

## LEGISLATIVE DIGEST

### CHAPTER 4.108 - VEHICLES FOR HIRE FRANCHISE

#### 4.108.010 - Definitions.

For the purposes of this chapter, certain words and phrases used herein are defined as follows:

- A. ~~"Street" shall mean any place commonly used for the purpose of public travel.~~  
B. "Driver" includes every person in charge of, driving or operating any passenger-carrying or motor propelled vehicle, as herein defined by the provisions of this section, either as agent, employee or otherwise.
- CB. "Taximeter" shall mean a mechanical instrument or device by which the charge for hire of a passenger-carrying vehicle is mechanically calculated either for distance traveled or for waiting time, or for both, and upon which such charges shall be indicated by means of figures.
- DC. "Automobile for hire" or "vehicle for hire" shall mean and include every automobile or motor propelled vehicle used for the transportation of passengers for compensation over the streets of the City and not over a fixed or defined route, irrespective of whether such operations extend beyond the boundary limits of the City at rates per mile, per trip, per hour, per day, per week, or per month, and such vehicle is routed under the direction of a passenger or of such person hiring the same.
- ED. "Taxicab" shall mean every automobile or motor propelled vehicle of a distinctive color and/or the driver's seat separated from the passengers compartment by a glass partition, and/or of public appearance, such as is in common usage in this country for taxicabs, and/or equipped with a taximeter, used for the transportation of passengers for hire over the public streets of the City and not over a defined route, irrespective of whether the operations extend beyond the boundary limits of the City, at rates for distance traveled or for waiting time, or for both, and such vehicle is routed under the direction of such passenger or of such person hiring the same.
- ~~F. "Sight-seeing automobile" shall mean every automobile or motor propelled vehicle used for the transportation of passengers over the public streets of the City and not necessarily over a defined route, irrespective of whether such operations extend beyond the boundary limits of the City, for the purpose of sight-seeing or showing points of interest, and charging a fee or compensation therefor.~~
- GE. "Pedicab" shall mean a vehicle propelled by human power used for the transportation of passengers or freight for compensation over public streets, ways or the bike path within the City.

#### **4.108.020 – Franchise agreement required.**

The City ~~hereby reserves the~~ may grant non-exclusive ~~right to grant a franchise~~franchises for the operation of vehicles for hire. No taxicab, pedicab or other vehicle for hire shall pick up any fare within the ~~jurisdictional boundaries of the City of Manhattan Beach unless franchised under the provisions of this chapter. Any franchise granted hereunder shall relieve the franchisee from responsibility for obtaining a City of~~ 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 ~~pursuant Title 6 of this Code. Nothing shall preclude the City from granting multiple franchises under the authority of this chapter.~~ The franchise agreement may contain requirements in addition to those requirements contained in this chapter.

#### **4.108.030 – Franchise administrator.**

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

#### **~~4.108.080 – Franchises.~~ 4.108.040 – Duration of franchise.**

Each franchise ~~granted hereunder~~ shall have a term of three ~~(3)~~to five years ~~from the date granted,~~ unless the franchise is revoked or terminated pursuant to the provisions of this chapter. ~~Provided, however that the~~The City Council may extend any franchise for additional terms ~~of one (1) year with no,~~ without limit to the number of ~~one (1) year~~ extensions.

#### **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 may be granted. The franchisee shall receive a decal for each franchised taxicab. The decal mustshall be prominently displayed on the left side of the rear bumper of the ~~franchised vehicle. Failure to so display the decal shall be a violation of this chapter and a citable offense.~~ vehicle. Only vehicles for hire displaying a decal in accordance with this section shall pick up any fare within the City.

#### **~~4.108.090 – Franchisee~~4.108.060 – Franchise selection ~~and franchise agreement.~~**

The City shall ~~choose~~select franchisees ~~for taxicab service~~ 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 selection each franchisee shall enter into a franchise agreement with the City which shall have a term of three (3) years. Said agreement may impose obligations on the franchisee which are additional to~~

~~but not inconsistent with those imposed by this chapter. Upon expiration of the term of said agreement or upon revocation of the franchise as described in Section 4.108.120 of this chapter, the successor franchisee shall be selected by~~ Upon expiration of an existing franchise, the City Council ~~through the~~ may choose to extend the franchise with the existing franchisee, or conduct a new competitive bidding process ~~described above.~~ If the franchise term expired, nothing shall prohibit the original franchisee from competing for a new three (3) year term. However, any Any franchisee whose franchise has been revoked shall be prohibited from competing for a franchise award ~~of a franchise~~ for a term of three (3) years.

#### ~~4.108.100~~ 4.108.070 – Franchise fee.

~~The City Council~~ Each franchisee shall ~~require~~ pay the City an annual fee ~~payable to the City~~ established by the ~~franchisee~~ City Council for the privilege of ~~receiving the franchise for each year of any franchise awarded. Said~~ operating a vehicle for hire in the City. The annual franchise fee shall be due upon execution of the franchise agreement ~~by~~ 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 ~~revocation~~ termination of the franchise.

#### 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.

#### ~~4.108.110 – Limitation of cabs.~~

~~The total number of cabs permitted to operate under the terms of all franchises granted by the City shall be limited to a number set by the Chief of Police. Any franchisee allowing cabs not specifically permitted under its franchise agreement or not bearing the decal or tag issued by the City designating it for operation in the City shall be subject to having its franchise revoked as provided for in Section 4.108.120 of this chapter. The owner and driver and president of any company which operates any non-franchised cab picking up passengers within the City boundaries shall be guilty of a misdemeanor. In addition, the City Council declares the operation of such excess cabs to be a public nuisance endangering the health, safety, and welfare of the public and authorizes the City Attorney to obtain injunctive relief against any company accepting passengers within the City without a franchise.~~

#### ~~4.108.120~~ 4.108.090 - Franchise termination, revocation, and suspension.

- A. ~~A.~~ The Chief of Police shall have the power to revoke a franchise granted under this chapter by serving a notice of revocation on the offending

franchisee. Said notice may, when public safety and welfare require, be effective immediately and shall provide in detail the basis for revocation. Otherwise a revocation shall be effective at the expiration of the appeal period provided below if no hearing is requested or upon the decision of the Hearing Officer to uphold the revocation if a hearing is requested. The Chief of Police may serve a revocation notice whenever any of the following occur: franchise shall terminate immediately upon the occurrence of any of the following:

1. ~~1. Franchised cabs are not adequately maintained;~~ The franchisee fails to pay the franchise fee;
2. ~~2.~~ The franchisee's required insurance lapses or is canceled;
3. ~~3. The franchised cabs have a pattern of vehicle code violations;~~
4. ~~4. Unfranchised vehicles owned by or operating under the authority of the franchisee are operated within the City;~~
5. The franchisee knowingly employs a driver who has been convicted for driving under the influence of a controlled substance, including alcohol.
6. The franchisee knowingly employs as a driver any person convicted of a felony or required to register as a sex offender.
7. The franchisee knowingly employs a driver who does not have a valid California driver's license.
8. 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.~~ ~~5. — The franchised cabs show a pattern of confirmed customer complaints; The City has received three or more complaints regarding the franchisee's operations in a three-month period;~~
  - ~~5.~~ ~~6. — Any franchised cab The driver of any vehicle for hire violates the rate regulations of this chapter;~~
  - ~~6.~~ ~~7. — Any franchised cab violates any other provision of this chapter;~~
  - ~~7.~~ ~~8. — Any franchised company violates any condition of their franchise agreement.~~
- ~~B. Revocation for any of the above shall involve revocation of the offending cab company's franchise to operate any cabs in the City not just revocation of an offending cab's decal. The Chief of Police may permanently or temporarily revoke a franchise under this section and may reinstate a revoked franchise subject to specified conditions.~~
- ~~C. Any franchisee whose franchise is revoked shall have ten (10) days from receiving a notice of revocation from the Chief of Police to request a hearing. If a request for a hearing is timely filed a hearing shall be held with the City Manager or his or her designee acting as Hearing Officer. The decision of the Hearing Officer~~
- ~~8. 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;~~
  - ~~9. 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.~~

~~4.108.130~~ **4.108.100 - Required equipment.**

- A. Taxicabs only:
  - 1. Taximeter permanently affixed in prominent view of the passengers;

2. Radio transmitter and receiver capable of two-way communication with a dispatcher, or a mobile data terminal.
- B. All vehicles for hire:
1. Permanent fixture to display the driver's identification card in prominent view of the passengers;
  2. Not less than four (4) doors;
  3. Permanently affixed seat belts, plainly visible to passengers within, in front and rear seats, in a number sufficient to accommodate each passenger;
  4. Every automobile for hire shall at all times be subject to an inspection by any police officer or any other authorized inspector of the City.

~~4.108.140~~4.108.110 - **Identification of vehicles.**

- A. **Inside Identification.** Every taxicab and vehicle for hire used for carrying passengers for hire shall display in the passenger's compartment and in full view of the passenger a card not less than two inches (2") by four inches (4") nor more than two and one-half inches (2 ½") by five inches (5"), which shall have printed thereon the owner's name, or the corporate or fictitious name under which the owner operates, and the business address and telephone number of such owner, together with the rates to be charged for such vehicle.
- B. **Outside Identification.** Every taxicab or pedicab shall have conspicuously displayed thereon at one (1) or more locations on the outside the name of the owner, or the corporate or fictitious name under which the owner operates, together with the company's telephone number and the cab or vehicle number.
- C. **"Vacant" Signs.** Every taxicab or vehicle for hire may display a "vacant" sign attached to the top of such cab. Every such sign shall be of a type which conforms to industry standards and such sign shall be approved by the Traffic Authority.
- D. **Other Signs Prohibited.** It shall be unlawful to display any sign other than those provided in this section on any of the vehicles mentioned in this section without first obtaining the written permission of the Franchise Administrator.

