Report Type: Consent Calendar            Meeting Date: 3/18/2019

Council Priority: Transportation and Traffic

Summary Title: One-Year Extension of Bikeshare Pilot Program

Title: Adoption of a Resolution Extending the Bikeshare and E-Scooter Pilot Program

From: City Manager

Lead Department: Planning and Community Environment

Recommendation
Staff recommends that the Council adopt a Resolution (Attachment A) approving a one-year extension of the bicycle and electric scooter sharing pilot program through March 31, 2020.

Background
Bicycle and electric scooter sharing programs are emerging technologies for reducing traffic congestion and improving first/last-mile access to transit. The City of Palo Alto adopted a one-year bicycle and electric scooter sharing pilot program in March 2018 and developed permit guidelines for vendors to operate within the City of Palo Alto. (Original staff report and permit guidelines). Program implementation was delayed due to a lack of staff resources. Recently, three (3) vendors have shown interest in participating in the one-year bike share pilot program, but the impending expiration date precludes staff from issuing permits.

The recommended action would extend the pilot program for an additional year to test the concept of private bicycle and electric scooter sharing systems in Palo Alto. The extension of the one-year pilot program will help the City to assess the quality of various service providers and collect and analyze data upon the conclusion of the pilot program. If extended, the one-year bike share pilot program will expire on March 31, 2020. Council action will be needed following the pilot for any adoption of permanent regulations and program guidelines.

Resource Impact
Under the proposed pilot program minimal costs are anticipated primarily for staff time issuing
permits, data analysis, and monitoring compliance.

**Policy Implications**

Development of bicycle and electric scooter sharing systems is consistent with the following Comprehensive Plan and Bicycle + Pedestrian Transportation Plan goals, policies and projects:

*Comprehensive Plan:*
- Program T1.6.1: Collaborate with transit providers, including Caltrain, bus operators and rideshare companies, to develop first/last mile connection strategies that boost the use of transit and shuttle service for local errands and commuting.
- Policy T-1.16: Promote personal transportation vehicles as an alternative to cars (e.g. bicycles, skateboards, roller blades) to get to work, school, shopping, recreational facilities and transit stops.
- Program T1.19.4: Encourage the use of bike sharing and the provision of required infrastructure throughout Palo Alto, especially at transit stations and stops, job centers, community centers and other destinations.

*Bicycle + Pedestrian Transportation Plan:*
- PR-5 Bike Share Program

Bicycle and electric scooter sharing systems are consistent with goals outlined in the Sustainability and Climate Action Plan (S/CAP) and have emerged as an important area of regional collaboration. Bicycle sharing systems have been discussed at meetings of the Managers’ Mobility Partnership (MMP), which includes Stanford University, City of Menlo Park, City of Mountain View, City of Palo Alto, City of Redwood City, and Joint Venture Silicon Valley.

**Environmental Review**

Adoption of the attached resolution for a proposed bike and e-scooter share one-year pilot program extension is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b) (3) because it can be seen with certainty that the project will have no significant effect on the environment. Establishing a permit process for bike and e-scooter share companies will ensure the companies’ operations do not impede the use of streets and sidewalks and is beneficial to the citizens of Palo Alto.

**Attachments:**
- Attachment A – Draft Resolution of the Council of the City of Palo Alto extending the pilot program for Bicycle and E-Scooter Sharing System Permit Program for one additional year through March 31, 2020
- Attachment B – Previous Staff Report dated March 5th, 2018
  https://www.cityofpaloalto.org/civicax/filebank/documents/63651
Attachments:

Attachment A: RESO Extending Bike and E-Scooter Sharing Pilot Program (PDF)
Attachment B: Previous Staff Report dated March 5, 2018 (PDF)
NOT YET ADOPTED

Resolution No.
Resolution of the Council of the City of Palo Alto
Extending the Pilot Program for Bicycle and E-Scooter Sharing Systems for Up to One Year Through March 31, 2020

The Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. Findings and Declarations.

A. On March 5, 2018, the Council of the City of Palo Alto adopted Resolution No. 9743, authorizing the City Manager to implement a pilot program to permit the operation of bicycle and electric scooter (“e-scooter”) sharing systems, including stationless or “free-floating” sharing systems, for use by Palo Alto residents, workers, and visitors.

B. Bicycle and e-scooter sharing programs are emerging technologies for reducing traffic congestion and improving first/last-mile access to transit.

C. With the emergence of stationless sharing technologies, the absence of a pilot permitting program is likely to result in cluttered and obstructed sidewalks, uneven and inequitable distribution of bicycles and e-scooters, or other threats to public health and safety.

