

January 7, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to authorize the City Manager, or designee, to execute all documents necessary, including any necessary amendments, to enter into a Non-Exclusive Operating Agreement with Turo Inc., for an initial one-year period to provide peer-to-peer vehicle sharing services at the Long Beach Airport, with the option to renew for three additional one-year periods, at the discretion of the City Manager. (Districts 4, 5)

DISCUSSION

Long Beach Airport's (Airport) ground transportation program provides customers with various ground transportation options including rental cars, Transportation Network Companies (TNCs) such as Uber and Lyft, taxis, reservation-based shuttles, and courtesy shuttles for passenger use. All transportation companies operating at the Airport must have a valid Ground Transportation Permit (Permit). Airport receives revenues from the Permits in the form of a percentage fee or a per-trip fee.

Airport seeks to add Turo Inc. as a permitted transportation provider, a company that allows travelers to rent cars online from local area hosts (also known as peer-to-peer vehicle sharing). In 2023, the California legislature passed California Assembly Bill 893 (AB 893) requiring personal vehicle sharing programs, such as Turo, to obtain a permit or other written authorization from the airport operator that sets forth the terms, standards, regulations, procedures, fees, and access requirements for personal vehicle sharing at the airport.

The Non-Exclusive Operating Agreement between Turo and the Airport ("Operating Agreement") will permit Turo's operators and users to conveniently drop off or retrieve shared personal vehicles at the Airport and to use Airport parking structures for Turo vehicle transactions. The Operating Agreement will be valid for one year, with the option to renew for three additional one-year periods at the City Manager's discretion. The Airport will receive 10 percent of Turo's gross receipts generated at the Airport and will also realize an increase in parking revenue generated by the use of Airport's parking structures for Turo transactions. Turo's presence will provide an additional ground transportation option for arriving and departing passengers.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on October 28, 2024, and by Budget Analysis Officer Greg Sorensen on October 30, 2024.

TIMING CONSIDERATIONS

City Council action is requested on January 7, 2025, to ensure the Operating Agreement is in place expeditiously.

LEVINE ACT

This item is subject to the Levine Act. The Mayor, Councilmembers, and Commissioners who have received a contribution of more than \$500 within 12 months prior from a party, participant, or their representatives involved in this proceeding may do either of the following: (1) disclose the contribution on the record and recuse themselves from this proceeding; OR (2) return the portion of the contribution that exceeds \$500 within 30 days from the time the elected official knew or should have known about the contribution and participate in the proceeding.

All parties, participants, and their representatives must disclose on the record of this proceeding any contribution of more than \$500 made to the Mayor or any Councilmembers within 12 months prior to the date of the proceeding. The Mayor, Councilmembers, and Commissioners are prohibited from accepting, soliciting, or directing a contribution of more than \$500 from a party, participant, or their representatives during a proceeding and for 12 months following the date a final decision is rendered.

FISCAL IMPACT

The recommended action is expected to increase revenue for the Airport fund by \$50,000. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Cynthia Guidry
Director
Long Beach Airport

APPROVED:



THOMAS B. MODICA
CITY MANAGER