

DATE ISSUED: February 7, 2003

REPORT NO. 03-021

ATTENTION: Land Use and Housing Committee
Agenda of February 12, 2003

SUBJECT: Regulation of Short-Ride Neighborhood Transportation Vehicles
(SRNTs)

REFERENCE: Manager's Report No. 02-142 dated July 11, 2002

SUMMARY

Issue – Should the City regulate Short-Ride Neighborhood Transportation vehicles (SRNTs)?

Manager's Recommendation – Direct the City Attorney to prepare an ordinance to regulate Short-Ride Neighborhood Transportation vehicles.

Other Recommendation – None

Fiscal Impact – Fees will be charged to cover costs of the regulatory process.

BACKGROUND

On July 17, 2002, the Land Use & Housing Committee was presented with a proposal to regulate electric-powered low-speed vehicles for hire. As a hybrid technology, these Short-Ride Neighborhood Transportation vehicles (SRNTs) do not fall under the parameters of either MTDB's taxicab/paratransit regulations or any existing City ordinances.

After much discussion, the Committee referred the issue to the full Council without a recommendation. Of particular concern to the Committee members were the potential negative economic impacts on the taxicab and pedicab industries. The Committee directed staff to return with additional information on the subject.

DISCUSSION

Short-Ride Neighborhood Transportation vehicles (SRNTs) offer a clean-air transportation alternative to move people safely and quietly within an urban environment. These vehicles are zero-emission vehicles which run solely on electricity. The vehicles have four wheels, are mechanically prevented from traveling over 25 miles per hour, and are equipped with a 3-point seatbelt system. Power is provided by a 72-volt, 4-horsepower motor that can run for up to 8 hours. Each vehicle has an occupancy limit of four persons, including the driver. The vehicles are prohibited by the Vehicle Code from operating on streets with a posted speed limit of higher than 35mph; this restriction precludes SRNTs from operating at Lindbergh Field, on freeways, and on major downtown streets such as Pacific Highway and Harbor Drive. Because of the need to recharge the vehicles' batteries, long-distance trips are impractical.

Several entrepreneurs are proposing to run fleets of SRNTs to transport passengers within high-density neighborhoods of San Diego, including Centre City. However, these vehicles do not fall under the auspices of MTDB's paratransit regulations, as they do not currently meet MTDB's definition of a taxicab. There are also no current City ordinances which cover their operation as vehicles for hire. The SRNTs which are currently operating are doing so under California Public Utilities Commission guidelines, which prohibit the drivers from being flagged down by potential passengers and to operate on a dispatch-only basis.

Staff is therefore proposing that a new ordinance governing the regulation and operation of SRNTs be developed and adopted. This ordinance would include provisions for licensing, minimum age for drivers, and background checks on drivers.

To address the Committee's concerns about potential negative economic impacts on the taxicab and pedicab industries, staff is proposing the following:

- that a maximum of 35 operating permits for SRNTs be issued;
- that no individual or business be issued more than 15 operating permits;
- that City Manager establish an oversight task force to evaluate the impacts on an ongoing basis (the task force would include representatives from the City's Traffic Engineering Division, Office of Small Business, and Police Department, the Small Business Advisory Board, and an appropriate Centre City agency or planning group);
- that staff return to the Committee every six months for a two-year period to report on the impacts of SRNTs on the taxicab and pedicab industries, and to recommend adjusting the regulations and/or amending or rescinding the ordinance if need be.

CONCLUSION

Staff believes that SRNTs could serve a niche market in an environmentally-friendly manner, subject to regulation by the City and oversight by a City Manager-appointed task force, and at full cost-recovery.

ALTERNATIVE(S)

Recommend to the City Council that regulation of SRNTs for hire be performed by MTDB.

Respectfully submitted,

Approved by,

D. Cruz Gonzalez
Transportation Department

George I. Loveland
Senior Deputy City Manager

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