



CITY OF LONG BEACH

H-2

DEPARTMENT OF FINANCIAL MANAGEMENT

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

November 17, 2009

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 RFP FM 09-039 authorizing the City Manager to approve and execute a permit and amendments thereto for the operation of three pedicabs by Green Machine Pedicab Service. (Districts 1 and 2)

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 Green Machine Pedicab Service. This service will promote these goals while providing a transportation alternative for the downtown area while relieving some parking and traffic congestion. In addition, the distance from the Aquarium, the Pike and Pine Circle to upper Pine Avenue or the East Village Arts District is farther than some are willing or, in some cases, able to walk. Pedicabs provide a transportation alternative for the downtown area while relieving some parking and traffic congestion. Downtown visitors can take a pedicab to and/or from parking destinations without needing their vehicles to travel from one part of the downtown area to another. Pedicabs may also add to the attractiveness of the downtown area by creating a greater sense of convenience and safety for visitors, providing transportation in the Downtown Dining and Entertainment District.

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.

A Request for Proposal (RFP) was sent to interested companies and posted on the City's internet site. Nine registered bidders were notified that the City was seeking proposals; none are Woman-owned Business Enterprises (WBEs), none are Minority-owned Business Enterprises (MBEs), none are Small Business Enterprises (SBEs) and none are a Long Beach business. The RFP was made available on the Purchasing Division's website at

HONORABLE MAYOR AND CITY COUNCIL

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www.longbeach.gov/purchasing. One proposal was received and Green Machine Pedicab Service, of Norwalk, CA, (not an MBE, WBE, SBE or local) was selected to provide pedicab services in the City. It is the recommendation that only one pedicab business operate in the downtown area.

Green Machine Pedicab Service is requesting approval for three pedicabs to operate within the downtown Long Beach area defined as the Primary Pedicab Service Area and also the extended area (Attachment B).

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 Green Machine Pedicab Service is \$1.00 for 1/10 of a mile, or less, plus \$1.00 per each additional 1/10 of a mile per trip regardless of the number of passengers. 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. Green Machine Pedicab Service proposes to use independent contractor drivers, each leasing a pedicab from Green Machine Pedicab Service. Each driver will be required to obtain a driver's permit from the Long Beach Police Department and have an individual business license. Green Machine Pedicab Service 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 C) from Green Machine Pedicab Service. Also attached are reports from various departments.

The Department of Financial Management, the Police Department, Department of Public Works, and the Fire Department 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 A).

This matter was reviewed by Deputy City Attorney Richard Anthony on October 27, 2009 and Budget and Performance Management Bureau Manager David Wodynski on October 30, 2009.

TIMING CONSIDERATIONS

City Council action to adopt Specifications RFP FM 09-039 and authorize the City Manager to execute a contract is requested on November 17, 2009 to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The following fees are collected with the application: Zoning Review \$14 (Development Services Department) and Processing Fee \$583 (Financial Management Department).

The following fees will be collected if the application is approved: Business License \$213.82 and Annual Regulatory \$265 from the applicant; and, Business License \$196.68 for each independent contractor driver (Financial Management Department).

SUGGESTED ACTION:

Approve recommendation.

Respectfully Submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

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ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

