



## MEMORANDUM

**TO:** Scott Niehaus  
Village Manager

**FROM:** Nicole P. Aranas  
Assistant Village Manager

**DATE:** July 13, 2016

**SUBJECT: ORDINANCE AMENDING THE VILLAGE CODE IN REGARD TO THE TAXI SUBSIDY PROGRAM**

As part of the Long Range Financial Plan process, the Village's Finance and Administration Committee, made up of eight Lombard residents, held meetings to develop recommendations on how to address and eliminate the Village's structural budget deficit. As part of this process, the Finance and Administration Committee recommended a combination of increased revenues and expense reductions related to discretionary non-core services, including the phase-out of the Senior Taxi Subsidy Program. Other non-core services identified for expense reduction included the Sewer Rodding Reimbursement Program, reduction to Village banners and holiday décor, among others.

The Finance and Administration Committee and Village Board held a Joint Long Range Planning workshop on April 25, 2016 where they concurred with the Long Range Plan as recommended by the Finance and Administration Committee. On June 16, 2016, the Village Board approved a resolution to formally accept the Long Range Plan as presented on April 25, 2016 at the joint workshop. The attached ordinance amending the Village Code in Regard to the Taxi Subsidy Program has been prepared to implement the phase-out of the Taxi Subsidy Program as recommended within the Long Range Plan. Under the time-frame detailed in the attached Ordinance, the taxi subsidy program will be phased-out through the remainder of 2016 and 2017 with full elimination of the program by January 1, 2018.

The Taxi Subsidy Program is program under which local eligible participants purchase taxi coupon vouchers that may be used to offset the cost for taxi travel. The Village subsidy on taxi vouchers amounts to \$0.81 per dollar under the program with eligible seniors or disabled individuals contributing \$0.19 per dollar for taxi vouchers. In 2015, 251 participants purchased vouchers through the taxi subsidy program. The annual budgeted expense for the taxi subsidy program has been \$65,000 per year. Historically almost 40% of all participation in this program has been through sales to residents of the Beacon Hill and Lexington senior living communities.

Village staff conducted a survey of area community taxi subsidy and transportation programs. Only four other DuPage County communities, Downers Grove, Lisle, Villa Park and Westmont, currently offer a taxi subsidy program. Within the metropolitan area, the communities of Rolling Meadows, Mount Prospect and Hinsdale have recently suspended their taxi subsidy

program. Within the County, thirteen other DuPage County communities do not offer a municipal transportation program.

There are eight alternative transportation programs that may be used, subject to eligibility requirements, to service the needs of the participants under the taxi subsidy program. The transportation options available are sponsored by agencies including DuPage County, the Illinois Department of Human Services, Addison Township, Milton Township, York Township, and the Regional Transit Authority. Additionally, there are currently several locally licensed taxi companies that offer discounts on taxi travel ranging from 10-27% off per ride.

The Ordinance attached provides for a phased elimination of the Taxi Subsidy Program over the next 18 months, whereby taxi vouchers will continue to be sold through 2016. The registration of participants and sale of vouchers under the program will cease effective January 1, 2017. Thereafter, unexpired vouchers purchased in 2017 may be redeemed during calendar year 2017, with the program terminating in its entirety on January 1, 2018.

Should you have any additional questions or concerns regarding the proposed ordinance or the taxi subsidy program, please do not hesitate to contact me.