

RESOLUTION NO. 74040

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE IMPOSING A CUSTOMER TRANSPORTATION FEE OF \$5.00 PER RENTAL CAR CONTRACT FOR RENTAL CAR CUSTOMERS RENTING VEHICLES FROM OFF-AIRPORT CAR RENTAL AGENCIES EFFECTIVE JANUARY 1, 2008

WHEREAS, on March 7, 2000, the San Jose City Council adopted Ordinance No. 26063, adding Part 6 to Chapter 25.08 of the San Jose Municipal Code to establish the requirement of the payment of a Customer Facilities Fee and a Customer Transportation Fee (collectively, the “Customer Facilities and Transportation Fee” or “CFCs”) by each person who rents a vehicle from either an on-Airport or off-Airport car rental agency at the Norman Y. Mineta San Jose International Airport; and

WHEREAS, the amount of the CFC is to be established by resolution of the City Council; and

WHEREAS, on April 18, 2000, Council adopted Resolution No. 69512, which established a \$5.00 Customer Transportation Fee, which is required to be paid by any customer of a car rental agency who rents a vehicle from an on-Airport or off-Airport car rental agency, and who arrives at or departs from the Airport, or uses the Airport-mandated common use transportation system operated for the movement of on-Airport and off-Airport car rental agency passengers between the terminals and the existing interim consolidated rental car facility; and

WHEREAS, effective January 1, 2008, pursuant to California Civil Code Section 1936, the City may require car rental agencies operating at the Airport to collect a CFC from each person who rents a vehicle at the Airport; and

WHEREAS, California Civil Code Section 1936 provides that the CFC collected by the car rental agencies at the Airport may be used: (a) to finance, design and construct consolidated airport car rental facilities; and (b) to finance, design, construct and provide common use transportation systems that move passengers between airport terminals and those consolidated car rental facilities; and

WHEREAS, all persons who rent vehicles from on-Airport and off-Airport car rental agencies are required to use the Airport-mandated common use transportation system operated for the movement of on-Airport and off-Airport car rental agency passengers between the terminals and the existing interim consolidated rental car facility; and

WHEREAS, the City is currently in the process of designing a new consolidated rental car facility; and

WHEREAS, the City plans to negotiate a task order for the completion of design and construction of the new consolidated rental car facility with the City's Design-Build Contractor for the Terminal Area Improvement Program, Hensel Phelps Construction Co.; and

WHEREAS, prior to completion of the new consolidated rental car facility, all persons who rent vehicles from on-Airport and off-Airport car rental agencies will continue to be required to use the Airport-mandated common use transportation system operated for the movement of on-Airport and off-Airport car rental agency passengers between the terminals and the existing interim consolidated rental car facility; and

WHEREAS, prior to completion of the new consolidated rental car facility, the City will apply CFCs collected from off-Airport car rental agencies to pay the costs of the Airport-mandated common use transportation system operated for the movement of off-Airport car rental agency passengers between the terminals and the existing interim consolidated rental car facility;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

A customer transportation fee of \$5.00 per rental car contract is imposed for rental car customers renting vehicles from off-Airport rental car companies at the Norman Y. Mineta San Jose International Airport effective January 1, 2008 until the opening of the new consolidated rental car facility.

ADOPTED this 2nd day of October, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CHU, CONSTANT, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	NONE
DISQUALIFIED:	NONE

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk