

PACKET MATERIALS

DATE: May 15, 2020

Item No. 6

LOCAL AGENCY FORMATION COMMISSION

Agenda Packet Contents List

- Staff Memorandum from Bryan Goebel, Executive Officer
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Completed by: Alisa Somera

Date: May 8, 2020

(This list reflects the explanatory documents provided.)



San Francisco Local Agency Formation Commission

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May 15, 2020

TO: LAFCo Commissioners

FROM: Bryan Goebel, Executive Officer

**SUBJECT: Presentation and Discussion on LAFCO's
Recommendations to Address Problematic Issues in the On-Demand
Economy**

The ideas and recommendations presented in this report are meant to address the problematic issues so clearly documented in the UC Santa Cruz representative survey of on-demand workers in San Francisco. The goal was to put a table of ideas before the Commission, and the San Francisco Board of Supervisors, and policymakers in general, to help improve the lives and working conditions of on-demand workers who are struggling to make ends meet in San Francisco.

We are in the midst of an unprecedented crisis, and government must work quickly and be more willing to find and try solutions to address the struggles of this very vulnerable workforce. I believe these recommendations are a start. Combined with the USF report, some of the ideas may overlap, but we wanted to put a wide number of possibilities on the table.

LAFCo can undertake additional research and commence a rigorous engagement process involving a large number of stakeholders, including workers and City departments, to fashion and refine policy proposals in this realm for consideration and legislative action. But next steps will be dependent on funding additional resources.

I want to acknowledge and thank the following: LAFCo research associate Dan Raile, who did considerable research, interviews and writing for this report. Erin Johansson, research director of the Jobs With Justice Education Fund, contributed research and writing. Hays Witt of the Driver's Seat Cooperative app provided expertise on data sharing. I edited and contributed writing, research and interviews, and made the final call on which recommendations to include.

RECOMMENDATION: Accept the report and recommendations and provide feedback.

ATTACHMENT

-PDF: "Preliminary Recommendations: How to Address Problematic Labor, Safety, Health and Transportation Issues Among Ride-hail and Food Delivery Workers."



Preliminary Recommendations: How to Address Problematic Labor, Safety, Health and Transportation Issues Among Ride-Hail and Food Delivery Workers

**San Francisco Local Agency Formation Commission
May 2020**

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INTRODUCTION

In May 2019, the San Francisco Local Agency Formation Commission (SF LAFCo) contracted with a research team, led by Professor Chris Benner of UC Santa Cruz (UCSC), to survey those working for six ride-hail and food delivery apps (Uber, Lyft, DoorDash, GrubHub, Instacart and Shipt). After conducting focus groups of workers to develop the survey, the team piloted the survey last fall using a methodological approach to support a representative sample. The research team ordered rides, groceries and meals through the apps, then surveyed those workers willing to participate. By early March, the research team had collected 643 surveys. Once the Bay Area went into shelter-in-place due to COVID-19, the survey was suspended. In addition to the survey work, the research team piloted the use of Driver's Seat technology to collect fine grained data on work hours and expenses.

With a representative sample collected, supplemented with qualitative interviews and an online survey of 219 measuring the impacts of COVID-19, UCSC decided to release the findings. This research makes clear that ride-hail and delivery workers were facing a serious crisis of financial insecurity before the virus hit. Now, their struggle to support themselves and their families is even more desperate. Platform companies are not doing enough to address the crisis, which is both an economic one, and given workers' contact with the public, a public health one as well. It is thus incumbent on the City of San Francisco to take swift actions to address both the immediate problems, as well as the ongoing ones endemic to this workforce.

