

# **CITY COUNCIL OVERSIGHT COMMITTEE MEETING**

**MUNICIPAL BUILDING CONFERENCE ROOM  
201 WEST GRAY**

**THURSDAY, AUGUST 8, 2019**

**4:00 P.M.**

- 1. CONTINUED DISCUSSION REGARDING SHORT TERM RENTALS (COMMERCIAL HOME SHARING SUCH AS AIRBNB, HOME AWAY, AND VRBO).**
- 2. CONTINUED DISCUSSION REGARDING E-SCOOTERS.**

It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, sex, religion, national origin, place of birth, age, familial status, disability, retaliation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please contact the ADA Technician at 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.



**Date:** August 8, 2019  
**To:** City Council Oversight Committee  
**From:** Jane Hudson, Interim Planning and Development Director  
Jeanne Snider, Assistant City Attorney  
**Subject:** Short-Term Rentals

**BACKGROUND**

Discussion concerning short-term rentals began in February 2018. Below is the timeline of meetings.

- February 15, 2018 Oversight Committee was provided information regarding taxing short-term rentals and how other cities regulate short-term rentals. The Committee requested that staff prepare a draft Ordinance for their review and further discussion.
- March 15, 2018 Staff presented a draft Ordinance for review. Topics discussed were different categories for STR's, whether they should be allowed in all zoning districts or a total ban, limitation on number of units per applicant, fee amount, owner-occupied requirement, occupancy limits, local contact and inspections. The Committee requested staff do further research.
- May 10, 2018 Staff presented information about different categories of STR's (example New Orleans), fees, monitoring services, insurance, licensing requirements, occupancy limits, local contacts, inspections, restrictions in R-1 zoning districts and others. The Oversight Committee recommended a draft ordinance for Short-Term Rentals be prepared with the suggestions incorporated and presented to the City Council at a Special Session.
- July 10, 2018 Topics discussed at the Special Session were owner-occupied, R-1 zoning districts, licensing requirements, effect on CCFBC, commercial activity and fees. After discussion, Councilmembers requested the topic be placed on the next Council Oversight Committee meeting. A draft ordinance was presented.
- September 13, 2018 City Council discussed permitted use or special use for STR's, effect on CCFBC, a number of licensing requirements and monitoring services. After discussion with the Committee and members of the public, the Committee requested Staff return to the Oversight Committee with an update.

office memorandum

- November 27, 2018 Oversight meeting discussion focused on special use (specifically in R-1) v. permitted use, licensing requirements (in draft ordinance), and notice to neighbors. Committee requested an update at another Oversight Committee.
- February 14, 2019 Staff discussed license requirements, effect on CCFBC and a monitoring service. Council directed staff to move forward with monitoring service.
- April 11, 2019 Updated Council regarding contract with monitoring service and will schedule training.

## **DISCUSSION**

### *Monitoring Service*

The City contracted with the monitoring service, Home Compliance. Host Compliance LLC is a privately held company in San Francisco, CA., created through the merger of the industry's two leading companies (Host Compliance and Bear Cloud Software aka STR Helper). Host Compliance has more than 230 local government clients, including major cities such as Austin, TX; Charleston, SC; Denver, CO; Las Vegas, NV; Minneapolis, MN; Nashville, TN; Orlando, FL; Portland, ME and San Antonio, TX,

On April 1, 2019, staff participated in a Kick-Off conference call. The required property data information was acquired and forwarded to Host Compliance. A program launch was held in late April, 2019, with the property data regarding STR's in Norman. Since that time, Staff has monitored the number of STR's in Norman.

There are currently 171 STR rental units in Norman. Eleven units were added last month. 79% are single family and 73% are an entire home. 31% are three bedrooms and 33% have two bathrooms. Only 11% have four or more bedrooms.

There are additional modules Host Compliance provides for licensing and tax compliance. These modules may need to be added.

### *Licensing*

Previous feedback indicated consensus with moving forward with licensing STR's.

Attached is a draft ordinance for licensing Short-Term Rentals. The ordinance would be in Article XXXV of Chapter 13 – Licenses and Occupations. This would allow for some regulation of how STR's are used while also potentially helping the City enforce the Transient Guest Room Tax ordinance to ensure taxes are being assessed and collected on those properties using three or more rooms for guest accommodations. There are a few requirements that need additional input from the Committee.

13-3501(1). Number of STR's licenses issued per Applicant.

13-3501(4). Age limit to rent STR. There had been previous discussion about prohibiting anyone under the age of 21 from renting a STR. Oklahoma Statutes state an innkeeper may require a parent of a minor to accept liability of the guest room costs and other responsibility. A minor as a person under the age of 18.

13-3501(8). There had been previous discussion about only issuing the license to a natural person or trust and whether a corporation or LLC could be an owner of the property.

13-3502(4). The amount of required property insurance.

13-3502(10). An inspection is required; however whether it is a private or city provided inspection needs to be clarified.

13-3504. Fees. A determination needs to be made regarding the fee amount.

The issue of notice was also discussed during a number of the previous meetings. If a special use application were to be required, applicants would submit a list of names and address of all record property owners within a 300 foot radius. The list would need to be current and certified by a professional engineer, an attorney, a registered surveyor, a bonded abstractor or the County Assessor. If STR's were to be a permitted use, notice to surrounding owners could be required, but a process for protest is not available without a special use process.

Staff needs clarification on whether STR's will be permitted in all zoning districts with licensing requirements or require an application for a special use in specific zoning districts.

