



CITY OF LONG BEACH

H-4

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

October 4, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive the supporting documentation into the record; find that the public convenience and necessity requires the operation of pedicabs as prescribed in the application; find that the rate of \$1.00 for each 1/10 of a mile is just, reasonable and nondiscriminatory; and, adopt Specifications No. RFP FM 11-048 authorizing the City Manager to approve and execute a permit and amendments thereto for the operation of seven pedicabs by Pedaler's Society, LLC, of Long Beach, CA (Local and LSBE). (Districts 1, 2, 3, 7 and 8)

DISCUSSION

In an effort to promote mobility, environmentally safe options for pedestrian transportation and the City's commitment to becoming the most bike-friendly City, we are recommending City Council approval of pedicab services by Pedaler's Society, LLC. This service will promote these goals while providing a transportation alternative for the areas of Downtown, 4th Street, Belmont Shore, Naples, Alamitos Bay, and Bixby Knolls while relieving some parking and traffic congestion. Additionally, visitors can take a pedicab to and/or from parking destinations and/or travel a distance that is farther than some are willing, or in some cases, able to walk. Pedicabs may also add to the attractiveness of the proposed areas by creating a greater sense of convenience and safety for visitors.

The Long Beach Municipal Code (LBMC) requires an application be filed and a hearing be held before the City Council prior to issuing a license or permit for pedicab services. The LBMC also requires that the City Council make a determination that the public convenience and necessity require the operation proposed by the applicant for the permit. The City Council shall take into consideration the public demand for the service, the adequacy or inadequacy of the service being rendered by other persons, the effect of the service upon traffic, the financial responsibility of the applicant, the character of the equipment proposed to be furnished, and any and all other facts which the City Council may deem relevant.

To select a provider, the City of Long Beach conducts a Request for Proposal (RFP). The RFP process ensures efforts are made to provide opportunities to existing and new businesses, as the City looks to expand pedicab services. Currently, the City has one pedicab provider, Green Machine, which is permitted in the Downtown area. The RFP was made available on the Purchasing Division's website at www.longbeach.gov/purchasing, and 277 potential bidders were notified. Of those bidders, eight downloaded the bid via our electronic bid system. One proposal was received and Pedaler's Society, LLC (Local and LSBE), was selected to provide pedicab services in the City. As a result of the award of this proposal, the City will now have two companies providing pedicab services.

Pedaler's Society, LLC, is requesting approval for seven pedicabs initially, with the option to expand as the market demands, to operate within the Long Beach area defined in the main service areas (Attachment A).

The LBMC also states that the City Council shall establish and authorize the rate charged for pedicab service, following a hearing upon its own motion, upon application, or upon complaint. The City Council must determine if the proposed rate is just, reasonable and nondiscriminatory. The rate proposed to be charged by the Pedaler's Society, LLC, is \$1.00 for one person for 1/10 of a mile and \$1.50 for two to three people for 1/10 of a mile. The trip distance will be measured by an odometer on each pedicab.

The LBMC allows for pedicabs to be operated by persons other than the permittee or his employees pursuant to a contract, agreement, permit, license or understanding between the operator and the permittee, so long as the terms and conditions of the original permit are upheld. The Pedaler's Society, LLC, proposes to use independent contractor drivers, each leasing a pedicab from Pedaler's Society, LLC. Each driver will be required to obtain a driver's permit from the Long Beach Police Department and have an individual business license. Pedaler's Society, LLC, will be responsible for the drivers, whether employees or independent contractors, will provide public liability and property damage insurance, and will be responsible for having safety inspections on the pedicabs.

Attached for your review is the application (Attachment B) from Pedaler's Society, LLC. Also attached are reports from various departments.

The Departments of Financial Management, Fire, Police, and Public Works have reviewed the application in accordance with the LBMC Title 5.68 and have approved their recommendations with conditions, per the attached Recommended Conditions of Operation (Attachment C).

This matter was reviewed by Deputy City Attorney Amy Webber on September 16, 2011 and Director of Financial Management John Gross on September 19, 2011.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP FM 11-048 and authorize the City Manager to execute a contract is requested on October 4, 2011 to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The following fees are collected with the application: Zoning Review \$15 (Development Services Department) and Processing Fee \$613 (Financial Management Department).

The following fees will be collected if the application is approved: Business License \$214.67 plus \$19.26 per each additional pedicab; Annual Regulatory \$279 from the applicant; and Business License \$197.46 for each independent contractor driver (Financial Management Department).

