

CITY OF BLOOMINGTON
WORK SESSION CITY COUNCIL MEETING NOTICE
109 E. OLIVE, BLOOMINGTON, IL 61701
TUESDAY, May 26, 2015; 5:30 – 6:30P.M.

1. Call to Order
2. Roll Call
3. Public Comment
4. Discussion Topic
 - a. Transportation Network Provider, Corporation Counsel, Angela Fyans - Jimenez
(10 minutes Presentation, 10 minutes Discussion)
 - b. TIGER Grant Application for McLean County and Connect Transit, Bill Wasson
McLean County Administrator,*(15 minutes Presentation, 15 minutes Discussion)*
5. Adjourn



WORK SESSION AGENDA ITEM: 4A

FOR COUNCIL: May 26, 2015

SUBJECT: An ordinance Amending Chapter 40 of the Bloomington City Code to establish regulations for transportation network providers to operate transportation networks within the City.

RECOMMENDATION/MOTION: That the Transportation Network Provider Ordinance be adopted and authorize the Mayor and City Clerk to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 5. Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: Effective June 1, 2015, the Transportation Network Providers Act (“Act”) becomes effective in the State of Illinois. This Act essentially provides a framework for online transportation network companies (e.g., Uber, Lyft, Sidecar, etc.) to operate within the State, including various insurance and driver eligibility requirements. The Act does not preempt home-rule authority or otherwise prohibit a municipality from further regulating Transportation Network Companies (“TNCs”). Accordingly, the proposed ordinance creates a framework for TNCs to operate within the City. The proposed ordinance mandates the same insurance and driver eligibility requirements as those within the Act. To help ensure public safety, the ordinance further requires any TNC to also certify that background checks have been performed on all drivers and that vehicles have been inspected and can safely be operated. The ordinance also enacts auditing requirements to ensure that any TNC is actually performing the necessary background and vehicle checks. To help cover the cost of enforcement and auditing, there is a \$3,000 annual fee for a TNC license.

Historically, the City has required direct registration and approval of taxicab drivers, as well as vehicle checks performed by the Police Department. Although there are certainly differences between a taxicab and a TNC, there are also similarities. TNCs, like Uber, have typically been resistant to direct registration of their drivers and instead have promoted self-regulation with verification. As this is a new concept, the self-regulation provisions in the proposed ordinance would be done on a one-year trial basis. With such a concept, staff has attempted to draft as many regulations as possible to promote public safety. However, the public should be aware the City will now play less of a regulatory role over drivers and vehicles engaging in the transportation of passengers.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Staff met with members of the management team of Uber, Illinois on April 6 and May 12, 2015. Email input

was also received from Uber regarding the draft ordinance. A meeting was held on April 8, 2015, with taxicab and vehicle for hire company owners on related issues. Additional input was received from owners by email.

FINANCIAL IMPACT: If approved user licensing fee of \$3,000 will be received in the General Fund. Accounts will be created and revenues will be tracked and reported throughout the year.

Respectfully submitted for Council consideration.

Prepared by: Jeffrey R. Jurgens, Corporation Counsel

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Finance Director

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Transportation Network Provider Ordinance

Motion: That the Transportation Network Provider Ordinance be adopted and authorize the Mayor and City Clerk to execute the necessary documents.

Motion: _____ Seconded by: _____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Buragas				Alderman Painter			
Alderman Fruin				Alderman Sage			
Alderman Hauman				Alderman Schmidt			
Alderman Lower							
				Mayor Renner			

ORDINANCE NO. 2015-_____

AN ORDINANCE AMENDING BLOOMINGTON
CITY CODE CHAPTER 40 TO ESTABLISH A PILOT PROGRAM FOR THE REGULATION
AND LICENSURE OF TRANSPORTATION NETWORK PROVIDERS.

