



Charlotte City Council
**COMMUNITY SAFETY
COMMITTEE**

Meeting Summary for January 14, 2016

COMMITTEE AGENDA TOPICS

- I. Subject:** Passenger Vehicle for Hire Ordinance
Action: None
- II. Subject:** Towing and Booting Ordinance
Action: None
- III. Subject:** 2016 Committee Meeting Schedule
Action: Unanimously approved 2016 meeting schedule.

COMMITTEE INFORMATION

Present: Julie Eiselt, Al Austin, Greg Phipps, Kenny Smith
Guests: Mayor Roberts, Patsy Kinsey
Time: 12:05 pm – 1:15 pm

ATTACHMENTS

1. Agenda Package
2. Presentations

DISCUSSION HIGHLIGHTS

Chairwoman Eiselt called the meeting to order and asked everyone in the room to introduce themselves. She then turned it over to Assistant City Manager Ann Wall.

I. Passenger Vehicle for Hire Ordinance

Ms. Wall said the Committee will receive a briefing about the Passenger Vehicle for Hire (PVH) ordinance (at the request of the PVH Board). The City Manager referred a review of our ordinance in response to recent changes in the industry. Ms. Wall introduced Assistant City Attorney Thomas Powers and PVH Manager Kirk Young. Mr. Powers reviewed the PVH

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Ordinance presentation (copy attached). Mr. Powers discussed the background of this referral, current regulations under the existing PVH ordinance, described Transportation Network Companies (TNCs) and session law 2015-237 which prohibits the City from regulating TNCs. Mr. Powers reviewed the changes affecting the PVH industry such as, rates and surge pricing, mobile app dispatching, competition for customers, different standards for TNCs vs. the traditional industry, and the enforcement. The PVH Board requested this Committee to look at these concerns and issues. Mr. Young discussed the PVH office and their responsibilities including the number of operating certificates and permits in the City. Mr. Powers went on to review the anticipated timeline of staff's review and indicated they hope to have recommendations on changes by the summer of 2016.

Q&A

Smith: Can a traditional taxi company also operate as a TNC?

Powers: Yes. If the taxi is operating traditionally, then PVH regulates them. If the same taxi is picking up a customer using TNC, then we have no authority and the state regulates them.

Eiselt: The TNC has a \$5,000 annual fee?

Powers: Yes.

Eiselt: And higher insurance requirements than the traditional industry?

Powers: They have different insurance requirements. We get concerned with the insurance and regulation because some TNCs pick up customers from the app, and when the customer gets in the car, they discontinue the app and the driver discontinues the app, but the drive still continues.

Eiselt: Under the local ordinance?

Powers: This causes gaps in coverage.

Phipps: Are background checks done only when they apply or are they done periodically?

Young: When the driver first comes in they have it done then and its checked again upon every renewal or when they transfer companies.

Eiselt: Could we get a chart comparing our ordinance to the state requirements, showing fees, renewals, background check, etc.?

Wall: Yes, we can do that.

Austin: When you are looking at this ordinance I would like to consider leveling the playing field in the industry. I still don't think it is fair.

Wall: We plan to look at everything.

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Phipps: Can two people get a ride in the same car at the same time using the two different methods?

Wall: That would be something we need to explore.

Austin: How do TNCs operate at the Airport?

Wall: We are scheduling a presentation for next month to talk about ground transportation at the airport.

Austin: I sure hope Uber is not sitting there waiting.

Eiselt: Thank you for the information, we will move on to the next item.

II. Towing and Booting Businesses Ordinance

Ms. Wall stated this is a follow-up item for the Committee on towing and booting. This past fall, the Council adopted changes to the Towing and Booting ordinance based on a Supreme Court decision that eliminated the City's ability to regulate the cost of non-consensual tows. This past fall, Committee members and some industry members raised some concerns and the Committee asked staff to go back and review them. Mr. Perlungher and Captain Austin updated the Committee. Mr. Perlungher reviewed the changes to the 2011 amendment of the ordinance, he discussed the King v. Town of Chapel Hill ruling which forced the City to amend their ordinance, he stated that the revised ordinance requires signs to have posted the amount of fees the company will charge and states that they are required to allow credit and debit cards be used for payment. The revised ordinance also increased the maximum fine amount for violating the ordinance from \$50 to \$500, it added a definition of booting service and required that the employee have identification including on their vehicle. Mr. Perlungher read through the industry concerns and how the revised ordinance addressed two of their concerns. Staff did not recommend making changes to address their remaining concerns. He reminded the Committee that the revised ordinance goes into effect on January 22, 2016 and they would like to update the Committee after the ordinance has been in effect for one year.

Q&A

Austin: How are we getting the general public's concern about the towing industry? I know we met with the towing industry to hear their concerns, but what about the public?

Perlungher: These changes are based on documented complaints from customers about the industry. The most concerns revolved around the tow company not letting them pay with credit cards and only accepting cash.

Austin: Regarding the photograph comment on slide 13, we cannot require them to take a digital photograph?

Perlungher: Some do, but we cannot require it legally.

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Austin: The general public does not know that this is about to go to no cap for a tow.

