

TRANSPORTATION COMMITTEE REPORT relative to rescinding Council action taken on April 19, 2013 in connection with authorizing the Los Angeles Department of Transportation (LADOT) to negotiate and execute a five-year contract with Hertz On Demand to provide carsharing services for the City of Los Angeles.

Recommendations for Council action, pursuant to Motion (Bonin - LaBonge):

1. RESCIND the April 19, 2013 action authorizing the LADOT to negotiate and execute a five-year contract with Hertz On Demand to provide carsharing services for the City of Los Angeles (Council File No. 11-1376).
2. AUTHORIZE the LADOT, in coordination with the City Attorney, to report within 60 days with recommendations on the implementation of a robust carshare program that allows multiple operators to compete and serve the City, including but not limited to, an open permit system.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On June 11, 2014, your Committee considered a Motion (Bonin - LaBonge) relative to rescinding Council action taken on April 19, 2013 in connection with authorizing the LADOT to negotiate and execute a five-year contract with Hertz On Demand (Hertz) to provide carsharing services for the City of Los Angeles. According to the Motion, the proposed program was originally envisioned to result in a citywide fleet of 1,000 shared cars over a period of five years, branded as the City's carsharing program. Program members were to be able to rent cars on an hourly basis and drop off at specific designated locations. Hertz was to be responsible for redistributing vehicles as necessary to ensure that all carshare locations had available vehicles, and provide exclusive branding of the City's carshare fleet.

Since the Council's action 14, the LADOT has been negotiating the terms and conditions of a contract with Hertz, however, a final agreement has not been reached and it is unlikely that an agreement will be reached. Specifically, Hertz had been non-responsive to the point where they failed to respond to the LADOT's last communication that was sent in February 2014. To date, Hertz has not responded to the LADOT.

After consideration and having provided an opportunity for public comment, the Committee recommended approval of the Motion as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

TRANSPORTATION COMMITTEE

<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
BONIN:	YES
KORETZ:	ABSENT
LABONGE:	YES
PARKS:	ABSENT
KREKORIAN:	YES

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**