

Communication from Public

Name: Coco
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Council File No: 20-1328
Comments for Public Posting: Coco submits a letter in response to LADOT's proposed regulations for Personal Delivery Devices.



May 30, 2021

VIA E-MAIL

Los Angeles City Hall
200 N. Spring St.
Los Angeles, CA 90012

Re: Item 5 - Personal Delivery Devices | Council File: 20-1328

Dear Chair Bonin and Councilmembers,

On behalf of Coco, I want to express our gratitude to you and to the LADOT team for your thoughtful consideration of regulations for personal delivery devices. Coco is thrilled to have worked closely with community members, local businesses, BIDs, chambers of commerce, the LADOT team, Council Offices, and Councilmembers in piloting our service in San Pedro and Venice. The pandemic has created a huge burden on local restaurants and has forced them to increasingly rely on car-based delivery to reach their customers. These services are often incredibly expensive for both restaurants and customers alike, which the Council addressed through the delivery fee cap adopted last year. These services also pollute our air and generate additional traffic. This is where Coco comes in. We've partnered with businesses like San Pedro Brewing Company and Adrift Burger Bar in Venice to carry their local deliveries at about half the cost of car-based delivery services, reducing CO2 emissions, as well as removing cars from our already crowded streets.

Overall, we think the proposed regulations are well constructed and will provide a good framework for the operation of personal delivery devices in our community. However, there are three critical changes we recommend to ensure that this service can provide a meaningful solution to the high-cost, pollution, and traffic impacts of car-based delivery:

1) Vehicle caps are unnecessary for this service

Setting a cap citywide, as proposed, would severely limit the potential of this service to support businesses across the city and to get cars off of our roads. Unlike shared e-scooters, our vehicles are much more expensive and we have no incentive to flood the market with devices to attract riders. Each one of our vehicles is attached to a restaurant or market's actual delivery needs and

represents cars taken off our streets, pollution out of our air, and additional dollars left in the pockets of local businesses and customers.

2) Annual fees would make this service more expensive

We discourage you from applying fees to sustainable and affordable delivery alternatives, particularly when similar fees are not charged to the less sustainable car-based delivery services we can replace. If cost recovery is deemed necessary, we would recommend a fee charged to car-based delivery on short distance trips. This would support, rather than unfairly burden, more sustainable options and help the city achieve its emission reduction goals. At the very least, no fee should be considered while restaurants are still recovering from the COVID pandemic.

3) Ensure continuity of service for existing restaurant and market partners

We want to ensure that we are able to continue serving our existing partners in the period leading up to our receipt of a permit, and that there not be a period between when the regulations are adopted and when a permit is available in which we are unable to support our partners.

With the above changes made, we believe this can be an incredibly beneficial program to the City of Los Angeles, particularly as our local economy recovers from the impacts of the pandemic.

Coco Background

Five years ago, Brad Squicciarini and I partnered with UCLA professor Rajit Gadh to found and lead UCLA's Connected Autonomous Electric Vehicles (CAEV) Lab. After graduating, Brad and I used that experience to create Coco, a West Los Angeles-based company with the mission to make last-mile food and grocery delivery both sustainable and affordable for residents and local businesses.

One of the key lessons we took away from our work with CAEV was that while autonomous vehicles offer much promise, the technology wasn't ready to go live yet. That's why Coco's vehicles always have a pilot in control. Below is a summary of the unique benefits of Coco's service:

- **Our low-speed vehicles are as safe as adding another pedestrian to the sidewalk**

Unlike truly autonomous vehicles, our vehicles are remotely piloted 100% of the time. Pilots are trained to move vehicles out of the way of pedestrians and those with disabilities. The vehicles travel at walking speed, and have a bright flag with a flashing light rising above them, reflectors, backlights and headlights to make them clearly visible. Pilots are able to view their surroundings from six different camera

angles, and new vehicles are equipped with microphones and speakers, to allow clear communication between pilots and others on the sidewalk.

