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# CITY OF SEATTLE

## ORDINANCE _____

COUNCIL BILL 117733

AN ORDINANCE relating to the Traffic Code; amending section 11.23.160 of the Seattle Municipal Code to increase the number of free-floating car share permits authorized annually and ratifying and confirming certain prior acts.

WHEREAS, in 2012, Ordinance 124063 established a Free-Floating Car Sharing permit program to allow membership-based car share services for qualified drivers on a per-use fee basis; and

WHEREAS, Ordinance 124063 expressed the City Council's intent to periodically monitor program implementation and assess the benefits and any negative unintended consequences, including the number of public-right-of way spaces that can accommodate free-floating car share vehicles; and

WHEREAS, Ordinance 124063 adopted an annual free-floating car-sharing permit limit of 350 permits annually; and

WHEREAS, since the City's free-floating car-sharing program launched, demand for the permits has been high and there is interest both by operators of free-floating car-sharing businesses and by citizens in additional areas of the City gaining access to this transportation option;

WHEREAS, an expansion of the free-floating car share service area would require additional vehicles above the current citywide limit of 350 permits to meet additional demand in a larger service area; and

WHEREAS, increasing the number of free-floating car share permits will allow free floating car share providers to meet greater demand in more neighborhoods, including several in Southeast and West Seattle that are currently underserved with affordable transportation options; and

WHEREAS, the City Council has already expressed an intent to request reports from SDOT based on six months of data and again on twelve months of data provided by free floating car share providers (per SMC 11.23.160G) in order to assess the benefits and any negative unintended consequences of the free floating car share program, including the number of public on-street parking spaces that can accommodate this service; NOW, THEREFORE,



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**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

**Section 1.** Section 11.23.160.B of the Seattle Municipal Code, adopted by Ordinance 124063, is amended as follows:

**11.23.160 Free-floating car sharing parking**

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B. B. SDOT may issue up to 500 ((~~350~~)) free-floating car share permits annually.

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**Section 2.** Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

**Section 3.** This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.



CITY CLERK

Passed by the City Council the ____ day of _____, 2013, and signed by me in open session in authentication of its passage this _____ day of _____, 2013.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2013.

_____

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2013.

_____

Monica Martinez Simmons, City Clerk

(Seal)



BNS CITY CLERK

Form revised: December 6, 2011

# FISCAL NOTE FOR NON-CAPITAL PROJECTS

| Department: | Contact Person/Phone: | CBO Analyst/Phone: |
|---|---|---|
| Legislative | Bill LaBorde<br>684-8593 | |

**Legislation Title:** AN ORDINANCE relating to the Traffic Code; amending section 11.23.160 of the Seattle Municipal Code to increase the number of free-floating car share permits authorized annually and ratifying and confirming certain prior acts.

**Summary of the Legislation:** This legislation increases the maximum number of free-floating car sharing permits that SDOT can issue to providers of car share services, from 350 to 500.

**Background:**
Ordinance 124063, passed by the Council and signed by the Mayor in December 2012 allowed SDOT to establish a free-floating car sharing permit program. Vehicles in a free-floating car-sharing program with valid permits may be parked in on-street parking spaces without being subject to time limits, payment receipt display, or 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.)

Ordinance 124063 establishes a cap on the number of free floating car share permits SDOT can issue, currently set at 350 vehicles citywide. This legislation would raise the maximum number of allowable permits to 500 in order to accommodate the intent of at least one provider to bring free-floating car share service to Southeast Seattle and West Seattle, areas of the City not currently served by car2go or any other company.

Free-floating car sharing operators are charged a permit fee commensurate with the cost of administering, monitoring 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 free-floating car-sharing permits, SDOT requires permit holders (free-floating car-sharing operators to provide quarterly data during the term of the permit, such as the number of members, the number of vehicle uses, the number of times vehicles are idle or unused for 24 hours or more, and the percentage of time vehicles spend parked in paid parking areas to assess the effectiveness and impacts of free-floating car sharing. Among other things, SDOT uses 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.



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____ **This legislation does not have any financial implications.**

_X_ **This legislation has financial implications.**

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

| Fund Name and Number | Department | Revenue Source | 2013 Revenue | 2014 Revenue |
|---|---|---|---|---|
| General Fund - 00100 | | Permit Fee | $ 77,250 | $154,500 |
| Transportation Operating Fund - 10310 | SDOT | Permit Fee | $ 22,500 | $ 45,000 |
| **TOTAL** | | | $ 99,750 | $199,500 |

SDOT's free-floating car share permit program provides annual per-vehicle permits operating under a 12-month cycle. 330 permits were issued in December 2012. If the cap is raised to 500, some or all of the remaining 170 permits could be purchased as soon as late March or early April 2013.

The permit amount is $1,330 per vehicle per permit cycle. For purposes of the fiscal note, the projected revenues are based on 100 of the 150 additional permits allowed by this legislation purchased on April 1, with all 150 of the additional permits purchased or renewed by January 1, 2014.

The estimated revenue of $22,500 in 2013 and $45,000 in 2014 ($200 per RPZ permit per car and $100 for general SDOT administration) 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, and operating expenses.

The estimated revenue of $77,250 in 2013 and $154,500 in 2014 is to be deposited in the city's General Fund to account for the incremental additional 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. The previous legislation established in the SMC a requirement for an 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 $1,030.

**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?**



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Without this legislation, the City will likely collect less revenue from the more restrictive cap of 350 free-floating car share permits. Depending on utilization, the City could also be forgoing opportunities to collect additional vehicle license fees through the Transportation Benefit District, as well as less sales tax, rental car tax and B&O taxes collected from car share transactions and car share operators doing business in Seattle.

c) **Does this legislation affect any departments besides the originating department?**
Seattle Police Department Parking Enforcement may need to respond to complaints more frequently and in more outlying areas of the City as the number of free-floating car sharing permits increase and as the service is available in more areas of the City.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None

e) **Is a public hearing required for this legislation?**
None

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
None

g) **Does this legislation affect a piece of property?**
None

h) **Other Issues:**
None



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