



## CITY COUNCIL ACTION REPORT

DATE: November 29, 2006

TO: Mayor and City Council

FROM: Phillip L. Nelson, City Manager  
John M. Lamerato, Assistant City Manager, Finance and Administration  
Tonni L. Bartholomew, City Clerk  
Charles T. Craft, Chief of Police

SUBJECT: Re-Write of City Code, Chapter 65 – Taxicabs, Limousines and Drivers

### Background:

- Chapter 65 - Taxicabs, Limousines and Drivers language is cumbersome and difficult to navigate through. City Staff has revisited the ordinance to remove conflicting terms. One issue of confusion was caused by the use of words such as license and registration. They seemed to be used interchangeably and could easily be confused with documents issued by the Michigan Secretary of State. In addition, it does not appear that there is clear policy to issue City driving permits to the limo drivers.

The City Clerk's Office will begin the issuance 2007 permits within the next two weeks. It is desirable for this proposed ordinance to be in effect prior to the mailing of application documents.

### Financial Considerations:

- There are no financial considerations associated with this item.

### Legal Considerations:

- There are no legal considerations associated with this item.

### Policy Considerations:

- There are no policy considerations associated with this item.

### Options:

- It is recommended that Troy City Council approve the proposed re-write of Chapter 65 – Taxicabs, Limousines and Drivers to provide for uniformity and clarity of Ordinance language.

Approved as to From and Legality:

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Lori Grigg-Bluhm

CHAPTER 65 TAXICABS, LIMOUSINES AND DRIVERS

**65.0**            **DEFINITIONS**

- A. "Cruising" means the driving of a taxicab or limousine on the streets, alleys or public places of the City of Troy in search of or soliciting prospective passengers for hire.
- B. "Limo carrier of passengers" means a person who, either directly or through any device or arrangement, holds himself or herself out to the public as willing to transport, by limousine, from place to place over the public highways of this state.
- C. "Limousine" means a self-propelled motor vehicle used in the carrying of passengers with or without the baggage of the passengers for hire upon a public highway of this state with a seating capacity of 15 passengers or less, including the driver. Limousine does not include a self-propelled motor vehicle having a seating capacity of 15 passengers or less that is used by or on behalf of an employer to transport its employees to and from their place of employment.
- D. "Limousine stand" means a fixed area in the road right-of-way, which is set aside for limousines to stand or wait for passengers.
- E. "Taxicab" means a licensed public motor vehicle for hire which is designated and constructed to seat not more than 10 persons and which is operated as a common carrier on call or demand.
- F. "Taxicab stand" means a fixed area in the road right-of-way, which is set aside for taxicabs to stand or wait for passengers.
- G. "Taximeter" means a meter instrument or device attached to a taxicab, which measures mechanically the distance driven and the waiting time upon which the fare is based.

**65.100**            **TAXICAB VEHICLE PERMITS**

**65.101 Taxicab Vehicle Permit Required**

No person shall operate or permit a taxicab owned or controlled by him or her to be operated as a vehicle for hire upon the streets of the City of Troy without having first obtained a Taxicab Vehicle Permit, pursuant to the provision of this Chapter. Any operator of a taxicab that picks up passengers in the City of Troy for a destination (either within or outside the City of Troy municipal boundaries) shall comply with the provisions of this Chapter. Taxicabs not possessing a City of Troy Taxicab Vehicle Permit may deliver their fares or passengers to destinations within the City. Taxicabs possessing a City of Troy Taxicab Vehicle Permit may deliver their fares or passengers to destinations throughout the City or may call for and pick up passengers within the City in response to a direct request.