- **Unlike scooter services, our vehicles never sit out of operation in the middle of the sidewalk**

Parking management is one of the biggest challenges with scooter operations. Misparked scooters or groups of fallen over scooters can block pedestrians and those with disabilities. Our vehicles only enter the pedestrian zone when in the control of a trained operator. On the off chance that a vehicle has an issue, the pilot would be immediately aware and would send a team member to collect the vehicle.

- **Unlike scooter services, we require only a small number of vehicles to service the community**

In the City of Santa Monica, for example, where we are permitted to operate throughout the city without a cap, the new city pilot shared mobility pilot permits over 2000 shared mobility devices. We can service the whole city with significantly fewer vehicles. The appearance of our devices may raise questions, as any new technology will, but there will never be so many that the community feels overwhelmed.

- **Unlike scooter services, our vehicles are only operated by trained pilots**

When scooters were first introduced, almost every user was a new operator, which led to dangerous behavior for both the rider and those around them. This is never the case with our vehicles, as each operator is trained to safely operate the vehicles and to yield to pedestrians.

- **Coco provides significant public benefits**

- **COVID-safe, affordable delivery for Angelenos**

Most Angelenos are trying hard to avoid the risk of COVID exposure, and shopping can present exposure risk to those who have yet to be vaccinated. Coco is offering free delivery to both seniors and healthcare professionals during COVID-19, to help support those who need the service the most. COVID-19 has also been hard on local families, who are often juggling working from home while watching their children, who are also stuck at home. Affordable delivery services like Coco, allow time-short parents the ability to grab a quick dinner or restock groceries easily without having to drive to the store.

- **We are an eco-friendly option**

There is no need for a two-ton, fossil fuel burning car to deliver a burrito one mile away, when a light weight, electric powered personal delivery device can

make the same trip. The more restaurants and markets that shift their local deliveries from cars to Coco, the better for removing pollution from air, reducing CO2 emissions, and decreasing traffic and cars double-parked in bike lanes.

- **Coco supports local restaurants and retailers**

Covid-19 has had a tremendous impact on local restaurants and retailers. Now more than ever, they need convenient and affordable new options to safely reach their customers. Car-based delivery companies often take a 30% cut, which is unsustainable, but without other options, they have no choice but to use them. Because of the efficiencies of our delivery technology, Coco charges half this rate. The affordability and reliability of our service has been greatly appreciated by our current partners in San Pedro and Venice, and as you would expect, we're starting to hear from restaurants all over Los Angeles who are interested in replacing their local delivery trips with our service.
- **Coco supports local jobs**

Our vehicles are always operated by real people. These are non-technical jobs that only require a computer and an internet connection, making it COVID-safe, and a more accessible job to those with disabilities than typical delivery services. Unlike many jobs with other delivery companies, our pilots are employees and not contract (gig) workers. Coco also hires local field operations team members. Currently the majority of our pilots and field operators are based in the Los Angeles area. Our service further supports jobs in the local economy by helping local restaurants and markets increase their sales and decrease the costs associated with traditional delivery services.
- **Coco is community-first focused**

Establishing strong relationships with city representatives, residents, and local businesses is at the core of our mission. We hope to grow our business here in Los Angeles in close collaboration with each of these groups. We would be thrilled to meet with any community groups you recommend and explore further ways that we can be helpful during these difficult times. We commend the City for the leadership it has shown in bringing innovative solutions to our current challenges, like the LA Al Fresco program, and we believe we can play a similar role.

Coco appreciates being a partner with the City as you navigate this new technology and we want to extend a grateful thank you to Councilmember Buscaino for his leadership launching a pilot program in San Pedro. We also want to thank LADOT for working with Coco and hope we can continue to work together to craft a national model for personal delivery devices. Finally, we would also like to thank Chair Bonin for his willingness to work with Coco, and we look forward to working with Councilmember Koretz as well.

Given the reasons listed above, we support the proposed regulations, if amended to address our three concerns. We are excited to continue to work with the City to support local residents, restaurants, and markets with our safe, affordable, and sustainable last-mile delivery service.

Thank you for taking the time to consider our comments, and please let us know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Zach Rash', with a stylized flourish at the end.

Zach Rash
CEO and Co-Founder
Coco