Legislation Text

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# City of Alexandria, Virginia

# MEMORANDUM

**DATE:** NOVEMBER 2, 2021

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

#### DOCKET TITLE:

Public Hearing, Second Reading and Final Passage of an ordinance to amend Title 9 (LICENSING AND REGULATION) of the Code of the City of Alexandria, Virginia, 1981, as amended by adding new Chapter 16 (SHARED MICROMOBILITY DEVICES FOR HIRE, PERMIT PROGRAM). [ROLL-CALL VOTE]

**ISSUE:** Consideration of Permanent Dockless Micromobility Program.

### **<u>RECOMMENDATION</u>**: That City Council:

- 1. Introduce and adopt the proposed ordinance (Attachment 2) creating a permanent shared micromobility program on the first reading November 9, 2021;
- 2. Schedule the ordinance for second reading, public hearing, and final adoption on November 13, 2021; and
- 3. At the time of final adoption of the ordinance adopt a resolution (Attachment 3) establishing fees for Micromobility Business Permits.

**BACKGROUND:** In December 2019, City Council approved a one-year Phase II Dockless Micromobility Pilot Program to evaluate changes made from Phase I, engage with the community, and determine what program changes should be incorporated into a future program. The Ad Hoc Scooter Task Force was also created to provide Council with their recommendation on a path forward for the Dockless Mobility Program. Due to the pandemic, staff had limited opportunities to conduct community outreach events or meet with the Task Force. The Task Force met virtually in September 2020 and recommended extending the Program through the end of 2021. In November 2020, City Council approved an extension through December 31, 2021. Throughout 2021, staff engaged with the community via the Task Force, focus groups, and meeting with key stakeholder groups to discuss the status of the program (see Attachment 4 for summary of input). Scooter ridership has changed since the program began in 2019, largely due to the pandemic, but also from changes in the scooter industry. Ridership was highest in 2019 and sharply declined in 2020. In 2021, ridership levels began increasing, but still remain lower than 2019. Ridership trends show that many riders use dockless mobility to connect to transit. More details about ridership are provided in Attachment 8. Staff is aware that there continue to be enforcement issues related to riding on sidewalks and following traffic laws. However, these issues can be difficult to enforce as they occur and because this is a civil violation, the best enforcement mechanism for the Police Department has not yet been determined. Staff continues to work closely with APD and the City Attorney to resolve this.

If the resolution and proposed ordinance are not approved, the Pilot Program would expire on December 31, 2021. After this date, City Code provisions regulating micro-mobility devices would remain in effect, and people would be allowed to ride the devices in Alexandria. However, the City would not have a permit requirement or program to manage companies, meaning any company could bring their devices to the City without paying a permit fee or sharing data with the City. Additionally, the City would have no ability to require the companies to abide by any of the requirements outlined in the Phase II Pilot Program Memorandum of Understanding (MOU) after December 31, 2021.

**<u>DISCUSSION</u>**: The Task Force reviewed the changes to the program from Phase I and discussed key issues that remained, which were summarized in four key areas:

- 1. Parking and sidewalk issues
- 2. Riding and safety issues
- 3. Too many or not enough devices in some parts of the City
- 4. Managing complaints and issues

Staff and the Task Force discussed options to address these issues, looking at examples from other jurisdictions and considering technology capabilities for the scooter companies. The Task Force convened in August 2021 and formally voted to recommend the City create a permanent Dockless Mobility Program with several program changes and new requirements for companies to address the key issues. The full recommendations are provided in Attachment 5 and key changes include:

- Compile dockless mobility complaints through 311 or email by types of issue and relay information to companies
- Increase the number of scooter parking corrals across the City, prioritizing equity areas and locations that do not require the removal of parking
- Require companies to host events with the community to provide education on safe riding and proper parking
- Require companies to be able to receive complaints without using company app
- Require companies to report the number of trips by members of their companies' equity membership program

In addition to the changes recommended by the Task Force, components of the existing program requirements would remain in place. Key aspects of current program requirements include:

- 30% of dockless mobility devices must be deployed in equity zones (15% between Quaker and I-395, 10% west of I-395, 5% in Arlandria)
- Companies are required to deploy at corrals when one is nearby
- Companies are required to address parking issues within 3 hours of it being reported to the responsible companies' customer service department
- Require companies to restrict parking in the Waterfront using geofencing
- Education resources and outreach from the City on traffic laws for scooter and e-bike users and proper parking etiquette

As a permanent program, the program requirements will be outlined in City Code, rather than in an MOU, and companies will be required to obtain a permit to operate in the City. Additionally, the City will require companies to provide information in their permit application about how their business operations meet the dockless mobility program requirements and the City's overall transportation goals defined by the guiding principles in the Alexandria Mobility Plan, such as equity and sustainability. Staff would evaluate each company based on their ability to meet these requirements and goals and allocate devices to each company.

In September 2021, staff shared the Ad Hoc Scooter Task Force recommendations with the Commissions on Persons with Disabilities, Commission on Aging, Transportation Commission, Waterfront Commission, Traffic & Parking Board, and the Federation of Civic Associations. Letters of support for a permanent program are provided in Attachment 6.

Pursuant to the terms of the Phase II MOU, the City Manager has authority to extend the pilot program if necessary to implement the permanent program and will do so through March 2022 after City Council has enacted this ordinance.

**FISCAL IMPACT:** Each company paid the \$10,000 permit fee and \$75 per device fee (a maximum of 200 devices per company is allowed under the current program requirements) for a total of \$25,000 each year. Five companies obtained permits to operate in the City in 2020. That number decreased to four in 2021 with the new Phase II program requirements. Overall program revenue for the City of \$225,000 (\$125,000 in FY20 and \$100,000 in FY21). Costs to operate and maintain the Dockless Mobility Program did not exceed the amount of money received from the companies via permit fees and so no City funds were used to operate or maintain the program. Staff recommends pro-rating fees for the proposed extension from January 1, 2021 to April 1, 2021 and maintaining the same permit fee structure for the permanent program. Should four companies return, this would generate \$100,000 in permits fees in the next fiscal year.

Each of the scooter companies is also subject to the City's Short-Term Daily Rental Tax, which requires each company to pay a tax of 1% on the gross proceeds of their rentals. In 2019, the City collected approximately a total of \$11,000 from the scooter companies. Due to the COVID-19 health emergency, scooter ridership and therefore gross proceeds were lower for 2020, meaning that the City expected to collect less Short-Term Daily Rental Taxes from the scooter companies in 2020. In 2020, the City collected approximately \$4,700 from the scooter companies and anticipates collecting approximately \$10,000 in 2021.

#### ATTACHMENTS:

Attachment 1: Ordinance Cover Sheet Attachment 2: Ordinance Attachment 3: Resolution Attachment 4: Summary of Input from Key Stakeholder Groups Attachment 5: Ad Hoc Scooter Task Force Recommendation Attachment 6: Letters from Commissions and Boards Attachment 7: Presentation

## STAFF:

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