

ORDINANCE NO. 14-0023

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH
AMENDING CHAPTER 4.108 REGARDING FRANCHISES
FOR VEHICLES FOR HIRE

THE MANHATTAN BEACH CITY COUNCIL HEREBY ORDAINS AS FOLLOWS:

SECTION 1. The City Council hereby amends Section 4.108.010 to delete the definitions of “Street” and “Sight-seeing automobile” and re-order the remaining definitions accordingly.

SECTION 2. The City Council hereby amends Section 4.108.020 to read as follows:

“4.108.020 – Franchise agreement required.

The City may grant non-exclusive franchises for the operation of vehicles for hire. No taxicab, pedicab or other vehicle for hire shall pick up any fare within the City without obtaining a franchise and entering into a franchise agreement with the City. Franchisees shall not be required to obtain a Manhattan Beach business license. The franchise agreement may contain requirements in addition to those requirements contained in this chapter.”

SECTION 3. The City Council hereby amends Section 4.108.030 to read as follows:

“4.108.030 – Franchise administrator.

The Director of Finance, or his or her designee, shall act as the Franchise Administrator, who shall be responsible for administering the provisions of this chapter.”

SECTION 4. The City Council hereby renumbers and amends Section 4.108.080 to read as follows:

“4.108.040 – Duration of franchise.

Each franchise shall have a term of three to five years, unless the franchise is revoked or terminated pursuant to the provisions of this chapter. The City Council may extend any franchise for additional terms, without limit to the number of extensions.”

SECTION 5. The City Council hereby adds a new Section 4.108.050 to read as follows:

“4.108.050 – Franchise permit.

The City shall issue a permit for each vehicle for hire operating pursuant to a franchise. The City shall provide a decal to each such vehicle as evidence of the permit, which shall be prominently displayed on the left side of the rear bumper of the vehicle. Only vehicles for hire displaying a decal in accordance with this section shall pick up any fare within the City.”

SECTION 6. The City Council hereby renumbers and amends Section 4.108.090 to read as follows:

“4.108.060 – Franchise selection.

The City shall select franchisees through a competitive bidding process. Franchisees shall be chosen based upon demonstrated quality of service, safety, past experience, driver qualifications, extra services available to the public, and the amount of the franchise fee payable to the City. One or more franchisees shall be selected by the City Council. Upon expiration of an existing franchise, the City Council may choose to extend the franchise with the existing franchisee, or conduct a new competitive bidding process. Any franchisee whose franchise has been revoked shall be prohibited from competing for a franchise award for a term of three years.”

SECTION 7. The City Council hereby renumbers and amends Section 4.108.100 to read as follows:

“4.108.070 – Franchise fee.

Each franchisee shall pay the City an annual fee established by the City Council for the privilege of operating a vehicle for hire in the City. The annual franchise fee shall be due upon execution of the franchise agreement with the City and upon the anniversary date thereof in each successive year of the term of the franchise. Failure to pay the franchise fee when due shall be cause for termination of the franchise.”

SECTION 8. The City Council hereby renumbers and amends Section 4.108.110 to read as follows:

“4.108.080 - Limitation of taxicabs.

No more than a maximum number of 165 franchised taxicabs shall operate in the City. With the consultation of the Police Chief, the City Manager, or his or her designee, may increase or decrease the maximum number.”

SECTION 9. The City Council hereby renumbers and amends Section 4.108.120 to read as follows:

“4.108.090 - Franchise termination, revocation, and suspension.

- A. A franchise shall terminate immediately upon the occurrence of any of the following:
1. The franchisee fails to pay the franchise fee;
 2. The franchisee's required insurance lapses or is canceled;
 3. The franchisee knowingly employs a driver who has been convicted for driving under the influence of a controlled substance, including alcohol.
 4. The franchisee knowingly employs as a driver any person convicted of a felony or required to register as a sex offender.
 5. The franchisee knowingly employs a driver who does not have a valid California driver's license.
 6. The franchisee knowingly employs a driver whose driver's license has been suspended.
- B. The City Manager, or his or her designee, may suspend or revoke a franchise under any of the following circumstances:
1. One or more of the franchisee's vehicles are not adequately maintained;
 2. One or more of the franchisee's vehicles operate without displaying the required decal;
 3. The franchisee's vehicles have been cited for three or more Vehicle Code violations within a three-month period;
 4. The City has received three or more complaints regarding the franchisee's operations in a three-month period;
 5. The driver of any vehicle for hire violates the rate regulations of this chapter;
 6. The driver of any vehicle for hire or the franchisee violates three or more provisions of the Municipal Code or the franchise agreement within a three-month period;
 7. The driver of any vehicle for hire or the franchisee violates any provision of the Vehicle Code, the Municipal Code, or the franchise agreement, which endangers public health and safety.

- C. The City shall provide a notice of suspension or revocation to the franchisee. The franchisee may request a hearing before a hearing officer by providing notice to the City no later than 10 days after the date of the City's notice. The franchisee shall reimburse the City for all costs, including attorney's fees, incurred by the City in connection with the hearing and any subsequent proceedings.
- D. The hearing officer may suspend or revoke a franchise. The decision of the hearing officer shall be final."

SECTION 10. The City Council hereby renumbers Sections 4.108.130 through 4.108.180 as Sections 4.108.100 through 4.108.150, accordingly.

SECTION 11. The City Council hereby renumbers and amends Section 4.108.185 to read as follows:

"4.108.160 – No third party agreements.

No franchisee shall enter into an agreement with any person to provide service to the exclusion of other franchisees."

SECTION 12. The City Council hereby repeals existing Section 4.108.200 (Enforcement).

SECTION 13. The City Council hereby renumbers and amends Section 4.108.190 to read as follows:

"4.108.170 - Rules and regulations.

The Franchise Administrator may adopt and promulgate rules and regulations for the service and safety of the operation of vehicles for hire, taxicabs, and pedicabs."

SECTION 14. The City Council hereby renumbers existing Section 4.108.210 ("Clean air vehicles") as 4.108.180.

SECTION 15. CEQA Finding. The City Council hereby finds that this Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(2), because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and 15060(c)(3), because the activity is not a "project" as defined in CEQA Guidelines Section 15378. The adoption of this Ordinance will not result in any direct physical change in the environment or any reasonably foreseeable indirect physical change in the environment.

SECTION 16. If any sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid, such decision shall not

affect the validity of the remaining provisions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each sentence, clause or phrase thereof irrespective of the fact that any one or more sentence, clauses or phrases be declared unconstitutional or otherwise invalid.

SECTION 17. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published within 15 days after its passage, in accordance with Section 36933 of the Government Code.

SECTION 18. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the 31st day after its passage.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2014.

AYES:
NOES:
ABSENT:
ABSTAIN:

WAYNE POWELL
Mayor

ATTEST:

LIZA TAMURA
City Clerk

APPROVED AS TO FORM:

QUINN M. BARROW
City Attorney