



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 28-17

City Council

11/9/2017

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

PROPOSED ORDINANCE NO. 28-17 AMENDING CHAPTER 7-10 OF THE CITY CODE - VEHICLES FOR RENT TO THE PUBLIC

RECOMMENDATION:

That City Council adopt Ordinance No. 28-17 on second reading.

AN ORDINANCE OF THE CITY OF PENSACOLA, FLORIDA; AMENDING CHAPTER 7-10, PERTAINING TO VEHICLES FOR RENT; AMENDING SEC. 7-10-134 TO PROVIDE FOR AN AIRPORT TAXI CAB PICKUP FEE; AMENDING SEC. 7-10-17, PROVIDING DEFINITIONS; REPEALING AND REPLACING SEC. 7-10-177, PROVING FOR PERMITS AND FEES; PROVIDING FOR SEVERABILITY, REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

During the 2017 legislative session, the Florida Legislature passed, and the Governor approved, HB 221, which created a regulatory framework for transportation network companies (TNCs) in the State and preempted to the State the regulation of TNCs. The new law, Florida Statute 627.748, which became effective July 1, 2017, makes it necessary to change the City Code regulating taxicabs in order to preserve the Airport's ability to charge TNCs a pickup fee.

Under agreements executed on October 12, 2016 and February 23, 2017, Uber and Lyft, operating as TNCs, are required to remit a pickup fee of \$2.50 for each instance in which the affiliated driver picks up a passenger on Airport property. Taxicabs operating at the Airport, however, are not currently assessed fees for each individual pickup. Rather, under City Code, taxicabs pay an annual permit amount of \$240 for the ability to pick up passengers at the facility. Under the new state law, if airports wish to continue assessing pickup fees to TNCs, the fees must be consistent with any pickup fees charged to taxicabs.

If the proposed changes are adopted, the annual permit for taxicabs to operate at the Pensacola International Airport would be reduced to forty dollars (\$40) from two hundred and forty dollars (\$240). The revised amount would cover the cost for staff to inspect the vehicle and provide the necessary permit showing proof of inspection, and provide an automatic vehicle identification tag. Each pickup would then be monitored through

the use of the automatic vehicle identification tags and the company would be required to remit payment in the amount of \$2.50 for each pickup. The company would also be allowed to pass the \$2.50 pickup fee to the passenger.

In accordance with Federal requirements, the ongoing operation and maintenance of the Pensacola International Airport is funded through user fees paid by all entities using the facility. Modifying City Code to assess pickup fees to taxicabs, and allowing the taxicabs to pass the charge to the consumer, is no different than the operation of other entities providing service at the Airport that also remit fees on a transactional basis, and that pass the associated fee to the consumer.

PRIOR ACTION:

October 12, 2017 - The City Council voted to approve Ordinance No. 28-17 on first reading.

FUNDING:

N/A

FINANCIAL IMPACT:

Revenue from the ground transportation operations provided by taxicabs, TNC's, limousines, and shuttles is budgeted at \$110,000.00.

CITY ATTORNEY REVIEW: Yes

9/17/2017

STAFF CONTACT:

Eric W. Olson, City Administrator
Daniel Flynn, Airport Director

ATTACHMENTS:

- 1) Proposed Ordinance No. 28-17

PRESENTATION: No