

Date: December 2, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George W. Burgess
County Manager

Subject: Ordinance establishing a taxicab medallion lottery

Amended
Agenda Item No. 7(H)

Ordinance No. 08-139

RECOMMENDATION

It is recommended that the Board approve the attached ordinance amendment that establishes an annual lottery of 43 taxicab medallions for a three-year period. Seventeen of these licenses will be directed to the South Miami-Dade and North Miami-Dade underserved taxicab areas and 26 medallions will be operated with wheelchair taxicabs. All new medallions issued after January 1, 2008 must be operated using a vehicle equipped with a two-way radio or electronic dispatch system connected to and subscribed to a Passenger Service Company (PSC) that has a fixed base call center operated 24 hours a day, 365 days a year.

SCOPE

This proposed ordinance applies countywide.

FISCAL IMPACT/FUNDING SOURCE

The ordinance will result in the issuance of 129 medallions through 2010. The fiscal impact at the medallion price of \$15,000 would yield revenues of \$645,000 in 2008, 2009 and 2010, for a total of \$1,935,000 over the three-year period. All fees derived from medallions are retained by the Consumer Services Department (CSD) to support taxicab regulatory activities. The projected revenues for 2008 and 2009 are included in the department's Board-approved budget.

TRACK RECORD/MONITOR

The CSD is responsible for regulating for-hire transportation in Miami-Dade County.

BACKGROUND

The Board adopted Ordinance 98-105 on July 9, 1998 that enacted regulatory reform of the taxicab industry. A major goal of the reform was to foster a system of owner-drivers to improve the quality of taxicab services and provide driver opportunities. This goal was supported through two primary mechanisms: new taxicab medallions were to be issued by lottery only to taxicab chauffeurs who actually drive the vehicles and transfers of medallions were to be made only to taxicab chauffeurs who actually drive the vehicles, with certain gift exceptions. Since 1999, the CSD has issued 256 medallions to taxicab chauffeurs by lottery, and approved 254 to chauffeurs by transfer. Prior to the 1998

ordinance, 114 (6 percent) of the 1,824 taxicab licenses were held by owner-drivers as compared to 605 (29 percent) of the 2,080 medallions today.

In May 2004, following the expiration of the first lottery series, the Board approved Ordinance 04-103 that continued a lottery through 2006, eliminated a 1:1,000 taxicab to population ratio and required that a taxicab study be conducted. The study was performed by the Tennessee Transportation & Logistics Foundation (TTLF) and was accepted by the Board on July 10, 2007. The study reviewed the use of taxicabs by visitors and residents, the utilization of wheelchair accessible taxicabs, the geographic distribution of taxicabs, the impact of additional taxicabs on existing taxicab chauffeurs, and provided recommendations for a formula to establish the number of taxicabs in the future, as well as other matters.

TTLF recommended that, in the long-term, the County adopt a formula for future growth that combines year over year increases in four areas weighted equally at 25 percent: 1) the percentage growth in taxicab trips at the Airport and Seaport, 2) hotel occupancy, 3) population and 4) electronic dispatch records of taxicab companies. Given the current lack of electronic dispatch technology throughout the industry, TTLF recommended the continuation of an annual lottery directed to underserved areas as an interim approach. This will allow the ongoing issuance of medallions to owner-drivers while the more permanent formula is finalized and technology is introduced. Prior to the implementation of this formula, Passenger Service Companies will need to be modernized by having electronic dispatching to facilitate the collection of the dispatch records.

The proposed amendment recommends an annual lottery of 43 medallions in 2008, 2009 and 2010, with 26 medallions to be operated with wheelchair taxicabs, and 17 medallions directed to the underserved taxicab service area created in 1999 and the South Miami-Dade taxicab service area created in 2004. The boundaries of these areas were expanded by the Board in April 2007.

TTLF also concluded that a two-way radio dispatch system is important to ensuring service throughout the County, especially in areas where there is not a high degree of street hail or walk up work, and for wheelchair accessible taxicabs. The present Code allows a taxicab to have either a radio or cellular telephone for two-way dispatch. This proposed ordinance requires all vehicles operated under taxicab medallions issued after January 1, 2008, to be equipped with a two-way radio or electronic dispatch system that is connected to and subscribed to a Passenger Service Company that has a fixed base call center operated 24 hours a day, 365 days a year.

Miami-Dade County launched its Wheelchair Accessible Cab (WAC) program in March 2003. Ordinance 03-45 established a goal of at least 3 percent of all taxicabs being wheelchair accessible no later than 2006. Currently, 65 vehicles (3.1 percent) of the taxicab fleet are WAC's. The proposed lottery adds 78 new WAC's over the three lotteries that will bring the total number to 143, or 6.5 percent of the entire taxicab fleet by the end of 2010. Many members of the community and visitors have benefited from the wheelchair taxicab program; however, improvements are needed. WAC's are difficult to obtain as they are scattered among many different taxicab companies that a user must call and because over half of the accessible taxicabs are not connected to a radio dispatch service. The additional wheelchair taxicabs issued in the lottery, coupled with the requirement that all taxicab medallions issued during the 2008, 2009 and 2010 lotteries be equipped with a two-way radio or electronic dispatch system, should help to improve the service.

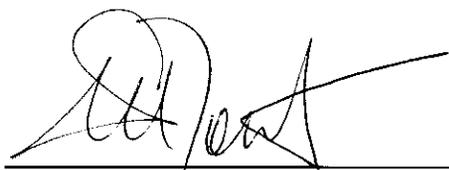
The attached ordinance distributes the 43 taxicabs as follows:

LOTTERY TYPE	YEAR			TOTAL
	2008	2009	2010	
Regular Wheelchair Taxicabs	26	26	26	78
North Miami-Dade Underserved Area Taxicabs	9	9	9	27
South Miami-Dade Area Taxicabs	8	8	8	24
Total Lottery	43	43	43	129
Total Taxicabs After Lottery	2,123	2,166	2,209	

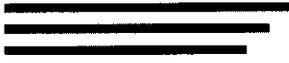
As in the past, the proposed lottery has separate categories to allocate medallions to veterans, chauffeurs with 20 or more years of service, and chauffeurs with 25 or more years of service. In response driver concerns, two new categories are included for drivers with 10 and 15 or more years of service, with the balance to drivers with five or more years of service. Drivers may apply in each category in which they qualify. The allocations improve chances for drivers who have been driving the longest.

DISTRIBUTION	YEAR			TOTAL
	2008	2009	2010	
25 year driver	13	13	13	39
20 year driver	12	12	12	36
15 year driver	6	6	6	18
10 year driver	5	5	5	15
5 year driver	5	5	5	15
Veteran	2	2	2	6
Total Lottery	43	43	43	129
Total Taxicabs After Lottery	2,123	2,166	2,209	

The initial lottery proposal was discussed at CSD's Taxicab Advisory Group (TAG), which consists of representatives from industry, hospitality, municipalities and others, in April, July and October 2007 and January and April 2008. The lottery was also reviewed with taxicab drivers attending three of CSD's driver training sessions in October 2007, and at two taxicab driver workshops held in September 2007. Additionally, the lottery was discussed at the November 28, 2007 and April 23, 2008 Taxicab Workshops held by the Economic Development and Human Services Committee.

