

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> July 28, 2014
	<b>Agenda Item No.</b> 39 <b>Roll Call No.</b> <u>14-1158</u> <b>Communication No.</b> <u>14-371</u> <b>Submitted by:</b> <b>Jeb E. Brewer, P.E., City Engineer</b>

**AGENDA HEADING:**

Public hearing upon further application of Crown Cab Co. for Certificate of Public Convenience and Necessity to Operate a Taxicab Service in the City of Des Moines.

**SYNOPSIS:**

On September 24, 2012, Magarsa Jana d/b/a Crown Cab LLC, 1113 21<sup>st</sup> Street Des Moines, Iowa, had applied for a Certificate of Public Convenience and Necessity to operate a taxicab service in the City of Des Moines, with a total of six (6) vehicles but was denied by Roll Call No. 12-1515. Council found that applicant was unfit to perform such public transportation and unable to conform to the provisions of the subchapter, all as shown by the evidence brought forth at the public hearing.

On December 3, 2012, by Roll Call No. 12-1871, Crown Cab LLC again filed an application with the City Traffic Engineer requesting permission of the City Council to operate a taxicab service in the City of Des Moines, which application for a certificate of public convenience and necessity to operate a taxicab service was denied. Council found that the applicant lacked experience and was unfit to perform such public transportation and unable to conform to the provisions of the subchapter, all as shown by the evidence brought forth at the public hearing. At this meeting Council also directed staff to add a provision to the ordinance that states that an applicant must wait one (1) year before re-applying.

Crown Cab LLC has resubmitted an application for a certificate of public convenience and necessity to operate a taxicab service which further details the experience of the applicant to demonstrate their ability to be fit to perform such public transportation and conform to the provisions of the subchapter. Crown Cab LLC has provided a complete application for a certificate of public convenience and necessity, and submitted supplemental information regarding their financial, business, and existing taxicab operation.

Staff review of the application and the liability insurance certificate determined that Crown Cab LLC has met the requirements for providing taxicab service. Based on the information submitted, it appears that Magarsa Jana d/b/a Crown Cab LLC is fit, willing, and able to provide public transportation as a taxicab company. As always, if Crown Cab LLC does not operate in compliance with the City of Des Moines ordinance requirements, the City Code contains provisions to suspend or revoke their certificate for violations.

**FISCAL IMPACT:**

Amount: The ordinance provides for annual license fees of \$250 per company and \$75 per vehicle.

Funding Source: Revenue to: 2014-2015 Operating Budget, Page 76, Engineering Department Traffic and Transportation Division, EG062082

### **ADDITIONAL INFORMATION:**

#### Taxicab Companies in Des Moines:

Des Moines has for many years regulated taxicab service, with entry qualifications for both drivers and companies and a determination of the need for additional taxicab service. Prior to operating on the streets of Des Moines, any taxicab company must obtain a “Certificate of Public Convenience and Necessity” as well as an annual company license and annual license for each vehicle. A certificate can only be issued after the City Council has held a public hearing and considered the information from the applicant. If the Council determines that further taxicab service is required for the public convenience and necessity, and that the applicant is fit, willing, and able to provide public transportation, then they direct the City traffic engineer to issue a certificate. If the Council denies the application, they must state the reason for the denial.

The current regulations require that a taxicab company must provide an overall service to the public, and further require that they shall: maintain a central place of business, properly zoned; provide taxicab service to the public 24 hours a day, seven (7) days a week and have a phone that is answered 24 hours a day, seven (7) days a week; dispatch taxicabs using any method which accurately records and retains detailed information about each call for service and each trip; answer all calls for service inside the City; provide a minimum of six (6) qualified drivers and five (5) qualified vehicles, with a minimum of four (4) vehicles available to respond into operation at all times; and cannot refuse to accept a call or deny service to any orderly passenger; along with a number of other requirements. These requirements are in close conformance with the recommendations of the Taxicab, Limousine, and Paratransit Association, and are important in having quality taxicab service for the public, including service in residential neighborhoods, for short trips and to elderly, frail or disabled passengers.

The current regulations also require that any taxicab vehicle comply with the Motor Vehicle Code, State and City laws; be clean and sanitary, inside and outside; be in excellent mechanical condition, with no defects; properly inflated, safe tires; have a maximum age of 10 years (based on model year of production); shall include all standard safety features to be in proper working order, and some other requirements.

#### Taxicab Service in Des Moines:

Des Moines has historically not limited the number of taxicabs or taxicab companies that obtain a certificate, but has used the entry qualifications for drivers and companies to enhance the safety of passengers, ensure that a fair price is charged for the service, and to provide quality taxicab service for all segments of the public.

There are currently five (5) holders of certificates to operate taxicab service in Des Moines: Yellow Cab has been in operation for over 90 years in Des Moines, and operated 45 cabs at the end of 2011; Capitol Cab has been in operation for over 55 years in Des Moines, with 55 cabs at the end of 2011; Freedom Cab has operated in Des Moines since May of 2009, with a total of eight (8) cabs; City Cab has operated since May of 2011, with a total of five (5) cabs; and United Cab has operated since October of 2010, with a total of 10 cabs. The total equates to 123 cabs for the Des Moines metro area of approximately 450,000 residents.

The City has not approved any new cab companies since Crown Cab's second request to Council in December 2012.

Section 126-186 provides if the Council finds at the conclusion of the public hearing that further taxicab service in the City of Des Moines, or between any point or points in the City and elsewhere, is required by the public convenience and necessity and the applicant is fit, willing, and able to perform such public transportation and to conform to the provisions of the subchapter, then the Council shall direct the City Traffic Engineer to issue a certificate stating the name and address of the applicant, the number of vehicles authorized under said certificate and the date of issuance; otherwise the section provides the application shall be denied.

There was some concern in 2012 about Crown Cab's experience. Since that time, the applicant has been working as a school bus driver for the Des Moines Public Schools and has been operating his cab company in the City of Urbandale serving customers.

Section 126-186(a) provides that in making the findings of subsection (b) of said section, the Council shall take into consideration the number of taxicabs already in operation, whether existing transportation is adequate to meet the public need, the probable effect of increased service on local traffic conditions, and the character, experience, and responsibility of the applicant.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: December 3, 2012

Roll Call Number: [12-1871](#)

Action: [On](#) Application of Certificate of Public Convenience and Necessity by Crown Cab Co., Magarsa Jana, to operate a taxicab service with five vehicles. ([Council Communication No. 12-593](#)) Moved by Hensley that the application for a certificate of public convenience and necessity to operate a taxicab service be hereby denied it being the finding of this City Council of the City of Des Moines that such service is not required by the public convenience and necessity, and/or that the applicant is unfit to perform such public transportation and unable to conform to the provisions of the subchapter, all as shown by the evidence brought forth at the public hearing. Motion Carried 7-0.

Date: November 19, 2012

Roll Call Number: [12-1763](#)

Action: [On](#) Application for Certificate of Public Convenience and Necessity by Crown Cab Co., Margarsa Jana, to operate a taxicab service with five vehicles, (12-3-12). Moved by Hensley to adopt; refer to the City Manager and City Attorney for review and recommendation regarding possible amendment to the ordinance to require a waiting period for re-application. Motion Carried 7-0.

Date: September 24, 2012

Roll Call Number: [12-1515](#)

Action: [On](#) Application of Certificate of Public Convenience and Necessity by Crown Cab Co., Margarsa Jana, to operate a taxicab service with five vehicles. ([Council Communication No. 12-519](#))

Moved by Hensley that the application for a certificate of public convenience and necessity to operate a taxicab service be hereby denied it being the finding of this City Council of the City of Des Moines that such service is not required by the public convenience and necessity, and/or that the applicant is unfit to perform such public transportation and unable to conform to the provisions of the subchapter, all as shown by the evidence brought forth at the public hearing. Motion Carried 6-1. Nays: Mahaffey.

Date: September 10, 2012

Roll Call Number: [12-1413](#)

Action: [On](#) Application of Certificate of Public Convenience and Necessity by Crown Cab Co., Margarsa Jana, to operate a taxicab service with 5 vehicles, (9-24-12). Moved by Hensley to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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