**65.102**            **Taxicab Vehicle Permit Application**

The owner of a taxicab shall file a Taxicab Vehicle Permit application with the City Clerk, on forms provided by the City of Troy and said application shall be verified under notarized oath. The application shall require the following items:

- A. Applicant's personal identification information
- B. The amounts of any unpaid judgments against the applicant and the nature of the transaction or acts giving rise to said judgments
- C. The experience of the applicant in the transportation of passengers
- D. A concise history of the applicant's employment
- E. The number of vehicles to be operated or controlled by the applicant, and the location of proposed depots and terminals

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- F. Vehicle license plate and identification numbers
- G. The color scheme or insignia to be used to designate the vehicle or vehicles of the applicant
- H. Proof of current fleet vehicle insurance
- I. Hours of operation
- J. Any other information as the City Clerk may require
- K. A recent completed Taxicab Vehicle Inspection form certified by a State of Michigan licensed mechanic

### **65.103 Taxicab Vehicle Permit Application – Police Investigation**

The City Clerk shall submit the application to the Police Department for an investigation. The investigation shall consist of a review and satisfactory evaluation of all information in the Taxicab Vehicle Permit application and all supporting and required documents. The Taxicab Vehicle Inspection form shall be provided to the applicant by the City Clerk for each vehicle to be licensed.

If the Police Department approves the application and it conforms to the provisions of this Chapter, the City Clerk shall issue a vehicle permit for each vehicle.

If the Police Department rejects the application, the applicant may request a personal appearance before the City Council to offer evidence why the Taxicab Vehicle Permit Application should be reconsidered.

### **65.104 Taxicab Vehicle Permit Fees**

Taxicab Vehicle Permit fees shall be subject to the provisions of Chapter 59 of this Code and the fee therefore shall be as specified in Chapter 60 of this Code.

### **65.105 Taxicab Vehicle Permit**

There shall be issued for each approved Taxicab Vehicle Permit Application under this Chapter one Taxicab Vehicle Permit with the words "Permitted Taxicab No. \_\_\_\_\_, Troy, Michigan" and the year of issuance. Such vehicle permit shall be firmly affixed to the rear of the vehicle in such a position as to be plainly visible at all times.

### **65.106 Taxicab Vehicle Liability Insurance Required**

No Taxicab Vehicle Permit shall be issued or shall a taxicab continue in operation unless there is in full force and effect a liability insurance policy for each authorized vehicle in the amount not less than \$100,000.00 for bodily injury to any one person, \$300,000.00 for injuries to more than one person, and \$50,000.00 for property damage resulting from any one accident; \$300,000.00 in a combined single limit policy. Said insurance shall insure to the benefit of any person who shall be injured or who shall sustain damage to property proximately caused by negligence of a holder, his servants or agents. Said insurance documents shall be issued by an insurance company licensed and permitted to do business in the State of Michigan and acceptable to the City of Troy. Said insurance documents shall be filed in the office of the City Clerk.

Said insurance shall remain in full force as long as the Taxicab Vehicle Permit is in effect. If said insurance is cancelled for any reason, the Taxicab Vehicle Permit(s) issued to that carrier shall be considered revoked, without any further action by the City of Troy.

### **65.107 Condition of Vehicles**

All vehicles issued a Taxicab Vehicle Permit under this Chapter shall be kept in good repair, in good mechanical order, and in a good clean and sanitary condition. The Police Department shall have the right to examine or cause to be examined all vehicles issued a Taxicab Vehicle Permit for the purpose of ascertaining compliance with the provisions of this section.

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### **65.108 Solicitations and Cruising**

No taxicab driver shall solicit passengers upon the streets and highways of the City of Troy, with the exception that a driver possessing a City of Troy Taxicab Driver's and Taxicab Vehicle Permit can be parked in a designated Taxicab Stand. No driver of a taxicab shall seek employment by repeatedly and persistently driving his taxicab to and fro on any street, or do any so-called "cruising".

### **65.109 Taxicab Stands**

The City Council shall, by resolution, locate and designate Taxicab Stands and limit the number of taxicabs permitted therein at any one time. The Council may also prohibit taxicabs from being parked on any street in the City of Troy, except at a designated Taxicab Stand.

### **65.110 Passenger Refusing to Pay Legal Fare**

It shall be unlawful for any person to refuse to pay the legal fare of any taxicab after having hired the same. It shall be unlawful for any person to hire any taxicab with the intent to defraud the person from whom it is hired by refusal to pay for the value of such service.

