



DISTRIBUTION DATE: 10/7/11

City Administrator's Office

MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Arturo M. Sanchez

SUBJECT: ANNOUNCING REQUEST
FOR PERMIT APPLICATIONS
PROCESS FOR ELEVEN TAXI
PERMITS

DATE: October 7, 2011

City Administrator
Approval

Date

10/7/11

INFORMATION

The City Administrator's Office will be issuing Request for Permit Applications (RFPAs) packets and accepting applications for eleven Taxi Vehicle Permits from 8:30 a.m. Tuesday, October 11, 2011 through 4:00 p.m. Tuesday, November 8, 2011. The eleven taxi vehicle permits that are the subject of the RFPAs are not new permits but are part of the 315 authorized by Council many years ago. One of these permits has not been previously issued. The other ten were revoked 5 years ago, due to insufficient utilization.

Concurrently with this notice, we are notifying the holders of current taxi vehicle permits and the more than 700 individuals who have registered their taxi permit interest with our office. We realize that Council Members may wish to make their constituents aware of this opportunity as well.

Interested parties may pick up an RFPAs packet from our office on the 11th floor from 8:30 a.m. to noon, Monday through Friday, throughout the application period. The RFPAs packet will also be available on the City's website. Potential applicants may ask questions and obtain clarifications regarding the process at an open meeting, to be held Tuesday, October 18, 2011 from 4:00 to 5:30 p.m. in Hearing Room 3.

Due to my staffing responsibilities and existing workload, I will be unable to exercise day to day control of this process. I have therefore appointed Barbara Killey to handle this responsibility. Prior to her retirement, Ms. Killey administered the City's taxi permit program and worked extensively with the taxi companies, taxi drivers, community members, and City staff to address taxi issues brought to the City's attention by these groups. The understanding of Oakland's taxi industry gained by Ms. Killey through these interactions makes her uniquely qualified to supervise the permit application process.

As with the recently conducted Temporary Vehicle Permit issuance, the fairness, integrity, and independence of the qualitative review of applications will be ensured by the utilization of the following proposed panel of knowledgeable City and Port of Oakland staff:

1. Port of Oakland Ground Operations Supervisor (administers Taxicab permits and program at the Airport). Chosen because of his subject matter expertise.
2. Oakland Traffic Division Police Officer. Chosen because he is the traffic officer assigned to oversee the taxicab permits in OPD and to conduct field inspections and enforcement of the Taxi Ordinance (OMC Chapter 5.64)
3. City of Oakland Revenue Audit Supervisor. Chosen to conduct assessment of the financial viability of the applicants to conduct the activity they propose in their applications.

Background

Pursuant to OMC section 5.64.110, the City Administrator's jurisdiction over taxi vehicle permits includes issuing or re-issuing any authorized, but currently unissued, permits. The recently conducted application process for Temporary Vehicle Permits convinced me that this is an appropriate time to issue the eleven ongoing permits. It evidenced that there are numerous individuals and companies interested in providing additional taxi services to Oakland and filling service gaps that have been identified and documented in reports to Council over the years.

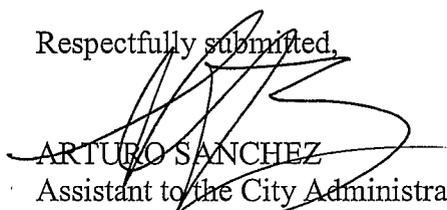
One of the identified service gaps is in the area of "accessible taxis." Accessible taxis are equipped to transport passengers in wheelchairs. Among other provisions of the RFPA, bonus points will be awarded to encourage applicants to provide accessible taxis.

The main difference between the eleven permits that are the subject of the upcoming RFPA and the recently issued Temporary Permits is that the eleven permits are ongoing permits. Once issued, they may be held by the permittee for as long as the permittee meets the requirements of the ordinance and, thereby, avoids revocation of the permits.

Another difference between the issuance of the temporary permits and the eleven ongoing permits is that the eleven permits are subject to all of the requirements of OMC Chapter 5.64. OMC section 5.64.110 provides that "Under no circumstances shall the number of vehicle permits issued per company or owner, including relatives to the tertiary degree of a company or owner, exceed 30 percent of the total number of permits authorized."

For copies of the ordinance and RFPA, or if you have questions, please contact Arturo Sanchez at (510) 238-7542

Respectfully submitted,


ARTURO SANCHEZ

Assistant to the City Administrator
City Administrator's Office

**NOTIFICATION OF APPLICATION PERIOD FOR 11 (ELEVEN) TAXI VEHICLE PERMITS
8:30 a.m. Tuesday, October 11, 2011 – 4:00 p.m. Tuesday, November 8, 2011**

To: Current Taxi Permit Holders
Parties Who Have Registered Interest
From: City Administrator's Office
Re: **Notification of Application Period for 11 (eleven) Taxi Vehicle Permits**
Date: October 6, 2011

