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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Ryan Russo
Director, Transportation

SUBJECT: Shared Mobility Update and Dockless
Bike and Scooter Share Program -
Revised

DATE: June 12, 2018

City Administrator Approval

Date:

7/12/18

RECOMMENDATION

Staff Recommends That The City Council

- (1) Receive An Informational Report On The City's Shared Mobility Initiatives;
- (2) Adopt An Ordinance Amending Title 10 And Title 12.08 Of The Oakland Municipal Code To Establish Regulations And New Permits To Operate And Park Dockless Bike And Scooter Sharing Programs In The Public Right Of Way; And
- (3) Adopt An Ordinance Amending Ordinance Number XXXXX (Fiscal Year 2018-2019 Master Fee Schedule) Establishing Fees For The New Dockless Bike And Scooter Share Permits.

EXECUTIVE SUMMARY

Several shared mobility services now operate in Oakland, including bike share, car share and scooter share. Thousands of Oaklanders have signed up for these membership-based services enabled by smartphone applications, taking hundreds of thousands of trips. These services help to achieve City goals by reducing single occupant vehicle trips, greenhouse gas emissions, and wear and tear on the roadway, all without public subsidy. This report provides information on these shared mobility initiatives and recommends that the City Council adopt policies and ordinances to provide a regulatory framework for dockless bike and scooter share operations.

Highlights of the informational report include: America Automobile Association (AAA) launched a one-way, free-floating car share program with 250 permitted vehicles in April 2017 and doubled the size of the fleet in January 2018 in response to better-than-expected membership and usage; community outreach for the regional "Ford GoBike" bike share system included nine dedicated community planning meetings held across the City, an online suggestion map and direct in-person outreach to nearby residents, businesses and community groups; a total of 62 metered parking spaces have been repurposed for bike share stations in the right-of-way, with the overall impact on meter revenues expected to be minimal as staff works to relocate affected meters to nearby spaces.

Item: _____
Public Works Committee
July 17, 2018

Dockless bikes and scooters are a new option that may offer similar benefits to existing shared mobility services. Approval of the recommended ordinances will establish a dockless bike and scooter share program, allowing staff to issue Minor Encroachment Permits for dockless bikes and scooters, including electric bikes and scooters, subject to criteria regarding parking, safety, quality of equipment, public outreach, equity, data privacy, noise and other factors, in addition to standard requirements for insurance and indemnification.

BACKGROUND/LEGISLATIVE HISTORY

In April 2001 City Council approved Resolution No. 76606 C.M.S. to allow City CarShare to provide car sharing services in the City of Oakland.

In March 2015 City Council approved Resolution No. 85459 C.M.S. adopting a Car Share Policy and amended the Oakland Municipal Code 13184 Master Fee Schedule to include permits for eligible car sharing organizations.

In July 2015 City Council approved Resolution No. 85715 C.M.S. adopting a Bike Sharing Policy and authorizing the City Administrator to negotiate and enter into an Intergovernmental Agreement with the Metropolitan Transportation Commission (MTC).

In February 2016 City Council adopted Ordinance No. 13355 C.M.S. granting a Franchise Agreement to Bay Area Motivate, LLC (Motivate) to operate a bike share program.

ANALYSIS AND POLICY ALTERNATIVES

This section opens with an update on Oakland's various shared mobility initiatives, including details about the fiscal impact of the recently launched bike share program, and ends by introducing the newest form of shared mobility, dockless bike and scooter share.

Shared Mobility Initiatives Update

Transportation options in Oakland and around the country have evolved rapidly over the past few years with a growing variety of services using mobile phone applications that connect passengers with on-demand services such as shared rides, cars, vans, scooters and bikes. Known as "shared mobility" services, they are often owned and operated by private, for-profit entities, and generally do not require public funding or subsidy, other than use of the right-of-way. Shared mobility services present both opportunities and challenges for achieving the City's goals and ensuring the safe and efficient movement of people and goods in Oakland. Several shared mobility programs are permitted to operate within the City, including dedicated-space car share (such as ZipCar), station-based bike share (such as Ford GoBike) and free-floating car share (such as GIG Car Share). Additional shared mobility services operate without regulated permits from the City, such as ride sharing services Uber and Lyft, and electric scooter sharing service Lime-S. Ride sharing is regulated by the California Public Utility Commission (CPUC) and is not covered by this report. Scooter sharing is not regulated by the CPUC and is the subject of the proposed permit program.

Dedicated Space Car Share

Car share operators often enter into agreements with owners of private property such as gas stations or shopping centers to reserve and sign parking spaces for car share vehicles. Oakland's Dedicated Space Car Share initiative entitles a permitted car share vehicle exclusive parking privileges for a dedicated space in the right of way. Only members of a qualified car share organization can lawfully park the permitted car share vehicle in a dedicated space. To date, four car share operators have submitted "Qualified Car Share Operator" applications and indicated that they may apply for as many as sixty dedicated spaces. While no spaces have been commissioned at this time, staff expects operators to take advantage of this program later this summer or early fall.

Free Floating Car Share

In April 2017 GIG Car Share initiated the Bay Area's first free-floating car share service in Oakland and Berkeley, with an initial launch of 250 vehicles. Gig purchased the City's combined Free Floating Zone Parking Permit (FFZPP) and Master Residential Parking Permit (MRPP), which waives parking duration time limits in signed areas.

After better than expected usage, GIG Car Share doubled its fleet from 250 vehicles to 500 vehicles in early 2018. The "home zone" or service area in which GIG users can begin and end vehicle reservations, simultaneously expanded to include the neighborhoods of Highland Park, Glenview, Highland Terrace, San Antonio and Fruitvale. Over 5,000 Oaklanders have signed up to be GIG members and through May 2018 members have taken over 26,000 trips originating in Oakland.

Research demonstrates that car sharing creates a variety of environmental benefits, including lower private vehicle ownership rates, increased rates of walking and biking, and decreased greenhouse gas emissions¹. By allowing members the flexibility to shed existing vehicles or avoid purchasing new vehicles, every car share vehicle removes 9-13 privately owned vehicles from the road².

To assess the impacts of Oakland's car share program on personal vehicle ownership and travel behavior, the City has contracted with the Transportation Sustainability Research Center at UC Berkeley to conduct a statistically valid survey of car share users in Oakland. This survey is underway, with initial results expected to be released in 2019.

Bike Share

In July 2017 the Ford GoBike program began operation in Oakland, Berkeley, Emeryville, San Francisco and San Jose. All 79 planned Ford GoBike stations in Oakland were installed by April 2018. Over 1,400 Oaklanders have signed up as members, and over 175,000 trips have been taken on the system. According to a Ford GoBike member survey, an estimated 30% of those trips would have been taken by car if bike share did not exist. About one fifth (18%) of Oakland's

¹ Elliot Martin and Susan Shaheen "The Impact of Carsharing on Public Transit and Non-Motorized Travel: An Exploration of North American Carsharing Survey Data" *Energies*, Basel, Switzerland, Nov 2011; Elliot Martin and Susan A Shaheen "Greenhouse Gas Emission Impacts of Carsharing in North America" *IEEE Transactions on Intelligent Transportation Systems*, Vol 12, No 4, December 2011

² Elliot Martin and Susan Shaheen "The Impact of Carsharing on Household Vehicle Ownership" *Access*, 38 Spring 2011 22-27

bike share members receive a discounted \$5 first-year membership through the "Bike Share For All" program. This program is available to anyone that participates in the CalFresh, PG&E California Alternative Rates for Energy (CARE) or San Francisco's MUNI Lifeline pass.

In April 2018 Ford GoBike added electric assist bikes (E-bikes) to its fleet in San Francisco. These E-bikes are equipped with an electric battery to aid the rider's pedaling, which can be particularly beneficial for trips with elevation gain and for riders who have difficulty pedaling. The E-bikes have seen an average of 7.8 trips per bike per day since launch, more than double the usage of the non-electrified bikes.

In January 2018, the Department of Transportation (DOT) notified Ford GoBike of its intention to develop an E-bike program, thereby triggering a 90-day exclusive negotiating period consistent with the regional Bike Share Coordination Agreement between the City, the Metropolitan Transportation Commission (MTC), Ford GoBike, and the four other participating cities Franchise Agreement. This exclusive negotiating period ended in April, with DOT staff and Ford GoBike unable to come to agreement on the terms of an E-bike program. Per the regional Coordination Agreement, the City now has the right to issue a solicitation for an E-bike program that would include other operators, but must offer Ford GoBike the opportunity to respond to such solicitations regarding E-bikes. Staff recognizes existing agreements and will therefore not issue permits for dockless bicycle/scooter sharing systems that may conflict with terms of any agreement with the City.

Bike Share Outreach Process and Dispute Resolution

Oakland's bike share stations have been sited based on careful engineering analysis, Oakland's Bike Share Planning and Siting Guidelines (see **Attachment A**), and community outreach. The community outreach for bike share in Oakland began with nine dedicated community planning meetings held between February and October of 2016 at locations throughout the planned bike share service area, including West Oakland, North Oakland, Chinatown, Rockridge, Grand Lake, Temescal and Fruitvale. Participants in these public workshops helped select potential locations for individual stations. Ford GoBike also used an online crowdsourcing tool to collect public suggestions for station locations. After individual station locations were identified, staff from Ford GoBike were responsible for completing additional outreach to businesses or residents that share frontage with the location, as well as nearby businesses, residents and merchant groups. For each proposed site, Ford GoBike staff conducted door-to-door outreach. If someone was not home, materials were left at the door step and the outreach team followed up in person, by phone, or by email.

While such efforts were made to notify and engage neighbors of proposed bike share station locations, DOT staff received requests to remove or relocate 14 bike share stations after installation. The primary reasons for these requests included impacts on parking and loading, and a perceived lack of notification or incompatibility with residential land use. To objectively evaluate these requests in a way that meets Citywide goals and maintains fairness to bike share users, staff amended the Bike Share Station Planning and Siting Guidelines to include criteria for assessing public requests to relocate bike share stations (again, see **Attachment A**).

Fiscal Impacts of Bike Share Program

Oakland's bike share system is owned and operated by Bay Area Motivate L.L.C., now operating as Ford GoBike, at no cost to the City. The regional Coordination Agreement that

governs the bike share system does not specify any exchange of funds between the City of Oakland and Ford GoBike, except for City staff time reimbursement for permit review, fees for specific services (such as moving a bike share station) and potential revenue sharing and liquidated damages. The Oakland Municipal Code lists a permit fee of \$1,781.00 for “New Bike Share Station Encroachment”. The total fee for all 79 stations is \$140,600.00. The City of Oakland received a \$660,616.00 grant from the Bay Area Air Quality Management District (BAAQMD)’s Transportation Fund for Clean Air to fund these permit fees and other staff costs associated with the bike share program.

The publicly-funded precursor to the Ford GoBike program, known as Bay Area Bike Share, was funded by the Bay Area Air Quality Management District (BAAQMD), the Metropolitan Transportation Commission and local agencies at a cost of approximately \$7 million over four years. The Bay Area Bike Share program included 700 bikes at 70 stations, making it approximately the same size as Oakland’s current system. The City’s privately funded system therefore represents a significant cost savings over a publicly funded model.

Bike Share Parking Impacts

The Ordinance creating the Bike Sharing Franchise Agreement (No. 13355 C.M.S) states “given that sidewalks in Oakland are generally narrow and have an abundance of existing street furniture and fixtures, wherever feasible, stations will be located in the parking lane, similar to parklets and on-street bicycle parking corrals”. Of the 79 bike share stations in Oakland, 16 (20%) are located on sidewalks or in parks, 42 (53%) are in un-metered curb space and 21 (27%) are in metered curb space. The 21 stations in metered curb space hold approximately 250 bikes, and repurpose 62 metered parking spaces. Those 62 parking meters generated approximately \$87,000 of revenue during Fiscal Year (FY) 2016-17. However, the total impact of bike share on meter revenues is uncertain, as demand for vehicle parking at these locations is not necessarily ‘lost’, but rather redistributed – valuable curb space being better utilized and, instead of parking on street at a particular metered stall, drivers may choose to park at a nearby meter, off street in garages or lots, or choose another option altogether, like transit, car share, or bike share.

The City’s total on-street parking meter revenue in FY 2017-18 experienced a slight drop, but is within a normal range of deviation from previous years (see **Table 1** on page 5). In addition, on-street parking revenue has increased by 50% since FY 2013-14, indicating that the bike share program has not had a significant impact on overall parking revenues during its first year in operation. Staff identified a total of 80 nearby locations for new parking meters during the bike share station siting process. Once installed, these new meters are projected to offset future parking meter revenue losses from the bike share program.

Table 1. Total On-street Parking Revenue, FY 2013-14 to FY 2017-18

| Fiscal year | Total on-street parking revenues | % Change year over year |
|--------------------|---|--------------------------------|
| 2013-14 | \$9,820,025 | - |
| 2014-15 | \$14,590,798 | 48.6% |
| 2015-16 | \$15,215,056 | 4.3% |
| 2016-17 | \$14,797,803 | -2.7% |
| 2017-18 | \$14,735,747* | -.4% |

*11 months of revenue data was annualized to estimate a full year

Dockless Bike and Scooter Share Services

This section introduces the newest form of shared mobility, dockless bike and electric-bike (E-bikes) share and scooter and electric-scooter (E-scooter) share, and describes the objectives of a recommended regulated permit process for these vehicles, including implementation steps, public outreach and other requirements. "Dockless" means that users of these vehicles are not required to return them to docking stations.

Shared dockless bikes and E-bikes may be locked to a fixed object, such as a bike rack, or simply kept in place by a self-locking mechanism. Shared dockless bikes are typically located and unlocked by the user via a mobile phone application, which also charges the user's credit card a per-trip, or per-minute fee. Dockless E-bikes are shared bicycles that include a battery and small electric motor which provides pedaling assistance to riders, allowing them to more easily travel longer distances or up steep hills.

Dockless E-scooters are electric-powered scooters which operate in a very similar manner to dockless E-bikes. These E-scooters are available within the public right-of-way for users to unlock and ride. They are typically accessed via a mobile application, which also charges the user's credit card a per-mile or per-minute fee.

In February 2018 representatives from LimeBike contacted staff and inquired about operating an E-scooter service in Oakland. Staff researched existing permit programs and responded that Oakland did not have a permit process for these services in place at that time. Staff advised LimeBike to apply for a business license and comply with all other relevant rules and regulations governing businesses operating in Oakland, including provisions concerning illegal dumping and obstructing the pedestrian right of way. In March 2018, LimeBike launched an E-scooter service in Oakland with about 40 scooters. According to representatives from LimeBike, each scooter has been used more than five times per day.

Dockless bike and scooter sharing services have the potential to help achieve Citywide transportation goals by further reducing the need for vehicle ownership, reducing single occupant vehicle trips and increasing "first-and-last-mile" connections to transit. By reducing single-occupant vehicle trips, these services would also reduce congestion and wear and tear on our streets. E-bikes and E-scooters emit no air pollution or greenhouse gases during operation. However, these services may also create new problems, including obstructing the pedestrian right-of-way. Active management is therefore needed to ensure that dockless bikes and scooters help to achieve City goals.

The Ordinances accompanying this report, if adopted, would amend Title 10 and Title 12.08 of the Oakland Municipal Code to establish a new permit for dockless bike and scooter sharing services, and provide criteria regarding parking, safety, quality of equipment, public outreach, equity, data privacy, noise levels and other factors, in addition to standard requirements for insurance and indemnification.

