

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 1, 2017

To: Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From:  Seleta J. Reynolds
General Manager
Department of Transportation

Subject: **STATUS UPDATE ON THE FORMULATION OF A MULTIPLE-PROVIDER CARSHARE FIXED-SPACE AND POINT-TO-POINT (P2P) CARSHARE PERMIT PROGRAM (CF#13-0192)**

SUMMARY

In May 2017, the Transportation Committee instructed LADOT to reach out to the carshare industry for feedback on the proposed Rules and Guidelines and the proposed fee structures for carsharing. The Transportation Committee also directed LADOT to make a recommendation for establishing an equity program using fees collected from the carsharing program. LADOT now seeks authority to set a formal fee structure, collect these fees, set up an equity fund account, and make any administrative changes to the rules and guidelines consistent with the approvals.

RECOMMENDATIONS

That the City Council, subject to approval of the Mayor:

1. APPROVE the revised Rules and Guidelines (Attachment A) necessary for implementation and program management of the Fixed Space and P2P Multiple-Provider Carshare Permit Pilot Program.
2. AUTHORIZE LADOT to make technical changes to the Rules and Guidelines as necessary to implement the intent of the Council-approved Carshare Program.
3. RECEIVE and APPROPRIATE funding from payments for compensation for parking revenue loss or other parking fees, permit fees, parking space conversion fees, and administrative costs related to the carshare pilot program into a Carshare Program account within the Permit Parking Program Revenue Fund No. 49C.
4. ADOPT the attached draft ordinance (Attachment B), subject to City Attorney approval as to form and legality, amending LAMC Section 80.58.1 allowing the Department of Transportation (LADOT) to charge fees associated with the Fixed Space and Point-to-Point Multiple-Provider Carshare Permit Pilot Program.
5. DIRECT LADOT to report in 180 days with an update on the carshare program.

BACKGROUND

On May 12, 2015, the Council approved Rules and Guidelines for a fixed space carshare pilot program and instructed the Department to prepare guidelines for a Point-to-Point (P2P) carshare program. The Council also approved Ordinance No. 183569 (C.F. 13-0192-SI) defining a "Qualified Carshare Organization" and granting LADOT responsibilities of preapproving, permitting, and collecting fees and administrative costs related to Qualified Carshare Organizations. The ordinance did not include the necessary fee schedule.

On May 19, 2017, LADOT presented to the Transportation Committee a draft Rules and Guidelines for both Fixed Space Carshare Pilot Program and Point-to-Point (P2P) Carshare Pilot Program, along with a draft fee structure for the Multiple-Provider Carshare Permit Pilot Program. The Transportation Committee instructed LADOT to reach out to carshare industry for feedback on the Rules and Guidelines and the proposed fee structures. The Transportation Committee also directed LADOT to create an equity program account for using the parking meter revenue recovery fund.

DISCUSSION

LADOT reached out to the carshare industry and received input from five (5) operators. Based on the feedback received, LADOT conducted a fee analysis and reviewed its internal operating costs. As a result of this analysis, LADOT is able to reduce the one-time fixed space conversion fee by \$1,183, and the annual permit fee by \$250. With these reductions, the following is the recommended fee structures:

Fixed-Space Permit Fees

Annual Permit Fee:	\$250
Fixed-Space Parking Meter Recovery Fee:	\$900 to \$3,300
Parking Meter Head Removal Fee:	\$200 (for metered space only)
Fixed-Space conversion Fee:	\$430 (optional)*
Engineering Inspection Fee:	\$100 **

* Qualified Carshare Organization (QCO) may select to perform all work associated with the space conversion (other than the parking meter head removal).

** If QCO selects to perform the space conversion, QCO will pay the \$100 for engineering inspection instead of the \$430 conversion fee.

Point-to-Point (P2P)

Annual Permit Fee:	\$250
Point-to-Point Parking Meter Recovery Fee:	\$1,500***

*** \$1,500 is the initial payment for Point-to-Point Meter Recovery, final payment will be calculated at the end of each calendar year by subtracting the initial \$1,500 payment from the actual meter revenue. If the average per-vehicle value of time parked in paid areas is less than \$1,500, the difference will not be reimbursed.

Attached in the draft ordinance is the recommended fee schedule, reflecting LADOT's recommendations for a tiered fee schedule and associated administrative and space conversion fees.

LADOT requests that Council adopt the attached draft ordinance to amend the existing car share ordinance, subject to City Attorney for form and legality, under Section 80.58.1 of the Los Angeles Municipal Code to include a schedule of fees related to the Multiple Provider Carshare Permit Pilot Program and the Point-to-Point Carshare Pilot Program.

P2P Impact on Preferential Parking Districts

As part of the outreach requested by the Transportation Committee, LADOT solicited input on the previous proposal from P2P operators. Car2Go expressed interest in establishing a pilot program that covers approximately 16,600 square miles including Downtown Los Angeles, extending westward to Fairfax, as far North as Hollywood, and as far South as the Interstate 10 Freeway, including University of Southern California. LADOT requested that Car2Go conduct outreach to City Council offices about their willingness to allow free-floating car sharing vehicles to be exempt from Preferential Parking District rules and parking restrictions, and received supportive feedback from the seven Council Districts in the pilot area 14. LADOT followed up with the individual Council Districts and confirmed their support for the program. In many cases, Council Districts either did not have PPDs or were not impacted by the proposed pilot area.

Carsharing Equity Program

In May 2017, the Transportation Committee instructed LADOT to create an equity program to support underserved community access to carsharing. Based upon national research, LADOT identified various opportunities to increase access to carsharing including:

- Community outreach and education;
- Carsharing subsidies for both rates and membership fees; and
- Partnership programs with community based organizations and businesses.

FISCAL IMPACT

These new programs will need lead time for outreach and marketing prior to their launch. LADOT anticipates collecting fees beginning in early 2018 and expects participation from three to six Qualified Carshare Organizations, deploying anywhere from 50 to 300 vehicles in FY2017-18. This would generate between \$28,750 and \$532,500 annually for the Carshare Program Account within the Permit Parking Program Revenue Fund No. 49C. Special Parking Revenue Fund No. 363 will be impacted as the parking meter recovery payments received from the Carshare program will be appropriated into the Carshare Program account within the Permit Parking Program Revenue Fund No. 49C.

SJR: JK: mp

Attachments:

Attachment A: Draft Rules and Guidelines for Multiple-Provider Carshare Permit Pilot Program

Attachment B: Draft Carshare Ordinance