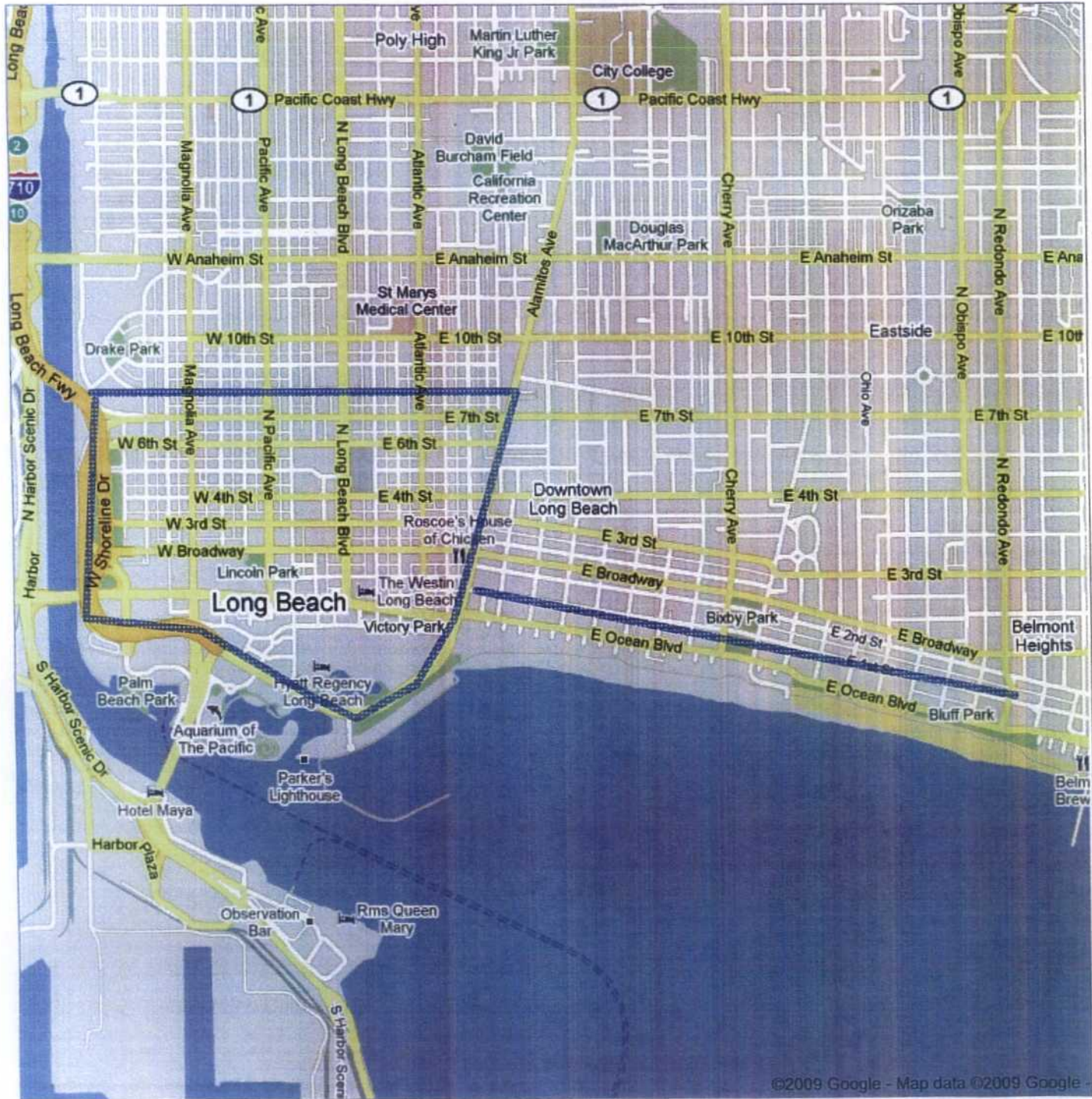


Recommended Conditions of Operation
Green Machine Pedicab Service LLC
Application for Pedicab Permit

- 1) The operation of the 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) Green Machine Pedicab Service, 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) Green Machine Pedicab Service, 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 Green Machine 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 Green Machine Pedicab Service 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 Drivers Permit while on duty and shall also be in possession of a 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) Pedicabs will not be allowed to operate on Shoreline Drive except along the bike path. Pedicabs can cross Shoreline Drive, just not travel along it other than in the bike path.

