THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: February 8, 2022

Subject: Pedal Bicycle Taxi Service Franchise Agreement

Staff Resource(s): Ken Putnam, PE, Transportation Department Director

Action Requested: Adoption of an ordinance granting a franchise agreement to Blue Ridge Rickshaw to operate a pedal bicycle taxi service within the City of Asheville.

Background:

- Blue Ridge Rickshaw is requesting to operate a pedal bicycle taxi service within the City of Asheville.
- The service area includes the Central Business District, South Slope area, Hillcrest community, Lee Walker Heights community, WECAN community, Erskine-Walton community, Livingston Heights community, Kenilworth Forest community, River Arts District, Historic Montford District, Five Points community, Albemarle Park community, West Asheville, West Asheville Estates community, Falconhurst community, Burton Street community, Malvern Hills, and Biltmore Village.
- The pedal bicycle taxi service is classified as a slow moving vehicle operation and as a result, it could have a minor impact on vehicular traffic flow.
- The pedal bicycle taxi service is prohibited from operating on public streets where the posted speed limit is greater than thirty-five (35) miles per hour.
- The hours of operation would be seven days per week between the hours of 7:00 am until 3:00 am.
- The pedal bicycle taxi service may use up to a total of five vehicles; however, only one vehicle will be used initially.
- The business owner understands and acknowledges that third-party advertising is not allowed on the outside of the vehicles.
- Franchise agreements require two readings at City Council meetings with the first one scheduled for February 8, 2022 and the second one scheduled for February 22, 2022.

Council Goal(s):

- Transportation and Accessibility

Committee(s):

- Multi-Modal Transportation Commission - January 26, 2022 - Approved unanimously with a change in the speed limit requirement.
- Public Safety Committee - January 25, 2022 - Approved unanimously

Pro(s):

- Supports diversified job growth and business development.
- Provides an alternative mode of transportation.
- Enhances the visitor experience to Asheville.

Con(s):

- Could impact vehicular traffic flow.

Fiscal Impact:

- Franchise agreement fees are $365 per year

Suggested Motion:

- Staff recommends that City Council approve an ordinance granting a franchise agreement to Blue Ridge Rickshaw to operate a pedal bicycle taxi service within the City of Asheville.

Attachment(s)

- Ordinance

ORDINANCE NO. _____

ORDINANCE GRANTING FRANCHISE TO OPERATE A PEDAL BICYCLE TAXI SERVICE WITHIN THE CITY OF ASHEVILLE

WHEREAS, the City of Asheville (herein "City") has the authority pursuant to G.S. 160A-296 to control the use of streets and sidewalks within the city; and

WHEREAS, the City of Asheville has the authority pursuant to G.S. 160A-76 to grant franchises; and

WHEREAS, **Blue Ridge Rickshaw**, a North Carolina Limited Liability Company, proposes to operate a pedal bicycle taxi service on the streets of the City; and

WHEREAS, the City has determined that it is in the public interest to permit the operation of said service on the City's streets, subject to certain terms and conditions;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

Section 1. **Blue Ridge Rickshaw** is hereby granted a franchise to operate a Pedal Bicycle Taxi Service (herein "Pedicab Service") on the streets of the City of Asheville subject to the following terms and conditions:

1. Route: The Pedicab Service is allowed only in the following areas: Central Business District, South Slope area, Hillcrest community, Lee Walker Heights community, WECAN community, Erskine-Walton community, Livingston Heights community, Kenilworth Forest community, River Arts District, Historic Montford District, Five Points community, Albemarle Park community, West Asheville, West Asheville Estates community, Falconhurst community, Burton Street community, Malvern Hills, and Biltmore Village. In addition, the Pedicab Service is prohibited from operating on public streets where the speed limit is thirty-five (35) miles per hour or higher. The operation of the Pedicab Service shall be designed so as to minimize traffic impacts upon the general circulation of vehicular and pedestrian traffic of the City. The Pedicab Service shall not load or unload passengers directly from Patton Avenue, College Street, Broadway or Biltmore Avenue unless there is an open parking space into which the pedicab can safely enter in order to prevent blocking the flow of traffic.

2. Stops: Pedicab Service stops may not exceed three minutes on any public right-of-way, except as necessary to embark and debark passengers, or with the written permission of the City Traffic Engineer. All service stops shall be made in a way to minimize any possible disruption to the flow of vehicular traffic.

3. Operating times/frequency: The hours of operation would be seven days per week between the hours of 7:00 am until 3:00 am.

4. Terms of Franchise/Renewal: The term of this Franchise shall be indefinite, subject to the Revocation/Termination provisions of Paragraph 10 of this Ordinance.

5. Insurance: **Blue Ridge Rickshaw** shall maintain Commercial General Liability insurance, including coverage for contractual liability, liability from independent contractors, property damage liability, bodily injury liability, and personal injury liability with limits of not less than $1,000,000 per occurrence, and $1,000,000 annual aggregate. The coverage shall be written on an occurrence basis. At all times during the term of this Franchise, **Blue Ridge Rickshaw** shall maintain statutory Workers' Compensation insurance in accordance with the laws of North Carolina. **Blue Ridge Rickshaw** shall also maintain Employers' Liability insurance with limits of not less than $500,000 per accident and $100,000 each employee for injury by disease. **Blue Ridge Rickshaw** shall submit copies of all said policies and a certificate of insurance naming the City as an additional insured for the approval of the City's Risk Manager. Approval from the City's Risk Manager shall be obtained prior to beginning any operation in the City of Asheville.

