

## **A New Arlington Taxicab Ordinance (Chapter 25 of County Code)** **February 13, 2009**

### Background

Arlington's taxicab ordinance has not changed substantially in the past several decades. Long before the responsibility for developing the annual report on the economic condition of the taxicab industry was shifted from a consumer-affairs office to the transportation-planning office in the 1990s, it was recognized that the ordinance was in need of a major overhaul.

In 2007, that need had resulted in a growing clamor, such that resources were devoted to begin a concerted effort. The consulting firm of Nelson-Nygaard was engaged to examine Arlington's current ordinance and conditions, research what other localities do and how successful they are, and develop recommendations, focusing especially on the certificates of public convenience and necessity.

Soon after Nelson-Nygaard began its work, the taxi industry was buffeted by soaring gasoline prices that led to a several-month consideration of a surcharge. Also in 2007, taxi companies applied for increases in their fleets, and a prospective taxi company --- Envirocab --- applied for a certificate to operate a fleet of hybrid vehicles. These deliberations continued through October, and while they provided a valuable case study for the consultant to observe and document, they diverted attention from the work on revising the ordinance.

By the time the Nelson-Nygaard study, Arlington County Taxi Study, Final Report, was completed in April, 2008, the annual process for considering applications had come around again, as had more rate considerations, such that the process to revamp the ordinance could not resume until after the consideration of two additional applications for certificates was completed in September, 2008.

### December and January Meetings

In the Fall of 2008, arrangements were made to bring the consultant to Arlington to present its April, 2008, report and gather stakeholder ideas on how the ordinance should be revised. The first public meeting was held on December 4<sup>th</sup>. Based on the discussion at that first meeting, it was decided to have a second meeting to focus on several specific topics that were considered key to how the ordinance could be changed:

- This
- That
- The other
- And another

This second meeting was scheduled on a Saturday afternoon, January 10, 2009, so as to provide enough time and on a date for which the consultant was available. At the end of that second meeting, a third meeting was scheduled for the afternoon of January 22<sup>nd</sup>, to enable further discussion of how increases in the authorized fleet could be allocated, and to begin discussion about criteria and processes for rate considerations. (Summaries of all three meetings were sent to all participants in the process.) In addition, in the last week in January, all participants were sent a copy of a “merged” ordinance --- with each section of Arlington’s ordinance inserted into the corresponding section of Fairfax County’s ordinance --- so that they could provide comments on both the structure and wording of a new ordinance.

### Further consultant study

Once the public meetings began in late 2008, it became apparent that further work is needed on the overall subject of regulation. As a result, Nelson-Nygaard was engaged again to a) document the theory underlying the regulation of supply, quality and price, and to provide information about the experiences of localities with some of all of those three aspects not being regulated, and b) outline what Nelson-Nygaard considers to be the ideal regulatory scenario for Arlington, not wedded to what currently exists. The notice to proceed was given in mid-February and Nelson-Nygaard is to provide a draft of the first part (part a) above) in early March. That way, when a draft ordinance begins to go through the official County review process, information about the regulatory rationale and experiences elsewhere will be available. Should the current regulatory framework seem appropriate, the draft ordinance could continue through the review process. Should changes to the regulatory framework be desirable, the draft ordinance review could be postponed.

### Draft Ordinance

Between the third meeting on January 22<sup>nd</sup> and now, Arlington staff have taken the “merged” ordinance and, with the benefit of the thoughts expressed at the three meetings, crafted a draft ordinance for comment. The draft not only specifies revisions to the certificate and rate processes, but also reflects a line-by-line (actually, word-by-word) review.