## **CONCLUSION**

Staff has presented a number of issues for Council consideration regarding short-term rentals. The draft Ordinance will be revised to meet the direction of City Council. Please advise if further research or information is required.

cc: Darrel Pyle City Manager  
Kathryn Walker, Interim City Attorney  
Kevin Foster, Interim Police Chief  
Anthony Francisco, Finance Director

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, ADDING ARTICLE XXXV SHORT TERM RENTALS, SECTIONS 13- 3500 THROUGH 13-3507; AND PROVIDING FOR THE SEVERABILITY THEREOF.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA:

\* \* \* \* \*

§ 1. THAT Sections 13-3500 through 13-3507 of Chapter 13 of the Licenses and Occupations of the City of Norman shall be added to read as follows:

**Sec. 13-3500. Purpose.**

A Short-Term Rental is defined as the rental of an entire dwelling, or any portion thereof, for a period of not more than thirty (30) days, where the owner is engaged in a contract for the rental of that specific dwelling, or any portion thereof. An annual Short-Term Rental license may be issued to eligible Applicants by the Planning and Community Development Director (Director). A Short-Term Rental license is a privilege, not a right, and may be denied, suspended, revoked or not renewed.

**Sec. 13-3501. General Conditions.**

- (1) No person shall manage or operate a Short-Term Rental without a license, and appropriate fees paid as provided herein, issued by the Director. The license period is from July 1 to June 30 of each year;
- (2) The Director shall not issue more than \_\_\_\_\_ Short-Term Rental license(s) to any Applicant;
- (3) Short-Term Rentals are not permitted outdoors, in an accessory structure (e.g. shed, garage, etc.) or in a recreational vehicle;
- (4) Only one party of guests are permitted per Short-Term Rental and anyone under the age of 18 is prohibited from renting the Short-Term Rental;
- (5) Use of the Short-Term Rental for any commercial or social events is prohibited;
- (6) The Short-Term Rental shall outwardly appear as a residential dwelling;
- (7) Short-Term Rentals shall not adversely affect the residential character of the neighborhood nor shall the use generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's enjoyment of his or her residence;

- (8) A Short-Term Rental license shall only be issued to a natural person, whose name appears on the deed to the property; or a trust, if the beneficiary of the trust is a natural person;
- (9) A licensee or guest of a Short-Term Rental shall not use or allow use of sound equipment, amplified music and musical instruments;
- (10) A licensee or guest of a Short-Term Rental shall not violate any parking violations of the Norman City Code;
- (11) A licensee of a Short-Term Rental who does not reside within the Norman metro area must identify an individual or individuals to serve as a local contact to respond to emergency conditions;
- (12) A local contact designated in the license Application must be present within the Norman metro area and be available to respond within one hour after being notified of an emergency by a guest of the Short-Term Rental, by a City employee, or by an individual;
- (13) If there is a change related to a local contact, the licensee must provide updated or new information to the Director in writing within three business days;
- (14) The license holder shall provide the valid license number on any listing advertising or soliciting the property for use as a Short-Term Rental. The license holder shall only advertise the Short-Term Rental as allowed by their Short-Term Rental license. An owner, or a person in control of a dwelling, may not advertise or promote, or allow another to advertise or promote, the dwelling as a Short-Term Rental if the dwelling is not licensed by the Director as a Short-Term Rental; and
- (15) If a building permit prohibiting occupancy of the structure is active, no person may occupy, for sleeping or living purposes, the structure until final inspections have been passed and the building permit is closed.

**Sec. 13-3502. License Application Requirements.**

To obtain a license, the owner of a Short-Term Rental must submit an Application on a form approved by the Director. The Application must attest to the following and furnish any necessary documentation upon request of the Director:

- (1) The name, street address, mailing address, and telephone number of the owner of the Short-Term Rental, which includes the owner's primary physical mailing address, cell phone number and email address;

- (2) The name, street address, mailing address, and telephone number, which includes the primary physical mailing address, cell phone number and email address, of the local contact available to be reached 24 hours per day and seven (7) days per week;
- (3) A certification by the property owner and, if applicable, property manager, that the property is not subject to outstanding City Code or state law violations;
- (4) Proof of current, valid property insurance of \$\_\_\_\_\_ or more;
- (5) Proof of payment of hotel occupancy taxes due as of the date of submission of the application;
- (6) The number of bedrooms and the proposed overnight and daytime occupancy limits;
- (7) A diagram showing the proposed layout of the property use and any one-site parking available, including a floor plan indicating fire exits and escape routes and posting;
- (8) All required egress windows in bedrooms must be operational;
- (9) Has operational smoke detectors and carbon monoxide detectors as required by the Building Code and fire extinguishers as required by the Fire Code;
- (10) That the property is in compliance with applicable provisions of the City's minimum property maintenance, building, electrical, mechanical and plumbing codes;
- (11) An inspection as required by the Director;
- (12) Any other information requested by the Director; and
- (13) Any fraud, material misrepresentation, or false statements contained in the attestations, required documentations, or correlating application material shall be grounds for immediate revocation of Short-Term Rental license. Furthermore, all requirements herein, shall be continuously maintained throughout the duration of the permit.

**Sec. 13-3503. Issuance of License Requirements.**

Upon satisfactory submission of the required attestations and requested documentation, the Director may issue an annual Short-Term Rental license. The license shall contain the following information:

- (1) Street address of the Short-Term Rental;

- (2) License holder's name;
- (3) Type of license, license number and rental limitations, including bedroom limit and guest occupancy limit;
- (4) Contact information (name, cell phone, email) for complaints of an individual able to respond to on-premises complaints;
- (5) Dates license is valid;
- (6) The structure has a valid certificate of occupancy or compliance, as required by Chapter 5 of the City Code, issued no more than ten years before the date the application is submitted to the Director (or the structure has been determined by the building official not to pose a hazard to life, health, or public safety, based on a minimum life-safety inspection); and
- (7) The property is not subject to outstanding City Code or state law violations. A violation of any provision of the City Code or other applicable law is grounds to deny, suspend, or revoke a license.