   Blue Ridge Rickshaw shall submit copies of said insurance policy and a certificate of insurance for approval to the City's Risk Manager prior to starting operations in the City of Asheville.

6. Indemnity: By commencing operation under this Franchise, **Blue Ridge Rickshaw** agrees to indemnify and hold harmless the City against any liability for personal injury, property damage or other damage or injury arising from or in connection with any of **Blue Ridge Rickshaw** operations, including operation of the pedicab service under this Franchise, and its insurance policy shall name the City as an additional insured to this effect.

7. Number of Vehicles: **Blue Ridge Rickshaw** may use up to a total of five vehicles.

8. Pedicab Equipment/Condition of Vehicles: **Blue Ridge Rickshaw** may determine whatever pedicab model(s) it sees fit to use, provided that all pedicabs shall be of single frame construction, have operable brakes on the front and back wheels, have seat belts for passengers, and be designated as a slow moving vehicle with reflective sign on the back. **Blue Ridge Rickshaw** may also install an electric assist motor for each pedicab which can be no greater than 750 watts and not greater than one horsepower. **Blue Ridge Rickshaw** is responsible for ensuring that all pedicab equipment is maintained in a safe and operable condition in accordance with applicable laws. The City reserves the right to have the pedicabs inspected by the City's taxi inspector, appointed pursuant to city Code Sec. 18-9, and to restrict operation of any pedicabs that fail inspection.

9. Standards for Drivers/Conductors: **Blue Ridge Rickshaw** shall certify in writing to the City that each driver has a valid North Carolina driver's license, is medically fit to operate the pedicab and has submitted a complete criminal background check. **Blue Ridge Rickshaw** shall keep these records on file and will supply this information to the City upon request. Drivers with convictions for crimes of moral turpitude, driving while impaired, controlled substance offenses and sex offenders are prohibited from operating a pedicab with tin the City limits.

10. Non-transferability/Amendment: This Franchise shall constitute a certificate of public convenience and necessity for the operation of the Pedicab Service. This Franchise is not transferable, except to another entity owned by **Blue Ridge Rickshaw** with written agreement from the City, and may not be amended except as provided in G.S. 160A-76 and G.S. 160A-304(b). This Franchise is not exclusive.

11. Revocation/Termination: The City may revoke this Franchise at any time for failure by **Blue Ridge Rickshaw** to comply with any of the provisions hereof; provided, that **Blue Ridge Rickshaw** shall receive 10 days' notice of said revocation during which time this franchise may only be suspended.

    The City may revoke this Franchise for any reason upon 30 days' notice to **Blue Ridge Rickshaw**. **Blue Ridge Rickshaw** shall be entitled to no compensation or payment as a result of the revocation of this franchise for any reason.

    Blue Ridge Rickshaw may cease operations under this Franchise upon 30 days' notice to the City.

12. Notice: Any notices required or permitted pursuant to this franchise shall be first class mail or personal delivery to the parties as follows:

    If to **Blue Ridge Rickshaw**:

    Mr. Jordan Hrivnak
    36 Providence Road, Apt. A
    Asheville, NC 28806

    If to City:

    City Attorney
    70 Court Plaza
    Asheville, NC 28801

    Compliance with the formalities of this section may be waived.

    Blue Ridge Rickshaw shall at all times maintain an office or business location in the City of Asheville, and shall pay all City taxes and fees associated with operation. **Blue Ridge Rickshaw** shall designate an individual to be its agent for service of process in accordance with North Carolina law, and shall keep the City advised of any changes in said agent or its address.

13. Franchise Fee: The fee for the operation of this Franchise shall be $1.00 per day for each day of the term of the Franchise, or $365 annually; payable in a lump sum on or before the effective date of this Franchise and thereafter, due

and payable annually on or before July 1 for the term of the Franchise. The city reserves the right to adjust this fee upon sixty (60) days' notice to **Blue Ridge Rickshaw**.

14. Fares: The fees charged by **Blue Ridge Rickshaw** for pedicab service shall be prominently displayed on the outside of the pedicab vehicle.

15. Temporary Suspension/Modification: This Franchise and any of the terms and conditions thereof, including those relating to route, stops, and scheduling are subject to temporary suspension or modification by the City as necessary for the City to exercise and maintain control over its streets and public ways. The reasons for such action may include (by way of example and not limitation), the following: (a) closing of streets for repairs; (b) closing of streets for parades and festivals; (c) change in direction of one way streets; (d) changes in parking configuration. Any such action shall be within the City's sole discretion without recourse by **Blue Ridge Rickshaw**. The City will endeavor to provide advance notice of such action, but shall not be bound to do so. Suspension or modification expected to be of more than 30 days duration will require amendment to this Ordinance.

16. Compliance with Laws: **Blue Ridge Rickshaw** shall comply with all applicable federal, state, and local laws in the operation of its business. Pursuant to City Code, no third-party advertising is allowed on the outside of the vehicles.

Section 2. All ordinances and clauses of ordinances in conflict herewith be and the same are hereby repealed to the extent of such conflict.

Section 3. That if any section, subsection, sentence, clause, or phrase of this ordinance is, for any reason, held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declared that it would have passed this ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

Section 4. That this ordinance shall be in full force and effect on the date of adoption.

Read, approved and adopted on first reading this 8th day of February, 2022 and on second and final reading on the 22nd day of February, 2022.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney