

ORDINANCE NO. 2014-057
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**AN ORDINANCE PROVIDING FRANCHISE TO TEN (10) UNITS OF TAXICLES
AND REGULATING THEIR OPERATION IN THE CITY OF NAGA:-**

Sponsor: Councilor Elmer S. Baldemoro

Explanatory Note

WHEREAS, on May 6, 2014, the 11th Sangguniang Panlungsod enacted Resolution No. 2014-128 allowing a 90-day experimentation of 10 units of three-wheeled engine-powered yellow trikes called “taxicles” and was extended for 30 days as per SP Resolution No. 2014-313;

WHEREAS, after the said experimentation, taxicles are found to be efficient means of transportation that have very low maintenance and operating costs, saving valuable resources for other worthwhile alternative economic uses;

WHEREAS, taxicles can also accommodate more passengers, from five to six passengers, compared to ordinary trimobiles’ capacity of two to three passengers, providing drivers and operators more economic opportunities;

WHEREAS, public acceptability of taxicles is high as said vehicles are more spacious and more comfortable for passengers;

BE IT ORDAINED, therefore, by the Sangguniang Panlungsod of the City of Naga that:

SECTION 1. - TITLE.- For brevity, this Ordinance shall be known as the “NAGA CITY TAXICLE ORDINANCE OF 2014.”

SECTION 2. - DECLARATION OF POLICY.- It is hereby the declared policies of the State to:

- a. Advance advocacies of economic growth and environment conservation through promotion of efficient means of transportation;
- b. Sustain and continually improve the orderly and proficient traffic administration in the City of Naga; and,
- c. Develop a traffic system that will induce an environment conducive to quick, viable and effective flow of human and physical resources in and out of the city

SECTION 3. - COVERAGE.- The provisions of this ordinance shall control, enforce, direct and regulate the registration and operation of taxicles plying in the jurisdiction of Naga, including their drivers and operators.

SECTION 4. - DEFINITION OF TERMS.- For the purposes of this ordinance, the following terms shall mean as follows:

- a. Driver - shall mean any licensed person/operator of a motor vehicle who drives or is in actual physical control of a vehicle;
- b. Franchisee – a person or entity who owns a taxicle and in whose favor a franchise was issued by the City of Naga through the Sangguniang Panlungsod.
- c. Garage - shall mean any building or space in which one or more vehicles, either with or without driver or operator are kept for safekeeping and/or storage
- d. Identifying Number - shall mean the numbers and letters on any vehicle designated by the Land Transportation Office and of the local government unit for the purpose of identifying the vehicle;
- e. Owner - shall mean the actual legal owner other than a lien holder of motor vehicle in whose name such vehicle is duly registered with the Land Transportation Office (LTO) having property rights and interests to a motor vehicle. The term includes a person entitled to the use and possession of a vehicle subject to a security interest with another person, but excludes a lessee under a lease not intended as a security.
- f. Person - shall mean every natural person, firm, co-partnership, association or cooperative.
- g. Taxicle – shall refer to three-wheeled vehicles which model/design may either be unibody, monocoque or non-conventional and which are popularly called Samosa, tempo, tuk-tuk, trishaw, baja or rickshaw in other Asian countries, such as India, Laos, Nepal, Thailand and Vietnam
- h. Violator – shall refer to driver/operator, passenger, and pedestrian who shall violate any provision of this ordinance

SECTION 5. - TAXICLE FRANCHISE GRANT.-Taxicles are hereby allowed to operate within the territorial jurisdiction of the City of Naga. For this purpose, Ten (10) units of taxicles shall be granted franchise by the City of Naga through the Trimobile Franchising Board of the Sangguniang Panlungsod, in addition to the 1,500 trimobile franchises previously granted. Provided, that should there be cancellation of franchise previously granted, replacement thereof shall be in favor of the taxicle and the City Government has the option to retain the 10 additional franchise or include the 10 additional franchise in the cancelled franchise. Provided further, that the voluntary conversion to taxicle is herein allowed and encourage.

All taxicles operating in the city for hire or not for hire must possess a valid franchise to operate and a Mayor's Permit to be secured from the City Government. The franchise shall be for a period of Three (3) years, while the Mayor's Permit has to be secured annually by the operator.

SECTION 6.-GRANTING OF FRANCHISE FOR TAXICLES.-The existing Trimobile Franchising Board composed of all Members of the Sangguniang Panlungsod shall accept and process application for franchise of taxicles as well as transfers of their franchise. Applications for renewals of franchise by same franchisee of taxicle shall be acted upon by the Trimobile Task Force composed of five (5) Sanggunian Personnel headed by the SP Secretary to be appointed by the City Mayor.

Issuance of a franchise to any applicant shall be in accordance to the following guidelines, to wit:

- 1. No taxicle franchise shall be granted unless:
 - a. The unit is equipped with a four-stroke engine; and

- b. The unit is roadworthy and possesses the required safety features including the provisions for reflection lights and/or lamps at the front and rear portions of the vehicle.
2. The individual applicant is not less than 21 years old and an actual resident and registered voter of the City of Naga. Such shall be a continuing qualification requirement which shall be considered even in renewal applications.
3. An existing trimobile transport cooperative duly registered with the Cooperative Development Authority (CDA) whose principal office and actual operation is within the City of Naga, may be granted in its name up to ten (10) franchises, subject to compliance with the qualification requirements of the drivers.
4. For taxicle under loan amortization program or meanwhile that the ownership of the unit is not yet fully transferred to the intended buyer, a provisional franchise may be granted in favor of the financing company and will be transferred to the buyer after its full payment. Provided, that the qualification requirements of the intended buyer or driver are complied with. Provided further, that the financing company would offer a low down payment scheme of not more than ten percent (10%) down payment and not more than Nine Thousand Pesos (P 9,000.00) monthly amortization program or at the option of the applicant on the down payment and amortization scheme.
5. In granting franchise, the following prioritization shall be favorably considered, to wit:
 - a. First, trimobile drivers who desire to own a taxicle;
 - b. Second, an existing trimobile transport cooperative duly registered with the Cooperative Development Authority (CDA) whose principal office and actual operation is within the City of Naga.
 - c. Third, those applicants pending in the Trimobile Task Force.

SECTION 7. CONVERSION OF EXPIRED FRANCHISE TO TAXICLE FRANCHISE. - Those franchise having an expired franchise shall be given 90 days after the effectivity of this ordinance to renew their franchise or convert to taxicle provided that their franchise were not sold to other person or entity, sold franchise will be automatically cancelled in favour to taxicle.

SECTION 8. INCENTIVES SCHEME FOR TRIMOBILE FRANCHISEES/OPERATORS CONVERTING THEIR UNITS TO TAXICLES.- Aside from the Ten (10) units of taxicles that shall be granted a new franchise under this Ordinance, existing trimobile franchisees and/or operators may convert their existing units to taxicles under any of the following schemes:

- a. BUY-BACK – Under this scheme, the City Government shall buy up to fifty four (54) trimobiles from existing franchisees of units with four-stroke engines who would like to retire the same and replace them with taxicles. The retired units shall be distributed among the City's twenty seven (27) barangays. For this purpose, the City Mayor shall constitute an Appraisal Committee that shall determine the road-worthiness, suitability and value of trimobiles that will be offered under this scheme.

- b. FRANCHISE TRANSFER – Operators of trimobiles that were purchased from previous franchisees but whose franchises were not transferred to the new owner may retire the same and apply for a taxicle franchise.

The above-mentioned incentives schemes may be availed of only within a period of six (6) months from the effectivity of this Ordinance. Provided, further, that the applicant shall qualify and conform with all the guidelines for the grant of a Taxicle Franchise.