HONORABLE MAYOR AND CITY COUNCIL

October 4, 2011

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The award of this proposal will provide continued support to our local economy by assisting in the preservation of two full-time and eight part-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully Submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

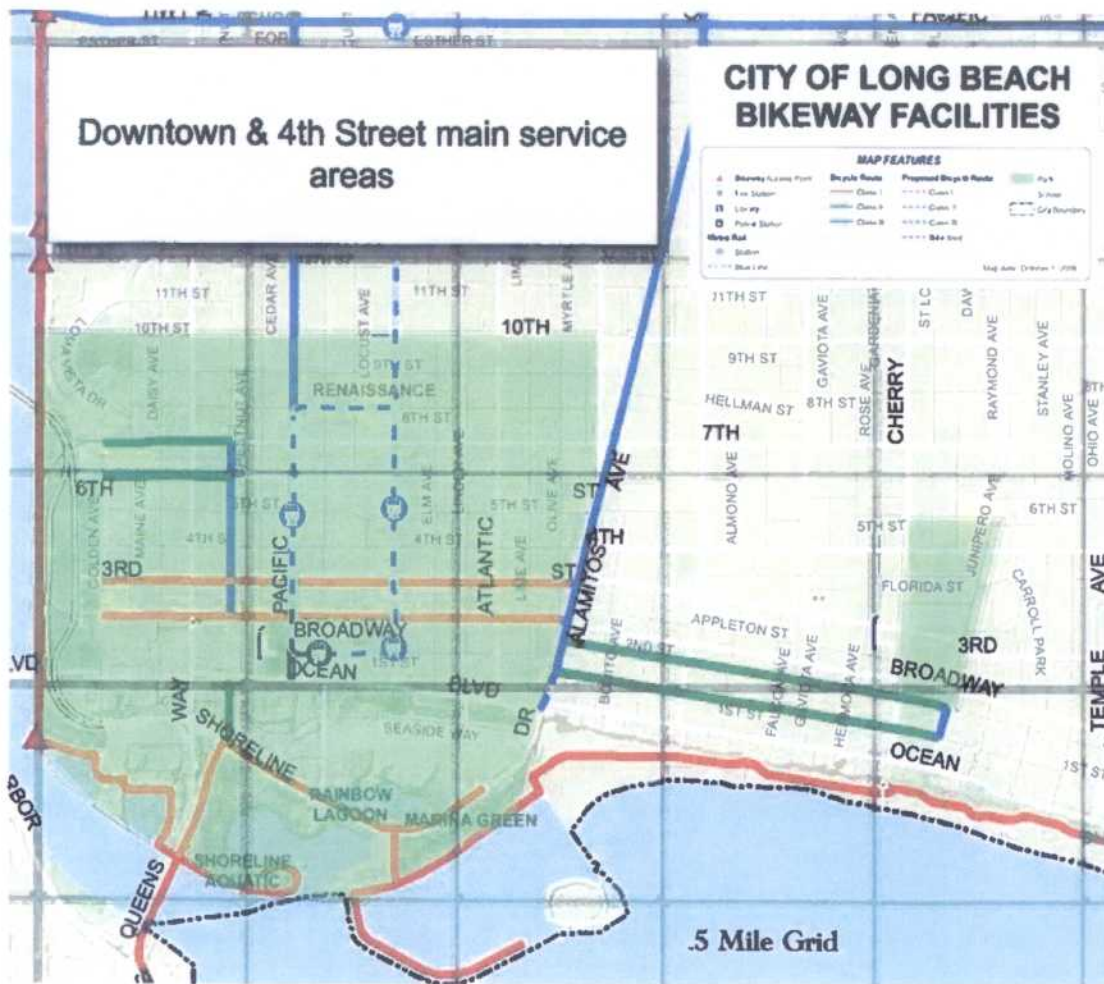
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ATTACHMENTS

