



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED: July 20, 2009

REPORT NO.: 09-111

ATTENTION: Council President and City Council

SUBJECT: Amendments to the Pedicab Regulation Ordinance

REQUESTED ACTION:

- 1) An Ordinance amending the Municipal Code by amending, repealing, and renumbering various provisions of Section 83 and adding regulations on pedicab operations.
- 2) A Resolution authorizing Intergovernmental Relations to carry or support legislation that allows local governments to regulate the pedicab industry.

STAFF RECOMMENDATION: Recommend that the City Council amend the Municipal Code and approve the Resolution.

SUMMARY:

The City of San Diego has regulated pedicabs since January 1, 2000. Because pedicab operators are independent contractors who lease pedicabs from fleet owners, the operators and vehicles are regulated separately. Pedicabs are allowed to operate anywhere within the city of San Diego. As the city grows and the pedicab industry evolves, it has become necessary to amend the Pedicab ordinance to respond to the current environment.

In 2007, City staff received numerous requests for additional regulation of pedicab operators from downtown residents; hoteliers; the Downtown Parking Management Group; pedicab passengers; and pedicab company owners and operators themselves. The complaints primarily concerned overcharging of fares, pedicabs parking improperly, and lack of proof of insurance. There were also complaints about the volume of pedicabs in the Centre City area causing traffic disruption and interfering with pedestrian flow at intersections.

Staff from Traffic Engineering Operations and the Traffic Division of the Police Department undertook a comprehensive review of the existing pedicab regulation ordinance and found several areas where revisions to the existing regulations and the creation of new regulations would provide more consistent law enforcement, increase consumer protection, and improve operations of pedicabs. Staff presented these proposals to pedicab company owners at two

meetings in 2008 and incorporated revisions to the ordinance based on suggestions from the industry. Input from affected community groups was also solicited in September 2008.

The proposed amendments are summarized below by category.

#### Administration

- Currently, operator and vehicle permits are good for one year from the month of issuance. This would be changed to a calendar-year basis, beginning January 1, 2010. This will allow for easier checking of permit validity by the Police Department.
- A non-transferable Pedicab Identification Number (PIN) will be assigned to each vehicle and will be stamped into the frame of the pedicab. This will aid in identifying each pedicab and would allow for the issuance of citations for violations of the ordinance.
- Insurance policies will be required to specify the number of vehicles covered, including the PIN of each vehicle. This will assure that each pedicab company is insuring the correct number of vehicles.
- The California driver's license requirement is being repealed from the existing ordinance. The City Attorney's office noted that because pedicabs are human-powered vehicles, the City cannot require a motor-vehicle driver's license to operate a pedicab, just as we cannot require a driver's license to operate a bicycle. The City could seek legislation in Sacramento to amend the Vehicle Code to delegate the authority to regulate pedicabs to local jurisdictions. This would allow the City to require a valid California driver's license to operate a pedicab to assure that the pedicab operator has demonstrated knowledge of the rules of the road before being allowed to transport passengers for hire.

#### Consumer Protection

- A fare schedule in a minimum 36-point Arial font will be required to be posted in a location visible to the passenger prior to entering the pedicab. In addition, the fare schedule will include statements that fares are to be negotiated prior to departure, and that failure to charge the negotiated fare will result in the lowest possible posted fare being charged. This should minimize, if not eliminate, overcharging by pedicab operators.
- The pedicab's PIN and the company's name and contact phone number will be displayed on the rear of the vehicle in Arial bold lettering no smaller than two inches tall. Persons with grievances about service or operator conduct will have immediate contact information for the company's owner/manager, the SDPD, and City staff.
- Pedicab operators will be required to carry proof of insurance and to present it upon demand. This will ensure that a pedicab operator will provide insurance or ownership information when involved in a collision.
- Pedicab operators will be subject to the City's aggressive solicitation ordinance. This will allow the Police Department to cite pedicab operators who engage in harassing behaviors toward potential passengers.

#### Pedicab Operations and Parking

- Pedicabs and their operators will be subject to all provisions of the Vehicle Code except those which by their very nature cannot apply (i.e., windshield wipers).
- Pedicabs will be prohibited on streets with a posted speed limit greater than 25mph. They will also be prohibited on certain specified streets posted 25mph or less because of

traffic and parking conditions (Attachment A). This will increase passenger and driver safety.