D. By contrast, a pilot program allows the City to develop permit guidelines for vendors to operate within the City of Palo Alto in a way that is most responsive to the needs of Palo Alto residents, workers, and visitors.

E. No permits have been issued to-date under the one-year pilot period. Several bicycle and e-scooter sharing systems operators have only recently expressed an interest in participating in the one-year pilot program authorized by Resolution No. 9743.

F. The extension of the one-year pilot program will allow the City to consider and process applications that have been or may be submitted, and collect and analyze data and assess the quality of various service providers.

SECTION 2. Pilot Program Regulations.

A. The City Manager or his designee is hereby authorized to adopt, and from time to time amend, regulations governing the operation of bicycle and e-scooter sharing systems within the City of Palo Alto. Such regulations shall address, at a minimum, the following topics:

1. Bicycle and e-scooter safety;
2. Bicycle and e-scooter fleet deployment, including the total number of bicycles and e-scooters permitted as well as their distribution throughout the City, in
order to avoid nuisances or unwanted encroachments into the public right of way;
3. Permitted areas for bicycle and e-scooter parking;
4. Additional measures to ensure efficient and effective deployment of bicycle and e-scooter sharing systems in the City.

B. Any violation of regulations adopted pursuant to this section by a bicycle or e-scooter sharing system operator may result in revocation of any permit issued to the operator pursuant to the pilot program.

C. The pilot program authorized by Resolution No. 9743 and extended by this resolution shall terminate upon the earlier of March 31, 2020 or the adoption of an ordinance regulating bicycle and e-scooter sharing systems by the Palo Alto City Council.

SECTION 3. Environmental Review. The Council finds that the adoption of this resolution is exempt from review under the California Environmental Quality Act because it can be seen with certainty that there is no possibility of a significant effect on the environment as a result of the Bicycle and E-Scooter Sharing System pilot program.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

________________________  ______________________________
City Clerk  Mayor

APPROVED AS TO FORM:

________________________  ______________________________
Deputy City Attorney  City Manager

____________________________
Director of Development Services

____________________________
Director of Public Works
Summary Title: Dockless Bike Share & E-Scooter Share Guidelines for One-year Pilot Program

Title: Adoption of a Resolution and Approval of Guidelines for a One-year Pilot Program to Enable Bicycle and Electric Scooter Sharing Systems to Operate Within Palo Alto, Subject to City Criteria Regarding Parking, Quality of Devices, and Other Factors, at No Cost to the City

From: City Manager

Lead Department: Planning and Community Environment

Recommendation
Policy & Services Committee and staff recommend that the City Council adopt the attached Resolution (Attachment A) authorizing the City Manager to create guidelines for a one-year pilot program (Attachment B) regulating private bicycle sharing systems in the City of Palo Alto. The pilot program would allow bicycle and electric scooter sharing vendors to operate programs, subject to specific City guidelines, and would expire on March 31, 2019, or upon adoption of permanent regulations by the City Council. Violation of proposed City guidelines could result in revocation of a permit.

Executive Summary
Over the last year, the bicycle sharing market has been disrupted by various companies that rely on a new business model that uses private funding to cover startup costs and capital equipment, with a higher quantity of publicly available bicycles at a lower cost to the public. For government agencies, the primary appeal of this type of bicycle sharing system is that all costs are covered by private funds, with no public funds required. Initially many cities experienced issues with the durability of the bicycles used, bicycles were parked haphazardly on sidewalks, and no city permits were secured for operations. However over the course of the last year, several cities have enacted guidelines to address those concerns and bike share vendors are now working directly with cities to address concerns and legitimize their operations.
The recommended action would authorize Staff to create a permit process to protect the City from potential nuisances related to bicycle parking clutter and blocked ADA pathways, while ensuring affordable rates for low-income users and cash payment options. The program establishes a permit process to enable a maximum of 700 human-powered bicycles with an unlimited number of electric-assist bicycles. Permits would be available on a first-come, first-serve basis. Staff has coordinated with neighboring cities also considering adoption of similar bicycle and electric scooter sharing system guidelines, which would enable operations across city boundaries, offering greater utility to commuters.

A one-year pilot program will allow the City to test the concept of private bicycle and electric scooter sharing systems in Palo Alto, assess the quality of various vendors, and collect and analyze data upon conclusion of the pilot program. At the conclusion of the pilot, Staff will return to City Council with a report.

The Policy and Services Committee heard a presentation on this topic and voted unanimously to recommend that the City Council authorize the City Manager to create a one-year pilot program regulating private bicycle sharing system operators. Shortly after the committee meeting, Staff was approached by a Santa Monica-based electric scooter sharing system operator. As the electric scooter sharing system model is nearly identical to bicycle sharing in concept, Staff has added a provision into the one-year pilot program guidelines to add electric scooter sharing into this pilot. Electric scooter sharing system operators would be subject to the same guidelines and conditions of the pilot program including safety requirements, parking guidelines, provision of low-income rates, and cash payment options among others. Electric scooter sharing system operator Bird has an extremely popular 750-scooter system in Santa Monica and the company has expansions underway in Westwood, Los Angeles, University of California - Los Angeles, and San Diego. A Palo Alto system would be the first citywide electric scooter sharing system in the San Francisco Bay Area.

**Background and Discussion**

In 2017, significant changes occurred in the bicycle sharing industry that opened up new service delivery options. To better assess and understand these trends, staff met with four bicycle sharing operators who have expressed interest in providing systems in Palo Alto and neighboring communities. Staff has also gathered information from some cities that have recently implemented these new bicycle sharing system models. These trends can be summarized as follows, and are discussed in more detail below:

1. **Technology:** Introduction of smart bicycles and dockless systems expand potential service areas and system sizes and provide flexibility to adjust the service based on ridership demand.

2. **Market Competition:** Multiple bicycle share companies are expressing interest and are willing to provide services in the same geographic area.
3. **Funding Responsibility**: Bicycle share companies no longer expect cities to share in the costs of the bicycles or services.

4. **Government Role**: Some jurisdictions are approaching bicycle share as a regulatory function rather than as a service procurement.

**Technology**

Smart bicycle and electric scooter sharing systems are emerging nationwide and provide viable mobility solutions in regions with heavy traffic congestion. These systems employ GPS and other onboard technologies to track and manage fleets. The bicycles and scooters are reserved and managed through smart phone applications. The bicycles and scooters are typically locked to themselves and can be parked at public bicycle racks or other approved locations. These are referred to as dockless systems. Without the need to limit bicycle parking to specially designed docking stations, the parking/bicycle distribution options range from a free-floating system (bikes parked at any rack or other appropriate location) to one where the bikes can be parked only in virtual corrals. There are also hybrid models that use virtual corrals in certain areas but allow for free-floating bicycles in other areas. This allows for both higher bicycle densities in activity centers and broader distribution throughout a city for convenient access by a variety of users for all types of trips.

Several bicycle sharing system operators now utilize smart bicycles, including Jump Bikes (an electric-assist bicycle share company previously known as Social Bicycles or SoBi), LimeBike, Spin, Ofo, MoBikes, among others. A company called Riide currently offers electric-assist bicycles through a monthly leasing program and will be launching a dockless electric-assist bicycle sharing system in 2019. Jump Bikes exclusively specializes in electric-assist bicycle sharing and operates programs in San Francisco and Washington.

The following photos illustrate some of the most popular smart bike and e-scooter systems:
Jump Bikes, formerly known as Social Bicycles (SoBi) now exclusively operate electric-assist bicycles.

LimeBike manufactures bright green self-locking, human-powered bicycles.
Example of dockless electric scooter company called Bird from Santa Monica. Scooters are removed from city streets nightly at 8:00pm for charging and brought back out at 6:00am daily.

Example of designated dockless bicycle sharing system parking area (vendor Bluegogo no longer in operation in the US).
Market Competition
The number of bicycle sharing system operators has been growing. A trend among other cities has been to allow for operators within the same geographic area. For example, both Spin and LimeBike are operating in Seattle and in South San Francisco. The City and County of San Francisco has rolled out a permit process to allow other bike share operations in the city, in addition to the Ford Go-Bike system. Palo Alto and neighboring cities have all been approached by multiple bicycle sharing system operators wishing to provide services.

The advantages of this market competition include the potential for faster deployment and more bicycles being made available. In addition, these companies are competing for ridership, creating an incentive for good customer service, keeping the bicycles in good working order, offering competitive prices, and making sure the bicycles are located where they will generate ridership. In place of a membership-fee approach, these systems are charging per ride, allowing users to select whichever bicycle is most conveniently located or the service that they find most cost-effective. The fees for a 30-minute ride range from $0.50 to $2.00.

Funding Responsibility
Many legacy bicycle sharing systems have required significant government funding for start-up and operations. The Bay Area Bike Share (BABS) pilot program was originally funded through a combination of local, regional, and Federal grants. In 2016, the City of Palo Alto was working on an agreement with Motivate and SoBi (now known as Jump Bikes) to introduce a bicycle sharing system in Palo Alto that would have cost the city nearly $1 million. Motivate offered to enter into a similar agreement with Palo Alto at a capital cost of approximately $1 million to purchase 350 bikes plus another $300,000 to $400,000 in annual operating costs with the City bearing the responsibility to secure this funding through City funds, grants, or sponsorship. Palo Alto ultimately declined to participate in this program.

Bicycle sharing system operators are now offering the potential for quick implementation on a significant scale without any direct cost to government agencies. Their business models are based on investors, sponsors, and user fees. Local agencies may incur some administrative costs in regulating the bicycle sharing systems and/or in providing designated parking areas such as bicycles racks and corrals, but they are not being asked to contribute funding to purchase or lease the bicycles or to supplement the user fees.

Government Role
Many cities are now permitting privately-funded bicycle sharing systems through a regulatory framework, rather than procuring bicycle sharing services using public funds. The National Association of City Transportation Officials (NACTO) has formed a committee to discuss bicycle sharing systems regulations and Staff has participated in this effort. Examples of bicycle sharing systems permitted through a regulatory framework include:

• City of Seattle, WA: A six-month bicycle sharing system pilot program for a dockless, free-floating bicycle sharing system citywide launched in July 2017. Bicycle sharing system operators
capable of meeting specific permit requirements can pull the permits and begin operations. These permit requirements included bicycle safety features, parking, operations/customer service, data sharing/performance monitoring, and city fees and protections (insurance, indemnification, performance bonds). Three bicycle sharing systems operators started with approximately 500 each and have grown in size to approximately 3,000 per vendor (Ofo, Spin and Limebike). Current feedback from Seattle is that their pilot has been a success with very few issues regarding bike parking or abandonment/theft and they plan to take an ordinance to their City Council to create a permanent program.

**South San Francisco, CA:** A six-month bicycle sharing system pilot program began in July 2017. The city entered into license agreements for use of the right-of-way backed up by encroachment permits with two bicycle sharing system operators. The agreement allows bicycle users to park the bicycles in a legal manner in the right-of-way but also defines certain designated parking areas to be used by the companies to rebalance the bicycles. The agreement and permit include many of the same requirements as Seattle’s permit but are less detailed, especially in terms of bicycle safety features and parking. According to South San Francisco staff, the pilot has approximately 400 bicycles generating approximately 500 trips a day.

**San Francisco, CA:** Served by Ford GoBike via a procurement process, uses a fixed-station bicycles sharing system. However, due to popularity of dockless bicycle sharing systems in the city, San Francisco adopted an ordinance in March 2017 to allow for dockless bicycle sharing system operators to also serve the city. Parking must be in a public bicycle rack or within the furniture zone of the sidewalk area. The permit requirements have similar provisions as the Ford GoBike program (e.g., bicycle safety features, customer service, and rebalancing). They also have high start-up and annual renewal fees and extensive requirements related to serving low-income communities.

**Potential Program Strategies**
There are three models that have been used in recent years by cities for bike share programs. These include:

- **Solicitation of Vendor Proposals with Request for Proposals (RFP) Process:** This approach has been used by several cities to select a single operator who is given exclusive rights to operate. These include SoBi systems in Portland, Santa Monica, Santa Cruz and the Sacramento area. After the selection process, the jurisdiction and operator enter into a service contract for exclusive rights to bicycle sharing system operations. Until recently, the government entity would bear some financial responsibility, usually for startup costs related to acquisition of equipment (bicycles, racks, signage, etc.). Recent contracts have been able to eliminate public funding and vendors are typically maintaining ownership over the system which is funded by private capital. An RFP process typically requires more staff time to select an operator, develop a contract and system framework. One benefit to a sole provider is that it may be easier for the public to learn to use one type of bicycle, use of
digital mobile application, with a uniform look and feel citywide. Another benefit is providing the ability of a city to mandate service to under-served areas, which are typically areas that are less profitable and therefore avoided in schemes left to private control.

- **City Council Ordinance Establishing a Permit Process:** This is a relatively new approach arising from the introduction of multiple dockless bicycle sharing system operators. San Francisco adopted such an ordinance. In this approach, the permits incorporate city requirements for the operation and city compliance and enforcement provisions. A cost-recovery permit fee will likely be required. The permit could also include a limit on the number of bicycles for individual operators or collectively. A challenge with this approach is the limited experience of the new operators, which makes it difficult to fully define appropriate guidelines. There is also limited experience with administrative and enforcement costs for cities.

- **Pilot Program for Companies to Operate under Specific Guidelines:** A pilot program allows a city to learn more about the operator(s) and program prior to committing to a permanent program and developing final regulatory requirements. Seattle and South San Francisco have both launched such pilot programs with the intention of establishing permanent programs through ordinance or another means based on what they learn from the pilot.

