

#4.

Mike Estey & Kiersten Grove, SDOT
SDOT Free-Floating Car Sharing Code Revision ORD
January 13, 2015
Version #7a

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118270

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AN ORDINANCE relating to the Traffic Code of the Seattle Municipal Code, amending sections 11.23.150 and 11.23.160 to expand the free-floating car sharing pilot program to allow a greater number of free-floating car sharing operators and vehicles and modifying standards and requirements of the program.

WHEREAS, car sharing is a membership-based service that allows qualified drivers to temporarily use any vehicles available in a fleet on a per-use fee basis; and

WHEREAS, car sharing is intended to provide an alternative to personal vehicle ownership and complements the use of public transportation by providing an option for shorter trips or for trips to destinations not easily accessible by public transportation; and

WHEREAS, the City's Comprehensive Plan includes parking for "shared vehicles" among the curb space priorities and the City's Climate Action Plan promotes car sharing programs; and

WHEREAS, the Seattle City Council adopted legislation creating a free-floating car sharing pilot program in 2012 under Ordinance No. 124063 and authorized up to 350 permits be issued under the program; and

WHEREAS, in 2013, the City Council adopted legislation to increase of the number of permits issued under the free-floating car sharing pilot program from 350 to 500 permits under Ordinance No. 124143; and

WHEREAS, the Seattle Department of Transportation evaluated the data provided by the free-floating car sharing operator and prepared a 2013 Free Floating Car Share Report that was submitted to Council in March 2014, which documented minimal negative outcomes related to curb space use; and

WHEREAS, the City has documented that members of the free-floating car sharing program have been satisfied with the program and demand for such vehicles is high; and

WHEREAS, the City is aware that there are multiple additional operators interested in entering the Seattle market and obtaining free-floating car sharing permits, and expanding the number of operators and vehicles allows greater consumer choice; and

1 WHEREAS, maintaining the current cap of 500 free-floating car sharing permits would result in
2 significant administrative challenges; and

3 WHEREAS, there is a public interest in ensuring free-floating car sharing operators serve the
4 entire city; and

5 WHEREAS, the value of the Restricted Parking Zone permit issued as a part of the free-floating
6 car sharing program is not fully realized in the existing permit fee; and

7 WHEREAS, the average price of on-street parking in areas with designated parking spaces for
8 car sharing vehicles has increased and the cost of the permit for those spaces should
9 reflect this increase;

10 NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

11 Section 1. Section 11.23.150 of the Seattle Municipal Code, last amended by Ordinance
12 124063, is amended as follows:

13 **SMC 11.23.150 Car Sharing Parking Fees**

14 A. Annual car sharing permit for dedicated spaces in locations where there is no paid on-street parking	\$300/year
15 B. Annual car sharing permit for designated spaces in locations where there is paid on-street parking	\$3,000 ((2,500))/year
16 C. Annual free-floating car sharing permit for each free-floating car sharing vehicle	\$1,730 ((1,330))/year*

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18 * This fee is comprised of (1) the initial paid parking fee of ~~\$930~~((1,030)) per year, to be
19 adjusted annually based on actual meter use in paid parking areas per subsection 11.23.160G; (2)
20 an RPZ fee of ~~\$700~~((200)) per year; and (3) an administrative fee of \$100 per year.

21 Annual free-floating car sharing permits are valid from January 1 -- December 31. The
22 Director of the Seattle Department of Transportation or his or her designee shall have the
23 authority to prorate the price of the annual free-floating car sharing permit if a permit is issued
24 for less than a full year. A new free-floating car sharing permit is required each calendar year for
25 each vehicle in the free-floating car share program.

26 Section 2. Section 11.23.160 of the Seattle Municipal Code, last amended by Ordinance
27 124063, is amended as follows:

1 **11.23.160 Free-floating car sharing parking**

2 A. A free-floating car sharing parking program is established in order to:

3 1. Provide Seattle residents an alternative to personal vehicle ownership,
4 complement the use of public transportation, and reduce personal vehicle ownership, the overall
5 number of car trips and/or vehicle miles traveled within the City, consistent with the City of
6 Seattle's Transportation Strategic Plan;

7 2. Achieve emission reduction goals through use of car sharing, as outlined by the
8 City of Seattle's Climate Action Plan;

9 3. Achieve curb space priority objectives in commercial districts and residential
10 districts, as outlined by the City of Seattle's Comprehensive Plan; and

11 4. Provide low-income access to transportation options.

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13 B. In order to qualify for the free-floating car sharing program as set forth in this Section
14 all of the following standards must be met:

15 1. Permittee must obtain a free-floating car sharing permit for each free-floating
16 car sharing vehicle by paying the free-floating car sharing permit fee to the Seattle Department
17 of Transportation (SDOT);

18 2. Free-floating car sharing vehicles must be parked in the Free-Floating Zone, the
19 area in which the car must be parked at the end of each trip as stated in the permit;

20 3. Each free-floating car share vehicle permitted by SDOT shall display a permit
21 and contact information, in a manner determined by SDOT;

22 4. Each free-floating car share vehicle must be registered, in a manner determined
23 by SDOT, in Seattle in the ((SDOT)) free-floating car share program;

24 ~~((5. Free floating car sharing permits are not transferable between vehicles and~~
25 ~~are void if transferred between vehicles;))~~

26 5((6)). Permittee shall comply with the terms of free-floating car sharing permit;

1 6((7)). Permittee shall utilize on-street parking within City rights-of-way in
2 compliance with all applicable federal, state, County and City laws and regulations; ((and))

3 7((8)). Permittee must demonstrate that the free-(-)floating car sharing vehicles
4 have the technical capacity to accurately track each permitted vehicle's actual meter use in paid
5 parking areas, such as GPS or other technology, and provide regular reports to SDOT to verify
6 such use; and((;))

7 8. Permittee shall establish a service area for the entire city, as determined by
8 SDOT within their free-floating car sharing permit, within two years of the issue date of the
9 operator's first free-floating car share permit.

10 C. In 2015, SDOT may issue ((up to 500 free-floating car share permits annually)) free-
11 floating car sharing permits to no more than four free-floating car sharing operators. In 2015,
12 each free-floating car sharing operator may receive up to 500 free-floating car share permits, or
13 up to 750 free-floating car sharing permits with the establishment of a service area for the entire
14 city. For subsequent years, SDOT shall determine by Director's Rule the number of permits and
15 operators based on data received as a part of the operator reporting requirements specified in the
16 free-floating car sharing permit. In determining the number of permits and operators, SDOT will
17 consider effects on reductions in personal vehicle ownership, effects on neighborhood business
18 district customer access, whether free-floating car share is sufficiently serving low income
19 communities, and other considerations that affect the public's use of the right of way and travel
20 behavior.

21 D. SDOT can deny issuance of subsequent permits to the same permittee for either (i)
22 Non-payment of outstanding meter usage fees by permittee pursuant to SMC 11.23.150.C
23 ((serves as a basis for SDOT to deny issuance of subsequent permits to the same permittee)), or
24 (ii) Failure to maintain a service area that serves the entire city.

25 E. During all hours when it is otherwise lawful to park in specified parking spaces within
26 the Free-Floating Zone, free-floating car sharing vehicles that comply with Section 11.23.160
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1 may park in any of the following parking spaces or stalls: (1) parking spaces or stalls where the
2 posted time limit is one hour or greater, regulated by a parking payment device without
3 displaying a payment receipt and without regard to posted time-limits; (2) time-limited parking
4 spaces or stalls where the posted time limit is one hour or greater, without regard to the posted
5 time; (3) parking spaces or stalls located in any restricted parking zone (RPZ) without regard to
6 time limits imposed on vehicles without RPZ permits; or (4) any other parking space in the
7 public right-of-way not otherwise restricted for exclusive use.

8 F. Free-floating car sharing vehicles shall be prohibited from parking in the following
9 zones or areas: 1) zones designated as bus zones; 2) car share vehicle zones, unless separately
10 permitted; 3) commercial vehicle load zones; 4) emergency zones; 5) food-(-)vehicle zones; 6)
11 pedestrian zones; 7) roadway construction zones; 8) school loading zones; 9) taxicab, pedicab,
12 and other for-hire car stands; 10) tow-away zones; 11) truck load zones; 12) parking areas
13 adjacent to parking payment device controlled with a service parking meter hood; or 13) any
14 other zone restricted by the Traffic Engineer.

15 G. Free-floating car sharing vehicles shall be prohibited from parking in a parking space
16 or stall reserved for a person with a disability, unless the member of the free- floating car sharing
17 group utilizing the free-floating car sharing vehicle meets the criteria for special parking
18 privileges under RCW 46.19.010 and the disabled parking permit is displayed as described in
19 RCW 46.19.030 for the duration of the time the free-floating car sharing vehicle is parked within
20 the parking space or stall reserved for a person with a disability.

21 H. Permittee must provide a report to SDOT at an address specified in the free-floating
22 car sharing permit that provides data showing actual paid parking meter use for each free-
23 floating car share vehicle for the preceding year. The report shall be submitted no later than
24 January 31 of each year. In the event a free-floating car sharing operator's total actual meter use
25 in paid parking areas during the prior permit term exceeds the total paid parking area
26 reimbursement fees required under SMC11.23.150.C and paid for in the prior permit period, the
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1 free-floating car sharing permittee shall reimburse the City for the difference no later than
2 February 28 of each year.

3 I. SDOT may establish permit conditions and limitations to address neighborhood
4 impacts, equitable access, peak right-of-way usage, or other considerations that affect the
5 public's use of the right of way.

6 Section 3. To assist with City Council's review, SDOT shall submit at least three reports
7 to the City Council's Transportation Committee. The first report, due by September 1, 2015, will
8 include an evaluation of: a) the RPZ program and its purposes and fees (including fees for
9 residents, businesses, and free-floating cars) with recommendations for any program or fee
10 changes needed to accomplish the regulatory purposes of the RPZ program, b) options for clearly
11 communicating (through signage or other means) which car-share vehicles can park in dedicated
12 on-street car-share spaces, and c) the possibility of adding car-sharing operations to the
13 transportation options that use ORCA cards. The second report, due no later than March 31,
14 2016, will provide information on all available data through December 30, 2015. The third
15 report, due by March 31, 2017, will provide information on all available data through December
16 30, 2016. The second and third reports shall include the following information: 1) the number of
17 free-floating car sharing permits issued per vendor per year; 2) the difference between the initial
18 paid parking area fee required in Seattle Municipal Code Section 11.23.150.C and actual meter
19 use in paid parking areas per vendor per year; 3) descriptive data about how free-floating car
20 sharing vehicles are used; and 4) any other information deemed pertinent by the Transportation
21 Committee. Council will use this information to determine if any changes should be made to the
22 Free-Floating Car Sharing program.

23 Section 4. This ordinance shall take effect and be in force 30 days after its approval by
24 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
25 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

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Passed by the City Council the ____ day of _____, 2015, and
signed by me in open session in authentication of its passage this
____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
SDOT	Mike Estey/4-8132 Kiersten Grove/4-4653	Christie Parker/4-5211

Legislation Title:

AN ORDINANCE relating to the Traffic Code of the Seattle Municipal Code, amending sections 11.23.150 and 11.23.160 to expand the free-floating car sharing pilot program to allow a greater number of free-floating car sharing operators and vehicles and modifying standards and requirements of the program.

Summary of the Legislation:

This legislation expands the free-floating car sharing pilot program established by Ordinance 124063 and amended in Ordinance 124143. It establishes a maximum number of annual vehicle permits and free-floating car sharing operators. In 2015, the ordinance authorizes no more than four potential operators and that each operator is eligible to receive up to 500 permits, or 750 if providing citywide service. For subsequent years, SDOT will determine by Director's Rule the number of permitted operators and vehicles.

Background:

This legislation allows for the expansion of the free-floating car sharing pilot program. The free-floating car sharing pilot program began operations in 2013 with a total of 350 permits and expanded to 500 permits within the first year. To date, one operator has applied for and received all 500 free-floating car sharing permits. Several other operators have expressed interest in coming to Seattle, which presents significant administrative challenges in allocating a limited number of permits to multiple operators. Further, dividing 500 permits across multiple operators reduces the number of permits available to the existing operator, and could significantly impede availability of vehicles for members and the operator's business model. The City recognizes that free-floating car share has been generally well received and sees a need to encourage operators to expand to include citywide service areas, which also likely requires a larger number of vehicles per operator to ensure reasonable availability.

Vehicles in a free-floating car sharing program with valid permits may be parked in on-street spaces without being subject to time limits, payment receipt display, or Restricted Parking Zone (RPZ) permit restrictions. Free-floating car sharing vehicles are not exempt from other restrictions (i.e., they may not park in taxi zones, transit zones, commercial loading zones, or other special zones.)

Free-floating car sharing operators are charged a permit fee commensurate with the cost of administering, monitoring, evaluating, and policing the permit program and the use and

occupation of the rights-of-way by the free-floating car-sharing program, to ensure effective regulation of the public right-of-way which includes in part the estimated cost of the time spent parked in paid on-street parking areas without direct payment.

As a condition of the permits, SDOT requires applicants to provide data during the term of the permit, such as 1) the difference between the initial paid parking area fee required in Seattle Municipal Code Section 11.23.150.C and actual meter use in paid parking areas per vendor per year; 2) descriptive data about how free-floating car sharing vehicles are used; and 3) any other information deemed pertinent by the Seattle City Council Transportation Committee. Among other things, SDOT will use this data to determine whether the proposed permit fee reflects the cost for the use and occupancy of the right-of-way for the free-floating car sharing businesses.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2015 Revenue	2016 Revenue
General Fund - 00100		Free Floating Car Sharing Permit Fee	\$1,209,000	\$1,860,000
Transportation Operating Fund - 10310	SDOT	Free Floating Car Sharing Permit Fee	\$1,040,000	\$1,600,000
TOTAL			\$2,249,000	\$3,460,000

Revenue/Reimbursement Notes:

These are annual per-vehicle permits operating under a 12-month cycle. The estimates above are based on a permit issuance date of January 1, 2015.

For the purposes of the fiscal note, the projected revenues are based on 1,300 vehicles permitted in 2015 and 2,000 vehicles permitted in 2016.

The total proposed free-floating car sharing permit amount is \$1,730 per vehicle per permit cycle, a \$400 total increase from the previous ordinance. This proposed fee is comprised of an initial paid parking fee of \$930 (reduced from \$1,030) per year, to be adjusted annually based on actual meter use in paid parking areas; an RPZ fee of \$700 (increased from \$200) per year; and an administrative fee of \$100 per year.

Because there will be more free-floating car sharing vehicles in an expanded services area, vehicles are more likely to be spread throughout the City, and parked in locations without paid parking. The legislation accordingly reduces the portion of the free-floating car sharing permit fee applied to paid parking costs from \$1,030 to \$930. The legislation establishes a higher cost for the RPZ portion of the permit fee, raising that from \$200 to \$700 per vehicle. This fee

increase more accurately accounts for the costs of administration of RPZ program, given the increase in vehicles eligible to park in any of the 33 Restricted Parking Zones (RPZs). The increase also includes the cost of a free-float car share vehicle to use and occupy any of the RPZ zones without additional payment. There are 33 RPZs throughout Seattle and the RPZ permits are currently priced at \$65 per pass per zone for two years. The cost for use and occupation of all RPZ zones is in excess of \$1000 annually. The legislation increases the permit fee to account for a portion of use and occupation anticipated by the free-float car share vehicles. The \$100 administrative fee remains unchanged from the original ordinance.

The estimated \$1,209,000 for 2015 and \$1,860,000 for 2016 (\$930 per vehicle) is to be deposited in the City's General Fund to account for the cost of regulating the public right of way in paid parking areas associated with the estimated on-street paid parking revenue otherwise foregone as a result of free-floating car sharing vehicles being exempt from payment requirements. This encourages the use of free-floating car sharing as an alternative to vehicle ownership through exemption of payment requirements at the pay stations. There is a requirement for annual accounting of actual meter use following each permit period, at which time, free-floating car share companies must reimburse the City for any difference over and above the per vehicle permit fee of \$930.

The estimated \$1,040,000 for 2015 and \$1,600,000 for 2016 (\$100 per vehicle for general SDOT administration and \$700 per vehicle RPZ permit) is to be deposited to the SDOT Transportation Operating Fund for administration of the RPZ component of the permit, as well as general development and administration of the permitting system, including staff time, materials, information technology support, program evaluation, and operating expenses.

SDOT is also amending the annual permit fee for designated on-street car sharing spaces from \$2,500 to \$3,000. The updated fee for designated spaces in paid parking areas is calculated based on the citywide average annual revenue for an on-street paid parking space, and the associated cost of regulating the public right-of-way. Because there are currently so few designated on-street car sharing spaces (about 18), and only four of those are in paid parking areas, this fee is expected to yield an increase of \$2000, raising the total permit fee for these spaces from \$10,000 to \$12,000.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
None
- b) **What is the financial cost of not implementing the legislation?**
Without this legislation, the revenue from the additional permits for the expansion of free-floating car sharing might not be collected. Additionally, SDOT would be tasked with administering 500 permits among numerous operators. This could be administratively difficult and could require significant additional staff time and costs.
- c) **Does this legislation affect any departments besides the originating department?**
SDOT has worked with Seattle Police Department Parking Enforcement to ensure that the proposed legislation is operable.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

None. Legislative action is needed to implement the changes desired.

e) Is a public hearing required for this legislation?

No

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

g) Does this legislation affect a piece of property?

No

h) Other Issues:

None



City of Seattle
Edward B. Murray
Mayor

September 9, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill that expands the free-floating car sharing pilot program, allowing a greater number of free-floating car sharing operators and vehicles and modifying related standards and program requirements. In 2015, the legislation increases the number of free-floating car sharing vehicle permits and establishes per operator caps based on the operator's service area. For subsequent years, the legislation allows the Seattle Department of Transportation (SDOT) to determine by Director's Rule the number of operators and vehicles based on conditions set within the ordinance.

Currently one operator holds all 500 annual permits. The City has received inquiries from other operators who are interested in expanding to the Seattle market. In order to accommodate this growth and to promote consumer choice, in 2015 the expanded program allows for up to four operators to receive a maximum of 500 permits, or 750 with the establishment of citywide service. The legislation also requires that operators provide citywide service within two years of receiving their first free-floating car sharing permit. This allows for new operators to establish business in Seattle and ensures that free-floating car share serves all neighborhoods throughout the city. To facilitate a more flexible regulatory approach that can respond to changing conditions and ensure that regulations continue to foster progress towards citywide goals related to equitable transportation access, personal vehicle dependence, and curb space management, the legislation allows SDOT to determine by Director's Rule the number of operators and vehicles in subsequent years.

The legislation also alters the permit fees for free-floating car sharing and dedicated car share spaces. For the dedicated car share space permit, the fee is raised from \$2,500 to \$3,000 per space to account for an increase in the average cost of parking in the neighborhoods where these spaces are located. The proposed free-floating car sharing permit fee is adjusted to \$1,730 per vehicle.

Free-floating car sharing has been well received in Seattle, with more than 30,000 members throughout the region having joined in less than two years and an average of over five trips per vehicle per day. Moreover, there have been relatively few parking concerns raised related to free-floating car sharing vehicles. Initial information received from the existing free-floating car sharing operator indicates that members are giving up or considering giving up their personal vehicles, potentially resulting in reductions in vehicle miles traveled. To better understand how free-floating car sharing will affect transportation choices in the short and long-term, and because this legislation represents a significant expansion of the pilot program, the Seattle Department of Transportation (SDOT) will work in cooperation with operators to evaluate travel behaviors and right-of-way use during the expanded pilot program. As a part of this evaluation, SDOT will identify policy efforts and permit conditions to ensure that free-floating car share facilitates progress towards the City's goals of reducing SOV trips, personal vehicle dependence, and GHG emissions. This legislation will

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www.seattle.gov/mayor

facilitate that work and ensure that additional transportation options are available in all neighborhoods in Seattle.

Thank you for your consideration of this legislation. Should you have questions, please contact SDOT's Mike Estey at 684-8132 or Kiersten Grove at 684-4653.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed B. Murray", with a long horizontal flourish extending to the right.

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council