

ORDINANCE NO. 3073-16

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE TO AMEND CHAPTER 5.36 (TAXICABS)
OF TITLE 5 (BUSINESS LICENSES AND REGULATIONS)
OF THE SUNNYVALE MUNICIPAL CODE**

WHEREAS, on February 19, 2015, at the Study Issues Workshop, City Council directed staff to conduct a study on car and ride share impacts on taxicab franchises and review of taxicab franchise regulations; and

WHEREAS, the study was in response to concerns raised by local taxicab companies that City regulation of taxicabs was more stringent than the rules imposed on car/ride share businesses known as Transportation Network Companies ("TNCs"); and

WHEREAS, on October 13, 2015, City staff presented the findings of the study and made recommendations for certain policy and fee changes to the City's taxicab regulations, contained in Chapter 5.36 (Taxicabs) of the Sunnyvale Municipal Code; and

WHEREAS, the City Council hereby adopts the amended Chapter 5.36 (Taxicabs) of the Sunnyvale Municipal Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. CHAPTER 5.36 AMENDED. Chapter 5.36 (Taxicabs) of Title 5 (Business Licenses and Regulations) of the Sunnyvale Municipal Code is hereby amended to read as follows:

Chapter 5.36.

TAXICABS

- | | |
|-----------------|--|
| 5.36.010 | Definitions. |
| 5.36.020 | Administrative authority. |
| 5.36.030 | Franchise- Compliance required. |
| 5.36.040 | Application and franchise fees. |
| 5.36.050 | Franchise-Application. |
| 5.36.060 | Public hearing. |
| 5.36.070 | Execution of franchise agreement. |
| 5.36.090 | Transfer of franchise. |
| 5.36.100 | Maintenance of records. |
| 5.36.110 | Franchise- denial. |

- 5.36.120 Franchise-term.
- 5.36.130 Franchise suspension.
- 5.36.140 Franchise revocation.
- 5.36.150 Owner's responsibilities for maintenance and compliance with laws.
- 5.36.160 Direct route request.
- 5.36.170 Receipt.
- 5.36.180 Refusal of service.
- 5.36.190 Additional passenger
- 5.36.200 Seating capacity.
- 5.36.210 Posting of permits.
- 5.36.220 Local contact requirements.
- 5.36.230 Twenty-four hour service.
- 5.36.240 Adequate personnel.
- 5.36.250 Insignia.
- 5.36.260 Taxicab identification.
- 5.36.270 Inspection permitted.
- 5.36.280 Fare schedule.
- 5.36.290 Posting schedule.
- 5.36.300 Insurance required.
- 5.36.310 Cancellation of insurance.
- 5.36.320 Taximeter required.
- 5.36.326 Daily trip manifest.
- 5.36.330 Display flag.
- 5.36.350 Driver's permit required.
- 5.36.350 Application for driver's permit.
- 5.36.355 Requirements.
- 5.36.360 Investigation of applicant.
- 5.36.365 Testing of taxicab drivers for controlled substances and alcohol.
- 5.35.370 Issuance of driver's permit.
- 5.35.380 Revocation or suspension of driver's permit.
- 5.35.390 Notice of intent to deny or revoke permit-Hearing.
- 5.35.400 Nonliability.
- 5.35.405 Investigation of complaints of unauthorized taxicab operation.
- 5.35.410 Prosecution of violations.

5.36.010. Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section.

(1) – (4) [Text Unchanged]

5.36.020. Administrative authority.

[Text Unchanged]

5.36.030. Franchise—Compliance required.

[Text Unchanged]

5.36.040. Application and franchise fees.

[Text Unchanged]

5.36.050. Franchise—Application.

(a) The application for such owner's franchise shall be verified under oath by the applicant, and shall set forth:

(1) A full identification of the applicant, relevant business information, and all persons to be directly or indirectly interested in the franchise, if granted;

(2) – (6) [Text Unchanged]

(7) The number of vehicles proposed to be operated under the franchise, and a complete description of the same including the distinguishing color or colors thereof, the model and year, the manufacturer's name, the license number and the vehicle registration number; the applicant must be the registered owner of at least five taxicabs to be included in the franchise at the time of filing of the application and must maintain at least five taxicabs while operating in the city of Sunnyvale;

(8) – (9) [Text Unchanged]

(b) [Text Unchanged]

(1) – (4) [Text Unchanged]

5.36.060. Public hearing.

[Text Unchanged]

5.36.070. Notice of hearing.

[Text Unchanged]

5.36.090. Transfer of franchise.

[Text Unchanged]

5.36.100. Maintenance of records.

[Text Unchanged]

5.36.110. Franchise—Denial.

The city council may deny a franchise to any applicant if it appears to its satisfaction that the applicant has been convicted of a felony or violation of any narcotic law or of any penal law involving moral turpitude; that the applicant's proposed color scheme or other insignia will tend to confuse the identification of the vehicles proposed to be operated by such applicant with those of another owner operating in the city; that the applicant has failed to provide the necessary information required in Section 5.36.050 or made a material misstatement or misrepresentation in the application; that the applicant has been in violation of any of the terms of this chapter, or of any other laws or regulations relating to the

conduct of a taxicab business; that the applicant has had a taxicab license revoked or suspended in the city of Sunnyvale or any other jurisdiction within five years prior to the date of the application; that the applicant has previously applied for a taxicab franchise in the city of Sunnyvale and been denied within two years prior to the date of the current application; or that any other reasonable cause exists which, within the council's sound discretion, would render the proposed operations undesirable to the city of Sunnyvale, or inadequate.

5.36.120. Franchise—Term.

The franchise issued under this chapter shall be issued for an initial term of two years. The city council may authorize the director of public safety to approve up to two, two-year extensions, provided the franchisee remains in good standing, for a total term not to exceed six years. At the expiration of the total term including approved extensions, unless a new franchise is issued under the provisions of this chapter, or unless the city council, for good cause, extends the term of the original franchise, the franchise shall be deemed to have expired and shall no longer be valid. If an owner has submitted all necessary renewal materials and all fees are current and paid in full, subject to the written approval of the director of public safety, the owner may continue to operate under the terms of the franchise previously issued, until such time as the council takes formal action on the franchise renewal.

5.36.130. Franchise suspension.

[Text Unchanged]

5.36.140. Franchise revocation.

(a) The director of public safety, or his or her designee, may revoke the franchise granted under this chapter, if any of the following determinations are made:

(1) [Text unchanged]

(2) If the owner discontinues or suspends service for a period of ten days without first having obtained permission from the director of public safety;

(4) – (6) [Text Unchanged]

(b) – (e) [Text unchanged]

5.36.150. Owner's responsibilities for maintenance and compliance with laws.

[Text Unchanged]

5.36.160. Direct route request.

[Text Unchanged]

5.36.170. Receipt.

[Text Unchanged]

5.36.180. Refusal of service.

[Text Unchanged]

5.36.190. Additional passenger.

[Text Unchanged]

5.36.200. Seating capacity.

[Text Unchanged]

5.36.210. Posting of permits.

[Text Unchanged]

5.36.220. Local contact requirements.

(a) [Text Unchanged]

(b) Each taxicab shall be equipped with operable transmitters and receivers, or the driver shall possess a mobile phone or utilize an electronic application that provides direct reliable contact with the driver's dispatcher.

(c) [Text Unchanged]

5.36.230. Twenty-four hour service.

[Text Unchanged]

5.36.240. Adequate personnel.

[Text Unchanged]

5.36.250. Insignia.

[Text Unchanged]

5.36.260. Taxicab identification.

[Text Unchanged]

5.36.270. Inspection permitted.

[Text Unchanged]

5.36.280. Fare schedule.

[Text Unchanged]

5.36.290. Posting schedule.

[Text Unchanged]

5.36.300. Insurance required.

[Text Unchanged]

5.36.310. Cancellation of insurance.

[Text Unchanged]

5.36.320. Taximeter required.

[Text Unchanged]

5.36.325. Daily trip manifest.

Every taxicab driver shall maintain, on a form or through an electronic format approved by the director of public safety, a daily manifest of all trips made by the taxicab while under his or her control. The manifest shall include the date, time, place of origin, and destination of each trip. The manifest shall be maintained for a minimum of two years and shall be provided to the department of public safety on request.

5.36.330. Display flag.

[Text Unchanged]

5.36.340. Driver's permit required.

It is unlawful for any person to operate or drive a taxicab which originates trips within the city without having first obtained a driver's permit from the director of public safety. To secure such permission, a prospective taxicab driver shall file a written application with the director of public safety, which application shall be accompanied by a nonrefundable processing fee in an amount to be established by resolution of the city council. A permit card shall be issued by the director of public safety, which permit card shall not be transferable. Regardless of date of issuance, permits are issued for two calendar years and expire December 31st of the calendar year following issuance. The permittee shall post the permit card in the taxicab in view of the passengers therein, during all working hours. Applications for renewal of a driver's permit must be received by the director of public safety no later than thirty days before the date of expiration, or the driver will be assessed a late fee in an amount established by resolution of the city council.

5.36.350. Application for driver's permit.

Any person may apply to the city for a permit to operate a taxicab by filing with the director of public safety, upon forms supplied by the city, an application containing the following information:

(a) – (d) [Text Unchanged]

(e) Number, class and expiration date of state of California driver's license and agreement that the City may perform an initial and annual review of the driver's record;

(f) – (g) [Text Unchanged]

5.36.355. Requirements.

[Text Unchanged]

5.36.360. Investigation of applicant.

[Text Unchanged]

5.36.365. Testing of taxicab drivers for controlled substances and alcohol.

[Text Unchanged]

5.36.370. Issuance of driver's permit.

(a) Upon approval of an application for a driver's permit and upon payment of the fee in an amount to be established by resolution, the director of public safety shall issue a permit to the applicant. Such permit shall bear the name and photograph of the applicant, date of expiration of the permit, and the name of the licensed franchise owner for which the driver is authorized to operate a vehicle. Such permit shall be picked up by the driver or owner named therein and shall be valid only so long as the driver continues in the employ of such owner, or for the two year permit period, whichever is less.

(b) [Text Unchanged]

5.36.380. Revocation or suspension of driver's permit.

[Text Unchanged]

5.36.390. Notice of intent to deny or revoke permit—Hearing.

[Text Unchanged]

5.36.400. Nonliability.

[Text Unchanged]

5.36.405. Investigation of complaints of unauthorized taxicab operation.

[Text Unchanged]

5.36.410. Prosecution of violations.

[Text Unchanged]

SECTION 2. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment.

SECTION 3. CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 4. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 5. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced at a regular meeting of the City Council held on February 9, 2016, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on _____, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
Date of Attestation: _____

Mayor

(SEAL)

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

**CITY OF SUNNYVALE
FISCAL YEAR 2015/16
FEE SCHEDULE**

	<u>Fiscal Year 2015/16</u>	<u>Charge Code</u>	<u>Object Level 3 & 4</u>	<u>Title (Obj. Lvl. 3)</u>	<u>Title (Obj. Lvl. 4)</u>
<u>SECTION 7.07 TAXICAB FRANCHISES (SMC Ch. 5.36)</u>					
A. <u>Franchise Fees</u>					
Application	\$2,578.00	799000	600-3	Franchise - Other	Taxicab Service
Renewal	\$2,513.00	799000	600-3	Franchise - Other	Taxicab Service
Additional Owner(s) (Each)	\$139.00	799000	600-3	Franchise - Other	Taxicab Service
Non-Compliance Penalty	\$250.00	799000	600-3	Franchise - Other	Taxicab Service
B. <u>2-Year Driver's Permit Fees</u>					
Application	\$295.00	799583	1370-1	Permit - Taxi Driver and Vehicle	Driver
Renewal fee	\$230.00	799583	1370-1	Permit - Taxi Driver and Vehicle	Driver
Re-test Fee	\$87.00	799583	1370-1	Permit - Taxi Driver and Vehicle	Driver
Change of Company	\$87.00	799583	1370-1	Permit - Taxi Driver and Vehicle	Driver
Non-Compliance Penalty	\$250.00	799583	1370-1	Permit - Taxi Driver and Vehicle	Driver
C. <u>Vehicle Fee</u>					
Per Vehicle Annual Fee	\$266.00	799583	1370-2	Permit - Taxi Driver and Vehicle	Vehicle
Non-Compliance Penalty (for each vehicle.)	\$250.00	799583	1370-2	Permit - Taxi Driver and Vehicle	Vehicle