Application Period and Key Application Period Dates

**Application Period: 8:30 a.m. Tuesday, October 11, 2011 through
4:00 p.m. Tuesday, November 8, 2011**

**Q & A Meeting: 4:00 to 5:30 p.m. Tuesday, October 18, 2011,
1 Frank Ogawa Plaza, 1st Floor, Hearing Room 3**

**Exam on Taxi Law: 4:00 to 5:00 p.m. Tuesday, November 22, 2011
150 Frank Ogawa Plaza, 2nd Floor, Classroom 1**

The City Administrator's Office will be issuing Request for Permit Applications (RFPAs) packets and accepting applications for eleven Taxi Vehicle Permits from Tuesday, October 11, 2011 through 4:00 p.m. Tuesday, November 8, 2011. Interested parties may pick up an RFPAs packet from our office on the 11th floor of City Hall, 1 Frank Ogawa Plaza, between the hours of 8:30 a.m. and 12:00 noon, Mondays through Fridays, throughout the application period. RFPAs packets will also be available on the City's website. A meeting will be held Tuesday, October 18, 2011 from 4:00 to 5:30 p.m. in Hearing Room 3, at which time potential applicants may ask questions and obtain clarifications regarding the application process. Applicants whose applications are complete and have been submitted by the application deadline will be eligible to proceed to a required element of the application process, an exam on Oakland's Taxi Ordinance, Oakland Municipal Code (OMC) Chapter 5.64. This exam will be administered on Tuesday, November 22, 2011 from 4:00 to 5:00 p.m. in Classroom 1. All owners and managers of applicant businesses must take the exam and obtain a passing score of at least 70 out of 100 points.

Differences Between Current RFPAs Process and Recent Temporary Taxi Permit Process

Most of you are aware of the recent issuance of temporary taxi permits. The primary difference between the temporary permits and the permits that are the subject of the upcoming RFPAs is that the temporary permits were issued for a two-year period, at the end of which their validity expires. The 11 permits that are available for issuance through this RFPAs are ongoing permits. Once issued, they may be held by the permittee as long as the permittee meets the requirements of the ordinance and, thereby, avoids revocation of the permits.

A second difference is between the application process for the temporary permits and the application process for the ongoing permits. The ongoing permits are subject to all of the requirements of the Taxi Ordinance, Oakland Municipal Code Chapter 5.64. OMC section 5.64.110 provides that "**Under no circumstances shall the number of vehicle permits issued per company or owner, including relatives to the tertiary degree of a company or owner, exceed 30 percent of the total number of permits authorized.**" The number of permits currently authorized is 315, thirty percent of which is 94 permits. Recipients of this notification are advised to determine their eligibility accordingly.

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8:30 a.m. Tuesday, October 11, 2011 – 4:00 p.m. Tuesday, November 8, 2011**

Application Process

1. Pick up application packet at Special Business Permits, 1 Frank Ogawa Plaza, 11th floor, Oakland between October 11, 2011 and November 8, 2011, between the hours of 8:30 a.m. and 12:00 noon, Mondays – Fridays, except days of City closure.
2. OR download the application material from www.oaklandnet.com Click on “Government” tab then click on “Special Permits” (under “City Administrator’s Office”), scroll down to the bottom to “Taxi Detail”. The direct link is <http://www2.oaklandnet.com/Government/o/CityAdministration/d/SpecialPermits/index.htm>
3. Attend Application Discussion Meeting Tuesday, October 18, 2011, 4:00 – 5:30 p.m. at 1 Frank Ogawa Plaza, 1st Floor, Hearing Room 3. This is not a mandatory meeting, but is an opportunity for potential applicants to ask questions and obtain clarification about the application process.
4. Obtain a paysheet from Special Business Permits and pay the non-refundable application fee of \$1,745.00, either by check or credit card, at 250 Frank Ogawa Plaza, 1st floor.
5. Submit the receipt for payment of application fee and two copies of the application and required attachments to:

City Administrator’s Office
Attn: Taxi Permit Applications
Oakland City Hall
1 Frank Ogawa plaza, 11th Floor
Oakland, CA 94612

Applications, attachments, and receipt for application fees must be received by the City Administrator’s Office no later than 4:00 p.m. November 8, 2011. Applications may be mailed or submitted in person. If you are submitting in person, applications will be accepted between 8:30 a.m. and 12:00 noon, Mon.-Fri.

Application Requirements – Phase I

The goal of the application process is to sustainably increase the taxi services available to Oakland residents and visitors and improve the level of service provided by Oakland taxis. The ideal applicant would be capable of deploying all eleven permits within 45 days of the permit award. Alternatively, if no applicant exhibits the capability of successfully deploying eleven vehicles in a timely manner, the City will consider applications for a minimum of five permits.

The following are the required elements of Phase I of the application process. Items 6 – 8 will be scored by a panel of three individuals with expertise in either taxi operations or finance. The scored items are intended to provide a holistic view of the applicant company’s capabilities and plans in areas that are important to the City in terms of 1) the requirements of the Taxi Ordinance, 2) the applicant company’s ability to meet the goals of quantitative and qualitative increases in Oakland taxi services, and 3) the sustainability of the applicant company. The points shown below are the maximum points that can be awarded to an application by a panel member. The scores assigned by all panel members will be totaled, with the four highest scoring applicants moving to Phase II.

