

NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of opportunity to participate in a pilot program **To test Group Vehicle Ride Program**

The New York City Taxi and Limousine Commission (“TLC”) invites interested parties to submit requests to participate in a pilot program testing the viability of a new class of for-hire transportation service in select locations throughout the City of New York.

The For-Hire Group Ride program will designate providers of a new class of group ride service in specified areas. Participation in the pilot program will permit owners of transportation businesses, such as commuter van services and for-hire vehicle bases to provide the piloted class of service. The pilot program is intended to test the use of a new class of for-hire service which will provide a fixed-fare group ride among designated pick up and drop off locations. These service areas will be selected to ameliorate reduction in transportation options due to impending service cuts by the MTA. The pilot will test whether and to what extent there is demand from the public for fixed fare group ride for-hire service from these points and whether this type of service can help the City design transportation alternatives and fill gaps in its existing transit network. Please note that participation in a TLC pilot program in no way guarantees any Commission action at the conclusion of the pilot or the continuation of the new type of service.

On July 15, 2010, the Commission voted to approve this pilot program. In order for your proposal to be considered for participation in this pilot program, your proposal should include the requirements listed in Section B *Proposal Content Requirements*. Please read carefully the *Evaluation Guidelines* set forth in Section C and the Memorandum of Understanding (“MOU”) requirements for reporting set forth in Section D

SECTION A **The Pilot Program**

1. Service Areas

The new for-hire service will be provided at the following locations, and encompass the following service areas (references are to former MTA bus routes):

1. The area served by the former B23 (Borough Park, Kensington, Flatbush)
2. The area served by the former B71 (Park Slope, Carroll Gardens, Prospect Heights)
3. The area served by the former Q74 (Kew Gardens, Queens College)

4. The area served by the former Q79 (Little Neck, Glen Oaks, Bellerose)
5. An area running from Williamsburg through the Lower East Side to Union Square, including the area served by the former B39.

Although the TLC anticipates designating certain fixed stopping points within the service areas, drivers can arrange other drop-off locations individually with passengers on each trip. The TLC expects to approve no more than three participants per service area. The TLC expects that it may identify 4-7 drop-off locations in each area (and expects that it will identify no more than 9 for any area)

2. License and Equipment Requirements

(a) **TLC Licensure.** Successful proposers, upon entering into a Memorandum of Understanding (MOU) governing participation in the pilot, will be expected to apply for a special license which will be necessary for participation. In addition, proposers will need to identify the vehicles and drivers which will provide service through the proposer; the vehicle owners and drivers will also require special licensure. The special licenses needed to participate in the pilot program will be separate and distinct from any licenses already held by any proposer, its vehicles or drivers. These special licenses will be valid only for participation in the pilot program and will be valid for such participation in the designated service area for which the proposer was successful, only while the pilot continues. The special licenses will not be transferrable. All license applicants should expect to be fingerprinted and drivers can expect to be required to meet the requirements of Article 19-A of the Vehicle and Traffic Law. License applicants may also have to pay a licensing fee, although license applicants holding an existing, valid TLC license will not have to pay a license fee. In addition, participants, including vehicles and drivers, should expect to be held to standards of conduct and safety of operation that are similar to those in effect for all TLC licensees. Participants who fail to continue to meet such standards will be subject to license termination and the end of such participant's participation in the pilot. Note that applicants for special pilot licenses which hold other TLC licenses will be evaluated in part based on their history of licensure.

(b) **Vehicle and Driver Requirements.**

- (i) In addition to obtaining the special TLC vehicle licenses for participation, vehicles must be affiliated with a participating base to participate in the pilot. Participating vehicles will be required to accommodate between 6 and 20 passengers, not including the driver. Vehicles will be required to be insured within minimum insurance limits currently applicable to commuter vans.
- (ii) Drivers, as noted, will need to be certified under Article 19-A of the Vehicle and Traffic Law. All drivers, prior to receiving the special TLC license authorizing participation in the pilot,

will need to demonstrate that they hold a current, valid, unsuspended and unrestricted state driver's license authorizing them to drive the type and size of vehicle they will be driving in the pilot. Note that DMV suspension or revocation of the underlying driver's license will result in termination of the special TLC pilot driver's license.

