



AGENDA MEMORANDUM
Action Item for the City Council Meeting August 30, 2022

DATE: August 30, 2022
TO: Peter Zaroni, City Manager
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Ordinance amending Section 57 of the Code of Ordinances regarding taxicabs

CAPTION:

Ordinance amending sections 57-85, "Age of vehicle"; 57-131, "Fares-Amounts"; and deleting Chapter 57, Article VI Transportation Network Companies in its entirety of the City Code and providing for severance, publication, and an effective date.

SUMMARY:

The Corpus Christi Police Department (CCPD) researched 15 Texas cities' current taxi ordinances for best practices after meeting with local taxicab owners to discuss their concerns over fuel increases, vehicle availability, and inflation. Taxicab owners expressed the desire to raise rate fees and decrease regulations.

BACKGROUND AND FINDINGS:

Taxicabs are regulated by Chapter 57 Article II of the City Code of Ordinances. The last drop fee increase and gas price adjustment was in 2008. Per the inflation calculator, \$2.50 in 2008 is the equivalent to \$3.29 in 2022, which is an inflation rate of 31.8%. This is a flat fee.

The last update to the Ordinance was in 2016 and focused on allowing taxi cabs to charge flat rates and the regulation of transportation network companies. In 2017, the Texas Legislature pre-empted all local governments from regulating transportation ride share companies but not taxicabs.

On March 17, 2022, members of both the Police Department and City Legal met with taxicab owners to discuss their concerns over fuel increases, vehicle availability, and inflation. Taxicab owners expressed the desire to raise rate fees, decrease regulations, and reduce fees paid to the City.

CCPD researched 15 Texas cities' current taxi ordinances for best practices. The results showed:

- Four cities regulate the maximum age of the vehicle that is being used as a taxi, with the maximum allowable age of the vehicle ranging from seven years to 15 years

- All 15 cities surveyed had regulated drop fees and fare amounts
- Four cities, including the City of Corpus Christi, allow flat rate pricing
 - Six cities have higher meter drop rates.

The recommended changes to Section 57 of the Code of Ordinances regarding taxicabs are as follows:

Sec. 57-85 Age of Vehicle

- This section increases the allowable vehicle age of Taxicabs from 10 years to 15 years

Sec. 57-131 Fares—Amounts

- The base fare is increased from \$2.50 to \$3.50
- The price per 1/5 mile is increased to account for higher gas prices and inflation
- The wait time maximum charge is increased from \$24.00 to \$30.00
- Airport pickup surcharges are increased from \$1.00 to \$1.50
- For fares originating from I-37 Annville Area and/or Padre Island, the base fare is increased from \$10.00 to \$13.00
- Flat rate fares are increased from \$12.50 to \$16.25 and additional stops from \$5.00 to \$6.50

Secs. 57-281 through 57-296 – Transportation Network Companies

- The provisions of this chapter apply to ride-sharing companies. These sections are deleted in its entirety as it is preempted by Texas Occupations Code Chapter 2402

If approved, these changes will go into effect on October 1, 2022, and CCPD will utilize social media to notify the public of these changes.

PROCUREMENT DETAIL:

Not applicable.

ALTERNATIVES:

The alternative is not to change the ordinance; however, that will result in fees and gas prices remaining what they were in 2008 and it will not align the City of Corpus Christi with other leading Texas cities when it comes to a modern taxicab ordinance.

FISCAL IMPACT:

There is no fiscal impact.

FUNDING DETAIL:

Not applicable.

RECOMMENDATION:

Staff recommends approval of this ordinance, as presented.

LIST OF SUPPORTING DOCUMENTS:

Research summary document
Ordinance