PEDICAB SERVICE AREA MAP



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

www.longbeach.gov
 (562) 570-6211

GENERAL INFORMATION

OWNER'S NAME (or corporate name, partnership name, or partners) XXXXXXXXXX		DRIVER'S LICENSE NUMBER XXXXXXXXXX	STATE CA	SOCIAL SECURITY NUMBER XXXXXXXXXX	
BUSINESS NAME (D.B.A.) Green Machine Pedicab Service LLC		TYPE OF BUSINESS (Be specific) Pedicab Service		HOME OCCUPATION <input type="checkbox"/>	
BUSINESS ADDRESS 15602 Dalwood Av.	STREET	CITY Norwalk	STATE CA	ZIP 90650	AREA CODE/TELEPHONE 213 590-0002
BILLING ADDRESS (if different) 111 (B) Ocean Blvd. - Dispatch location	STREET	CITY	STATE	ZIP	AREA CODE/TELEPHONE
RESIDENCE ADDRESS (if different) XXXXXXXXXX	STREET	CITY	STATE	ZIP	AREA CODE/TELEPHONE
LIST OF PRINCIPAL OFFICERS' OR PARTNERS' NAMES AND RESIDENTIAL ADDRESSES (IF MORE, PLEASE ATTACH A LIST) Eric Green / President			TITLE	% OWNERSHIP	
			TITLE	% OWNERSHIP	

New Business
 Address Change
 Ownership Change
 Secondary License
 Sole Owner
 Partnership
 Corporation
 L.L.P.
 L.L.C.

BUSINESS OPERATIONS INFORMATION

START DATE	NO. OF EMPLOYEES 0	NO. OF VEHICLES 3	FEDERAL TAX ID. NUMBER	SALES TAX (SELLER'S PERMIT) NUMBER
Does your business have a Calif State Lic? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N		STATE LICENSE NUMBER	CLASSIFICATION(S)	RENEWAL DATE

FOOD / ALCOHOL / TOBACCO / ENTERTAINMENT

Do you plan to sell or serve food? (including pre-packaged) Y N
 If serving food, how many seats?: _____
 Do you plan to sell wholesale food? Y N
 Do you plan to sell or serve alcoholic beverages? Y N
 If yes, ABC License number: _____
 Does your business involve amusement machines, video games, vending machines, jukebox and/or pool tables? Y N
 How many: _____ Type: _____ Owner: _____
 Do you plan to sell tobacco products or tobacco paraphernalia? Y N
 Will you have:
 Music Dancing Performers Adult Entertainment

SERVICES / FUND RAISING

Will you offer massage, tanning, body-wrap, escort or other similar personal services? Y N
 Will you provide a towing service? Y N
 Will you engage in fund raising? Y N
 Will you deal in coins, stamps, firearms, jewels, or second-hand property? Y N

BUILDING AND FACILITY INFORMATION

Property Owner's Name: _____
 Business sq. ft.: _____ Warehouse on site? Y N
 Do you: Own or Rent/Lease your business property?
 Does your business require construction and/or remodeling? Y N

HAZARDOUS MATERIALS / MEDICAL WASTE

Will you use, store, or transport chemicals (new or waste state)? Y N
 Will you manage or produce bio-hazardous materials or waste? Y N

ACKNOWLEDGMENT

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 obtain a business license or I will be in violation of L. B. M. C., Section 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

OWNER(S) OR AUTHORIZED AGENT

Signature: [Signature] Date: 7-16-09 PRINT NAME/TITLE: Eric Green / President
 Signature: _____ Date: _____ PRINT NAME/TITLE: _____

DO NOT WRITE BELOW THIS LINE

Inspection(s):	<input type="checkbox"/> Bldg	<input checked="" type="checkbox"/> Fire	<input type="checkbox"/> Health	<input type="checkbox"/> HazMat	<input checked="" type="checkbox"/> PD	<input checked="" type="checkbox"/> Other
Basic Tax				\$ _____	Prev Use: <u>same</u>	Exp Date: <u>1-1-09</u>
Employees	# _____ @ _____	\$ _____ =			Prev Lic: <u>BU20607850</u>	
Vehicles	# _____ @ _____	\$ _____ =			Exp Date: _____	
Other	# _____ @ _____	\$ _____ =			District: <u>05</u>	
PIA					CRT: <u>205028</u>	
PIA Employees	# _____ @ _____	\$ _____ =			SIC: <u>7999</u>	
Regulatory Investigation					Entered by: <u>80</u>	
Misc. Fees					Date: <u>7/16/09</u>	
Sub Total					<u>20927100</u>	
Zoning					BU	
Building Review						
Total				\$ _____		

Zoning Review
 Y N N/A
 By: DB
 Date: 9/21/09
 New construction Reuse
 Zone: PD-30
 Comments: _____

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

APPLICATION FOR PEDICAB PERMIT

Application Date: 7-16-09
Application Accepted Date: _____
Application Accepted By: _____

1. Type of permit requested: Pedicab

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

Name: Eric Green
Title: Owner / Operator
Address: _____
Phone No.: _____ Date of Birth _____

N/A

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

N/A

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

N/A

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

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

4. Business name: Green Machine Pedicab Service

APPLICATION FOR PEDICAB PERMIT
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5. Address and telephone number of principal place of business:

15602 Dalwood Ave.
Norwalk, CA 90650

Phone No: 213-590-0002

6. Address of dispatch location:

111 E. Ocean Blvd.
Long Beach CA 90802

7. Address and method of storage of vehicles:

Pedicabs will be stored in a secure parking
structure at 111 E. Ocean Blvd.

8. Number of vehicles proposed to be operated: 3

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.

Green Machine will operate similar to a taxi
service. The company phone number will be made
available to the public. when calls are received
the dispatcher will alert drivers with information
of where to pick up the patron. Drivers will
be posted in the Promenade near Hyatt
and Renaissance Hotels

APPLICATION FOR PEDICAB PERMIT

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11. State the rates to be charged for services in Long Beach.

\$1.00 per 1/10 mile

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

Promenade through city place to Wal-Mart and south to shore line village. Ocean Blvd. between Hyatt and Renaissance hotels. Long Beach Blvd between Ocean and First st. will be used to connect the East Village. Pine Ave. North to Sixth Street and South to Rainbow Harbor and the Aquarium

13. List the hours of operation.

Mon. - Thurs 10:00A - 10:00P Fri. 10:00A - 2:30A
Sat. 10:00A - 2:30A Sun 10:00A - 8:00P

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

Green Machine Pedicab Service is likely to replace short taxi rides, resulting in either less traffic or no change. Green Machine is traffic

conscience and will operate in a safe and unobtrusive manner.

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

Lease operators

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):

Downtown Long Beach is a geographically small area, with a high density of tourist attractions and events. City guests and tourists seek transportation for short distance commutes and a pedicab service will provide a convenient means of transportation while not impacting traffic except in a positive manner.

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 President of Green Machine Pedicab hereby declares under penalty of perjury that the information contained in this application for a permit is true and correct.

Date 7-16-09 at Long Beach, California



Signature of applicant

APPLICATION FOR PEDICAB PERMIT

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FINANCIAL STATEMENT OF Green Machine Pedicab Service

ASSETS

Cash in Bank Checking Account.....\$ 6,000
Cash in Bank Savings Account.....
Cash in _____.....13,000
(other - give name)
Accounts Receivable - Current.....
Notes Receivable - Current.....
Current value of stocks and bonds listed on exchanges.....
(list on separate sheet)
Other Current Assets, describe _____.....200,000
TOTAL CURRENT ASSETS \$ 219,000

Notes Receivable secured by First Deeds, Mortgages
or other Liens on Real Estate.....

Notes secured by Second Trust Deeds, Mortgages
or other Liens on Real Estate.....

Account and Notes Receivable, (In Arrears).....

Stocks and Bonds not listed on Exchange.....
(list on separate sheet)

Real Estate (list on separate sheet).....

