Date: April 9, 2020

To: Board of Transportation Commissioners

From: Seleta J. Reynolds, General Manager

Subject: RECOMMEND APPROVAL OF THE REASSIGNMENT OF SIX UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMITS GRANTED TO F & B MEDICAL TRANSPORT, INC. DUE TO A CHANGE IN OWNERSHIP

RECOMMEND APPROVAL OF THE APPLICATION OF F & B MEDICAL TRANSPORT, INC. FOR FIVE ADDITIONAL UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMITS

RECOMMENDATIONS

That your Board:

a. **Find** that due to the change in ownership of F & B Medical Transport, Inc. and based upon evidence of patients in need of transportation; public convenience and necessity, requires the operation of six unrestricted non-ambulatory passenger vehicles.

b. **Reassign** six unrestricted non-ambulatory passenger vehicle permits to F & B Medical Transport, Inc. under its new shareholders, and **grant** five additional unrestricted non-ambulatory passenger vehicle permits to the same company contingent upon:

1. The applicant filing with the Department in such form as the Department requires and thereafter, keeping in full force and effect a policy of automobile liability insurance acceptable to the City Attorney and the City Risk Manager;

2. The drivers and attendants obtaining the required permits;

3. The applicant obtaining commercial or exempt registration for the vehicles;

4. The vehicles passing Department inspection;

5. The applicant complying with all Board rules and regulations and City ordinances pertaining to the operation of non-ambulatory passenger vehicles;

6. The applicant charging only those rates for non-ambulatory passenger vehicle service as set forth in Board Order No. 602 (Ordinance No. 182,502) and successor regulations; and,

7. The vehicles must be placed into service within 120 days after the Board of
Transportation Commissioners’ (Board) approval or such authority shall become invalid. Upon written request and for good cause, the Department, in its discretion, may grant an extension of time beyond the initial 120-day period after Board approval. Any request for an extension beyond the initial deadline date must be received prior to the 120-day deadline. Furthermore, if an extension is granted, only one extension may be allowed per application.

c. **Revoke** six unrestricted non-ambulatory passenger vehicle permits granted to F & B Medical Transport, Inc.’s previous shareholders Razmik Grigoryan and Gevorg Martirossian.

**INITIATED BY**

On January 14, 2020, the Department received a request from Mr. Razmik Grigoryan, President of F & B Medical Transportation, Inc. for the reassignment of six unrestricted non-ambulatory passenger vehicle permits use as litter vans, and five additional unrestricted non-ambulatory passenger vehicle permits; in which, two for wheelchair vans and three for litter vans (Attachment 1). F & B Medical Transport, Inc. is located at 11751 Slauson Avenue, Suite 10, Santa Fe Springs, California 90670. On March 13, 2020, Mr. Grigoryan submitted the final documents needed to complete the application.

**DISCUSSION**

F & B Medical Transport, Inc. is currently authorized by the Board to operate six unrestricted non-ambulatory passenger vehicles for hire in the City of Los Angeles. The history of the non-ambulatory passenger vehicles permit authorities is as follows: On November 10, 2016, the Board granted F & B Medical Transport, Inc. six non-ambulatory passenger vehicle permits. At that time, the stockholders of the corporation were identified as Razmik Grigoryan and Gevorg Martirossian.

According to the Application Procedure for Vehicle Permits, when a company with vehicle permits undergoes an ownership change, the company must notify the Department and the Board must formally approve the change. President Grigoryan requests that the Board reassign six unrestricted non-ambulatory passenger vehicle permits due to the ownership change and grant five additional unrestricted non-ambulatory passenger vehicle permits to F & B Medical Transport, Inc.

The history of F & B Medical Transport, Inc.’s business is as follow: On September 30, 2002, the Articles of Incorporation was filed with the California Secretary of State establishing F & B Medical Transport, Inc. (Attachment 2). On August 26, 2019, the Statement of Information (California Stock, Agricultural Cooperative and Foreign Corporations) was filed with the California Secretary of State naming Razmik Grigoryan as Chief Executive Officer and Secretary, and Ruben Martirossian as Chief Financial Officer (Attachment 3). Due to clerical error, Mr. Martirossian’s first name was spelled incorrectly as Ruben on the Statement of Information form, and the correction was submitted via electronic filing on February 28, 2020, to amend Ruben Martirossian to Rouben Martirossian (Attachment 4). Razmik Grigoryan and Rouben Martirossian are equal shareholders of F & B Medical Transport, Inc.

**Public Convenience and Necessity**

The application of F & B Medical Transport, Inc. was evaluated against Section 2 of the Guidelines for Establishing Public Convenience and Necessity as established by the Board on August 11, 2005 for applicants with no unrestricted non-ambulatory passenger vehicle permits (Attachment 5).
a. **Experience** – The applicant submitted the resume of Mr. Razmik Grigoryan. From January 2013 to May 2017, Mr. Grigoryan was the manager and dispatcher for All Town Ambulance LLC. Since January 2010 to present, Mr. Grigoryan is the owner and manager of F & B Medical Transport, Inc. His resume states that his experience includes hiring and training office staff and field staff, managing fleet, and dispatching calls out to crews.

b. **Background Check** – The background check was conducted on the owners and general manager of F & B Medical Transport, Inc. and no disqualifying criminal history was found as listed in Board Order No. 600.

c. **Financial Capability** – The applicant submitted the Department of Motor Vehicle registrations for 11 vehicles and financial documentation showing that the company demonstrates sufficient liquid assets to support the request for 11 non-ambulatory passenger vehicle permits.

d. **Reason for Requesting Permits** – The applicant states that due to the ownership change, they are requesting the reassignment of six and additional of five non-ambulatory passenger vehicle permits to expand their services. Kaiser Permanente is one of their major business partners who is very satisfied with the quality of their service. Kaiser Permanente has five hospitals in the City of Los Angeles, and F & B Medical Transportation, Inc. would like to promptly serve those locations.

e. **Impact on Existing Transportation Providers** – The applicant states that their services will not have any impact on the existing providers. F & B Medical Transport, Inc. provides service 24 hours a day, seven days a week, which is a service that the majority of existing non-emergency medical transportation providers do not provide.

f. **Description of Public Benefit** – The applicant states that the public will benefit from their affordable rates and their 24 hours a day, 7 days a week service. They will fill the gap for non-ambulatory transportation to patients who are discharged from hospitals at late night hours.

g. **Business Plan** – The applicant submitted a business plan including the days and hours of operation, dispatching procedures, employee training programs, method of monitoring the quality of service, and the emergency procedures. The hours of operation for transportation service are 24 hours a day, 7 days a week, 365 days a year.

Should the Board grant the reassignment of six non-ambulatory passenger vehicle permits, and grant five additional non-ambulatory passenger vehicle permits to F & B Medical Transport, Inc., the company would be authorized to operate a total of 11 unrestricted non-ambulatory passenger vehicles permits in the City of Los Angeles.

There is no documented evidence of illegal operation by F & B Medical Transport, Inc. in the City of Los Angeles in the past 12 months.

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Attachments