



Legislation Text

File #: 15-1330, Version: 1

Implementation of ORD 14-20, Amendment to Chapter 85, Taxicabs, Revised Standards for Meter Rates and Status of Licensed Taxicabs in the City

On September 2, 2014, City Council adopted Ordinance 14-20, an Amendment to Chapter 85, Taxicabs, establishing new standards and deregulating taxicab meter rates. The approved ordinance language allowed for Council to establish a maximum taxicab meter rate, effectively deregulated rates, and requires companies to annually choose the meter rate they desire to charge for the year. Companies must advertise inside and outside their vehicles the specific rate chosen for the year.

The deregulated rates were approved by Council on September 15, 2014 as follows:

<u>Service</u>	<u>2014</u>	<u>Current (new)</u>
Flag Drop	\$3.00	\$10.00
Mileage	\$2.50 (\$0.50 per 1/5 mile)	\$5.00 (\$1.25 per 1/4 mile)
Waiting Time	\$24.00 per hour	\$24.00 per hour
Extra Passengers (in excess of 3)	\$0	\$1 per passenger over 3 as a surcharge

Since that time, the industry has changed considerably with the introduction of TNCs (transportation network companies) and many taxicab companies have switched to a limousine operation, due to insurance premium rates. In 2014, the City licensed 107 taxicab vehicles. The number of taxicabs licensed in 2015 is currently 28 as of October 1. In 2009, a high of 211 taxis were registered in Ann Arbor.

Of the 7 licensed taxicab companies remaining in Ann Arbor, 2 companies have increased the flag drop rate (\$3.50 and \$4.00) and all but 1 have raised the mileage, ranging from \$2.50 to \$4.00 per mile. 3 companies have added an extra passenger charge of \$0.75 to \$1.00. 2 companies have added "premium rate times" to their rate cards as well.

In the last year, Ann Arbor Police officers have written 62 State Limo law violations and 2 violations of the City's Taxicab Ordinance (Chapter 85).

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Approved by: City Taxicab Board