delegated to City in 2011) • City - SMC 6.320 • Port - RCW 46.72A to regulate limos operating at Port facilities.
Regulatory Agency	City - Finance and Administrative Services (FAS) Consumer Protection Unit County – Records and Licensing (RALS)		WA Department of Licensing issues licenses. FAS inspects and conducts street enforcement actions in Seattle.
Cooperative Agreement	Seattle/King County (1995) <ul style="list-style-type: none"> • City licenses and all taxicab and for-hire vehicles operating in Seattle and King County. • County licenses all drivers operating in Seattle and King County. 		Seattle/Washington State (2012) <ul style="list-style-type: none"> • City receives State funds to monitor insurance, perform vehicle safety inspections, and conduct street enforcement actions.

Vehicle Requirements

	Taxi	For Hire	Limo
vehicle meets minimum age requirements	✓	✓	
vehicle qualifies as luxury vehicle			✓
vehicle is wheel chair accessible	45 designated		
vehicle has to pass safety inspections	✓	✓	✓
vehicle has operable digital security camera	✓	✓	
vehicle has GPS and a silent alarm	✓		
vehicle has meter	✓		
owner has insurance	Personal injury liability, property damage, and underinsured motorist insurance coverage.		Combined single limit coverage of \$1,050,000. \$1 million in General Commercial Liability if operating at SeaTac.

Driver Requirements

	Taxi	For Hire	Limo
Complete drivers training course	✓	✓	✓ Through private providers approved by DOL
Participate in ride-alongs with qualified driver	3 required	3 required	2 hours required
Pass written tests on local geography and conduct requirements	✓	✓	✓
Pass verbal English tests conducted by ESL staff at South Seattle Community College	✓	✓	
Undergo annual driver record and criminal background checks	✓	✓	✓
Pass periodic physical exams	✓	✓	✓

Fare Requirements

	Taxi	For Hire	Limo
Fares regulated by City/County	Drop Charge: \$2.50 Distance Charge: \$2.70 per mile (\$0.30 per 1/9 mile) Time Charge: \$0.50 per minute (\$0.30 per 36 sec.) Airport Flat Rate: \$40		
Metered fares	✓		
Fares by zone, hour, or prior negotiation		✓	✓
Rates must be filed with City /County		✓	
Fares are visible in the passenger compartment of the vehicle	✓	✓	

Comparison of Fees and Fines

	City	County	State
FEES (Annual except as noted)			
Driver's License (Taxi, For Hire, some Limos that operate at SeaTac)	\$50	\$100	
Vehicle License (Taxi and For Hire)	\$600	\$450	
Limo Carrier License (State License)			\$350 (Paid to State)
Vehicle Certificate (Limo) (State License)			\$75 (Paid to State)
Vehicle Inspection (Conducted by City)	Included in vehicle license fee	Included in vehicle license fee	\$25 (Paid to City)
Vehicle Re-inspection (if vehicle fails inspection)	\$50	\$50	N/A
<u>FINES</u>			
Class B/Class I/ Class 1 Fines For taking trip originating in Seattle city limits and not pre-arranged	\$70/\$175/\$300 (For Hire only)	Misdemeanor up to \$1,000 and 90 days jail	\$512

Seattle Taxi Industry Economics



Drivers net about \$100 per shift after paying for lease fee, fuel, and cashiers' fee. City caps lease fee.

Owners net about \$10k - \$18k per cab per year (assuming they lease it for two shifts a day) after paying for the initial vehicle purchase, dispatch, maintenance and repair, insurance and fees.

Owners pay \$180-\$200/week per cab for dispatch.

Typical Taxi Driver Economics

+ Taximeter Fare + Tip	\$220/shift
- Lease payment *	(\$70)/shift
- Fuel	(\$40)/shift
- <u>Cashier fee</u>	<u>(\$10)/shift</u>
Net Earnings	\$100/shift

* Typical for driver with weekly lease. City imposes lease cap of \$1,900/month, \$475/week or \$85/shift. Drivers work on average 10.2 hours per shift and 5.7 shifts per week.

Taxi Owner Economics Example

+ Lease Payments*	\$49,400/year
- Dispatch (\$200/wk)	(\$10,400)/year
- Vehicle/Equipment	(\$6,000)/year
- Maintenance/Repair	(\$8,000)/year
- Insurance	(\$6,000)/year
- <u>Licenses/Fees**</u>	<u>(\$1,344)/year</u>
Net Earnings	\$17,656/year

* Assumes cab operates two shifts/day and is leased out by the week.

** Assumes \$1,000 dual license, \$45 City business license fee, \$299 belled in permit at SeaTac.

License Caps

Vehicle Type	Cap	City or County only	City and County (Dual)	Remaining Licenses under cap
City Taxicab	850+ WAT licenses	336	352*	207
City For Hire	200	4	191	5
County Taxi	561 + WAT licenses	240	352*	14**
County For Hire	No Limit	78	191	N/A
Limo	No Limit	N/A	763	N/A

*Includes 45 WAT licenses. ** County has imposed moratorium

Up to 35 City taxi licenses can be added each year if demand warrants up to 850 cap. Demand is measured by response time, total number of taxi rides, total paid trips per taxicab and average operating hours per taxicab.

RFQ Scope

- Analysis of total demand for taxi and taxi-like (for-hires, limos, etc.) services in Seattle/King County to help inform regulatory processes.
- Demand to be broken down by key submarkets including street hail trips, pre-arranged trips by local residents, hospitality (hotel/cruise) trips and hospital/health care trips.
- Consultant may study effectiveness of the current regulatory environment for taxi and for hire services in the region and analyze how alternate models of regulation would affect key stakeholders in Phase II.
- Consultant to be selected in March. Anticipated study start date April 1, 2013.

Taxi, For Hire and Limousine Regulations Committee Schedule

- ID issues with key stakeholders (April 4)
- Round Table/Brown Bag (April 11)
- Interim Consultant Report (May 23)
- Final Consultant Report (July 11)
- Next steps...

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Street Enforcement Activity in 2012

Criminal Misdemeanor Complaint
 Unlicensed operation – (taxis or for-hires)

Notice of Violation
 Licensed but trip not prearranged - (for-hire vehicles)

Civil Infraction
 No passenger manifest - (limos)
 Soliciting, trip not prearranged (limos)

