

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

99-106

SYNOPSIS -

AGENDA:

MARCH 15, 1999

David M. and Jean E. Houston, d/b/a Unique Courtesy Services, have applied for a certificate of Public Convenience and Necessity to operate a limousine service in the City. It came for hearing before the City Council on March 5, 1999 and was continued by Council to March 15, 1999.

SUBJECT:

TAXICAB AND
LIMOUSINE
ORDINANCES

At the March 5 meeting, the City Council directed the City manager to strictly enforce the limousine ordinance and to shut down all the limousine services now illegally operating in the City. Upon further investigation it was determined that such action would adversely affect a number of Des Moines citizens and businesses which have relied upon these limousine services, and that the current ordinance, if strictly enforced, precludes anyone from offering certain needed services. To avoid hardship to these citizens and businesses, the City has temporarily refrained from strictly enforcing the current regulations pending further instruction from the City Council regarding the revision of the regulations.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

ERIC A. ANDERSON
CITY MANAGER

FISCAL IMPACT -

N/A

RECOMMENDATION -

The City Manager recommends that consideration of this application under the existing limousine ordinance be discontinued and that a new limousine ordinance be presented for Council consideration at the March 22, 1999 City Council meeting. Furthermore, the City Manager recommends the approval of the recommended general principles for the new taxicab and limousine ordinances.

BACKGROUND -

The City Code requires both taxicab and limousine companies to obtain a Certificate of Public Convenience and Necessity to operate in the City of Des Moines. This certificate can be revoked or voluntarily surrendered, and will expire if the company's license is not timely renewed. There are currently two licensed taxicab companies operating in Des Moines, Yellow and Capitol, and numerous unlicensed limousine companies.

Problems were recognized with the current regulations about nine months ago. To address these problems, a committee with representatives from the Traffic and Transportation Division, taxicab companies and drivers, Police Department, Airport, Legal Department, and the City Manager's Office have been meeting regularly for several months. These meetings have produced proposed taxicab ordinance amendments and the Committee was about to begin a study of the limousine ordinance. Code revision efforts have been slow because of the opportunity given for input by the affected parties.

The current regulations distinguish between taxicabs and limousines largely upon the size of the vehicles. A taxicab is currently defined as a vehicle regularly engaged in the business of carrying passengers for hire, that has a passenger capacity of 7 or fewer (Section 19-124). A limousine is currently defined as a vehicle regularly engaged in the business of carrying passengers for hire, that has a passenger capacity of 7 to 19. From an operational standpoint, the permitted activities of a licensed taxicab are substantially different from the permitted activities of a licensed limousine. This creates unreasonable limitations on both businesses.

For example, a parent with four children cannot lawfully employ a taxicab to transport all of them in a single vehicle between the airport and a residential area of Des Moines. The parent could lawfully employ a limousine to transport them all, only if he/she contracted for the service a day in advance. This, and similar problems with the current regulations, warrant correction.

Guidance from the Council is requested regarding the general principles which should govern the regulation of taxicab and limousine operations. The staff can then propose appropriate

amendments to the regulations to implement such principles.

Recommendation

It is proposed that the taxicab and limousine ordinances be amended to reflect the following principles:

- The definitions of taxicabs and limousines should be based upon the service they provide rather than the size or type of vehicle.
- Each business offering taxicab or limousine services must obtain and hold a certificate of public convenience and necessity for the service.
- All drivers must satisfy the minimum requirements to be licensed as a taxicab driver, and must hold a current taxicab badge issued by the City.
- The vehicles must be clean and safe.
- The business must be adequately insured.

The operation of taxicabs should be subject to the following additional limitations:

- Must have centralized, 24-hour dispatch (not just cell phones in the cabs).
- Can solicit customers only by sitting in taxicab line at airport or taxicab stands.
- Can transport people who have hailed them on the street.
- Must have taximeter.
- Cannot refuse orderly customers.
- The rate must be clearly posted in the vehicle.

The operation of limousines shall be subject to the following limits:

- Cannot solicit customers at the point of service.
- Must contract with customers prior to pick-up.
- Must have centralized place of business, staffed and operated for adequate service for demand during the hours of 7:00 a.m. and 9:00 p.m. daily.

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