SECTION 9. ATTACHMENTS TO FRANCHISE APPLICATIONS.- The following shall be attached to every application of franchise:

- a. Proof of Filipino citizenship such as, but not limited to, the birth certificate or court order granting naturalization;
- b. Appropriate proof of not less than one (1) year continuous residence in the City of Naga at the time of the filing of application, pursuant to the policy of the City Government to limit the operation of trimobiles, taxicles and e-trikes within the territorial jurisdiction of the city;
 - 1. A certificate as to the applicant's continuous residence, containing the applicant's full name, exact address, number of months of actual residence (if less than one year, age and citizenship of the applicant and the purpose of the certification, issued by the Punong Barangay of the applicant's barangay of present residence. If the applicant has less than one (1) year residence in the barangay of his present residence but previously resided in another barangay or barangays within the City of Naga, then the applicant shall secure a certification/s from the barangay Captain(s) of his previous residence(s) until the one (1) year minimum residence requirement is met;
 - 2. In the case of juridical persons, their Mayor's Permit, business tax receipt and Community Tax, all for the current and immediately preceding year, in addition to proof of one (1) year minimum residence in the City of Naga of the members and their Certificate of Registration with the Cooperative Development Authority (CDA), and other concerned agencies. One year shall start from date of registration as cooperative.
- c. Proof of ownership of the vehicle(s) as contained in the application which is the registration certificate issued by the Land Transportation Office (LTO) or deed of mortgage;
- d. LTO Certification as to the safety and roadworthiness of the applicant's unit(s) for which he is applying a franchise to operate in consonance with Certificate of Roadworthiness by PNP and LTO;
- e. Certification of Membership with the SSS;
- f. Photocopy of the official receipt for payment of Third Party Liability Insurance coverage of P12,000.00. Provided that all these documents and supporting papers shall also form part of the application for Mayor's Permit.

- g. Photocopies of documents and other papers submitted to support application for Trimobile Franchise and/or Mayor’s Permit shall be counter checked with the originals and stamped with “VERIFIED AGAINST THE ORIGINAL AS PRESENTED” to be signed or initialed by the Trimobile Task Force.

In addition to the Attachments to Franchise Applications provided in this Section, the following documents shall be attached to the application for transfer of taxicle franchise:

- j. An affidavit executed by the transferor to the effect that transfer of Taxicle Franchise was from the original franchise grantee;
- k. Original copy of the duly executed Deed of Absolute Sale or Deed of Transfer;
- l. A duly executed Affidavit of Undertaking of the Transferee/Vendee, categorically declaring that no subsequent transfer or disposition of the unit and franchise shall be executed, and that violation of the same shall mean automatic cancellation of the franchise.

SECTION 10. - APPLICATION FEES.- The City Treasurer or his duly authorized representatives shall collect the following fees in connection with the application / transactions concerning tricycles:

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| a) Franchise Fee | – Php 300.00 per unit |
| b) Annual Supervision Fee | – Php 100.00 per unit |
| c) Mayor’s Permit Fee | – Php 100.00 per unit/year |
| d) Substitution of Unit | – Php 300.00 per unit/year |
| e) Legal Research Fee | – Php 50.00 per unit/year |
| f) Registration Permit Fee
(for private/service unit) | – Php 150.00 annually |
| g) Sticker Fee | – Php 25.00 per unit/year |
| h) Police Inspection Fee | – Php 20.00 per unit/year |
| i) Franchising Fee for Special Routes | – Php 150.00 per unit/year |
| j) 25% surcharges on Mayor’s Permit and Supervision Fees,
plus fourteen Percent (14%) interest per annum, for late
registration. | |

Any registered taxicle operator who fails to renew his Mayor’s Permit on or before the deadline prescribed under this Code and after sixty (60) calendar days from date of receipt of notice, the operator was not able to renew his/her Mayor’s Permit or Franchise, shall be a ground for cancellation of his franchise to be determined by the Sangguniang Panlungsod.

SECTION 11. - NATURE OF FRANCHISE. – The operation of taxicle as a public utility is an undertaking affected with public interest. The taxicle franchise is therefore a privilege, the granting of which must be strictly regulated to protect the public. A franchise, being a privilege, is therefore hereby declared non-transferable, unless in similar cases enumerated under Section 3 (a) of Ordinance No. 99-049, as amended by Ordinance No. 2001-075 and further amended by Section 2 of Ordinance No. 2007-024.

SECTION 12. - TRANSFER FEE.- Transfer of franchises made in accordance with the preceding section shall only be recognized by the City Government of Naga if the necessary transfer fees herein enumerated are duly paid to the Office of the City Treasurer, prior to the filing of application for transfer of the taxicle Franchise to the Trimobile Franchising Board and submission thereof for approval by the Sangguniang Panglunsod.

