



## AGENDA REPORT

**Meeting Date:** August 21, 2007  
**Item Number:** F-4  
**To:** Honorable Mayor & City Council  
**From:** Gabriel S. Szasz, Transportation Planning Analyst  
**Subject:** AN ORDINANCE OF THE CITY OF BEVERLY HILLS RELATED TO INCREASE OF METERED TAXICAB RATES AND AMENDING THE BEVERLY HILLS MUNICIPAL CODE  
**Attachments:**

1. Ordinance
2. June 19, 2007 Study Session Report

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### **RECOMMENDATION**

Staff recommends that the City Council adopt the Ordinance to modify the Beverly Hills Municipal Code to increase the taxi-meter rates.

### **INTRODUCTION**

This report is a request for the City Council approval of the Ordinance to modify the Beverly Hills Municipal Code to increase the taxi-meter rates to a similar level of the City of Los Angeles.

### **DISCUSSION**

Due to the general increase in the cost of living and gasoline prices, the City of Los Angeles recently approved an increase in taxi-meter rates which took effect in December 2006. Traditionally, the City of Beverly Hills models its taxi-meter rates after the City of Los Angeles. Beverly Hills meter rates were last raised in October 2005 to match Los Angeles' previous rate. Staff proposes that the City of Beverly Hills raise its taxi-meter rates similar to the City of Los Angeles. At its June 19, 2007 Study Session, the City Council reviewed the proposed rate increase and concurred with the increase except questioned the flat rate of \$39.00 for trips to the Los Angeles International Airport (LAX).

Since that time, staff has spoken to the taxi companies and negotiated a slightly lower flat rate of \$38 to LAX. The current flat rate from downtown Los Angeles to LAX is \$42.00.

The proposed taxi-meter rates are almost identical to the City of Los Angeles with the exception being a \$0.20 cent fee, which is collected from taxi companies to fund the City of Los Angeles' enforcement program. Since the City of Beverly Hills does not collect fees from taxi companies, staff is recommending a lower flag drop fee of \$2.45. The total recommended increases are shown in the chart below.

Description	Current Taxi Meter Rates	Proposed Taxi Meter Rates	% Change from 2005
<b>Flag Drop</b>	\$2.20 for the first 1/11th mile or 36 seconds	\$2.45 for the first 1/7th mile or 30 seconds	10.0% *
<b>Distance</b>	\$0.20 for each additional 1/11th mile, \$2.20 per mile	\$0.35 for each additional 1/7th mile, \$2.45 per mile	10.0% *
<b>Time Delay</b>	\$0.20 for each 36 seconds of waiting time, \$24 hourly	\$0.35 for each 47.5 seconds of waiting time, \$26.53 hourly	10.5%
<b>Flat Rate to LAX</b>	\$35 for pick-ups anywhere in Beverly Hills	\$38 for pick-ups anywhere in Beverly Hills	11.4%
<b>Passengers</b>	All passengers ride for one price	No Change	0

\* Percentage increase varies depending on time and length of trip. For example, the percentage increase of a 2-mile trip with no time delay is a 9.4% increase. A 15-mile trip with no time delay is an 11% increase.

**NOTICING**

Notices advising of the City Council's consideration of this ordinance were sent to all taxi companies licensed in the City, which includes Beverly Hills Cab Company, Independent Cab Company, and United Independent Taxi Drivers.

**FISCAL IMPACT**

The proposed Ordinance modification would have no direct costs to the City.

 David Gustavson, Director  
Approved By

ORDINANCE NO. 07-0-

AN ORDINANCE OF THE CITY OF BEVERLY HILLS  
RELATED TO INCREASE OF METERED TAXICAB RATES  
AND AMENDING THE BEVERLY HILLS MUNICIPAL CODE

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS HEREBY ORDAINS AS  
FOLLOWS:

Section 1. Section 7-4.215 of Article 2 of Chapter 4 of Title 7 of the Beverly Hills  
Municipal Code is amended to read as follows:

"Sec. 7-4.215. Metered taxicab rates.

(a) Taxicab rates for any taxicab operating over any street in the City shall  
be fixed as follows:

(1) Two Dollars and Forty-Five cents (\$2.45) for the first one-seventh  
(1/7) mile or fraction thereof, or thirty (30) seconds of waiting time or fraction thereof;

(2) Twenty (20) cents for each additional one-seventh (1/7) mile or  
fraction thereof, or forty-seven & half (47.5) seconds waiting time or fraction thereof.

(3) Thirty-eight dollar (\$38.00) flat rate to the Los Angeles Airport  
(LAX).

