



City of Long Beach

Working Together to Serve

Memorandum

Date: February 17, 2017

To: Patrick H. West, City Manager *T.M.*

From: Jess L. Romo, A.A.E., Director, Long Beach Airport *JLR*

For: Mayor and Members of the City Council

Subject: **Ground Transportation at the Long Beach Airport**

On December 6, 2016, the City Council directed staff to meet and receive input from stakeholders, including ground transportation providers, at the Long Beach Airport (Airport), solicit input from the public to develop a Transportation Network Company (TNC) rideshare program, return with a progress report within 90 days, and prepare for an implementation program in 2017. This memorandum serves as the 90-day progress report to the City Council.

Outreach was conducted to stakeholders, including all permitted ground transportation providers such as shuttles, private car services and limousines, Long Beach Yellow Cab, car rental companies, and TNCs, including issuance of a press release on January 17, 2017.

On February 1, 2017, the Airport held a public meeting to inform and obtain input from stakeholders and the public about the Airport's proposed TNC Pilot Program, including changes to the overall ground transportation program. Approximately 60 members of the public and various ground transportation providers attended the meeting.

Frasca & Associates gave a presentation on the Airport's existing ground transportation program, potential future enhancements, and the Airport's proposed TNC pilot program. A copy of the presentation is available on the Airport's website, www.lgb.org.

The presentation provided initial recommendations, based on analysis of the Airport's existing ground transportation program. They are as follows:

- Use a phased approach over a period of time to create equity in fees, rules and regulations;
- Implement a six-month Pilot Program for TNCs from April 2017 through September 2017;
- Institute a \$3 per-trip (pick-up or drop-off) fee for TNCs;
- Formalize a comprehensive ground transportation program and consider charging per-trip fee to all providers at conclusion of Pilot Program;

Ground Transportation at the Long Beach Airport

February 17, 2017

Page 2

- Revise permit fees for ground transportation providers beginning April 2017;
- Install Ground Transportation Management System (geo-fence or transponder) in calendar year 2018.

The \$3 per-trip fee will be effective April 5, 2017, following City Council approval of the Citywide midyear Master and Fees and Charges Schedule on April 4, 2017.

The presentation was followed by a question and answer session during which valuable input was provided by stakeholders that has been considered for inclusion into the TNC Pilot Program and will be used to update the Airport's ground transportation program.

The input from public speakers focused on the following:

- Demand for TNC service at the Airport;
- Employment opportunities TNCs provide to Long Beach residents;
- Assurance of a "level playing field" for all ground transportation providers such as background processes, insurance requirements, and vehicle inspections; and,
- Impact to ground transportation providers including taxis, limousines, shuttles and car rental companies.

Several TNC drivers commented that, not only is there demand for TNC service at the Airport, they routinely receive pick-up requests from locations surrounding Airport property. Passengers are frequently observed hauling luggage across Lakewood Boulevard to the Skylinks Golf Course parking lot and the Airport's cell phone waiting lot, as well as being picked-up along Lakewood Boulevard. These situations are not only a safety hazard, but also create a nuisance, particularly in the Skylinks Golf Course parking lot. Allowing TNC pick-ups at the Airport would eliminate the need for passengers to be picked-up at undesirable locations, and mitigates risk for these passengers.

The demand for TNC service at the Airport is further validated by a survey conducted on-site, wherein 87 percent of respondents (358 passengers surveyed) indicated that they would use TNC services if pickups were permitted near the terminal.

All stakeholders provided feedback supporting a "level playing field" among ground transportation providers. One concern is the background investigation process for TNC drivers. The process for ground transportation drivers is similar except TNC drivers are not subject to fingerprinting. For TNC drivers, the background and permitting process is established and regulated by the State of California's Public Utilities Commission (CPUC) and was most recently updated

in April 2016. The update imposed substantial, new requirements on TNCs, such as vehicle inspections at a California Bureau of Automotive Repair-licensed facility at onboarding and every 12 months or 50,000 miles thereafter, a requirement that trade dress must be displayed in the front and rear of vehicles, and additional data-reporting.

To further level the playing field, future changes to the Airport's ground transportation program would align fees paid by ground transportation providers. For example, the Airport's current agreement with Long Beach Yellow Cab was entered into in 1983 and established a monthly \$500 fee for operation at the Airport. This monthly fee has remained fixed since 1983.

Representatives from the Airport's car rental companies expressed concern over a possible loss of revenue due to the introduction of TNC pick-ups at the Airport. It is too soon to determine if car rental companies will be impacted. The introduction of TNCs into the marketplace is happening worldwide and is something to which the marketplace is adapting.

The deadline for public comment was February 10, 2017. Three e-mail messages were received during the public comment period indicating support for the TNC Pilot Program at the Airport.

Staff intends to move forward with a TNC Pilot Program effective April 5, 2017, within the parameters authorized by the City Council on December 6, 2016. If you have any questions or require additional information, please contact Claudia Lewis, Manager of Administration and Finance, at (562) 570-2612.

JR:CL:KM

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