Given the urgency of far-reaching legislative and regulatory measures needed by public officials to address the crisis of this frontline work and the public health risks it poses, SF LAFCo, working with the research team and informed by the data they have gathered, has assembled a set of policy recommendations. These recommendations are meant to be preliminary in nature and engage experts from various City departments and stakeholders for further investigation and action. This document outlines recommendations that attempt to do the following:

- 1. Improve Economic Security for Ride-hail & Delivery Workers**
- 2. Promote Accountability & Lawful Operations Among Delivery & Ride-hail Companies**
- 3. Improve Safety & Health for Ride-hail & Delivery Workers**
- 4. Promote Public Health & Safety**

The recommendations are also informed by research conducted by two University of San Francisco research methods graduate classes covering two spring semesters in 2019 and 2020, and LAFCo staff and research associates.

RECOMMENDATIONS

1. Improve Economic Security for Ride-hail & Delivery Workers

Prior to COVID-19, 45% of these workers could not handle a \$400 emergency expense, with nearly 62% of meal delivery workers in this position. Now, that number is even higher. This set of recommendations seeks to improve the economic security of on-demand mobility workers.

A. Enforce City and State minimum wage and health coverage protections for ride-hail & delivery workers

SURVEY FINDING

Before expenses, ride-hail drivers earn \$900 per week, on average, and meal and grocery delivery workers average \$500 per week. After reported expenses and mileage, however, earnings decline to \$360 per week for ride-hail, \$336 for grocery delivery, and \$170 for meal delivery. After deducting expenses, one fifth of workers net \$0, with DoorDash (31%), GrubHub (25%), Shipt (27%) and Uber (20%) having the highest rate of workers earning nothing.

In addition, 21% of respondents lack health insurance, and another 30% depend on public insurance plans. And 68% felt that access to legal protections such as unemployment and workers' compensation was an important or very important quality in a job (before the virus).

RECOMMENDATION

The City should ensure that ride-hail and delivery workers are compensated at a minimum pay rate per hour of no less than the City's current minimum wage rate, after expenses are tabulated. These workers are employees under California Assembly Bill 5 (AB 5), and the City must ensure that they are treated as such under City laws. Regulatory action or even legislation may be needed to ensure that the City has sufficient resources to prosecute wage claims and to target repeat offenders.

The City should also prioritize enforcement of AB 5 and invest resources in the San Francisco Office of Labor Standards Enforcement (OLSE) and City Attorney's Office to promote compliance by transportation network services (TNCs) and delivery app companies. Community organizations in direct contact with on-demand ride-hail

and delivery workers could act as partners with OLSE in helping educate these workers on their rights under law and identifying potential violations.

Additionally, City agencies should be empowered to directly, or in partnership with third party technology providers, collect any and all data needed to establish platform compliance with minimum wage. For ride-hail drivers and delivery workers who are operating on multiple platforms this can be a complex calculation. In order for drivers and delivery workers to have meaningful input in creating, implementing and enforcing policy, aggregated data needs to be transparently available to workers and advocacy organizations, while strictly protecting the privacy of all involved.

BACKGROUND

San Francisco's Board of Supervisors has enacted a number of labor protections to supplement and exceed the guarantees provided at the state and federal levels. These include a higher minimum wage, paid time off, paid parental leave and mandatory employer contributions to health care. Any employer that willfully misclassifies employees in order to avoid compliance with these is starkly in violation of San Francisco law. OLSE has broad powers to enforce employment laws. It can subpoena company records; require the cooperation of other City departments (including the rejection or revocation of relevant permits, licenses or registrations); assess penalties; hold hearings; and sue non-cooperative companies in civil court. The findings and data arising from its investigations are public records. Additionally, OLSE can enforce State of California labor laws when violations of these are uncovered during its investigations. Thus, to a significant extent, the authority to effectively address exploitative labor practices in this industry (as in any other) is already established and instituted within OLSE, per the City's administrative code.

Although the CPUC has yet to conclude its rulemaking process regarding TNC regulation, it has so far indicated that labor considerations are outside the scope of its regulatory authority. This may leave the door open for the City to pass further laws defining this workforce and the labor protections to which it is entitled. Historically, the CPUC has not claimed preemptive regulatory authority with regard to labor standards (see CPUC's amicus brief in *Kairy v. SuperShuttle International 20*).

B. Require licenses for meal and grocery delivery workers

SURVEY FINDING

One fifth of meal delivery and 13% of grocery delivery workers are on some kind of public benefit, with 14% of meal delivery workers receiving food stamps. After expenses, median weekly earnings were \$336 for grocery delivery and \$170 for meal delivery workers.

RECOMMENDATION

The City should explore creating a licensing requirement for app-based food and grocery delivery workers in order to regulate the number of people performing this work. Licenses could be capped in order to limit the number of those who can access jobs, enabling those with licenses to work full time and earn family sustaining wages. Caps could also reduce traffic and congestion. The Department of Public Health or the San Francisco Municipal Transportation Agency could oversee this program. The licensing system should not place financial burdens on workers or create extensive red tape and should be developed in rigorous consultation with workers.

BACKGROUND

In New York City, the Taxi and Limousine Commission requires ride-hail drivers to operate with licenses. In 2018, the City Council voted to cap the number of licenses for one year, in order to both limit traffic and congestion as well as to increase drivers' wages by allowing those with licenses to access more jobs, rather than spreading the work across a larger number of drivers. In 2019, the City extended the cap for another year, and Mayor Bill De Blasio noted that "Our caps have boosted wages for drivers and made life easier for working families."

The City of San Francisco could establish such a licensing program for app-based meal and grocery delivery workers, a workforce that the CPUC has no jurisdiction over. Further research is needed to determine how successful the New York model has been and ensure that any cap aligns with the goals of improving on-demand workers' economic security and reducing congestion.

C. Formation of a Ride-hail and Delivery Worker Resource Center

SURVEY FINDING

Ride-hail and delivery workers often find themselves fired or "deactivated." Ten percent of respondents were deactivated by the primary app they work for. More than half of those fired felt that their case was not handled fairly by the app, and more than three quarters

lost significant income because of it. Sixteen percent of those surveyed were threatened with deactivation by the platform they worked for.

RECOMMENDATION

The City should explore creating a center that works with on-demand ridehailing and delivery workers to both educate them on their rights and provide them with resources to navigate situations where they are fired from an app. Such a center could also track app company compliance with employment laws.

BACKGROUND

In 2019 the City of Seattle adopted legislation to create a Driver Resolution Center, which will be operated by a non-profit organization, to offer outreach and education services on driver rights. The Center will allow drivers to challenge permanent deactivations and temporary deactivations, create notification standards for drivers who have been deactivated, and allow for representation through an appeals process with an advocate from the Driver Resolution Center. For drivers and companies who agree to proceed through the Deactivation Appeals Panel, this will allow for an impartial process for settling unwarranted deactivation by the companies as well as remedies. The Center will be overseen by the Seattle Office of Labor Standards at a cost of \$2.5 million, funded through a tax on Uber and Lyft rides.

In 2019, the City of Portland created a Transportation Network Company (TNC) Ombudsperson program and Drivers Advisory Committee. The first of its kind in the country, the program is funded by a surcharge on Uber, Lyft and Wingz rides. Complaints from drivers are submitted to a neutral and independent mediator (Ombuds) who attempts to resolve the complaints by working with both the companies and drivers. The Ombuds tracks and reports complaint patterns, which are reported to the Drivers Advisory Committee and can also make policy recommendations to the City and Committee. The TNC Drivers Advisory Committee was established to serve "as a forum where drivers can express issues, concerns, and suggestions." The Committee is composed of six drivers, and three public/at large members, along with a technical advisory panel which includes a TNC representative. The Ombuds works closely with the Drivers Committee to provide support and report trends. The Committee can recommend policy changes to City officials.

It is unclear how successful these programs will be toward actually resolving complaints from on-demand workers. Further research is needed to develop a similar program in San Francisco, and improve upon these models.

D. Exploration of a ridesharing cooperative

RECOMMENDATION

The City should establish a task force to explore the viability of a City-run, worker-owned ride-hail and delivery cooperative.

BACKGROUND

It is clear that the services these on-demand companies provide are valued by San Franciscans and serve a function in the city's transportation mix. Yet these companies have argued that they cannot afford to comply with California's newly codified worker classification guidance, and as the survey findings demonstrate, their business model is not economically sustainable for their workforce. It is worthwhile for the City to explore the creation of a similar service, the specifications of which should include extending a full slate of worker protections to drivers.

The Los Angeles Department of Transportation has recently announced its plans to overhaul its taxi regulations, shifting from a franchise model to a permit model, creating a centralized dispatch and a consumer app. In conversations with relevant LADOT officials, SFLAFCo has learned that this approach is intended to remove barriers to entry for taxi-driving while maintaining an enforceable livable wage structure, background checks and drug testing to ensure consumer safety. The department is currently (as of Winter 2020) drafting an RFP for the development of the app and centralized dispatch function. San Francisco would do well to follow these developments and consider SFMTA pursuing a similar modernization of its taxi regulations. Centralized dispatch has been the subject of several failing ballot measures in San Francisco, but market conditions have shifted dramatically since it was last voted upon. Consideration could also be given to how to compensate taxi medallion holders/purchasers for their underwater assets as part of this scheme.

2. Promote Accountability & Lawful Operations Among App-Based Delivery & ride-hail Companies

A. Improve access to company data

SURVEY FINDING

Driver's Seat's work during the Pilot Data Collection Phase demonstrated that direct trip and earnings data collection by ridehail drivers, in partnership with an

independent and trusted technology partner, is an essential component of policy development, and by implication enforcement and evaluation.

Twenty four drivers contributed 49 driver days of data, logging over 540 TNC trips. Driver's Seat performed a descriptive analysis of this data, establishing that driver collected data can be analyzed to provide meaningful input to policy makers on the following information points:

1. Driver gross earnings.
2. Driver mileage-based expenses, cut by the time the driver spent traveling with passengers to destinations (P3), and by the combined time the driver spent traveling to pick up passengers (P2) and waiting for ride requests (P1).
3. Using earnings and mileage based expenses, calculate an estimate of "effective hourly wage."
4. Utilization rate, i.e. the ratio of time with a passenger in the car to time waiting for a ride or en route to a passenger.
5. Temporal and spatial distribution of P3 and combined P1/P2 time.
6. Correlation between geographic distribution of rides and driver income.

RECOMMENDATIONS

The following public policy priorities, many of them under active consideration by City or state agencies, all require robust, continuous, independent and validated data for design, implementation and enforcement:

1. Driver/delivery workers minimum wage calculations.
2. Driver/delivery worker eligibility for employment related benefits or policies.
3. On-demand mobility or delivery worker platform contribution to regional and local vehicle miles travelled, traffic congestion and greenhouse gas emissions.
4. Relationship of TNC and on-demand delivery services to transportation equity goals.
5. Relationship of TNC and on-demand delivery services to public transit ridership patterns.
6. Impact of delivery platforms on local small businesses.

The City should pursue a multi-tiered strategy for securing validated, ongoing data needed for setting and implementing policy in all of the arenas described above.

1. **Secure data directly from TNC and on-demand mobility platforms.** The City should assert that

its authority to enforce its labor laws does not conflict with CPUC's regulatory authority and to be recognized as an interested local government privy to relevant data from TNCs. For meal and delivery app companies, the City can establish its own requirements for the collection of data that enables improved policy development and implementation.

While securing data directly from platforms has the potential to yield the most complete data sets, this approach faces numerous political hurdles.

Furthermore, setting good labor policy requires understanding hours, earnings, and working conditions from the perspective of individual on-demand workers, many of whom work on multiple platforms.

