



Agenda Report

22-44

Agenda Date: 1/11/2022

REPORT TO COUNCIL

SUBJECT

Action to Waive Second Reading and Adopt Ordinance No. 2038 for the Regulation of Shared Mobility Devices (Bicycles and Motorized Scooters)

COUNCIL PILLAR

Promote and Enhance Economic, Housing, and Transportation Development, Enhance Community Engagement and Transparency

BACKGROUND

At the December 7, 2021 Council meeting, proposed Ordinance No. 2038 was introduced and passed for the purpose of publication. Pursuant to City Charter Sections 808 and 812, proposed Ordinance No. 2038 was published on January 5, 2022, and copies were posted in three public places. The Ordinance now comes to Council for final adoption.

DISCUSSION

The proposed Ordinance establishes a permit program and regulations for operating fleets of motorized scooters, electric bicycles, bicycles, or other personal transportation devices within city limits.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(5) in that it is governmental organization or administrative activity that will not result in direct or indirect changes in the environment. Actions such as installation of bicycle racks or any other physical infrastructure for shared mobility devices will be analyzed as part of the development review or encroachment permit processes but are expected to be a categorical exemption pursuant to CEQA section 15301(c): Existing Facilities.

FISCAL IMPACT

The cost to administer and manage the Permit Program is designed to be revenue neutral with 100 percent cost recovery through collected permit and impound fees. The annual estimated revenue assumes three Operators apply and receive permits to operate 1,000 shared mobility devices citywide. The application fee is projected to generate revenue of \$10,410 in FY 2021/22 to offset City costs. The annual permit fee is projected to generate revenue of approximately \$140,000 in FY 2022/23 as the permit will be effective from July 1, 2022 through June 30, 2023. This revenue estimate assumes 1,000 devices are deployed in the first year. While the proposed Permit Program allows a maximum of 3,000 shared mobility devices citywide, staff assumes that operators will deploy devices in a phased manner. At the maximum of 3,000 devices, the total cost to be recovered for the program, including the permit and application fee, is \$291,000, or approximately \$97,000 per

Operator.

The adopted Fiscal Year 2021/22 operating budget for the existing Public Works Traffic Division staffing level will be used to process the applications in FY 2021/22 and to support any Permit Program work this fiscal year. A budget amendment to recognize the permit application fees may be brought forward later in the fiscal year based on actual receipts. The new Permit Program, effective July 1, 2022, is anticipated to require up to 1,100 hours of combined time from the existing staff in the Traffic Division. The revenues and associated costs for this Permit Program will be factored into the FY 2022/23 General Fund Operating Budget. Staff will be temporarily absorbing the additional work effort during the first year by reprioritizing projects and assignments. This will be monitored and depending on the success of the program, it is anticipated that additional staffing of 0.5 - 1.0 FTE's may be necessary to support it. Staff will return to Council as necessary for any additional positions required for the Permit Program.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office. Staff also notified stakeholders (i.e. businesses, Valley Transportation Authority, Santa Clara University, etc.) of staff's proposed updates to the Permit Program and posted the Administrative Regulations on the City's website on October 20, 2021. In addition, at the October 25, 2021 BPAC meeting, staff provided the BPAC with an update on the City's proposed Permit Program and the Administrative Regulations.

PUBLIC CONTACT

A summary of proposed Ordinance No. 2038 was published to the Santa Clara Weekly on January 5, 2022 and copies were posted in three public places and made available for public inspection at the City Clerk's Office.

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov.

RECOMMENDATION

Waive Second Reading and Adopt Ordinance No. 2038 establishing Chapter 10.35 of the Santa Clara Municipal Code instituting Shared Mobility Regulations.

Reviewed by: Caio Arellano, Assistant City Attorney

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Ordinance No. 2038 (Introduction)