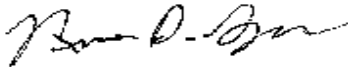


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Susan Jones, Chief of Police
DATE: October 2, 2012
SUBJECT: Consideration of a request for a Determination of Public Convenience and Necessity authorizing a permanent vehicle for rent service in the City of Calistoga.

APPROVAL FOR FORWARDING:



Richard Spitler, City Manager

1
2 **ISSUE:** Consideration of a request for a Determination of Public Convenience and
3 Necessity (PCN) authorizing a taxi cab service. (Application No. PCN 2012-0_).
4
5 **RECOMMENDATION:** Approve a Resolution making a Determination of Public
6 Convenience and Necessity (PCN) authorizing the taxi cab business.
7
8 **BACKGROUND:** On September 4, 2012, Holly LaBarber and Leslie Lodestro
9 submitted an application for a PCN Determination required by the Calistoga Municipal
10 Code (CMC) Chapter 5.16. It is the intention of the applicants to start a taxi cab
11 service that can provide and assist Calistoga residents and tourists with
12 transportation needs.
13
14 **DISCUSSION:** The Calistoga Municipal Code (CMC), Chapter 5.16, governs
15 vehicles for hire. On October 11, 2002, the City Council adopted by Ordinance No.
16 584, requiring that any person engaging in the business of operating a taxicab or rent
17 vehicle in the City must first be granted a PCN from the City Council. A PCN
18 certificate is not granted until the City Council declares, by resolution after a public
19 hearing, that the public convenience and necessity is supported by the proposed
20 vehicle for hire. Chapter 5.16 of the CMC also defines the circumstances under

21 which the City Council may deny, approve or conditionally approve a PCN
22 application. Furthermore, Section 5.16.020 and Section 5.16.040 includes guidelines
23 and findings, which Council should use in order to evaluate and consider public
24 convenience and necessity determinations. The following lists are guidelines and
25 findings for PCN applications:

26
27 **Certificate of Public Convenience and Necessity – Required (Section**
28 **5.16.020)**
29

30 *1. A full identification of the applicant and all persons to be directly or indirectly*
31 *interested in the permit, if granted;*

32
33 The applicants applying under the name of Cab Hopper are Holly Anne LaBarber of
34 Cupertino, CA and Leslie Lodestro of Mt. View, CA. LaBarber will be CEO of Cab
35 Hopper and Lodestro will be VP of Marketing.

36
37 *2. The residence and business address and the citizenship of the applicant, including*
38 *all members of any firm or partnership, or all officers and directors of any corporation*
39 *applying;*

40
41 Applicant LaBarber lives at 7624 Erin Way in Cupertino, CA. Applicant Lodestro lives
42 at 1945 Mt. Vernon Ct #2, Mt. View. Both applicants are U.S. citizens. They plan to
43 operate Cab Hopper at 710 Washington St., Calistoga.

44
45 *3. The exact nature of the proposed business for which the permit is requested, and*
46 *the name under which it is operated;*

47
48 Cab Hopper will be organized as a limited liability corporation and will operate as a
49 taxi cab company, running two metered taxi cabs in the Calistoga and Saint Helena
50 area.

51
52 *4. Whether or not any permit of the applicant has been revoked, and, if so, the*
53 *circumstances of such revocation;*

54
55 The City has no record of a previous PCN application filed by the applicants.

56
57 *5. The number of vehicles proposed to be operated;*

58
59 Cab Hopper proposes two (2) automobiles for use as taxi cabs.

60

61 **6. *The complete description of the vehicles proposed to be operated and of the***
62 ***proposed operations;***

63

64 Cab Hopper will use a 2009 Cadillac sedan, white and a 2002 Jeep Liberty, silver.

65

66 **7. *The color scheme and characteristic insignia to be used to designate the vehicles***
67 ***of said owner;***

68

69 The Cab Hopper logo with telephone number will be in yellow and purple over a black
70 and white checker background.

71

72 **8. *Such other further and additional information as the Council may require.***

73

74 If a PCN is granted, the applicants and any future employee must obtain a permit
75 from the Chief of Police and provide proof of liability insurance to the City Clerk
76 pursuant to Section 5.16.050 and 5.16.060 of the Calistoga Municipal Code.

77

78 Also, pursuant to 5.16.080 of the Calistoga Municipal Code, each taxi cab shall be
79 equipped with a taxi meter, inspected and certified by the Department of Weights and
80 Measures. The rate of fare shall be posted in a conspicuous location within the rent
81 vehicle and shall be visible to the occupant upon entering the rent vehicle.

82

83

84 **Certificate of Public Convenience and Necessity – Application - Hearing**
85 **(Section 5.16.040(D))**

86

87 **1. *The demand of the public for additional taxicab or rent vehicle service;***

88

89 The Police Department conducted a canvas of area visitor accommodations and
90 restaurants to determine if these local merchants had a need for additional
91 transportation services in the community. The general consensus of this canvas was
92 that there is a need for a taxi cab service. Some business commented that they refer
93 guests to the Calistoga Shuttle and others stated that the need for a cab service is
94 seasonal.

95

96 **2. *The adequacy of the existing taxicab or rent vehicle service;***

97

98 Currently, there is one other private vehicle for hire operation within Calistoga. This
99 operation is named Valley Valet and the owner/operator is Marjorie Fatheree. Ms.
100 Fatheree was granted a PCN to operate Valley Valet in December 2006. Ms. Fatheree
101 has a current business license but as of this date Ms. Fatheree's vehicle for hire driver
102 permit has lapsed. When I spoke to her in reference to this PCN application she told me
103 that she does plan to renew her permit and continue Valley Valet's operation.
104

105 The Calistoga Shuttle currently operates a door to door service Monday through
106 Thursday 7 am to 9 pm, Friday 7 am to 11 pm, Saturday 8:15 am to 11 pm and Sunday
107 11 am to 9 pm. The service cost one dollar. July ridership of the Calistoga shuttle
108 included 431 tourist and 1,453 resident trips.
109

110 **3. *The financial responsibility and experience of the applicant;***
111

112 The applicant will be required to provide proof of liability insurance to the City Clerk
113 pursuant to Section 5.16.050 and 5.16.060 of the Calistoga Municipal Code. Upon
114 issuance of this PCN the applicant should provide the certificate of insurance to the
115 City Clerk including an indemnification agreement. Once in operation, if the policy
116 changes or is terminated the applicant should notify the City Clerk's Office within thirty
117 (30) days of change or termination. In the event that any State or Federal regulatory
118 agency has more restrictive guidelines the more restrictive requirements should take
119 precedence
120

121
122 **4. *The number, make and type of the equipment and the color scheme to be used;***
123

124 The proposed rent vehicle fleet would be comprised of 2 vehicles; a Jeep Liberty and a
125 Cadillac CTS sedan.
126

127
128 **5. *The effect of the service on the health, safety and general welfare of the City, the***
129 ***public, and/or any animals used for public transportation;***
130

131 A typical vehicle for hire operation would not have a detrimental impact on health, safety
132 and welfare of the City, the public, and/or animals. The taxicab has the potential to
133 reduce traffic, and promote safe driving practices in an area known for a significant
134 amount of wineries. The operation could also reduce vehicle emissions while promoting
135 accessibility in Calistoga for those in need of transportation.
136

137 **6. *The adequacy of any operating guidelines or procedures for protection of animal***
138 ***health, safety and general welfare.***

139
140 The applicant does not propose to use any animals. Therefore, no animals will be
141 harmed as a result of this operation.

142
143 The applicant has submitted a request to operate a taxi cab business within the City
144 Limits. Staff along with other appropriate City departments have reviewed the request
145 and has determined that the use would provide a convenient and necessary business
146 to Calistoga's residents and visitors.

147
148 **FISCAL IMPACT:** The proposed taxi cab service is not anticipated to have a fiscal
149 impact upon the City of Calistoga.

150
151 **ATTACHMENTS:**

- 152
153 1. Draft Resolution
154 2. Applicant's Submittal Letters received September 11, 2012

RESOLUTION 2012-

**RESOLUTION OF THE CITY OF CALISTOGA MAKING A DETERMINATION OF
PUBLIC CONVENIENCE AND NECESSITY FOR A RENT VEHICLE SERVICE TO
OPERATE WITHIN THE CITY LIMITS**

1 **WHEREAS**, the City Council has adopted Ordinance No. 584 establishing
2 guidelines for making Public Convenience and Necessity Determinations for vehicle rent
3 services;

4
5 **WHEREAS**, on September 4, 2012, Holly LaBarber and Leslie Lodestro applied to
6 the City for a Public Convenience and Necessity Determination;

7
8 **WHEREAS**, on October 2, 2012, the City Council determined that allowing the rent
9 vehicle service to operate in the City of Calistoga will serve as a public convenience and
10 necessity based on the following findings:

- 11
- 12 1. There is a public demand for additional rent vehicle service. In Calistoga,
13 there are limited types of vehicle services within the community. The
14 additional service will provide transportation between downtown, visitor
15 accommodations and wineries. Also, the proposed rent vehicle service would
16 provide transportation for residents to local services and regional centers.
17
 - 18 2. The proposed rent vehicle service has the potential to reduce traffic impacts
19 in downtown Calistoga. Rather than each individual driving their own
20 vehicles in downtown, the proposed rent vehicle service could get people out
21 of their individual vehicles and promotes safe alternative transportation.
22
 - 23 3. The proposed service includes appropriate and adequate procedures for
24 operation including the type of equipment, financial responsibilities,
25 maintenance and protection of equipment and will not have any adverse
26 health and safety impacts.
27

28 **WHEREAS**, the operation of the rent vehicle service shall be substantially in
29 conformance with Chapter 5.16 of the Calistoga Municipal Code.

30
31 **THEREFORE BE IT RESOLVED** by the City Council of the City of Calistoga that
32 based upon evidence presented during the referenced meeting, including written and oral
33 staff reports and public testimony, and subject to the provisions of the staff
34 recommendations, the City Council made a Public Convenience and Necessity
35 Determination for rent vehicle service in the City of Calistoga, subject to the following
36 conditions:

- 37
- 38 1. This Public Convenience and Necessity Determination authorizes only two (2) taxi
39 cab service as described in the application submittal documentation. Any proposed

- 40 expansion of operation will require a subsequent Public Convenience and Necessity
41 Determination unless otherwise approved by the Planning and Building Director.
42
- 43 2. No taxi cab stand shall be permitted as a result of this approval. If a taxi cab stand
44 is desired in the future, all provisions of Section 5.16.110 of the Calistoga Municipal
45 Code shall be met.
- 46
- 47 3. Prior to operation, an approved off-site location for the storage of two (2) vehicles
48 shall be reviewed and approved by the Planning and Building Director and Police
49 Chief. If the location is not allowed or is only allowed with a use permit, under the
50 provisions of the Zoning Ordinance, Title 17, an alternative location shall be found
51 or a conditional use permit shall be obtained.
52
- 53 4. Signage, including signage affixed to the rent vehicle, is subject to Design Review
54 approval by the Planning and Building Director. No advertising signs shall be
55 permitted as a result of this approval with the exception of the insignias described in
56 the application submittal materials received September 2012.
57
- 58 5. The taxi cab shall be operated in a manner, which is in compliance with all
59 appropriate local and state ordinances and codes and shall obey all traffic
60 regulations.
61
- 62 6. Any complaints received by the operator shall be forwarded to the Police
63 Department since they are the lead to keep track of any and all complaints related
64 to the operation of the rent vehicle.
65
- 66 7. The taxi cab service authorized by this permit shall be restricted to the service as
67 described in the application submittals and shall not be expanded beyond the scope
68 of this project until the applicant receives from the City Council, a Public Necessity
69 and Convenience Determination, in accordance with the existing provisions
70 contained in the Calistoga Municipal Code.
71
- 72 8. The Planning and Building Director may approve minor amendments to this
73 approval provided that the taxi cab operation is still in substantial conformance with
74 the original approval.
75
- 76 9. Prior to operation, a driver's permit for the operator and any employee shall be
77 approved by the City Police Department.
78
- 79 10. This use shall conform to all required conditions established herein, as approved by
80 the City Council on October 2, 2012. The applicant acknowledges that by accepting
81 the terms and conditions of this Public Necessity and Convenience Determination,
82 failure to comply without first receiving approval of the City is a violation and will be
83 subject to enforcement, including possible revocation of the approval to protect the
84 public health, safety and general welfare of the community, as set forth in the
85 Calistoga Municipal Code.
86

