

**SUMMARY and FISCAL NOTE\***

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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the Traffic Code; modifying fees associated with car sharing; clarifying certain definitions; establishing Seattle Department of Transportation authority for managing free-floating zone service areas; and amending Sections 11.14.087, 11.23.150, and 11.23.160 of the Seattle Municipal Code.

**Summary and background of the Legislation:** This legislation updates the Seattle Municipal Code sections regarding car sharing (both free-floating car sharing and car sharing in permitted designated spaces). This amends fees to better reflect actual use of the right-of-way. In the current fee structure, free-floating car share companies pay an up-front fee that includes administrative fees (\$300 per vehicle, which go to the Transportation Fund) and paid parking fees (\$930 per vehicle, which go to the General Fund). At the end of each year, operators pay a “true up” for any additional paid parking usage. The Legislation proposes to change the fee structure to keep the administrative fee, and then charge a fee per trip, regardless of where in the city the trip starts or ends. This fee model makes use of the data feeds the City already requires operators to provide, and reflects their use of the right-of-way throughout the city, as well as in paid parking areas. The fee requirements will also be easier for operators to track and will be straightforward to predict. This model is being used in other cities, notably Portland, OR. The fee per trip will be 50 cents for trips in internal combustion engine vehicles and 25 cents per trip in electric vehicles. The City’s 2021 Transportation Electrification Blueprint sets a goal to electrify shared mobility by 2030. This legislation supports that goal by establishing a fee incentive for operators to electrify their fleets. Currently, there is no City financial incentive for operators to electrify their fleets.

The legislation also grants SDOT authority to establish parameters for an equitable service area for free-floating car sharing operators. Car sharing provides a meaningful alternative to support residents in not needing to own a personal vehicle. Operators have high up-front costs for growing the size of their fleet, so allowing for more flexibility in the service area requirements will facilitate operators being able to grow sustainably and with continued operations in Seattle.

For designated space car share, the legislation amends current fees as well. Current fees are \$300 per space per year in unpaid parking areas, and \$3,000 per space per year in paid parking spaces. The legislation proposes to change the fee for spaces in paid areas to a range between \$500 and \$3,500 per space per year, based on average paid parking revenues. The legislation grants SDOT the authority to determine the fee each year, based on actual paid parking per-space revenues.

This is proposed in order to reflect the value of the right-of-way in current conditions for operators.

**2. CAPITAL IMPROVEMENT PROGRAM**

Does this legislation create, fund, or amend a CIP Project?  Yes  No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

Does this legislation amend the Adopted Budget?  Yes  No

Appropriation change (\$):	General Fund \$		Other \$	
	2022	2023	2022	2023
	N/A	N/A	N/A	N/A
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2022	2023	2022	2023
	(\$105,131)	(\$105,131)	(\$42,000)	(\$42,000)
Positions affected:	No. of Positions		Total FTE Change	
	2022	2023	2022	2023
	N/A	N/A	N/A	N/A

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

None.

Is there financial cost or other impacts of *not* implementing the legislation?

Car share is a long-standing mobility option, which generates revenue for the City. If regulations are not changed, the City risks having car share operators no longer being willing or able to operate in the city. In the past, car share operators have left the city partially due to fees and the requirement to serve the whole city. The requirement for citywide service has limited operators' ability to grow in a slow and sustainable manner. Furthermore, while the intention of citywide service was to foster equitable outcomes, SDOT has found that this has not been the result of the requirement. This legislation will allow SDOT to develop additional standards and programming to create more equitable access to the program.

**3.a. Appropriations**

This legislation adds, changes, or deletes appropriations.

**3.b. Revenues/Reimbursements**

  **x**   This legislation adds, changes, or deletes revenues or reimbursements.

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

<b>Fund Name and Number</b>	<b>Dept</b>	<b>Revenue Source</b>	<b>2022 Revenue</b>	<b>2023 Estimated Revenue</b>
General Fund 00100	SDOT	Free-floating car share permits	(\$105,131)	(\$105,131)
Transportation Fund 13000	SDOT	Car Share permits	(\$42,000)	(\$42,000)
Transportation Fund 13000	SDOT	Free-floating car share permits	\$0	\$0
<b>TOTAL</b>			<b>(\$147,131)</b>	<b>(\$147,131)</b>

**Is this change one-time or ongoing?**

One-time.

**Revenue/Reimbursement Notes:**

The revenue estimates above are the incremental changes anticipated to occur as a result of this legislation. The estimate makes the conservative assumption that car share operators will maintain fleet size at the current level, resulting in a lowering of revenue compared to the current methodology. However, it is likely that fleet sizes and service areas will grow over time. It is also possible that other vendors could enter the marketplace. Either outcome could cause the General Fund revenues to exceed the revenue under the current methodology.

**3.c. Positions**

       This legislation adds, changes, or deletes positions.

**4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

No, we do not anticipate this impacting other departments.

**b. Is a public hearing required for this legislation?**

No.

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

No.

**d. Does this legislation affect a piece of property?**

No.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

SDOT is proposing to make language about car sharing service areas (also known as “home zones”) more flexible, no longer requiring that operators serve the entire geography of the City limits of Seattle. The requirement has been difficult for operators to achieve, and data to date does not show that this has necessarily increased use among priority communities such as communities of color and low-income communities. This change may be perceived as reducing access for these communities. However, SDOT intends to work with operators to: 1) identify key communities and neighborhoods and ensure continued or expanded service to those areas and 2) identify partnerships and other programming opportunities to make the services more accessible and relevant to priority communities.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Car sharing has shown to reduce vehicle ownership and therefore vehicle miles travelled. This legislation will establish a range of fees to ensure that SDOT is pricing permits for this valuable service appropriately and continuing to accommodate operators providing this service.

Currently, GIG car share operates a fleet of hybrid vehicles. Zipcar operates a mix of internal combustion and hybrid vehicles. As indicated in the Transportation Electrification Blueprint published in 2021, SDOT will be working with operators to move their fleets to be 100% electric by 2030.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Car sharing provides an important alternative to personal vehicle ownership and gives people another way to get around when other options are not feasible. This helps support overall resiliency by supporting mobility options and supports our ability to adapt to climate change. As the fleet electrifies we also anticipate this supporting more trips becoming zero-emissions.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s).**

N/A - Car sharing is an existing service in Seattle.

**List attachments/exhibits below: None**