



Legislation Details (With Text)

File #: 16-0794 **Version:** 1 **Name:** Resolution: Settlement - Uber Memorandum of Agreement

Type: Resolution **Status:** Adopted

File created: 5/6/2016 **In control:** Law

On agenda: 5/10/2016 **Final action:** 5/10/2016

Title: Dept/ Agency: Law
Action: Ratifying Authorizing Amending
Purpose: Settlement of Potential Civil Litigation
Docket No.: Not applicable/Pre-filing of litigation
Claimant: City of Newark
Claimant's Attorney: Department of Law, Office of the Corporation Counsel
Attorney's Address: 920 Broad Street, Newark, New Jersey 07102
Settlement Amount: An amount up to \$10,000,000.00
Funding Source: Not applicable
Additional Comments:
Period: Over the period of seven (7) years to ten (10) years
Other Parties: Rasier, LLC, and Uber USA, LLC (collectively, "Uber"), Rasier, LLC ("Rasier"), which is a Delaware limited liability company, and a subsidiary of Uber Technologies, Inc., Uber USA, LLC ("Uber USA"), which is a Delaware limited liability company and a subsidiary of Uber Technologies, Inc.

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
5/10/2016	1	Municipal Council	Adopt	Pass

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WHEREAS, advances in smartphone technology and the development of ridesharing has led to the increased popularity, and reliance by consumers upon, digital network applications (Apps) that link consumers with drivers offering transportation in their own personal, non-commercial

vehicle; and

WHEREAS, the ridesharing industry is presently not regulated and the City, in the interests of public safety, is exploring means to best regulate the industry and desires to have an Agreement in place in the interim; and

WHEREAS, Uber desires to continue to operate and conduct business in the City of Newark; and

WHEREAS, a dispute arose between the City of Newark and Rasier, LLC, and Uber USA, LLC (collectively, "Uber"), Rasier, LLC ("Rasier"), which is a Delaware limited liability company, and a subsidiary of Uber Technologies, Inc., Uber USA, LLC ("Uber USA"), which is a Delaware limited liability company and a subsidiary of Uber Technologies, Inc., (the City and Uber are collectively referred to as "the Parties") about operations and conducting business in the City, and at Newark Liberty International Airport ("Airport"); and

WHEREAS, the parties desire to resolve the dispute by way of a settlement, the terms and conditions of which, are memorialized in the form of a Memorandum of Agreement ("MOA"); and

WHEREAS, the Mayor, the Corporation Counsel and the Municipal Council of the City of Newark believe it is in the best interest of the City of Newark to amicably resolve this dispute.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and the Corporation Counsel are authorized to enter into a Memorandum of Agreement to grant temporary authority to Rasier, LLC and Uber USA, LLC and drivers affiliated with Rasier, LLC and Uber USA, LLC to operate and conduct business in the City, including Newark Liberty International Airport.
2. The Memorandum of Agreement is ratified from April 26, 2016 to the date of adoption.
3. In exchange for the execution of the Memorandum of Agreement, acceptable in form to the Corporation Counsel and upon receipt by the Corporation Counsel and the Director of Finance of any and all other documents deemed necessary, the Director of Finance of the City of Newark is authorized to accept payment as set forth in the Memorandum of Agreement in an amount up to \$10,000,000.00 (Ten Million Dollars and Zero Cents) over a period of seven (7) to ten (10) years.
4. A fully executed copy of the Memorandum of Agreement shall be filed in the Office of the City Clerk by the Corporation Counsel.

STATEMENT

This resolution ratifies and authorizes the Mayor and the Corporation Counsel to enter into and execute a Memorandum of Agreement settling a dispute between Rasier, LLC and Uber USA, LLC concerning operations and conducting business in the City of Newark, and at Newark Liberty International Airport in an amount up to \$10,000,000.00 (Ten Million Dollars and Zero Cents) over a

period of seven (7) to ten (10) years.