


BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION

Date: June 12, 2025 P7X

To: Board of Transportation Commissioners

From: Laura Rubio-Cornejo, General Manager 

Subject: **RECOMMEND APPROVAL OF THE APPLICATION OF GRAND GROUP TRANSPORTATION, INC. FOR THREE UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMITS**

RECOMMENDATIONS

That the Board:

- a. **Find** that Grand Group Transportation, Inc. based upon evidence of patients in need of transportation; public convenience and necessity, requires the operation of three unrestricted non-ambulatory passenger vehicles.
- b. **Grant** three unrestricted non-ambulatory passenger vehicle permits to Grand Group Transportation, Inc. 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. 608 (Ordinance No. 187587) 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 requests 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. **Impose** a one-year probationary period.

INITIATED BY

On August 26, 2024, the Department received an application from Karen Khelushyan, Chief Executive Officer (CEO) of Grand Group Transportation, Inc., 12444 Victory Boulevard, Suite 414, North Hollywood, California 91606, requesting three unrestricted non-ambulatory passenger vehicle permits for gurney vans service (Attachment 1). On February 5, 2025, the Department received the last document needed to complete the application.

DISCUSSION

Grand Group Transportation, Inc. is not currently authorized by the Board to operate any vehicles for hire in the City of Los Angeles.

The history of Grand Group Transportation, Inc.'s business is as follows: On January 14, 2020, the Articles of Incorporation of a General Stock Corporation were filed with the California Secretary of State establishing Grand Group Transportation, Inc. (Attachment 2). On February 16, 2023, the Statement of Information was filed with the California Secretary of State naming Karen Khelushyan as the Chief Executive Officer, Chief Financial Officer and Secretary of the company (Attachment 3). Karen Khelushyan is the sole shareholder of the company.

Public Convenience and Necessity

The application of Grand Group Transportation, 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 4).

- a. Experience – The applicant submitted the resume of Mr. Karen Khelushyan. The applicant states that he has been the CEO of Grand Group Transportation, Inc. from February 2023 to present. He was also the Operating Manager for American Regal Trans Inc from January 2021 to February 2023. His resume states that he has experiences with dispatch and scheduling, billing and payroll, customer relations, safety and training.
- b. Background Check – The background check was conducted on the owner and operation manager of Grand Group Transportation, Inc. and no disqualifying criminal history was found as listed in Board Order No. 600.
- c. Financial Capability – The applicant submitted financial documentation showing that the company demonstrates sufficient liquid assets to support the request for three unrestricted non-ambulatory passenger vehicle permits.
- d. Hours of Operation – The regular hours of operation for the transportation service are from 10 a.m. to 6 p.m. Monday to Saturday, with dispatch service available 24/7.

Grand Group Transportation, Inc. is not currently authorized to operate any unrestricted non-ambulatory passenger transportation within the City. Grand Group Transportation, Inc. was found in violation of the City's rules and regulations on September 26, 2024, LAMC § 71.02(a) Unpermitted Vehicle, LAMC § 71.03(b) Unpermitted Driver, and LAMC § 71.04.1 Unpermitted Attendant. The case

was sent to the court. Due to the violation, it is staff's recommendation that a one-year probationary period be imposed on this company based on these incidents, should vehicle authorities be granted. If the company is found in violation of any rules, regulations, laws or statutes of the City, County or State within the probationary period, it shall result in the revocation of all authorities without any further action from the Board.

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Attachments

