



City of Santa Barbara
Airport Department

Meeting: 06/29/17
Agenda Item No. 4

DATE: June 29, 2017
TO: Airport Commission
FROM: Hazel Johns, Airport Director
SUBJECT: Airport Commercial Ground Transportation Program

RECOMMENDATION:

That Airport Commission recommend to City Council that the 2001 Administrative Regulations Regarding the Operation of Taxicabs at the Airport be repealed and that the Santa Barbara Airport Commercial Ground Transportation Program establishing the rules and regulations for operation of all ground transportation providers be adopted.

DISCUSSION:

Background:

On August 21, 2001, City Council adopted Resolution No. 01-097, pertaining to the regulation of the operation of taxicabs at the Airline Terminal. Historically the Airport has only issued permits to on-demand taxicabs that queue up in front of the Airline Terminal. Due to limited terminal frontage curb space, the Director restricted the number of on-demand taxicab permits. Limousines, courtesy vehicles, and pre-arranged taxis were operating without a permit or payment of fees.

In 2012, staff began development of a new ground transportation program to issue permits to all operators and increase daily oversight of the system. Airport and City legal department staff discussed the potential issues of an open Airport taxicab system consistent with current city practice, vs limiting the number of taxicabs allowed to provide on demand Airport service via a competitive RFP process for a single operator or consortium of operators with defined service parameters. During this time airline service decreased at the Airport and the ground-transportation program was put on hold.

Transportation Network Company (TNC)

In the last five years, the ground transportation operating environment has changed due to the development of Uber/Lyft type service, referred to as, "Transportation Network Company" (TNC). TNCs are now widely known and used by the majority of customers at SBA. In 2012 on-demand taxicabs had the majority of the market at the Airport.

Currently TNCs provide an estimated 80 percent of the commercial ground transportation rides at the Airport.

Proposed Commercial Ground Transportation Program

The proposed program provides a permitting system, with associated rules, regulations, fees, and procedures for all types of commercial ground transportation operators that serve the Airport. These fee based commercial ground transportation programs are common at airports throughout the Country.

The program is designed to keep operator cost as low as possible while still recovering the costs of administering the program. On a daily basis, staff is required to be stationed on the commercial vehicle loading zone monitoring operators, assisting customers, and providing a safe and professional system for operators and passengers. The governing program regulations allow the Airport to implement and revise procedures and conditions of the permit as needed to ensure flexibility to meet the needs of the operators and the Airport.

Vehicle Trip Fees

This program proposes per trip fees for all operators except on-demand taxicabs. Per trip fees result in a use-based system where those that use the Airport more often will pay more trip fees. On-demand cabs will be required to purchase nonrefundable annual permits, but will not be charged per trip fees.

Taxis waiting and available is an asset for passengers at the Airport. Because the taxicab industry is quickly disappearing, this program has incentivized on-demand taxicab companies with permits. The rate structure results in significant savings over per trip fees but insures adherence to rules via the prepaid nonrefundable permit fee.

Three meetings were held with both taxicab industry drivers/operators and the pre-arranged operators. Staff reviewed the program and revised it in response to industry input from all types of ground transportation providers serving the Airport.

The Operators acknowledged that these new rules and regulations address the Airport's need to manage the airline terminal curb and commercial vehicle lane, while keeping permits and operating cost as low as possible.

Airport Commission Ground Transportation Subcommittee

On June 19, 2017, the Subcommittee met received a staff presentation on the proposed program fees as well as the overall rules, regulations, and associated key procedures of the proposed commercial ground transportation program for the Airport.

ATTACHMENTS: Commercial Ground Transportation Program