Wall: That was the point for the requirement that the tow company must list the maximum amount they would charge for a tow on the sign. It is going to be a complicated sign. We could work to create some notice to the public about this revision and we can work with communications staff to get the word out.

Kinsey: When this initially started a long time ago this was because of all the complaints we were getting from the public on trespass towing. We have done a good job of getting trespass tows under better control.

Phipps: Do you have a picture of what the sign would look like?

Wall: We can get you a picture of the one from Chapel Hill. They amended their ordinance in a similar fashion.

Austin: We should give the companies a template to follow.

Eiselt: Who pays for the signs?

Wall: That is between the property owner and the tow company they hire, but I believe most of the tow companies have to pay for the signs.

Eiselt: I agree we should give the tow companies a template to follow.

Wall: We can work with CMPD to provide a draft sign that they will need to follow.

Perlungher: The ordinance does a great job listing what the sign should have on it; almost like a check list.

Austin: Okay, let's give them samples not an actual template.

Wall: We will do that.

Austin: What I've seen is when we have heighten events downtown, tow companies are towing them to public streets and dropping them and then going back and getting more. Then they will ultimately take them to their lots. Is there language in the ordinance that states once the industry has towed a car it must go directly to their lot?

Perlungher: No, it does not state directly.

Austin: That is an issue. It happened during a major event. They brought all these cars to Wesley Heights and parked them in front of houses, waited, got more cars, then took everything to the lot.

Wall: We will need to look at that and research it.

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Austin: It was last November.

Eiselt: Okay great, let's move to the last item.

III. 2016 Committee Meeting Schedule

A motion was made by Council member Smith and seconded by Council member Phipps to approve the proposed 2016 meeting schedule (copy attached). *Motion passed unanimously.*

Meeting adjourned at 1:15 p.m.

Community Safety Committee
Thursday, January 14; 12:00 – 2:00 p.m.
Room 280

Committee Members: Julie Eiselt, Chair
Al Austin, Vice Chair
Claire Fallon
Greg Phipps
Kenny Smith

Staff Resource: Ann Wall, Assistant City Manager

AGENDA

I. Passenger Vehicle for Hire Ordinance Review

Staff Resource: Thomas Powers, Assistant City Attorney

The Committee will receive background information related to the City's Passenger Vehicle for Hire (PVH) Ordinance (Chapter 22), changes to the PVH industry, and the process for review and update of the ordinance.

Action: None, for information only.

II. Towing and Booting Ordinance

Staff Resources: Captain Rich Austin, CMPD

Rusty Perlungher, CMPD Attorney

The Committee will receive information on recent changes (effective January 22, 2016) to the Towing & Booting Businesses Ordinance (Chapter 6, Article 11) and outstanding concerns of Council and the towing industry.

Action: None, for information only.

III. 2016 Committee Meeting Schedule

Staff Resource: Ann Wall, City Manager's Office

The Committee is requested to review and approve the attached draft meeting schedule for 2016.

Action: Approve schedule.

Attachment: 1. 2016 Proposed Meeting Schedule

Next Meeting: TBD

2016 Proposed Meeting Schedule for City Council Community Safety Committee

3rd Thursday of each month at 12:00 – 2:00 pm
Room 280
unless other noted

February 18

March 17

***Wed, April 13**

(Calendar conflict with April 21, suggest meeting the week before)

May 19

June 16

September 15

October 20

***Wed, November 9**

(Nov. 17 conflicts with NLC, suggest meeting the week before)

December 15

Notes:

No July or August meetings due to Council's summer schedule



Passenger Vehicle For Hire
("PVH") Ordinance

Community Safety Committee
January 14, 2016



Presentation Outline

- Background on Council Referral
 - Existing PVH Ordinance
 - Transportation Network Companies (TNCs)
 - Changes Affecting PVH Industry
- Passenger Vehicle For Hire (PVH) Office
- Passenger Vehicle For Hire Certificates & Permits
- Passenger Vehicle For Hire Board
- Tentative 2016 Timeline



Background on Council Referral

- Existing Passenger Vehicle For Hire Ordinance
 - City authorized by N.C. Gen. Stat. § 160A-304 to regulate passenger vehicle for hire system
 - Chapter 22 of the City Code sets forth the regulations
 - Subdivided into ten divisions
 - Regulates Drivers, Vehicles, and Companies
 - Requirements: background checks, drug testing, driving training class, equipment requirements, taxi cab rates, inspections, and operational standards.
 - Airport authorized to create regulations that only apply to Airport property



Background on Council Referral . . .cont.

- Transportation Network Companies (TNCs)
 - Any person that uses an online-enabled application or platform to connect passengers with TNC drivers who provide prearranged transportation services
 - Uber, Lyft, and other similar entities
- Session Law 2015-237
 - N.C. Division of Motor Vehicles regulates TNCs
 - Background checks through commercial vendor
 - \$5,000 annual permit fee
 - Minimum auto insurance requirements
 - Vehicle inspections
- Session Law prohibits City from regulating TNCs permitted by the N.C. DMV



Background on Council Referral . . .cont.

