



**MEMO TO:** Members of the City Council

**FROM:** Mayor John Marchione

**DATE:** April 16, 2019

**SUBJECT: Adoption of an Ordinance and a Resolution Establishing a Bike and Scooter Share Program**

**I. RECOMMENDED ACTION**

A Resolution Adding New User Fees and Costs to the City Public Works Department Schedule of Fees Charges and Penalties Associated with Bicycle and Scooter Sharing Authorized Under Chapter 12.08 of the Redmond Municipal Code.

**II. DEPARTMENT CONTACTS**

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**III. DESCRIPTION/BACKGROUND**

**Vision**

Bicycle and scooter sharing support the City's vision in the Transportation Master Plan (TMP) to improve travel choices and mobility. One strategy to accomplish this goal is to provide "*abundant access to bicycles through a rental bike share program.*" Electric scooter sharing, which was not available when the TMP was adopted, is also consistent with this vision since scooters operate similar to bicycles (comparable operating speeds and use of bicycle infrastructure, such as bicycle lanes), and will help to solve similar transportation needs. Bicycle and scooter sharing will help to support a multimodal transportation system, including first/last mile trips to transit, to achieve Redmond's transportation vision.

**Industry Updates**

Private bike share was first launched in the United States in Summer 2017 and continues to evolve rapidly. Since the Council's discussions in 2018, bike sharing has evolved from using standard human-powered bicycles to electric bicycles and electric scooters (standard bicycles being phased out). Bike share has also changed regionally with vendors entering or exiting the market and different cities permitting bicycle or scooter sharing programs in the region.

### ***Vendors***

The Seattle area bike and scooter share market have seen a major change in vendors since Summer 2018. Two vendors have left, and three new vendors are operating or have received permits to operate.

Both Spin and Ofo launched in Summer 2017, in Seattle and then left the Seattle market in Summer 2018. Ofo ceased operations in the United States while Spin announced plans to shift from bike share to scooter share exclusively. Scooter share is not permitted in Seattle, so Spin does not operate there.

The newest vendor operating in the City of Seattle is Jump, a subsidiary of Uber. Jump launched an electric bicycle system near the end of 2018 in Seattle. Another company, Motivate, a subsidiary of Lyft, has been awarded a permit to operate in Seattle but has not yet started operations. The final new vendor in the region, Bird, launched in Tacoma at the end of 2018 and offers electric scooters.

An additional vendor, Gotcha, has stated interest in operating on the Eastside. Lime has been the one consistent operator. The service was launched in Summer of 2017, in Seattle, and has since expanded to other communities in the region and State.

### ***Vehicle Types***

When private bike share began operation in the United States the fleets were composed of standard human-powered bicycles. Since that time vendors have introduced new vehicles including electric bicycles and electric scooters.

Several national bike share companies have recently announced a transition from standard bikes to electric bikes and/or electric scooters. In general, standard bikes see the lowest number of rides per day, scooters see the highest number of rides per day and electric bicycles are in-between. It is anticipated that Redmond's program would be composed of electric bicycles and electric scooters.

### ***Scooter Sharing***

#### ***Scooter Trips***

Electric scooter sharing offers a new tool to help reduce vehicle use and congestion. A Portland Bureau of Transportation study reports that 34 percent of scooter users replaced a vehicle trip with a scooter trip and that over 40 percent of scooter users never bicycle. An article by the Director of the New York University Institute of Real Estate Urban Lab states *"as an alternative to car usage and a supplement to bikesharing, scooter companies working in concert with government have the potential to transform the way people participate with the transportation framework around them – and how we think about getting around."*

#### ***Safety***

Scooter sharing programs operated in a small number of cities in 2017 but expanded across the country in 2018. These operations have raised safety concerns in many communities, but it is unclear whether a safety issue exists or if the surge in scooter activity has resulted

in a commensurate increase in scooter involved collisions and accidents. A UCLA study found that there are more total scooter injuries than total bicycle injuries in the westside of Los Angeles. On the other hand, a Portland Bureau of Transportation study found that, while scooter sharing has increased the number of scooter related injuries, it has replaced enough vehicle trips that overall traffic injuries may decrease (reduction in vehicle miles traveled exhibits a strong correlation with reduction in traffic injury). Studies are inconclusive as to whether there is a safety concern regarding scooter sharing at this time.

