

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 03/26/2007		Item Number: <u>A-5</u>	
AGENDA ITEM: Adoption of a Resolution Establishing New Taxicab Rates Within the City, Providing for the Posting Thereof and Rescinding Resolution No. 2006-R007.			
Contact Person/Dept.: Nagam Rao, City Treasurer's Office / Treasury		Phone Number: (310) 253 5889	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Beverly Hills Cab Company; Culver City Taxicab Company; Independent Taxi Owners Association; United Independent Taxicab Company; Master Notification List on 3/21/07; Notice to Senior Citizen Groups			
Department Approval: Crystal C. Alexander (03/06/07)		City Attorney Approval: Carol Schwab (by R. Miranda) (03/19/07)	
City Controller Approval: Marlee Chang, (03/13/07)		City Manager Approval: Jerry B. Fulwood (03/20/07)	
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a resolution establishing new taxicab rates within the City, and providing for the posting thereof, and rescinding Resolution No. 2006-R007. <u>BACKGROUND:</u> Pursuant to the authority contained in the Culver City Municipal Code Section 11.10.305, the City Council establishes the maximum rates or fares that taxicabs operating within the City may charge. Staff is recommending the adoption of a resolution which would raise the City's taxicab rates, to make them equal to the rates in Los Angeles. While the maximum taxicab rates in the City of Culver City (City) remained unchanged between 1986 and 2006, the City of Los Angeles raised its taxicab rates twice, in 2001 and in 2005. As a result, the number of taxicabs operating in the City declined from 124 in 1999 to 32 in 2006. This decline can be attributed in part to the slowdown in tourism, but to a greater extent to the City not matching the rate increases of neighboring cities, particularly the rates in Los Angeles. With the rate increase that was approved by the City Council in February 2006, and the continued increase in taxicab services in the City, the number of taxicabs operating in the City increased to 53 in 2007, from 32 in 2006. The figures for the period between 1999 and 2007 are shown in the following table:			

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Year	No. of Taxi Cabs
1999	124
2000	101
2001	102
2002	55
2003	45
2004	36
2005	29
2006	32
2007	53

With the continued increasing trend in gas prices, the City of Los Angeles raised its taxicab rates, effective December 25, 2006. Los Angeles' revised taxicab rates, along with the rates currently applicable in the City of Culver City, are shown in the table below:

	Culver City	Los Angeles
Flag Drop Flag Drop, for the first 1/11 of a mile Flag Drop, for the first 1/7 of a mile	\$2.20	\$2.45
Distance for each additional 1/11 of a mile for each additional 1/7 of a mile	\$0.20	\$0.35
Waiting For each 32 seconds of waiting time and /or traffic delay For each 47.50 seconds of waiting time and /or traffic delay	\$0.20	\$0.35

DISCUSSION:

With gas prices continuing to rise, the City's taxi operators have requested a rate increase in order for them to maintain and sustain their operations.

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A journey from City Hall to the Los Angeles International Airport at the current Culver City rates (i.e. those rates established in February 2006) and at the revised Los Angeles rates would cost \$16.26 and \$18.03, respectively, a difference of approximately 10.90%. Therefore, staff is recommending that the City raise the taxicab rates to be equal to the rates in Los Angeles.

FISCAL ANALYSIS:

While adoption of the taxicab rate increase in February 2006 did not have any effect on expenditures, it did increase the number of taxicabs operating in the City during 2007 to 53, from the previous years' figure of 32. This increase in the number of taxicabs resulted in additional revenue to the City of \$9,030.

While it is likely that the number of taxicabs wishing to operate in the City will continue to rise as the taxicab rate disparity between Culver City and Los Angeles is reduced, however, it is difficult for staff to project any revenue increase at this stage.

ATTACHMENTS:

- (1) City of Los Angeles, Ordinance Number 178050 dated November 13, 2006.
- (2) City of Culver City, Resolution No. 2006-R007 dated February 13, 2006.
- (3) Proposed Resolution.
- (4) Letters from Taxicab Companies.

MOTION:

That the City Council:

Adopt the resolution establishing new taxicab rates within the City, providing for the posting thereof and rescinding Resolution No. 2006-R007.