

STAFF REPORT*CITY OF OCEANSIDE*

DATE: April 21, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Financial Services Department

SUBJECT: **CONSIDERATION OF A PETITION TO OPERATE TAXICABS IN THE CITY OF OCEANSIDE SUBMITTED BY SCT MARKETING AND FINANCE, INC., DBA CRAIG'S CAB, OF CARLSBAD**

SYNOPSIS

Consider a petition to operate taxicabs which was submitted by SCT Marketing and Finance, Inc., of Carlsbad, DBA Craig's Cab. Staff is recommending that the City Council deny the petition.

BACKGROUND

Currently, the City has two authorized taxicab companies, Yellow Cab of Oceanside and 24/7 taxicab. Yellow Cab is authorized to operate a maximum of sixty-five taxicabs and 24/7 is authorized to operate a maximum of thirty. Combined, City Council has authorized the operation of up to ninety-five taxicabs. Yellow Cab has been issued thirty permits and 24/7 has been issued twenty-one for a combined total of fifty-one. This leaves forty-four authorized permits available for use by these companies.

The petition submitted by Craig's Cab indicates this is a new company and the owner-operator has not previously been in the taxi business. The business was slated to begin in November 2009 with service in Del Mar, Solana Beach, Encinitas, Carlsbad and Oceanside.

The proposed vehicles will be silver in color with black lettering. The initial vehicle is a 2004 eight-person Toyota Sienna. The petition requests a maximum of twenty taxicabs with one operational right away, two additional vehicles to be in circulation by December 2010, and all twenty operational within a five-year period. Additional drivers will not be SCT Marketing and Finance employees but rather lessees.

The proposed operational hours would be twenty-four hours per day, seven days per week, with the owner providing the full range of services from dispatch to driving. Dispatch would initially be via the business line and, with added drivers, a mobile-to-mobile service would be established.

Initially the owner has proposed driving from 6 a.m. to 3 a.m. and resting from 11 a.m. to 6 p.m. He would, however, be taking requests for service during the proposed resting period, just not out looking for flags.

The proposed rates are as follows:

\$ 2.80 flag drop

\$ 3.40 per mile

\$40.00 per hour wait time

The financial statements provided are unaudited. Since this is a new company, tax records are not available until mid-April 2010.

ANALYSIS

The two current taxicab service providers have a combined total of 55 additional permits they could request at any time. If the market demand was high, either company could easily request and meet the demand by adding one or two more vehicles. Yellow Cab has been at 32 permitted cabs for over two years. 24/7 started operation in August 2008 with 10 and has since increased to 21. They have not requested additional permits since September 2009. If demand for service increased we would expect that these companies would be issued more permits as already authorized. Because the number of permits issued has not changed since September 2009, it seems reasonable to conclude that the two companies are meeting the current demand for services.

Both currently authorized companies are reporting that they are exceeding the service standards outlined in their franchise agreements. The table below summarizes both companies' quarterly reports for 2009. The numbers indicate that calls for service are being responded to in a timely manner. This is another indicator that the service needs are being met by the authorized providers.

Annual Number of Calls	Percentage Picked up within 20 Minutes	Percentage picked up within 35 minutes
41,857	91.06%	98.95%

Authorized companies are also required to report customer complaints and the City has a taxicab hotline for complaints. There has been only one complaint reported by the companies and no complaints on the hotline in the last year. The almost complete lack of complaints indicates that the customers are satisfied with the services being provided.

Because Craig's Cab is a new company, staff was unable to pull historical service data from another agency. Thus, there is no means for rendering an opinion on performance for the newly formed company.

The proposed rates of fare for Craig's Cab are higher than the two authorized companies. For a seven-mile trip within Oceanside, the authorized companies would

charge approximately \$19.20. Craig's Cab's cost for a seven-mile trip would be approximately \$26.60. Because Craig's Cab's per-mile fare is \$0.80 per mile higher than the authorized companies, a longer taxicab ride would increase the difference between authorized companies and Craig's Cab proportionately. Thus, the greater the distance of a ride the greater the difference between an authorized company fare and the fare for Craig's Cab. The per-hour wait time proposed for Craig's Cab, \$40.00, is double the authorized companies' rates of \$20.00 per hour. Thus, Craig's Cab would not provide a cheaper alternative to authorized service providers.

The unaudited financial statements appear to be lacking expenditures typical of this type of business such as gas, insurance, maintenance and repair of the vehicle, advertising, phone services, and lease payments. Without these expenses the statements indicate that the equity in the firm is only \$2,010. It does not appear that this is a fiscally sustainable company as presented in the financial portion of the petition.

Typically taxicab companies provide service twenty-four hours per day, seven days per week, and the petition for Craig's Cab indicates they will provide this coverage. Because there is only one driver at this time, staff is extremely concerned that there may not be enough rest time and/or that the rest periods may occur when there is demand for service. The proposed rest period, 11 a.m. – 6 p.m. covers a period of high demand for our senior community. The applicant states the hours of operation are from 6:00 a.m. to 3:00 a.m., presumably on the following day. Applicant states that while he would not be taking flags, accepting employment when hailed from the street, from 11 a.m. to 6 p.m., he would still be responding to calls for service. Therefore, the applicant would still be driving during this time period. Being available for service 21 hours per day clearly presents a public safety hazard because the driver could be driving on very little sleep.

Additionally, with only one vehicle operational the operator would not have any means of providing service when the vehicle needed repair or maintenance. Until a second vehicle is in operation, the company would be unable to respond to calls for service when regular maintenance, such as an oil change, was being performed. Because taxi cabs have higher mileage than personal vehicles, regular maintenance could inhibit the company from operating effectively. The applicant did not address the issue in the petition.

The vehicle color and signage does not provide a distinct visual image specific to a taxicab business. The color appears to be a standard factory color and most of the signage is removable and nondescript.

Further, the Police Chief is not of the opinion that the petition demonstrated public convenience and necessity pursuant to Sections 31.10(h) and 35.11 of the Municipal Code. This finding is based on several of the items previously discussed as listed below:

- Current authorized operators demonstrating they are meeting the current service demands.

- The ability of current authorized operators to expand operations to meet any increase in service demand.
- Lack of financial benefit to customers.
- Weak company financial outlook.
- Clear public safety hazard.

FISCAL IMPACT

No fiscal impact if the petition is denied.

COMMISSION OR COMMITTEE REPORT

The Taxicab Committee, including representatives from the Police Department, Code Enforcement, Planning, Parks & Recreation, City Manager and Finance, with the City Attorney's office acting as legal advisor to the committee, are recommending denial of the petition.

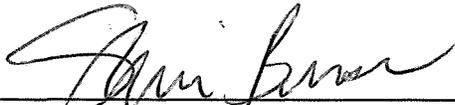
CITY ATTORNEY'S ANALYSIS

The City Council is authorized to hold a public hearing in this matter. Consideration of the matter should be based on the testimony and evidence presented at the hearing. After conducting the public hearing, the Council shall affirm, modify or deny the petition.

RECOMMENDATION

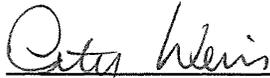
Consider a petition to operate taxicabs which was submitted by SCT Marketing and Finance, Inc., of Carlsbad, DBA Craig's Cab. Staff is recommending that the City Council deny the petition.

PREPARED BY:



 Sheri Brown
 Revenue Manager

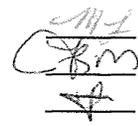
SUBMITTED BY:



 Peter A. Weiss
 City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
 Frank McCoy, Police Chief
 Teri Ferro, Financial Services Director



Attachments:

1. Petition Information
2. Chief of Police Memorandum

Craig's Cabs

Leave the driving to us!

Received
1/15/10
JN

12/15/2010

To Whom It May Concern:

Here is a copy of my Carlsbad business license. I have spoken to the licensing division in Carlsbad regarding my operating my taxi business out of my new location at 5751 Palomar Way Suite A-1. I have sent the necessary paperwork in so they can change the address on my already obtained business license in Carlsbad license. The process of actually getting the license can take up to one month. I will forward this new license to you as soon as I receive it.

Sincerely,



Stephan Craig Thompson

THIS DOCUMENT HAS A TRUE DOCUCHECK™ WATERMARK AND VISIBLE FIBERS DISCERNIBLE FROM BOTH SIDES

CITY OF CARLSBAD

POST IN CONSPICUOUS PLACE

BUS. NUMBER
1229542

1635 Faraday Ave, Carlsbad CA 92008

BUSINESS REGISTRATION CERTIFICATE

DATE ISSUED
11/3/2009

The person, firm or corporation named below is granted this business certificate pursuant to the provisions of the City Business License Ordinances to engage in, carry on or conduct the business, trade, calling, profession, exhibition or occupation described below. Issuance of the certificate is not an endorsement, nor certification of compliance with other ordinances of laws. This license is issued without verification that the licensee is subject to or exempt from licensing by the State of California.

BUSINESS LOCATION
5751 PALMER WAY STE A1

SIC CODE
4121

SIC DESCRIPTION
Taxicabs

EXPIRATION DATE
9/30/2010

OWNER FIRM OR
CORPORATION NAME

THOMPSON, STEPHEN C.

BUSINESS NAME

CRAIG'S CAB

MAILING ADDRESS
CITY AND STATE

5751 PALMER WAY STE A1
CARLSBAD, CA 92010-7261



THIS DOCUMENT IS ALTERATION PROTECTED AND REFLECTS FLUORESCENT FIBERS UNDER UV LIGHT

THIS DOCUMENT HAS A TRUE DOCUCHECK™ WATERMARK AND VISIBLE FIBERS DISCERNIBLE FROM BOTH SIDES

BUS NUMBER
1229542

1635 Faraday Ave, Carlsbad CA 92008

BUSINESS REGISTRATION CERTIFICATE

The person, firm or corporation named below is granted this business certificate pursuant to the provisions of the City Business License Ordinances to engage in, carry on or conduct the business, trade, calling, profession, exhibition or occupation described below. Issuance of the certificate is not an endorsement, nor certification of compliance with other ordinances or laws. This license is issued without verification that the licensee is subject to or exempt from licensing by the State of California.

DATE ISSUED
11/03/2009

BUSINESS LOCATION
686 RIVERTREE DR

SIC CODE
4121

SIC DESCRIPTION
Taxicabs

EXPIRATION DATE
09/30/2010

OWNER FIRM OR CORPORATION NAME

THOMPSON, STEPHEN C.

BUSINESS NAME

CRAIG'S CAB

MAILING ADDRESS
CITY AND STATE

686 RIVERTREE DR
OCEANSIDE, CA 92058-7445



THIS DOCUMENT IS ALTERATION PROTECTED AND REFLECTS FLUORESCENT FIBERS UNDER UV LIGHT

KEEP FOR YOUR RECORDS

BUSINESS TAX RECEIPT

BUS. NO. 1229542

DATE ISSUED
11/03/2009

08.140cab \$25.00

BALANCE

TAXES PAID IN ACCORDANCE WITH CITY BUSINESS TAX ORDINANCE

CITY OF CARLSBAD

01/10/2010

Received 1/14/10
SCT

To Whom It May Concern:

This is a petition for a taxi license in the city of Oceanside.

My name is Stephan Craig Thompson. I am the both the CEO and CFO of the Corporation SCT Marketing and Finance. My wife Arlene B. Thompson is the Secretary of the Corporation. My wife resides at 686 Rivertree Dr. Oceanside CA. 92058. I have rented a commercial property in Carlsbad California to operate and store my taxis. Along with this letter you will find a copy of my lease to 5751 Palomar way suite 1-A

The purpose for this new company is to operate a taxi service for the areas of Del Mar, Solana Beach, Encinitas, Carlsbad and Oceanside. This business is scheduled to open November 15th 2009. At this time I Stephan Craig Thompson will be the only person driving for the business. My goal is to add more taxis as time goes on. I hope to have at least two more taxis by the end of 2010; I will have a total of 20 Taxis in the next five years. All cabs will be all silver in color with black lettering reading Craig's Cabs.

My rates will be as follows:

\$2.80 Flag Drop

\$3.40 per Mile

\$40.00 Hour wait time

My first taxi is a 2004 Toyota Sienna

Commercial Plate # 8V94839

Vin # 5TDZA23C14S199410

Mileage is 59497

It seats 8 people including driver.

Cars will be completely silver in color and the lettering will be in black.

My only liability is my home at 686 Rivertree Dr. The Taxi is owned outright by SCT marketing and Finance. With this letter you will also find all of the supporting documentation.

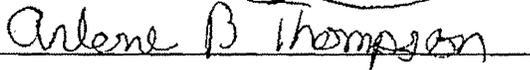
This business will serve as a public service for many reasons. I will provide services during the day to the elderly who are not capable of driving. I will also drive people who have had too much to drink home. I will get people to and from the trains, busses and airports. I will also be an advocate for the city of Oceanside to tourist and people who may want to do business in our city. I am also a licensed Real Estate agent who promotes this city every chance I get. I have owned a home in this city since 2004 and plan on making Oceanside my home forever. I want to do anything in my power to better the community of Oceanside

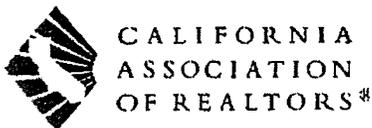
I appreciate you considering me for this license.

Sincerely,
Stephan Craig Thompson

A handwritten signature in black ink, appearing to read 'Stephan Craig Thompson', written over a horizontal line.

Arlene B. Thompson

A handwritten signature in black ink, appearing to read 'Arlene B. Thompson', written over a horizontal line.



COMMERCIAL LEASE AGREEMENT
(C.A.R. Form CL, Revised 10/01)

Date (For reference only): December 15th 2009

Lillian R Scholl

(“Landlord”) and

(“Tenant”) agree as follows

1. PROPERTY: Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as Commercial office and parking facility 5751 Palomar Way Suite A-1 (Premises), which comprise approximately 35.000 % of the total square footage of rentable space in the entire property. See exhibit for a further description of the Premises.

