



## *City of Alexandria, Virginia*

### MEMORANDUM

DATE: December 3, 2007

TO: Chairman and Members of the Alexandria Traffic and Parking Board

FROM: Thomas H. Culpepper, P.E., Deputy Director  
Department of Transportation and Environmental Services

SUBJECT: Disposition of Taxicab Vehicle Authorizations Affiliated with Revoked  
Certificates of Public Convenience and Necessity

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**Issue:** In context of the revocation of three companies' certificates of public convenience and necessity, the Board is required by City Code Section 9-12-33(h) to conduct a hearing and make a recommendation to the city manager concerning the public interests in permitting transfers of vehicle authorizations from the revoked taxicab companies to other taxicab companies who may be willing to retain the holders of those authorizations.

**Staff Recommendation:** This issue is a matter of policy properly considered in light of relevant input from the public and industry. Staff will only be able to make a recommendation after the hearing, since the recommendation of staff, just like the recommendation of the board, will depend on the input obtained at the hearing.

**Discussion:** The 2006 annual review of the taxicab industry found four companies, Columbus, Diamond, King and VIP, failing to comply with the minimum dispatch service requirement (average no less than two dispatch calls per affiliated driver per day) that was established by the city's revised taxicab ordinance in 2005. Consequently, the certificates of public convenience and necessity (certificates) held by these companies were placed on probation for up to nine months beginning on January 1, 2007. The condition specified as necessary to bring these certificates into compliance was achieving the required minimum level of dispatch service for 30 consecutive days within the probationary period. One company, Diamond Cab, satisfied the required condition within the probationary period and its certificate was returned to non-probationary status. The remaining three companies, Columbus, King and VIP, failed to satisfy the required condition within the probationary period and these certificates were revoked effective February 1, 2008 pursuant to code section 9-12-33(g).

The three revoked certificates authorize a total of 176 affiliated taxicabs:

Columbus Cab.....35 authorized affiliates  
King Cab .....53 authorized affiliates  
VIP Cab.....88 authorized affiliates

The question before the board at this time is the disposition of those taxicab vehicle authorizations that are currently affiliated with the three revoked certificates. Consideration of this matter is governed by City Code Section 9-12-33(h):

***Section 9-12-33(h). Disposition of vehicle authorizations from a revoked certificate.***

*The vehicle authorizations held by a certificate holder whose certificate is revoked under this section shall be returned to the city on the effective date of the revocation. Not less than 45 days prior to the effective date of revocation of the certificate, the city manager shall cause a public hearing to be held by the board regarding the public interest in the disposition of the authorizations. The board shall make a recommendation to the city manager as to the disposition of the authorizations. Not less than 21 days prior to the date of revocation, the city manager shall make a determination as to the disposition of the authorizations. There shall be a presumption, but not a guarantee, that the vehicle authorizations from a certificate holder that has its certificate revoked shall be allowed to transfer to other authorized certificate holders, unless the manager finds that such transfer will not be in the best interest of the public convenience and necessity.*

In this matter, the board may consider the possible effects, positive or negative, of permitting the transfer of these authorizations on any and all aspects of Alexandria's public interest, including potential impacts on residents, workers and visitors. Pursuant to the City Code, there is a presumption that holders of authorizations will be allowed to transfer. To rebut this presumption, there must be evidence adduced at the hearing to suggest a negative impact on the public interest. Absent any such evidence, the Board should recommend that these authorizations be transferred, subject to the willingness of any of the eligible certificate holders to retain any of the authorization holders. It is important for the Board to be aware that a recommendation allowing the transfers does not mean that each holder of an authorization from a terminated company will in fact transfer; a transfer requires agreement by both an authorization holder and one of the remaining certificate holders. In other words, assuming an affirmative recommendation from the Board and corresponding decision from the City Manager, the willingness and ability of the remaining companies to accept transfers will ultimately determine how many of the authorizations from the three revoked certificate holders will remain as operating taxicabs in the City. In reaching its findings, the Board may consider these authorizations collectively, by company or individually.

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