



## ARLINGTON COUNTY, VIRGINIA

### County Board Agenda Item Meeting of April 23, 2022

**DATE:** March 22, 2022

**SUBJECT:** Request to Advertise a Public Hearing by the County Board to consider a temporary \$1 surcharge under Chapter 25.1 (Taxicabs) of the Arlington County Code, Section 25.1-16G. Adjustments in Rates of Fare to be effective June 1, 2022.

**C. M. RECOMMENDATION:**

Authorize advertisement of a public hearing by the County Board on May 14, 2022, to consider a temporary \$1 surcharge under Chapter 25.1 (Taxicabs) of the Arlington County Code, Section 25.1-16G. Adjustments in Rates of Fare to be effective June 1, 2022, for a period of six months.

*G. Notwithstanding the biennial consideration by the County Manager of any requested or proposed changes in rates of fares, charges, or surcharges, such consideration shall not prohibit the County Board from enacting at any time any ordinance amendments, regarding Taxicab rates or otherwise, on an emergency basis or otherwise. (Ord. No. 09-16, 6-13-09)*

**ISSUES:** The taxicab industry is requesting a temporary \$1 surcharge for six months, starting June 1, 2022, to help alleviate current gas prices. County Board approval is required for the advertisement of a public hearing for consideration of the proposed surcharge.

**SUMMARY:** Current gas prices have increased in the past year, and substantially within the past month due to global unrest and macroeconomic factors. This is increasing operating costs for taxicab drivers. The proposed temporary surcharge would compensate them for the increased cost of gasoline for a period of six months. While the Taxicab Ordinance, Chapter 25.1 of the Arlington County code sets the rates of fare for the taxicab industry on a biennial basis, with the next fare rate analysis in 2023, out-of-cycle amendments to Taxicab rates are permitted with County Board approval.

County Manager:

County Attorney:

Staff: Angie de la Barrera, DES

**BACKGROUND:**

The most recent taxicab fare increase (not a surcharge) in Arlington was approved by the County Board and went into effect January 1, 2016. The current fare structure is \$3.00 for the drop and \$2.16 per mile. The price of gasoline has risen sharply and as of March 14, 2022, is close to \$4.50 per gallon.

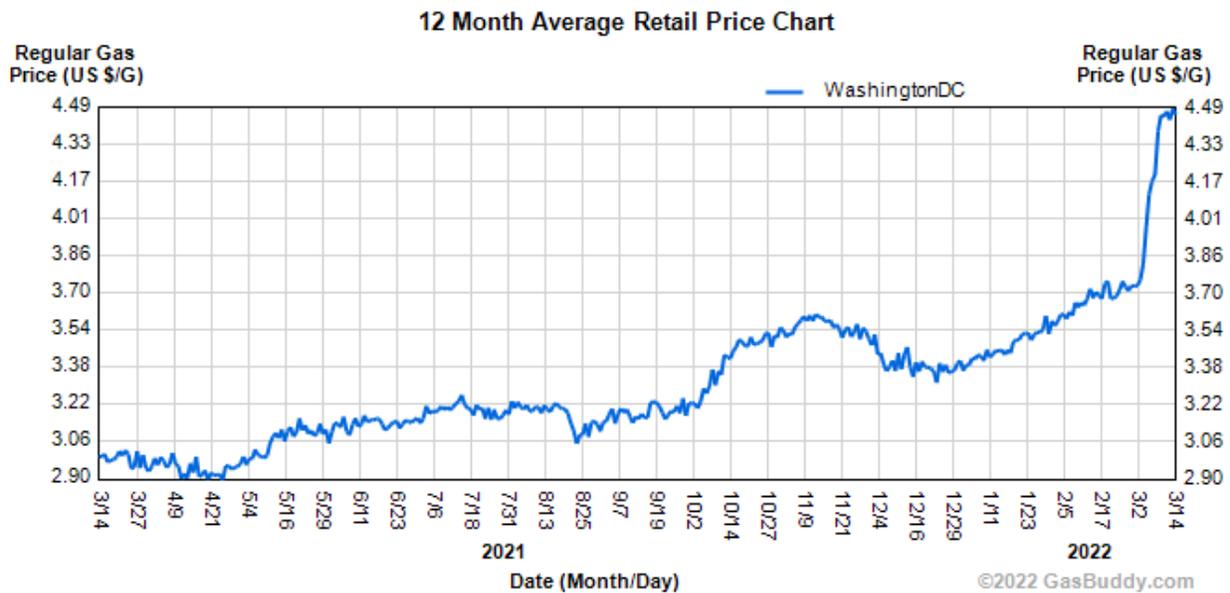
Staff communicated with nearby jurisdictions to determine whether they are considering a surcharge. On March 16, 2022, the Mayor of Washington, DC approved a temporary \$1 surcharge to remain in effect for 120 days, effective immediately. On March 22, Fairfax County and the City of Alexandria informed staff that they are also looking at a temporary \$1 surcharge.

The temporary surcharge is under Taxicab Ordinance Section 25.1-16G. Adjustments in Rates of Fare:

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**DISCUSSION:**

On March 8, 2022, Arlington taxicab companies requested that the County consider a temporary \$1 surcharge to compensate drivers for the increasing cost of gasoline. On March 14, according to GasBuddy, Washington DC area gasoline prices were \$4.49.



According to this graph, prices have climbed during the past year but more dramatically since the end of February due to global unrest and macroeconomic factors. The increase over the past 12 months is well above \$1.

**Price changes from March 14, 2022 at \$4.49**

	<b>Price</b>	<b>Increase</b>	<b>% change</b>
<b>3 months ago</b>	\$3.37	\$1.12	33%
<b>6 months ago</b>	\$3.16	\$1.33	42%
<b>1 year ago</b>	\$2.98	\$1.51	51%

Source: GasBuddy.com as of March 14, 2022

Staff from the Hack office and DES has reviewed the request from the taxicab industry for a temporary \$1.00 gasoline surcharge for six months and determined that the temporary surcharge would be an appropriate measure to help drivers offset increased operating costs associated with the increase in gas prices.

**PUBLIC ENGAGEMENT:**

The appropriate level of engagement for this matter is Communicate & Consult.

*Outreach Methods:*

- At the March 28, 2022, Transportation Commission meeting, the Commissioners will make a recommendation to the County Board regarding the surcharge.
- The County Board will advertise the proposed amendment at the April 23, 2022 (or recessed) meeting.
- At the May 14, 2022, the County Board will consider approval to the temporary \$1 surcharge under Chapter 25.1 (Taxicabs) of the Arlington County Code, Section 25.1-16G.

*Community Feedback:*

Taxicab Companies: Crown, Hess, Friendly, Red Top, Arlington Yellow, and Blue Top Cab companies have requested this temporary surcharge.

**FISCAL IMPACT:**

The Department of Environmental Services contracts with Red Top Cab to transport disabled persons under the STAR para-transit program. STAR currently uses Red Top for about 47,000 trips per fiscal year with an average trip length of 5.22 miles. It is estimated that the temporary \$1 surcharge for six months would result in an additional \$23,000 in annual expenses for the County. DES expects that the additional costs that result from a temporary \$1 surcharge would be covered by improved efficiencies in the provision of STAR services.

The Department of Human Services (DHS) and Department of Parks and Recreation (DPR) estimate that, based on their prior year spending, a \$1 surcharge would increase combined DHS/DPR-wide expenses by approximately \$14,000. It is anticipated that the existing DHS and DPR budget will be able to absorb the surcharge increase.

Costs to Arlington Public Schools (APS) and the Special Education Office budget, which includes transportation for students with significant needs, would increase by \$16,920 over the six-month surcharge period. APS has been investigating the use of school buses and/or other vehicles to decrease cab usage and associated costs.