WHEREAS, the City of Bloomington is a home-rule municipality operating in the State of Illinois; and

WHEREAS, the City regulates taxicabs and vehicles for hire in both the City and Town of Normal pursuant to Intergovernmental Agreement; and

WHEREAS, the State of Illinois recently adopted the Transportation Network Providers Act (“Act”) that regulates the operation of transportation network companies; and

WHEREAS, the City is entitled to enact additional regulations beyond the Act to ensure network providers operate in a safe and efficient manner; and

WHEREAS, the current model of network providers is to perform background checks and vehicle inspections in-house while allowing municipalities to audit said information; and

WHEREAS, the City is willing to utilize the network provider model of background checks and vehicle inspections, on a trial basis for one-year, with routine auditing by the City; and

WHEREAS, the City desires to encourage innovation in transportation but also desires to ensure those engaged in public transportation to provide same in a clean and safe manner; and

WHEREAS, the City Council believes the adoption of the Transportation Network Provider ordinance balances the need for innovation in public transportation with the need to maintain public safety and security.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bloomington, Illinois:

SECTION 1. That Bloomington City Code Chapter 40 is amended by adding Article XII as follows:

ARTICLE XII

TRANSPORTATION NETWORK PROVIDERS

SEC. 1201 PURPOSE OF ARTICLE; APPLICABILITY.

(a) The purpose of this Article XII is to protect the health, safety, and welfare of the citizens of the communities of the City of Bloomington and the Town of Normal through the regulation of Transportation Network Company (TNC) services, which provide transportation of passengers for hire.

(b) The City of Bloomington and the Town of Normal have entered into an intergovernmental agreement under which the City of Bloomington will perform the administration and enforcement of the regulations under this Article.

(c) This Article is adopted pursuant to the home rule authority of the City of Bloomington and the Town of Normal and pursuant to the authority to regulate drivers for hire under Section 11-42-6 of the Illinois Municipal Code.

SEC. 1202 DEFINITIONS.

As used in this Article XII:

(a) The terms “transportation network company,” “TNC,” “transportation network company driver,” “TNC driver,” and “transportation network company services” or “TNC services” shall have the meanings set forth under Section 5 of the Transportation Network Providers Act, (625 ILCS 57/), which was enacted under Public Act 98-1173 and takes effect on June 1, 2015.

(b) “City Clerk” means the City Clerk of the City of Bloomington or his or her designee.

(c) “City Manager” means the City Manager of the City of Bloomington or his or her designee.

(d) “TNP Act” means the Transportation Network Providers Act.

(e) A TNC operates in the City of Bloomington and Town of Normal if a TNC driver picks up a passenger in the jurisdictional boundaries of either the City of Bloomington or the Town of Normal.

(f) A TNC driver operates in the City of Bloomington and Town of Normal if he or she picks up a passenger in the jurisdictional boundaries of either the City of Bloomington or the Town of Normal.

SEC. 1203 COMPLIANCE WITH STATE LAW.

(a) Each TNC and each TNC driver operating in Bloomington-Normal must comply with the provisions of the TNP Act. If a TNC or TNC driver operates in Bloomington-Normal before the effective date of the TNP Act, then the TNC or TNC driver must comply with the

provisions of the TNP Act as if the Act were in effect as of the date that the TNC or TNC driver operates in Bloomington-Normal.

(b) Failure of a TNC or TNC driver to comply with the provisions of the TNP Act will be deemed a violation of this Chapter and may subject the violator to revocation or suspension of any TNC license or driver's permit issued pursuant to this Article or to fines as provided in this Article.

SEC. 1204 TRANSPORTATION NETWORK COMPANY LICENSE REQUIRED.

(a) No TNC may operate in Bloomington-Normal unless it obtains a TNC License. The application for TNC license shall be made to the City Clerk in the form and manner required by that office. The fee for application for license issuance or renewal is \$100.00 and upon the issuance of a license upon approval, the licensure fee shall be \$3,000.00. The licensure fee must be paid prior to issuance of a license.

(b) Each TNC License shall commence upon issuance and continue through December 31 of the calendar year issued. Thereafter, if renewed, the TNC License will run annually, concurrent with each calendar year. Application for annual license renewal must be submitted to the Clerk's office prior to the year for which renewal is sought. The application fee shall be non-refundable regardless of whether a license is issued or renewed.

SEC. 1205 TRANSPORTATION NETWORK COMPANY APPLICATION.

(a) Each application for a TNC license shall be verified upon oath or affirmation and shall furnish, at a minimum, the following information:

- (1) If the license applicant is an individual:
 - (i) The individual's full name, residence address, business address, business e-mail address and business telephone number; and
 - (ii) Proof that the applicant is at least 18 years of age.
- (2) If the license applicant is a corporation:
 - (i) The corporate name, business address and telephone number of the applicant;
 - (ii) The date and state of incorporation;
 - (iii) The name, street address, mailing address and email address of a designated registered agent in the State of Illinois authorized to accept service of process and all notices required under this Article;

(iv) Proof that the applicant is authorized and registered to do business in the State of Illinois; if the applicant has existed for more than one year, this proof shall include a Certificate of Good Standing issued by the Secretary of State;

(3) If the license applicant is a partnership or limited liability company:

(i) The name, business address or principal office address and telephone number of the applicant;

(ii) The full names, residence addresses, e-mail addresses and residence telephone numbers of (a) the three members who own the highest percentage interests in such partnership or limited liability company, (b) the general partner of a partnership, (c) the managing partner of a limited liability company, and (d) any other member who owns a 25 percent or more interest therein;

(iii) The name, street address, mailing address and e-mail address of a designated registered agent in the State of Illinois authorized to accept service of process and all notices required under this Article; and

(iv) If the applicant is a limited liability company, proof that the applicant is authorized and registered to do business in the State of Illinois and, if the applicant has been in existence for more than one year, this proof shall include a Certificate of Good Standing issued by the Secretary of State.

(b) In addition to the license application requirements listed in subsection (a), any applicant for license issuance or renewal shall provide to the Clerk:

(1) The names, driver's license numbers and addresses of drivers registered with the applicant as of the date of the application who will be providing TNC services in the City of Bloomington and the Town of Normal or, on a monthly basis, a list of the last four numbers of the driver's license number and initial of first and last name for each active driver.

(2) A sworn statement under oath by the TNC that: (1) the TNC has conducted the background checks as required by Section 1209 of this Chapter on any existing TNC drivers and will conduct such background checks on any future drivers prior to being allowed to operate for the TNC; (2) that background checks will be updated on all TNC drivers on an annual basis; (3) that all TNC drivers have passed the TNC's background checks and are not disqualified under Section 1209(b) of this

Chapter; (4) that the TNC has ensured the vehicles of all TNC drivers have met the qualifications of Section 1214 of this Chapter; and (5) that the TNC and all TNC drivers have met the insurance obligations set forth in Section 1210 of this Chapter.

- (3) The applicant's insurance policies as required by Section 10 of the Transportation Network Providers Act.
- (4) Regular and 24-hour emergency contact information, including a telephone number, for the TNC.
- (5) A plan on the provision of background checks as required by Section 1206(h).

SEC. 1206 TRANSPORTATION NETWORK COMPANY LICENSE QUALIFICATIONS.

(a) In order to qualify for a TNC license, whether upon initial application or upon application for renewal of a license:

- (1) An applicant shall be in compliance with all applicable city, State of Illinois and federal law and must not owe any debt to the City;
- (2) If the applicant is a corporation or limited liability company, the applicant must be registered with the Illinois Secretary of State as an organization authorized to do business in the State of Illinois and be in good standing;
- (3) The applicant shall have a designated registered agent in the State of Illinois authorized to accept service of process and notices required by this Article; and
- (4) The applicant shall provide regular and 24-hour emergency contact information, including a telephone number, for the TNC.

(b) No applicant is eligible for a license if any transportation network company license held by the applicant, or by any officer or director of a corporate applicant or partner of a partnership applicant, has been revoked within the previous five years, or if the applicant, or any officer or director of a corporate applicant or partner in a partnership applicant, within the five years immediately preceding the date of his application, has been either convicted, or in custody, under parole or under any other noncustodial supervision resulting from a conviction in a court of any jurisdiction for the commission of any felony as defined by Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS 5/2-0.5 et seq., or its equivalent under federal or other jurisdictional law.

(c) No applicant is eligible for a license if the applicant, or any officer, director, or shareholder having any more than 25% of the shares in a corporate or limited liability company

applicant, or any partner in a partnership applicant, owes the City of Bloomington or Town of Normal, any outstanding fines, judgment debts, past-due amounts for water or other City services, taxes, fees or any other amounts. This provision may be waived by the City Manager of the municipality to whom the financial obligation is outstanding, provided that the applicant enters into and fully complies with a payment agreement providing for full payment to the jurisdiction of any and all outstanding obligations referred to in the preceding sentence. Any license issued pursuant to such an agreement shall be probationary in the sense that it shall be contingent upon full compliance with the agreement and shall be revoked upon failure to comply therewith.

(d) No applicant is eligible for a license if the applicant, or any officer, director, shareholder having more than 25% of the shares in a corporate or limited liability company applicant, or any partner in a partnership applicant, has been found guilty of three or more violations of the Bloomington City Code or the ordinances of the Town of Normal in the past three years preceding the date of application;

(e) Eligibility for issuance of any license under this Chapter shall be a continuing requirement for maintaining such license.

(f) If the applicant meets the criteria set forth in this Section, the City Manager shall direct the City Clerk to issue or renew a TNC license.

(g) If an application for the issuance or renewal of a license is denied, the City Manager shall issue a written notice of denial, together with findings in support of the denial, to the applicant. The applicant may, within 10 days of the mailing of the notice of denial, make a written request for a hearing to appeal the denial. Failure to timely make such a request will waive the right to appeal. The request must be submitted to the office of the City of Bloomington Corporation Counsel located at 109 East Olive Street, Bloomington, Illinois 61701. Upon receipt of a timely written request for a hearing, the Corporation Counsel's office shall schedule a hearing on the appeal in the City of Bloomington Administrative Court and shall mail notice of the date and time of a hearing to the applicant. Said hearing shall be set for a date within 30 days of the Corporation Counsel's receipt of the request for an appeal. If, at the appeal hearing, the applicant establishes by a preponderance of the evidence that the denial was based upon incorrect findings, the City Manager shall issue a license. If, at such hearing, the denial is found to have been based upon correct findings, or if the applicant fails to prove by a preponderance of the evidence that the findings forming the basis for the denial were incorrect, the denial shall become final. After entry of the final denial, the appellant shall be ineligible to make a new application for a period of 18 months.

(h) Prior to a license being issued, the TNP must submit a written plan for how background checks will be conducted and affirm such background checks are being completed and will continue to be completed as set forth in the plan and in accordance with this subsection. A local and national criminal background check, conducted through a third-party vendor, must be completed for each applicant. Any company that has been accredited by the National Association of Professional Background Screeners shall be pre-approved by the City to perform

the required criminal background checks. Upon written application, the City Manager may approve additional companies that meet similar requirements. At a minimum, the criminal background checks shall include: (A) Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search); and (B) National Sex Offender Registry database.

SEC. 1207 RESCISSION OF TRANSPORTATION NETWORK COMPANY LICENSE.

The City Manager shall have the power to rescind, pursuant to this section, any transportation network company license erroneously or illegally issued or renewed pursuant to this Section.

In order for such rescission to be effective, the Corporation Counsel for the City of Bloomington shall notify the licensee of the date the rescission will take effect. The notice shall be provided by first-class mail or in person. The notice shall indicate the basis for the rescission and shall also indicate a date and time, prior to the proposed rescission date, upon which the licensee may appear in the City of Bloomington Administrative Court to contest the proposed rescission. The licensee shall also be informed that he or she shall be entitled to present at the hearing any document, including affidavits, relating to the proposed rescission. Following the appearance of the licensee before the Administrative Hearing Officer, the Officer may affirm or reverse the rescission decision based upon the evidence presented by the licensee. The Hearing Officer's decision shall be in writing and shall be mailed to the licensee at least five days before a license rescission is effective. A licensee may appeal the Hearing Officer's decision to any court of competent jurisdiction.

SEC. 1208 ADDITIONAL REQUIREMENTS FOR A TRANSPORTATION NETWORK COMPANY.

(a) The requirements under this Section are in addition to the requirements set forth in the TNP Act. Failure of a TNC to comply with the requirements of the TNP Act or of this Section will be a violation of this Code and may subject the licensee to suspension, revocation or fines as provided in this Article.

(b) A TNC operating in Bloomington-Normal must comply with all of the following:

- (1) Upon notification from the City of Bloomington that a local TNC driver has been involved in illegal activities, the TNC shall immediately remove a driver from its network system and not reinstate that driver until adjudication of the alleged activities and re-qualification of the TNC driver.
- (2) A TNC shall maintain TNC driver records at least until the one year anniversary of the date on which a TNC driver's activation on the TNC digital network has ended. These records shall include:

- (i) Records provided or gathered by the TNC pertaining to driver requirements mandated in Section 15 of the Transportation Network Providers Act;
 - (ii) Records of passenger complaints regarding drivers, investigation by the TNC of those complaints and any other records pertinent to passenger complaints or their investigation;
 - (iii) Accurate books and records of account of the licensee's operations in the City of Bloomington and Town of Normal;
 - (iv) A TNC shall maintain individual trip records for at least one year from the date each trip was provided. The individual trip record must include TNC driver and vehicle information, date and time of start and finish of trip, location of trip, passenger's personal identification, and fee charged for the service.
- (3) The TNC shall be required to abide by the auditing requirements set forth herein. The City, or a third party agreed upon by the City and a TNC, may audit the records of the TNC, including either specifically requested TNC drivers and/or a random sample of the TNC's records related to drivers, in accordance with all of the following:
- (i) Except for cause relating to repeated public complaints or infractions of this article, the City may conduct a general audit of the records related TNC drivers no more than two times per year.
 - (ii) The audit shall take place at a third party location agreed upon by the City and the TNC. If a location cannot be agreed upon, the audit shall take place at a law office within the Bloomington-Normal area as designated by the City's corporation counsel.
 - (iii) Upon a citation to a TNC driver and/or a complaint concerning a TNC driver, the City shall be permitted to audit the records of said TNC driver at any time.
- (4) A TNC shall accept service of process by certified mail sent to its registered agent.
- (5) Obtain and review a driving history research report for such individual.
- (6) Conduct the background checks as required by Section 1206(h).

SEC. 1209 TNC DRIVER REQUIREMENTS

(a) Prior to permitting an individual to act as a TNC driver on its digital platform or otherwise on behalf of the TNC, the TNC shall:

- (1) Require the individual to submit an application to the TNC, which includes information regarding his or her address, age, driver's license, driving history, motor vehicle registration, automobile liability insurance, and other information required by the TNC.
- (2) Perform a local and national criminal background check, conducted through a third-party vendor, for each applicant in accordance with the plan submitted in Section 1206(h) and the requirements of this article. Any company that has been accredited by the National Association of Professional Background Screeners shall be pre-approved by the City to perform the required criminal background checks. Upon written application, the City Manager may approve additional companies that meet similar requirements. At a minimum, the criminal background checks shall include: (A) Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search); and (B) National Sex Offender Registry database.
- (3) Obtain and review a driving history research report for such individual.

(b) The TNC shall not permit an individual to act as a TNC driver on its digital platform, nor shall an individual be allowed to operate as a TNC driver who:

- (1) Has had more than three moving violations in the prior three-year period, or one major violation in the prior three-year period (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license);
- (2) Has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, or who has been convicted at any time of fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, acts of violence, or acts of terror;
- (3) Is a match in the National Sex Offender Registry database or is a sex offender as defined by Chapter 40;
- (4) Does not possess a valid driver's license;
- (5) Does not possess proof of registration for the motor vehicle(s) used to provide TNC Services;
- (6) Does not possess proof of automobile liability insurance for the motor vehicle(s) used to provide TNC Services; or
- (7) Is not at least 21 years of age.

(c) All TNC drivers shall be required to carry and provide proof of their affiliation with a TNC when operating, as well as insurance coverage information as required by Section 1210.

SEC. 1210 INSURANCE REQUIRED FOR TRANSPORTATION NETWORK DRIVERS.

(a) Transportation network companies and participating TNC drivers shall comply with the automobile liability insurance requirements of this Section.

(b) The following automobile liability insurance requirements shall apply from the moment a participating TNC driver logs on to the transportation network company's digital network or software application until the TNC driver accepts a request to transport a passenger, and from the moment the TNC driver completes the transaction on the digital network or software application or the ride is complete, whichever is later, until the TNC driver either accepts another ride request on the digital network or software application or logs off the digital network or software application:

- (1) Automobile liability insurance shall be in the amount of at least \$50,000 for death and personal injury per person, \$100,000 for death and personal injury per incident, and \$25,000 for property damage.
- (2) Contingent automobile liability insurance in the amounts required in paragraph (1) of this subsection shall be maintained by a transportation network company and provide coverage in the event a participating TNC driver's own automobile liability policy excludes coverage according to its policy terms or does not provide at least the limits of coverage required in paragraph (1) of this subsection (b).

(c) The following automobile liability insurance requirements shall apply from the moment a TNC driver accepts a ride request on the transportation network company's digital network or software application until the TNC driver completes the transaction on the digital network or software application or until the ride is complete, whichever is later:

- (1) Automobile liability insurance shall be primary and in the amount of \$1,000,000 for death, personal injury, and property damage. The requirements for the coverage required by this paragraph (1) may be satisfied by any of the following:
 - (A) automobile liability insurance maintained by a participating TNC driver;
 - (B) automobile liability company insurance maintained by a transportation network company; or
 - (C) any combination of subparagraphs (A) and (B).

- (2) Insurance coverage provided under this subsection(c) shall also provide for uninsured motorist coverage and underinsured motorist coverage in the amount of \$50,000from the moment a passenger enters the vehicle of a participating TNC driver until the passenger exits the vehicle.
- (3) The insurer, in the case of insurance coverage provided under this subsection (c), shall have the duty to defend and indemnify the insured.
- (4) Coverage under an automobile liability insurance policy required under this subsection (c) shall not be dependent on a personal automobile insurance policy first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.

(d) In every instance when automobile liability insurance maintained by a participating TNC driver to fulfill the insurance obligations of this Section has lapsed or ceased to exist, the transportation network company shall provide the coverage required by this Section beginning with the first dollar of a claim.

(e) This Section shall not limit the liability of a transportation network company arising out of an automobile accident involving a participating TNC driver in any action for damages against a transportation network company for an amount above the required insurance coverage.

(f) The transportation network company shall disclose in writing to TNC drivers, as part of its agreement with those TNC drivers, the following:

- (1) the insurance coverage and limits of liability that the transportation network company provides while the TNC driver uses a vehicle in connection with a transportation network company's digital network or software application; and
- (2) that the TNC driver's own insurance policy may not provide coverage while the TNC driver uses a vehicle in connection with a transportation network company digital network depending on its terms.

(g) An insurance policy required by this Section may be placed with an admitted Illinois insurer, or with an authorized surplus line insurer under Section 445 of the Illinois Insurance Code; and is not subject to any restriction or limitation on the issuance of a policy contained in Section 445a of the Illinois Insurance Code.

(h) Any insurance policy required by this Section shall satisfy the financial responsibility requirement for a motor vehicle under Sections 7-203 and 7-601 of the Illinois Vehicle Code.

(i) The TNC and any TNC driver shall be required to provide proof of insurance requested by the City and/or its law enforcement officials.

SEC. 1213 SUSPENSION OR REVOCATION OF LICENSE.

(a) The City Manager may revoke or suspend a TNC License or impose a penalty if the holder of that license violates any provision of this Chapter.

(b) If any TNC receives a notice of a revocation or suspension of their license an appeal may be filed with the City of Bloomington Administrative Adjudication Unit. The appeal must be made in writing within 10 days of the date of the mailing of the notice of revocation or suspension. The appeal must be submitted to the Bloomington Corporation Counsel's office located at 109 E. Olive Street, Bloomington IL 61701. The Corporation Counsel's office shall mail an appeal hearing notice to the requestor containing the hearing date and time set in the City of Bloomington Administrative Court system.

SEC. 1214 TRANSPORTATION NETWORK VEHICLES.

(a) A TNC shall not permit a vehicle older than 10 years, counting from the model year to the present calendar year, to operate in Bloomington-Normal as a transportation network vehicle

(b) Prior to permitting a TNC driver to use a vehicle on the digital platform, that vehicle shall be thoroughly examined by a third party vendor approved by the City. Facilities certified as Automotive Service Excellence (ASE) Accredited Training Providers shall be considered as pre-approved vendors by the City for purposes of providing the inspections required in this section. The City Manager may approve other vendors upon application. Proof of inspections, and passage of same, must be maintained by the TNC and individual TNC drivers during operations and available for inspection by the City and/or its law enforcement officials. No vehicle shall be used to provide transportation network services unless it is found to be satisfactory in regard to the following:

- (1) Steering;
- (2) Brakes;
- (3) Speedometer;
- (4) Lights;
- (5) Tires;
- (6) Horn;
- (7) Exhaust system;

- (8) Rear view mirror;
- (9) Windshield wipers;
- (10) Properly licensed by the State of Illinois;
- (11) Otherwise clean, sanitary and safe for the transportation of passengers;
- (12) Seat belts for all authorized passengers which seat belts must not be pushed under seats where they would not be in plain view;
- (13) No crack in a window which cannot be covered by a 1" disk (State law - a quarter);
- (14) No body damage or condition shall be allowed to remain which would cost in excess of \$250.00 on the regular body work market or which presents sharp edges or other dangerous conditions to passengers.

