

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Department of Transportation	Joel Miller/206-684-7639	Lisa Gaccione/206-684-5339

* 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

- 1. Legislation Title:** An ordinance relating to street and sidewalk use fees; adopting a Free-Floating Bike Share Program Fee Schedule; and amending Ordinance 125493, which amended the 2018 Budget (Ordinance 125475), by increasing appropriations to the Seattle Department of Transportation; all by a 3/4 vote of the City Council.
- 2. Summary and background of the Legislation:** In July 2017 the Seattle Department of Transportation (SDOT) began a one-year free-floating bike share pilot program that allowed private vendors to operate free-floating bike share on SDOT rights-of-way. SDOT is now proposing an annually renewable permit program that draws from the lessons learned in the pilot but remains flexible to allow for adjustments as the city, the private market, and technology all evolve.

This legislation adopts a Free-Floating Bike Share Program Fee Schedule that allows SDOT to charge each vendor permit fees to cover expected permit costs, program administration, and public-realm accommodations.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? X Yes ___ No

Budget program(s) affected:				
Appropriation change (\$):	General Fund \$		Other \$	
	2018	2019	2018	2019
			\$1,000,000	\$1,000,000
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2018	2019	2018	2019
			\$1,009,216	\$1,009,216
Positions affected:	No. of Positions		Total FTE Change	
	2018	2019	2018	2019
	0	0	0	0

b. 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?

Permit review and issuance fees (from Street Use Fee Schedule)	\$9,216
Program staffing expenses <ul style="list-style-type: none"> • 1.5 FTE @ Strategic Advisor 1 (TLA positions) • Associated technology needs (computer, phone, etc.) 	\$370,000
Data analysis, portal, and repository services <ul style="list-style-type: none"> • The free-floating bike share program obtains a large amount of data from multiple sources. We require special expertise and resources to collect, store, and analyze the data efficiently. 	\$50,000
Adaptive cycling program component <ul style="list-style-type: none"> • This City program will work to increase access to adaptive cycling (such as tricycles, handcycles, and tandem bikes) for people with disabilities and special travel needs. The program will partner with existing community stakeholders to offer adaptive cycling access and events around the city. 	\$50,000
Equity-based outreach and engagement program component <ul style="list-style-type: none"> • This program component will build on early outreach work conducted during the pilot. We will work with the Department of Neighborhoods to engage community liaisons and other stakeholders to evaluate the free-floating bike share system's performance. We will work with companies and community partners to increase awareness of bike sharing, train people how to use it, and reduce cultural, economic, and technological barriers to access. We will also perform a Racial Equity Toolkit Analysis to inform future programmatic changes. 	\$50,000
Ongoing evaluation program component <ul style="list-style-type: none"> • We will continue to evaluate our program and its role in Seattle's mobility infrastructure and generate an updated evaluation report. • This component funds survey instruments to capture community opinions and ideas for improvement. 	\$30,000
Compliance audit program component <ul style="list-style-type: none"> • This program includes a twice-annual compliance audit where City staff or a third-party auditor will physically check a percentage of each vendor's fleet for parking, maintenance, and data quality compliance. • This audit will be the primary compliance enforcement mechanism for the upcoming permit year. 	\$50,000

Designated bike share parking program component <ul style="list-style-type: none"> • This program will construct and designate on-street and on-sidewalk bike share parking areas throughout the city. • Costs per parking area will vary depending on materials and placement. Prior-year estimates suggest that each on-street parking corral may cost between \$2,000 and \$3,000 and hold 10 to 15 bikes depending on size. On-sidewalk parking areas may be less expensive. • We estimate that the funding will pay for 150-200 designated bike share parking areas in the first year. 	\$400,000
--	-----------

SDOT anticipates issuing permits for the four best-qualified vendors who apply during the initial application period (by the tentative July 13, 2018 application deadline). These four permits will generate the revenue stated above. If fewer than four qualified vendors apply, or if SDOT adds additional vendors (to replace or supplement initial vendors or to pilot additional mobility devices), the fee schedule allows SDOT to collect additional funds as necessary to manage the program for the permit year. If SDOT determines that it can achieve the above program goals for less than the anticipated program budget, SDOT may charge less than the fees stated in the fee schedule.

Though we anticipate no other direct financial impacts from this legislation, the free-floating bike share program may impose costs on other City agencies to relocate or otherwise address parked bikes. We expect to build designated bike share parking areas to address parking conflicts. In addition, the permit program will require bike share companies to reimburse the City for other expenses the City incurs from addressing bike share costs.

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

If the legislation is not implemented, then the free-floating bike share program will terminate due to lack of funding and all bike share companies will be required to remove their bikes from the right of way. SDOT would not implement the program components listed above. The lack of rentable bicycles may reduce bicycle ridership, exacerbating existing gaps in the transit system, increasing average household transportation costs, and forcing existing bike share users to travel by other modes (which would increase transportation-related carbon emissions per capita).

3.d. Appropriations

X This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2018 Appropriation Change	2019 Estimated Appropriation Change
13000 Transportation Fund	SDOT	Mobility- Operations 17003	1,000,000	1,000,000

TOTAL			\$1,000,000	\$1,000,000
--------------	--	--	--------------------	--------------------

Is this change one-time or ongoing?

We anticipate that the fee schedule will be updated annually to maintain ongoing program funding

Appropriations Notes:

The \$9,216 does not require additional appropriation at this time as because it is part of Street Use permitting schedule

3.e. Revenues/Reimbursements

X This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2018 Revenue	2019 Estimated Revenue
Transportation Fund (13000)	Transportation	Permit Administrative Fees	\$1,000,000	\$1,000,000
Transportation Fund (13000)	Transportation	Permit Review and Issuance Fees	\$9,216	\$9,216
TOTAL			\$1,009,216	\$1,009,216

Is this change one-time or ongoing?

We anticipate that the fee schedule will be updated annually to maintain ongoing program funding.

Revenue/Reimbursement Notes:

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

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

Yes. Other departments may sometimes need to move parked bicycles to eliminate conflicts or access facilities in the right of way. We expect any costs to be minor; other departments may seek reimbursement for costs from the bike share companies, as provided in the bike share permit requirements. The Department of Transportation will work with the Department of Neighborhoods to develop and implement the equity and outreach program components. The Department of Parks and Recreation has elected to address bike sharing on Parks' property through a separate permit program.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

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

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

Public bike-sharing programs are one means for improving mobility and access to opportunity for underserved communities. The permit fees in this legislation will support an increased focus on race and social equity in the ongoing bike share program. The proposed permit changes recommend city-wide coverage requirements, low-income programs, and outreach and engagement requirements. The proposed permit includes an adaptive cycling program component intended to increase adaptive cycling access for people with disabilities and others. Permit administration fees will also cover a comprehensive and ongoing engagement strategy with the Department of Neighborhoods and a Racial Equity Toolkit Analysis of the program that will inform future permit changes.

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).

Long-term program goals are:

- Reduce Seattle's greenhouse gas emissions and contribution to global climate change through increased bicycle mode share
- Increase affordable mobility options for people with low incomes
- Improve public health outcomes and eliminate automobile-related traffic deaths by providing safe, abundant options for active transportation and recreation
- Increase trips taken by bike share city-wide
- Increase bike share availability and trips taken in low-income and traditionally underserved neighborhoods
- Reduce the percentage of parked bikes that are improperly parked or that create pedestrian conflicts
- Increase citywide bike parking capacity by building designated bike share parking areas and corrals

- Increase availability and ridership of adaptive cycles (tricycles, handcycles, tandem cycles, etc.) in the City
- Increase trips taken by low-income residents through introduction of low-income fare discount program
- Use collected bike share data to identify locations needing bicycle infrastructure improvements

This legislation authorizes the Department of Transportation to collect the fees necessary to administer the bike share program and achieve these goals without additional general budget appropriations.

List attachments/exhibits below: