

Sunday, June 26, 2016
Santa Cruz City Council
Santa Cruz City Hall
809 Center Street, Room 10
Santa Cruz, CA 95060

Honorable Santa Cruz City Council:

I write you as a local business person asking for your assistance. I represent the interest of 35 locally permitted taxi drivers who do business under the banner of Santa Cruz Yellow Cab. Taxi cab drivers operating in Santa Cruz are regulated by local ordinance SCMC 5.16.100. We have offered essential services to the greater Santa Cruz community since 1948 with wheelchair accessible vans in operation since 1988. For so many years, Santa Cruz Yellow Cab has provided rides to all persons, including those with disabilities, throughout Santa Cruz County.

As is widely known, ride-hailing services like *Uber* and *Lyft* have become increasingly popular in recent years. The word *uber* is now used as a verb for “quick and easy delivery”. Smart phone wielding members of the community have gravitated toward these “quick and easy delivery” services for any number of reasons.

As a business owner, I understand that competition is a part of capitalism. However, I also believe that professional transportation providers like taxi companies face much different hurdles than the start-up companies, with the playing field now set in favor of the newcomers. The reality is that a tremendous amount of public good would be lost if traditional taxi companies fell by the wayside due to this unequal footing.

Traditional taxi companies provide an essential service. The State of California has long recognized that every person deserves an opportunity to get from Point A to Point B, regardless of age or ability. As a locally regulated company in compliance with federal ADA mandates, our taxis provide rides to passengers with disabilities and those without access to a smart phone - 24 hours each day - 7 days a week and every day of the year. *Uber* and *Lyft* and the drivers for these companies face no such requirements. If local taxis were to disappear, customers with sight impairment and/or mobility devices would face a significant challenge in getting around. The same reliable service we provide is available for those leaving hospitals, nightclubs, restaurants, the beach boardwalk and any number of other locations.

Taxi drivers carry commercial livery insurance in the amount of \$1M CSL (combined single limit), protecting other drivers and taxi passengers in the process. *Uber* and *lyft* have the driver provide private car insurance, a second tier when the ride hail driver is matched to a paying customer and a third tier when a passenger is on board. It's a significantly lower level of coverage than the commercial livery insurance mandated for the traditional taxi driver, fare paying customers and other motorists. In Portland, Oregon a compromise was recently reached on the amount of insurance coverage required for *uber* and *lyft* to maintain.¹ The compromise still requires far more of the taxi companies than the “sharing economy” counterparts, but it is nevertheless a step in the right direction.

Taxi drivers pass a background check and have live scan fingerprinting processed by the Department of Justice, in order to protect the public and for the safety of passengers. Ride-share companies allow drivers to sign on with a social security number-based background check, which leaves the companies vulnerable to fraud and increases the likelihood of bad actors slipping through the background check process. When the City of Austin, Texas passed an ordinance in April 2016 to require drivers for ride-hailing services to pass the same type of background check as taxi drivers, both *uber* and *lyft* pulled their services out of that city the next day.² Cities around the country have considered implementing similar requirements in an effort to ensure the safety of their residents. To be fair, these same municipalities in California are aware of the third rail component and do not realistically set the same guidelines for *uber* and *lyft*. TNC's (transportation network companies) are classed under jurisdiction of the CA Public Utilities Commission (CPUC). In addition, the history of litigation sponsored by ride share companies with unlimited financial resources has any reasonable citizen concluding that very little action can be taken.

Taxi drivers must pass a pre-hire 5 panel drug test (includes test for presence of cannabinoids) which is administered by third party consortium, Hire Right, LLC. Hire Right is well recognized and known for accuracy and strict compliance. Taxi drivers are also subject to random testing for prohibited drugs and random blood alcohol testing, which is administered by the same impartial third party consortium. Ride-share drivers are under no such directive and face no restrictions on their use of illegal drugs or alcohol while they operate unmarked for hire taxi cabs summoned by their connection to a phone app.

You can call for a taxi @ 831-423-1234. Smartphone users appear to enjoy the convenience of hailing a ride through an app on their phones. Responding to market demand, Santa Cruz Transportation, LLC developed an app available at *Google Play* and the *Apple Store* called "Santa Cruz Taxi". Customers book rides on their smartphone and easily track the vehicle as it approaches. When thinking of local hospitals and care facilities, many of our lower income residents and seniors feel most comfortable riding with a locally based driver. As a company with credentials, we always provide a much needed essential service. Customers have a clear choice in riding with our rich tradition of community service. The experience we have is rewarding and worth preserving.

Other cities have raised the bar for ride hailing services. As mentioned above, cities like Portland and Austin have taken steps to even the playing field between ride-hailing services and traditional taxi cab companies. The City of Chicago has taken steps to hold *uber* and *lyft* drivers to the same regulated standards our taxi companies face.³ These jurisdictions have tightened standards for ride-hailing companies to prevent a collapse of the traditional taxicab industry and the important service we provide to communities. Heightened requirements reflect what we, as a society, have long expected of companies that transport persons for hire: **safe vehicles and fully vetted drivers.**

We understand the competitive landscape changes for a wide variety of industries over time. That is to be expected. But as responsible community leaders, we cannot allow a race to the bottom, with no regulations.

The job of an elected official and their designee is to protect the safety of the citizenry and provide ongoing critical services to our community. An important service includes the choice of a long standing transportation provider, when a family member or friend is stranded. To be brought home via the safe and well regulated conveyance we offer is a basic public service that we understandably perform with little fanfare.

I have specific recommendations for your consideration, which will be sent in the next few days.

In closing, I hope you will dedicate your efforts to understanding how best to ensure safety standards are met and that every member of the community will continue to have the opportunity to call for our services when needed. Unless the current challenges we face are addressed in a timely manner, it's quite likely that local taxi companies – and the services we provide – will become a thing of the past in years to come.

Very truly yours,

James C. Monroe
General Manager: Santa Cruz Transportation, LLC

1 <http://www.oregonlive.com/commuting/index.ssf/2015/12/in>

2 <http://www.npr.org/sections/thetwo-way/2016/05/09/477310339/uber-lyft-vow-to-stop-driving-in-austin-after-voters-affirm-regulation>

3 <http://www.business-standard.com/article/news-ians/Chicago-expects-stricter-rules-for-uber-drivers-116061900277.1.html>

Casey Hemard

Subject: FW: Taxi Agenda Item

From: Sharon Barbour [<mailto:wendingwanderer@gmail.com>]

Sent: Saturday, January 07, 2017 10:20 AM

To: City Council

Subject: Taxi Agenda Item

**Positive Community Service
Provided By Existing Taxi Service
Which May be lost if Uber Causes the Taxi Business
To Become Unprofitable and Disappear**

1. Blind customers
 - a. Many blind people have trouble using smartphones
2. Wheel Chair customers
 - a. In Yellow Cab, six wheelchair accessible vehicles are available M-F during standard business hours – generally from 8-5
 - b. Wheelchair service is provided 24/7 by at least one wheelchair accessible vehicle
 - c. Each of the six wheelchair vans do 3-4 rides per day – approximately 100 wheelchair rides per week total
 - d. Specially trained drivers
 - e. Wheelchair accessible taxis provide rides on holidays when Metro is unavailable
 - f. Wheelchair access to hospital on demand in cases of emergencies as opposed to Metro ParaCruz which is next day service
3. Senior Customers
 - a. Many seniors are unable to use a smart phone
 - i. Physical difficulty seeing or using a smart phone
 - ii. Lack of conative ability to use a smart phone
 - iii. Fixed income making it difficult or impossible to purchase and pay the monthly fee for a smart phone
4. Non-smart phone people
 - a. Many young people can't afford smart phone
 - b. Homeless people

- c. Seniors
 - d. Disabled persons
 - e. People with cognitive impairments
5. Assist/Provide Back-up to Other Transportation Agencies
 - a. Lift Line
 - b. ParaCruz
 - c. School District Special Needs Students
 6. Assist/Provide Back-up to other Non-Transportation Agencies
 - a. Dominican rides home
 - b. Homeless Shelter
 - i. Medical Appointment
 - ii. Mental Health Service Appointments
 - iii. Drug Rehabilitation Services
 - iv. Methadone Treatment
 - c. Skilled Nursing Facilities
 - i. Medical Appointments
 - ii. Pharmaceutical Deliveries
 7. Script
 - a. Low-income senior clients
 - b. Low-income disabled clients
 8. Jail
 - a. People whose cars have been towed
 - b. People who have been arrested and released away from their cars
 - c. Mental health release
 - d. Available during late night/early morning hours of release when Uber is often unavailable
 9. Service from Pay phone and Land Line phones
 - a. Areas which have no cell phone service such as Big Basin, parts of Bonny Doon, etc.
 - b. People whose phone has died
 - c.



