



**City of Santa Monica Department of Transportation, Mobility Division**

## **Personal Delivery Devices (PDD) Administrative Regulations, September 2023**

### **Section 1: Program Overview**

#### **1.1 Goals & Objectives**

To regulate the emerging technologies associated with last-mile delivery and goods movement, the City of Santa Monica is taking a proactive approach to integrate new technologies into the transportation landscape. This document presents the rules and regulations of remotely controlled personal delivery device (PDD) operations within the City, authorized under [Santa Monica Municipal Code Section 3.12.1055](#).

#### **1.2 Purpose**

The purpose of the PDD Administrative Regulations (Administrative Regulations) is to establish requirements to govern and regulate the operation of PDDs within the City of Santa Monica.

#### **1.3 Definitions**

- **Autonomous delivery vehicle or device** means a motorized vehicle or device used to transport items, products, or any other materials on City sidewalks or pedestrian paths of travel for commercial purposes, and guided or controlled without a human operator, whether while sitting or standing upon the device or remotely, actively, and physically controlling the movements of the vehicle or device.

While operating within City boundaries, devices must operate between Level 0-3 in the automation scale (see below).

**Level 0: No Automation.** The device requires full manual control. A human provides all operating tasks.

**Level 1: Assisted Automation.** The device features a single automated system (e.g., it monitors speed through cruise control).

**Level 2: Partial Automation.** Similar to Advanced Driver Assistance Systems (ADAS), the device can perform steering and acceleration, while a human still monitors all tasks and can take control at any time.

**Level 3: Conditional Automation.** The device has environmental detection capabilities and can perform a variety of operating tasks, but human piloting is still required.

**Level 4: High Automation.** The device performs all operating tasks under specific circumstances. Geofencing is required, and human piloting is still an option.

**Level 5: Full Automation.** The device performs all operating tasks under all conditions. Zero human interaction or attention is required.

- **Autonomous operation** means device operation where technology that is a combination of hardware and software, remote and/or on-board, performs the dynamic piloting task.
- **City** means the City of Santa Monica.
- **Device** also called vehicle, means an operator device that is operated by a human and is used or intended to be used to move goods from one physical point to another on sidewalks and pedestrian paths of travel.
- **Operator** means a PDD company that operates devices within a municipality.
- **Personal Delivery Device (PDD)** means a device used to transport items, products, or any other materials on City sidewalks and pedestrian paths of travel for commercial purposes; guided or controlled with a human operator actively and physically controlling the movements of the device.
- **Public Right-of-Way (PROW)** means any public alley, parkway, public transportation path, roadway, sidewalk, or street that is owned, granted by easement, operated, or controlled by the City.
- **Retail Partners** mean businesses who participate in the use of PDDs for their operations.
- **Semi-autonomous personal delivery vehicle or device** means a motorized vehicle or device used to transport items, products, or any other materials on City sidewalks or pedestrian paths of travel for commercial purposes, where vehicle or device operation technology is a combination of hardware and software, remote and/or on-board, and performs the dynamic piloting task.
- **Vehicle** also called device, means an operator device that is operated by a human and is used or intended to be used to move goods from one physical point to another.

#### **1.4 Operator Requirements**

- Device operators must have an annual business license with the City of Santa Monica. Device operators must adhere to business license renewal processes and requirements.
- Device operators must have a 24-hour customer service phone number available on all devices.

## **Section 2: General Terms**

### **2.1 Permitted Device Categorization**

- Devices must comply with all applicable federal, state, and local laws. PDDs must comply with all applicable rules and regulations, including but not limited to pedestrian laws.
- Devices shall obey all traffic laws and cross intersections with pedestrian signals and shall comply with Americans with Disabilities Act (ADA) requirements and not interfere with the maintenance of paths of travel for persons with disabilities.

- Devices shall be remotely piloted/operated by humans. Each device should have its own operator at all times. No semi-autonomous (Level 4) or autonomous (Level 5) devices are permitted within the City.
- Devices shall be zero emission (in most cases electric) and not have internal combustible engines (ICE).

## 2.2 Permitted Device Specifications

- Devices cannot exceed 5 MPH and must operate on sidewalks, pedestrian pathways, and crosswalks.
- Devices must maintain ADA compliance while in operation and parked.
- **Device Dimensions**
  - Empty Weight: ≤ 150 lbs.
  - (LxWxH): 44" x 24" x 30"
- **Device Identification**
  - Every device shall have a unique identifier that is readily visible to retail partners, customers, or any member of the public. Operators shall provide easily visible contact information, including toll-free phone number and email address, on each device for the customers or member of the public to make relocation requests or to report other issues with the devices.
  - Every device shall also include a readily accessible, unique, and clearly displayed tactile sign containing raised characters and accompanying Braille, in compliance with standard ADA requirements to identify the device for the purpose of reporting illegal or negligent activity.
- **Health & Safety**
  - PDDs shall be equipped with high visibility flags of 46" or greater to make them visible to all incoming traffic, including trucks, at intersections.
  - Devices shall have always-on front and back lights that are visible from a distance of at least 300 feet under normal atmospheric conditions at night. Front and rear lights must stay illuminated for at least 90 seconds after the device has stopped during a trip.
  - Devices must be sanitized and disinfected prior to each deployment or upon return to its original location.

## 2.3 Device Operations

- **Parking:** PDDs must be parked outside of the PROW and not infringe upon ADA requirements and inhibit use of sidewalks for pedestrians. Device parking on sidewalks or in crosswalks is prohibited.
  - Operators shall store PDDs within the boundaries of the customer-controlled footprint when not operating and shall not park or idle PDDs in the PROW.
- **Roaming:** PDDs moving must be operating to/from a delivery, as part of system rebalancing or routine operations, not operating on the PROW without purpose.
- **Permitted Areas:** PDDs are permitted to operate within the boundaries of the City, including on the Third Street Promenade, except as noted below in Prohibited Zones.
- **Prohibited Zones:** PDDs are prohibited from operating on the Santa Monica Beach Bike Path, Ocean Front Walk, Expo Bike Path, Metro property (e.g., Expo Line stations, railroad tracks) and the Santa Monica Pier.

- **Emergency Operations:** The City may require speed reduction or deactivation in other areas for special events and emergencies. Operators must implement location-based speed reduction and deactivation strategies in designated areas of the City in accordance with City direction.
- **Fleet Cap:** PDD operators may operate within the boundaries of the City with no fleet cap; however, the City maintains the discretion to amend its Administrative Regulations to impose a fleet cap at any time and for any reason.
- All PDDs and PDD operators must comply with the City's rules and regulations of transporting commercial items. PDDs shall not contain waste, hazardous materials, weapons of any kind (including flammables and ammunition), tobacco and/or any additional items the City deems inappropriate.
  - PDDs shall have an ID reader for items with age limits (e.g., alcohol and cannabis). The human operator of the devices shall confirm the ID matches the individual who is receiving the items via a PDD.
  - All PDDs are subject to inspection at any time.
- All PDD operators must have standard operating procedures (SOP)s for handling City-wide emergencies, events, and navigating around crime scenes, and provide the City with a copy of the SOP prior to commencing operations in the City. The City reserves the right to require that PDD operators work with the City's Police and Fire departments on developing operational plans in the event that devices need to be stopped or if there are emergencies. PDD operators may need to update plans to comply with Police and Fire requirements.

## 2.4 Business License Compliance

- Prior to commencing operations in the City, all PDD operators must procure a City of Santa Monica Business License and renew the license on an annual basis. Operators can either register online, via email or in-person during public counter hours.
- Per [SMMC 6.04.260](#), any license issued by the City may be suspended or revoked by the City Manager or designee when it shall appear that the business of the person to whom such license was granted has been conducted in a disorderly or improper manner, or in violation of any statute of the State, or ordinance of the City or Code, or that the person conducting said business is of an unfit character to conduct the same, or the purpose for which the license has been issued is being abused to the detriment of the public, or is being used for a purpose different from that for which the license was issued.

## Section 3: PDD Monitoring and Enforcement

### 3.1 Enforcement Procedures

The Personal Delivery Device Enforcement Program (Enforcement Program) is designed to promote and achieve compliance with local law and these Administrative Regulations. The Enforcement Program will follow the enforcement strategy described in the sections of these Administrative Regulations and the Enforcement Penalty Schedule in Section 3.2. The enforcement strategy may begin with a written warning/advisement to comply without being subjected to fines/penalties. In some cases, depending on the nature of the violation, enforcement could begin with citation and the imposition of fines/penalties in accordance with local law including pedestrian laws.

In the event that a business license is revoked, suspended, or denied, an Operator must immediately stop all PDD operations on City sidewalks and paths of travel, and remove all devices and any associated equipment from the public right-of-way.

### **3.2 Enforcement Penalty Schedule**

Except as otherwise specifically set forth, the administrative citation fine amount imposed pursuant to [Chapter 1.09 to the Municipal Code](#), (“administrative citation fine amount”) for a first violation of the Santa Monica Municipal Code, and by extension these Administrative Regulations, by a person shall be Seventy-Five Dollars (\$75.00).

The administrative citation fine amount for a second violation of the same Code or Administrative Regulations provision by the same responsible party within thirty-six (36) months from the date of an administrative citation shall equal one hundred twenty-five percent (125%) of the original fine amount for a first violation of the Municipal Code or Administrative Regulations section at the time of the second violation. The administrative citation fine amount for a third and any subsequent violation of the same Code or Administrative Regulations provision by the same responsible party within thirty-six (36) months from the date of an administrative citation shall equal one hundred fifty percent (150%) of the fine amount listed for a first violation of the Municipal Code or Administrative Regulations section at the time of the third, or as applicable, subsequent violation.

### **3.3 Law Enforcement Compliance**

The vendor shall upon provision of a warrant, provide the Santa Monica Police Department with any available materials, equipment, and/or data requested in the warrant. Operators who refuse to comply with this section are subject to business license suspension or revocation.

## **Section 4: Insurance and Indemnification Terms**

### **4.1 Insurance Requirements**

Prior to commencing work, the Operator must execute the insurance and indemnification agreement, and procure, maintain, and pay for insurance against claims for injuries to persons or damage to property that may arise from or in connection with operating PDDs pursuant to Santa Monica Municipal Code Section 3.12.1055. Refer to Exhibit A for the insurance and indemnification agreement and requirements.

### **4.2 Indemnification**

Device Operators shall also be in compliance at all times with insurance and indemnification requirements imposed as conditions to the operator of a required City of Santa Monica business license shown here: <https://finance.smgov.net/doing-business/business-license/obtain-a-business-license>.

## **Section 5: Data and Privacy**

### **5.1 Data Protection & Privacy**

- Operators are required to follow all local, state, and federal laws and regulations with respect to personally identifiable information (PII) and credit card information.
- It is strongly preferred that Operators do not resell users' personally identifiable information. If Operators engage in such a practice, then it is required that they comply with all state and federal laws and regulations and, to the extent this is not already required by such state and federal laws and regulations, that:
  - This is communicated clearly and transparently to users, and
  - Users have a clear means of opting out if they do not want their data sold.
- Operators must protect users' personal information. Financial transactions must be secure and PCI compliant. Personal information should be protected using industry accepted encryption, and customer permission should be sought before sharing personal information with a third party.

## 5.2 Reporting Requirements / Data Sharing

- PDD Operators shall report information to the City, including but not limited to, the following:
  - Partner organizations utilizing PDDs for deliveries;
  - Total number of deliveries completed by PDDs;
  - Aggregate distance and duration of deliveries;
  - Reports about any incidents (e.g., collisions, crashes, public complaints, blocked sidewalks, stalled devices, etc.) involving a PDD (including pedestrian, motor vehicle, and property interactions); all incidents (including solo PDD incidents) must be reported within 24 hours to the City of Santa Monica at [transportation.planning@santamonica.gov](mailto:transportation.planning@santamonica.gov).
  - The nature and location of any incidents involving theft or vandalism of a PDD;
  - The nature and location of any incidents involving the cyber hacking of a PDD's systems;
- The City of Santa Monica reserves the right to specify the format of data submissions, whether via a data aggregator or otherwise. All data submissions will respect and obscure PII.