(b) The rates and fares set forth in subsection (a) of this Section shall be  
collected only to the extent shown on the taxicab meter, plus any surcharge applicable, regardless  
of the number of persons occupying the taxicab. No rate other than that specified in this Section  
shall be placed in effect, charged, demanded, or collected for taxicab service originating in the City,  
regardless of whether the destination of such service is within or beyond the corporate boundaries  
of the City.

(c) Each taxicab operating within the city shall be subject to and comply with  
all provisions of the city's taxi coupon program as adopted by the council, and shall accept taxi  
coupons as provided therein."

Section 2. The City Clerk shall cause this ordinance to be published at least once in  
a newspaper of general circulation published and circulated in the City within fifteen (15) days after  
its passage, in accordance with Section 36933 of the Government Code, shall certify to the adoption  
of this ordinance, and shall cause this ordinance and his certification, together with proof of  
publication, to be entered in the Book of Ordinances of the Council of this City.

Section 3. This ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

Adopted:  
Effective:

\_\_\_\_\_  
JIMMY DELSHAD  
Mayor of the City of  
Beverly Hills, California

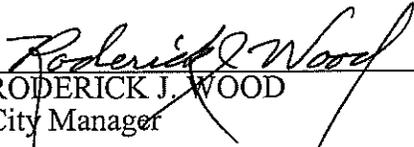
ATTEST:

\_\_\_\_\_  
BYRON POPE (SEAL)  
City Clerk

APPROVED AS TO FORM

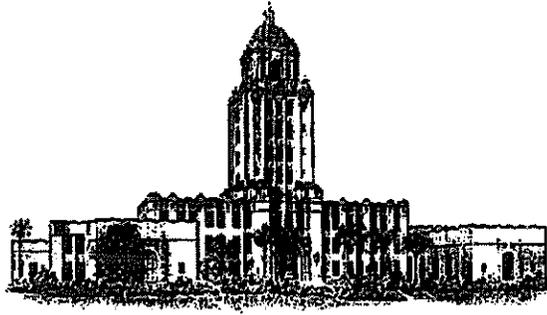
  
\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
RODERICK J. WOOD  
City Manager

  
\_\_\_\_\_  
DAVID D. GUSTAVSON  
Director of Public Works & Transportation

# **ATTACHMENT 2**



**CITY OF BEVERLY HILLS**  
**STAFF REPORT**

**Meeting Date:** June 19, 2007  
**To:** Honorable Mayor & City Council  
**From:** Aaron Kunz, Deputy Director of Transportation  
**Subject:** Taxi Meter Rate Increase and the City's Taxi Coupon Reimbursement

**Attachments:**

1. Los Angeles Taxi Rates
2. Taxi Company Correspondence
3. Proposition A and C Revenues and Expenditures

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**INTRODUCTION**

Due to the general increase in the cost of living and rising gasoline prices, the City of Los Angeles has recently approved an increase in taxi metered rates which took effect in December 2006. Traditionally, the City of Beverly Hills models its taxi metered fare after the City of Los Angeles. Meter rates were last raised in Beverly Hills in October 2005 to match Los Angeles' previous rate. Staff proposes that the City of Beverly Hills also raise its taxi meter rate similar to the City of Los Angeles. With the City Council's concurrence, staff would return to City Council with an ordinance for the taxi rate increase in Summer 2007.

Additionally, staff is providing background information regarding a proposal to provide taxi companies 100% reimbursement for the Senior Disabled Persons Taxi Coupons. A report on the June 19, 2007 formal agenda contains a recommendation to extend the City's agreement with Jewish Family Service, which includes an amendment to increase the taxi coupon reimbursement rate from 90% to 100%.

**DISCUSSION**

The current taxi meter rate for Beverly Hills is \$2.20 at "flag drop" and \$0.20 for each additional one-eleventh (1/11) mile or thirty-six (36) seconds waiting time. Additionally, there is a flat rate of \$35 to the Los Angeles International Airport (LAX).

Cities in the region have varying policies with respect to setting taxi meter rates. The City of Burbank has an ordinance that automatically sets rates based on the City of Los

Meeting Date: June 19, 2007, Taxi Rate

Angeles' taxi meter rate. The Cities of Pasadena, Glendale, and Santa Monica do not regulate taxi meter rates.

The Cities of West Hollywood and Culver City have the same procedure as Beverly Hills where City Council action is required to set rates. Currently, Culver City has the same rates as Los Angeles. The City of West Hollywood does not currently plan to increase their rates due to concerns that it will impact the high number of senior residents that rely on taxi coupons.

Staff is proposing a rate increase that will be similar to Los Angeles' increased rate. In our experience, having a lower taxi meter rate than Los Angeles encourages abuse where the taxi drivers set their meters at the higher Los Angeles rate and could act as a disincentive for taxi drivers to make pick-ups within Beverly Hills with lower rates.

