



CITY OF POMONA COUNCIL REPORT

October 15, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted by: Mike Olivieri, Chief of Police

Subject: **Approve the Transfer of the Tow Franchise Currently Held by Pomona Valley Towing, Inc. to the new Business Owner Carpe Carma, LLC.**

OVERVIEW

Recommendations - That the City Council approve the transfer of the tow franchise currently held by Pomona Valley Towing, Inc. to the new business owners Carpe Carma, LLC.

Fiscal Impact – The fiscal impact, if any, would be minimal during the transfer of the business and the tow franchise. Pomona Valley Towing, Inc. has continued to operate during this transition period.

Previous Related Action – The City Council approved 3-year, non-exclusive franchise agreements with three (3) tow companies on September 12, 2016.

EXECUTIVE SUMMARY

Action on this item will authorize and approve the transfer of the tow franchise currently held by Pomona Valley Towing, Inc. to Carpe Carma, LLC.

DISCUSSION

Pursuant to Pomona City Code §58-674, *Transfer or assignment*, provides that “a tow truck operator franchisee shall not sell, transfer, lease, assign, sublet, mortgage or dispose of in whole or in part, either by forced or involuntary sale or by ordinary sale, contract, consolidation or otherwise, the franchise or any rights or privileges therein granted, without the prior written consent of the city council...”

On May 28, 2018, Pomona Valley Towing, Inc, sold a majority of its assets, including its name, but not the towing franchise agreement with the City of Pomona, to Carpe Carma, LLC. In order to

Approve the Transfer of Pomona Valley Towing, Inc.'s Franchise to Carpe Carma, LLC.

October 15, 2018

Page 2 of 2

transfer the franchise to the new owner, the previous owner of Pomona Valley Towing, Inc. is required to submit a written request of transfer to the City's Finance Department, along with a non-refundable payment of \$1,000, at least 120 calendar days before the requested effective transfer or assignment date. The City's Finance Department received the written request, along with the \$1,000 payment, on September 27, 2018. According to Attachment 1, Carpe Carma, LLC. delivered a letter of request with all corresponding attachments to transfer the towing services franchise to the Pomona Police Department on June 21, 2018.

Therefore, upon review of all required documentation regarding the transfer of the towing services franchise to the new owners Carpe Carma, LLC., staff recommends the transfer of the towing services franchise. Moreover, in 2019, when the 3-year, non-exclusive tow franchise agreements will be expiring, the City will conduct a Request-for-Proposal at that time to welcome prospective towing companies interested in participating in the tow franchise process with the City of Pomona.

Attachment 1: Copy of Pomona Valley Tow's Written Request

Prepared by: Sgt. Knight