### ***Cities with Bike or Scooter Share in Puget Sound***

The chart below lists which cities in the Puget Sound region currently known to permit bike or scooter share and the associated vendor(s) and vehicle types.

<i>Cities</i>	<i>Vendors</i>	<i>Vehicle Type</i>
Bellevue	Lime	Electric Bicycle
Kirkland*	To Be Determined	To Be Determined
Mercer Island	Lime	Electric Bicycle
Seattle	Lime	Electric Bicycle
	Jump	Electric Bicycle
	Motivate (permitted but not yet operational)	Electric Bicycle
Tacoma	Lime	Electric Scooter
	Bird	Electric Scooter

\*The City of Kirkland approved a bike share permit at their March 19, 2019 meeting and anticipates launching in May. Kirkland will begin consideration of a scooter permit soon.

### **Permit**

The bike and scooter share right-of-way use permit will be issued by the Mayor if Council passes the enabling bike and scooter share legislation: the ordinance (Attachment A) and the fee resolution (Attachment B). Draft permit conditions were reviewed in detail by Council at the July 2018 and March 2019 study sessions. The permit incorporates Council's interests and will be discussed at the April 16 Planning and Public Works Committee prior to Council adoption of the enabling legislation. This approach allows both the bike and scooter share program to launch without delay, as requested by Council at the March 2019, study session.

### ***Data***

One of the more significant revisions to the draft permit is in performance monitoring. Vendors and cities are relying more frequently on a standardized data framework, called the Mobility Data Specification from the City of Los Angeles. This framework reduces work by standardizing data requirements, eliminating special work processes for vendors, and reducing data processing for Cities.

In addition, there are now third-party data analysis and compliance vendors that the City could utilize to process and audit the Mobility Data Specification data feed. This service could be funded by the State (see below).

### ***Funding Available for Bike Share***

The Washington State Connecting Washington transportation package provides funds to support bike share on the Eastside. Funds are to be distributed between Bellevue, Kirkland, Issaquah, and Redmond to agencies with active bike share systems (currently only Bellevue has an active bike share system). This includes:

- \$125,000 which expires June 30, 2019
- \$50,000 between July 1 and December 31, 2019 (pending legislature action to grant fund extension request)

Staff anticipates that the only eligible expense the City may have prior to June 30 is a third-party data vendor (see *Data*). A contract could potentially be paid in full at the beginning of the contract and invoiced by June 30 - this would be a tight timeline and may not be achievable. If funding is made available between July 1 and December 31, it could be used to help address “clutter” concerns by painting designated bike share parking on wide sidewalks in urban centers or on underutilized on-street parking stalls in neighborhoods.

### ***Other Changes***

Several other changes are also being recommended for inclusion in the permit that reflect previous comments from Council, such as including a method to rent without a smartphone.

### **Bike Share Implementation**

If Council approves the proposed bike and scooter share enabling legislation, including the right-of-way use permit ordinance (Attachment A) and the right-of-way use fee resolution (Attachment B), the City would implement the bike and scooter share program by:

- 1) Releasing a bike and scooter share application and requesting vendor submittals;
- 2) Accepting the vendor(s) that meet application requirements; and
- 3) Executing a contract with vendors to allow the launch of bike and scooter share operations.

The City would begin the process to launch as soon as possible if Council approves the enabling legislation.