In the City of Los Angeles, \$0.20 cents of the \$2.65 "flag drop" fee is returned to fund the City's enforcement program. The taxi companies provide monthly reports to the Los Angeles Taxi Administration Department requiring extensive monitoring and administrative staff work. The City of Beverly Hills has under 120 taxis permitted to operate in the City versus several thousand permitted to operate in the City of Los Angeles. Staff does not believe setting up a similar program would be cost effective with the small number of taxis compared to the administrative work that would be required to monitor the fee collection. Staff proposes to not include the \$0.20 fee for enforcement, and this would be the only difference in the rate structure.

Additionally, the taxi companies have asked that the City of Beverly Hills raise the flat rate to the airport from \$35 to \$39. The approved flat rate from downtown Los Angeles to LAX is now \$42.

As recommended, the increased taxi meter rate to match the City of Los Angeles (with the exception of the flag drop fee) would be as follows:

Description	Current Taxi Meter Rate	Proposed Taxi Meter Rate	% Change from 2005
<b>Flag Drop</b>	\$2.20 for the first 1/11th mile or 36 seconds	\$2.45 for the first 1/7th mile or 30 seconds	11.3%
<b>Distance</b>	\$0.20 for each additional 1/11th mile, \$2.20 per mile	\$0.35 for each additional 1/7th mile, \$2.45 per mile	11.3%
<b>Time Delay</b>	\$0.20 for each 36 seconds of waiting time, \$24 hourly	\$0.35 for each 47.5 seconds of waiting time, \$26.53 hourly	10.5%
<b>Flat Rate to LAX</b>	\$35 for pick-ups anywhere in Beverly Hills	\$39 for pick-ups anywhere in Beverly Hills	11.4%
<b>Passengers</b>	All passengers ride for one price	No Change	0

### ***Senior/Disabled Taxi Coupons***

To complement the Dial-A-Ride service, the City offers senior and disabled residents discounted taxi coupon books. Currently, participation in the Taxi Coupon Program entitles qualifying residents 65 years of age and older and blind or wheelchair-bound residents of any age to receive one taxi coupon book per month. A taxi coupon book provides \$24.00 in taxi fares at a cost of \$6.00 to the residents. Taxi service purchased with these coupons provides non-medical trips that cannot be accommodated by the Dial-A-Ride service.

The City sells approximately 6,500 coupon books per year and provides a subsidy of \$15.60 for each coupon book. Annually, this program (including administration) costs approximately \$135,000 after user fees. The City uses Proposition A and C transit funds to pay for this program.

Currently, the taxi drivers only receive 90% of the coupon value as a reimbursement from the City. It has been a common complaint from residents that some taxi drivers dislike or even refuse accepting taxi coupons, in part because they will only receive \$0.90 cents on the dollar. The City of Los Angeles has a similar program and provides the taxi drivers 100% reimbursement. Although it is a violation of their permit to refuse taxi coupons, it is very difficult to change driver's behavior towards coupons. Mayor Delshad requested staff to evaluate providing 100% reimbursement to improve service to the coupon users. At the current sales level, providing 100% reimbursement would cost an estimated \$15,000 to \$20,000 more annually, and funding is available in Proposition A and C grant funds. Revenues in the Proposition A and C programs total approximately \$1,023,000, and expenditures are approximately \$900,000 (see attachment 3).

Although staff recommends 100% reimbursement to the drivers, staff does not recommend increasing the value of the Taxi Coupon books itself, which are valued at \$24 for the purchase price of \$6. Although Proposition A and C expenditures are lower than revenues, staff anticipates transit services and Metro Bus pass expenses will significantly increase in the next few years as evidenced by the recent action by the Metro Board. The City of West Hollywood has an identical program but charges their residents \$2 more per book and has no plans to increase their value. Offering the 100% investment would be the better investment towards improving customer service.

### **RECOMMENDATION**

Staff recommends the following two proposals:

- 1) Increase the taxi metered rate structure similar to the City of Los Angeles.
- 2) Provide 100% taxi coupon reimbursement to drivers for Beverly Hills Taxi Coupons with the extension of the Jewish Family Services agreement.