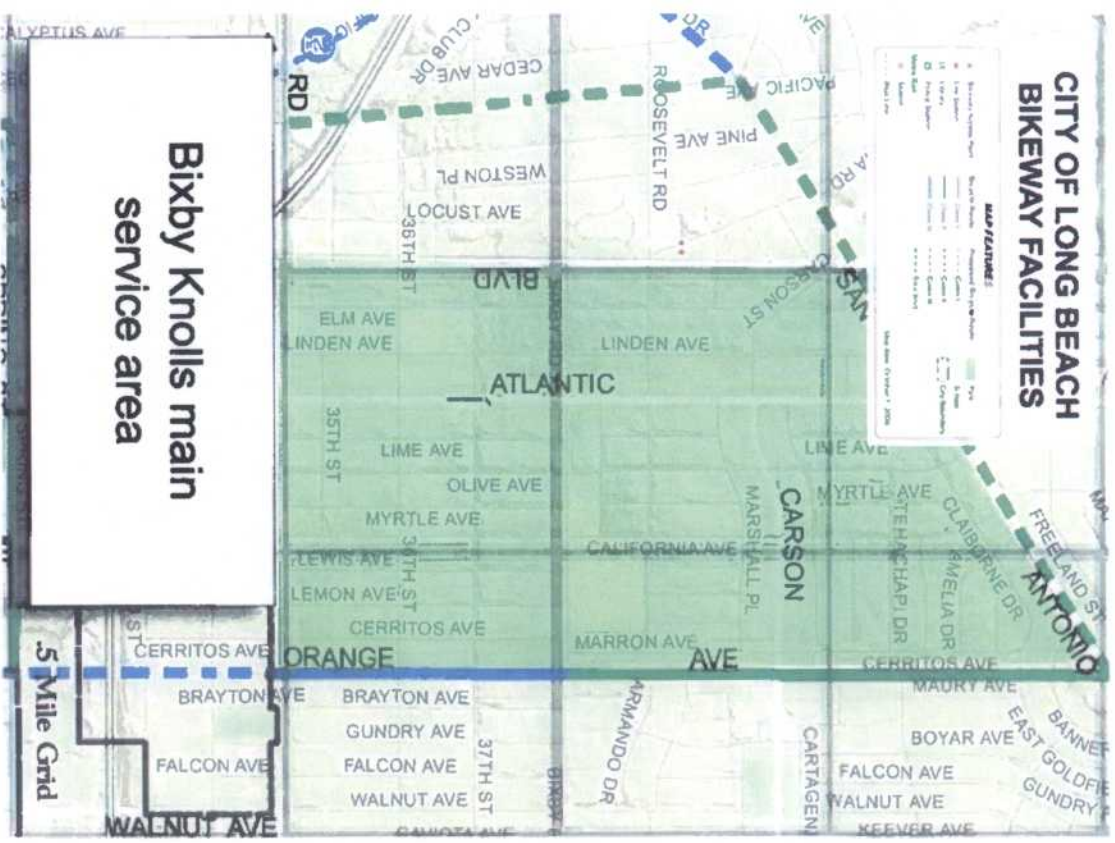
APPROVED:



PATRICK H. WEST
CITY MANAGER







See Recommended Conditions of Operation (Attachment C) for suggested restrictions and recommended expansion areas.

APPLICATION FOR PEDICAB PERMIT

Application Date: _____
Application Accepted Date: _____
Application Accepted By: _____

1. Type of permit requested: Pedicab Permit

2. Name, title, address, phone number and and date of birth for individual applicant, partners or corporate officers:

Name: Joseph Bradley
Title: Managing Member
Address: _____
Phone No.: _____ Date of Birth _____

Name: Dana Seagraves
Title: Managing Member
Address: _____
Phone No. _____ Date of Birth _____

Name: Jesus Chavez
Title: Managing Member
Address: _____
Phone No.: _____ Date of Birth _____

Name: _____
Title: _____
Address: _____
Phone No.: _____ Date of Birth _____

3. Application is for :
 Individual (Sole Owner)
 Partnership
 Corporation
 Other: please explain LLC

4. Business name: Pedaler's Society LLC

APPLICATION FOR PEDICAB PERMIT

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5. Address and telephone number of principal place of business:

635 Pine Ave
Long Beach, CA 90802

Phone No: 562-980-1861

6. Address of dispatch location:

635 Pine Ave
Long Beach, CA 90802

7. Address and method of storage of vehicles:

635 Pine Ave, Long Beach, CA 90802
Pedaler's Society LLC is leaseing a 2000 sq ft store front where each pedicab will have a designated stall to park while not in use.

8. Number of vehicles proposed to be operated: 7 Initially with room to expand as market demands.
9. Attach a separate sheet listing all vehicles including license number (if applicable), make, model, year, color, type, passenger capacity, condition and any company vehicle identification number. Also attach a copy of title or vehicle registration for each vehicle.
10. State the extent, character and quality of the proposed operation and the manner in which the proposed operation is to be conducted. Include in your explanation how you will obtain your fares and what drivers will do when they have no fares.