- 87 11. The business operator shall maintain the taxi cabs and any ancillary structures in a
88 clean and orderly manner, in accordance with adopted City maintenance standards,
89 and shall comply with all applicable local, County, State, and Federal laws.
90
- 91 12. Prior to operation, the operator shall make an appointment with the Police Chief
92 and/or his designee to inspect the vehicles to ensure that the vehicles are clean and
93 operable.
94
- 95 13. Operation of the rent vehicle service shall be subject to issuance of a business
96 license.
97
- 98 14. The use authorized by this approval shall be in conformance with the City's Noise
99 Ordinance.
100
- 101 15. Prior to operation, the operator shall provide to the City Clerk a certificate of
102 insurance including standard business and automobile liability coverage in the
103 amount of \$1,000,000 naming the City as additionally insured. The operator shall
104 also provide proof of a valid vehicle registration form from the Department of Motor
105 Vehicles. In the event that your insurance policy or vehicle registration is terminated
106 or is changed you shall notify the City Clerk within thirty (30) days.
107
- 108 16. This approval does not become effective unless, prior to operation, the applicant
109 shall sign and file with the City of Calistoga an indemnity agreement approved by
110 the City Attorney's Office, which shall be substantially in the following form:
111
- 112 The applicant shall defend, indemnify, and hold harmless the City and its agents,
113 officers, and employees from any claim, action, or proceeding against the City or its
114 agents, officers, or employees to attack, set aside, void, or annul this approval or
115 any prior or subsequent project-related approvals or conditions imposed by the City
116 or any of its agencies, departments, commissions, agents officers, or employees
117 concerning this project, or to impose personal liability against such agents, officers
118 or employees resulting from their involvement in the project, including any claim for
119 private attorney general fees claimed by or awarded to any party from the City.
120 Applicant and owner agree to reimburse City for any and all costs incurred by City in
121 responding to any claim, action, or proceeding, including but not limited to, court
122 costs, staff time, including City Attorney time, legal defense costs and all other
123 direct or indirect costs associated with City's response to any claim, action, or
124 proceeding. The City may promptly notify the applicant of any such claim, action, or
125 proceeding. The City may, within its unlimited discretion, participate in the defense
126 of any such claim, action, or proceeding in good faith.
127
- 128 17. Each taxi cab shall be equipped with a taxi meter, inspected and certified by the
129 Department of Weights and Measures. The rate of fare shall be posted in a
130 conspicuous location within the rent vehicle and shall be visible to the occupant
131 upon entering the rent vehicle.
132

- 133 18. If requested, the driver shall give a receipt upon payment of the correct fare. In a
134 case of a dispute, the matter shall be determined by the officer in charge at the
135 police station.
136
- 137 19. Prior to installation of any top sign or any future top sign, the applicant shall submit
138 a detailed description of the top sign to the Planning and Building Department
139 Director for review and approval.
140

141 **PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Calistoga
142 at a regular meeting held this 2nd day of October 2012, by the following vote:
143

144
145 **AYES:**

146 **NOES:**

147 **ABSTAIN/ABSENT:**
148

149
150 _____
151 **JACK GINGLES, Mayor**

152 **ATTEST:**

153
154 _____
155 **AMANDA DAVIS, City Clerk**

PAGES - 9
FAX # 707-942-2819

September 11, 2012

Jonathon Mills
City of Calistoga, Police Dept.
1232 Washington St.
Calistoga, CA 94515

Leslie Lodestro & Holly LaBarber
Cab Hopper
710 Washington St., #8
Calistoga, CA 94515

Dear Jonathon,

Attached are:

- 1) City of Calistoga Business License Application
- 2) Calistoga Police Dept. Vehicle for Hire Permit Application
- 3) City of Calistoga Public Convenience and Necessity/Vehicles for Hire Supplemental Form
- 4) Registered Agent Acceptance Form for LLC filing with Secretary of State

We have some missing data on our Business License Application. Specifically our State and Federal Tax ID numbers. We were told this morning that these numbers will not be available until our filing with the court is complete. It is our hope that we can proceed without this information with the understanding that we will be able to provide this within a month.