2. Pursue partnerships with independent, third party data intermediaries to ensure that the City has continuous access to high quality data. Third party data intermediaries fill a number of important gaps in data that the City can access via other means. In order to ensure greatest public return on investment in data intermediary partnerships, the City should require the following from its partners:

- Data is cross-platform, collected at the individual on-demand worker level. As discussed above, this enables policymakers to evaluate the impact of policy on workers who are working on multiple ride-hail and delivery platforms.
- Data is collected with explicit driver consent, and with strong privacy practices, ensuring that drivers have a voice in how their own data is used, and that consumer privacy is protected.
- Drivers and delivery workers are compensated for their data.
- The intermediary is free from undue influence or control of the on-demand platforms, ensuring that the data is independent, valid and trustworthy.
- The intermediary creates supplemental channels for policymakers to engage drivers directly on the meaning and interpretation of data they provide.

Policy that is developed in this arena should ensure that drivers and delivery workers

maintain their right to independently collect and share their personal work data regardless of whether they are classified as employees or independent contractors.

3. The City should compel relevant agencies, including the San Francisco Police Department and the Department of Public Health, to develop privacy-forward methods to collect and share information about collisions and injuries, respectively, involving on-demand ridehail and delivery workers. This information would not only benefit public health and safety inquiries but also could be combined with labor data to demonstrate the impacts of labor practices industry wide.

BACKGROUND

In 2018, Lyft began sharing a continuous tranche of information with the City Attorney's office consisting of geographic, temporal and monetary details about each San Francisco Lyft ride dating back to 2013. In September, the California Supreme Court upheld a lower court ruling compelling Uber to comply with City Attorney subpoenas for this information. Yet both the Lyft and Uber data is subject to confidentiality agreements and cannot be shared among other interested San Francisco agencies (including this Commission, the Municipal Transportation Agency and the Office of Labor Standards Enforcement).

A nearly identical dataset is maintained by the California Public Utilities Commission, which currently treats it as confidential, though that may not be permanent. The CPUC's ongoing rulemaking procedure, due to conclude this year, takes up the issue of which TNC data can and be shared with interested local government agencies, and conditions attached to that data. The scope of the rulemaking excludes labor issues, though the data which CPUC collects can be informative for labor regulation.

A separate legal proceeding between the TNCs and the City Attorney concerns a further set of data, consisting of information about all of the drivers operating in San Francisco, obtained from the companies to ensure compliance with the requirement for drivers to register as independent businesses with the Office of the Treasurer and Tax Collector. This information could be useful for the current study and for officials hoping to intervene to protect the rights of drivers. Uber was ordered to turn this data over to the City but new state legislation intervened. Senate Bill 182 stipulates that drivers must only register as businesses in the cities

where they live, which directly contradicts City business registration laws. The City has filed suit against the state, arguing that SB 182 can't be applied in San Francisco, and the status of the data depends on the disposition of that case, which will next be heard on February 4th, 2020. Even if the City should succeed to compel these records, they too may be subject to confidentiality provisions. Yet regardless of the outcome, the courts have confirmed that the City has the authority to issue subpoenas for data relevant to the enforcement of city laws, and that this does not conflict with the CPUC's general regulatory authority over TNCs. This ruling could support the efforts of other agencies to compel data, including labor data, that are not impeded by SB 182.

Existing data about the on-demand delivery of food and other goods is scant but also subject to fewer established restrictions. This is an area where the City has ample opportunity to compel data sharing from the companies involved as part of a more thoroughgoing approach to regulation. The Treasurer and Tax collector may receive extensive driver data from the relevant companies, since these drivers' registration is not subject to SB 182. It is possible that this data could be shared, fully or with limitations, with other interested government agencies while maintaining its confidentiality. This requires further legal analysis.

The San Francisco Office of Labor Standards Enforcement soon expects to publish valuable data about delivery operations, upon settlement of an action against one of the delivery companies. The OLSE has open investigations into other companies that fall under the remit of this study. The Office customarily makes its audits public upon settlement; it is also possible that they could be shared with other City agencies even earlier, but this too requires further legal consideration.

