



Request for City Council Committee Action from the Department of Regulatory Services

Date: August 30, 2012

To: Council Member Robert Lilligren, Chair
Minneapolis City Council Committee of the Whole

Subject: Annual taxicab meter rate adjustment

Recommendation: That the Committee of the Whole approve a resolution authorizing a one year freeze on taxicab meter rate adjustments.

Previous Directives: In May 2009 the Minneapolis City Council approved an amendment to MCO 341.775 requiring an annual review of taxicab meter rates.

Department Information

Prepared by: Grant Wilson, Manager of Business Licenses, (612) 673-3902

Approved by:

Jay Stroebel, Interim Director of Regulatory Services

Noah Schuchman, Interim Director of Licensing & Environmental Services

Grant Wilson, Manager of Business Licenses

Presenters in Committee: Grant Wilson

Financial Impact

- No financial impact

Community Impact

- City Goals – Jobs and Economic Vitality: Businesses, big and small, start here, stay here, thrive here.

Supporting Information

On May 22, 2009, the Minneapolis City Council passed an ordinance amendment requiring an annual automatic adjustment of taxicab meter rates by the Director of Regulatory Services for the purpose of establishing a maximum meter fare rate.

The current Minneapolis maximum taxicab meter rate is \$2.75 per mile. Using the Minneapolis Taxicab Cost Index as required by MCO 341.775, the maximum taxicab rates would increase to \$2.85 per mile effective October 1, 2012.

A best practices summary of taxicab meter rates from 21 jurisdictions is attached below. If Minneapolis increases the maximum rate to \$2.85 per mile, Minneapolis' taxi rates would rank 5th in the nation.

The City of St. Paul is proposing to increase their rate to \$2.75 per mile. The Minneapolis Airport Commission's current rate is \$2.75 per mile. A single rate for the metropolitan area provides simplicity and fairness to both drivers and customers.

Taxicab Rates of Comparable Cities (Highest to Lowest*) – August 2012

City	Flag Drop	1st Mile	*5 Miles	Mileage Breakdown
Honolulu	\$3.10	\$5.90	\$18.70	\$3.20 per mile
Miami	\$2.50	\$4.90	\$16.90	\$2.60 per mile
San Francisco	\$3.50	\$5.70	\$16.70	\$2.75 per mile
Boston	\$2.60	\$5.00	\$16.20	\$2.80 per mile
Minneapolis (New)	\$2.50	\$4.78	\$16.18	\$2.85 per mile
Las Vegas	\$3.30	\$5.70	\$16.10	\$2.60 per mile
Los Angeles	\$2.85	\$5.25	\$16.05	\$2.70 per mile
Minneapolis (Existing)	\$2.50	\$4.70	\$15.70	\$2.75 per mile
MAC MSP (Existing)	\$2.50	\$4.70	\$15.70	\$2.75 per mile
St. Paul, MN (New)	\$2.50	\$4.70	\$15.70	\$2.75 per mile
Milwaukee	\$2.75	\$5.00	\$15.00	\$2.50 per mile
Seattle	\$2.50	\$5.00	\$15.00	\$2.50 per mile
St. Louis	\$3.50	\$5.48	\$14.28	\$2.00 per mile
Cleveland	\$2.75	\$4.99	\$13.95	\$2.24 per mile
Houston	\$2.27	\$4.75	\$13.55	\$2.20 per mile
Washington D.C.	\$3.00	\$4.89	\$13.53	\$2.16 per mile
Denver	\$2.50	\$4.50	\$13.50	\$2.25 per mile
New Orleans	\$3.50	\$5.50	\$13.50	\$2.00 per mile
Saint Paul (Existing)	\$2.50	\$4.26	\$13.06	\$2.20 per mile
Chicago	\$3.25	\$5.05	\$12.25	\$1.80 per mile
New York	\$2.50	\$4.10	\$12.10	\$2.00 per mile
Atlanta	\$2.25	\$4.00	\$12.00	\$2.00 per mile
Dallas	\$2.25	\$3.85	\$11.05	\$1.80 per mile
Tulsa	\$1.50	\$3.40	\$11.00	\$1.90 per mile

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

By Glidden

Enacting a one year suspension of the automatic taxicab meter rate adjustment to facilitate a metropolitan wide synchronization of rates.

Whereas, the City of Minneapolis, pursuant to Minneapolis Code of Ordinances (MCO) Section 341.775, provides for an automatic adjustment of maximum taxicab meter rates based upon the Minneapolis Taxicab Cost Index; and

Whereas, application of the Minneapolis taxicab cost index for the pending annual period from October 1, 2012 through September 30, 2013 would result in an increase to maximum taxicab meter rates which would bring Minneapolis significantly out of alignment with other metropolitan taxicab regulatory authorities; and

Whereas, the City of Minneapolis possesses an interest in aligning its maximum taxicab rates with other local regulatory authorities;

Now, therefore, be it resolved by the City Council of The City of Minneapolis:

That, notwithstanding MCO Section 341.775, there shall be no adjustment to the maximum taxicab meter rate for the period from October 1, 2012 through September 30, 2013.