


**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL MEMORANDUM

Date: September 15, 2014

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

From:  Seleta J. Reynolds, General Manager  
Department of Transportation

Subject: **PROGRESS REPORT ON THE FORMULATION OF MULTIPLE-PROVIDER CARSHARE PERMIT PROGRAM (C.F. 13-0192)**

**SUMMARY**

The Los Angeles Department of Transportation (LADOT) recommends expansion of the Carshare Pilot Program for two years to test implementation of a multiple-provider permit system in the City of Los Angeles.

**RECOMMENDATIONS**

That the City Council:

1. DIRECT the LADOT to commence a Multiple-Provider Carshare Permit Pilot Program.
2. DIRECT the LADOT to finalize the proposed Rules and Guidelines for the Multiple-Provider Carshare Permit Pilot Program, pursuant to City Council instruction, and return submit the Rules and Guidelines for approval in 15 days.
3. DIRECT the LADOT to conduct outreach to potential Qualified Carshare Organizations (QCO) soliciting interest in participation in the Multiple-Provider Carshare Permit Pilot Program.
4. DIRECT the LADOT to arrange for sale of 10 or more permits per month to QCO for the remainder of Fiscal Year (FY) 2013-2014, subject to market demand.
5. INSTRUCT the LADOT to set up an account in the Permit Parking Program Revenue Fund to receive payments for permit fees and administrative costs.
6. INSTRUCT the LADOT to deposit all monies paid by any QCO as compensation for meter or parking fees to be deposited to the Special Parking Revenue Fund.
7. INSTRUCT the LADOT to determine the number of permits to be made available for QCO in FY 2014-2015 based on public and QCO demand, and to return to City Council by April 9, 2015 with recommendations regarding the number of permits.

8. INSTRUCT the General Manager of LADOT to return to City Council by April 9, 2015 with recommended modifications to the Guidelines to incorporate a point-to-point carshare permitting system and initial report on pilot.

## DISCUSSION

With the cancellation of the Request for Proposals, the City is tasked with assessing company and public demand for carsharing services citywide. As the demand for traditional carsharing has been documented, the LADOT will assess if the demand exists by placing 10 vehicles in two car groupings per month commencing within 60 days of the final approval of the proposed Guidelines and fees to allow notification to potential QCO of the City's pilot, dissemination of the Guidelines, assessment, selection and marking of the spaces requested, issuance of permits and other administrative work necessary to prepare for program growth.

In furtherance of this effort and to more rapidly enhance the presence of carsharing in Los Angeles, the LADOT recommends the City Council finalize Guidelines for the Multiple-Provider Carshare Permit Pilot Program attached hereto.

### Overview of Rules and Guidelines

1. For purposes of the pilot, LADOT recommends defining a QCO, as a company owning and operating at least 100 vehicles as part of a regional fleet for hire by individuals for self-service operation to provide hourly or daily service and for which the QCO provides liability insurance of at least the City required minimums. A QCO shall not include taxis or privately owned and operated vehicles subcontracted under a rideshare program.
2. LADOT recommends that should a QCO obtain but fail to put vehicles in service within 30 days of obtaining permits that LADOT has the right to declare the permit (and all fees paid for it) forfeit and to reissue the permit to another QCO.
3. For at least the first phase of the pilot, LADOT recommends that QCO vehicles participating in the pilot be required to abide by all time limits, street cleaning, anti-gridlock and other posted restrictions and that no QCO vehicles be exempt from enforcement in parking permit districts.
4. LADOT recommends that as a requirement of participating in this pilot, the QCO agrees to be jointly and severally liable for any and all citations, impound fees or the like impose on or incurred by the QCO or its users by its vehicles.
5. While LADOT recommends that in the future as part of the permit each QCO comply with the Standard Provisions for City Contracts for the pilot should City Council elect to forego some or all these requirements for purposes of the pilot, LADOT has not included many of these requirements in the proposed Rules and Guidelines and requests instruction from City Council regarding whether more provisions should be included at this juncture and which to reserve for possible inclusion later.

6. LADOT recommends that QCO operating under permit in the fixed space traditional program be responsible for keeping the space clean.
7. All annual permits shall expire on the same day and that permits issued at a later date and may be prorated on a quarterly basis so that a predictable termination date can be set.
8. QCO found in violation of the permitting requirements or program guidelines may be excluded from the pilot at any time without refund of any fees or waiver of outstanding monies owed to the City.
9. LADOT recommends that the permit fees be set to fully recover cost of adequate staffing, all materials, labor, lost citation revenue, technology costs to manage QCO data for enforcement and other charges applicable to each of the carshare pilot programs.
10. LADOT recommends that each QCO be billed quarterly for meter use charges for periods in which the QCO has exclusive control of the space and that these fees be placed into the Special Parking Revenue Fund.
11. LADOT recommends that the QCO be required to limit their fleets to SULEV vehicles or greener vehicles to provide vehicles with the lowest emissions foot print.
12. LADOT recommends that each QCO be allowed a certain number of extra permits based on the size of the QCO fleet in service to allow for substitute vehicles to be put in service where a vehicle is out for needed service or misadventure.
13. LADOT recommends that every QCO be required to conduct customer surveys with input on questions by LADOT no less than each six months. Such surveys shall include, but not be limited to, information on changes in vehicle or transit use resulting from use of carshare, changes in VMT, and the like.
14. LADOT recommends that each QCO be required to comply with any and all further reporting requirements.
15. LADOT recommends that in the event of breach that the violating QCO forfeit all permits, without refund, and cease operation under the program.
16. LADOT recommends that it be given the final unappealable determination of whether a requested space shall be converted for carsharing or in setting the service area.
17. LADOT recommends that all QCOs shall be responsible for complying with and arranging alternative storage arrangements in the event a location is removed from use on a temporary basis at its own expense.