Zachary Davis <zach@theglassjar.com>

DMC agenda item / taxi rank on Walnut Ave

Bubb Rader <bubb@berdels.com>

Thu, Jan 12, 2017 at 1:44 PM

To: Zachary Davis <zdavis@cruzio.com>, Suna Lock <suna@stripedesigngroup.com>

Cc: Chip <chip@downtownsanacruz.com>, Bonnie Lipscomb <blipscomb@cityofsantacruz.com>, Julie Hendee <jhendee@cityofsantacruz.com>, Linnaea Holgers <linnaea@artisanssanacruz.com>, Pamela Comstock <pamela_comstock@yahoo.com>, Cynthia Mathews <cmathews@cityofsantacruz.com>, Patrice Boyle <patrice@soifwine.com>, Dana Rader <dananorrell@gmail.com>, Mia Bossie <mia@99bottles.com>, "mike@walnutavenuecafe.com" <mike@walnutavenuecafe.com>, "moutaz100@yahoo.com" <moutaz100@yahoo.com>

Hello everyone,

I think a taxi waiting area is stupid. I'm not sure the nature of this topic deserves a more elaborate response so I will leave my opinion as simple and clear as that. "Heck NO to the taxi bros."

I would like to also add the following items to the meeting on the 26th...

- Should we bring back blockbuster video?
- Is the clash between taco Tuesday and downtown Tuesday causing confusion in the marketplace?
- How many salt water crocodiles would the city have to put in the San Lorenzo river to clean up the homeless problem?

Good luck,

Bubb

From: zach@theglassjar.com <zach@theglassjar.com> on behalf of Zachary Davis <zdavis@cruzio.com>

Sent: Thursday, January 12, 2017 1:15:52 PM

To: Suna Lock

Cc: Chip; Bonnie Lipscomb; Julie Hendee; Linnaea Holgers; Pamela Comstock; Cynthia Mathews; Patrice Boyle; Dana Rader; Mia Bossie; Bubb Rader; mike@walnutavenuecafe.com; moutaz100@yahoo.com

Subject: Re: DMC agenda item / taxi rank on Walnut Ave

[Quoted text hidden]



Zachary Davis <zach@theglassjar.com>

DMC agenda item / taxi rank on Walnut Ave

Suna Lock <suna@stripedesigngroup.com>

Thu, Jan 12, 2017 at 1:01 PM

To: Chip <chip@downtownsantacruz.com>, Bonnie Lipscomb <bblipscomb@cityofsantacruz.com>, Julie Hendee <jhendee@cityofsantacruz.com>, Zachary Davis <zach@thepennyicecreamery.com>, Linnaea Holgers <linnaea@artisanssantacruz.com>, Pamela Comstock <pamela_comstock@yahoo.com>, cmathews@cityofsantacruz.com
Cc: Patrice Boyle <patrice@soifwine.com>, Dana Rader <dananorrell@gmail.com>, Mia Bossie <mia@99bottles.com>, Bubb T Rader <bubb@berdels.com>, "mike@walnutavenuecafe.com" <mike@walnutavenuecafe.com>, "moutaz100@yahoo.com" <moutaz100@yahoo.com>

Hi there DMC friends,

Dana and I just met with Patrice and Mia, our business neighbors to discuss the proposal for a taxi rank on Walnut Ave, which I believe has been put to you on the DMC to consider.

I understand that Uber must be having a massive effect on the local taxis businesses – its the same way that online shopping is affecting our stores. It's just much less hassle and much more convenient. This is why all of our 2017 investment will be invigorating our online presence. Progress is progress.

This being said, the idea of parking one or two taxis outside Soif in a holding pattern makes little or no sense. Whilst we agree that Pacific Avenue is not the place to put it due to potential congestion and frustration, Walnut outside Soif does not offer enough visibility for potential clientele. The spots outside New Leaf on Soquel Avenue are surely more practical for the application? There is visibility from Pacific, the route out of Downtown is a straight shot (not encumbered by a series of side streets and stop signs) and not taking up spaces in front of an open, operating business.

It may make sense to give it a trial run – my guess is waiting for a taxi is potentially only an activity engaged in by those people who say: 'I will fax you my itinerary'.

Thank you for your consideration,

Suna Lock
Creative Director / Owner
Stripe Design Group LLC & Stripe Design Services DBA

T: 831 421 9252
C: 408 480 3263
W: www.stripe.design



Locust at Cedar



Soquel at Pacific



Parking Lot #12 (Pacific)