Present Cash Surrender Value of Life Insurance.....20,000
(report amount borrowed in other liabilities)

Automobile: Make Wagner Year 708,000

Other Assets (describe) Home Equity500,000

TOTAL ASSETS \$ 528,000

APPLICATION FOR PEDICAB PERMIT
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LIABILITIES

Notes Payable to: Bank of America Bank.....\$ 44,400
Other Notes Payable, due within one year..... N/A
Accounts and Bills Payable - Not due..... N/A
Accounts and Bills Payable - Past due..... N/A
Due to Relatives..... N/A
Trust Deed, Mortgages or other Liens on
Real Estate due within one year..... 28,800
Notes and Bills Payable due after one year..... 73,200
Other Liabilities - Describe..... N/A

TOTAL LIABILITIES \$ 146,400

TOTAL ASSETS \$ 528,000

TOTAL LIABILITIES \$ 146,400

NET WORTH \$ 382,000

APPLICATION FOR PEDICAB PERMIT
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Are any of your assets held in joint tenancy, tenancy in common or community property?
 Yes [] No If yes, give details _____

Are you contingently liable for any endorsements or guarantees?
[] Yes No If yes, give details _____

ANNUAL INCOME AND EXPENSE FOR THE PAST TWELVE MONTHS:
(Calendar or fiscal year) FROM 6/9/08 TO 6/9/09

INCOME:	EXPENSE:
SALARY \$ <u>116,000</u>	INTEREST \$ <u>28,000</u>
RENTALS <u>57,600</u>	TAXES & ASSESSMENTS <u>10,000</u>
DIVIDENDS <u>N/A</u>	UPKEEP ON REAL ESTATE PAYMENTS, UPON MORTGAGES, CONTRACTS, ETC. <u>2,500</u>
INTEREST <u>N/A</u>	RENT <u>6000</u>
OTHER INCOME <u>N/A</u>	PERSONAL EXPENSE <u>17,200</u>
	OTHER EXPENSE <u>28,800</u>

TOTAL INCOMES \$ _____ TOTAL EXPENSE \$ 92,500

Give names and addresses of bank or banks or other financial institutions and account numbers if applicable, familiar with applicant's financial position.

The undersigned as President of Green Machine hereby declares under penalty of perjury that the information contained in this financial statement is true and correct.

Date 7/16/09 at Long Beach ~~CA~~ California

[Signature]
Signature of applicant

Attachment: Vehicle List

Green Machine is ready for immediate service in Downtown Long Beach. A deposit has been made for two new Mainstreet Pedicabs that will be delivered in early July 2009.

The following information is for the Pedicab Green Machine currently owns.