Pedaler's Society LLC will actively create programs to entice Long Beach residents to use pedicabs as an everyday form of transportation. Programs will include but will not be limited to memberships, frequent rider programs, incentives for local businesses, and so on. We will have a dispatch where people can call in and request a pick up in addition we will also be highly visable in the streets for people to request a ride. During times when drivers have no fares they will ride in areas where we have found there to be hight visability.

APPLICATION FOR PEDICAB PERMIT
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11. State the rates to be charged for services in Long Beach.

Pricing will be \$1.00 for 1 person per 1/10 th of a mile, for 2-3 people pricing will be \$1.50 per 1/10 th of a mile.

12. Describe the proposed routes. You may attach a map indicating the proposed routes.

Main service areas will consist of Downtown, Belmont Shores, Naples, Alamitos Bay, 4th St corridor and Bixby Knolls. Upon request Pedaler Society can service other areas of the city taking into consideration we will only ride streets with a speed limit of under 40 miles per hour with particular preference to the classified bicycle routes as illustrated and color coded on the official City of Long Beach Bikeway Facilities map.

Please see service area maps and City of Long Beach Bikeway Facilities map on section 7 of the appendix.

13. List the hours of operation.

Sunday - Wednesday 9am - 12am

Thursday - Saturday 10am - 2:30am

14. State the effect the proposed service will have on traffic.

The proposed service will impact traffic in a very positive manner. We will be able to help parking impacted areas such as Belmont and Downtown by bringing patrons in from outer areas with no cars. Furthermore drivers will obey all traffic laws as stated in our employee handbook (see appendix section 6) allowing us to operate with no negative impact on current traffic.

15. Will the PEDICAB drivers be employees of the permit applicant or will they be lease operators?

The pedicab operators will be employed on 1099 status.

APPLICATION FOR PEDICAB PERMIT
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16. State the facts in support of a finding of public convenience and necessity for the proposed service (attach a separate sheet if necessary):

After looking at cities with a proven track record of successful pedicab operations

(i.e. Charleston, SC; San Diego, CA) we are certain that Long Beach exemplifies the

model. Most notably fitting are the areas of the Pike, Downtown, 2nd Street, Naples,

Alamitos Bay, 4th Street, and Bixby Knolls.

Our market analysis empirically suggests that the core service LBPS seeks to offer has a

unique and necessary function within the city. By helping to alleviate the necessity for

auto traffic in some of the most congested areas of the city, enticing tourists to explore

different business districts, providing safe and reliable customer service driven transport,

and with the encouragement of local business owners; we believe we can make a

difference. For LBPS there is much more at stake than conducting business, we seek to

join forces with the City of Long Beach and local business owners alike to showcase our

city.

After meeting with various organizations and businesses and finding high

interest in a comprehensive pedicab operation, along with looking at census population

numbers in the areas we will be servicing, Long Beach Pedaler Society has found

that a well organized pedicab operation will be a welcomed addition to the city.

APPLICATION FOR PEDICAB PERMIT

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17. Attach a full statement of applicant's assets, liabilities and current income. If the application is for an individual (sole ownership), you may use the form on pages 6-8 of this application. If the application is for a partnership or corporation, please submit a copy of the partnership's or corporation's most recent audited balance sheet and income statement. Upon request, proof of ownership of assets and verification of equity must be provided.

This application must be signed below by the individual applicant or partner or officer if the applicant is a partnership or corporation.

The undersigned as Managing Members of Pedaler's Society LLC hereby declares under penalty of perjury that the information contained in this application for a permit is true and correct.

Date 12/9/11 at Long Beach, California

Joseph Bradley / Jesus Chavez
Signature of applicant



CITY OF LONG BEACH BUSINESS LICENSE APPLICATION
 Fourth Floor, City Hall
 333 W. Ocean Boulevard, Long Beach, CA 90802