~~4.108.150~~4.108.120 - **Taximeters.**

- A. **Design—Accuracy.** Unless the owner or operator is authorized in writing by the Franchise Administrator to post a schedule of fares in lieu of a taximeter, it shall be unlawful for any owner operating any taxicab or vehicle for hire under the provisions of this chapter to operate any such vehicle unless it is equipped with a taximeter. Every taximeter shall be of such type and design as has been accepted by the California Department of Measurement Standards, and shall be maintained at all times in accordance with standards of accuracy established by such department.

The Department of Weights and Measures or its authorized agent shall test such taximeters for accuracy in accordance with the procedures of such department.

- B. **Placing.** All taxicabs and vehicles required to have taximeters must base their charges on the taximeters. All taximeters shall be placed so that the reading dial showing the amount to be charged shall be well lighted and readily discernible by the passenger riding in the vehicle.
- C. **Position of Flag.** It shall be unlawful for any driver of a taxicab or vehicle for hire while carrying passengers to display the flag attached to the taximeter in such a position as to denote that such taxicab or vehicle is not employed, or to throw the flag of the taximeter in a recording position when such cab or vehicle is not actually employed, or to fail to throw the flag of such taximeter in a non-recording position at the termination of each and every service.

~~4.108.160~~4.108.130 - ~~Route—~~**Passengers.**

Any driver employed to carry passengers to a definite point shall take the most direct route possible that will carry the passengers safely, lawfully and expeditiously to their destination.

When a taxicab or vehicle for hire is engaged, the occupants shall have the exclusive right to the full and free use of the passenger compartment, and it shall be unlawful for the owner or driver of a taxicab to solicit or carry additional passengers therein.

~~4.108.170~~4.108.140 - **Conduct of drivers.**

- A. It shall be unlawful for any owner, driver or agent soliciting patronage for any of the vehicles defined in this chapter to misrepresent by word, sign, hatband, insignia or badge the true identity of the vehicle for which such patronage is sought.
- B. Driver shall not solicit a customer's patronage on any public street in a loud or annoying manner.
- C. Driver shall not solicit, demand or arrange for any compensation in an amount greater or less than the schedule of rates as specified.
- D. Driver shall make an accurate, legible record of all trips, including all service calls directed to him by dispatching personnel, as they occur.

~~4.108.180~~4.108.150 - **Rates.**

The rates chargeable by any vehicle for hire shall not exceed those rates established in the franchise agreement.

~~4.108.185—Vehicle for hire pick-up rights.~~ 4.108.160 – No third party agreements.

~~Any agreement, for which consideration is exchanged, whether formal or informal, whereby a property owner or business owner or operator or an employee of a business owner or operator agrees to allow only a particular franchise operator or operators to provide service to the exclusion of other franchise operators is expressly prohibited. For purposes of this section the term "consideration" shall mean money or any other thing of monetary value. Nothing in this section shall prohibit an agreement to allow only a particular franchise operator or operators to provide service to the exclusion of other franchise operators where no consideration is exchanged. Any person violating the provisions of this section shall be guilty of a misdemeanor and any franchise operator found in violation of this section may have their franchise suspended by the Chief of Police for not more than 120 days. The procedure set forth for franchise revocation in Section 4.108.120 of this chapter shall be used for any franchise suspension imposed pursuant to this section.~~

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

~~4.108.190~~**4.108.170 - Rules and regulations.**

The Franchise Administrator ~~shall have authority to~~may adopt and promulgate ~~such~~ rules and regulations ~~as may be necessary~~ for the service and safety of the operation of ~~the vehicles defined by this chapter which are not in conflict with the provisions of the Franchise Agreement.~~vehicles for hire, taxicabs, and pedicabs.

~~4.108.200 - Enforcement.~~

~~In addition to or in lieu of any administrative remedies which may be available under this chapter or contractual remedies available for violation of the Franchise Agreement any violation of the provisions of this chapter shall be chargeable as a misdemeanor provided however that the City Prosecutor shall have the discretion to treat any such violation as an infraction.~~

~~4.108.210~~**4.108.180 - Clean air vehicles.**

A. Each and every franchisee operating vehicles for hire in the City shall comply with the following requirements:

1. Each franchisee's fleet shall consist of clean air vehicles as follows:

Compliance Date	Minimum % of Fleet
December 31, 2015	25%
December 31, 2016	50%
December 31, 2017	75%
December 31, 2018	100%

2. The term “clean air vehicle” shall mean a vehicle that achieves a minimum rating of 47 City MPG as rated by the US Department of Energy website [www.fueleconomy.gov](http://www.fueleconomy.gov).

B. If a franchisee uses special purpose vehicles (e.g., wheel chair accessible vehicles, vans used for school transportation, or larger passenger volume vehicles to accommodate larger parties), twenty-five percent of the total number of authorized vehicles under each franchisee's agreement may be excluded from the fleet for the purpose of calculating the percentage of clean air vehicles required.

C. No vehicle in any fleet operated pursuant to a franchise agreement issued under this Chapter shall be older than 8 model years at any time during the franchise period.