B. Document the fiscal and social impact of worker misclassification by ride-hail and delivery apps

RECOMMENDATION

The Board of Supervisors should direct the Budget and Legislative Analyst to generate a report on the financial and social impacts of the on-demand industry's worker misclassification. This report would estimate:

1. The costs to the City's public health infrastructure arising from non-payment of mandated employer contributions to health care and workers' compensation insurance.
2. The tax liability differential arising from misclassification.

3. The total amount of unpaid benefits that workers are entitled to under the retroactive enforcement of AB 5.
4. The social impacts of this longstanding practice of non-payment of mandated worker benefits for this large workforce, and the extent to which city taxpayers subsidize these services.
5. Analysis of lost ride-hail and delivery worker earnings as well as public revenue resulting from failure to count P1 and P2 time and other externalized expenses in earnings and expense calculations.
6. Impact on W-2 employment in ecommerce/ personal shopping on unionized grocery employees.

C. Airport Permit Revocation

RECOMMENDATION

Recommend that the Airport Commission amend permit requirements for TNCs to include a labor peace or card-check neutrality agreement along with other minimum standards for ride-hail workers. If the OLSE finds TNCs non-compliant, it could request the Airport Commission revoke these permits.

3. Improve Safety & Health for App-Based Drivers & Bike Riders

A. Provide workforce with free and accessible restrooms

SURVEY FINDINGS

One third of drivers reported sometimes or often sleeping in their car before, during or after their shift. Eighty percent sometimes or often had to use the bathroom while working in San Francisco but had no nearby access to a facility.

RECOMMENDATION

See the above recommendation for a Ride-hail and Delivery Worker Resource Center. The Department of Public Works should explore the creation of a public facility for app-based delivery and ride-hail workers that provides them with free restrooms. The facility should be parking accessible. The center could also include materials in multiple languages educating these workers on their rights and access to public resources.

BACKGROUND

Given the importance of handwashing to limit the spread of COVID-19, workers' lack of access to restrooms

is problematic from a public health standpoint. OSHA also recognizes that workers suffer adverse health problems when they do not have timely access to toilets.

B. Address safety hazards for bicycle delivery

SURVEY FINDINGS

Seventy percent of those who deliver on bikes reported feeling unsafe doing this work by bike in San Francisco. Ninety percent felt that poor quality roads were a hazard, and 90% felt that cars parked in bike lanes were a hazard.

RECOMMENDATION

The San Francisco Municipal Transportation Agency should immediately implement a rapid buildout of protected bike lanes in San Francisco and dramatically expand loading zones on busy commercial corridors. This includes establishing safe pick-up and drop-off zones for ridehailing and delivery drivers to prevent hazards in bike lanes, such as double parking, to improve overall traffic safety on the street. Small businesses are likely to place increased pressure on the curb by pivoting to curbside delivery during the COVID-19 pandemic. Loading zones must be a high priority. Safe and efficient pick-up and deliveries will be key to helping businesses survive economically. In addition, the current network of Slow Streets established to help residents physically distance during the COVID-19 pandemic should be expanded and made permanent. To address the hazardous pavement conditions, Public Works should continue to prioritize repaving on high-injury corridors to promote the City's Vision Zero goals to achieve zero traffic deaths.

BACKGROUND

On-demand bicycle couriers face some of the most hostile street conditions for food and grocery delivery, having to navigate congested city streets, endure pollution, weave around cars blocking bike lanes and avert danger on a daily basis. The COVID-19 crisis has created an unprecedented demand for food and grocery delivery workers. Small businesses, particularly restaurants and grocery outlets, are dependent on this frontline workforce to deliver essential items to residents sheltering in place. This has resulted in more congested curb space with more delivery vehicles on the streets. An expansion of the Slow Streets network would benefit not only restaurants seeking to create more socially distant space for their patrons, but bicycle couriers can use these streets to avoid busier, more dangerous routes prioritized for cars. Creating space for drop-off and pick-ups in designated curb zones will

improve safety and result in fewer parking violations for ridehailing and food and grocery delivery workers. As new emergency regulations are implemented to assist small businesses during the COVID-19 crisis, and their ability to function with curbside pick-up, bicycle couriers will play a critical role, and these simple safety measures would vastly improve their working and safety conditions, and benefit other couriers who do the work on foot, or using other sustainable modes of travel.