(c) Periodic Inspections. Every vehicle operating under this Article shall be inspected annually as provided in this Section. Inspections may be performed by a provider as set forth in subsection (b) above. Proof of inspections, and passage of same, must be maintained by the TNC and individual TNC drivers during operations and available for inspection by the City and/or its law enforcement officials upon request.

(d) Vehicles Must be Kept in a Clean and Sanitary Condition. Every vehicle operating under this Article shall be kept in a safe, clean and sanitary condition at all times to conform to the standards above.

SEC. 1215 PENALTIES.

(a) Any TNC, TNC driver or other person who violates any provision of this Article is subject to a fine of not less than \$250.00 nor more than \$3,000.00 for each violation. Each day upon which a violation continues or occurs shall be considered a separate violation. Any penalties set forth herein shall be in addition to the right of the City to suspend and/or revoke a license under Section 1213 of this Chapter.

(b) The Corporation Counsel may bring an action in the City of Bloomington Administrative Adjudication Unit or McLean County Circuit Court to enforce this Article and to seek penalties as provided in this Article.

SEC. 1216 SUNSET PROVISION.

The provisions of this Article XII shall be effective upon passage and as provided by law and shall thereafter sunset, be repealed and no longer be effective as of June 1, 2016.

SECTION 2. Except as provided herein, the Bloomington City Code, 1960, as amended shall remain in full force and effect.

SECTION 3. In the event that any section, clause, provision, or part of this Ordinance shall be found and determined to be invalid by a court of competent jurisdiction, all valid parts that are severable from the invalid parts shall remain in full force and effect.

SECTION 4. The City Clerk is hereby authorized to publish this ordinance in pamphlet form as provided by law.

SECTION 5. This ordinance shall be effective immediately after the date of its publication as required by law.

SECTION 6. This ordinance is passed and approved pursuant to the home rule authority granted Article VII, Section 6 of the 1970 Illinois Constitution.

PASSED AND ADOPTED this _____ day of May 2015.

CITY OF BLOOMINGTON

Tari Renner, Mayor

ATTEST

Cherry L. Lawson, C.M.C., City Clerk



WORK SESSION AGENDA ITEM: 4A-2

FOR COUNCIL: May 26, 2015

SUBJECT: An Ordinance Amending Bloomington City Code Chapter 40 Allowing Taxicab Companies to be Licensed Under the Same Provisions as Transportation Network Providers.

RECOMMENDATION/MOTION: That the Ordinance Amending Bloomington City Code Chapter 40 Allowing Taxicab Companies to be Licensed Under the Same Provisions as Transportation Network Providers be adopted, and authorize the Mayor and City Clerk to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 5. Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: To allow for a level playing field between Transportation Network Companies (“TNCs”) and taxicab companies, staff has drafted amendments to Chapter 40 of the City Code regulating taxicabs. These amendments would allow taxicab companies to take advantage of the same ability to conduct their own background checks on drivers and vehicle checks as those allowed in the TNP ordinance. As this is a new concept, the self-regulation provisions in the proposed ordinance would be done on a one-year trial basis. With such a concept, staff has attempted to draft as many regulations as possible to promote public safety. However, the public should be aware that the City will now play less of a regulatory role over drivers and vehicles engaging in the transportation of passengers.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: A meeting was held on April 8, 2015, with taxicab and vehicle for hire company owners on issues related to Transportation Network Companies and similar issues. Additional input was received from owners by email.

FINANCIAL IMPACT: No direct financial impact is expected.

Respectfully submitted for Council consideration.

Prepared by:

Jeffery R. Jurgens, Corporation Counsel

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Finance Director

Legal review by: Jeffery R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Taxicab Ordinance

Motion: That the Ordinance Amending Bloomington City Code Chapter 40 Allowing Taxicab Companies to be Licensed Under the Same Provisions as Transportation Network Providers be adopted, and authorize the Mayor and City Clerk to execute the necessary documents.