### **A. Analysis**

In 2016, Redmond studied the implementation of a publicly funded dock-based bike share system (similar to Pronto! in Seattle) but chose not to move forward at that time given high cost estimates of \$2.6 million in capital costs and an annual operating loss of \$800,000 per year. Private companies now offer bike and scooter share services across the United States and are interested in providing these services in Redmond

## **IV. PREVIOUS DISCUSSIONS HELD**

City Council: Study Session	May 22, 2018
City Council: Study Session	July 10, 2018
Planning & Public Works Committee of the Whole	March 12, 2019
City Council: Study Session	March 26, 2019

## **V. IMPACT**

### **A. Service/Delivery:**

If the proposed bike and scooter sharing enabling legislation, including the ordinance revising Redmond Municipal Code 12.08 (Attachment A) and the right-of-way use fee resolution (Attachment B), is approved then bike and scooter share would become a regulated use via a right-of-way permit.

### **B. Fiscal Note:**

#### **Vendor Consideration of Permit Fees**

The private sector may be able to provide bike and scooter share services at no cost to the City. Staff recently (January 2019) contacted the two active vendors bike share vendors in the greater Seattle area to find out if they are interested in the Redmond market and if they would be willing to pay a permit fee to operate.

Jump anticipates being able to pay a permit fee to operate an electric bike share system if the fee is not set too high. Lime is interested in paying a permit fee to operate an electric scooter share system.

#### **Establishment of Redmond Bike and Scooter Share Fees**

A series of new fees associated with bike and scooter share are needed to reimburse the City for costs related to the program. These fees are included in the proposed fee resolution (Attachment B) and include:

- An application fee (see G1 in Attachment C)
- An evaluation fee (see G2 in Attachment C)
- A City crew response hourly fee (see B3 and B4 in Attachment C)

This series of fees is consistent with the draft permit contract, Attachment C, and prior versions of the draft permit contract which Council reviewed at Study Sessions in 2018 and 2019. The application fee (\$440.36) represents four hours of staff application processing time. The evaluation fee (\$4,553.78) includes three hours per month of program evaluation and data processing as well as three inspections lasting three hours each. Lastly, the City may relocate a bike or scooter if it is an immediate hazard and charge the vendor an hourly fee (\$140.24) for crew response time.

#### **Comparison of Fees to Other Jurisdictions**

The proposed Redmond fees are lower than those of several neighboring jurisdictions:

- Bellevue
  - o A fixed fee of \$40,000.
  - o This amounts to a rate of \$33 per bike if one vendor deploys the maximum number of bicycles allowed.

- \$315 per incident if the City chooses to move a bike.
- Seattle
  - A fee of \$250,000 per vendor if four vendors participate or \$50 per bike if three or fewer vendors participate.
- Kirkland
  - A fixed fee of \$2,032 per vendor.
  - An additional fee of \$35 per bike.
  - \$127 per bike if the City chooses to move a bike.
- Redmond
  - A fixed fee of \$4,994 per vendor.
  - As an example, if a vendor deploys 200 vehicles the cost would be \$25 per bike or scooter. Costs per bike or scooter decrease as more are deployed.
  - \$140 if the City moves a bike or scooter posing a hazard.

#### **VI. ALTERNATIVES TO STAFF RECOMMENDATION**

Council may choose not to approve the bike and scooter share enabling legislation. This would not prevent use of these vehicles in the City, but it would hinder the City's ability to regulate for safety.

#### **VII. TIME CONSTRAINTS**

Council, at the March 26 study session, requested the bike share enabling legislation to be brought for action at the April 16 business meeting in an effort to try to launch a system in May during bike to work month.

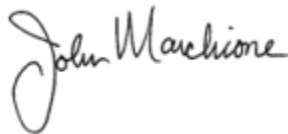
#### **VIII. LIST OF ATTACHMENTS**

Attachment A: Bike and Scooter Share Right-of-way Ordinance  
 Attachment B: Bike and Scooter Share Fee Resolution  
 Attachment C: Redmond Bike and Scooter Share Pilot Permit Contract




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**Erika Vandenbrande, Director of Planning and Community Development**



Approved for Agenda \_\_\_\_\_  
**John Marchione, Mayor**