



Date: October 22, 2013

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Mark D. Ahrendsen, Transportation Director
Subject: Amendments to the Passenger Vehicle for Hire Ordinance

Executive Summary

The Passenger Vehicle for Hire (PVFH) Ordinance adopted by City Council on May 17, 1999 was last amended on December 3, 2012. The purpose of that amendment was to address the regulation of all passenger vehicles for hire and treat shuttles similar to taxicabs thereby “leveling the playing field.” Accordingly, all passenger vehicles for hire must now obtain an operating permit and be inspected annually. All PVFH drivers must obtain a PVFH driver’s permit and attend training. The PVFH ordinance also includes an age and color requirement for shuttle vehicles that shuttle operators have found burdensome. The PVFH ordinance amendment delays the effective date of the shuttle vehicle age and color requirements approximately one year to January 1, 2015. The ordinance amendment also clarifies and strengthens civil penalties by imposing a penalty of \$100.00 on a person who operates or drives a passenger vehicle for hire without obtaining the appropriate permits from the City.

Recommendation

It is the recommendation of the Passenger Vehicle for Hire Subcommittee and Transportation Department staff that the City Council adopt the attached Ordinance amendments in Chapter 50, Article III of the Durham City Code.

Background

The Passenger Vehicle for Hire (PVFH) ordinance was adopted by City Council on May 17, 1999. In response to concerns from representatives of the taxicab industry that shuttles were operating as taxicabs without all the regulation and oversight associated with taxicabs (operating permits, driver permits, training, vehicle inspections, etc.), the PVFH ordinance and oversight procedures were amended on December 3, 2012. All passenger vehicles for hire must now obtain an operating permit and be inspected annually. All PVFH drivers must obtain a PVFH driver’s permit and receive training.

The PVFH ordinance also includes an age and color requirement for shuttle vehicles that shuttle operators have found burdensome. The age of any PVFH shall not be greater than 15 model years and not greater than 10 years at the time a vehicle is first placed in service. Passenger vehicles for hire other than taxicabs and shuttles are exempt from this requirement.

All known PVFH operators in Durham were notified in the spring of 2013 of the PVFH ordinance requirements associated with obtaining an operator and driver’s permit. Accordingly, many non-taxicab passenger vehicle for hire operators have subsequently

applied for and received a PVFH operators permit and have also received permits for their drivers. As part of this application process, the new PVFH vehicles have been inspected and the new PVFH drivers have received training.

Issues and Analysis

The Durham City Code Chapter on Vehicles for Hire (Article III, Chapter 50) states that the purpose of the article is to regulate passenger vehicles for hire in order to preserve the health and welfare of citizens and protection of property. A significant way in which this purpose has been achieved for taxicabs since 1999 is through the application process for a PVFH operating permit and driver's permit, the annual vehicle inspection and the required driver training. With the December 3, 2012 amendment to the PVFH ordinance and oversight procedures, these same requirements that have been imposed on taxicabs have been extended to all passenger vehicles for hire. The expectation is that these requirements will improve the quality of all PVFH service provided in the City of Durham and thereby help preserve the health and welfare of citizens and protection of property.

In response to concerns expressed by shuttle operators regarding vehicle age and color requirements it is recommended that the effective date of such requirements for shuttle vehicles be delayed approximately one year from December 3, 2013 to January 1, 2015. This delay will provide a period of time in which to assess the effectiveness of the operator and driver requirements in improving the quality of service provided by shuttle operators and determine if such vehicle age and color requirements are needed.

To help ensure that all PVFH operators providing service in Durham have valid operators' and drivers' permits it is further recommended the PVFH ordinance be amended to impose a penalty of \$100.00 on a person who operates or drives a passenger vehicle for hire without obtaining appropriate permits from the City.

Alternatives

The City Council may:

- Adopt changes to the Passenger Vehicle for Hire ordinance recommended by the PVFH subcommittee and Transportation Department staff to delay the effective date of vehicle age and color requirements for shuttles to January 1, 2015 and impose a civil penalty of \$100.00 on a person who operates or drives a PVFH without obtaining appropriate permits from the City.
- Make no change to the existing PVFH ordinance.

Financial Impact

Due to the nature of this item, there are no financial impacts to the City.

SDBE Summary

Due to the nature of this matter, an SDBE summary is not needed.

Attachments

- An Ordinance amending the Passenger Vehicle for Hire Code