Motion: _____ Seconded by: _____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Buragas				Alderman Painter			
Alderman Fruin				Alderman Sage			
Alderman Hauman				Alderman Schmidt			
Alderman Lower							
				Mayor Renner			

ORDINANCE NO. 2015-_____

**AN ORDINANCE AMENDING BLOOMINGTON
CITY CODE CHAPTER 40 TO ESTABLISH PERMIT ALTERNATE LICENSING FOR
TAXICAB COMPANIES**

WHEREAS, the City of Bloomington is a home-rule municipality operating in the State of Illinois; and

WHEREAS, the State of Illinois recently adopted the Transportation Network Providers Act (“Act”) that permits the operation of internet transportation providers; and

WHEREAS, the City enacted additional regulations beyond the Act to ensure network providers operate in a safe and efficient manner; and

WHEREAS, the current model of network providers is to perform background checks and vehicle inspections in-house while allowing municipalities to audit said information; and

WHEREAS, the City is willing to utilize the network provider model of background checks and vehicle inspections, on a trial basis for one-year, with routine auditing by the City; and

WHEREAS, the City desires to encourage innovation in transportation but also desires to ensure those engaged in public transportation provide same in a clean and safe manner; and

WHEREAS, to maintain a level playing field with taxicab companies that operate within the area, the City will allow those providing taxicab service to elect to operate under the transportation network provider model on a trial basis.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bloomington, Illinois:

SECTION 1. That the recitals set forth above are hereby adopted and made a part of this Ordinance as if specifically stated herein.

SECTION 2. That Bloomington City Code Chapter 40, Article II, is hereby amended by amending Section 201 as follows:

Section 201: Certificate Required.

Except as provided in Section 213 of this Article, no person shall operate or permit a taxicab owned or controlled by him to be operated as a vehicle for hire upon the streets of the City of Bloomington or such other areas to which this Chapter applies pursuant to an intergovernmental cooperation agreement without having first obtained a certificate of public convenience from the City Manager.

SECTION 3. That Bloomington City Code Chapter 40, Article II, is hereby amended by adding Section 213 as follows:

Section 213: Election to be Licensed Via Article XII

(a) In lieu of the certification and licensure requirements set forth in Articles II and IV of this Chapter, a taxicab company may elect to become licensed under the provisions of Article XII. Upon such election, including payment of the fees set forth in Section 1204, the taxicab company shall be required to complete and meet all the provisions of Article XII pertaining to TNCs. Any such licensure under Article XII shall be subject to the fine and penalty provisions, including revocation, set forth in that Article.

(b) Taxicab companies licensed pursuant to the provisions of Article XII shall conduct background checks as provided in that Article of all drivers operating taxis for the company and shall provide a list of drivers that have passed said background checks to the City. The City shall thereafter issue a permit for each driver meeting the standards for drivers provided in said Article. No company licensed to operate under Article XII shall permit or allow a person to drive a taxicab who has failed to meet the requirements for drivers specified in said Article. The drivers of any and all taxicabs post a driver's identification card in such a place within the taxicab as to be in full view of all passengers while such driver is operating the taxicab.

(c) Taxicab companies and drivers licensed pursuant to the provisions of Article XII shall comply with the vehicle requirements specified in Section 1214 and shall not be governed by the vehicle requirements of Section 501. Taxicab companies and drivers licensed to operate under Article XII shall be subject to all other provisions of Articles V, VI, VII and VIII of this Chapter.

(d) This Section shall sunset, be repealed and no longer effective as of June 1, 2016.

SECTION 4. That Bloomington City Code Chapter 40, Article IV, is hereby amended by adding Section 410 as follows:

Section 410: Application of Articles to Taxicab Companies Operating Pursuant to Article XII; Sunset Provision.

Except for Section 408, the provisions of Articles II and IV shall not apply to a taxicab company that has elected to be licensed pursuant to the provisions of Article XII. This Section shall sunset, be repealed and no longer effective as of June 1, 2016.

SECTION 5. Except as provided herein, the Bloomington City Code, as amended, shall remain in full force and effect.

SECTION 6. This Ordinance is enacted pursuant to the authority granted to the City as a home rule unit by Article VII, Section 6 of the 1970 Illinois Constitution.

SECTION 7. The City Clerk shall be, and she is hereby directed and authorized, to publish this Ordinance in pamphlet form as provided by law.

SECTION 8. This Ordinance shall take effect 10 days from the date of publication by the Clerk.

PASSED AND ADOPTED this ____ day of _____, 2015.

CITY OF BLOOMINGTON

Tari Renner, Mayor

ATTEST:

Cherry L. Lawson, C.M.C., City Clerk