a. Establish an ebike rebate program

SURVEY FINDINGS

Workers were surveyed on their interest in a potential ebike rebate program that could be run by the City. According to the survey, 321 people working for Uber/Lyft (12%) said that they would switch to meal delivery with an e-bike incentive, and 13% said maybe. Of 179 people currently working for a meal delivery company, 39% said yes, they'd switch to an ebike, and 31% said maybe, with an incentive.

RECOMMENDATION

The City should explore starting an e-bike rebate program for on-demand delivery workers funded by on-demand companies in collaboration with bike manufacturers. The program could be run by the San Francisco Department of Environment or the San Francisco Municipal Transportation Agency.

BACKGROUND

E-bikes are an efficient mode of travel for food and grocery deliveries in San Francisco, especially in dense neighborhoods and commercial corridors, and are ideal for navigating the City's hilly streets. Some bike couriers report switching from a regular bike to an e-bike has been a game changer for food and grocery delivery, but barriers exist to obtaining them, namely the price, which can range from \$1,500 to \$5,000 and up. Shifting to e-bike delivery would not only decrease congestion and help the City achieve its climate and greenhouse emission reductions goals, it would improve safety under Vision Zero.

b. Establish and enforce safe pickup spots for ride-hail drivers

SURVEY FINDINGS

While driving for the apps, 43% of drivers were ticketed in the City's red zones, and 51% received other parking tickets in San Francisco.

RECOMMENDATION

As mentioned above, the San Francisco Municipal

Transportation Agency should establish permitted pickup spots in busy commercial and high-injury corridors.

BACKGROUND

The phenomenon of on-demand drivers illegally and unsafely using bike lanes for pick-up and drop-off is widespread, and the San Francisco Municipal Transportation Agency should establish safe drop-off and pick-up zones on relevant corridors, and a permit could be required for their use. These permits could include a labor peace/card-check neutrality provision and could be revoked upon findings of labor law violation.

Such a permit structure could form part of future efforts by SFMTA's Curb Management division, if it expands upon the Inner Sunset Curb Management Project and targets other neighborhoods and corridors.

4. Promote Public Health & Safety

SURVEY FINDINGS

The survey abounds with public safety issues. The economic insecurity of drivers is clearly posing a health risk to the public. Prior to COVID-19, 27% reported that they would maybe or likely go to work if they woke up with a fever. And 45% of respondents worked 12 or more straight hours for one or more apps at least once or twice per week, with 18% working 12 or more straight

hours 3-4 days per week. Addressing economic security and ensuring workers have access to paid leave is one way the City can address these public health threats.

c. Amendments to the Public Health Code to require permits for third-party meal delivery

RECOMMENDATION

The City should explore establishing a process for the issuance of public health permits for companies whose workers handle food in the course of their work. This would require amending the City's code to explicitly include this workforce. Such a permit would be necessary for any company engaged in this business in the city, would require proper worker classification, would hold companies rather than workers liable for meeting permit requirements, and could be revoked if labor violations come to light. As is true of several other city permits, a labor peace or card-check neutrality agreement could be a requirement for obtaining this permit.

The City can also recommend that state legislators amend the CA Food Retail Code to include third-party meal delivery companies in the definition of "food facilities," which would legally require these companies to educate their drivers about safe meal handling and require drivers to use temperature controlling gear at company cost.

ACKNOWLEDGEMENTS

LAFCo research associate Dan Raile and Erin Johansson, research director at the Jobs With Justice Education Fund, contributed a majority of research and writing for this report, along with Executive Officer Bryan Goebel. Hays Witt of Driver's Seat Cooperative also contributed expertise on data sharing and writing.

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