**Sec. 13-3504. Fees.**

Annual fees for the initial issuance and renewal of the Short-Term Rental license shall be \$\_\_\_\_\_.

**Sec. 13-3505. Required Information to be Posted and Provided to Guests.**

The license holder shall post the following information in a prominent location in the interior, clearly visible to guests and provide a packet of the information, summarizing the restrictions applicable to Short-Term Rental use, including:

- (1) The license number;
- (2) Operator's name and number and property manager, if applicable, name and number;
- (3) Local contact person name and number;
- (4) The location of any on-site and off-site parking spaces available for guests;
- (5) Occupancy limits;

- (6) Noise restrictions, including prohibition on the use of sound equipment, amplified music and musical instruments;
- (7) Parking restrictions;
- (8) Information on relevant burn bans;
- (9) Information on relevant water restrictions;
- (5) Trash and recycling collection rules and dates;
- (6) Prohibition on the use of the Short-Term Rental for commercial or social events; and
- (7) Floor plan with fire exit and escape routes.

**Sec. 13-3506. License Renewal.**

Except as otherwise provided, a license may be renewed annually if:

- (1) The licensee pays the renewal fee as established herein;
- (2) The licensee provides documentation showing that hotel occupancy taxes have been paid for the licensed unit as required;
- (3) The licensee provides updates of any changes to the information required under Subsection III of this section;
- (4) The property is not subject to outstanding City Code or state law violations;
- (5) If applicable, the structure is determined by the building official not to pose a hazard to life, health, or public safety;
- (6) The Director may deny an application to renew a license if the Applicant does not provide all information necessary to determine that the dwelling unit meets all requirements for the issuance or renewal of a license;
- (7) A violation of any provision of the City Code or other applicable law is grounds to deny, suspend, or revoke a license;

**Sec. 13-3507. License Denial, Suspension or Revocation.**

- (1) If the licensee fails to comply with any conditions of the Short-Term Rental requirements included in Section I through VI, the Director may deny, suspend or revoke the Short-Term Rental license;
- (2) If a property is the subject of violations of the City Code or state law during a 24-month period prior to submitting the Application, the Director may deny, suspend or revoke an application for a Short-Term Rental license based on the following:
  - (a) The frequency of any repeated violations;
  - (b) Whether a violation was committed intentionally or knowingly; and
  - (c) Any other information that demonstrates the degree to which the owner or occupant has endangered public health, safety, or welfare.
- (3) A licensee may appeal the Director’s decision to deny, suspend, or revoke an application or license in compliance with the process in Section \_\_\_\_\_ to the City Council.

\* \* \* \* \*

§ 2. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance, except that the effective date provision shall not be severable from the operative provisions of the ordinance.

§ 3. Effective date. The effective date of the Ordinance shall be \_\_\_\_\_, 2019.

ADOPTED this \_\_\_\_\_ day                      NOT ADOPTED this \_\_\_\_\_ day  
 of \_\_\_\_\_, 2019.                                      of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Breea Clark, Mayor

\_\_\_\_\_  
Breea Clark, Mayor

ATTEST:

\_\_\_\_\_  
Brenda Hall, City Clerk



**To:** City Council Oversight Committee  
**From:** Terry Floyd, Development Coordinator  
**Date:** August 2, 2019  
**Subject:** Continued Discussion of Policy Areas/Considerations for E-Scooter Licensing/Permitting

# office memorandum

The following memo provides an update on current e-scooter operations in Norman, an outline of general considerations of general policy areas, development of an operational permitting, discussion regarding enforcement of future operational ordinances and proposed next steps, including the potential development of a pilot program for future Oversight Committee/City Council consideration.

## **Background**

At the October 5, 2018, and again at the March 14, 2019, meeting, the Council Oversight Committee began discussion regarding concepts for e-scooter operational policies and parameters of a Revocable License Agreement for placement of e-scooters in the public right-of-way. These policies could include general policy provisions, parking, consumer operation of the devices, company operations, safety standards, public communications, data standards and community engagement. Given the unique nature and relative newness of E-scooters, many municipalities are still working through policy details, some of them employing pilot programs as a part of that process. From the March 14, 2019, meeting, Council was in favor of moving forward with a draft pilot program.

Recent technological changes in e-scooter and related industries, as well as developments regarding OU's current plans for e-scooter and bike share programs have resulted in a delay of implementation. Staff is working to be certain any draft pilot program developed was compatible with new law/ordinance changes that would be needed, along with being compatible with other external circumstances listed above.

## **Current E-Scooter Operations – Update**

Currently, four (4) companies (Lime, Bird, Slidr and Gotcha) have an approved Revocable License Agreement for placement of e-scooters in City of Norman public rights-of-way. The licenses were approved by Council in January 2019. To date, three (3) companies (Bird, Lime and Gotcha) have deployed e-scooters in Norman. There have been no recent updates regarding an e-scooter deployment date for Slidr.

*E-Scooter Ridership/Revenue/Complaints Data:*

Since issuance of the Revocable License Agreements, ridership and e-scooter usage data for both Bird and Lime has been viewed through an informational “dashboard” that both companies have provided specific to operations in Norman. Gotcha is currently developing a dashboard for data, but has a local office/shop and conducts in-person data updates with staff.

Ridership Data

- Between all three (3) e-scooter companies deployed in Norman, over 200,000 rides have occurred since January 2019 from over 34,000 unique riders.
- Additionally, more than 190,000 miles have been traveled on e-scooters during this period of time.

Although these numbers are cumulative since deployment, e-scooter “heat map” information indicates that rides are continuing in primarily the Campus Corner area, with some ridership still occurring in the Downtown areas. Data via the “dashboard” can be sorted to include daily, monthly and weekly statistics/information. The “dashboards” are checked by staff daily to ensure compliance with scooter deployment numbers, along with other usage information.

Recently, staff has received requests from the e-scooter companies to increase fleet sizes to correspond with the upcoming school calendar. Fleet sizes among the companies have reduced over the summer months to coincide with student attendance. Given the recent developments for a university e-scooter provider, along with the deployment of a third company in Norman, staff has not addressed the fleet size requests at this time.

Revenue Data

Scooter companies currently pay \$1/day per scooter as part of the agreement with the City. Per the license agreements, these funds are to be used for “construction for shared mobility infrastructure, promotion of safe riding, and maintenance of shared infrastructure.” Payments are made on a quarterly basis. To date, almost \$29,000 in revenue has been collected (or pending payment) between the three (3) companies deployed. \$75,000 in revenue was projected in the FYE ’20 budget for e-scooter payment revenues.

Complaints/Inquiries

Complaints/inquiries regarding e-scooters have reduced since operational and locational parameters have been enacted through the Council-approved Revocable License Agreements. When complaints are received, the staff initially contacts the e-scooter company receiving the complaint and gives the company two (2) hours (as outlined in the Revocable License Agreement) to respond. Overall, responses have been very timely by

the companies and any complaints of placement or other items have been addressed by the companies without further enforcement action required by the City.

### **General Policy Considerations for E-Scooters**

In developing permanent policies for e-scooters, a number of overall general policy elements should be considered. These areas include:

- Reserving the right to revoke any permits/license that may be issued
- Taking into account past violations of City regulations
- Establishing operational zones with consequences for violation
- Establishing a duration for operational licenses, with a renewal process (annually or another selected time period)
- Identifying fees that effectively off-set the administrative cost of enforcement, processing and other city costs
- Requiring liability insurance with indemnifications for the city
- Capping the number of scooters allowed per company (currently set at 150 in Revocable License Agreement)

In order to avoid redundancy between a future ordinance and the current Revocable License Agreements, the Committee may want to consider encompassing operation/location in the City right-of-way as an approval granted with the issuance of an operational permit.

**A chart outlining permit fees established/under consideration by other cities is included as Attachment A.** Fees vary widely, but generally involve an annual permit fee and a “per-scooter” charge. Additional charges could be applied for e-scooter removal/relocation and/or maintenance and repair of right-of-way used.

### **Parking**

Policies and guidelines for e-scooter parking in the right-of-way can be varied in their approach, depending upon chosen restrictions of the municipality. Policy considerations for parking regulation could include:

- Unrestricted parking requirements (i.e. letting users/companies place scooters wherever they want in the right-of-way)
- Encouraged placement (i.e. providing guidelines, but limited enforcement on where users/companies place scooters in the right-of-way)
- Locked on bike racks
- In demarcated areas in the street or public parking spot
- Designated sidewalk areas

To: City Council Oversight Committee  
Re: Continued Discussion re: Policy Areas/Considerations for E-Scooter Licensing/Permitting  
Date: August 2, 2019

- Painted areas
- Built areas (i.e. areas with a constructed barrier)
- Specifically designated bike racks for the company
- Geo-fencing (i.e. scooter operational migration controlled by GPS parameters)

From recent discussions with e-scooter companies, it is known that geo-fencing capabilities are being enhanced in newer e-scooter models. These capabilities would allow only certain areas for e-scooter operations (including riding, speed control, and parking) and can be expanded/contracted as desired and required by applicable regulations.

If the committee should choose to require e-scooters companies to be parked and/or stationed in designated areas in the public right-of-way, any costs associated with construction of bike racks, built areas or painted areas could be absorbed by the e-scooter company as part of a licensing or permitting process. City oversight and inspection of these areas would be needed to ensure proper placement and construction. **A list of pros/cons of each option listed above is included as Attachment B.**

### **Company Operations**

The creation of policies outlining certain regulations for e-scooter companies operating within city limits is also an area the Committee should consider. These oversight regulations could include:

- Requirement of companies to remove vehicles within agreed-upon time frames with penalties for non-compliance (currently set at a two-hour response time in the Revocable License Agreement).
- Establishment of protocols for use and removal during special events, emergencies, severe/winter weather, construction, etc.
- Requirement of companies to provide and keep a 24/7 local contact (currently provided in the Revocable License Agreement)
- Requirement of companies to provide their staffing and operations plan for their operation in the city

These policy areas can be further defined and established as part of an issued operational license, should the Committee/Council choose to pursue that regulatory option.

### **Safety Standards**

Safety standards included in a potential license/permit could include:

- Standards for compliance with any established Consumer Product Safety Commission (CPSC) rules
- Maximum allowable speed (currently most scooters operate between 15-20 mph, depending on the rider's weight)
- Standards for headlights/back lights (i.e. operational, included on the scooter)
- Identification numbers on scooters
- Internal company inspection/maintenance requirements records and standards
- Ability for unsafe scooters to be de-mobilized
- Additional safety standards that may be deemed appropriate
- Lighting for any operations after dusk.

Many of these standards may currently be adopted and/or adhered to by the industry, but outlining the requirement of these standards should be a policy consideration.

There have also been concerns recently brought forward regarding scooters being ridden at night. The current Revocable License Agreement requires that each company to pick up scooters before 10 pm. Because of this requirement, it is likely that there will be minimal riding that would require enhanced e-scooter lighting during the summer months. During the late fall/winter months, riding after sunset could become more of an issue, although it is staff's understanding that many of the upcoming versions of e-scooters will include headlights and reflectors that should enhance safety for the riders and motor vehicle drivers should this occur.

### **Public Communications**

Additional policy regulations outlining requirements for the companies to provide certain information to users operating e-scooters within city limits could also be established as part of an annual license/permit. The regulations could include:

- Requirement of companies to provide specific information to their users outlining their: 1) privacy policies, 2) penalties, 3) terms of service, 4) unexpected charges for service, and/or 5) other pertinent information
- Requirement of companies to provide a 24/7 customer service contact number on the equipment

Many of these areas are currently provided by the companies, but further defined parameters and requirement of this information as part of a license/permit should be included in a full operational license.

### **Data Standards and Community Engagement**

To: City Council Oversight Committee  
Re: Continued Discussion re: Policy Areas/Considerations for E-Scooter Licensing/Permitting  
Date: August 2, 2019

Other policy areas the Committee may want to consider including in license/permitting requirements could also include standards for data distribution to the City and engagement with users. For data distribution policy considerations could include:

- Format (i.e. how the data is given to the city)
- Retention of the right to request reports, data, other information about system use and/or other operational aspects of the use in the city
- Data privacy of the company
- Data regarding how scooters are located via GPS

### **Proposed Next Steps**

There are two primary options for proceeding with regulations regarding e-scooter usage: (1) use the current process in place (Revocable License Agreement only) to continue to gather information to ultimately implement a permanent procedure; or (2) finalize a pilot program implementing new regulation in many, if not all of the above-discussed areas in order to gather more specific information on the capability of these measures with Norman's existing code and infrastructure. The goal of the second option would be an ability to gather more detailed information prior to implementing a permanent program.

If the pilot program option is preferred, staff would recommend development of a 6-month annual license pilot-program to begin in October 2019. This concept has been utilized successfully by other cities, and would allow staff to tweak development and e-scooter regulation enforcement with currently deployed e-scooter companies and the Police Department. This pilot program would also allow staff to develop policies and procedures to ensure operational elements and other policy considerations are followed and can be enforced. **A list of key operational elements and questions are included as Attachment C.**

In such case, staff would bring a more developed pilot program to Oversight Committee in September for discussion and, potentially, for final revision, and which could then be brought forward to full City Council in late September with a Resolution to begin the Pilot Program in October. Staff would report back Council at the end of the pilot-program period (anticipated in April 2020) for discussion of any needed revisions or additions for full-term implementation codified in City Ordinances.

Staff will be presenting information and discussing the proposed next steps for policy Oversight Committee input and direction at the August 8, 2019, meeting.

To: City Council Oversight Committee  
Re: Continued Discussion re: Policy Areas/Considerations for E-Scooter Licensing/Permitting  
Date: August 2, 2019

**Attachment A**

*(see attached pages)*

## Fees and Pricing

**Cities should ensure that the full cost of regulating and managing Shared Active Transportation companies is considered when setting fees.**

Cities may choose to waive aspects of the permit fee as applicable. Some permit fees may not be applicable when systems are developed a part of a formal public-private partnership, a city-initiated RFP or public process, or when other cost-sharing or equipment ownership or service agreements are in place.

Cities typically incur the following costs in managing or regulating Shared Active Transportation:

### Administration & Oversight Costs

- Reviewing application
- Ensuring permit compliance
- Analyzing and assessing data
- Responding to public complaints
- City liability insurance

### Direct Costs

- Removing broken, damaged, and/or incorrectly parked small vehicles if the companies can't/won't
- Purchase and installation of physical infrastructure related to the system (e.g., racks, thermoplastic markings)
- Potential reduction of available bike racks for private bikes
- Loss of public right-of-way space, especially sidewalk space

### Planning and Engagement

- Planning
- Advertising/outreach/encouragement
- Assessing Compliance

### Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Austin	Approved	\$0	\$0	\$0	\$100/bike	All costs	n/a	Included in Performance Bond	6 months

## Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Boulder	Approved	\$3,300 (Renewal: \$1,800)	\$0	\$100	\$0	\$80/bike	1 space/bike	Included in the Relocation/ Removal guarantee	Annual
Charlotte	Approved (pilot)	\$0	\$0	\$0	\$0	All costs	n/a	All costs	Pilot ends November 1, 2018
Chicago	Approved (pilot)	\$250	\$0	\$50	\$0	\$0	n/a	Included in Insurance Policy	Pilot ends November 1, 2018
Dallas	Pending	\$1,620 - \$48,600 (Renewal Fee: \$404)	\$808	\$21	\$10,000	All costs	n/a	All costs	6 months
Denver	Approved (pilot)	\$15,000 (bikes/e- bikes) \$15,000 (e-scooters and other)	\$150 per permit application	n/a	\$20 per bike/e-bikes  \$30 e-scoot- ers and other vehicles	Inlcuded in Perfor- mance Bond	n/a	Inlcuded in Performance Bond	1 year
Durham	Approved	\$250	\$0	\$10/bike	\$0	\$50/bike	n/a	All costs	

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### Administration & Oversight Costs

- Reviewing application
- Ensuring permit compliance
- Analyzing and assessing data
- Responding to public complaints
- City liability insurance

### Direct Costs

- Removing broken, damaged, and/or incorrectly parked small vehicles if the companies can't/won't
- Purchase and installation of physical infrastructure related to the system (e.g., racks, thermoplastic markings)
- Potential reduction of available bike racks for private bikes
- Loss of public right-of-way space, especially sidewalk space

### Planning and Engagement

- Planning
- Advertising/outreach/encouragement
- Assessing Compliance

### Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Austin	Approved	\$0	\$0	\$0	\$100/bike	All costs	n/a	Included in Performance Bond	6 months

## Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Boulder	Approved	\$3,300 (Renewal: \$1,800)	\$0	\$100	\$0	\$80/bike	1 space/bike	Included in the Relocation/ Removal guarantee	Annual
Charlotte	Approved (pilot)	\$0	\$0	\$0	\$0	All costs	n/a	All costs	Pilot ends November 1, 2018
Chicago	Approved (pilot)	\$250	\$0	\$50	\$0	\$0	n/a	Included in Insurance Policy	Pilot ends November 1, 2018
Dallas	Pending	\$1,620 - \$48,600 (Renewal Fee: \$404)	\$808	\$21	\$10,000	All costs	n/a	All costs	6 months
Denver	Approved (pilot)	\$15,000 (bikes/e- bikes) \$15,000 (e-scooters and other)	\$150 per permit application	n/a	\$20 per bike/e-bikes  \$30 e-scoot- ers and other vehicles	Inlcuded in Perfor- mance Bond	n/a	Inlcuded in Performance Bond	1 year
Durham	Approved	\$250	\$0	\$10/bike	\$0	\$50/bike	n/a	All costs	

## Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Los Angeles	Pending	\$500	\$0	\$50	\$80/Vehicle	All costs at city crew rate plus any additional storage/im-pound fees	All costs	All costs	Annual
Minneapolis	Approved	\$0	\$0	\$5	\$0	\$0	n/a	n/a	n/a
New York City	Approved (pilot)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Pilot ends September 2018
Palo Alto	Approved	\$0	\$0	\$0	\$0	\$0	n/a	n/a	12 months
Philadelphia	Pending	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sacramento	Approved	\$14,480 - \$28,440 (Renewal Fee: \$12,380 - \$26,340)	n/a	\$0	\$0	All costs	1.5 spaces/bike	n/a	Annual
San Francisco <a href="#">(see further permit fee details)</a>	Approved	Initial Permit Fee: \$12,208 - \$19,558 (Renewal Fee: \$9,725 - \$17,704)	\$0	\$4-\$20/bike depending on total number of bikes	\$0	All costs	1 rack/2 bikes	\$2,500/yr (10 years)	18 months (Jan 2018- June 2019)

## Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Los Angeles	Pending	\$500	\$0	\$50	\$80/Vehicle	All costs at city crew rate plus any additional storage/impound fees	All costs	All costs	Annual
Minneapolis	Approved	\$0	\$0	\$5	\$0	\$0	n/a	n/a	n/a
New York City	Approved (pilot)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Pilot ends September 2018
Palo Alto	Approved	\$0	\$0	\$0	\$0	\$0	n/a	n/a	12 months
Philadelphia	Pending	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sacramento	Approved	\$14,480 - \$28,440 (Renewal Fee: \$12,380 - \$26,340)	n/a	\$0	\$0	All costs	1.5 spaces/bike	n/a	Annual
San Francisco <a href="#">(see further permit fee details)</a>	Approved	Initial Permit Fee: \$12,208 - \$19,558 (Renewal Fee: \$9,725 - \$17,704)	\$0	\$4-\$20/bike depending on total number of bikes	\$0	All costs	1 rack/2 bikes	\$2,500/yr (10 years)	18 months (Jan 2018-June 2019)

## Permit Fees in the US as of June 2018

City	Status	Permit/ License Fee	Application Review	Per Bike Fee	Performance Bond	Relocation /Removal	Required Infrastructure	ROW Mainte- nance & Repair	Permit Duration
Seattle  <a href="#">(see further permit fee details)</a>	Approved	\$146	\$209/hr (est. 8 hours)	\$15/bike	\$80/bike, capped at \$10,000	All costs at city crew pay rate plus 15%	n/a	n/a	12 months
St. Louis	Approved	\$500	\$0	\$10/bike	\$0	All costs	n/a	All Costs	Annual
Washington DC	Approved (pilot)	\$0	\$0	\$0	\$0	\$0	n/a	\$0	Pilot ends August 31, 2018

To: City Council Oversight Committee

Re: Continued Discussion re: Policy Areas/Considerations for E-Scooter Licensing/Permitting

Date: August 2, 2019

**Attachment B**

*(see attached pages)*

## Small Vehicle Parking

Despite being “dockless,” allowing Shared Active Transportation companies and customers to leave small vehicles on public property requires cities and local governments to designate places where those small vehicles may be parked. In some cities, Shared Active Transportation parking is unrestricted or “free floating,” meaning that customers can leave bikes and scooters anywhere. In other cities, companies are required to tell their customers to only leave bikes and scooters in the curb strip or furniture zone, although enforcement abilities are limited. Most recently, a few cities have required that all dockless bike share bikes include a “lock-to” option in order to create a more orderly system.

Currently, the limitations of GPS and geo-fencing technologies means that there is not a comprehensive, remote/data-based way to enforce small vehicle parking locations. Typically, GPS can determine locations within about 5'-10' but not to the finer degree of accuracy needed for enforcement. Most cities rely on reported problems and spot-checks to assess compliance. As geofencing technologies are improved and refined, it may be possible to use it to ensure parking locations.

### Locking Options

#### Unrestricted

Small vehicles (e.g. bikes and scooters) can be left anywhere that doesn't block ADA-required sidewalk space.

#### Pros

- Small vehicles can be left anywhere which makes point to point trips easier.
- The program is simple to understand.