To support this initiative, staff is also recommending changes to the Oakland Municipal Code that would create fees for related services and permits. Staff conducted a Peer-City survey (see

Table 2 below) and compared the costs and fees associated with existing programs in the City. The proposed fees are designed to recover all costs related to the program (see **Exhibit A to the accompanying Ordinance**).

Table 2. Peer-City Survey of Fees for Dockless Bike and/or E-Scooter Permits and Services

| City | Per vehicle fee | Performance (surety) bond | Application fee | Annual renewal fee | Total fees first year (1,500 vehicles) |
|---------------|-----------------|---------------------------|-----------------|--------------------|--|
| Austin | \$30 | \$100/unit | - | - | \$45,000 |
| San Francisco | - | \$25,000 | \$15,702 | \$13,219 | \$15,702 |
| St. Louis | \$10 | - | \$500 | - | \$15,500 |
| Seattle | \$15 | \$80/bike, max \$10,000 | \$1,672 | \$146 | \$24,172 |

Staff is also recommending a robust community engagement process, including public workshops where applicants co-plan the system with the community and a public forum for applications to pitch their proposals directly to Oakland citizens. The recommended policy would require pre-approval public outreach plans, including a full list of presentations, activities and events.

PUBLIC OUTREACH/INTEREST

This item did not require additional public outreach other than the required posting on the City's website.

COORDINATION

Staff coordinated with the City's Risk Manager and Benefits Office, as well as the Office of the City Attorney and the Budget Bureau in the preparation of this report. The informational report was prepared in response to a request from the Office of Councilmember Lynette Gibson-McElhane. The ordinance was developed through a joint effort with the Offices of Councilmembers Rebecca Kaplan and Noel Gallo.

COST SUMMARY/IMPLICATIONS

The proposed program for Dockless Bikes and Scooters is designed to be revenue neutral. A fee study has been conducted to determine the cost of City staff time and equipment related to administering the permit and installing any necessary infrastructure, such as bike racks. The permit, confiscation and storage fees are intended to recover all costs related to the program.

SUSTAINABLE OPPORTUNITIES

Economic: By increasing access to transportation options, shared mobility services have the potential to reduce the costs of living and working in Oakland and increasing access to jobs and other economic opportunities. This report and the proposed permit program support these economic objectives.

Environmental: Shared mobility initiatives have the potential to reduce dependence of private vehicle ownership and usage, supporting use of transit and active transportation and reducing congestion and single occupancy vehicle trips that contribute to greenhouse gas emissions. This report and the proposed permit program support these environmental objectives.

Social Equity: By entering agreements with and providing guidelines and permits to shared mobility service operators, staff can establish equity objectives that help ensure services are available, affordable and accessible to all Oaklanders. This report and the proposed permit program support these equity objectives.

CALIFORNIA ENVIRONMENTAL QUALITY ACT, (CEQA)

This report is exempt from the environmental analysis requirements of CEQA under CEQA Guidelines section 15061(b)(3) (Common Sense Exemption) because no actions impacting the environment will result from its consideration.

ACTION REQUESTED OF THE PUBLIC WORKS COMMITTEE

Staff Recommends That The City Council (1) Receive An Informational Report on the City's Shared Mobility Initiatives, (2) Adopt An Ordinance Amending Title 10 And Title 12.08 Of The Oakland Municipal Code To Establish Regulations And New Permits To Operate And Park Dockless Bike And Scooter Sharing Programs In The Public Right Of Way; And (3) Adopt An Ordinance Amending Ordinance Number XXXXX (Fiscal Year 2018-2019 Master Fee Schedule) Establishing Fees For The New Dockless Bike and Scooter Share Permits.

For questions regarding this report, please contact Kerby Olsen, Shared Mobility Coordinator, at kolsen@oaklandca.gov or (510) 238-2173.

Respectfully submitted,



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Attachments (1):

- A. Bike Share Planning and Siting Criteria