(iii) Vehicles must display exterior and interior markings as determined by the Chairperson of the TLC and detailed in the MOU.

3. Fares and Service Requirements

(a) Passenger transportation fares will be at a fixed rate per passenger. Preference will be given to proposers able to provide service for \$2 per passenger, or less, for any ride provided under the pilot.

(b) Transportation will be group rides provided to passengers on a first come, first served basis. This will be an on-demand service and will not be pre-arranged.

(c) Transportation providers may, at their option, provide transportation at set times, or at such times as a vehicle contains as many passengers (up to vehicle seating capacity) as the participant deems acceptable to continue to the next point in the service area.

(d) Transportation providers will not be required to keep a passenger log, although they will be expected to maintain records regarding how many trips vehicles complete each day and total passenger count for each trip on a date and time basis.

4. Duration

The pilot program will last for one year from date set by the Chairperson, anticipated to be about August 15, 2010, and it is expected that all proposals and resulting MOUs will contemplate service continuation while the pilot is in progress. The TLC may terminate the pilot program at any time as to all or any service areas or as to any participant. An MOU and related special pilot licenses will be terminated upon the termination of the program as to any participant. In the event of termination of the program as to any service area, all MOUs and all special licenses in effect for the affected service area will terminate upon pilot termination for that area, if termination occurs before the one year period.

SECTION B

Proposal content requirements

1. Each proposal must indicate the service area or areas for which the proposal is made. Preference will be given to proposers who demonstrate a capacity to supply the entire transportation need in a particular service area. Secondary consideration will be given to proposers who would supply only a portion of the need for a particular service.
2. Each proposal must provide detail as to how service will be provided as to each service area included in the proposal, including
 - (a) how many vehicles will provide service, including type and size.
 - (b) the hours or times service will be provided.
 - (c) how determinations will be made to commence transportation (whether set schedule or upon a certain number of passengers in the vehicle). Preference will be given to proposers which can provide service at least every 30 minutes between 6:00 a.m. and 10:00 p.m.
 - (d) schedules of service, if applicable.
 - (e) proposed fares.
 - (f) whether the proposer anticipates being able to fulfill the entire transportation need within each service area for which a proposal is made.
 - (g) whether the proposer holds existing TLC licenses.
 - (h) when the proposer estimates service can commence, if the proposer is picked to provide service.
3. Each proposal must identify each participating vehicle and driver including by TLC license number, if applicable. Each participating vehicle must be affiliated with the proposer.
4. Each proposal must identify how the proposer intends to maintain the usage data required to be maintained and forwarded to the TLC.
5. Each proposer must provide information as to its safety record in providing transportation to the public, including violation history. Preference will be given to proposers which, by virtue of TLC licensure or other authority, have a demonstrated record of providing safe and efficient transportation services to the public

SECTION C

TLC Evaluation Assessment Guidelines

The TLC will evaluate the proposal contents to determine proposal merit. Proposals will be evaluated based upon:

- (a) the proposer's ability to meet the total transportation need for the service area.

- (b) how many vehicles will provide service and on the type and passenger capacity of such vehicles.
- (c) the hours or times service will be provided.
- (d) how determinations will be made to commence transportation (whether set schedule or upon a certain number of passengers in the vehicle).
- (e) schedules of service, if applicable.
- (f) fare information.
- (g) how the proposer intends to collect, store usage information and forward same to the TLC.
- (h) the proposer's safety record.
- (i) the proposer's record of providing safe and efficient transportation service to the public.
- (j) for proposers that are current or former TLC licensees, the proposer's history of compliance with TLC rules and other applicable rules and laws.
- (k) when the proposer estimates service could commence in each service area.
- (l) Preference will be given to proposers which plan to use vehicles which are accessible to persons in wheelchairs.

SECTION D

MOU requirements for reporting performance and success of Program.

