

# Proposed Increase to Existing Commercial Ground Transportation Trip Fees

## Report

In accordance with Arizona Revised Statutes Section 9-499.15, this report provides notice that the City of Phoenix proposes to amend Phoenix City Code to increase commercial ground transportation trip fees and establish a process for adjusting trip fees.

City Code requires that, by Jan. 1, 2020, staff must conduct a study of peer airports' commercial ground transportation (GT) trip fees and that GT stakeholders may participate in selecting the consultant in this review. Beginning fall of 2018, staff and GT stakeholders started the process of scoping and studying peer airport trip fees. Through summer 2019, staff conducted monthly meetings with GT stakeholders, totaling over 15 large and small group GT stakeholder meetings held. The completed study reviewed peer airport GT revenue collection compared to Phoenix Sky Harbor International Airport (PHX) revenue. PHX consistently collects less GT revenue compared to its peers. The proposal seeks to increase trip fees for permitted GT providers, establish drop-off trip fees for providers, and provide for predictable, administrative annual trip-fee rate increases. These fees recover costs for ground transportation infrastructure, improvements, maintenance including Sky Train.

## Schedule of Fees

### Phoenix City Code Sec. 4-78. Fees.

A. Trip fees. Except for off-airport rental car companies, EFFECTIVE NO SOONER THAN JANUARY 18, 2020 all authorized providers WILL pay the trip fees set forth below.

#### 1. TRANSPORTATION NETWORK COMPANIES (TNC), ALL VEHICLE SIZES

EFFECTIVE DATE	DROP-OFF	PICK-UP
JANUARY 18, 2020	\$4.00	\$4.00
JANUARY 1, 2021	\$4.25	\$4.25
JANUARY 1, 2022	\$4.50	\$4.50
JANUARY 1, 2023	\$4.75	\$4.75
JANUARY 1, 2024	\$5.00	\$5.00

BEGINNING JANUARY 1, 2025, TRANSPORTATION NETWORK COMPANY TRIP FEES WILL AUTOMATICALLY INCREASE ANNUALLY AT THE GREATER RATE OF THREE PERCENT OR THE PERCENTAGE CHANGE IN THE MOST CURRENT CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U), PHOENIX-MESA-SCOTTSDALE, PUBLISHED BY THE U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS (OR SIMILAR REVISED INDEX PUBLISHED BY THE BUREAU).

## 2. NON-TNC AUTHORIZED PROVIDERS

VEHICLE SIZE	DROP-OFF	PICK-UP
1-8 SEATS	\$1.75	\$1.75
9-23 SEATS	\$2.25	\$2.25
24+ SEATS	\$5.00	\$5.00

BEGINNING JANUARY 1, 2021, NON-TNC AUTHORIZED PROVIDER TRIP FEES WILL AUTOMATICALLY INCREASE ANNUALLY AT THE GREATER RATE OF THREE PERCENT OR THE PERCENTAGE CHANGE IN THE MOST CURRENT CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U), PHOENIX-MESA-SCOTTSDALE, PUBLISHED BY THE U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS (OR SIMILAR REVISED INDEX PUBLISHED BY THE BUREAU).

The Aviation Director WILL discount AN AUTHORIZED PROVIDER'S MONTHLY TRIP FEE INVOICE BY ten percent for EACH trip MADE by alternative-fuel-powered vehicles OR FORTY PERCENT FOR EACH TRIP MADE BY ZERO-EMISSIONS VEHICLES. THE AVIATION DIRECTOR WILL ALSO DISCOUNT THE INVOICE THIRTY PERCENT FOR EACH TRIP THAT INITIATES OR TERMINATES AT THE 44<sup>TH</sup> STREET HOLD LOT OR 24<sup>TH</sup> STREET HOLD LOT, AS THOSE AREAS ARE FORMALLY IDENTIFIED BY THE AVIATION DIRECTOR.