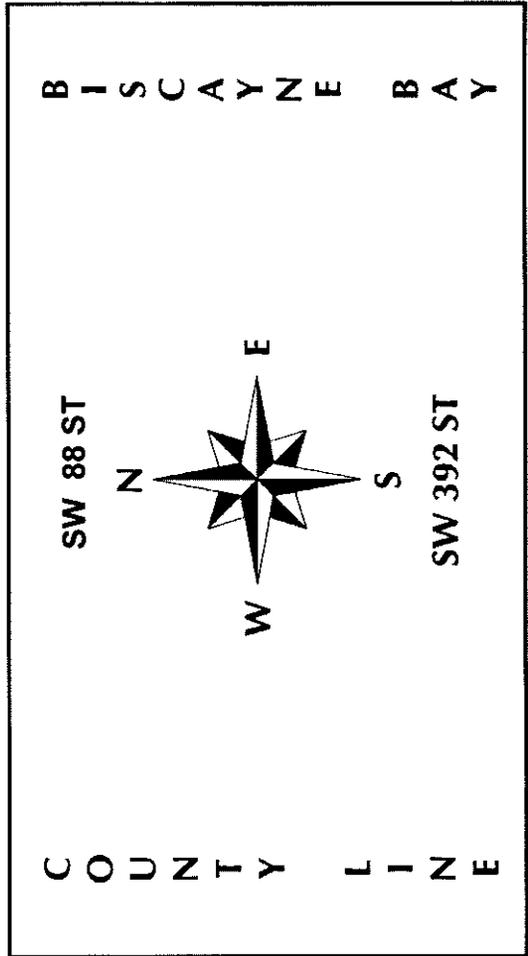


Assistant County Manager

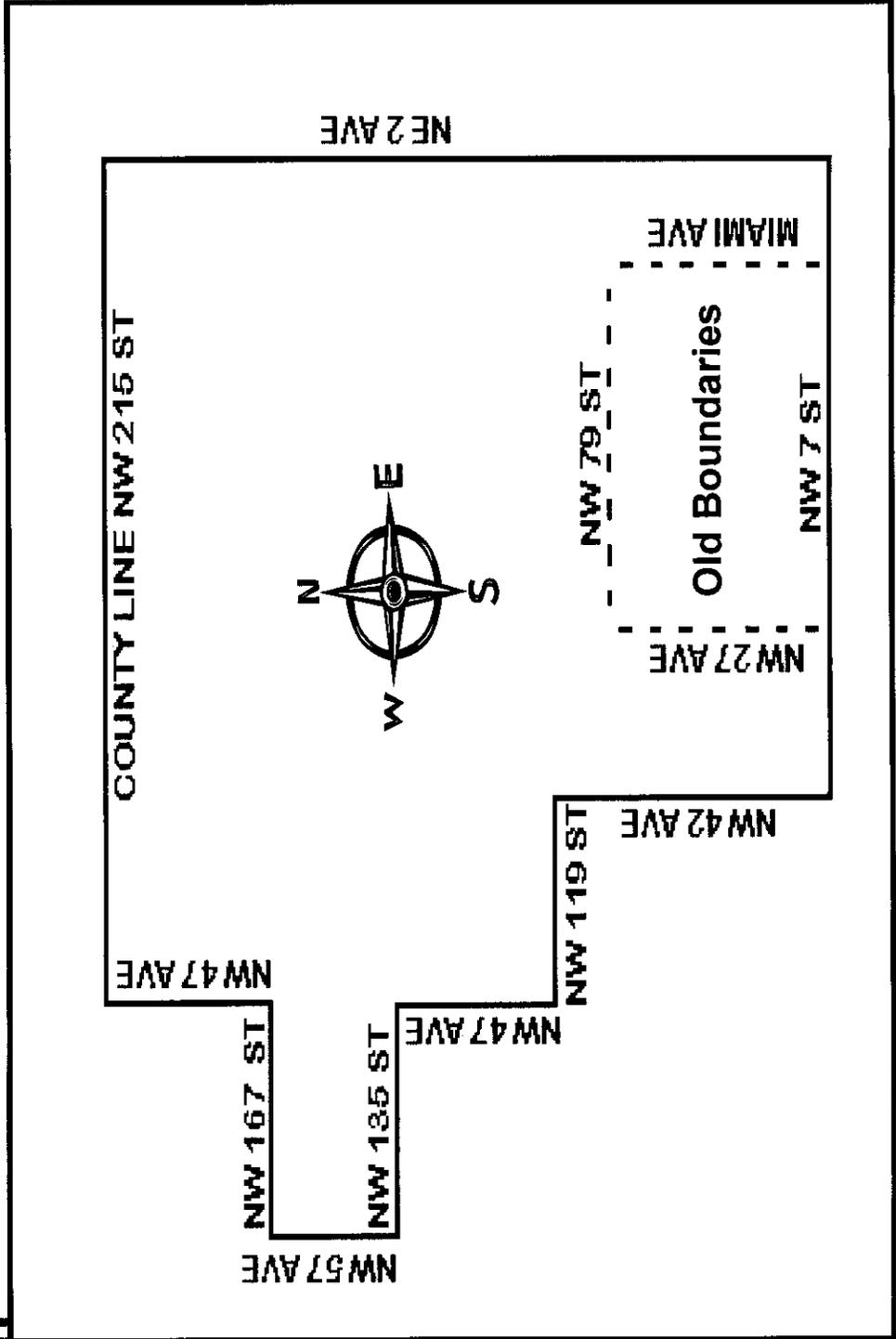


UNDERSERVED AREA TAXICABS

**South Miami-Dade Area Region
Taxicab
(S.M.A.R.T.)**



NORTH DADE UNDERSERVED AREA



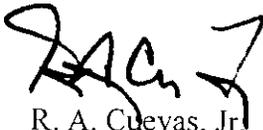


MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: December 2, 2008

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Amended
Agenda Item No. 7(H)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 7(H)
12-2-08

ORDINANCE NO. 08-139

ORDINANCE AMENDING SECTION 31-82 (O) OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA, REGARDING THE TAXICAB LICENSE LOTTERY; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Chapter 31 Article II of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:¹

Sec 31-82. For-hire licenses.

(o) For-hire taxicab license lottery

- (1) ~~[[Beginning January 1, 2004]], >>In the year 2009<< [[twenty-five (25)]] >>fifteen (15)<< for-hire taxicab licenses shall be >>operated using accessible vehicles and<< issued ~~[[on an annual basis until December 31, 2006]]~~, utilizing the criteria and procedure provided in Section 31-82. >>Notwithstanding any other provision of this chapter, taxicab licenses issued pursuant to this subsection, after January 1, 2009, shall be prohibited from providing transportation of persons and their baggage from Miami International~~

¹Words stricken through and/or ~~[[double bracketed]]~~ shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

Airport.<< ~~[[In 2004 and 2005, fourteen (14) of the twenty five (25) for hire taxicab licenses shall be operated using accessible vehicles. In 2006, twelve (12) of the twenty five (25) for hire taxicab licenses shall be operated using accessible vehicles. Two (2) of the twenty five (25) for hire licenses to be issued annually shall be issued through a separate lottery to veterans of the United States Armed Forces who have been honorably discharged and satisfy all of the requirements of this chapter, two (2) of the for hire licenses shall be issued through a separate lottery to drivers who have been a Miami-Dade County chauffeur for twenty (20) or more years and satisfy all of the requirements of this chapter and five (5) of the for hire licenses shall be issued through a separate lottery to drivers who have been a Miami-Dade County chauffeur for twenty five (25) or more years and satisfy all of the requirements of this chapter. When the number of for-hire taxicab licenses reserved for the lottery for chauffeurs who have driven for twenty (20) years is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place that year and all applicants qualified to participate in such lottery will be issued a for-hire taxicab license. When the number of for-hire taxicab licenses reserved for the lottery for chauffeurs who are veterans of the United States Armed Forces who have been honorably discharged is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place that year and all applicants qualified to participate in such lottery will be issued a for-hire taxicab license. When the number of for-hire~~