- Pedicabs will be prohibited from operating on sidewalks. Pedicabs are already prohibited from operating on Ocean Front Walk and Bayside Walk by an existing ordinance that prohibits three-wheeled cycles on those walkways.
- The boundaries of the Petco Park Event Zone and Balboa Park have been more clearly defined to specify curblines (Attachments B and C). This will resolve disputes between pedicab operators and police officers as to where pedicabs can legally operate in these areas.
- The Police Department will be given the authority to establish areas where pedicabs can operate during special events. This will allow for pedicab activity at parades, races, and other events without interfering with the event itself.
- Pedicabs will be prohibited from parking in metered parking spaces. This will prevent pedicabs from occupying on-street parking in high-demand areas.
- City staff will be given the authority to establish pedicab parking areas similar to taxi stands. This will provide specific areas where pedicab operators can rest, and passengers will know where to find a pedicab.

#### Enforcement

- With the issuance of PINs, the Police Department and Parking Management will be able to cite pedicabs for parking violations. This will discourage current practices such as parking in red zones.
- Pedicabs will be subject to the same vehicle impound policies and processes as motor vehicles. Grounds for vehicle impound have been specified: operator arrest or incapacitation; improper or invalid operator or vehicle permits; if a pedicab has five or more outstanding parking citations; and if a pedicab is parked in a manner that impedes traffic. This will allow the SDPD to transport a pedicab to a secure off-site location if the vehicle or the operator is in an unsafe condition.
- Grounds for immediate confiscation of an operator's permit have been specified: arrest for DUI; engaging in an activity that constitutes a threat to public safety; and when the permit is not valid.

#### Limiting the Number of Permits

A recurring complaint from downtown residents, business owners, and visitors is the number of pedicabs that are operating in a relatively confined area. Pedicab drivers and company owners have expressed concern that oversaturation of the market is creating friction between drivers and is causing traffic congestion. Economically, the saturation also results in a smaller share of the market for each driver, which can prompt drivers to overcharge passengers in order to meet operating costs. A solution to this saturation is to limit the number of pedicabs that can operate downtown by establishing a Department Instruction within the Engineering and Capital Projects Department to issue Restricted Pedicab Zone permits.

#### Distribution of Restricted Pedicab Zone Permits

Staff is proposing that the initial number of Restricted Pedicab Zone permits be set at 250. The following factors were used to determine this number:

- During the low/winter season, staff asked the pedicab companies how many of their vehicles were in operation; the total number was approximately 125.
- Staff conducted an informal poll of pedicab company owners, asking what would be a good maximum number of permits for the downtown area; the most common response was 250 to 300 permits.
- Staff at the Convention & Visitors Bureau (ConVis) informed City staff that hotel occupancy doubles between the low/winter season and the high/summer season. Based on the data from ConVis, we propose that the maximum number of pedicabs be established at 250.

Restricted Pedicab Zone permits would be distributed in a manner that ensures the equitable distribution of permits to large and medium-sized companies and to single owner-operators in a two-phase process.

The Initial Allotment would be based on a percentage of the number of valid permits issued to each company. Each company would be guaranteed a number of Restricted Pedicab Zone permits equal to approximately 40% of their valid permits. When calculating percentages, rounding will be to the nearest whole number. If that number is less than one, the number would be rounded up to one, so as not to exclude independent owner-operators from the market.

Pedicab company owners would not need to purchase their entire Initial Allotment of Restricted Pedicab Zone permits at one time; they may purchase as many as they need during the low/winter season and the remainder of their Initial Allotment will be held in reserve for purchase as business increases seasonally.

Ten Restricted Pedicab Zone permits will be set aside for purchase by any independent owner-operators who start a new business during the year.

Phase 2 would be a Lottery to distribute any remaining Restricted Pedicab Zone permits on or after January 1. Companies would not be allowed to participate in the Lottery until they have purchased all of the permits in their Initial Allotment. Pedicab company owners wishing to participate in the Lottery would submit an application of their intent to the City. The Lottery would determine the sequence in which companies would purchase additional permits. Each company, in sequence, may then purchase one of the remaining Restricted Pedicab Zone permits.

This cycle will repeat until there are no more eligible participants in the Lottery or the supply of Restricted Pedicab Zone permits has been exhausted.