1. Application Forms
 - a. Taxi Permit Application Form – Company Information
 - b. Taxi Permit Application Form – Owner/Manager Information
 - c. Fleet Management Permit Application
2. Documents Proving Form of Organization
3. Live Scan Submission for All Business Owners, Board of Director Members, Partners, Officers, Executives, and Managers
4. Proof of Business Tax Compliance by Any Applicant Who Currently Conducts or Has In the Past Conducted Business in the City of Oakland
5. Proof of Insurance if Applicant Currently Operates a Taxi Business
6. Business Plan – 675 points (The points listed below in parenthesis are the maximum points for each component of the Business Plan. They total 675 points.) Applicants should submit written

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descriptions, in as much detail as possible, of their company's plan regarding each of the following elements of a taxi business.

- a. *Dispatch Plan* (25 points)
Planned dispatch method, time commitment estimating, problem notification, consequences for refusal to pick-up
 - b. *Coverage Plan* (100 points)
Planned geographic coverage, hours of operation, outreach/advertising
 - c. *Customer Service Plan* (100 points)
Plans to ensure accurate, efficient routing, courtesy, additional or unusual customer services, correct handling of non-meter charges, dispute resolution, consequences for violation of customer service standards, and follow-up on customer experience
 - d. *Drivers* (50 points)
Committed drivers, recruitment plans, gate options
 - e. *Company Policies and Procedures* (100 points)
Including driver training, appearance and conduct, handling complaints, credit card policy, and consequences for violation of company policies
 - f. *Compliance with Oakland and state laws applicable to taxis* (50 points)
Company's plans for ensuring and documenting compliance with Oakland Taxi Ordinance and state law in such areas as vehicle utilization, courtesy, and payment of taxes
 - g. *Vehicle Standards/Vehicle Maintenance Plan* (50 points)
Ensuring compliance with City requirements, maintenance standards and timetables, utilization standards, vehicle life/replacement standards
 - h. *Use of Technology* (25 points)
To reduce costs and improve service, safety, and environmental efficiency
 - i. *Relations with City* (25 points)
Applicant's plans for proactive reporting to/partnering with City
 - j. *Record Maintenance Plan* (25 points)
Applicant's plans to maintain records to the standards of OMC Chapter 5.64
 - k. *Physical Location Plan* (25 points)
Plans for the physical location and maintenance of vehicles, as well as the operation of the business
 - l. *Safety/Security Plan* (50 points)
Plans for driver, passenger, and facility safety and security
 - m. *Environmental Plan* (50 points)
How does the applicant plan to minimize harmful effects on the environment?
7. Proof of Capitalization - 350 points
Applicants should submit budgets and projected financial reports for their company's operation through at least the first three years. Documents such as letters of credit and brokerage and bank account statements must prove capitalization through the projected break-even point.
8. Community Benefits Plan – 100 points
Points will be awarded to applicants that show how the operation of their companies will result in maximum benefit to the community and will create a minimum of negative and nuisance effects.
9. Examination on Oakland Taxi Law – 100 points
All owners and managers of the applicant business must take the exam and all must obtain a minimum of 70 out of 100 points. For each applicant company, the individual scores will be averaged to determine the company's score.

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Application Requirements – Phase II

The four highest scoring Phase I applicants will have the opportunity to submit information showing, either through past service or through their plans for the company, their commitment to Council Adopted Policies and City Administrator's goals for the taxi industry.

1. Labor and Employment Practices – variable points
Past service as Oakland driver, 2009-2011 – 10 points per driver per year up to three years
Plans to provide continuing driver training and education – 25 points
Provision of health insurance and other benefits -50 points
Non-discrimination/Equal Employment Practices – 25 points
Prompt Payment of Contractors/Sub-contractors – 25 points
2. Encouragement of Local Business – 100 points
50 points for Oakland resident applicants, 50 points for Oakland business location
3. Commitment to Accessible Vehicles – variable points
Vehicles capable of transporting passengers in wheelchairs - 50 points per vehicle commitment
4. Roll-out Plan – Required, but no points assigned
The City's goal is deployment of all vehicles within 45 days of awarding the permits. If additional time would be required, specify the details and reasons

A Public Hearing will be held for the Phase II applicants to hear concerns or consideration from residents and to finalize permit conditions

Award/Issuance of Permits

Subject to the City Administrator's confirmation of the validity of the scoring results and recommendation of the scoring panel, permits will be awarded to the applicant(s) with the highest total Phase I and Phase II score(s). The applicant(s) will then implement their Roll-out Plan. Permits will be issued as each vehicle passes inspection.

In addition to the opportunity to ask questions at the Application Discussion Meeting, questions regarding this process may be submitted by email to bkilley@oaklandnet.com.