

2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
SDOT	501	A	001

Budget Action Title: Pass CB 120202 - SDOT Car Share Fee and Code Revision Ordinance

Ongoing: No Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Calvin Chow

Council Bill or Resolution: CB 120202

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

Summary of Dollar Effect

See the following pages for detailed technical information

	2022 Increase (Decrease)	2023 Increase (Decrease)
General Fund		
General Fund Revenues	\$0	
General Fund Expenditures	\$0	
Net Balance Effect	\$0	
Total Budget Balance Effect	\$0	

Budget Action Description:

This Council Budget Action recommends passage of CB 120202 which would establish a new permit fee structure and program changes for car share companies operating in Seattle.

The proposed legislation would revise the permit fee schedule for free-floating car share companies to move from a parking-based cost model to a per trip cost model. The current fee structure for each free-floating car share vehicle requires payment of a \$100 administrative charge, a \$200 Residential Parking Zone (RPZ) charge, and an up-front \$930 parking utilization charge. The current fee structure requires that the parking utilization charge be adjusted annually based on actual meter use of paid parking spaces. SDOT reports that managing the true-up of metered parking use by free-floating car share vehicles has been difficult to administer.

The proposed fee structure in CB 120202 would include a \$100 administrative charge, a \$200 RPZ

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charge, and a per trip fee of \$0.50 per trip for an internal combustion vehicle and \$0.25 per trip for an electric vehicle. Under the existing fee structure, the current fleet of free-floating car share vehicles operating in Seattle would generate approximately \$450,000 of permit fee revenue in 2022. Under the proposed change, permit fee revenue is estimated at \$300,000 in 2022. The proposed legislation would also shift the permit fee for designated-space car share to a sliding scale, based on the average paid parking revenues collected at the location of the designated-space car share zone.

In addition to revising the fee schedule, CB 120202 would grant SDOT the authority to determine an equitable geographic coverage requirement for free-floating car share services as a condition of the permit. Currently, SMC 11.23.160 requires car share companies to offer service across the entire geographic boundaries of the City within two years of beginning operations. The proposed legislation would eliminate this requirement and grant SDOT the authority to determine an equitable geographic coverage requirement based on:

- (1) Operational feasibility and fleet size.
- (2) Serving areas of the City with identified and potential need for service.
- (3) Breadth of service in various neighborhoods of the City.
- (4) Identified strategies for reaching a diverse customer base, including low-income customers.

SDOT reports that the city-wide geographic coverage requirement presents challenges to free-floating car share companies by increasing the need for "rebalancing" vehicles across the service area (i.e., moving vehicles from low-usage areas to high-usage areas) and by requiring faster growth in fleet size than anticipated in the business model. In addition, SDOT contends that the existing geographic requirement has not, by itself, led to equitable outcomes in the use of car share service and does not address barriers such as cost, lack of awareness of the program, lack of access to credit cards, language needs, and the need for larger vehicles and car seats to transport larger families and young children. The proposed legislation would allow SDOT take these factors into consideration in permitting free-floating car share operators.

SDOT began permitting free-floating car share operators in 2012. In 2019, the three companies (Car2Go, ReachNow, and LimePod) then operating in Seattle ceased local operations. These three companies had operated a combined fleet of 1,938 vehicles. In 2020, a new company (Gig) entered the Seattle market and is currently operating a fleet of 370 vehicles.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
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