Any remaining Restricted Pedicab Zone permits would be issued on a first come, first served basis through the remainder of the year. However, no individual or company will be allowed to hold more than 35% of the 250 Restricted Pedicab Zone permits.

Other Restricted Pedicab Zones

There is a concern that if a cap were placed on the number of pedicabs allowed downtown that the remainder of the pedicabs would increase in neighborhoods with similar characteristics (active nightlife, heavy automobile and pedestrian traffic) and saturate the streets in those communities. Staff has identified portions of the communities of Mission Beach, Pacific Beach, Ocean Beach, and La Jolla that could be impacted. As part of the Department Policy, these areas would also be designated as Restricted Pedicab Zones (Attachments D – G).

A pedicab with a Restricted Pedicab Zone permit would be allowed to operate citywide. Pedicabs without Restricted Pedicab Zone permits can only operate in non-restricted areas of the city.

FISCAL CONSIDERATIONS:

None.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

The Public Safety & Neighborhood Services Committee and the City Council have heard and voted on the Pedicab Ordinance and subsequent amendments a total of eight times since it was introduced in November 1998.

On June 10, 2009, the PS&NS Committee approved the proposed amendments while also authorizing the Mayor's office to seek and/or support State legislation to amend the Vehicle Code to delegate authority to regulate pedicabs to local jurisdictions.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On January 7, 2008, and February 6, 2008, staff met with a coalition of pedicab company owners to get input in the development of the amendments.

On March 18, 2008, staff presented an overview of the proposed amendments to the Hospitality Committee of the Gaslamp Quarter Association.

On April 8, 2008, the Gaslamp Quarter Land Use & Planning Committee voted in support of the proposed amendments.

On April 24, 2008, the La Jolla Traffic & Transportation Board voted to include La Jolla in the proposed Restricted Pedicab Zones.

On August 13, 2008, the Mission Beach Town Council voted to include Mission Beach in the proposed Restricted Pedicab Zones.

On August 21, 2008, The Gaslamp Quarter Association Board of Directors sent a letter of support for the proposed amendments.

On September 3, 2008, the Ocean Beach Planning Board voted to include Ocean Beach in the proposed Restricted Pedicab Zones.

On September 4, 2008, the Downtown Parking Management Group voted in favor of the proposed amendments.

On September 4, 2008, the Pacific Beach Planning Group voted to include Pacific Beach in the proposed Restricted Pedicab Zones.

On September 17, 2008, staff met with a coalition of pedicab company owners to discuss the proposed distribution method for the Restricted Pedicab Zone permits.

On September 19, 2008, staff met with a group of pedicab drivers to review and explain the proposed amendments.

On September 24, 2008, staff presented an overview of the proposed amendments to the Community Planners Advisory Committee on Transportation (COMPACT).

On October 16, 2008, the Mayor's Parking Advisory Board voted in favor of the proposed amendments.

On October 21, 2008, the Mission Beach Precise Planning Board voted to include Mission Beach in the proposed Restricted Pedicab Zones.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Pedicab companies will need to conform to new equipment and insurance requirements.

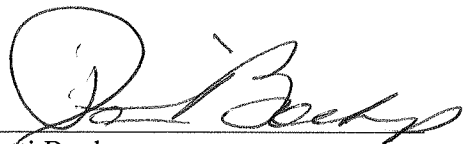
Pedicab companies may be affected by the imposition of a limited number of permits to operate in the five Restricted Pedicab Zones.

Pedicab drivers will need to adhere to new parking, operational, and fare-charging regulations.

Pedicab passengers will be provided with added consumer protection regulations.

The San Diego Police Department and the City's Parking Management Division will have clearer regulations on parking restrictions, pedicab impound policies and procedures, and guidelines on permit confiscation.

Residents and businesses in downtown and the beach communities should experience a decrease in the overabundance of pedicabs operating in their communities.



Patti Boekamp  
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David Jarrell,  
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ATTACHMENT A

Pedicabs are prohibited from operating on the following streets:

- Garnet Avenue west of Ingraham Street
- Pacific Beach Drive west of Riviera Drive
- Sunset Cliffs Boulevard
- Newport Avenue west of Sunset Cliffs Boulevard
- Prospect Avenue between Coast Boulevard and Fay Avenue
- Girard Avenue between Pearl Street and Torrey Pines Road
- Riviera Drive