



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of September 8, 2007

DATE: September 11, 2007

SUBJECT: Appeal by M&R Taxi Company, Inc., of the County Manager's determination on an amendment to its certificate of public convenience and necessity to engage in the taxicab business

C. M. RECOMMENDATION:

Affirm the County Manager's determination to deny M&R Taxi Company, Inc.'s request to amend its certificate of public convenience and necessity to permit 30 additional taxicabs.

ISSUES: Will the denial of the M&R Taxi Company's request for an amended certificate reasonably assure safe and reliable privately-operated taxicab service and generally serve the public health, safety and welfare?

SUMMARY: Following the 2007 application period for new taxicab certificates of public convenience and necessity and amendments to existing certificates, and the annual taxicab meeting, the County Manager determined that the existing taxicab companies' certificates be amended to permit a total of 36 additional taxicabs, all of them either hybrid-technology or wheelchair-accessible. Included in Attachment A, the County Manager's Annual Report on the Taxicab Industry, is a table showing the number of taxis each company applied for and the number recommended by both the Transportation Commission and the County Manager. M&R Taxi Company, Inc., doing business as Arlington Blue Top Cab, had applied for an amendment to its certificate to operate 30 additional taxicabs. Unlike some other taxicab companies, Blue Top had not proposed that its additional taxis all be hybrid-technology vehicles. The Manager did not determine that Blue Top have any additional vehicles and Blue Top has appealed this decision. A copy of the appeal is attached as Attachment B.

BACKGROUND: Arlington's six taxicab companies are currently authorized to operate a total of 666 taxis. The three larger companies are radio-dispatched—Red Top with 330 taxis, Blue Top with 156, and Yellow with 95. The three smaller companies, which do not offer dispatched taxi service, are Hess with 35 taxis, Crown with 27 and Friendly with 23.

The last significant increase in the number of taxicabs authorized was in 1998-1999, when the total fleet was increased by six percent or 37 vehicles. Since that time, the events of September

County Manager: _____

County Attorney: _____

Staff: Richard Hartman, DES, Division of Transportation

11, 2001, the brief closure of Reagan National Airport, and the drop in tourism and business travel caused a drop-off in the taxicab business. The business has since recovered, and in the last two years the companies have asked for certificate amendments to operate additional taxicabs. Following last year's application period and the annual Transportation Commission taxicab meeting in July 2006, a small number of special-purpose taxicabs was authorized—three wheelchair-accessible vehicles and eight alternative-fuel vehicles. These were allotted to the companies by the County Manager as amendments to the certificates effective in May 2007.

Arlington's Taxicab Ordinance (Chapter 25 of the County Code) specifies that each year between May 1 and May 10, applications may be submitted both for new certificates of convenience and necessity to engage in the taxicab business and for amendments to existing certificates. This year the six current certificate holders applied for a total of 115 additional taxicabs—Red Top 50, Blue Top 30, Yellow 20, Crown 10 and Friendly 5. Hess requested no additional taxicabs. Also, a new company, EnviroCAB LLC, applied for a certificate to operate up to 100 taxicabs.

DISCUSSION: It is the role of the Transportation Commission to consider the applications for new or amended certificates and to make recommendations to the County Manager. In its report this year, the Transportation Commission recommended that the existing companies be permitted to operate a total of 41 additional taxicabs and that EnviroCAB be given a certificate to operate 35 taxicabs, for a total increase of 76 vehicles, an 11.4 percent increase. The Transportation Commission's report is included with the County Manager's Annual Report on the Taxicab Industry, Attachment A. In the County Manager's report, it was determined that the existing companies be permitted to operate a total of 36 additional taxicabs and it was recommended that EnviroCAB be issued a certificate and be permitted to operate 50 taxicabs, for a total increase of 86, a 12.9 percent increase. One of the additional taxicabs for the existing companies will be a wheelchair-accessible vehicle. It will go to Friendly Cab Company. The other 35 will all be hybrid-engine-technology. Red Top will have 20 additional taxis, Crown Cab will have 10, and Yellow Cab will have 5, all hybrid-technology vehicles. Blue Top's additional taxicabs would not all be hybrid vehicles and therefore the Manager determined that Blue Top should not be given any additional taxicabs.

The testimony presented at the Transportation Commission's annual taxicab meeting on July 2 demonstrated the need for additional taxicabs in Arlington. In its deliberations, the Commission tried to balance the ability of the drivers to make a reasonable income with the need for additional vehicles at peak times. The Transportation Commission members discussed a number of different allocations, with the total number of new taxis ranging from 50 to 100. The Commission recognized that there was no simple formula that it could apply, and its resulting recommendation of 76 was a compromise among several different viewpoints. The Manager's recommendation of 86 new taxicabs is slightly higher than that of the Commission to provide a more environmentally-friendly and competitive balance among the taxicab companies operating in Arlington, to respond to the demand that exists for environmentally-friendly cab service, and to provide the advantages to the public of increased competition among the companies.

The Fresh AIRE program initiated this year by Arlington County supports a significant policy shift in the direction of reducing emissions and greenhouse gases. The Transportation

Commission, in its discussions, has also expressed a desire to move the Arlington taxi fleet toward more low-emission technology and better gasoline mileage. At the present time, hybrid-engine-vehicle technology appears to offer the best opportunity to achieve low emissions and better fuel economy. Several cities with large taxi fleets, including New York and Chicago, are currently acting to increase the use of hybrid taxi vehicles. The recommendation that all new taxicabs in Arlington be hybrid-engine-technology will provide a substantial contribution to Arlington's goals to reduce vehicle emissions and the deleterious impact they have on the public. It will also make a dramatic statement to the region that Arlington is serious about reducing emissions and greenhouse gases.

In a letter dated August 20, 2007, Blue Top appealed the Manager's decision (Attachment B). Because of the importance of increasing the number of low-emissions and fuel-efficient hybrid-technology vehicles in Arlington's taxicab fleet, and because the Manager's determination is expected to provide a sufficient number of additional taxicabs to assure adequate service to the public, it is recommended that the appeal of M&R Taxi Company be denied.

FISCAL IMPACT: None.