

Board Report

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# PLANNING AND PROGRAMMING COMMITTEE JULY 17, 2019

## SUBJECT: ADOPTION OF MICRO MOBILITY VEHICLES PILOT PROGRAM AT METRO STATIONS

ACTION: APPROVE RECOMMENDATIONS

#### RECOMMENDATION

CONSIDER:

- A. ADOPTING the 2-year Micro Mobility Vehicles Pilot Program at Metro stations; and
- B. AMENDING Metro's Parking Ordinance (Attachment A) and Parking Rates and Permit Fee Resolution (Attachment B) in support of the implementation of the Micro Mobility Vehicles Pilot Program.

## <u>ISSUE</u>

In September 2018, staff was directed to develop recommendations for permitting and regulating the operation of Micro Mobility Vehicles ("Vehicles") on Metro property. In order to ensure these Vehicles are parked and operated in a manner that does not impede or restrict pedestrian access while on all Metro properties, parking facilities, and right-of-way (ROW), staff introduced the proposed Vehicles Pilot Program ("Program") at the March 2019 Planning and Programming Committee meeting. The Board carried the item to April so that staff could provide additional outreach to Micro Mobility Operating Companies ("Operators"), provide revised pricing structure recommendation and to obtain further community comments prior to adoption. Accordingly, staff conducted additional outreach and research as directed by the Board.

This Board item brings the 2-year Vehicles Pilot Program to the Board for final adoption. An update to the Board is scheduled in six months.

## BACKGROUND

Micro Mobility Vehicles, including e-scooters and dockless bicycles, are a new mode of transportation utilizing GPS-enabled smartphone applications for communication and tracking by operators and users.

Recently, the City of Los Angeles and a few other municipalities in Los Angeles County approved and

implemented pilot programs to regulate approximately 60,000 e-scooters and dockless bikes, the largest number of Micro Mobility vehicles in the country. Metro recognizes the importance and challenge of supporting the efforts of the City of Los Angeles and local jurisdictions throughout LA County to regulate rather than ban these vehicles as a mobility solution that may offer first and last mile connections to Metro stations. Managing these vehicles on Metro properties and ROW focuses on maintaining a clear path of travel for transit patrons, developing an organized parking system, operating safety for users, and providing equitable availability and access. The proposed Program has been developed to address these concerns and to work in tandem with local municipalities who have adopted regulations and caps on the number of permitted Vehicles.

## DISCUSSION

The Program will authorize e-scooter and dockless bike share operations on Metro property, parking facilities, and ROW. The Program's concept is for Operators to lease spaces at Metro properties with a license agreement which requires Operators to be approved in the jurisdictions in which they are seeking to operate. This will prevent any conflict with the local jurisdictions' regulations.

### Outreach, Surveys and Findings

Staff has engaged with Operators, local jurisdictions throughout Los Angeles County, and internal Metro departments to solicit comments on the development of the proposed Program. Staff performed additional outreach with community-based advocacy groups and presented the Program to all Regional Service Councils. Questionnaires regarding the implementation timeline have been conducted with the Operators. Staff has incorporated all the final comments and feedback from the aforementioned groups in the final version of the Program.

Amendment of Metro Parking Ordinance and Parking Rates and Permit Fee Resolution

As stated in the March and April 2019 Board items, e-scooters and dockless bike share bicycles are considered 'vehicles', thereby permitting Metro the right to regulate and enforce Operators. California Vehicle Code (CVC) 21113 gives Metro the authority to adopt its own parking ordinance to regulate Metro's ROW and parking facilities. Therefore, the regulation of the Program will reside in the non-automobile chapter of Metro Admin Code 8 (see Attachment A). Approving the amendment of the Metro Parking Ordinance will support the implementation of the Program.

The amendments recommended for the Parking Ordinance and Parking Rates include regulations covering the operations and parking of Micro Mobility Vehicles at Metro facilities and ROW. Regulations include, but are not limited to the following:

- Vehicles are prohibited from parking in ADA parking spaces and must maintain clearance of ADA access.
- Operators have two (2) hours to rectify incorrectly parked vehicles, with the exception of ADA violations.
- Vehicles parked in undesignated spaces or areas will not be considered lost and found but will be subject to terms of the license agreement for relocation or removal.
- All Operators must acquire an operating license agreement prior to the deployment and storage of Vehicles on Metro property, parking facilities, and ROW. Additionally, the number of Vehicles parked on Metro property will not be permitted to supersede local city and

municipality rules and regulations.

• Vehicles must be parked upright in designated parking zones.

The amendment on the Parking Rates and Permit Fee Resolution include all the violation fines of the Program regulations (see Attachment B). Approving the Parking Rates and Permit Fee Resolution will support the enforcement of the regulation by issuing violations.

#### Program Fees and Projected Revenue

The Program will be administrated by license agreement. It is proposed that Operators select one of two licensing options, plus a one-time application fee of \$1,500 per license agreement to cover the cost of administering the Program and site visits.

Option 1: Allows the Operators to select any number of Metro stations, as long as the Operator is permitted to operate in the local jurisdiction. Each station has been classified as one of four types of station categories with potential space for the Program:

- Category 1 is a station with a feasible parking structure. This category is projected to have the lowest demand for parking Vehicles due to the availability of automobile parking. The proposed fee for this category is \$125 per station per month with approximately 61 stations.
- Category 2 is a non-feasible parking facility, but has ample real estate near or around the station. The proposed fee for this category is \$175 per station per month with approximately 24 stations.
- Category 3 is a station without a parking facility, but with sufficient space near or around the station to accommodate Vehicle parking. This category is projected to have the highest demand for Vehicle parking due to the absence of automobile parking. The proposed fee for this category is \$250 per station per month with approximately 14 stations.
- Category 4 is a station without a parking facility and without ample space to accommodate Vehicle parking; therefore, Metro will assist Operators with coordinating with the respective city or Los Angeles County for off-site parking near Metro property.

Attachment C illustrates all feasible locations characterized by Metro rail or bus line, the city it is located in, location category, and whether or not it is a disadvantaged community based on the CalEnviroScreen score. Operators will be invoiced on a monthly basis by the number of locations authorized by the license agreement.

Option 2: Allows the Operators to select a monthly flat rate of \$12,500 with access to approximately 100 stations. The proposed fee is based on Category 1's price structure (the lowest price structure) multiplied by the number of stations available, including Union Station.

Based on workshops and discussions, the cities with a lenient approach to enforcement had the most significant issues with compliance, therefore staff is proposing a violation fee of \$100 per occurrence to regulate behavior of the Operators and their users.

Based upon recent observations, Vehicles have been parking at 30 Metro stations. There are seven Operators who have expressed interest in participating in the Program. The fee structure and gross revenue is illustrated in the table below.

Location Category	Application Fee (one time)	Proposed Fee (per space, per month)	Number of locations per category	Proposed Violation Fee
Category 1	\$1,500	\$125	61	\$100
Category 2	\$1,500	\$175	24	\$100
Category 3	\$1,500	\$250	14	\$100
Category 4	N/A	N/A	N/A	\$100
Monthly Flat Rate Option	\$1,500	\$12,500	100	\$100
Revenue Estimatio	n	•		
Revenue (one-time application fee)				\$10,500
Revenue (annual license agreement and violations)				\$600,000- \$1,050,000

Staff has conducted surveys with all seven Operators regarding the proposed fee structure. Five out of seven Operators responded that the proposed fee is acceptable, with one Operator expressing preference for per station fees rather than monthly flat fee as they are a regional Operator. One Operator advocated for a zero-cost license.

#### Program Implementation Time Line

Staff will begin conducting site visits and begin the application process in August 2019 with an anticipated launch of the Program in September 2019.

#### Report Back to the Board in 6 months

Once the Pilot Program is adopted, staff will move forward with implementation and will monitor its progress and obtain performance data. Staff will report back to the Board with an update six months after implementation.

## EQUITY PLATFORM

By developing the Program, Metro will provide an additional affordable alternative First and Last mile option to connect with the Metro transit system. User data will be analyzed after implementation to develop recommendations to improve access to disadvantaged communities.

The outcome from meetings with community-based advocacy groups resulted in identifying concerns primarily with regard to safety and a desire to ensure there would be dedicated space to park the Vehicles. Comments also included the need to prioritize disadvantaged and low-income communities, a wish to establish a cap on the number of Vehicles available in affluent areas, and support for the use of Vehicles as another first and last mile option especially in areas considered to be underserved.

By Using the CalEnviroScreen 3.0 tool, staff was able to determine that the majority of the stations where Metro is considering implementing the Program are in disadvantaged communities. California

legislature established Senate Bill 535 (<<u>https://oehha.ca.gov/calenviroscreen/sb535></u>), which defines "disadvantaged communities" as census tracts with CalEnviroScreen scores that are higher than 75% of all census tracts in the state. Using this definition, our findings indicate 70.6% of the stations available for Vehicle parking are in disadvantaged communities, with an average CalEnviroScreen score of 79.87%. Staff will monitor Vehicle parking to determine if stations in disadvantaged communities are underserved and determine adjustments to the Program, if necessary.

## DETERMINATION OF SAFETY IMPACT

The adoption of the Program will have positive safety impacts on Metro employees and patrons through the enforcement of the license agreement and parking ordinance. Vehicles are anticipated to be parked in an organized manner and operated under safety rules.

## FINANCIAL IMPACT

This is a revenue generating initiative. Annual gross revenue to Metro is estimated at \$600,000 through license agreements, application process and anticipated violations revenue with the proposed fee structure. Annual net revenue is projected at \$450,000, which considers estimated enforcement expenses at \$100,000 in labor and \$50,000 in equipment during the first year.

#### Impact to Budget

Enforcement expenses are anticipated to be absorbed by the current parking enforcement contract budget without an additional funding request or impact to budget.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

- 1. Provide high-quality mobility options that enable people to spend less time traveling;
- 2. Deliver outstanding trip experiences for all users of the transportation system; and
- 3. Enhance communities and lives through mobility and access to opportunity.

## ALTERNATIVES CONSIDERED

The Board may choose not to adopt the Program and ban Vehicles from Metro ROW, stations, and parking facilities. However, it is unlikely this will curb the incidence of Vehicles being left on Metro property. Without a Program, financial and staffing resources for abatement will be required without associated revenue. Vehicles are a regional presence that with proper regulation and enforcement have the ability to serve users as a viable first/last mile solution.

## NEXT STEPS

Upon adoption of the Program, staff will begin coordinating station site visits and start the application process with Operators. Metro Parking Enforcement will begin preparing standard operating procedures and deployment of officers. Additional outreach will involve local jurisdictions that have authorized Vehicles to verify each Operators' status. Staff will report back to the Board with updates

on the Pilot Program in six months.

#### **ATTACHMENTS**

Attachment A - Metro Parking Ordinance Attachment B - Metro Parking Rates and Permit Fee Resolution Attachment C - Micro Mobility Vehicles Feasible Stations List

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