#### Cons

- Parked small vehicles can easily end up blocking sidewalks, driveways, crosswalks which can reduce space and impede access for pedestrians, especially people with disabilities.
- Reports of “clutter” can impact the image of the program.

#### Other considerations

- If small vehicles are often parked incorrectly and block accessible travel paths space and access in the public ROW, this may also open the government to potential lawsuits.

### Encouraged Placement

Small vehicles can be left most places with some limitations and can depend on the geographic area (e.g. only in the “furniture zone,” or more restrictions in crowded pedestrian areas like CBDs)

#### Pros

- Small vehicles can be left in most places which makes point to point trips easier. The program is relatively simple to understand.

#### Cons

- Can be difficult to inform and explain to all customers where small vehicles can be left.

#### Other considerations

- Cannot enforce remotely or via data, must rely on reports or inspections.

### Lock-to

Small vehicles are required to be locked to a fixed object.

#### Pros

- Small vehicles are left in orderly fashion and do not block pedestrian access.

#### Cons

- Small vehicle parking opportunities may be limited. Using existing racks for shared-use small vehicles may limit supply for personal bikes.

#### Other considerations

- Cities may need to increase overall bike parking options, or require companies to provide small vehicle parking, in order to accommodate increased demand.



**Where in the Right-of-Way?**

No matter how a city chooses to regulate parking for Shared Active Transportation small vehicles, they have many options for where that parking can go.

**In the Street**

Small vehicles are parked within a demarcated space on the street, such as in a car-parking spot. Some cities have repurposed no-parking zones near intersections for bike and bike share parking, as they have a lower profile and do not interfere with the line of sight for pedestrians or drivers.

**Pros**

- Keeps small vehicles away from pedestrian movement and does not impact ADA access.
- Can improve or preserve sightlines for crossings (especially if an area where cars frequently illegally park). When considered in light of traffic safety plans, on-street bike parking can help to calm traffic (see [NACTO: Bike Share Siting Guide](#))

**Cons**

- May get pushback on actual or perceived removal of parking.
- If using fixed racks, companies and/or cities will need to develop maintenance agreements with local/private entities to address typical issues like trash and snow removal.

**Other considerations**

- Many cities choose to demarcate on-street bike parking with signage, planters, or flexible delineators to increase visibility and provide some protection from moving vehicles. (See Corrals)

### On the Sidewalk

Small vehicles are parked anywhere on the sidewalk or pedestrian plazas.

#### Pros

- People are used to racks on sidewalks.
- Does not take car parking.

#### Cons

- Takes space away from pedestrians and can impede pedestrian and ADA access.
- Small vehicles can easily fall and begin to block the pedestrian clear path. Improper small vehicle parking, even by a few inches, can significantly degrade pedestrian access.
- Many sidewalks are too narrow for provide bike parking and retain 6' pedestrian clear path. (see NACTO: Bike Share Siting Guide)

#### Other considerations

- Bike parking on the sidewalk may encourage sidewalk riding, which is illegal for adults in many cities. A potential unintended consequence is that minor infractions, such as sidewalk riding, are often disproportionately enforced in communities of color.
- Companies will need to develop and actively publicize clear, multi-language instructions to explain to people which parts of the sidewalk are acceptable for small vehicle parking. E.g. many cities only allow small vehicles to park in the “furniture zone” (the portion of sidewalk between where people walk and the curb, often where you’ll find other street signs, street furniture, trees, parking meters, etc.) but this concept is not widely understood.

**How can space be provided or marked?**

Providing clarity around where small vehicles can or should be left is essential to a successful program.

### Painted Boxes

**Pros**

- Inexpensive and quick to install with in-house crews, can put many throughout a city or district.
- Unique/interesting sidewalk treatment that provides an opportunity for branding and creativity.
- Offers some predictability to Shared Active Transportation systems. Multiple companies can and should share the same space.

**Cons**

- Paint will wear out over time and boxes may be less clearly understood as small vehicle parking.
- May not fully address “clutter” issue as small vehicles are not locked to anything and may easily fall over or be parked outside the box.
- Some cities may find it challenging to align contractors for small jobs.
- If on the sidewalk, boxes should only be considered on wide sidewalks or places with very limited pedestrian activity.

**Other considerations**

- Since these will only be useful to Shared Active Transportation vehicles (as opposed to personal bikes or scooters), cities may want to require that the companies to pay the planning and materials associated with this treatment.
- Cities will have to allocate staff time to identify locations and conduct necessary outreach with communities.
- For signage, consider having a neutral color/design, or having multiple logos on each sign.
- If requiring that small vehicles only be left in boxes and/or other designated areas, follow [NACTO station density guidelines](#).



## Street Corrals

### Pros

- Relatively inexpensive and quick to install with in-house crews, can put many throughout a city or district.
- Easy to understand as Shared Active Transportation parking and can serve as additional parking for personal bikes as well.
- Offers predictability. Multiple companies can and should share the same racks.
- Ensures that Shared Active Transportation vehicles do not impede pedestrian clear-path or sidewalk.
- Addresses “clutter” issue.

### Cons

- Typically takes parking (when placed in the street).

### Other considerations

- Cities should not repurpose existing bike corrals (and racks) for Shared Active Transportation as that significantly limits bike parking availability for people using their own personal bikes.
- Cities will have to allocate staff time to identify locations and conduct necessary outreach with communities.
- Cities should consider rack costs when determining permit or license fees.
- Companies will need to guarantee maintenance or enter into a maintenance agreement with other private entity (typical issues include trash and snow removal). Cities using Street Corrals should ensure that maintenance responsibilities are spelled out in permits and licenses.
- If requiring that small vehicles only be left in corrals and/or other designated areas, follow [NACTO station density guidelines](#).