~~taxicab licenses reserved for the lottery for chauffeurs who have driven for twenty five (25) years is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place that year and all applicants qualified to participate in such lottery will be issued a for hire taxicab license. When the number of for hire taxicab licenses reserved for veterans of the United States Armed Forces or drivers who have been a Miami Dade County chauffeur for twenty (20) years exceeds the number of qualified applicants allowed to participate in the lottery, the remaining number of licenses to be issued shall be included in the lottery for chauffeurs who satisfy the requirements of Section 31-82(q). When the number of for hire taxicab licenses reserved for drivers who have been a Miami Dade County chauffeur for twenty five (25) years exceeds the number of qualified applicants allowed to participate in the lottery, the remaining number of licenses to be issued shall be included in the lottery for chauffeurs who have been Miami Dade County chauffeurs for twenty (20) years.]]~~

- (2) In addition to the for-hire licenses authorized by the preceding subsection, an additional ~~[[seven (7)]]~~ >>five (5)<< South Miami-Dade taxicab service area for-hire taxicab licenses shall be issued in ~~[[2004, 2005 and 2006]]~~ >> the year 2009<<, pursuant to Section 31-93(d) utilizing the criteria and procedure provided in Section 31-82. ~~[[One of the for hire taxicab licenses issued pursuant to this subsection (e)(2) shall be operated using an accessible vehicle. Three (3) of the seven (7) for hire licenses issued pursuant to this subsection shall be issued as follows:~~

~~one (1) of the seven (7) for hire licenses to be issued shall be issued through a separate lottery to a veteran of the United States Armed Forces who has been honorably discharged and satisfies all the requirements of this chapter; one (1) of the for hire licenses shall be issued through a separate lottery to a driver who has been a Miami-Dade County chauffeur for twenty (20) or more years and satisfies all the requirements of this chapter; and one (1) of the for hire licenses shall be issued through a separate lottery to a driver who has been a Miami-Dade County chauffeur for twenty five (25) or more years and satisfies all of the requirements of this chapter. When the number of for hire taxicab licenses reserved for the lottery for chauffeurs who have driven for twenty (20) years is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place and all applicants qualified to participate in such lottery will be issued a for hire taxicab license. When the number of for hire taxicab licenses reserved for the lottery of chauffeurs who are veterans of the United States Armed Forces who have been honorably discharged is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place and all applicants qualified to participate in such lottery will be issued a for hire taxicab license. When the number of for hire taxicab licenses reserved for the lottery for chauffeurs who have driven for twenty-five (25) years is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place and all applicants qualified to~~

~~participate in such lottery will be issued a for hire taxicab license. When the number of for hire taxicab licenses reserved for veterans of the United States Armed Forces or drivers who have been a Miami Dade County chauffeur for twenty (20) years exceeds the number of qualified applicants allowed to participate in the lottery, the remaining number of licenses to be issued shall be included in the lottery for chauffeurs who satisfy the requirements of Section 31-82(q). When the number of for hire taxicab licenses reserved for drivers who have been a Miami Dade County chauffeur for twenty five (25) years exceeds the number of qualified applicants allowed to participate in the lottery, the remaining number of licenses to be issued shall be included in the lottery for chauffeurs who have been Miami Dade County chauffeurs for twenty (20) years.]]~~

- (3) In addition to the for-hire licenses authorized by the preceding subsections, an additional ~~[[six (6)]]~~ >>five (5) underserved area<< for-hire taxicab licenses shall be issued in ~~[[2004, 2005 and 2006]]~~ >>the year 2009<<, pursuant to Section 31-93(c), utilizing the criteria and procedure provided in Section 31-82. ~~[[Two (2) of the for hire taxicab licenses issued pursuant to this subsection (o)(3) shall be operated using an accessible vehicle. One (1) of the six (6) for hire licenses issued pursuant to this subsection shall be issued through a separate lottery to a driver who has been a Miami Dade County chauffeur for twenty five (25) or more years and satisfies all of the requirements of this chapter. When the number of for hire taxicab licenses reserved for the lottery for chauffeurs who have driven for~~