Each pilot program participant must submit reports to the Chairperson as set forth in the MOU. Participants should expect that, not later than seven months after the commencement of service, to provide a report covering the first six months of pilot program service. The report should indicate and provide an assessment of the following:

1. Volume of transportation provided in each service area served, including
 - (a) Types and sizes of vehicles used, including an assessment as to optimal passenger capacity for the service.
 - (b) average number of vehicles in use during the day.
 - (c) maximum and minimum numbers of vehicle in use at any time.
 - (d) measures of peak usage times and dates.
 - (e) measures of passenger usage, including peak times and dates.
 - (f) overall passenger usage counts by number of trips provided on a date and time basis.
 - (g) frequency of service provided (including amount of time between each trip).
 - (h) duration of each trip.

2. Passenger and Community Satisfaction
 - (a) convenience/ease of use.

- (b) cost versus alternative methods of transportation.
- (c) existence of alternative methods of transportation.

3. Participant satisfaction

- (a) additional costs or earnings.
- (b) effect on competing illegal and legal activity.
- (c) reports of customer satisfaction and dissatisfaction.
- (d) ease of maintaining records.
- (f) use of fixed fares.
- (g) use of multiple providers for any service areas.

4. Driver and vehicle owner satisfaction

- (a) increase or decrease in earnings.
- (b) effect on competing illegal and legal activity.
- (c) reports of customer satisfaction and dissatisfaction.
- (d) impact of competing service providers.

5. Safety performance

- (a) number of traffic violations received, both moving and non-moving.
- (b) number of incidents that result in property damage.
- (c) number of incidents that result in personal injury.
- (d) number of incidents that result in fatalities.

Participants and TLC licensees should also provide such additional information as may be requested by the Chairperson. Participants will be required to enter into A Memorandum of Understanding (“MOU”) or other binding agreement with the TLC prior to initiation of the pilot. The TLC may terminate the pilot at any time at the discretion of the chairperson. Requirements shall include, but will not be limited to, the following provisions:

1. A participant must continue to participate in the program and provide service in the service areas as set forth in their proposals as long as the pilot continues or until the pilot as to that service area is modified. The date by which service must commence will be specified in the MOU.
2. If a participant does not sign an MOU with the Chairperson on or before August 15, 2010, the participant’s request to participate will be deemed to be withdrawn, unless this time is extended by the Chairperson.

3. Service provided under the Pilot Program must end upon completion of the Pilot Program or termination of the MOU, unless rulemaking action is taken by the Commission authorizing a continuation.
4. Vehicles used in this Pilot Program must have current, valid and unsuspended TLC special pilot vehicle licenses.
5. Drivers operating vehicles in service under this Pilot Program must have current, valid and unsuspended special pilot TLC Drivers' Licenses.
6. Licensing requirements and standards of conduct and operation for each of the bases, vehicles and drivers receiving special pilot licenses

Participation proposals will be reviewed in accordance with the standards of review and approval stated in TLC Rule 14-04. For more information see link below.

http://nyc.gov/html/tlc/downloads/pdf/rules_pilot_program_approved.pdf.

Pilot program proposals, suggestions or ideas should be submitted by July 30, 2010 to:

Emily Gallo
Director of Policy
New York City Taxi and Limousine Commission
40 Rector Street, 5th Floor
New York, NY 10006
Emily.Gallo@tlc.nyc.gov

TLC staff is available to meet with interested parties to further explore proposals submitted, or to discuss proposal ideas prior to submission. Please contact Emily Gallo at 212-676-1033 or Emily.Gallo@tlc.nyc.gov

There will be two information sessions to discuss this pilot program. The first information session will be held on Monday, July 19, 2010 at 11:00 a.m. at the offices of the TLC at 40 Rector Street, 5th Floor, New York, New York, 10006. The second information session will be

held on Thursday, July 22, 2010 at 11:00 a.m. at the offices of the TLC at 40 Rector Street, 5th Floor, New York, New York, 10006. Interested persons are welcome to attend.