## Signed Sidewalk Racks

**Pros**

- Relatively inexpensive and quick to install with in-house crews, can put many throughout a city or district.
- Easy to understand as Shared Active Transportation parking and can serve as additional parking for personal bikes as well.
- Offers predictability. Multiple companies can and should share the same racks.
- Addresses “clutter” issue.

**Cons**

- Only viable on wide sidewalks or places with very limited pedestrian activity.

**Other considerations**

- Cities should not repurpose existing bike corrals (and racks) for Shared Active Transportation as that significantly limits bike parking availability for people using their own personal bikes.
- Cities will have to allocate staff time to identify locations and conduct necessary outreach with communities.
- If racks are only meant for Shared Active Transportation vehicles (as opposed to personal bikes or scooters), cities may want to require that the companies pay for the planning and materials associated with this treatment.
- Cities should consider rack costs when determining permit or license fees.
- For signage, consider having a neutral color/design, or having multiple logos on each sign.
- If requiring that small vehicles only be left at racks and/or other designated areas, follow [NACTO station density guidelines](#).



## Geo-Fencing

### Pros

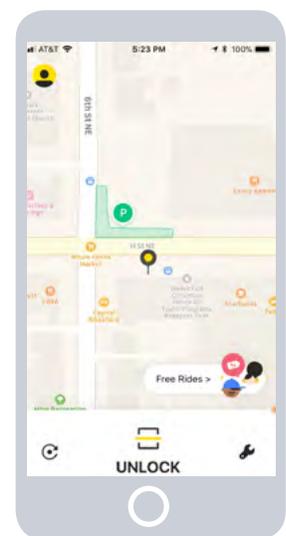
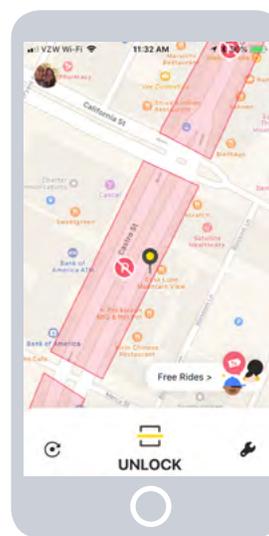
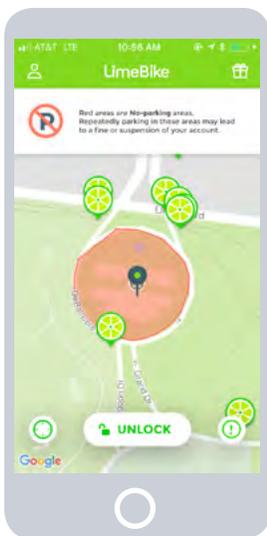
- Requires no physical installation of equipment
- Provides some control over parking where conflicts are likely to occur (i.e. high pedestrian traffic areas, aesthetically-focused landmarks)
- Can easily designate large areas where small vehicles are not allowed (e.g., neighboring municipalities, campuses)

### Cons

- Accuracy is limited and insufficient to assess compliance on a street level. There have been numerous issues reported with app and data accuracy – “ghost” or missing bikes, more bikes than shown on the app, bikes not where the app shows them to be etc.
- User must open app when ending ride to look for geo-fenced areas. Opening the app is not currently required to end the ride, so user may not do this.
- Does not address “clutter” concerns.

### Other considerations

- The accuracy limitations make geo-fencing a better tool for assessing neighborhood-level behavior, not exact street location.
- Companies must explain to users how and where geo-fencing is used (e.g., via app notifications, in-app map, email/text notification, language on bikes, signage on streets)
- If requiring that small vehicles only be left at geo-fenced areas and/or other designated areas, follow [NACTO station density guidelines](#).



To: City Council Oversight Committee

Re: Continued Discussion re: Policy Areas/Considerations for E-Scooter Licensing/Permitting

Date: August 2, 2019

**Attachment C**

*(see attached pages)*

## **E-Scooter Pilot Operational License Program: Regulatory Areas for Consideration**

### **1. 6-Month Pilot Operational License Program –Key Components**

- Reserving the right to revoke any permits/license that may be issued
- Prohibiting companies that have a history of violations from license renewal
- Establishing operating zones with fines for violations
- Establishing a duration for operational licenses, with a required re-application (annually or another selected time period) after pilot program period is over
- Charging license fees that cover cost of enforcement, processing and other city costs
- Capping the number of bikes allowed per company w/request for increase process
- Coordination OU RFP for Scooter Operations
- Company Operations
- Safety Standards
- Unit Replacement Plan
- Company Communications with Public
- Data Standards
- Data Sharing Requirements
- Departmental Responsibility for Program
- Funds – Distribution, Department, Use
  - scooter per day
  - license fee(s)
  - enforcement fee(s)

### **2. 6-Month Pilot Operational License Program – Key Questions**

- Keep or revoke current Revocable License when pilot program becomes operational?
- Parking Area for Scooters (i.e. docking areas and/or combination with ROW placement?)
- Sidewalk or Street Riding?; Combination depending on area?
- “No Go” Areas – utilized through Geo Fencing (OU?)

### **3. Next Steps**

- Finalize 6-month annual license pilot-program to begin in early October 2019
- Bring pilot program update to Oversight Committee in September; full Council in September with Pilot Program Resolution to begin in October
- Coordination with OU RFP for E-Scooter Provider
- Allow staff to tweak development and e-scooter regulation enforcement with companies
- Encompass the operational elements outlined
- Reporting back Council at the end of the pilot-program period for discussion of changes and potential full-term implementation via Ordinance