



**AGENDA REPORT**

**PROPOSED ACTION: Ordinance:** Amend Chapter 8.01 and Appendix C-3 of the Port of Oakland Administrative Code, Effective July 1, 2026, to Modify Taxi-Related Provisions; and Find that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Aviation)**

**Submitted By:** Craig Simon, Director of Aviation; Kristi McKenney, Executive Director

**Parties Involved:** Port of Oakland, Aviation Division

**Amount:** \$10,000 estimated Operating Revenue reduction annually and \$300,000 estimated operating expense reduction annually

**EXECUTIVE SUMMARY:** The taxi industry at Oakland San Francisco Bay Airport (OAK) has and continues to experience a decline in demand. While demand has decreased, operating costs are not decreasing and continue to impact the Port and taxi operators. Port of Oakland (Port) Staff collaborated with taxi operators to find solutions and lower costs with the goal of improving business conditions and preserving the taxi mode of ground transportation (GT) for OAK passengers.

**BACKGROUND & ANALYSIS**

The taxi GT mode at OAK has experienced a significant decline in demand due to shifting industry trends over many years, including the rise of transportation network companies (TNCs), commonly known as rideshare companies and this trend continues. Since 2019, the number of permitted taxi operators has decreased by approximately 60%, and the number of daily taxi trips has decreased by approximately 66%. Port revenue from the taxi business at OAK is approximately \$58,000 per year, while the cost to staff a taxi starter position at the curb is approximately \$300,000 per year, excluding Port Staff costs. Despite this decline, taxi service remains a vital GT mode for a segment of OAK passengers.

In response, Port Staff worked closely with taxi operators to identify key issues, collaborate on sustainable solutions, and propose updates to the Port of Oakland Administrative Code (POAC) aimed at reducing operational costs for taxi operators and the Port. The proposed changes include:

- Revising the fee structure for taxi pick-ups by moving from a per-trip fee to a daily fee, as depicted in Table 1.
- Modernizing fee collection by replacing the current per-trip paper voucher system with a more efficient daily electronic access fee.

- Reducing the minimum insurance limits required by the Port for permitted taxi operators to \$750,000 rather than the \$1,000,000 required by City of Oakland permitting.
- Implementing a cap on the total number of permitted taxi operators to increase the number of possible customers per cab.

Port Staff analyzed taxi trip fee activity to support the proposed switch to a daily fee structure. The proposed daily fee would reduce costs for taxi operators by approximately 15% compared to current trip-based fees.

**Table 1**  
**Proposed Taxi Fee Revision**

	<b>Current Fee Structure</b>	<b>Proposed Fee Structure</b>
<b>AFV</b>	\$3.35/trip	\$5.00/day
<b>Non-AFV</b>	\$3.70/trip	\$5.55/day

*\*AFV= alternative fuel vehicle*

These recommendations were developed through robust stakeholder engagement. Over the past several months, Port Staff met with permitted taxi operators on multiple occasions to better understand their challenges and identify practical solutions. This feedback directly informed the scope and details of the proposed POAC modifications. Additionally, administrative changes were identified to benefit the Port and taxi operators, including eliminating the outdated process of purchasing and redeeming paper taxi vouchers and deploying the OAK Ground Transportation Management System (GTMS) for improved payment, operator account administration, enforcement, and reporting. In addition, Port Staff coordinated these proposed changes with SP+, OAK’s contractor who manages curbside matters such as the starter function for the taxi service at OAK, to ensure that the recommended transition can be implemented while mitigating impacts.

The overarching goals of these changes is to improve business conditions for permitted taxi operators, streamline administrative processes, provide financial relief to taxi operators, and reduce Port operating costs while preserving taxi service as an amenity for OAK passengers.

A redline of the proposed changes to the POAC is contained in Attachment A.

**OTHER FINDINGS AND PROVISIONS**

**ENVIRONMENTAL REVIEW**

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- Categorically exempt under the following CEQA Guidelines Section:

Choose an item.

- "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).

- Other/Notes:

**BUDGET**

- Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR

- Operating                       Non-Operating                       Capital

Analysis: Amending these Taxi provisions is estimated to decrease the Aviation Division's FY 2027 operating revenues by \$10,000 while saving approximately \$300,000 in operating costs.

**STAFFING**

- No Anticipated Staffing Impact.

- Anticipated Change to Budgeted Headcount.

Reason:

- Other Anticipated Staffing Impact (e.g., Temp Help).

Reason:

**MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):**

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

- Additional Notes:

**LIVING WAGE** (City Charter § 728):

Applies?

No (Not Covered Entity) – proposed action involves entity not covered by Living Wage requirements because it is not a covered service provider or tenant, does not employ at least 21 employees, or receive from or pay to Port at least \$50,000.

- Additional Notes:

**SUSTAINABLE OPPORTUNITIES:**

Applies? Yes.

**GENERAL PLAN** (City Charter § 727):

Conformity Determination:

Reason: Peer-to-peer sharing platforms have grown substantially in popularity since the pandemic and seek to provide an eco-friendly solution to put idle and underutilized vehicles, already in circulation, to better use.

Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.

**STRATEGIC PLAN.** The proposed action would help the Port achieve the following goal(s) in the Port’s Strategic Plan:

- Capture Our Market and Grow the Economic Base
- Modernize and Upgrade Infrastructure
- Transition to Zero-Emissions and Build Climate Resilience
- Maximize Land Use Value and Revenues
- Workforce Training and Jobs Development
- Create Opportunities for Local Businesses and Community Economic Development