License number: **3353082**

Make: **Main Street**

Year: **2007**

Passenger capacity: **3**

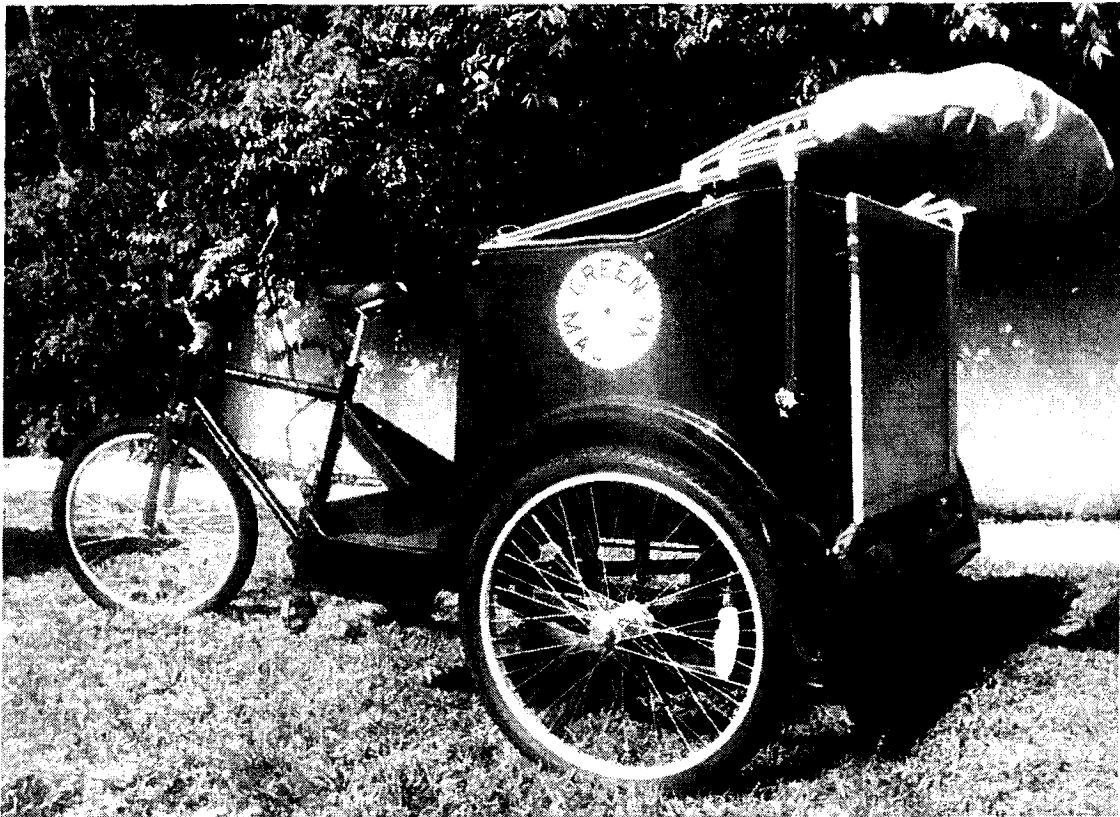
Serial number: **EE660320**

Model: **Broadway**

Color: **Green**

Condition: **new**

A photo has been provided to serve as a visual reference of the Green Machine Pedicab. The entire fleet will be consistent with this make, model and color scheme.





Date: September 8, 2009
To: Erik Sund, Bureau Manager, Business Relations Bureau
From: Anthony W. Batts, Chief of Police *AWB*
Subject: **APPLICATION FOR PEDICAB PERMIT – GREEN MACHINE PEDICAB SERVICE**

In response to your request for a recommendation regarding the above named permit application to operate a pedicab business, by Green Machine Pedicab Service LLC, the Police Department recommends **approval**, subject to the following ten conditions of operation:

Based on the Vice Section's investigation, the Police Department has determined the proposed operation will not adversely impact pedestrian or vehicular traffic, and the pedicabs meet or exceed State of California bicycle equipment requirements.

CONDITIONS OF OPERATION

- 1) The operation of the 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) Green Machine Pedicab Service, 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) Green Machine Pedicab Service, 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.

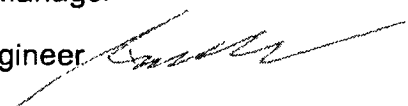
APPLICATION FOR PEDICAB PERMIT – GREEN MACHINE PEDICAB

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- 6) The operational hours for the Green Machine 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 Green Machine Pedicab Service 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 Drivers Permit while on duty and shall also be in possession of a 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.

AWB:CNA:cna
AppvlCondGreenMachine



Date: September 22, 2009
To: Eric Sund, Business Relations Manager
From: David Roseman, City Traffic Engineer 
Subject: **GREEN MACHINE PEDICAB SERVICE LLC**

The Traffic Engineering Division has reviewed Green Machine Pedicab's proposed area of operation and we have no significant objections. We only request that the permit be conditioned to not allow Pedicabs to operate on Shoreline Drive except along the bike path. Pedicabs can cross Shoreline Drive, just not travel along it other than in the bike path. We have met with the applicant, Mr. Eric Green, and informed him of our condition.

Should have any questions regarding this matter, please contact Amir Kasmai, Senior Transportation Engineer, at extension 86759.

DR:AK:TD



Long Beach Fire Department MEMORANDUM

Date: October 26, 2009
To: Jeannine Montoya, Business License Supervisor
From: X. Espino, Captain, Fire Prevention
Subject: APPROVAL – GREEN MACHINE PEDICAB

The Long Beach Fire Department has reviewed and approves the business license application submitted by Green Machine Pedicab. Approval is recommended without conditions.