



Staff Report

File #: REPORT 19-0117, Version: 1

**Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of March 12, 2019**

**ESTABLISHMENT OF PERMANENT RIDESHARE ZONES
IN DOWNTOWN HERMOSA BEACH**

(Environmental Analyst Leeanne Singleton &
Acting Chief of Police Milton McKinnon)

Recommended Action:

Staff recommends that the City Council approve the implementation of a permanent rideshare zone program in Downtown Hermosa Beach to improve safety and better facilitate pick-up and drop-off of passengers from rideshare services, private vehicles, and taxicab operations.

Executive Summary:

With an increasing number of rideshare drivers and passengers, and a changing regulatory relationship between the City and taxicab operators, staff has been exploring options to improve safety and better facilitate the pick-up and drop-off of passengers utilizing rideshare services, private vehicles, and taxicab services in the Downtown area. In August 2018, staff launched a pilot rideshare zone program in partnership with Uber and Lyft and installed temporary directional signage. The pilot program allowed staff to evaluate the effectiveness of these rideshare zones and determine appropriate adjustments prior to establishing permanent zones. After approximately six months of operations, staff has evaluated the zones, boundaries, and signage and have recommended a number of improvements to implement as part of a permanent rideshare zone program for Council consideration.

Implementation of permanent rideshare zones would provide the City with a comprehensive strategy to managing rideshare and taxi operations in Downtown Hermosa Beach, provide a more effective use of the City's limited curb space, and reduce the amount of time our enforcement team must spend to ensure the large volume of rideshare and taxicab operations are moving safely and efficiently on weekend evenings.

Implementation of this program as recommended by staff, is expected to provide a small positive fiscal impact by re-introducing five metered spaces along Manhattan Avenue back into evening weekend service, which would outweigh the cost of signage to be installed as part of this program.

Background:

Changing Taxicab Regulations and Franchise Agreement

As of January 1, 2019, the City has limited authority to regulate taxicab operations unless the operations are "substantially located" within the City due to Assembly Bill 1069 (Chapter 753, Statutes of 2017). AB 1069 was intended to reduce the regulatory burdens the traditional taxicab industry faced and thereby allow it to more effectively compete with rideshare services. The City is now required to recognize licenses granted taxicab companies by other jurisdictions (e.g., the City of Los Angeles) and to date, there is no indication that any taxicab company meets the "substantially located" burden to require registration with the City.

Prior to 2019, the City maintained Taxicab Franchise Agreements with several taxicab operators. The Franchise Agreement, initially signed in 2003, (see **Attachment 1**) imposed an annual fee upon taxicab operators, and provided that the City would establish designated taxicab staging areas.

With the Franchise Agreements no longer active, the City is no longer obligated to provide curb space designated for the exclusive use of taxicab operators and is seeking to expand access to these designated taxicab staging areas. Many of these staging areas have been underutilized by the taxicab operators for a number of years and could be better utilized by rideshare services, such as Uber and Lyft, and accommodate general passenger loading and unloading activities by private individuals.

Pilot Rideshare Zones and Temporary Detours

According to the Uber Drivers Guide for Los Angeles County, Hermosa Beach is one of the top requested locations for rides in L.A. Many of these rides occur on weekend evenings when passengers are transported to and from the nighttime establishments in Downtown Hermosa Beach. With much of the Downtown curb space allocated to parking and taxi zones, the growing popularity of rideshare services such as Uber and Lyft has created conflict and safety concerns as drivers double park or stop in travel lanes to pick up or drop off passengers due to limited available curb space. Within Downtown Hermosa Beach there are currently five designated taxi zones that have been provided for exclusive use by taxi operators as part of the City's franchise agreement. Of the five zones, four are designated as such only on weekend evening hours Thursday/Friday/Saturday evenings between 9 PM and 3 AM, and a fifth zone is designated as a 24-hour taxicab zone.

To help address the safety concerns of vehicles stopping in travel lanes, in early 2018, Police and Community Service Officers working Downtown began informally directing rideshare service drivers and waiting passengers toward the bus stop area at Hermosa Avenue and 11th Street while staff sought to establish more formal solution(s).

In August 2018, City staff worked with Uber and Lyft to develop a pilot program that created rideshare pick up locations where both drivers and passengers were directed during the weekend evening hours of 9 PM to 3 AM on Thursday, Friday, and Saturday evenings within the Downtown area. The establishment of rideshare zones has been used in many temporary (events such as Coachella) and

permanent venues (LAX, Dodger Stadium, Transit Centers and Malls) where drivers cannot access certain spaces, or the venue desires to direct drivers and passengers to a specific location for safer and more orderly pick up of passengers.