www.longbeach.gov
Attachment B
CONFIDENTIAL

OWNER/ENTITY NAME (e.g. Sole Owner, Corporation, LLP, LLC, Partnership) Pedaler's Society LLC		DRIVER'S LICENSE NO.	STATE CA	SOCIAL SECURITY NO.	HOME OCCUPATION <input type="radio"/> Y <input checked="" type="radio"/> N
BUSINESS NAME (D.B.A.)		TYPE OF BUSINESS (Be specific) Pedicab			
BUSINESS ADDRESS 635 Pine Ave		CITY Long Beach	STATE CA	ZIP 90802	AREA CODE/TELEPHONE 562-980-1861
BILLING ADDRESS (if different)		CITY	STATE	ZIP	AREA CODE/TELEPHONE
RESIDENCE ADDRESS (if different)		CITY	STATE	ZIP	AREA CODE/TELEPHONE
LIST OF PRINCIPAL OFFICERS, MEMBERS, PARTNERS AND RESIDENTIAL ADDRESSES (IF MORE PLEASE ATTACH A LIST)					
Dana Seagraves, [REDACTED]		TITLE Managing Member		% OWNERSHIP [REDACTED]	
Joseph Bradley, [REDACTED]		TITLE Managing Member		% OWNERSHIP [REDACTED]	
<input type="radio"/> New Business <input type="radio"/> Address Change <input type="radio"/> Ownership Change <input type="radio"/> Secondary License <input type="radio"/> Sole Owner <input type="radio"/> Partnership <input type="radio"/> Corporation <input type="radio"/> LLP <input checked="" type="radio"/> LLC					
START DATE September 1, 2011	NO. OF EMPLOYEES 0	NO. OF VEHICLES 5	FEDERAL TAX ID. NUMBER [REDACTED]	SALES & USE TAX (SELLER'S PERMIT) NO.	
DOES YOUR BUSINESS HAVE A CALIFORNIA STATE LICENSE? <input type="radio"/> Y <input checked="" type="radio"/> N		STATE LICENSE NO.	CLASSIFICATION(S)	RENEWAL DATE	
HAVE YOU EVER HAD A BUSINESS LICENSE/PERMIT REVOKED OR SUSPENDED? <input type="radio"/> Y <input checked="" type="radio"/> N		LICENSE/PERMIT NO.	ISSUING AGENCY	CLASSIFICATION & DATE OF SUSPENSION/REVOCAION	
Do you plan to sell or serve food? (Includes pre-packaged) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If serving food, how many seats?: _____ Do you plan to sell or serve alcoholic beverages? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N ABC License number: _____ Type: _____ Does your business have amusement machines, video games, vending machines, jukebox and/or pool tables? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N How many: _____ Type: _____ Owner: _____ Do you plan to sell tobacco products/paraphernalia? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Do you plan to operate a Smoking Lounge? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Will you deal with, use, store or transport Medical Marijuana? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Will you have <input type="checkbox"/> Music <input type="checkbox"/> Dancing <input type="checkbox"/> Performers <input type="checkbox"/> Adult Entertainment?			Will you offer massage, tanning, herbal therapy, escort or any other services that improve the health or well being of another? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Will you engage in fund raising? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Will you deal in coins, firearms, jewels or second-hand property? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Property Owner's Name: Ossein Nami Business sq. ft.: 2000 Warehouse on site? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Do you: <input type="checkbox"/> Own or <input checked="" type="checkbox"/> Rent/Lease your business property? Will you manage or produce bio-hazardous materials or waste? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Will you use, store, or transport chemicals (new or waste state)? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
I understand that before I can operate my business in Long Beach, my establishment must comply with applicable City departmental laws and regulations completely and I must obtain a business license and all necessary Federal State and local permits or I will be in violation of L. B. M. C. Chapter 3.80. I declare, under penalty of perjury, that I am authorized to complete this application. To the best of my knowledge and belief, the provided information and statements are true and correct. SIGN and return this statement with your remittance. Make checks payable to City of Long Beach.					
Signature _____		Date 8/9/11	PRINT NAME/TITLE Joseph Bradley / Mgmt Member		
Signature _____		Date 8/9/11	PRINT NAME/TITLE Jesus Chavez / Mgmt Member		
DO NOT WRITE BELOW THIS LINE					
Inspection(s): <input type="checkbox"/> Bldg <input type="checkbox"/> Fire <input type="checkbox"/> Health <input type="checkbox"/> HazMat <input type="checkbox"/> PD <input type="checkbox"/> Other Basic Tax _____ Prev Use: _____ Exp. Date: _____ Employees # _____ @ \$ _____ = _____ Prev Lic: _____ Vehicles # _____ @ \$ _____ = _____ Exp Date: _____ Other # _____ @ \$ _____ = _____ PIA _____ District: _____ PIA Employees # _____ @ \$ _____ = _____ CRT: _____ Regulatory _____ SIC: _____ Investigation _____ Misc. Fees _____ Sub Total _____ Entered by: _____ Zoning _____ Date: _____ Building Review _____ BU _____ Total \$ _____					
NOTE: THIS IS NOT A BUSINESS LICENSE: DO NOT OPERATE UNTIL A VALID LICENSE HAS BEEN ISSUED THIS INFORMATION IS AVAILABLE IN AN ALTERNATIVE FORMAT BY CONTACTING (562) 570-6211					