## Section 6: Marketing & Advertising

- 6.1** Marketing and advertising is restricted to promotional opportunities for the device operator or their customers (e.g., the company, organization, or individual which is contracting the operator's services).
- 6.2** At the City's request, device operators shall display marketing and advertising related to City programs.
- 6.3** Any marketing and advertising must fit within the size and weight limitations for the devices.
- 6.4** Any marketing and advertising must be visual in nature only. Auditory marketing and advertising are prohibited.
- 6.5** Digital marketing and advertising on devices is prohibited. Any marketing and advertising must be static and must not be luminescent.

## Section 7: Modifications

- 7.1** The City may modify any of the terms and conditions at any time and in the City's sole discretion.
- 7.2** If any modification is unacceptable to the Operator, its sole recourse is to remove devices from the PROW, providing the City and retail partners with 30 days' notice in writing.
- 7.3** The City reserves the right to implement a limitation on the number of personal delivery devices operating throughout the City of Santa Monica.
- 7.4** The City may issue a suspension or revocation of business license based on number of crashes (caused by remote-controlled delivery device operators). The City may also issue a suspension or revocation of business license based on other incidents that violate the terms of [SMMC 3.12.1055](#) and the Administrative Regulations of operating PDDs within the City of Santa Monica.

## Exhibit A

### Personal Delivery Device Insurance Requirements

Business shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the Business's possession, occupancy, operation, or use of the premises by the Business, its agents, representatives, employees, subcontractors, and guests.

#### Minimum Scope and Limits of Insurance

Coverage shall be at least as broad as:

- 1. Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal and advertising injury, with limits of no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

If the Business maintains broader coverage or higher limits than the minimums shown above, the City of Santa Monica requires and shall be entitled to the broader coverage or higher limits maintained by the Business. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Santa Monica.

#### Other Insurance Provisions

- The insurance policies are to contain, or be endorsed to contain, the following provisions:
  - a. Additional Insured Status:** The City of Santa Monica, its officers, officials, employees and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the use, occupancy, operations or maintenance of the leased premises, including work or operations performed by or on behalf of Business. CGL coverage can be provided in the form of an endorsement to the Business's insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85, or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37).
  - b. Primary Coverage:** For any claims related to this Agreement, the Business's insurance shall be primary coverage as least as broad as Insurance Services Office Form CG 20 01 04 13 as respects the City of Santa Monica, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City of Santa Monica, its officers, officials, employees or volunteers shall be in excess of the Business's insurance and shall not contribute with it.
  - c. Notice of Cancellation:** Each insurance policy required herein shall state that coverage shall not be cancelled except after notice has been given to the City of Santa Monica.



- d. Waiver of Subrogation:** Business hereby grants to the City of Santa Monica a waiver of any right of subrogation which any insurer of said Business may acquire against the City of Santa Monica by virtue of payment of any loss. Business agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Santa Monica has received a waiver of subrogation endorsement from the insurer.

### **Self-Insured Retentions**

Self-insured retentions must be declared to and approved by the City of Santa Monica. The City of Santa Monica may require the Business to purchase coverage with a lower retention or provide satisfactory proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the name insured or the City of Santa Monica.

### **Acceptability of Insurers**

Insurance is to be placed with insurers authorized to conduct business in California with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City of Santa Monica.

### **Verification of Coverage**

Business shall furnish the City of Santa Monica with original certificates and amendatory endorsements (or copies of the applicable policy language effecting coverage provided by this clause). All certificates and endorsements are to be received and approved by the City of Santa Monica before the lease commences. However, failure to obtain required documents prior to the lease beginning shall not waive the Business's obligation to provide them. The City of Santa Monica reserves the right to require complete, certified copies of all required insurance policies, including the endorsements required herein, at any time.

### **Failure to Maintain Insurance Coverage**

If Business, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. The City of Santa Monica, at its sole option, may terminate this Agreement and obtain damages from the Business resulting from said breach.

## EXHIBIT B: INDEMNIFICATION AND INSURANCE AGREEMENT

This Indemnification and Insurance Agreement (“Agreement”) is entered into on \_\_\_\_\_, 2023, by and between the **CITY OF SANTA MONICA**, a municipal corporation (“City”) and \_\_\_\_\_ (“PDD Operator”).

### RECITALS

- A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of the City.
- B. Operator is qualified to do business, and is doing business, in the State of California. Pursuant to Santa Monica Municipal Code Section 3.12.1055 (Remotely controlled delivery vehicles or devices), all operations of autonomous or remotely controlled delivery vehicles or devices (“PDDs”) that are not prohibited by Section 3.12.1055 shall comply with all requirements, including insurance and indemnification requirements, imposed as conditions of the grant to the operator of a required Santa Monica business license, and the administrative rules and regulations promulgated under Section 3.12.1055.
- C. City and Operator desire to enter into this Agreement upon the terms and conditions set forth below.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

**1. AGREEMENT TO INDEMNIFY, DEFEND AND HOLD HARMLESS.** Operator agrees to defend, indemnify, and hold harmless the City, its officers, elected, or appointed officials, employees, agents, and volunteers from and against any and all claims, damages, losses, expenses, fines, penalties, judgments, demands, and defense costs (including, without limitation, actual, direct, out-of-pocket costs and expenses, and amounts paid in compromise, settlement, or judgment, and reasonable legal fees arising from litigation of every nature or liability of any kind or nature including civil, criminal, administrative or investigative) arising out of, in connection with, or which are in any way related to, the Operator’s participation in Santa Monica Municipal Code Section 3.12.1055, and any accompanying rules and regulations, all and applicable federal, state, and local laws. Operator’s (including its officers, managers, employees, contractors, agents, and volunteers) business conduct and operations, any violation of any laws by the Operator (including its officers, managers, employees, contractors, agents, and volunteers) or its users, or any bodily injury including death or damage to property arising out of or in connection with any use, misuse, placement or mis-placement of any of the Operator’s devices or equipment by any person, except such loss or damage which was caused by the sole willful misconduct of the City. Operator will conduct all defenses at its sole cost and expense, and City shall reasonably approve selection of the counsel to represent City as proposed by Operator. This indemnity shall apply to all claims and liability regardless of whether any insurance policies of the Operator, its affiliates or any other parties are applicable thereto. The policy limits of any insurance of Operator, its affiliates or other parties are not a limitation upon the obligation of Operator, including without

limitation, the amount of indemnification to be provided by Operator. The provisions of this section shall survive the termination of this Agreement.

**2. INSURANCE.** Operator agrees that, at no cost or expense to the City, at all times during the Operator's participation in Santa Monica Municipal Code Section 3.12.1055, Operator will maintain the insurance coverage set forth in Exhibit "A" to this Agreement.

**3. AMENDMENT/INTERPRETATION OF THIS AGREEMENT.** This Agreement, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by both parties hereto. This Agreement shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Agreement or any of its provisions.

**4. SECTION HEADINGS.** Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

**5. WAIVER.** No waiver of any of the provisions of this Agreement shall be binding unless in the form of a writing signed by the party against whom enforcement is sought, and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

**6. SEVERABILITY AND GOVERNING LAW.** If any provision or portion thereof of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

**7. NOTICES.** All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand or mailed certified or registered mail and addressed as follows:

If to Operator:

[INSERT]

If to City:

City of Santa Monica, Mobility Division  
1685 Main Street Room 115  
Santa Monica, CA 90401

With a copy to:

Santa Monica City Attorney's Office  
1685 Main Street, Third Floor  
Santa Monica, CA 90401  
Attention Douglas Sloan, City Attorney

**8. COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, which together shall constitute the same instrument.

**9. EFFECTIVE DATE AND TERMINATION.** This Agreement will be effective as of the date of the signature of City's representative as indicated below in City's signature block and shall terminate as of the expiration date of Operator's business license. Operator's indemnification obligations pursuant to Section 1 above shall survive the termination of this Agreement.

In witness whereof, the parties have caused this Agreement to be executed the day and year first above written.

ATTEST:

CITY OF SANTA MONICA,  
a municipal corporation

\_\_\_\_\_  
DENISE ANDERSON-WARREN  
City Clerk

By: \_\_\_\_\_  
DAVID WHITE  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
DOUGLAS SLOAN  
City Attorney

OPERATOR

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_