Uber and Lyft created a geo-fenced boundary in Downtown, as shown in **Attachment 2**, requiring passengers to select a preferred pick-up location when requesting rides within the boundaries, and then directed both passengers and drivers to the designated pick-up zone. The three zones designated during the pilot phase made use of underutilized taxicab zones and a bus stop area:

- Zone 1: Hermosa Avenue at 14th Street (underutilized taxi zone)
- Zone 2: Manhattan Avenue at Pier Avenue (underutilized taxi zone)
- Zone 3: Hermosa Avenue at 11th Street (bus stop/red zone)

Temporary signage was installed during the pilot program phase to allow staff the ability to test messaging and adjust locations before funds are spent to develop and install permanent signage. Temporary signage was placed at each rideshare zone as well as the east end of Pier Plaza to help riders navigate to the selected zone.

Uber and Lyft also have the capability to program road closure information and re-direct drivers and passengers to designated locations during events such as street festivals, parades, and construction detours. Staff worked with Uber and Lyft prior to the September 2018 Fiesta Hermosa to re-direct passengers and drivers to a designated location outside of the Fiesta footprint during the three days of street closures and anticipates continuing to provide this information to operators for community events with major street closures.

Analysis:

Following this pilot phase, staff has discussed the effectiveness of the pilot program, and is proposing to permanently re-purpose some of the taxicab zones as rideshare pick-up locations given the changing relationship with taxicab operators and the need to provide safe and convenient locations for patrons of Hermosa Beach establishments and special events to be picked-up. Provided below is an assessment of the pilot program and recommendations for the implementation of a permanent rideshare program, associated signage, and plans for providing public education and raising awareness.

Pilot Program Assessment

Since the launch of the pilot program in August 2018, staff from the Police Department and City Manager's office have monitored the use of the rideshare zones/taxi zones, compliance by drivers, and effectiveness of the signage in directing passengers to the established pick-up zones. Within a few weeks of launching the pilot zones, it appeared that most drivers were meeting passengers at the designated zones and moving vehicles out of the travel lane. Similarly, passengers became familiar with the pick-up practices after a short period of time and Police Department staff assisted in directing passengers to the appropriate zones when they found patrons waiting at the edge of Pier Plaza. Based on staff observations from the pilot period, the following changes are proposed:

- *Removal of Pick-Up Zone at Manhattan and Pier Avenue*-while included in the pilot phase on the west/southbound side of the street, staff has observed limited use of this location, and when it is used, this pickup location is often approached from Pier Avenue which results in drivers stopping in the red zone on the east/northbound side of the street or making a U-turn mid-block to reach the proper designated zone. Staff is proposing as part of the permanent program to put these five spaces back into metered use between the hours of 9 PM and 2 AM on weekend evenings.
- *Designation of Zones as Tow-Away Zones*-both the current taxicab and pilot rideshare zones do not include signage that explicitly authorizes vehicles to be towed if they fail to comply with the parking restrictions identifying these spaces as taxicab or rideshare zones during specified hours. The result is that many of the zones designated for these purposes end up with vehicles parked in these spaces and render the zone ineffective at allowing vehicles to easily move out of the travel lane and next to the curb to pick-up passengers. Unless a space includes a tow-away sign, the only enforcement tool available is to cite the vehicles parked during those hours, and the parked vehicles remain blocking the zone until the owner returns.
- *Expanded Boundaries to Reduce Accidental Travel onto Strand or Plaza*-staff continues to observe a number of drivers make their way onto the Strand and Pier Plaza to attempt to pick-up passengers. While the app does not direct drivers onto the Strand or Plaza, the areas nearby such as Beach Drive or 11th Street are not currently “restricted” and by expanding the boundaries of the geo-fence area and placing “hard road closures” on the back end of the apps, it is anticipated that drivers will be re-directed to avoid these areas altogether and reduce instances in which drivers accidentally make their way onto the Strand or Pier Plaza when trying to find their passengers.
- *Improved/Permanent Signage*-after installing temporary signage, staff has observed that the signage on the east end of Pier Plaza can be difficult to read during nighttime hours due to the placement and size of the signage text. Permanent signage with reflective qualities will improve the visibility of the signs at each zone, and staff is additionally proposing to place A-frame sign(s) at the east end of Pier Plaza to help direct patrons to the appropriate pick-up locations.

Proposed Permanent Zones and Related Changes

Based on the evaluation of the pilot program, staff is recommending implementation of permanent rideshare zones with the following components:

- *Pick-up Zones*-the proposal for permanent rideshare zones would designate three zones along Hermosa Avenue as formal pick-up locations (see **Attachment 3**), with the Hermosa Avenue at 14th Street (east), and Hermosa Avenue South of Pier (west) designated on Thursday/Friday/Saturday evenings between 9 PM and 3 AM, and the space on Hermosa Avenue just north of 11th Street (west) designated as a 24/7 Rideshare/Passenger Loading Zone. The re-organization of these zones would shift the dedicated Taxicab Staging Area to Hermosa Avenue just north of Pier Plaza on weekend evenings, and the taxicabs would still be permitted to use all other designated rideshare zones. Additionally, the current passenger

loading zone on Hermosa Avenue north of 10th Street and adjacent to the Comedy and Magic Club will be included as a pick-up location option within the rideshare service apps to serve patrons of the establishment, but is not intended to be formally designated as a rideshare zone location and will not include signage as a rideshare zone pickup location.