Staffing and Fiscal Impact

As this is a special service, all direct and indirect costs of the carshare program must be fully self-supporting without impact on the General Fund. As a result, the permit fees have been approximated at a level to ensure full cost recovery of all direct and indirect costs based on current labor salary rates. (See Attachment 1)

At this time, the LADOT has estimated the anticipated contractual costs to the best of its abilities; however, some adjustment in the fee may result as more information becomes available.

Moreover, the pilot contains a mechanism to recover lost meter revenue, all costs associated with space marking and conversion.

Of the municipalities contacted, all are currently operating pilot programs, most of which are smaller than that in the City. Therefore, all are relying on current staff. Many have indicated they will be assessing staffing needs as the programs grow.

Next Steps

Upon acceptance of the above recommended program terms, LADOT will finalize the Rules and Guidelines, a permit application and rates in line with the above instructions and conduct outreach to encourage multiple providers to compete in the City's carshare market.

SJR:DBA:tlm

Attachments

# RESOLUTION

## FORMULATION OF MULTIPLE-PROVIDER CARSHARE PERMIT PROGRAM

WHEREAS, Carsharing has proven to be popular on-street in the City and needs to expand; and

WHEREAS, Los Angeles Municipal Code (LAMC) Section 80.58.1 provides for the issuance of permits to a carshare vehicle as set forth therein; and

WHEREAS, Los Angeles Municipal Code (LAMC) Section 80.58.1 further provides for the Los Angeles Department of Transportation (LADOT) to designate streets, portions of streets or Publicly Owned Off-Street Parking Facilities or portions of the Facilities, for the use of vehicles with such permits; and

WHEREAS, the LADOT has prepared proposed Rules and Guidelines for the Multiple-Provider Carshare Permit Pilot Program; and

NOW, THEREFORE BE IT RESOLVED, that the City Council, pursuant to LAMC Section 80.58.1, directs LADOT to commence the Multiple-Provider Carshare Permit Pilot Program; and

BE IT FURTHER RESOLVED, that the City Council, pursuant to LAMC Section 80.58.1, directs LADOT to finalize the proposed Rules and Guidelines for the Multiple-Provider Carshare Permit Pilot Program; and

BE IT FURTHER RESOLVED, that the LADOT be directed to take the appropriate steps to prepare, issue, and require payments for permits from the Qualified Carshare Organizations in accordance with Section 80.58.1 of the LAMC; and

BE IT FURTHER RESOLVED, that the LADOT be directed to conduct outreach to potential Qualified Carshare Organizations soliciting interest and participation in the Multiple-Provider Carshare Permit Pilot Program; and

BE IT FURTHER RESOLVED, that the LADOT be directed to arrange for the sale of 10 permits per month to QCOs for the remainder of Fiscal Year 2013-2014, subject to market demand; and

BE IT FURTHER RESOLVED, that the LADOT set up an account in the Permit Parking Program Revenue Fund to receive payments for permit fees and administrative costs; and

BE IT FURTHER RESOLVED, that the LADOT deposit any monies paid by any QCO as compensation for meter or parking fees to be deposited to the Special Parking Revenue Fund; and

BE IT FURTHER RESOLVED, that the LADOT be determine the number of permits to be made available for QCOs in Fiscal Year 2014-2015 based on public and QCO demand and to return to return to City Council by April 9, 2015 with recommendations regarding the number of permits; and

BE IT FURTHER RESOLVED, that the LADOT to City Council by April 9, 2015 with recommended modification to the Rules and Guidelines for the Multiple-Provider Carshare Permit Pilot Program to incorporate a point-to-point carshare permitting system.

**SPACE CONVERSION FEE CALCULATION**

**Fee for Metered Space Conversion**

	Fee per Item		number of items	=	total
Remove Meter Head/Post	\$200.00	X	1	=	\$200.00
<i>(Charges for Meter Payments will be billed quarterly)</i>					
Existing Signs to be Removed	\$30.00	X	1	=	\$30.00
Fabricate Carshare Signs	\$40.00	X	2	=	\$80.00
Install Sign Post/Sign	\$120.00	X	2	=	\$240.00
Install Pavement Markings	\$240.00	X	1	=	\$240.00
Removal Carshare signs/post	\$60.00	X	2	=	\$120.00
Re-Install Meter Head/Post	\$200.00	X	1	=	\$200.00
Remove Sign Posts/Sign	\$120.00	X	1	=	\$120.00
Re-Fabricate Replacement Sign	\$40.00	X	1	=	\$40.00
Remove Pavement Markings	\$190.00	X	1	=	\$190.00

Include

**Unmetered Streets**

	Fee Per Item		qty	=	
Existing Signs to be Removed	\$30.00	X	1	=	\$30.00
Fabricate Carshare Signs	\$40.00	X	2	=	\$80.00
Install Sign Post/Sign	\$120.00	X	2	=	\$240.00
Install Pavement Markings	\$240.00	X	1	=	\$240.00
Removal Carshare signs/post	\$60.00	X	2	=	\$120.00
Remove Sign Posts/Sign	\$120.00	X	1	=	\$120.00
Re-Fabricate Replacement Sign	\$40.00	X	1	=	\$40.00
Remove Pavement Markings	\$190.00	X	1	=	\$190.00

	metered	<b>\$1,460.00</b>
unmetered		\$1,060.00