2. TERM: The term begins on (date) December 15th 2009 (“Commencement Date”) (Check A or B):

- A. Lease: and shall terminate on (date) 01/01/2012 at 8:00 AM PM. Any holding over after the term of this agreement expires, with Landlord’s consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect
B. Month-to-month: and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.
C. RENEWAL OR EXTENSION TERMS: See attached addendum

3. BASE RENT:

- A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):
(1) \$ 700.00 per month, for the term of the agreement.
(2) \$ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers (“CPI”) for (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.
(3) \$ per month for the period commencing and ending and per month for the period commencing and ending and per month for the period commencing and ending
(4) In accordance with the attached rent schedule
(5) Other:

- B. Base Rent is payable in advance on the 1st (or day of each calendar month, and is delinquent on the next day.
C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month’s Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. RENT:

- A. Definition: (“Rent”) shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit
B. Payment: Rent shall be paid to (Name) Lillian R Scholl at (address) 441 El Camino Real Encinita Ca. 92024 location specified by Landlord in writing to Tenant
C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord

5. EARLY POSSESSION: Tenant is entitled to possession of the Premises on

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. SECURITY DEPOSIT:

- A. Tenant agrees to pay Landlord \$ as a security deposit. Tenant agrees not to hold Broker responsible for its return (IF CHECKED:) If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.
B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant’s default in payment of Rent, late charges, non-sufficient funds (“NSF”) fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH’S RENT. If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord’s only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.
C. No interest will be paid on security deposit, unless required by local ordinance.

The copyright laws of the United States (Title 17 U.S. Code) forbid the unauthorized reproduction of this form, or any portion thereof, by photocopy machine or any other means, including facsimile or computerized formats. Copyright © 1998-2009, CALIFORNIA ASSOCIATION OF REALTORS®, INC. ALL RIGHTS RESERVED.

Landlord’s Initials (LS) ()
Tenant’s Initials (ST) ()

Reviewed by Date



CL REVISED 10/01 (PAGE 1 of 6)

COMMERCIAL LEASE AGREEMENT (CL PAGE 1 OF 6)

Agent: Stephan Thompson Phone: 858.436.2005 Fax: 858.436.2023 Prepared using WINForms® software
Broker: Pacific Real Estate Network 4810 Eastgate Mall #302 San Diego, CA 92121

Premises: Suite A-1

Date December 15th 2009

7. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent: From <u>12/01/2009</u> To <u>12/31/2009</u> Date Date	\$ _____	\$ <u>700.00</u>	\$ <u>(700.00)</u>	_____
B. Security Deposit	\$ _____	\$ <u>1,000.00</u>	\$ <u>(1,000.00)</u>	_____
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ _____	\$ <u>1,700.00</u>	\$ <u>(1,700.00)</u>	_____

8. PARKING: Tenant is entitled to Back parking Lot unreserved and _____ reserved vehicle parking spaces. The right to parking is is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional \$ in rent per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: _____
The right to additional storage space is is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional \$ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$ 100.00 as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: _____
Items listed as exceptions shall be dealt with in the following manner: _____

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant Included in Rent

14. PROPERTY OPERATING EXPENSES:
A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real estate taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property. _____

OR B. (if checked) Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as Taxi cab office and parking
No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:
A. Tenant OR (if checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.
B. Landlord OR (if checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and _____

Landlord's Initials (CS) (_____) (_____)
Tenant's Initials (ST) (_____) (_____)
Reviewed by _____ Date _____



Premises: Suite A-1

- 18. **ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
- 19. **GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
- 20. **ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
- 21. **SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or _____) day period preceding the termination of the agreement.
- 22. **SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
- 23. **POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within 60 (or _____) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
- 24. **TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in paragraph 11; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) 30 Days

All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.

- 25. **BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by relending the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
- 26. **DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of Premises. If damage occurs as a result of an act of Tenant or Tenant's guests, only Landlord shall have the right of termination, and no reduction in Rent shall be made.
- 27. **HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
- 28. **CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
- 29. **INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry liability insurance in an amount of not less than \$ _____. Tenant's liability insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ _____, plus property insurance in an amount sufficient to cover the replacement cost of the property. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials (LS) (_____)
 Tenant's Initials (JK) (_____)
 Reviewed by _____ Date _____



- 30. **TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.
- 31. **LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.
- 32. **SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.
- 33. **TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (i) before occupancy begins, upon disapproval of the credit report(s); or (ii) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.
- 34. **DISPUTE RESOLUTION:**
 - A. **MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 34B(2) below. Paragraphs 34B(2) and (3) apply whether or not the arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.**
 - B. **ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 34B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.
 - (2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.
 - (3) **BROKERS:** Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Landlord's Initials LS _____ Tenant's Initials SCD _____

Landlord's Initials (LS) (_____)
 Tenant's Initials (SCD) (_____)

Reviewed by _____ Date _____



35. JOINT AND INDIVIDUAL OBLIGATIONS: If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

36. NOTICE: Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:

Landlord: _____ Tenant _____

Notice is deemed effective upon the earliest of the following: (i) personal receipt by either party or their agent; (ii) written acknowledgement of notice; or (iii) 5 days after mailing notice to such location by first class mail, postage pre-paid.

37. WAIVER: The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach

38. INDEMNIFICATION: Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

39. OTHER TERMS AND CONDITIONS/SUPPLEMENTS: _____

The following ATTACHED supplements/exhibits are incorporated in this agreement: Option Agreement (C.A.R. Form OA)

40. ATTORNEY FEES: In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 34A.

41. ENTIRE CONTRACT: Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

42. BROKERAGE: Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this paragraph 42.

43. AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:

Listing Agent: _____ (Print Firm Name) is the agent of (check one):

the Landlord exclusively; or both the Tenant and Landlord.

Selling Agent: _____ (Print Firm Name) (if not same as Listing Agent) is the agent of

(check one): the Tenant exclusively; or the Landlord exclusively; or both the Tenant and Landlord.

Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord's Initials (LS) () ()
Tenant's Initials (SC) () ()

Reviewed by _____ Date _____



Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by others; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

Tenant [Signature] Date 12/15/09

Stephan Craig Thompson
(Print Name)
Address 696 Rivertree Dr City Oceanside State Ca Zip 92058

Tenant _____ Date _____
(Print Name)
Address _____ City _____ State _____ Zip _____

Landlord [Signature] Date 12/14/09
(owner or agent with authority to enter into this agreement)
Address 441 El Camino Real Space 119 City Encinitas State Ca Zip 92024

Landlord _____ Date _____
(owner or agent with authority to enter into this agreement)
Address _____ City _____ State _____ Zip _____

Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Leasing Firm) _____ DRE Lic. # _____
By (Agent) _____ DRE Lic. # _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) _____ DRE Lic. # _____
By (Agent) _____ DRE Lic. # _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is available for use by the entire real estate industry. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.

Published and Distributed by:
REAL ESTATE BUSINESS SERVICES, INC.
a subsidiary of the California Association of REALTORS®
525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



Craig's Cab

12/16/09

To Whom It May Concern:

Due to the advice given to my by your licensing department I am requesting that you please hold my application for Craig's Cab taxi license until January 11th 2010. By January 11th 2010 I will hopefully have made the necessary changes to my business structure in order to get their recommendation to operate in Oceanside. I truly appreciate your help.

Sincerely,



Stephan Craig Thompson



Memorandum

**Financial Services Department
Revenue/Business Activities Division**

Date: *December 14, 2009*

To: *Peter Weiss, City Manager*

Cc: *Tarquin Preziosi, Deputy City Attorney*

From: *Sheri Brown, Revenue Manager* 

Re: *Taxicab Petition*

On November 17, 2009 the business licensing division received a petition to operate taxicabs in Oceanside. Attached for your review is a copy of the petition. The petition was routed to police and planning for review as directed in Oceanside Municipal Code Section 35.8 (2). Additionally, the petition was forwarded to other members of the taxicab committee for review. I have summarized the feedback from staff as listed below.

- The applicant has failed to prove the existence of public convenience and necessity as required by Section 35.11 of the Oceanside Municipal Code.
- The petition lists a residentially zoned location as the proposed business location. The applicant did not provide a plan or submit a conditional use permit application for vehicle storage. The Zoning Ordinance for a home occupation only allows for one vehicle with no identifying signage. The petition requests authorization for up to 20 vehicles that require signage pursuant to California Vehicle Code 27900. Vehicle storage is limited to IL (light industrial) or IG (general industrial) zones with an approved vehicle storage permit. The proposed business location does not fit with the Zoning Ordinance.

Pursuant to Section 35.8 (4) this petition is being forwarded to you with staff's input within the prescribed three days. Pursuant to Section 35.8 (5), within 30 days you are required to convene the taxicab committee and give notice of a public hearing. I'll be contacting the applicant regarding the above concerns. Should he choose to withdraw his petition to address these issues, I will contact you.

November 17, 2009

City Of Oceanside
Licensing Division

Taxicab Operator Petition/Application

To Whom It May Concern:

The hours of operation I plan to keep while in the beginning stages of my business will be from 6:00am to 3:00 am. Between the hours of 11:00am and 6:00pm I will not be on the streets looking for flags, I will use this time to rest. During these hours I will still take and service any incoming phone calls. I do plan on having an additional taxi added in the next two months. Once I have accomplished this I will be covering Oceanside twenty four hours every day.

Sincerely,


Stephan Craig Thompson CFO
SCT Marketing & Finance DBA Craig's Cab

November 17, 2009

City Of Oceanside
Licensing Division

Taxicab Operator Petition/Application

To Whom It May Concern:

This letter is in direct response to the letter sent to me by the Financial Services Department regarding the next steps in my application process. This letter as well as the Verification for Petition have been notarized on November 17, 2009 and are being delivered by hand to your office.

At this time I have done some research regarding the method of dispatching my future cabs. Because my company will have no more than 20 cabs I have found that I Stephan Craig Thompson will be receiving the phone calls at my business number (760) 722-2227. At this time I will handle all calls personally. As the business grows I will utilize Verizon wireless mobile to mobile system to dispatch other cabs. Being a small business at this time I will have a sheet that will date and time each and every call that comes in and I will also time stamp when that call is actually picked up. I will be able to provide you with these sheets on a quarterly basis. As the business progresses and more cabs are purchased I will have the dispatcher keep track of all of the information regarding calls and response times on some type of excel spread sheet. These reports will also be sent to you on a quarterly basis for your review.

Each additional driver I hire will be a lessee not an employee. He will be an independent contractor. I have not yet had my lawyer devise a contract regarding my lessees but will have that accomplished in the immediate future. Once I have completed that contract I will forward it to your department giving you ample time to approve or disapprove the wording before I lease any of my cabs.

The profit and loss statement has not yet been audited because the corporation was just formed this year. My accountant will prepare the taxes for both my corporation and myself personally on or before the deadline of April 15, 2010.

I have emailed you a picture of the purposed vehicle with the lettering. This vehicle has been inspected by the San Diego County Sheriffs department and has already passed inspection for Del Mar, Solana Beach and Encinitas.

Sincerely,



Stephan Craig Thompson CFO
SCT Marketing & Finance DBA Craig's Cab

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO

On 11-17-09 before me, DENNIS J DAYTON NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

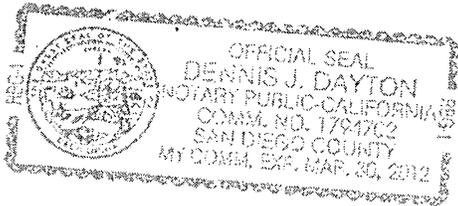
personally appeared STEPHAN CRAIG THOMPSON
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: TAXI CAB OPERATOR PETITION / APPLICATION

Document Date: 11-17-2009 Number of Pages: 1

Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

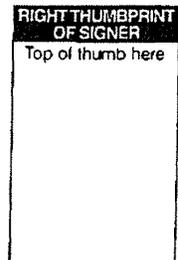
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

VERIFICATION FOR PETITION
AUTHORIZATION TO OPERATE TAXI CABS
IN THE CITY OF OCEANSIDE

I, Stephen Craig Thompson, declare as follows:

1. I am the Chief Executive Officer and Chief Financial Officer for SCT Marketing and Finance, a California corporation. The principal place of business for SCT Marketing and Finance is located in the City of Oceanside at 686 Rivertree Drive. The cross streets for this location are chimney Rock and Fousat Road.
2. SCT Marketing and Finance has submitted a petition/application for a five-year franchise agreement with authorization to operate a maximum of 20 taxicabs in Oceanside. The petition consists of the City of Oceanside Franchise Agreement and application documents as set by Chapter 35 of the Oceanside Municipal Code.
3. I declare under penalty of perjury under the laws of the State of California that the foregoing information provided for the petition, including the above referenced documents on file with the City of Oceanside is true and correct of my own knowledge, except for those items stated on information and belief, and as to those items, I am informed and believe them to be true.

Executed this 17 day of November, 2009 at Oceanside, California



Signature – Stephen Craig Thompson, Chief Executive Officer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN DIEGO

On 11-17-09 before me, DENNIS J DAYTON NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

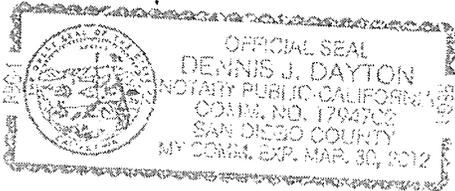
personally appeared STEPHAN CRAIG THOMPSON
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: OPERATE TAXI CABS IN OCCUNSIDER VERIFICATION FOR PETITION AUTHORIZATION TO

Document Date: 11-17-2009 Number of Pages: 1

Signer(s) Other Than Named Above: NONE

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

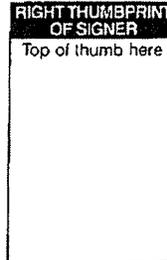
Signer Is Representing: _____



Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____





CITY OF OCEANSIDE

Financial Services Department
Revenue Division

November 6, 2009

Stephen Craig Thompson
686 Rivertree Drive
Oceanside Ca 92058

Re: Taxicab Operator Petition/Application

Dear Mr. Thompson:

This letter is in response to your application to operate a taxicab company in the City of Oceanside. Please be aware that taxicab companies are required to enter into a franchise agreement. The franchise agreement has requirements in addition to the Municipal code. I have enclosed the standard template for your review. Upon review of your petition, some items warrant additional follow up and/or clarification.

Section 35.9 – Verification: Attached please find an approved verification form. This form must be executed (signed and notarized) and added to your petition packet to satisfy the requirements of this section.

Section 35.10 (e) (1) – Please provide detailed information regarding dispatch. In applying for authorization to operate a taxicab business the City and the operator enter into a franchise agreement. The franchise agreement requires that the company provides quarterly reports on response times. Please describe the method that will be used to track and report response times. Second, please describe the mechanisms that will be in place to ensure all service calls are responded to by a driver.

Section 35.10 (e) (6) – Although you are currently the only proposed driver, your petition indicates the addition of two cabs by 2011 and a maximum of 20 cabs over five years. Please indicate if the additional drivers will be employees or lessees. If lessees, please provide a copy of a lease or subcontract arrangement. If this has not been determined at this time, please provide information as to how/when you will notify the City about the additional vehicles and drivers.

Taxicab Operators Petition/Application
November 6, 2009
Page 2

Section 35.10 (f) –Vehicles will be inspected and permitted individually upon Council approval of your application pursuant to the Municipal Code and the Franchise agreement requirements. Please note that vehicles 7 years or older will not be permitted. Thus, the description of your initial vehicle is acceptable at this time however, in a five-year agreement it would not be permitted all five years.

Section 35.10 (g) –Please indicate if the profit & loss statement you submitted has been audited.

Section 35.10, last sentence –Please remit the \$25.00 fee for recovery of the expenses to investigate the application. The \$25.00 submitted on October 26, 2009 covered the fee for the business license issued authorizing office work only. The \$25.00 fee outlined in this section of the Municipal Code is additional.

Section 35.89 – Please provide a picture of the proposed vehicle with lettering. To get the best quality you may email pictures to me at sbrown@ci.oceanside.ca.us.

Upon receipt of the requested information, your application will be processed as outlined in the Municipal Code. If you have any questions or concerns, please feel free to contact me at (760) 435-3887.

Thank you,

A handwritten signature in black ink, appearing to read "Sheri Brown", with a long, sweeping underline.

Sheri Brown
Revenue & Business Activity Manager

10/31/09

To Whom It May Concern:

This is a petition for a taxi license in the city of Oceanside.

My name is Stephan Craig Thompson. I am the both the CEO and CFO of the Corporation SCT Marketing and Finance. My wife Arlene B. Thompson is the Secretary of the Corporation. My wife resides at 686 Rivertree Dr. Oceanside CA. 92058. The business is operated out of my home located at 686 Rivertree Drive, Oceanside, CA. 92058. The nearest cross streets are Chimney Rock to the west and Foussat Road to the east. This is also the address stated on my DBA "Craig's, Cabs".

The purpose for this new company is to operate a taxi service for the areas of Del Mar, Solana Beach, Encinitas, Carlsbad and Oceanside. This business is scheduled to open November 15th 2009. At this time I Stephan Craig Thompson will be the only person driving for the business. My goal is to add more taxis as time goes on. I hope to have at least two more taxis by the end of 2010; I will have a total of 20 Taxis in the next five years. All cabs will be all silver in color with black lettering reading Craig's Cabs.

My rates will be as follows:

\$2.80 Flag Drop

\$3.40 per Mile

\$40.00 Hour wait time

My first taxi is a 2004 Toyota Sienna

Commercial Plate # 8V94839

Vin # 5TDZA23C14S199410

Mileage is 59497

It seats 8 people including driver.

Cars will be completely silver in color and the lettering will be in black.

My only liability is my home at 686 Rivertree Dr. The Taxi is owned outright by SCT marketing and Finance. With this letter you will also find all of the supporting documentation.

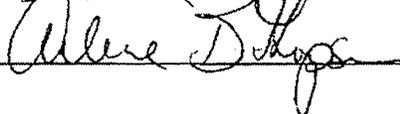
This business will serve as a public service for many reasons. I will provide services during the day to the elderly who are not capable of driving. I will also drive people who have had too much to drink home. I will get people to and from the trains, busses and airports. I will also be an advocate for the city of Oceanside to tourist and people who may want to do business in our city. I am also a licensed Real Estate agent who promotes this city every chance I get. I have owned a home in this city since 2004 and plan on making Oceanside my home forever. I want to do anything in my power to better the community of Oceanside

I appreciate you considering me for this license.

Sincerely,
Stephan Craig Thompson

 10/31/09

Arlene B. Thompson

 10/31/09

CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE

NOT TRANSFERABLE

**CITY OF OCEANSIDE
BUSINESS LICENSE CERTIFICATE**

POST IN CONSPICUOUS PLACE
AT BUSINESS LOCATION

KEEP FOR YOUR RECORDS
BUSINESS TAX RECEIPT

ACCOUNT NUMBER

119933

DATE PAID

10/27/2009

RATE CODE

CT4

OWNER FIRM OR
CORPORATION NAME

SCT MARKETING & FINANCE

BUSINESS NAME
ATTENTION

CRAIGS CAB

MAILING ADDRESS
CITY AND STATE

686 RIVERTREE DR
OCEANSIDE, CA 92058-7445

EXPIRATION DATE

04/30/2010

NON-REFUNDABLE

This Business License does not permit business otherwise prohibited. The payment of a business license fee required by the Municipal Code, and its acceptance by the city and the issuance of a business license to any person shall not entitle the holder thereof to carry on any business unless he has complied with all the requirements of said code and all other applicable laws, nor to carry on any business in any building or on any premises designated in such business license in the event such building or premises are situated in a zone, or locality in which the conduct of such business is a violation of any law. This license is issued without verification that the license is subject to or exempt from licensing by the State of California.

BUSINESS LOCATION IN OCEANSIDE

686 RIVERTREE DR

ACCT. NO. 119933
DATE PAID 10/27/2009

BUSINESS TAX

ADMIN \$25.00
CT4 \$0.00

TOTAL PAID \$25.00

TAXES PAID IN ACCORDANCE WITH
CITY BUSINESS TAX ORDINANCE

CITY OF
OCEANSIDE

CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE CITY OF OCEANSIDE

STATE OF CALIFORNIA

CERTIFICATE OF TITLE

VEHICLE HISTORY

61409102241

COMMERCIAL

TAXI

VEHICLE ID NUMBER

SDZA23C14S199410

YR

MODEL

MAKE

2004 TOYT

PLATE NUMBER

8V94839

BODY TYPE MODEL

TX

UNLOADED AX WEIGHT

2 04160 G

FUEL

TRANSFER DATE

10/05/09

FEES PAID

\$554

REGISTRATION EXPIRATION DATE

08/31/2010

YR 1ST SOLD

2004 DE

CLASS

2009

QY

MO

EQUIPMT/TRUST NUMBER

ISSUE DATE

11/01/09

MOTORCYCLE ENGINE NUMBER

ODOMETER DATE

10/05/2009

ODOMETER READING

59497 MI

REGISTERED OWNER(S)

SCT MARKETING/FIN INC
686 RIVERTREE DR
OCEANSIDE CA 92058

ACTUAL MILEAGE

I certify (or declare) under penalty of perjury under the laws of the State of California that THE SIGNATURE(S) BELOW RELEASES INTEREST IN THE VEHICLE:

To:

DATE

X

SIGNATURE OF REGISTERED OWNER

To:

DATE

X

SIGNATURE OF REGISTERED OWNER

Federal and State law requires that you state the mileage upon transfer of ownership. Failure to complete or providing a false statement may result in fines and/or imprisonment.

The odometer now reads 59497 (no tenths), miles and to the best of my knowledge reflects the actual mileage unless one of the following statements is checked.

Odometer reading is not the actual mileage. Mileage exceeds the odometer mechanical limits.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATE	TRANSFEROR/SELLER SIGNATURE(S)	DATE	TRANSFeree/BUYER SIGNATURE(S)
	X		X
PRINTED NAME OF SELLER OR AGENT SIGNING FOR A COMPANY		PRINTED NAME OF BUYER OR AGENT SIGNING FOR A COMPANY	

IMPORTANT READ CAREFULLY

Any change of Lienholder (holder of security interest) must be reported to the Department of Motor Vehicles within 10 days.

LIENHOLDER(S)

2. X

Signature releases interest in vehicle. (Company names must be countersigned)

Release Date

CA 120969260

005322

REG. 17,309S (REV. 7-07)

KEEP IN A SAFE PLACE - VOID IF ALTERED

VOID WITHOUT BEAR WATERMARK. HOLD TO LIGHT TO VIEW.

VOID WITHOUT BEAR WATERMARK. HOLD TO LIGHT TO VIEW.

3110007

State of California Secretary of State



STATEMENT OF INFORMATION

(Domestic Stock and Agricultural Cooperative Corporations)

FEES (Filing and Disclosure): \$25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

This Space For Filing Use Only

1. CORPORATE NAME (Please do not alter if name is preprinted.)

S

SCT MARKETING and FINANCE INC.

DUE DATE: MAY 25 2009

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 2 and 3 cannot be P.O. Boxes.)

Table with 4 rows and 4 columns: Item number, Address, City, State, ZIP CODE. Row 2: 686 Rivertree DR, Oceanside, CA, 92058. Row 3: (Blank), (Blank), CA. Row 4: (Blank), (Blank), (Blank), (Blank).

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

Table with 3 rows and 4 columns: Item number, Title, Name, Address, City, State, ZIP CODE. Row 5: CHIEF EXECUTIVE OFFICER/ Stephen C. Thompson, 686 Rivertree DR, Oceanside, CA, 92058. Row 6: SECRETARY/ Arlene B. Thompson, 686 Rivertree DR, Oceanside, CA, 92058. Row 7: CHIEF FINANCIAL OFFICER/ Stephen C. Thompson, 686 Rivertree, Oceanside, CA, 92058.

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary.)

Table with 3 rows and 4 columns: Item number, Name, Address, City, State, ZIP CODE. Row 8: Stephen C. Thompson, 686 Rivertree DR, Oceanside, CA, 92058. Row 9: (Blank), (Blank), (Blank), (Blank), (Blank), (Blank). Row 10: (Blank), (Blank), (Blank), (Blank), (Blank), (Blank).

11. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California street address (a P.O. Box address is not acceptable). If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 13 must be left blank.)

Table with 2 rows and 4 columns: Item number, Name, Address, City, State, ZIP CODE. Row 12: James Peterson. Row 13: 1611A. South Melrose DR #261, Vista, CA, CA, 92081.

TYPE OF BUSINESS

14. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION: Finance and Real Estate.

15. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT

3/12/09 Stephen C. Thompson Pres/CEO [Signature]



State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

FEB 25 2009

Debra Bowen

DEBRA BOWEN
Secretary of State

ARTICLES OF INCORPORATION

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

FEB 25 2009

I

The name of this corporation is: **SCT Marketing and Finance, Inc.**

II

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the GENERAL CORPORATION LAW of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

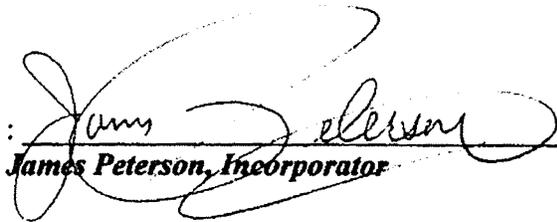
III

The name and address in the state of California of this corporation's initial agent for service is:

James Peterson
1611a South Melrose Drive #261
Vista, California 92081

IV

This corporation is authorized to issue only one class of stock and the total number of shares, which this corporation is authorized, is **10,000,000** shares


James Peterson, Incorporator



Date of this notice: 03-12-2009

Employer Identification Number:
26-4438204

Form: SS-4

Number of this notice: CP 575 A

For assistance you may call us at:
1-800-829-4933

SCT MARKETING AND FINANCE INC
1611 S MELROSE DR STE A
VISTA, CA 92081

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 26-4438204. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120

03/15/2010

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes* and Publication 4248, *EFTPS (Brochure)*. If you need to make a deposit before you receive your Welcome Package, please visit an IRS taxpayer assistance center to obtain a Federal Tax Deposit Coupon, Form 8109-B. To locate the taxpayer assistance center nearest you, visit the IRS Web site at <http://www.irs.gov/localcontacts/index.html>. Note: You will not be able to obtain Form 8109-B by calling 1-800-829-TAXFORMS (1-800-829-3676).

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

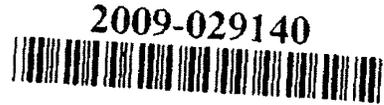
- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub. Thank you for your cooperation.

Keep this part for your records.

CP 575 A (Rev. 7-2007)

DAVID BUTLER
 RECORDER/COUNTY CLERK
 COUNTY OF SAN DIEGO
 1600 PACIFIC HIGHWAY, SUITE 260
 P O BOX 121750, SAN DIEGO, CA 92112-1750
 (619) 237-0502



OCT-09-2009

FILED
 DAVID L. BUTLER
 SAN DIEGO COUNTY CLERK
 FEES: 34.00
 EXPIRES: OCT-09-2014
 DEPUTY: CLISKER

PLEASE PRINT/TYPE INFORMATION
 AND RETURN ENTIRE FORM

SELECTED COPIES:

NEWSPAPER Yes No
 CUSTOMER Yes No

Each Copy is \$2.00 Extra

FORM INSTRUCTIONS ON BACK

\$ 30.00- FOR FIRST BUSINESS NAME ON STATEMENT
 \$ 5.00- FOR EACH ADDITIONAL BUSINESS NAME
 FILED ON SAME STATEMENT AND DOING
 BUSINESS AT THE SAME LOCATION
 \$ 5.00- FOR EACH ADDITIONAL OWNER IN EXCESS
 OF ONE OWNER

THIS SPACE FOR USE BY...

FICTITIOUS BUSINESS NAME STATEMENT

(1) FICTITIOUS BUSINESS NAME(S):

a. Craig's Cabs

b. _____

686 Riverbree Dr, Oceanside CA, San Diego 92058
 Street Address (P.O. Box not acceptable)

Mailing Address: _____ (Optional)

(3) THIS BUSINESS IS CONDUCTED BY:

- A. An Individual
- B. Husband and Wife
- C. A General Partnership
- D. A Limited Partnership
- E. Joint Venture
- F. A Corporation
- G. A Trust
- H. Co-Partners
- I. A Limited Liability Company
- J. Limited Liability Partnership
- K. An Unincorporated Association-Other than a Partnership
- L. State or Local Registered Domestic Partners

(4) THE FIRST DAY OF BUSINESS WAS: _____ OR IF NOT YET STARTED, CHECK HERE

(5) THIS BUSINESS IS HEREBY REGISTERED BY THE FOLLOWING:

#1 <u>SCT Marketing & Finance Inc</u>	#2 _____
Owner's, Partner's, Trustee's Name or Corporation/LLC Name	Owner's, Partner's, Trustee's Name or Corporation/LLC Name
<u>686 Riverbree Dr</u>	_____
Residence/Corporation/LLC Street Address/PO Box not allowed	Residence/Corporation/LLC Street Address/PO Box not allowed
<u>Oceanside Ca 92058</u>	_____
City State Zip	City State Zip
<u>California</u>	_____
Corporation or LLC - Print STATE of Incorporation/Organization	Corporation or LLC - Print STATE of Incorporation/Organization
#3 _____	#4 _____
Owner's, Partner's, Trustee's Name or Corporation/LLC Name	Owner's, Partner's, Trustee's Name or Corporation/LLC Name
Residence/Corporation/LLC Street Address/PO Box not allowed	Residence/Corporation/LLC Street Address/PO Box not allowed
City State Zip	City State Zip
Corporation or LLC - Print STATE of Incorporation/Organization	Corporation or LLC - Print STATE of Incorporation/Organization

I declare that all information in this statement is true and correct. (A registrant who declares as true information which he or she knows to be false is guilty of a crime.)

(6) [Signature] Stephan Craig Thompson CEO
 (Signature of Registrant) (Print name) (Corp/LLC print Title)

THIS STATEMENT WAS FILED WITH THE RECORDER/COUNTY CLERK OF SAN DIEGO COUNTY AS INDICATED BY THE FILE STAMP ABOVE.
 NOTICE - THIS FICTITIOUS NAME STATEMENT EXPIRES FIVE (5) YEARS FROM THE DATE IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK. A NEW
 FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THAT TIME.
 THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF
 ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE).
 IT IS THE RESPONSIBILITY OF THE REGISTRANT TO DETERMINE THAT THE FICTITIOUS BUSINESS NAME SELECTED WILL NOT VIOLATE
 ANOTHER'S RIGHTS ESTABLISHED UNDER THE LAW.

California

(STATE)

303SANDIE4
INSURANCE IDENTIFICATION CARD

COMPANY NUMBER

COMPANY

Mercury Casualty Company

POLICY NUMBER

EFFECTIVE DATE

EXPIRATION DATE

CCA0000161

09/05/2009

09/05/2010

YEAR

MAKE/MODEL

VEHICLE IDENTIFICATION NUMBER

2004

TOYO CAB 01

5TDZA23C14S199410

AGENCY/COMPANY ISSUING CARD

BB&T-John Burnham Ins Services

750 B Street Suite 2400

San Diego, CA 92101

Report claims with in 24 hours 888-913-6372

INSURED

SCT Marketing/ Fin Inc

dba: Craigs Cab

686 Rivertree Dr

Oceanside, CA 92058

678

SEE IMPORTANT NOTICE ON REVERSE SIDE

THIS CARD MUST BE KEPT IN THE INSURED
VEHICLE AND PRESENTED UPON DEMAND

IN CASE OF ACCIDENT: Report all accidents to your Agent/Company as soon as possible. Obtain the following information:

1. Name and address of each driver, passenger and witness.
2. Name of Insurance Company and policy number for each vehicle involved.

The policy meets the requirements of Section 16056 of the California Vehicle Code.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/26/2009

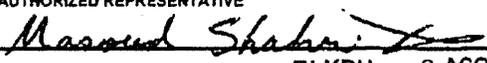
PRODUCER BB&T-John Burnham Ins Services 750 B Street Suite 2400 San Diego, CA 92101 619 231-1010	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURED SCT Marketing/ Fin Inc dba: Craigs Cab 686 Rivertree Dr Oceanside, CA 92058	INSURERS AFFORDING COVERAGE
	INSURER A: Mercury Casualty Company	11908
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <hr/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE	\$
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
						MED EXP (Any one person)	\$
						PERSONAL & ADV INJURY	\$
						GENERAL AGGREGATE	\$
						PRODUCTS - COMP/OP AGG	\$
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CCA0000161	09/05/09	09/05/10	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN EA ACC	\$
						AUTO ONLY: AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <hr/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER	
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Craigs Cab: Certificate holder is named as additional insured as their interest may appear.
EFF. 10/26/2009 ADD CAB #01-2004 TOYOTA VIN# 5TDZA23C14S199410.

CERTIFICATE HOLDER City of Oceanside Attn: City Clerk 300 North Coast Highway Oceanside, CA 92054	CANCELLATION 10 Days for Non-Payment SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
--------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/26/2009

PRODUCER
BB&T-John Burnham Ins Services
750 B Street Suite 2400
San Diego, CA 92101
619 231-1010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
SCT Marketing/ Fin Inc
dba: Craigs Cab
686 Rivertree Dr
Oceanside, CA 92058

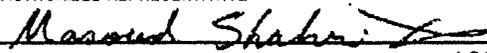
INSURERS AFFORDING COVERAGE		NAIC #
INSURER A	Mercury Casualty Company	11908
INSURER B		
INSURER C		
INSURER D		
INSURER E		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <hr/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE	\$
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
						MED EXP (Any one person)	\$
						PERSONAL & ADV INJURY	\$
						GENERAL AGGREGATE	\$
						PRODUCTS - COMP/OP AGG	\$
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CCA0000161	09/05/09	09/05/10	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <hr/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS	OTH-ER
						E L EACH ACCIDENT	\$
						E L D SEASE - EA EMPLOYEE	\$
						E L DISEASE - POLICY LIMIT	\$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Craigs Cab: Certificate holder is named as additional insured as their interest may appear.
EFF. 10/26/2009 ADD CAB #01-2004 TOYOTA VIN# 5TDZA23C14S199410.

CERTIFICATE HOLDER	CANCELLATION
City of Oceanside Attn: City Clerk 300 North Coast Highway Oceanside, CA 92054	10 Days for Non-Payment SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 



BUSINESS LICENSE APPLICATION CITY OF OCEANSIDE

300 N. COAST HIGHWAY
OCEANSIDE, CA 92054
760-435-3878

- PLEASE INDICATE:**
- New Business
 - Change of Owners
 - Change of Address
 - Change of Business Name
 - Add/Change Business Description
 - Home Occupation
 - No Longer in Business

Please make checks payable to City of Oceanside.

INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

BUSINESS INFORMATION License No. 119933

MAILING ADDRESS:

Business Name: Craig's Cab
(D.B.A.)
In care of: _____

BUSINESS LOCATION:

Bus. Addr.: 686 Rivertree Dr
(NOT P.O. BOX) NUMBER STREET SUITE NO.
Oceanside Ca 92058
CITY STATE ZIP

Mail Address: 686 Rivertree Dr
NUMBER STREET SUITE NO.
Oceanside Ca 92058
CITY STATE ZIP

Bus. Phone: (760) 722-2227

Corporation: _____
Corp. Name: SEA Marketing & Finance Phone # (760) 722-2227

City Start Date: 10/26/09 State ID: --- Health Permit: --- Sole Prop.
 Hrs. of Operation: _____ Fed ID: _____ ABC License #: _____ Partnership
 # of Employees: 1 Seller's Permit: _____ Contractor #/Class: _____ Corporation
 LLC

Property Owner/Management Co: _____

Address of Owner/Management Co: _____

Phone Number of Owner/Management Co: _____

Business activity must be described in detail: Taxi driver not operating in Oceanside

presently Home address used for office
STATE ID
OCT 26 2009
BY: CK # 1015

OWNERSHIP INFORMATION

Owner/Pres.: Thompson Stephan Craig
LAST FIRST M.I.
Home Addr.: 686 Rivertree Dr
NUMBER STREET SUITE NO.
Oceanside Ca 92058
CITY STATE ZIP
Home Ph. #: (760) 722-2227 SSN: [REDACTED]
Birth Date: 04/04/63 Driver's License # A32415797
Issuing State: Ca

Owner/Pres.: _____
LAST FIRST M.I.
Home Addr.: _____
NUMBER STREET SUITE NO.
CITY STATE ZIP
Home Ph. #: (_____) _____ SSN: _____
Birth Date: _____ Driver's License # _____
Issuing State: _____

Fees and Charges: Administrative Fee \$ 50.00 Tax; Fren

DECLARATIONS

I certify that in the performance of any business activities for which this license is issued, I shall not employ a person in any manner so to become subject to the Worker's Compensation laws of California. If I should become subject to the Worker's Compensation laws I shall forthwith comply with the provisions of section 3700 of the labor code. I further declare under penalty of perjury under the laws of California that the above information is true and correct to the best of my knowledge.

Oh no [Signature] 10/26/09

FOR OFFICE USE ONLY

Business License # 119933

DEPARTMENT

- | | | |
|-------------------------------------------------|----------------------------------------------|------------------------------------------|
| <input type="checkbox"/> Fire Prevention | <input type="checkbox"/> Police | <input type="checkbox"/> Approved |
| <input type="checkbox"/> Harbor | <input type="checkbox"/> Property Management | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Planning | <input type="checkbox"/> Redevelopment | <input type="checkbox"/> C.U.P. Required |
| <input type="checkbox"/> Water Utilities-F.O.G. | <input type="checkbox"/> Other | S.I.C. _____ |
| | | Zone _____ |

Reviewed by: _____ Date: _____

Department: _____

Comments: _____

Date Received 10/26/09 Check # 1015 Cash _____ Credit Card _____

Received in person Received in mail _____

Comments: _____

Fire Fee Paid

City of Oceanside
Home Occupation Regulations Agreement

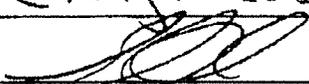
License # 119933

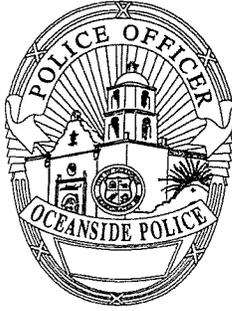
- A. Permit Required:** A home occupation in an A, O, MHP or R district shall require a business license, obtained by filing a completed application form with the Business License Office. A permit shall be issued upon determining that the proposed home occupation complies with the requirements of this section.
- B. Contents of Application:** An application for a home occupation license shall contain:
- ♦ the name, address, and telephone number of the applicant
 - ♦ a complete description of the proposed home occupation, including amount and location of floor space occupied, provisions for storage of materials, number and type of vehicles used, and provisions for parking
- C. Required Conditions and Regulations for a Home Occupation:**
1. A home occupation shall be conducted entirely within a building (with the exception of a Horticulture Limited use), and the combination of office, workspace and storage space shall occupy no more than 400 square feet of floor area (with the storage space not to exceed 200 square feet of floor area). No outdoor storage, or storage in required garage parking areas, shall be permitted. The amount and type of flammable, hazardous or toxic materials stored on-site, in conjunction with a home occupation, shall not be in excess of the amount normally found in the district.
 2. The existence of a home occupation shall not be apparent beyond the boundaries of the site. No use shall create noise, dust, vibration, smell, smoke, glare, electrical interference, fire hazard, or other hazard or nuisance to any greater or more frequent extent than that usually experienced in a district under circumstances where no home occupation exists. All noise shall comply with the City's Noise Control Ordinance (Chapter 38 of the Code of the City of Oceanside).
 3. No signage shall be permitted.
 4. No one other than a resident of the dwelling shall be employed on-site or report to work at the site in the conduct of a home occupation. This prohibition also applies to independent contractors.
 5. No kilns exceeding 10 cubic feet in size shall be permitted, and a home occupation shall comply with the performance standards prescribed by Section 3026.

6. Not more than one truck with a maximum capacity of one ton incidental to a home occupation shall be kept on the site. No signage identifying the existence of the home occupation shall be permitted on the vehicle.
7. The number of parking spaces available to a dwelling unit housing a home occupation shall not be reduced to less than two. At the minimum, a two-car garage with minimum dimensions of 20 feet by 19 feet shall be provided for the parking of vehicles (two 10-foot by 19-foot parking spaces). Materials and goods shall not be stored and no permanent work area, work bench, or structures shall be built within the required garage parking area.
8. A home occupation shall not create pedestrian, automobile, or truck traffic in excess of the normal amount in the district.
9. The delivery of materials, goods, or products to and from the location of a home occupation shall be limited to the hours of 7:00 a.m. to 7:00 p.m., with the exception of newspaper deliveries.
10. The size of delivery vehicles used in conjunction with the delivery of materials, goods, or products to and from the location of a home occupation shall be limited to a single unit truck with a maximum of 28-foot length and a maximum gross vehicle weight of 24,000 pounds.
11. No motor vehicle repair, beauty shop, barber shop, or retail sales shall be permitted, and a home occupation shall not include an office, sales room, or any other space open to any business visitors, customers, or clients, and there shall be no advertising of the address of the home occupation that results in attracting persons to the premises.

The license for a home occupation that is not operated in compliance with these regulations shall be revoked by the Business License Inspector, with the concurrence of the Building Director and the City Manager after 30 days written notice unless the home occupation is altered to comply.

I have read and understand the "Home Occupation Regulations" and agree to comply with all regulations as stated. I understand that the Business License is subject to revocation if any of the "Home Occupation Regulations" are violated.

Business Name: Craig's Cab
Signature: 
Date: 12/26/09



MEMORANDUM

TO: Taxicab Committee

FROM: Frank McCoy, Chief of Police

SUBJECT: Taxicab Operation PC&N

DATE: February 18, 2010

Having reviewed the petition submitted by Craig's Cab, I find that Public Convenience and Necessity does not exist to allow Craig's Cab to operate a taxicab service in the City of Oceanside.