I still need Dan Farris' signature on the Planning Dept. Application. My plan is to call Dan and let him know you have the faxed paperwork today with the expectation that he can swing by and sign that document. I hope that is not too much trouble.

Please let us know if we can proceed with a City Council agenda item for the September 18th meeting. Our fingers are crossed that we may.

Thanks Jon,


Leslie Lodestro
408-551-8069

Holly LaBarber
408-868-8258

Cab Hopper

715 Washington St. #B

Calistoga, CA

Overview:

Business Type:

Taxi/cab company

of Vehicles:

2; a Jeep Liberty and a Cadillac CTS sedan.

2 additional vehicles will be added as needed and will most likely be mini vans.

Reason for Starting Business:

To provide short, reasonably priced cab rides for locals and tourists in a market where this service currently does not exist.

Fares/Meters:

We understand that the City of Calistoga oversees and regulates taxi companies which operate using meters.

Territory:

Approximately a 12 mile radius including Calistoga and St. Helena.

DUI's:

We understand that it is in everyone's best interest to work towards trending the number of DUI's downward.

Background:

The weekend of July 20th, 2012 my friend Holly and I enjoyed all that Calistoga has to offer. The mud baths, massages and of course great wines. Our first evening we had planned to travel to a local wine-makers home on Pratt Rd in St. Helena. Because we had been wine tasting we refused to drive ourselves. We spent two hours attempting to reserve a taxi or shuttle service for our nine mile hop to dinner. By 9:30 pm we gave up.

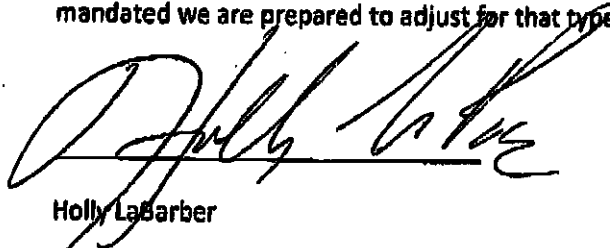
Our personal experience led us to ask anyone and everyone we encountered in Calistoga about the availability of reasonably priced transportation for short rides. There appeared to be none. We heard about taxi companies which existed previously, but no one seemed to know of a service operating currently.

We understand firsthand the need for a cab company in Calistoga. Holly knows about starting new businesses. She opened her State Farm Insurance Agency in Silicon Valley five years ago. I have a background in Public Relations and Marketing and most recently I have been overseeing a Silicon Valley foundation which addresses underage substance and alcohol use.

Cab Hopper is a company we are committed to. Ideally we would choose to operate in Calistoga. Tourists and residents deserve to have safe fun in and around Calistoga. On August 3rd 2012 Holly and I participated in the St. Helena CHEERS event at the invitation of the Chamber. We circulated a stack of market research surveys we had prepared. We wanted to better understand the local demographic not just in terms of what tourists might need but also what residents might want. After reviewing our data we concluded that a cab company with excellent, friendly service combined with reasonable market rates would be welcomed and well used.

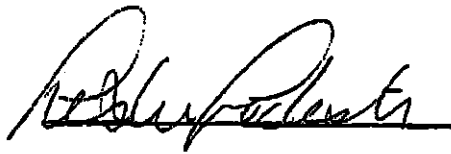
We understand that this may be a seasonal business and we are prepared to plan for that. We also understand that if we are approved by City Council as a company owned and operated in Calistoga we must abide by all Calistoga rules and ordinances which govern taxi service companies.

Based on a conversation with Lieutenant Jonathon Mills we understand that we may have to use meters in our vehicles. We anticipate calibrating our meters based on market rate pricing and any regulatory provisions expected by the City of Calistoga. If flat rate fares for service are recommended by Council or mandated we are prepared to adjust for that type of service.



Holly LaBarber

408-828-8659



Leslie Lodestro

408-551-8069