- a) For transfer of Taxicle Franchise to individuals within the second degree of consanguinity or affinity of the transferor, a transfer fee in the amount of One Thousand Pesos (P1,000.00) per unit, is hereby imposed;
- b) For transfer of Taxicle Franchise to transport cooperative or to an individual driver of taxicle unit under a boundary-hulog system, on which the taxicle unit was acquired prior to the approval of this Ordinance, but not earlier than January 1, 2005, a transfer fee in the amount of FIFTEEN THOUSAND (Php. 15,000.00) Pesos, per unit, is hereby imposed;
- c) For transfer of Taxicle Franchise to transport cooperative or to an individual driver of a taxicle unit under a boundary-hulog system, on which the taxicle unit was acquired after the approval of this Ordinance, a transfer fee in the amount of TWENTY FIVE THOUSAND (Php. 25,000.00) Pesos, per unit, is hereby imposed, PROVIDED, that, when the consideration is more than ONE HUNDRED FORTY THOUSAND PESOS (P140,000.00), the transfer fee per unit shall be THIRTY FIVE THOUSAND (P35,000.00)Pesos;

SECTION 13. - ILLEGAL TRANSFERS OF UNITS. – Transfers of units made contrary to the provisions of this Code are deemed null and void.

SECTION 14. - REVOCATION OF PERMIT OR FRANCHISE.- Any permit and/or franchise for taxicle may be revoked by the City Mayor for non-compliance and/or non fulfillment of any of the requirements hereof, and for lack of the safety devices and comfort of the riding and travelling public.

SECTION 15. - SURRENDER OF FRANCHISE. – Franchise holders who decide to cease from taxicle operation shall surrender their Franchise back to the City of Naga

SECTION 16. - COLOR- The body color of a taxicle shall be colored yellow.

SECTION 17. -UNIT IDENTIFICATION NUMBER.- The Trimobile Franchising Board shall issue a unit identification number to each taxicle. Said number shall be permanent, like the Plate Numbers issued by LTO for motor vehicles, but shall upon renewal be provided with stickers effective CY 2014.

SECTION 18. -REGISTRATION OF DRIVERS.- All operators of taxicles must register their drivers including their alternates to the existing Trimobile Task Force before employment.

SECTION 19. – PARKING.- The Office of the City Mayor through the Public Safety Office shall designate appropriate parking areas for taxicles.

SECTION 20. – APPLICABILITY OF REGULATIONS ON TRIMOBILES TO TAXICLES.- Provisions of existing ordinances, executive issuances and rules and regulations pertaining to trimobile fare rate, operation and traffic management are hereby considered applicable and enforceable to taxicles.

SECTION 21. – THE TRIMOBILE ADJUDICATION BOARD.- The Trimobile Adjudication Board shall have administrative jurisdiction to hear complaints against taxicle operators/drivers, conduct investigations on said issues and render its findings or decisions in accordance with the provisions of the Naga City Transport and Traffic Code, as amended, and other relevant ordinances, executive issuances and rules and regulations promulgated by the City Government of Naga and statutes and executive orders enacted by the national government.

SECTION 22. – PASSENGERS CAPACITY – Not more than six (6) persons excluding the driver shall be the allowed passenger of the Taxicle.

SECTION 23.- REPEALING CLAUSE.- All ordinances, rules, orders and regulations or parts thereof contrary to or inconsistent with any of the provisions of this code are hereby repealed.

SECTION 24. - SEPARABILITY CLAUSE.- If any provision of this code or the application thereon to any persons or circumstances is held invalid, the remainder of the code, and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 25. - EFFECTIVITY CLAUSE.- This ordinance shall take effect in full and immediately upon its approval unless, otherwise, suspended by the proper authorities.

ENACTED: October 7, 2014

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WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

GIL A. DE LA TORRE
Secretary to the
Sangguniang Panlungsod

NELSON S. LEGACION
City Vice Mayor &
Presiding Officer

APPROVED:

JOHN G. BONGAT
City Mayor