Jesus Chavez, [REDACTED] Managing Member [REDACTED]



Recommended Conditions of Operation

Pedaler's Society LLC Application for Pedicab Permit

- 1) The operation of Pedaler's Society LLC pedicab service shall be limited to those activities and elements expressly indicated on the permit application and approved by the City Council. Any change in the operation, which exceeds the conditions of the approved permit, will require that a new permit application be submitted to the City Council for their review and approval.
- 2) Pedaler's Society LLC shall maintain a local, bona fide place of business with a local contact telephone number that is accessible during business hours. The telephone number shall be clearly posted on each pedicab to facilitate responsiveness to patron or City concerns.
- 3) Pedaler's Society LLC, its employees or drivers, shall adhere to all applicable laws, rules and regulations the Long Beach Municipal Code Section 5.68, and the Vehicle Code of the State of California covering the operation of bicycles upon public streets, pedestrian or bicycle facilities, and safety equipment requirements.
- 4) Pedicabs shall not be operated in a manner that impedes or blocks the normal and reasonable movement of pedestrian or vehicular traffic unless such operation is necessary for safe operation.
- 5) Whenever available for hire, pedicabs shall only park or wait for passengers in areas designated by the City Manager and/or approved by City Council; or in motor vehicle parking spaces, subject to local and state parking regulations. The pickup and drop off of passengers shall be limited to passenger loading zones, or areas commonly designated for the same.
- 6) The operational hours for the Pedaler's Society LLC's pedicab service shall be limited to between 7:00 a.m. and 2:30 a.m. each day of the week.
- 7) The operation of the Pedaler's Society LLC shall be limited to only those areas applied for and approved by the Long Beach City Council.
- 8) Every pedicab operator shall display his/her Driver's Permit while on duty and shall also be in possession of valid government identification.
- 9) Pedicab rates, as established and approved by City Council, shall be clearly posted on each pedicab, and shall be visible to all passengers.

- 10) Pedicab advertising shall not include adult entertainment, tobacco products, or alcoholic beverages, except when accompanied by statements to drink responsibly.
- 11) The permit is to be issued for one year and will be reviewed by City staff with the applicant for safety, efficiency and success of the service prior to continuation of this service.
- 12) During certain special events, like the Long Beach Grand Prix or the Pride Parade, pedicab routes may be restricted by the City.
- 13) During certain special events, pedicab routes may be expanded and/or specifically designed with approval by the City.
- 14) In order to reduce parking demands, expansions of the service areas listed below are recommended:

Belmont Shore, Naples and Alamitos Bay Service Areas: These areas should be expanded to include the Belmont Heights and Alamitos Heights neighborhoods. The proposed area of expansion is to Redondo on the west, 7th Street on the north (not including 7th Street itself), and Pacific Coast Highway to the east (north of Loynes). Due to the close proximity of these two neighborhoods to the shore, pedicab services can serve residents well in these areas.

Downtown and 4th Street Service Areas: These areas should be expanded to include the Alamitos Beach neighborhood. The proposed area of expansion is bounded by 3rd Street to the north, Ocean to the south, Alamitos to the west, and Junipero to the east. Such an expansion would connect the two proposed service areas. In addition, the City has recently installed bike lanes on 3rd Street, 2nd Street, and 1st Street, all of which are excellent streets for pedicab travel.

- 15) It is recommended that specific service areas along Ocean Boulevard, Shoreline Drive, Pacific Coast Highway (PCH), and 2nd Street east of PCH be discouraged or avoided when an alternate route is available. Crossing such streets or traveling along an adjacent bike path is acceptable; however, it is preferred that extended travel along these streets be discouraged because of the higher speed limits and to maintain passenger comfort.
- 16) Pedicabs should operate on streets with speed limits below 40 mph with an exception for the 2nd Street Bridge between Naples and Marina Drive. This section of the roadway is provided with a bike lane and is the only reasonable connection between Naples and the residents/attractions to the East.