 David Gustavson  
Approved By

## **TAXICAB RATES**

**All Passengers Ride For the Price of One.**

**Driver Carries Only \$5.00 In Charge.**

**Credit Cards Welcomed - \$10 Min Charge.**

**Please Notify Driver at Start of Trip If**

**You Plan on Using a Credit Card.**

**Please have Picture ID Ready.**

**\$2.65** FLAG DROP (FIRST 1/7th MILE)

**\$0.35** FOR EACH ADDITIONAL 1/7th MILE (\$2.45 per Mile)

**\$0.35** FOR EACH 47.5 SECONDS OF WAITING TIME  
AND/OR TRAFFIC DELAY (\$26.53 / HOUR WAIT)

**\$2.50** SURCHARGE FOR ALL TRIPS ORIGINATING AT  
LAX

**\$15.00** MINIMUM FARE FOR TRIPS ORIGINATING AT LAX  
( IN ADDITION TO THE \$2.50 SURCHARGE)

**\$42.00** FLAT FARE PER TRIP (GROUP) IN EITHER  
DIRECTION FOR TRIPS BETWEEN LAX AND  
DOWNTOWN (Area Bounded by Alameda St.,  
Santa Monica Fwy., Harbor Fwy., and Ceaser  
Chavez Ave., Plus Union Station and China Town)

**UNITED  
INDEPENDENT  
TAXI**

### **INQUIRIES OR COMPLAINTS:**

900 N. Alvarado St.

Los Angeles, CA. 90026

TELEPHONE (213) 483-7669

**OR**

**Los Angeles Department of Transportation**

221 N. Figueroa St., Suite 400

Los Angeles, CA. 90012

TELEPHONE (213) 580-1272

Beverly Hills Transit, Cooperative Inc. dba

# *Beverly Hills Cab Company*

6102 Venice Boulevard, Los Angeles, California 90034-2218  
Offices (310) 837-0260 Fax (323) 931-4172

January 3, 2007

Bret McMacken  
Transportation Director  
City of Beverly Hills  
455 North Rexford Dr.  
Beverly Hills, CA. 90210

Re: Taximeter Rate Increase

Dear Mr. McMacken:

This is to notify the City of Beverly Hills Department of Transportation of the recent Taximeter rate increase by the City of Los Angeles Department of Transportation that took effect on December 25, 2006.

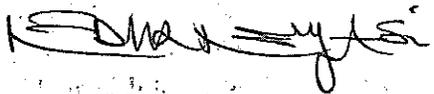
To form alliance with the City of Los Angeles, we are asking that the increase also go into effect for the City of Beverly Hills. The following increases include:

Flag Drop from \$2.20 to \$2.65 and  
Rate Change from \$2.20 to \$2.45 per mile

In addition, we are requesting the above Flat Rate to LAX be increased from \$35.00 to \$39.00.

We would greatly appreciate your support in this matter. If you have any further questions, please don't hesitate to call.

Sincerely,



Edik Elyasi  
President

# UNITED TAXI OF THE SOUTH-WEST, INC.

DBA:

CULVER CITY YELLOW CAB COMPANY  
UNITED TAXI SOUTH BAY  
UNITED TAXI BEVERLY HILLS & WESTHOLLYWOOD  
UNITED TAXI ANTELOPE VALLEY & SANTA CLARITA

January 2, 2007

Mr. Bret McMacken  
Transportation Director  
City of Beverly Hills  
455 North Rexford Drive  
Beverly Hills, CA 90210

RE: Taximeter rate increase

Dear Mr. McMacken:

United Taxi Of The South-West, Inc. D.B.A. United Taxi of Beverly Hills and West Hollywood would like to inquire as to the period in which the City of Beverly Hills will adjust the taximeter rates in alliance with the City of Los Angeles taximeter rates. As you are aware, the City of Los Angeles already increased the taximeter rates from December 25, 2006 and new rates are indicated by the attached.

We believe that flat rate from City of Beverly Hills to Los Angeles International Airport must be increased by 11%, making it \$39.00.

I hope that you will take this matter into your consideration and let me know about your decision.

If you have any questions please feel free to call me at (818)388-3389 on my cell phone or (213)483-7669 ext. 3010.

Thank you very much.

Very truly yours

*Martin Shatakhyan*

Martin Shatakhyan  
President

## Aproximate Proposition A & C Tranist Fund Revenue & Expenses

Revenue	Prop A & C
Total Grant	950,000
Interest	10,000
Trolley Fares	15,000
MTA Bus Pass Sales	13,000
<b>Taxi Coupon Sales*</b>	<b>35,000</b>
<b>Total Revenue</b>	<b>\$ 1,023,000</b>

Expenditures	
Salaries and Benefits	140,000
Shuttle Replacement Fund	45,000
<b>Contractual Costs</b>	
MTA Bus Passes	25,000
<b>Taxi Coupon Program Costs*</b>	<b>170,000</b>
Fixed Route/ Dial Ride	500,000
Trolley Hourly Operation	18,000
Trolley Advertising Material	2,000
<b>Total Expenditures</b>	<b>\$ 900,000</b>

<b>Surplus Revenue</b>	<b>\$ 123,000</b>
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\* Based on current sales. The total program cost includes the City's current subsidy for the \$24 coupon book.