

**Testimony of the NYC Taxi and Limousine Commission
Commissioner/Chair Matthew W. Daus**

Before the NYC Council Transportation Committee

**December 14, 2009
10:00 am**

Good Morning Chairman Liu and members of the Transportation Committee. I am Matthew Daus, Commissioner and Chair of the New York City Taxi and Limousine Commission. Thank you for the opportunity to testify today about our Livery and Taxi Group Ride Stand Pilot Programs - two new and exciting transportation initiatives that the TLC has been working on this past year.

On January 15, 2009, in his State of the City address, Mayor Bloomberg asked the TLC to “experiment with a common sense idea that will help New Yorkers stretch their own dollars further: the option of taking multiple-fare taxi and livery rides from, for example, airports and other locations. Riders will save money and drivers will make money. It’s a win-win – what’s not to like?” I wholeheartedly agree – and so did the TLC’s Board of Commissioners, who voted unanimously on May 28, 2009 to approve two distinct pilot programs to fulfill the Mayor’s vision. I will now describe the details of both programs.

The Livery Stand Pilot Program will allow owners or operators of private property at locations within shopping centers, Business Improvement Districts, and other well-trafficked locations to contract with livery bases to provide transportation services on-site via a “satellite base.” This pilot program will test the use of licensed livery vehicles and livery stands to enhance service to passengers, providing for more prompt, efficient, accountable and reliable dispatched service from satellite base locations.

On December 1, 2009, the TLC released a Notice of Opportunity to Participate in the Livery Stand Pilot Program. Until the deadline of January 15, 2010, the TLC will receive pilot program proposals from private property owners (or their representatives) and community car services, who will partner with one another to establish “satellite”

base stands on private property. The Commission voted to approve the pilot program without limitation on the number of participants; however, our goal is to establish at least two (2) stands in each borough. The pilot program will last for one (1) year.

Proposers must submit a business plan that includes staffing by dispatchers, courtesy phones, signage, insurance information, sufficient off-street vehicle parking spaces and/or staging areas, vehicle availability or service capacity, passenger demand or service expectations, and hours of operation. Also, applicants must address congestion mitigation, methods to curb illegal for-hire vehicle activity, demonstrate a lack of availability of alternative modes of transportation (such as subways, buses or yellow taxicabs), submit comparative passenger costs for alternative transit modes, and address the stand's impact on the quality of life of affected stakeholders (such as neighboring businesses and residents).

Once a livery stand is selected for the pilot, the licensed base and the private property owners (as well as any other interested representatives or parties – such as Business Improvement Districts – a/k/a BIDs), must establish contractual relationships with one another. In addition, these parties must also sign a Memorandum of Understanding with the TLC detailing the parameters of the pilot program, including reporting requirements, mandatory surveys and other methods to evaluate customer, community and stakeholder satisfaction.

The Group Ride Taxi Stand Pilot Program was inspired by similar measures that were included in the City's Transit Strike Contingency Plans over the years, which were actually put to the test and implemented during the 2005 Transit Strike. This program focuses on improving yellow taxicab efficiency during peak hours, when passenger demand for taxicabs is at its highest, while also saving passengers money and increasing driver earnings. The group rides will allow two (2) to four (4) passengers to share a taxi ride from one of our newly established taxi stands. The taxicab will travel along a designated corridor to a final destination for a flat fare of \$3-\$4 per passenger which is, on average, 43% lower than the standard metered fare. Thanks to our

Taxicab Passenger Enhancement Project, we were able to use GPS enabled electronic trip sheet data to analyze ridership trends, allowing us to choose locations and flat fare rates based on the concentration of pick-ups and drop-offs, as well as average taxi fares paid.

Six locations were approved by the TLC Board of Commissioners for the Taxi Group Ride Stand Pilot Program. The hours of operation for all six (6) stands are 6 am through 10 am. The first three stands, which we hope to have in operation within the next few weeks, will originate from West 57th Street & 8th Avenue, West 72nd Street & Columbus, and East 72nd Street and 3rd Avenue. Each of the rides originating from these stands will travel south on Park Avenue, allowing passengers to exit the taxi anywhere along this corridor as far south as 42nd Street. The fares will be \$4 per passenger at the 72nd Street stands, and \$3 per passenger at the 57th Street stand. The NYC Department of Transportation has assisted the TLC in developing signage at taxi group ride stands and has been very supportive by not only prioritizing their work on this project, but helping to secure the most effective and appropriate placement of these stands.

The second group of taxi stands, which are expected to be operational in early 2010, will originate from each of the major transportation hubs in midtown Manhattan. Passengers from Grand Central Terminal, Penn Station, and the Port Authority Bus Terminal will be able to travel north on 6th Avenue as far as 59th Street, and once again may exit the taxi anywhere along 6th Avenue prior to the final destination. The fares will be \$3 per passenger at the Grand Central and Port Authority Bus Terminal, and \$4 per passenger at the Penn Station stand. We are also partnering with and would like to thank the Grand Central and 34th Street Partnership BIDs and the Port Authority for their support, commitment and work on implementing these stands; as they have committed not only to staffing them with their dispatchers, but also may design and pay for the signage as well.

We are also looking to develop additional group ride stands at LaGuardia Airport and in the Theatre District, working with the Port Authority and Times Square Alliance BID, respectively. We will discuss these locations with our Board of Commissioners at our public meeting this coming Thursday, December 17th.

The timing of these pilot projects could not be better, and although the livery and taxi stands are different in how and where they will operate, they both have many common benefits. Both pilots seek to help the environment by encouraging and providing the opportunity for passengers to share one vehicle as opposed to taking several separate rides. During these challenging economic times, taxi group rides provide an opportunity for both drivers and passengers to put or keep more money in their pockets, and it is my hope that participating bases as well will set their rates lower than normal as travel times to pick-up random fares may be reduced due to the livery stands. The taxi stands provide the opportunity for passengers to hail taxis at high demand times when the ability to do so is normally limited, and livery passengers are also expected to have reduced wait times for vehicles as they will be ready and available at stands. I also believe that the presence of dispatchers at both livery and taxi group ride stands may discourage illegal for-hire activity. As Mayor Bloomberg said, the idea is a “win-win!” However, I must emphasize that with any new idea or program, the actual implementation often determines the degree of success – in terms of location, operational details and promotion – and that is why the TLC decided to conduct pilot programs, where we can test how well these stands work and retain the ability to make changes where needed.

Thank you for this opportunity to highlight these important projects today. I would now be happy to answer any questions you may have.