

Legislation Text

File #: 17-388, Version: 3

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Pass the Ordinance repealing and replacing Chapter 8 (Taxicab Services) of Title 3, Business and License Regulations, of the Naperville Municipal Code.

DEPARTMENT: City Clerk's Office

SUBMITTED BY: Shebnem Ozkaptan, Budget and Management Analyst; Kavita Athanikar, City Prosecutor

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Under New Business at the November 15, 2016 City Council meeting, staff was directed to review the current taxi licensing process, bring back recommendations for efficiencies, and draft a text amendment accordingly. Revisions were presented, and feedback received, at the June 20 and July 18 meetings.

DISCUSSION:

A team of employees from the City Clerk's Office (CCO), Legal Department, and Naperville Police Department (NPD) began the review and evaluation of the current taxi process. At this time, the City is responsible for licensing both taxi companies and individual taxi drivers. This includes approximately eleven taxi companies and 280 drivers on an annual basis. The current process spans six months, mandates each company owner and taxi driver to visit the City three separate times at a minimum, and requires staff to complete approximately 40 steps for each individual.

Home Rule Community

As a Home Rule community, Naperville must adhere to minimum licensing requirements established by the State of Illinois in the Taxi Safety Act of 2007 (625 ILCS 55). The City can be more restrictive, but cannot impose fewer regulations than the state. State regulations are as follows:

- Driver's picture, license or registration number, and the taxi identification number must be posted in each vehicle;
- Each vehicle must post a telephone number for a passenger to call to report reckless driving;
- If a driver collides with a pedestrian, police officers must test the driver for drug and alcohol use; and
- Moving violations must be readily available from the county.

Survey of Municipalities

Team members surveyed area municipalities, as well as the NPD's national Benchmark Cities group. A myriad of responses were submitted ranging from only licensing taxi companies, placing the onus on the company to fingerprint and background the drivers, and discontinuation of taxi regulations. No surveyed community was able to provide a response regarding any uptick in crimes related to a lack of fingerprint/background requirements.

External Stakeholders' Input

Prior to each City Council meeting, staff contacted all taxi licensees to inform them that a proposed ordinance would be heard and requested they submit any concerns or questions. Responses were received from three companies and solutions have been incorporated into the proposed process.

Process Improvement Goals

After mapping the current process, staff set the following goals:

- To simplify the application form and make online submission available if possible;
- To give the company owners more responsibility;
- To shorten the application processing period;
- To eliminate language requirement;
- To maintain current level of safety requirements by requiring background checks and proof of fingerprinting;
- To improve customer service and convenience by eliminating the need for individual drivers to visit City facilities;
- To no longer require the driver to be assigned to a certain vehicle;
- To streamline administrative procedures between departments; and
- To revise the licensing fee structure.

The Proposal

Staff has received feedback from the City Council, taxi companies, and drivers. Representatives from Legal, City Clerk, and the NPD have also met several times to revise the process and incorporate input while adhering to the original goals. All departments are in agreement that the following steps are appropriate and should be implemented for the 2018 Taxi Licensing application process.

- Online application completed by applicant (company owner) which includes owner and driver's contact and identifying information;
- The NPD will complete a background check on taxicab company owners and drivers;
- A completed affidavit completed by the taxicab company which certifies that all drivers have been fingerprinted within five (5) years;
- An affidavit provided by the taxicab company including language that the taxicab company agrees to indemnify and hold the City of Naperville harmless from any liability which may arise out of any errors or misrepresentations contained in the affidavit; and
- Certification of public liability and property damage insurance as required by the Illinois Secretary of State.

Once background checks have been completed, the NPD will notify the CCO that the owners and drivers have been approved. The CCO will inform the owner (or his/her designee) that vehicle identification stickers are available for pick up and payment for the annual license is due. Staff is confident that an online submittal and a one-time pick-up will reduce the application process from

months to weeks and will result in better customer service and convenience for the owners and drivers.

Final Ordinance Changes

In addition to process improvements, several changes have been made to the Ordinance that was presented at the July 18 meeting. The changes are summarized below.

- Definition of Driver: "A person who drives a taxicab within the City through a licensed taxi company."
- 3-8-2: Public Passenger Services
 - 2.1: Every licensee may refuse transport to a disorderly person requesting service.
- 3-8-6: License and Maintenance of Taxicabs and Equipment:
Every taxicab company providing public passenger service in the City of Naperville must be licensed and must display the vehicle license sticker issued by the City in the rear window/driver side of every vehicle in the taxicab company fleet. Every taxicab shall:
 - 1. ***
 - 2. Certification of vehicle safety inspections shall be completed not more than six (6) months prior to the start of the new license year (January 1). Certifications must be provided for inspection by a passenger or any police officer upon request.
 - 3. Every taxicab licensed by the City shall be equipped with an inspected, sealed, and accurate taximeter, in working order, and operating from the transmission of the taxicab. The taximeter must meet the following requirements:
 - 3.1. The taxicab owner shall keep certificates of accuracy issued by the inspector for each taximeter in each taxicab and provide the same for inspection by a passenger or any police officer.
- 3-8-4.3: Criminal Background and Fingerprinting:
A completed affidavit certifying that all drivers have been fingerprinted within five (5) years and a statement describing all criminal offenses of each driver, including driver's license suspensions or revocations. The affidavit provided by the taxicab company shall include language that the taxicab company agrees to indemnify and hold the City of Naperville harmless from any liability which may arise out of any errors or misrepresentations contained in the affidavit provided to the City Clerk. The Naperville Police Department will conduct a background check on all drivers. If the applicant is a corporation, such statement, affidavit, and background checks shall include applicant's officers, directors, and any stockholder(s) owning more than twenty percent (20%) of the stock. If the applicant is a partnership, such statement, affidavit, and background checks shall include all general partners, and any limited partner owning more than twenty percent (20%) of the limited partner interest.

FISCAL IMPACT:

Licensing fees will change to a scaled model for companies, similar to special event liquor licensing.

By implementing this structure, staff will collect appropriate fees at the time of application instead of completing a separate transaction for each driver. A comparison of fee proposals is shown in the table below.

City of Naperville Taxi Licensing Fee Structure

Fee Category	Current Fee	Proposed Fee
Company License (regardless of number of drivers)	\$100	Eliminated
Driver Application	\$40	Eliminated
Driver Badge (per driver)	\$0	Eliminated
Vehicle Sticker (per vehicle)	\$20	\$20
Fingerprinting	\$25	\$25
Application Late Fee	\$50	\$50
Company License 1-10 drivers		\$100
Company License 11-25 drivers		\$150
Company License 26-50 drivers		\$200
Company License 51-100 drivers		\$250
Company License over 100 drivers		\$500