~~twenty five (25) years is more than the number of qualified applicants allowed to participate in such lottery, the random selection or lottery process will not take place and all applicants qualified to participate in such lottery will be issued a for hire taxicab license. When the number of for hire taxicab licenses reserved for drivers who have been a Miami Dade County chauffeur for twenty five (25) years exceeds the number of qualified applicants allowed to participate in the lottery, the remaining number of licenses to be issued shall be included in the lottery for chauffeurs who meet the requirements of Section 31-82(q).]]~~

>>(4) All taxicab licenses issued pursuant to this section after January 1, 2009 shall have a mobile two-way radio or electronic dispatch system, installed and operating properly that is connected to and subscribed to service with a passenger service company that has a fixed-base call center operated twenty-four (24) hours a day, 365 days a year and by which a dispatcher may communicate with the taxicab chauffeur during all hours of vehicle operation to provide for-hire transportation to a passenger. In addition, notwithstanding any provision to the contrary, all taxicab licenses issued pursuant to this section shall be issued upon payment of twenty-five thousand dollars (\$25,000).<<

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Section 2. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 3. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

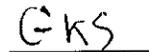
Section 4. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED: December 2, 2008

Approved by County Attorney as
to form and legal sufficiency:



Prepared by:



Gerald K. Sanchez

Memorandum

MIAMI-DADE
COUNTY

Date: December 2, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Supplemental report relating to taxicab medallion lottery

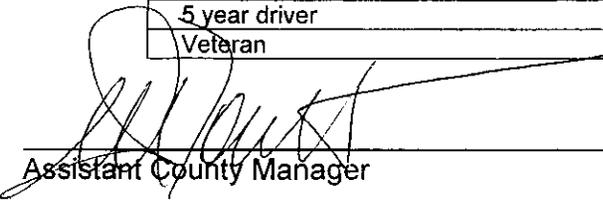
Supplement to
Agenda Item No. 7(H)

At its November 12, 2008 meeting, the Economic Development and Human Services (EDHS) Committee forwarded the proposed ordinance authorizing a taxicab medallion lottery, and its supplemental report, to the Board of County Commissioners with a favorable recommendation. Procedurally, though, the amendments were not incorporated. The following details the amendments which were discussed by the Committee and are being proposed for Board adoption.

1. There will be one lottery consisting of 35 medallions that occurs in 2009, instead of a series of three lotteries.
2. Ten of the 35 medallions are regular taxicabs operating countywide, 15 are wheelchair accessible taxicabs operating countywide, five are assigned to the North Miami-Dade Underserved Area and five are assigned to the South Miami-Dade Service Area.
3. Nine medallions each are allocated to chauffeurs who have driven for 20 and 25 years or more; five medallions each are allocated to chauffeurs who have driven 15, 10 and five years or more, respectively; and two medallions are allocated to chauffeurs who are veterans of the United States Armed Forces.
4. All of the lottery medallions are prohibited from transporting passengers from Miami International Airport, and the price charged for each medallion is \$25,000.

The recommended amendments were the result of a compromise reached at an industry meeting held on October 23, 2008. The lottery will yield revenues of \$875,000 in 2009, which are retained by the Consumer Services Department to support taxicab activities. The table below details the amendments.

	Agenda Item	Amendment
Number of Annual Lotteries	3	1 lottery in 2009
Number Medallions in Each Lottery	43	35
Distribution		
Regular Taxicabs (Countywide)	0	10
Wheelchair Taxicabs (Countywide)	26	15
North Miami-Dade Underserved Area Taxicabs	9	5
South Miami-Dade Area Taxicabs	8	5
Allocation by Driver Category		
25 year driver	13	9
20 year driver	12	9
15 year driver	6	5
10 year driver	5	5
5 year driver	5	5
Veteran	2	2


Assistant County Manager