- *Geofence Boundaries*-a geofence area, as shown in **Attachment 3**, has been drawn around Pier Plaza, the Beach, and Hermosa Avenue between 10th and 14th Streets. The boundaries have been drawn to capture pedestrian only areas such as the beach, Strand, Pier Plaza, nearby parking lots, and Hermosa Avenue, while avoiding nearby hotels and residences.
- *Signage and Curb Markings*-signage will be affixed to current sign posts at the beginning of each rideshare zone and an A-frame sign(s) placed at the edge of Pier Plaza to direct rideshare passengers on weekend evenings to the designated zones. A summary of the proposed signage to be placed at each rideshare pick-up location is provided as **Attachment 4**.
- *Education and Enforcement*-as the City formally launches these rideshare zones, the City has reached out to Uber and Lyft to gauge their interest in the development and distribution of marketing materials and signage to inform passengers of rideshare zones and best practices for safe riding. Efforts could include outreach to downtown establishments, distribution of marketing materials identifying the rideshare zones, temporary sidewalk decals marking rideshare zones, or participation in the 2019 Fiesta Hermosa events. On the driver side, in-app messaging is provided to drivers and the program automatically directs them to rideshare zone locations when picking up passengers in Downtown Hermosa Beach. Following an initial grace period, drivers who do not use the zones may be fined.

Implementation of these elements would provide the City with a comprehensive strategy to manage rideshare services and taxicab operations in Downtown Hermosa Beach, provide a more effective use of the City's limited curb space, and reduce the amount of time our enforcement team (Police, Community Service Officers, Code Enforcement) must spend to ensure the large volume of rideshare and taxicab operations are moving safely and efficiently on weekend evenings.

General Plan Consistency:

PLAN Hermosa, the City's General Plan, was adopted by the City Council in August 2017. The establishment of Rideshare Zones in Downtown Hermosa Beach would improve mobility and coastal access by facilitating safe and convenient locations for ridesharing services to pick-up and drop-off passengers visiting Downtown or the beach, and support several goals and policies of the Mobility Element and the Parks + Open Space Element.

Mobility Element Policies

- *1.3 Monitor best practices.* Consider applying the latest state of best practices in the design, operation, and maintenance of the transportation network that is both attractive and functional.
- *4.9 Encourage TDM strategies.* Encourage use of transportation demand management strategies and programs such as carpooling, ride hailing, and alternative transportation modes

as a way to reduce demand for additional parking supply.

- *6.7 Pick-up and drop-off zones.* Identify and designate safe and convenient drop-off and pickup zones citywide for ridesharing (including autonomous vehicles), beach loading/unloading, taxis and similar services.
- *8.7 Transportation network company zones.* Work with the city's transportation network company service providers (e.g. taxis, rideshare companies) to establish safe and convenient pick-up/drop off zones.

Parks + Open Space Element Policies

- *8.8 Event transportation.* Enhance alternative transportation options during special events to improve public access to special events as well as to other portions of the beach.

Fiscal Impact:

Implementation of permanent rideshare zones and associated signage will require a total of 22 new regulatory signs to be fabricated and installed on meter posts and street sign posts. Additionally, staff anticipates adding A-frame sign(s) or other temporary signage to direct users to the appropriate zones from Pier Plaza. Public Works staff estimates the one-time cost of these signs to be \$2,000 or less. These materials will be paid for from the City Manager's Office budget for Print Communications, Promotions, and Public Outreach Materials in the contract services account.

Additionally, the re-introduction of five metered parking spaces on Manhattan Avenue during the hours of 9 PM to 2 AM will provide an increase in revenue to the City (estimated at approximately \$3,000 annually if occupied 50% of the available time).

Attachments:

1. May 2017 Request to Renew Exclusive Taxicab Franchise Agreements
2. Pilot Rideshare Zones and Geo-fence Boundaries
3. Proposed Permanent Rideshare Zones and Geo-fence Boundaries
4. Proposed Signage

Respectfully Submitted by: LeeAnne Singleton, AICP, Environmental Analyst

Concur: Peter Ahlstrom, Community Services Division Manager

Concur: Lucho Rodriguez, Acting Public Works Director

Concur: Milton McKinnon, Acting Chief of Police

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager