



Legislation Text

File #: 17-1143, **Version:** 2

Ordinance No. 17-61 amending Section 507 (License Fees Enumerated) of Part 5 (License Fees) of Article 1 (General Business License Provisions) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, pertaining to taxicabs

Presenter:

Sarah B. Johnson, City Clerk

Summary:

The proposed ordinance to repeal the existing "Taxicabs" License Code is based on extensive staff research into existing State laws and regulations, input from other similarly sized municipalities, and discussion with multiple stakeholders. This ordinance will eliminate the current City license required for taxi drivers, thus removing the duplicative local license requirements imposed on licensees.

Previous Council Action:

Ordinances to amend various portions of the General Business License Code were passed by City Council in November of 2014. At this time, some of the local license requirements were removed from the taxi driver license, including the fingerprint based background check (replaced by the name based background check), and the requirement for proof of medical exam since it was duplicative of the state taxi driver requirements.

The item was discussed at the June 26, 2017 City Council Work Session and directed to be placed on the July 11, 2017 Regular Meeting for first reading of the ordinance.

Background:

As part of an ongoing effort to make the City of Colorado Springs a more business friendly community, and as one of the City Clerk's 2014 Breakthrough Strategies, the City Clerk conducted a thorough review of general business license ("general business license") types, requirements, and fees to ensure they are relevant and necessary to regulate activities related to health, safety or other protective purposes. This review resulted in several ordinances passed by City Council in November of 2014 to amend various portions of the General Business License Code for removal/clarification of requirements for standardization across all general business license types. These updates to our City Code enhanced City services by eliminating unnecessary steps for a business to operate in our great City, while also aiding the future creation of an online application/renewal business licensing system. Noted at the time was a desire to continue with ongoing efforts to update specific license types, which includes the "Taxicabs" license type. The proposed ordinance supports the City's Strategic Goal relating to Excelling in City Services, refines the business licensing process to remove barriers for obtaining a license, and eliminates duplicative forms and regulations required by the State.

The current City Business Licensing Code establishes qualifications and requirements for taxi driver applicants which are duplicative of the State Public Utilities Commission (PUC) requirements. At the City Council Regular Meeting on February 14, 2017 a group of taxi drivers and taxi company owners

spoke during Citizen Comment, expressing concerns over the uneven regulation of taxi drivers and TNC drivers of the current City license requirements. These public comments highlighted differences in State and local regulation for taxi drivers and drivers of transportation network companies (TNC) such as Uber and Lyft. The drivers asked for fairness and equity in local regulation across taxi drivers and TNC drivers. It was also noted that the City of Denver recently repealed their “Herdic” (taxi driver) License in December of 2016 to establish equity among taxi and TNC drivers.

At the Staff Planning Meeting on February 28, 2017, the City Clerk provided an overview of the State PUC regulation for taxi companies and TNCs. The City Clerk also explained the City Code provision requiring taxi drivers to obtain a City license. Council gave direction for the City Clerk to research the issue further and provides a recommendation regarding the City taxi driver license at a Council Work session in June.

Financial Implications:

The propose ordinance to amend Part 5 (License Fees) of the General Business License Code will also eliminate the currently required license and background check fees for taxi drivers. The total budgeted revenue for taxi driver licenses in 2017 is \$30,000. As of the end of May, 2017, \$15,375 has been collected, leaving an unobligated budgeted balance of \$14,625. This approximate remaining balance would be a revenue loss for the 2017 budget year as no additional taxi driver licenses would be issued and no additional fees would be collected. There will, however, be no refunds given for the licenses already issued and the revenue already collected, as this money has been budgeted for, and the City Code §§ 2.1.501 and 2.1.504 do not permit refunds to be issued for these license fees. The City currently has 220 active taxi driver licenses.

Board/Commission Recommendation:

N/A

Stakeholder Process:

In May of 2017, after successfully conducting the April 4th Municipal Election, the City Clerk’s Office began to focus on the City taxi driver requirements and the duplicative nature of the City license. The City Clerk’s Office reached out to the State PUC to discuss State requirements and spoke with State License Enforcement Officers to better understand the State regulations on taxi drivers. The City Clerk’s Office also contacted the City of Denver’s Department of Excise and Licenses to discuss the recent repeal of the Denver “Herdic” (taxi driver) License. The City Clerk’s Office further conducted a stakeholder meeting with representatives from all three of the taxi companies based in Colorado Springs: Springs Cab, Yellow Cab (ZTrip), and Pikes Peak Cab LLC. These discussions also included the City Code Chapter 2 Council liaison, Councilmember Murray. The City Clerk’s Office has also reached out to the TNC operating in Colorado Springs

Alternatives:

Approve the proposed ordinance as presented, disapprove the proposed ordinance, or modify the proposed ordinance.

Proposed Motion:

Approve an Ordinance amending Section 507 (License Fees Enumerated) of Part 5 (License Fees) of Article 1 (General Business License Provisions) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, pertaining to taxicabs

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