



Memorandum

To: Mayor Nelson and Members of the City Council
From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer
Date: April 8, 2024
Subject: Ride Share Apps

Councilmember Goodboe-Bisschoff asked that the pending departure of Uber/Lyft from the Twin Cities metro area be added to the work session agenda.

Ride share apps have proliferated over the past 8 years in the Twin Cities metro area. Below is a timeline:

- 2009: Taxi Magic is the first rideshare app in the Twin Cities.
- 2013: Uber and Lyft start operating in St. Paul.
- 2014: Uber and Lyft enter Minneapolis. The City Council votes 12 to 1 for an ordinance to let transportation networking companies operate in Minneapolis.
- 2015: Competing apps including New Hope-based iHail launch in Minnesota.
- 2016: Rideshare companies are allowed to pick up fares at MSP.
- 2023: Gov. Tim Walz vetoes a minimum driver pay bill and establishes a commission to study the issue.
- 2024: Minneapolis City Council passes driver minimum pay ordinance; Uber and Lyft say they'll leave May 1.

If Uber and Lyft leave the Twin Cities on May 1, there are not enough licensed taxis in the Twin Cities to fill the void, leaving a lot of people scrambling to find suitable transportation options.

It appears that the Minneapolis City Council will take up a resolution on Thursday, April 11 to reconsider the driver minimum pay ordinance.

There are few options for the City Council to address this issue outside of reaching out to members of the Minneapolis City Council to encourage them to reconsider the driver minimum pay ordinance and negotiate in good faith with Uber and Lyft on driver pay and encourage the Legislature to adopt a statewide approach.

If you have any questions, please do not hesitate to contact me at 763-784-6491.