**Proposed Program Approach**

Staff proposes the implementation of a one-year pilot program allowing bicycle and electric scooter sharing system operators subject to conditions of a permit issued by the city. Upon approval by City Council, Staff will create an application process based on the existing City encroachment permit process. *Interim Bicycle and Electric Scooter Sharing System Permit Program Regulations* (Attachment A) will establish rules and regulations governing the operation of bicycle or electric sharing systems within the City of Palo Alto and ensure that such systems are consistent with the safety and well-being of pedestrians, bicyclists, motorists and other users of the public right-of-way. Such a program would require little funding from the City (primarily staff time), be implemented more rapidly than an RFP or ordinance process, and allow the City to gain experience with a program that would then inform permanent guidelines. The program is modeled after Seattle’s and South San Francisco’s pilots but customized for Palo Alto. Below are some basic guidelines that staff recommends.

**Combine Designated Parking with Free-Floating Bikes**

Staff recommends utilizing the hybrid approach to parking requirements that combines both designated parking areas (corrals and/or racks) and free-floating bicycles and scooters. In high-demand locations, bicycles and scooters may be restricted to designated parking areas to reduce potential problems with parked bicycles or scooters obstructing pedestrian traffic flow or creating a safety hazard.

All other areas of the City could be served by free-floating bicycles and scooters that may be parked at any location in the right-of-way acceptable for bicycle or scooter parking and/or on
private property under an agreement between the bicycle and electric scooter sharing system operator and a property owner. Permit requirements will include performance standards for moving bicycles and scooters parked incorrectly, rebalancing bicycles and scooters, and ensuring bicycles and scooters are not abandoned.

Staff recommends requiring that at no time no more than fifty percent (50%) of a permittee's free-floating bicycles and scooters be located in the Downtown Palo Alto or California Avenue Business Districts to ensure that bicycles and scooters remain dispersed throughout the City. It is expected that companies will closely monitor ridership and adjust bicycle and scooter density and location accordingly to maximize the convenience of the greatest number of riders. The experience with bicycle and scooter deployment and ridership during the pilot may help inform an adjustment to this approach with permanent regulations.

**Minimum and Maximum Number of Bicycles and Scooters**

Staff recommends that under the pilot program, each operator will be required to provide a minimum of 100 bikes or scooters, with a total pilot program cap of 700 human-powered bicycles. Electric bicycles and scooters will be exempt from this total pilot program cap. The operator minimum will help to ensure that operators have adequate resources for rebalancing the bicycles and responding to calls to move or repair bicycles. The total pilot program cap will help curtail possible problems with too many bicycles that may be underutilized and cluttering the right-of-way.

**Safety, Operating, and Performance Requirements**

City requirements for each bicycle and electric scooter sharing system operators will include bicycle and scooter safety features, parking rules, operating and customer service performance standards, and data collection and reporting to monitor performance and effectiveness. Requirements would be set for quickly moving bikes parked in inappropriate areas, rebalancing bikes, and similar responsibilities of the bike share company.

The City’s agreement or permit would also include provisions for insurance, indemnification, performance bonds, cost recovery fees, and the ability to terminate.

**Resource Impact**

Under the proposed pilot program, minimal costs are anticipated, primarily for Staff time issuing permits and monitoring compliance. Separately Staff efforts could be required if the City desires to establish designated parking areas such as bicycle racks and corrals.

**Policy Implications**

Development of bicycle and electric scooter sharing systems is consistent with the following Comprehensive Plan and Bicycle + Pedestrian Transportation Plan goals, policies and projects:
Comprehensive Plan:

- Program T1.6.1: Collaborate with transit providers, including Caltrain, bus operators and rideshare companies, to develop first/last mile connection strategies that boost the use of transit and shuttle service for local errands and commuting.

- Policy T-1.16: Promote personal transportation vehicles as an alternative to cars (e.g. bicycles, skateboards, roller blades) bicycle use as an alternative way to get to work, school, shopping, recreational facilities and transit stops.

- Program T1.19.4: Encourage the use of bike sharing and the provision of required infrastructure throughout Palo Alto, especially at transit stations and stops, job centers, community centers and other destinations.

Bicycle + Pedestrian Transportation Plan:

- PR-5 Bike Share Program

Bicycle and electric scooter sharing systems are consistent with goals outlined in the Sustainability and Climate Action Plan (SCAP) and has emerged as an important area of regional collaboration. Bicycle sharing systems were discussed at recent meetings of the Managers’ Mobility Partnership (MMP), which includes Stanford University, City of Menlo Park, City of Mountain View, City of Palo Alto, City of Redwood City, and Joint Venture Silicon Valley.

Environmental Review

Adoption of the attached resolution for a proposed bike and e-scooter share one-year pilot program is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b) (3) because it can be seen with certainty that the project will have no significant effect on the environment. Establishing a permit process for bike and e-scooter share companies will ensure the companies’ operations do not impede the use of streets and sidewalks, and is beneficial to the citizens of Palo Alto.

Attachments:

Attachment A: Draft Reso - Bike Share Pilot(PDF)
Attachment B: Bike & E-Scooter Sharing Pilot Program (PDF)
NOT YET ADOPTED

Resolution No. _________
Resolution of the Council of the City of Palo Alto
Authorizing the City Manager to Establish a Pilot Program
for a Bicycle Sharing System Permit Program

The Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. Findings and Declarations.

a. The City of Palo Alto seeks to implement a pilot program to permit the operation of bicycle sharing systems, including stationless or “free-floating” bicycle sharing systems, for use by Palo Alto residents, workers, and visitors.

b. Several bicycle sharing systems have expressed an interest in operations or begun operations within the City of Palo Alto.

c. With the emergence of stationless bicycle sharing technologies, the absence of a pilot permitting program is likely to result in cluttered and obstructed sidewalks, uneven and inequitable distribution of bicycles, or other threats to public health and safety.

SECTION 2. Pilot Program Regulations.

a. The City Manager or his designee is hereby authorized to adopt, and from time to time amend, regulations governing the operation of bicycle sharing systems within the City of Palo Alto. Such regulations shall address, at a minimum, the following topics:

   1. Bicycle safety;
   2. Bicycle fleet deployment;
   3. Permitted areas for bicycle parking;
   4. Additional measures to ensure efficient and effective deployment of bicycle sharing systems in the City.

b. The pilot program authorized by this resolution shall terminate upon the earlier of December 31, 2018 or the adoption of an ordinance regulating bicycle sharing systems by the Palo Alto City Council.

SECTION 3. Environmental Review. The Council finds that the adoption of this resolution is exempt from review under the California Environmental Quality Act because it can be seen with certainty that there is no possibility of a significant effect on the environment as a result of the Bicycle Sharing System pilot program.

INTRODUCED AND PASSED:

AYES:
NOT YET ADOPTED

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

__________________________  ________________________________
City Clerk  Mayor

APPROVED AS TO FORM:

__________________________  ________________________________
Deputy City Attorney  City Manager

______________________________
Director of Development Services

______________________________
Director of Public Works
INTERIM BICYCLE & E-SCOOTER SHARING SYSTEM PERMIT PROGRAM

I. Policy Statement and Purpose
The purpose of this policy is to establish rules and regulations governing the operation of bicycle and e-scooter sharing systems within the City of Palo Alto and to ensure that such mobility sharing systems are consistent with the safety and well-being of bicyclists, pedestrians, and other users of the public rights-of-way.

II. Scope
This policy applies to any proposed deployment of bicycle, e-assist bicycle or e-assist scooter sharing systems within the City of Palo Alto’s jurisdictional boundaries.

III. Procedures
a. Any person seeking to operate a bicycle share program within the City of Palo Alto shall first obtain an encroachment permit from the Development Services Department conditioned on compliance with the Operating Regulations contained in this policy and any other conditions (including insurance, indemnity, and performance bond) established by the issuing official. No person shall operate a bicycle share program within the City except pursuant to such permit.

b. The City Manager, in consultation with the City Engineer and Chief Transportation Official, shall establish Operating Regulations governing the operation of bicycle and e-scooter sharing systems. All Permittees shall be required to comply with these regulations as they may be amended from time to time during the course of the year-long pilot program.

IV. Operating Regulations
a. Bicycles
   i. All bicycles meet the safety standards outlined in ISO 43.150 – Cycles, as well as the standards outlined in Code of Federal Regulations Title 16, Chapter II, Subchapter C, Part 1512 – Requirements for Bicycles. In addition, all bicycles shall meet the standards established in CVC section 21201, including for lighting during operation in darkness.

   ii. Electric bicycles shall be “Class 1” or “Class 2” electric bicycles only, as defined in California Vehicle Code (CVC) section 312.5.

   iii. Permittees shall provide easily visible contact information, including toll-free phone number and e-mail address, on each bicycle or e-scooter for members of the public to make relocation requests or to report other issues with devices.
iv. Permittees shall have a minimum fleet of 100 bicycles or e-scooters. Operators shall meet this fleet size within four weeks of permit approval by the City. Permit applicants shall include the proposed fleet size in their application. Permittees shall provide the City with two weeks’ notice of any plans to change their fleet size and shall comply with any updated permit conditions prior to implementing the change.

v. The total number of human-powered bicycles permitted under this pilot program shall be limited to a cumulative total of 700 bicycles between all permittees. Electric bicycles and e-scooters shall be exempt from this maximum. The City reserves the right to revoke a permit at any time during the pilot program and can require that a permittee’s fleet of bicycles or e-scooters be removed from the City right-of-way within 30 days.

b. Parking

i. Permittees shall obtain an encroachment permit for any stations that require the installation and maintenance of structures within the public right-of-way.

ii. For free-floating bicycle and e-scooter sharing systems, devices shall be parked upright on hard surfaces in the furniture zone of the sidewalk, at a bicycle rack, or in another area specifically designated for bicycle parking.

iii. Bicycles and e-scooters shall not be parked in such a manner as to block the pedestrian clear zone area of the sidewalk; any fire hydrant, call box, or other emergency facility; bus bench; or utility pole or box.

iv. Bicycles and e-scooters shall not be parked in such a manner as to impede or interfere with the reasonable use of any commercial window display or access to or from any building.

v. Bicycles and e-scooters shall not be parked in such a manner as to impede or interfere with the reasonable use of any bicycle rack or news rack.

vi. The City Manager, or his designee, reserves the right to determine certain block faces where free-floating bicycle share or e-scooter parking is prohibited or to create geo-fenced stations within certain areas where bicycles and e-scooters shall be parked.

vii. Bicycles and e-scooters may be parked in on-street parking spaces in the following circumstances:

1. When marked parking spaces are officially designated stations for the pilot program in business districts;
2. Where the furniture zone is less than three feet wide;
3. Where there is no furniture zone;
4. In neighborhoods with rolled curbs, or with inadequate sidewalk space.
viii. Bicycles and e-scooters may be parked on blocks without sidewalks only if the travel lane(s) and 6-foot pedestrian clear zone are not impeded.

ix. Bicycles and e-scooters shall not be parked in the landscape/furniture zone adjacent to or within:

1. Transit zones, including bus stops, shelters, passenger waiting areas and bus layover and staging zones, except at existing bicycle racks;
2. Loading zones;
3. Disabled parking zone;
4. Street furniture that requires pedestrian access (for example - benches, parking pay stations, bus shelters, transit information signs, etc.);
5. Curb ramps;
6. Entryways; and
7. Driveways.

x. To the extent a permittee desires to park bicycles or e-scooters in areas other than the public right-of-way (e.g. parks, plazas, parking lots, private property, or transit stations), the permittee must first obtain the right to do so from the appropriate City department, property owner, or public agency and shall communicate this right to users through signage approved by the respective entity and/or through a mobile or web application.

c. Operations

i. Permittees shall maintain a staffed operations center within the San Francisco Bay Area, as defined by the Metropolitan Transportation Commission.

ii. Permittees shall maintain a 24-hour customer service phone number for customers to report safety concerns, complaints, or to ask questions.

iii. Permittee will implement a marketing and targeted community outreach plan at its own cost or pay an in-lieu fee to the City of Palo Alto to provide these services and promote the use of bicycle sharing and e-scooter sharing citywide, particularly among low-income communities.

iv. Permittee will offer a one-year low-income customer plan that waives any applicable bicycle/e-scooter deposit and offers an affordable cash payment option and unlimited trips under 30 minutes to any customer with an income level at or below 200% of the federal poverty guidelines, subject to annual renewal.

v. Permittee will maintain a multilingual website with languages determined by the City of Palo Alto, call center, and mobile App customer interface that is available twenty-four hours a day, seven days a week.

vi. In the event a safety or maintenance issue is reported for a specific device, that bicycle or e-scooter shall immediately be made unavailable to users and shall be
removed within the timeframes provided herein. Any inoperable or unsafe device shall be repaired before it is put back into service.

vii. At no time shall more than fifty percent (50%) of a permittee’s free-floating bicycles or e-scooters be located in the Downtown or California Avenue business districts, as defined in the City of Palo Alto Comprehensive Plan. Permittees shall provide City staff with a direct contact to a representative who is capable of rebalancing the locations of free-floating bicycles within the City of Palo Alto.

viii. Permittees shall respond to requests for rebalancing, reports of incorrectly parked bicycles, or reports of unsafe/inoperable bicycles by relocating, re-parking, or removing the bicycles, as appropriate, within the following timeframes:

1. From 6:00 am to 6:00 pm on weekdays, not including holidays: within two hours of receiving notice,

2. All other times: within 10 hours of receiving notice.

ix. In the event a bicycle or e-scooter is not relocated, re-parked, or removed within the timeframes specified herein, or a free-floating bicycle is parked in one location for more than 72 hours without moving, such bicycles may be removed by City of Palo Alto crews and taken to a City facility for storage at the expense of the permittee.

x. Permittees shall work with local businesses or other organizations to promote the use of bicycle helmets by system users through partnerships, promotional credits, and other incentives.

xi. Permittees shall provide notice to all users by means of signage and through a mobile or web application that:

1. Bicyclists and e-scooters must yield to pedestrians on sidewalks; and

2. Helmets are encouraged for all users and required for minors (to the extent minors are permitted as users).

d. **Data Sharing**

i. Permittees shall provide the City with real-time information on the entire Palo Alto fleet through a documented application program interface (API). Permittees are directly responsible for obtaining an API key from the City’s Transportation Division to which they will publish the data described below. The data to be published to the City API will include the following information in real time for every bicycle and e-scooter parked in the City of Palo Alto operational area:

1. Point location
2. Bicycle/E-scooter identification number
3. Type of bicycle (standard or electric)
4. Fuel level (if electric)
ii. The City is permitted to display real-time data provided via the API and may publish real-time bicycle availability data to the public.

iii. All permittees shall provide the following anonymized data for each trip record to inform and support safe and effective management of the bicycle share system, and for transportation planning efforts. Data will be submitted to the City via an API to be distributed by the City’s Transportation Division.

<table>
<thead>
<tr>
<th>Field name</th>
<th>Format</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>[company name]</td>
<td>n/a</td>
</tr>
<tr>
<td>Type of bicycle</td>
<td>“Standard” or “Electric”</td>
<td>n/a</td>
</tr>
<tr>
<td>Trip record number</td>
<td>xxx0001, xxx0002, xxx0003, …</td>
<td>3-letter company acronym + consecutive trip #</td>
</tr>
<tr>
<td>Trip duration</td>
<td>MM:SS</td>
<td>n/a</td>
</tr>
<tr>
<td>Trip distance</td>
<td>Feet</td>
<td>n/a</td>
</tr>
<tr>
<td>Start date</td>
<td>MM, DD, YYYY</td>
<td>n/a</td>
</tr>
<tr>
<td>Start time</td>
<td>HH:MM:SS (00:00:00 –)</td>
<td>n/a</td>
</tr>
<tr>
<td>End date</td>
<td>MM, DD, YYYY</td>
<td>n/a</td>
</tr>
<tr>
<td>End time</td>
<td>HH:MM:SS (00:00:00 –)</td>
<td>n/a</td>
</tr>
<tr>
<td>Start location</td>
<td>Census block</td>
<td>n/a</td>
</tr>
<tr>
<td>End location</td>
<td>Census block</td>
<td>n/a</td>
</tr>
<tr>
<td>Bicycle ID number</td>
<td>xxxx1, xxxx2, …</td>
<td>Unique identifier for every bicycle.</td>
</tr>
</tbody>
</table>

iv. All permitted operators will provide the following bicycle availability data for oversight of parking compliance and bicycle distribution by minutes. Data will be submitted to the City API.

<table>
<thead>
<tr>
<th>Field name</th>
<th>Format</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>GPS Coordinate</td>
<td>X,Y</td>
<td>n/a</td>
</tr>
<tr>
<td>Availability</td>
<td>Minutes</td>
<td>n/a</td>
</tr>
<tr>
<td>Availability start</td>
<td>MM, DD, YYYY</td>
<td>n/a</td>
</tr>
<tr>
<td>Availability start</td>
<td>HH:MM:SS (00:00:00 –)</td>
<td>n/a</td>
</tr>
</tbody>
</table>

v. The City may, at its option, require Permittees to distribute a customer survey at the end of the pilot period.

vi. Permittees shall keep a record of maintenance activities and reported safety issues and collisions, including but not limited to bicycle identification number and maintenance performed. These records shall be sent to the City monthly and at any time within three business days, if requested by the City.

vii. Permittees shall report the aggregated breakdown of customers by gender and age monthly. Gender must be reported as male, female, and non-binary. Age
must be reported using these eight age groups: under 5, 5-17, 18-24, 25-34,
35-44, 45-54, 55-64, 65 and over.

V. Effective Dates

This policy shall be effective from the date of its approval by the City Manager and shall
terminate upon the adoption of legislation regulating bicycle sharing systems by the Palo
Alto City Council.

Approved: ___________________________  _______________

City Manager James Keene  Date