- Changes Affecting Passenger Vehicle For Hire Industry
 - Rates and surge pricing
 - Mobile app dispatching
 - Competition for customers
 - Different standards for TNCs vs. traditional industry
 - Enforcement

- PVH Board sent letter dated October 6, 2015
 - Requested Council review various issues including rate ambiguity, vehicle standards, public safety, and impact of TNC legislation



Passenger Vehicle For Hire Office

- Passenger Vehicle For Hire Office
 - Run by a manager and four inspectors
 - Applies Passenger Vehicle For Hire ordinance upon companies, taxicabs, executive cars (limos), other special vehicles, and drivers
 - Issues/Suspends/Revokes
 - Company Operating Certificates
 - Vehicle Operating Permits
 - Driver's Permit



PVH Office. . . cont.

- Background Checks Prior to Issuance
 - Criminal background checks for Company Operating Certificates, Vehicle Operating Permits, and Driver's Permits
 - Drug testing for Driver's Permits.

- Enforcement After Issuance
 - Charlotte-Mecklenburg Police, Passenger Vehicle For Hire inspectors, and Airport Ground Transportation officials issue citations
 - If citation is not paid in a timely manner (typically 60 days), then certificate/permit is revoked or not renewed



Number of Certificates & Permits As of December 31, 2015

- Company Operating Certificates
 - Taxi Cabs: Valid from July 1, 2015, – July 31, 2016
 - Executive Cars: Valid from August 1, 2015, – August 31, 2016
 - Renewed annually
 - Company Numbers: Taxi – 10, Executive – 72, Others – 27.

- Vehicle Operating Permits: 1232
 - Valid for one year from Manufacture Date; Renewed Annually
 - Taxi Cabs: 612
 - Executive Car: 379
 - Other: 241

- Driver's Permits: 1417
 - Some drivers operate taxi cabs and executive cars
 - Taxi Cabs: 747
 - Executive Car: 457



PVH Board

- Eleven (11) member board
 - Mayor appoints three (3)
 - Council appoints five (5)
 - City manager appoints three (3)
- Board consists of drivers, company owners, and users
- Responsibilities
 - Conducts appeal hearings
 - Sets taxi cab rates, charges, and fare zones (if any)
 - Reviews whether a cap should be placed on company operating certificates, vehicle operating permits, and driver's permits
 - Makes recommendations to Council



Tentative 2016 Timeline

- January
 - Meet with CSC and PVH Board
- Spring 2016
 - Review the language of Passenger Vehicle For Hire Ordinance
 - Meet with stakeholders (PVH Board and PVH Industry) to hear concerns and ideas
 - Research best practices
 - Draft revised language
- Summer 2016
 - Provide recommendations for changes to PVH Ordinance



CHARLOTTE.
Community Safety
Committee
January 14, 2016



Towing and Booting Businesses Ordinance



Charlotte Towing & Booting Ordinance

- Amendment adopted February 2011; effective April 2011
- Community Concerns
- Public Safety Concerns

2



2011 Amendment

- Signage requirements
- Fees
- Method of payment
- Violation of ordinance is a crime

3



King v. Town of Chapel Hill

- Challenge to Chapel Hill's ordinance regulating nonconsensual towing from private parking lots
- Struck down
 - fee schedule for towing services
 - prohibition against passing the costs of accepting credit cards on to citizens

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Charlotte Ordinance

- In light of the Court's decision, fee provisions were unenforceable
- CSC asked for proposals to strengthen Ordinance

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Revised Ordinance

- Signs must include the amount of fees charged for:
 - booting or immobilizing a vehicle;
 - securing a vehicle to a tow truck;
 - completed trespass tow; and,
 - storage.

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Revised Ordinance

- Posted signs must also include:
 - statement that credit and debit cards may be used for payment, and
 - amount or percent of additional fees and charges.

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Revised Ordinance

- Increase the maximum amount of fine for a violation of the Ordinance from \$50 to \$500
- Add definition of “booting service”
- Require employee identification and motor vehicle marking for booting services

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Industry Outreach

- September 30, 2015 meeting
- Communication with registered vendors and other towing, booting, parking service companies

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Industry Concerns

- 2011 amendment
 - signage requirement for all private parking lots
 - personal safety during early morning hour returns of motor vehicles / inconvenience
 - 24/7 on call requirement
 - acknowledgement of requests to retrieve vehicles within fifteen minutes of inquiry
 - vehicles available within forty five minutes of request

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Industry Concerns

- Revised Ordinance
 - Cost associated with changing signs, aesthetics;
 - Ability to collect past due charges for parking violations; and,
 - Booting service identification requirement including last name of employee.

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Addressing Industry Concerns

- Revised Ordinance
 - Retained language from 2011 Ordinance on ability to collect past due charges for parking violations; and,
 - Removed last name requirement for employee identification.
- No additional recommendations based on industry concerns

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Additional Questions

- Additional sign requirements
 - Signs visible from parking spots
- Photographs of towed vehicles

13



1409 East Blvd.



14



Revised Ordinance

- Effective date: January 22, 2016
- No additional recommendations at this time
- Update Committee after Ordinance has been in effect for a year

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Towing & Booting Ordinance

- Questions??

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