### **65.111 Taximeter Required**

All taxicabs operated under the authority of this Chapter shall be equipped with taximeters fastened in front of the passengers. The taximeter shall be visible to the passengers at all times (day and night) and after sundown the face of the taximeter shall be illuminated. The taximeter shall be operated mechanically by a mechanism of standard design and construction, which is either powered by the transmission or from one of the front wheels by a flexible and permanently attached driving mechanism. The taximeter shall be sealed at all points and connections; to prevent manipulation and insure correct reading and recording. Each taximeter shall have a flag to denote when the vehicle is employed and when it is not employed; and it shall be the duty of the driver to throw the flag of such taximeter into a non-recording position at the termination of each trip. Any officer of the Police Department is hereby authorized to inspect any meter upon a complaint by any person, or without such complaint. If the police officer discovers any inaccuracy therein, the person operating said taxicab shall be required to cease operation and to keep the taxicab off the streets and highways of the City of Troy until the taximeter is repaired and in the required working condition.

### **65.112 Fare Rates**

A printed schedule of rates shall be conspicuously posted in each taxicab. The fare rates established by an owner shall be the same for every one of the owner's taxis that receives a Taxicab Vehicle Permit. The operators or drivers of taxicabs shall charge a fare that is not greater than the fare shown on the posted rate schedule. Charges shall not be made for time lost for inefficiency of the taxicab driver, or time consumed by premature response to a call, or for traffic delays. No charge shall be made for extra passengers. No other or additional charges shall be permitted except that a charge may be made for a call when a person calling for a taxicab fails to make use of the same.

## **65.200 TAXICAB DRIVER PERMITS**

### **65.201 Driver's Chauffeur's License Endorsements Required**

No person shall operate a taxicab for hire upon the streets of the City of Troy and no person who owns or controls a taxicab shall permit it to be so driven, unless the driver of said taxicab has a valid Chauffeur's License issued by the State of Michigan.

### **65.202 Taxicab Driver Permit Required**

No person shall operate a taxicab as a vehicle for hire upon the streets of the City of Troy without having first obtained a Taxicab Driver Permit pursuant to the provision of this Chapter. All operators of taxicabs that pick up passengers in the City of Troy for a destination (either within or outside of the City of Troy municipal boundaries) shall comply with the provisions in this Chapter. Taxicab drivers not issued a Taxicab Driver Permit by the City of Troy may only deliver their fares from other jurisdictions to

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destinations within the City. However the drivers of taxicabs that have obtained a City of Troy Taxicab Driver Permit may deliver their fares or passengers to destinations throughout the City or may call for and pick up passengers within the City in response to a direct request.

### **65.203 Taxicab Driver Permit Application**

In order to receive a Taxicab Driver Permit, an applicant must first file an application on forms provided by the City of Troy with the City Clerk. Said application shall be verified under notarized oath. The application shall require the following items:

- A. Applicant's personal identification information
- B. The presentation of the driver's valid State of Michigan chauffeur's license and a photocopy of the original
- C. The amounts of any unpaid judgments against the applicant and the nature of the transaction or acts giving rise to said judgments
- D. The experience of the applicant in the transportation of passengers
- E. A concise history of the applicant's employment
- F. The name, address and telephone number of the taxicab company for whom the driver will be driving
- G. Applicant's fingerprints shall be taken by the Troy Police Department, for a fee, as established by City Council Resolution, which shall be paid to the City of Troy
- H. Any other information as the City Clerk may require

### **65.204 Taxicab Driver Permit Application – Police Investigation**

The City Clerk shall submit the application to the Police Department for an investigation. The Police Department shall review the application and all of the supporting documents and make a summary report. This summary report, in addition to a copy of the traffic and police records of the applicant, shall be attached to the application for the consideration of the Chief of Police or designee for review.

The Chief of Police or designee shall approve or reject the application. If the application is rejected, the applicant may request a personal appearance before the City Council to offer evidence why the Taxicab Driver application should be reconsidered.

### **65.205 Taxicab Driver Permit Issuance**

If it is found that the applicant is fit, willing and able to provide public transportation and conform to the provisions of this Chapter, and upon approval of the application and payment of a driver permit fee, the City Clerk shall issue a Taxicab Driver Permit. The permit shall contain the name, address, age, signature and photograph of the applicant, the number of vehicles authorized under said driver permit and the date of issuance. Such Taxicab Driver Permit shall be in effect for the remainder of the permit year. Otherwise, the application shall be denied.

### **65.206 Taxicab Driver Permit Fees**

The fee for Taxicab Driver applications shall be subject to the provisions of Chapter 59 of this Code and the fee therefore shall be as specified in Chapter 60 of this Code.

### **65.207 Taxicab Driver Permit Display**

Every driver receiving a Taxicab Driver Permit shall post said permit in such a place as to be in full view of all passengers while such driver is operating a taxicab.

### **65.208 Taxicab Driver Permit Suspensions and Revocation**

The Police Department may immediately revoke the Taxicab Driver Permit upon the permittee's violation of any provisions of this ordinance or for other good cause.

If the Police Department revokes a Taxicab Driver Permit, the permittee may appeal that decision by

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submitting a written letter to the Chief of Police within 72 hours of the time of notification of the revocation. This letter shall state the reasons why the applicant feels that the Taxicab Driver Permit should be reinstated and shall attach any evidence in support of the reasons. Within 48 hours of receiving such a letter, the Chief of Police shall either confirm or reverse the challenged action concerning the Taxicab Driver Permit.

The suspension and revocation of Taxicab Driver and/or Taxicab Vehicle Permits shall be subject to the provisions of Chapter 59 of this Code. No Taxicab Driver and/or Taxicab Vehicle Permits shall be suspended for a period of longer than ten (10) days, or more often than once in ninety-days (90), but this shall not be deemed a limitation on the power of revocation, as specified in Chapter 59.

In addition to the grounds specified for suspension and revocation of permits as set forth in Chapter 59 of this Code, a permit issued under the provisions of this Chapter may be suspended or revoked if the holder has discontinued operation of a taxicab possessing a City of Troy Taxicab Permit for more than thirty (30) consecutive days.

### **65.300 LIMOUSINE VEHICLE PERMITS**

#### **65.301 Limousine Vehicle Permit Required**

No person shall operate or permit a limousine owned or controlled by him or her to be operated as a vehicle for hire upon the streets of the City of Troy without having first obtained a Limousine Vehicle Permit pursuant to the provision of this Chapter. Any operator of a limousine that picks up passengers in the City of Troy for a destination (either within or outside the City of Troy municipal boundaries) shall comply with the provisions of this Chapter. Limousines not possessing a City of Troy Limousine Vehicle Permit may only deliver their fares or passengers from other jurisdictions to destinations within the City. However, limousines possessing a City of Troy Limousine Vehicle Permit may deliver their fares or passengers from another jurisdiction to destinations throughout the City, or may call for and pick up passengers within the City in response to a direct request.

#### **65.302 Limousine Vehicle Permit Application**

In order to obtain a limousine vehicle permit, a Limousine Vehicle Permit application shall be filed with the City Clerk on forms provided by the City of Troy and said application shall be verified under notarized oath. The application shall require the following items:

- A. Applicant's personal identification information
- B. The amounts of any unpaid judgments against the applicant and the nature of the transaction or acts giving rise to said judgments
- C. The experience of the applicant in the transportation of passengers
- D. A concise history of the applicant's employment
- E. The number of vehicles to be operated or controlled by the applicant, and the location of proposed depots and terminals
- F. Vehicle license plate and identification numbers
- G. The color scheme or insignia to be used to designate the vehicle or vehicles of the applicant
- H. The Certificate of Authority issued by the State of Michigan Transportation Department, as required by Section 257.1907 of the Michigan Compiled Laws (the Limousine Transportation Act)
- I. Proof of current insurance in amounts equal to those required by Section 257.1913 of the Michigan Compiled Laws (The Limousine Transportation Act)
- J. Copies of annual vehicle inspection papers for all vehicles registered, as required by section 257.1919 of the Michigan Compiled Laws (the Limousine Transportation Act). The City may require further inspection if it so deems necessary
- K. Hours of operation

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- L. Any other information as the City Clerk may require

### **65.303 Limousine Vehicle Permit Application – Police Investigation**

The City Clerk shall submit the application to the Police Department for an investigation. The investigation shall consist of a review and follow up on information on the Limousine Vehicle Permit application and all required documents. If necessary, the Police Department may require further safety inspections, in addition to any safety inspections done in compliance with the Limousine Transportation Act.

If the Police Department approves the application and it conforms to the provisions of this Chapter, the City Clerk shall issue a limousine Vehicle Permit for each vehicle.

If the Police Department rejects the application, the applicant may request a personal appearance before the City Council to offer evidence why the Limousine Vehicle Permit Application should be reconsidered.

### **65.304 Limousine Vehicle Permit Fees**

Limousine Vehicle permit fees shall be subject to the provisions of Chapter 59 of this Code and the fee therefore shall be as specified in Chapter 60 of this Code.

### **65.305 Limousine Vehicle Permit**

There shall be issued for each approved Limousine Vehicle Permit Application under this Chapter one Limousine Vehicle Permit with the words " Permitted Limousine No.\_\_\_\_\_, Troy, Michigan" and the year of issuance. Such vehicle permit shall be firmly affixed to the rear of the vehicle in such a position as to be plainly visible at all times.

### **65.306 Limousine Vehicle Liability Insurance Required**

Limousine vehicle permit holders shall carry insurance equal to that required by Section 257.1913 of the Michigan Compiled Laws (the Limousine Transportation Act).

Said insurance shall remain in full force as long as the Limousine Vehicle Permit is in effect. If said insurance is cancelled for any reason, the Limousine Vehicle Permit(s) issued to that carrier shall be considered revoked without any further action by the City of Troy.

### **65.307 Condition of Vehicles**

All vehicles issued a Limousine Vehicle Permit under this Chapter shall be kept in good repair, in good mechanical order, and in a good clean and sanitary condition. The Police Department shall have the right to examine or cause to be examined all vehicles issued a Limousine Vehicle Permit for the purpose of ascertaining compliance with the provisions of this section.

### **65.308 Solicitations and Cruising**

No limousine driver shall solicit passengers upon the streets and highways of the City of Troy, except the driver of a permitted limousine can be parked in a designated Limousine Stand while sitting in the driver's seat of his vehicle. No driver of a limousine shall seek employment by repeatedly and persistently driving his limousine to and fro on the street, or do any so-called "cruising".

### **65.309 Limousine Stands**

The City Council shall have power, by resolution, to locate and designate Limousine Stands and to limit the number of limousines permitted therein at any one time. The Council may also prohibit limousines from being parked on the any street in the City of Troy, except at a designated Limousine Stand.

### **65.310 Passenger Refusing to Pay Legal Fare**

It shall be unlawful for any person to refuse to pay the legal fare of any limousine, after having hired the

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same, and it shall be unlawful for any person to hire any vehicle herein defined with intent to defraud the person from whom it is hired for the value of such service.

### **65.400 LIMOUSINE DRIVER PERMITS**

#### **65.401 Driver's Chauffeur's License Endorsements Required**

No person shall operate a limousine for hire upon the streets of the City of Troy, and no person who owns or controls a limousine shall permit it to be so driven, unless the driver of said limousine has a valid Chauffeur's License issued by the State of Michigan.

#### **65.402 Limousine Driver Permit Required**

No person shall operate a limousine as a vehicle for hire upon the streets of the City of Troy without having first obtained a Limousine Driver Permit pursuant to the provision of this Chapter. All operators of limousines that pick up passengers in the City of Troy for a destination (either within or outside of the City of Troy municipal boundaries) shall comply with the provisions in this Chapter. Limousine drivers not issued a Limousine Driver Permit by the City of Troy may only deliver their fares from other jurisdictions to destinations within the City. However the drivers of limousines that have obtained a City of Troy Limousine Driver Permit may deliver their fares or passengers to destinations throughout the City or may call for and pick up passengers within the City in response to a direct request.

#### **65.403 Limousine Driver Permit Application**

In order to receive a Limousine Driver Permit, an applicant must first file an application on forms provided by the City of Troy with the City Clerk. Said application shall be verified under notarized oath. The application shall require the following items:

- A. Applicant's personal identification information
- B. The presentation of the driver's valid State of Michigan chauffeur's license, and a photocopy of the original
- C. The amounts of any unpaid judgments against the applicant and the nature of the transaction or acts giving rise to said judgments
- D. The experience of the applicant in the transportation of passengers
- E. A concise history of the applicant's employment The name, address and telephone number of the limousine company for whom the driver will be driving
- F. Applicant's fingerprints shall be taken by the Troy Police Department, for which there shall be a fee paid to the City of Troy, such fee shall be established by City Council Resolution.
- G. Any other information as the City Clerk may require

#### **65.404 Limousine Driver Permit Application – Police Investigation**

The City Clerk shall submit the application to the Police Department for an investigation. The Police Department shall review the application and all of the supporting documents, and make a summary report. This summary report, in addition to a copy of the traffic and police records of the applicant, shall be attached to the application for the consideration of the Chief of Police or designee for review.

The Chief of Police or designee shall approve or reject the application. If the application is rejected, the applicant may request a personal appearance before the City Council to offer evidence why the Limousine Driver application should be reconsidered.

#### **65.405 Limousine Driver Permit Issuance**

If it is found that the applicant is fit, willing and able to provide public transportation and conform to the provisions of this Chapter, and upon approval of the application and payment of a driver permit fee, the City Clerk shall issue a Limousine Driver Permit. The permit shall contain the name, address, age, signature and photograph of the applicant, the number of vehicles authorized under said driver permit and the date of

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issuance. Such Limousine Driver Permit shall be in effect for the remainder of the permit year. Otherwise, the application shall be denied.

### **65.406 Limousine Driver Fees**

Limousine Driver permit fees shall be subject to the provisions of Chapter 59 of this Code and the fee therefore shall be as specified in Chapter 60 of this Code.

### **65.407 Limousine Driver Permit Display**

Every driver permitted under this Chapter shall post his Limousine Driver Permit in such a place as to be in full view of all passengers while such driver is operating a limousine.

### **65.408 Limousine Driver Permit Suspensions and Revocation**

The Police Department may immediately revoke the Limousine Driver Permit upon the permittee's violation of any provisions of this ordinance or for other good cause.

If the Police Department revokes a Limousine Driver Permit, the permittee may appeal that decision by submitting a written letter to the Chief of Police within 72 hours of the time of notification of the revocation. This letter shall state the reasons why the applicant feels that the Limousine Driver Permit should be reinstated, and shall attach any evidence in support of the reasons. Within 48 hours of receiving such a letter, the Chief of Police shall either confirm or reverse the challenged action concerning the Limousine Driver Permit.

The suspension and revocation of Limousine Driver and/or Limousine Vehicle Permits shall be subject to the provisions of Chapter 59 of this Code. No Limousine Driver and/or Limousine Vehicle Permits shall be suspended for a period of longer than ten (10) days, or more often than once in ninety-days (90), but this shall not be deemed a limitation on the power of revocation, as specified in Chapter 59.

In addition to the grounds specified for suspension and revocation of permits as set forth in Chapter 59 of this Code, a permit issued under the provisions of this Chapter may be suspended or revoked if the holder has discontinued operation of a limousine possessing a City of Troy Limousine Permit for more than thirty (30) consecutive days.

### **65.500 AUTHORITY**

#### **65.501 Police Authority**

Any police officer of the City of Troy shall have the power to stop any taxicab or limousine operating within the City of Troy to determine whether the vehicle is being operated in compliance with this Chapter.

#### **65.502 Fraudulent Application or Use of Permits**

No person shall submit a fraudulent application for a permit, or use any Taxicab Vehicle or Limousine Vehicle Permit and/or Taxicab or Limousine Driver Permit for purposes other than those specified in this Chapter, including, but not limited to, attaching a City of Troy Taxicab or Limousine Vehicle Permit to a non-permitted vehicle, or the use of another person's Taxicab or Limousine Driver Permit by a non-permitted driver.

#### **65.503 Violations and Penalties**

Any person, firm or corporation violating any provision of this Chapter shall be guilty of a misdemeanor punishable by a fine not to exceed \$500 and/or 90 days in jail.