



**To:** MAYOR AND COUNCIL

**Agenda Item #:** IV. L.

**From:** Mark K. Nolan, AICP, Transportation Planner

**Action**

**Discussion**

**Date:** September 16, 2014

**Information**

**Subject:** Ordinance No. 2014-15 Amending Chapter 12 of the Code Concerning Taxicabs and Taxicab Drivers

**Action Requested:**

Approve first reading of Ordinance No. 2014-15, amending Chapter 12 of the Edina City Code Concerning Taxicabs and Taxicab Drivers, and waive second reading.

**Information / Background:**

Please recall that at its July 1, 2014 meeting, based on an advisory communication from the Edina Transportation Commission (attached), the City Council directed staff to review and modify Chapter 12 of the Edina City Code. This code concerns taxicabs and taxicab drivers. Because this section of Code includes some outdated references and may inhibit some providers of transportation services from serving Edina residents, staff has prepared the attached Ordinance for Council approval.

**Attachments:**

Ordinance No. 2014-15

ETC Advisory Communication dated July 1, 2014 asking City Council direct City staff to conduct a thorough legal review and modification of Chapter 12, Article VII of Edina City Code

**ORDINANCE NO. 2014-15**  
**AN ORDINANCE AMENDING CHAPTER 12 OF THE**  
**EDINA CITY CODE CONCERNING TAXICABS AND**  
**TAXICAB DRIVERS**

The City of Edina ordains:

**Section I.** Chapter 12 Article VII of the Edina City Code is amended to read:

**Sec. 12-315. Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Charitable Non-profit Transportation Vehicle means any vehicle for hire or other public motor vehicle that is being used by or on behalf of a non-profit charitable organization as defined by Section 501(c)(3), United States Internal Revenue Code, Non-Profit Organizations, whether owned and driven by a volunteer driver or an employee of the non-profit charitable organization who is not directly paid by riders.

*Street* means any street, alley, avenue, court, bridge, lane or public place or highway in the city.

*Taxicab.*

- (1) The term "taxicab" means any motor vehicle, as defined in Minn. Stats. § 169.011, having a seating capacity of seven (7) or fewer persons including the driver and engaged in carrying of persons for hire, whether over a fixed route or not, and whether the motor vehicle is operated from a street stand, or subject to calls from a garage, or otherwise operated for hire.
- (2) The term "taxicab" does not include limousines, charitable non-profit transportation vehicles, vehicles used for transportation network service, motor vehicles subject to control and regulation by the Metropolitan Council ~~state public service commission~~, motor vehicles regularly used by morticians in carrying on their business, or motor vehicles hired on an hourly basis.

*Taxicab driver* means any person who drives a taxicab.

Transportation network company (TNC) means a person or entity that provides transportation network service.

Transportation network service means a prearranged transportation service offered or provided for compensation using an internet-enabled application or digital platform to connect potential passengers with transportation network drivers. The term transportation network service does not include a ridesharing arrangement as that term is defined in Minnesota Statute Chapter 169.011 subd.65.

**Sec. 12-316. Vehicle License required.**

No person shall operate a taxicab within the city without displaying a valid taxicab license decal duly issued by another political subdivision in this state ~~the City of Bloomington, the City of St. Louis Park or the Metropolitan Airports Commission.~~

**Sec. 12-317. Driver's license required.**

No person shall drive a taxicab within the city without possessing a valid taxicab driver's license duly issued by another political subdivision in this state ~~the City of Bloomington, City of Richfield, City of St. Louis Park or the Metropolitan Airports Commission.~~

**Sec. 12-318. Designation signs posted and visible on the exterior vehicle.**

Each taxicab required to be licensed by this article shall bear signs identifying the vehicle as a taxicab. Such signs shall be on the exterior of the vehicle and shall be visible from each side of the vehicle.

**Sec. 12-319. Exemption.**

~~Any taxicab or taxicab driver licensed to operate in another city may carry passengers from the city where licensed to any place or point within the city and may freely travel upon the streets without being licensed in accordance with this article, provided that the taxicab driver shall not be permitted to solicit business or pick-up passengers within the city unless the taxicab and the taxicab driver are licensed as required by this article.~~

A Charitable Non-profit Transportation Vehicle is exempt from the regulations set forth in this ordinance upon presentation to the City Clerk documentation establishing the Section 501(c)(3) status of the entity.

**Section 2.** This ordinance is effective immediately upon its passage and publication.

First Reading: September 16, 2014

Second Reading: None

Published: September 25, 2014

Attest

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Debra A. Mangan, City Clerk

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James B. Hovland, Mayor

# ADVISORY COMMUNICATION



**To:** MAYOR AND COUNCIL Item No. IX. B.

**From:** Mark K. Nolan, AICP, Transportation Planner  
Edina Transportation Commission

**Date:** July 1, 2014

**Subject:** Edina Transportation Commission Advisory Communication: Edina Taxicab Code and Transportation Options

**Attachments:**

1. Edina City Code Chapter 12, Article VII
2. Letter to ETC from Arlene Forrest
3. Requested Amendment to Edina City Code
4. Information about ITN*TwinCities*

## **Action Requested:**

City Council direct City staff to conduct a thorough legal review and modification of Chapter 12, Article VII of Edina City Code.

## **Situation:**

A variety of transportation options are needed in the community to ensure that residents of all ages, income levels and abilities can participate in the normal activities of daily living that require transportation without undue inconvenience or prohibitive expense.

Edina City Code Chapter 12, Article VII regulates taxicabs and taxicab drivers that pick up passengers in the city. This section of Code includes outdated references; would appear to regulate transportation services not intended to be regulated by this section of Code; and may inhibit providers of transportation services from serving Edina residents.

## **Background:**

### "Taxicab" Definition

Sec. 12-315(1) of Edina City Code defines "taxicab" as "any motor vehicle, as defined in Minn. Stats. 169.011, engaged in carrying of persons for hire, whether over a fixed route or not, and whether the motor vehicle is operated from a street stand, or subject to calls from a garage, or otherwise operated for hire."

In discussion at the June 2014 ETC meeting, it was noted that the broad definition of "taxicab" could apply to a variety of for-profit and non-profit transportation services, including:

- Metro Transit buses, Transit Link, and Metro Mobility;
- Private and non-profit para-transit services.
- Paid driver ride services, such as Uber and Lyft;
- Volunteer driver ride services for which the driver either does not or does receive some form of compensation (donation, credit toward services, mileage, etc.); and



- Non-emergency medical transportation (NEMT) for people who have Medicaid, Home Health providers (some offer transportation in cars as part of their services), VA transportation services, etc.

There was further discussion about the phrase “for hire” and whether it applies when a driver receives:

- Monetary compensation for providing a ride and the fee is set and obligatory;
- Monetary compensation for providing a ride, but the fee is suggested and voluntary;
- Non-monetary compensation for providing a ride, such as credits to use toward services;

And/or whether it applies when a rider pays the driver or a business or non-profit entity:

- A set and obligatory fee for a ride;
- A suggested and voluntary fee for a ride; or
- For ride services through an association fee or membership.

The definition of “taxicab” in City Code does not include “motor vehicles subject to control and regulation by the state public service commission, motor vehicles regularly used by undertakers in carrying on their businesses, or motor vehicles hired on an hourly basis.”

An internet search for the term “public service commission” did not produce results for Minnesota. It is therefore not known what vehicles are excluded from this definition.

## Licensing

Edina City Code Sec. 12-316 requires that taxicabs operating with the city must display a valid taxicab license decal issued by the City of Bloomington, City of St. Louis Park, or the Metropolitan Airports Commission (MAC). A driver of a taxicab must be licensed by Bloomington, St. Louis Park, Richfield, or the MAC.

A search of the St. Louis Park city website for taxicab licensing did not produce results.

Taxicabs that carry passengers to Edina but who do not solicit business or pick up passengers within the city are exempted from this licensing requirement.

The definitions of “taxicab” differ between cities. Whereas Edina’s definition of taxicab includes all motor vehicles engaged in carrying passengers for hire, whether over a fixed route or not, Bloomington includes vehicles with seating capacity for up to seven people and not operating on a fixed route. Richfield includes vehicles with seating capacity for up to eight people and not operating on a fixed route.



## **Analysis:**

The definition of “taxicab” in Edina City Code casts a wide net and includes transportation services that are not commonly thought of as taxicabs. It is unknown whether there is actually an expectation that all of these services be licensed as required in the Article. This lack of clarity creates two issues:

1. Service providers may unknowingly be operating in violation of the licensing requirements;
2. New service providers may be inhibited from operating in Edina because of the licensing requirements; in some cases, these requirements may not apply to the service provider, but that fact is not clear.

There is a growing need for transportation options in Edina, whether for seniors who no longer drive, people with disabilities that prevent them from driving, single car families, people who choose not to drive, or people who cannot afford their own car. Both nonprofit and for-profit organizations are responding to these needs by providing a variety of transportation options. These options do not fit neatly into the City’s “taxicab” Code, creating the potential for issues with compliance and difficulties for transportation providers to serve Edina residents.

In addition, City Code Article 12, Section VII appears to contain at least two outdated references.

ITN (Independent Transportation Network) Twin Cities is a non-profit volunteer driver/paid ride service that would like to operate in Edina beginning in August. The ETC was approached by Edina resident Arlene Forrest, a board member of ITN Twin Cities, with a request that we recommend a change in City Code. The recommended change would have provided an exemption from the licensing requirements for ITN and similar services. Upon discussion, the ETC consensus was to recommend a more thorough legal review and modification of the code.

## **Recommendation:**

A thorough legal review and modification of Chapter 12, Article VII of Edina City Code that takes into consideration the range of non-profit and for-profit transportation services now serving and potentially serving Edina. Due to an interest from ITN Twin Cities to begin operating in Edina in August, the ETC recommends that this review and modification be completed as soon as possible.

Prepared by: Jennifer Janovy

Reviewed by: Emily Boettge and Courtney Whited

Date: July 19, 2014