



Taxicab Industry Update – September 7, 2021



City of Austin
Transportation Department

Taxicab Franchise Operators

Current Franchise Operators

ATX Co-Op Taxi

Central City Taxi

Yellow Cab

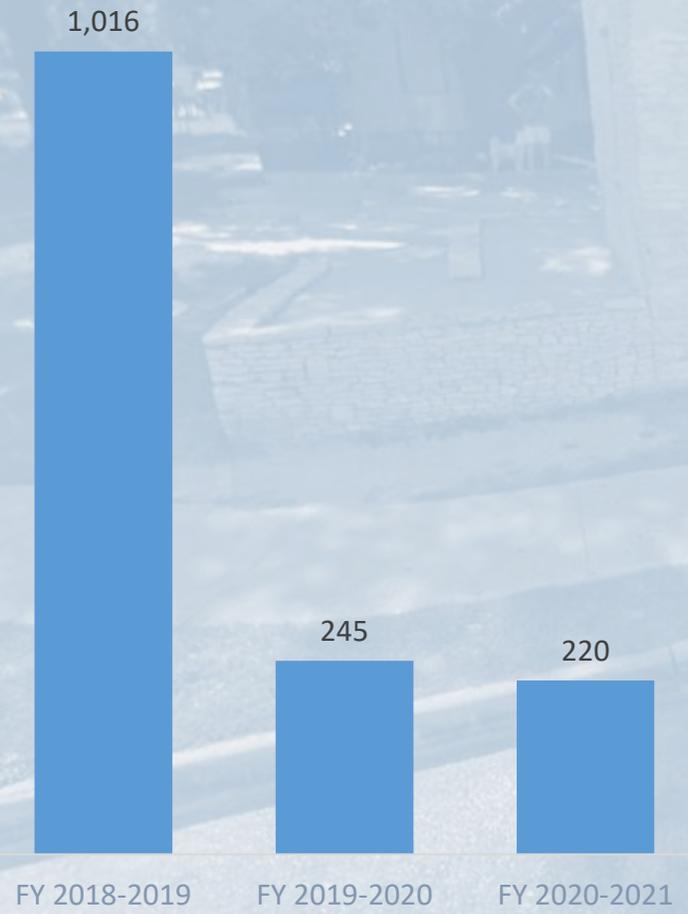
Franchise Closures During Pandemic

Lone Star Cab (May 2020)

Longhorn Taxicab Co. (Dec. 2020)

Number of Taxicabs in Service 2019-2021

Three Year Comparison



Current Taxicab Franchise Fleet Numbers

ATX Co-Op Taxi

100 Taxicabs (93 Standard + 7 WCL)

Central City Taxi

25 Taxicabs (21 Standard + 4 WCL)

Yellow Cab

95 Taxicabs (87 Standard + 8 WCL)

Taxicab Number of Trips Five-Year Comparison: 2016 - 2021



*As of 7/31/2021

- **Taxicab companies were first licensed in the City of Austin under an operating authority model on March 8th, 1932.**
- **On June 8th, 1950, taxicab companies were declared public utilities by City Council and formed into taxicab franchises by subsequent ordinance.**
- **Taxicab Companies reached their peak service in 2016-2017 with over 3 million trips and more than 1500 taxicabs deployed within the City.**
- **In 2017, Transportation Network Companies (TNCs) such as Uber and Lyft began operating in Austin under state regulatory authority and taxicab franchises experienced an eventual seventy-five percent decline in their number of trips the following year.**
- **In 2018, Council approved ATD's taxicab franchise regulatory reform recommendations, intended to address this decline, lighten franchise restrictions, and level the playing field between taxicabs and other transportation options.**
- **In 2020-2021, due to the global pandemic, taxicab franchises have now experienced the lowest trip numbers on record.**

ATD recommends that taxicab companies no longer be regarded as public utilities, but rather as a valuable part of a diverse and ever-evolving network of competitive mobility options and that Council transition taxicabs from a franchise licensing model to an operating authority licensing model. The benefits of licensing taxicab companies under an operating authority model versus a franchise model are demonstrated in the figure below:

Franchise Model	Operating Authority Model
Application takes more than 30 days to complete	Application can be completed in one business day
Requires Council action for approval, renewal, or transfer	Approval, renewal, or transfer based on established prerequisite criteria
Three-readings franchise approval processes may take 3 to 6 months	Approval granted within 2 business days upon the fulfillment of established prerequisite criteria
Rigid application timeframes and deadlines	Flexible application timeframes and deadlines
Difficult to scale vehicle fleets to demand	Easy to scale vehicle fleets to demand
Inability to cease and resume operations when necessary	Ability to cease and resume operations at will
Limited driver autonomy and choice	Greater driver autonomy and choice
Unique vehicle-for-hire Category, unlike any others permitted in Austin	Aligns with all other vehicle-for-hire permitted services in Austin
Does not align with taxicab permitting programs in other Texas cities	Aligns with taxicab permitting programs in other Texas cities



ATD respectfully requests that the Urban Transportation Commission provide their recommendation to City Council on transitioning taxicabs from a franchise model to an operating authority model.

- On August 5, 2021, WHC ATX LLC., d.b.a. zTrip, purchased the Greater Austin Transportation Company (GATC), d.b.a. Yellow Cab, including all its assets.
- zTrip has applied for a transfer of the taxicab franchise license from Yellow Cab to zTrip in accordance with § 13-2-403 of City Code and Yellow Cab has provided a notarized letter of intent to transfer the franchise license to zTrip.
- The Mobility Services Division of the Austin Transportation Department has reviewed the application and letter of intent to transfer and has found its contents compliant with the applicable sections of Chapter 13-2 of City Code.
- ATD recommends the transfer of the Yellow Cab taxicab franchise license to zTrip.
- ATD respectfully requests that the Urban Transportation Commission provide their recommendation to City Council on this transfer.

A large sign on the side of a building featuring the 'YELLOW CAB' logo. The logo consists of the words 'YELLOW' and 'CAB' stacked vertically in a bold, sans-serif font, with a stylized yellow taxi cab icon to the left of the text.A sign on the building that reads 'DBi SERVICES'. The 'DBi' is in a large, bold, blue font, and 'SERVICES' is in a smaller, blue font below it.A sign on the side of a taxi car. It features the 'YELLOW CAB' logo and the phone number '(512) 452-0000' in a bold, sans-serif font.



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