



# City of South Lake Tahoe Report to City Council

**Meeting Date:** October 15, 2019

**Title:** Proposed Ordinance Concepts - Shared Mobility Device Ordinance

**Location:** Citywide

**Responsible Staff Member:** Brian Uhler, Chief of Police (530) 542-6120

## Background:

Shared mobility devices (SMDs) have become increasingly popular in many cities around the world, in the United States, and California. The only company deploying SMDs in the City of South Lake Tahoe has been Lime (for three seasons). As of September 27<sup>th</sup>, Lime reports a total of 196,206 rides in South Lake Tahoe totaling 262,467 miles during the 2019 season. Lime is pleased to offer mobility alternatives for residents and visitors of South Lake Tahoe, and asserts that this has led to a reduction of 117 metric tons in CO<sub>2</sub>.

Over the past three seasons, the most significant concerns expressed about SMDs in South Lake Tahoe include the following, and City Council and City staff have been working with Lime to address these concerns:

- underage riders,
- pedestrian safety,
- rider injuries, and
- visual impacts of scooters in public spaces.

In spring 2019, the City Council received information from Lime, City staff, environmental supporters, and the public. Subsequent to the City Council meetings of March 19<sup>th</sup> and April 16<sup>th</sup>, in an effort to address concerns, City staff developed a legal agreement with Lime to reflect City Council concerns (Attached as 02\_Lime Agreement). Key elements of the 2019 agreement include:

1. priority areas for geofencing to stop scooters in Heavenly Village and Lakeview Commons,
2. a valid license requirement “per electric scooter rented”,
3. age restriction (18 year or older),

4. limits on total number of SMDs (550),
5. establishment of \$0.05 cent City fee per ride,
6. parking restrictions to prevent scooters from impeding sidewalks and roadways,
7. speed restriction of 15 mph,
8. one-year term (expiring April 16, 2020), and
9. record keeping / sharing requirements.

### **Issue and Discussion:**

Over the past 6 months, City staff have been primarily focused on ensuring that Lime address two key concerns: the effective prevention of riders under age 18, and the effective prohibition of Lime devices in the high pedestrian Heavenly Village area. City staff acknowledge and appreciate Lime's efforts to address these concerns, however, these efforts appear to have led to mixed results. City staff view these two concerns as the most important issues for Lime to improve upon, and recommend that any new City ordinance include provisions ensuring the effective resolution of these concerns.

A discussion of these issues, and several other issues are described below:

#### 1. Underage Usage

There were numerous direct observations of underage riders by City staff and the general public during the 2019 season. Unfortunately, on June 9, 2019, there was a serious accident involving an 11-year-old girl who will have a significant, life-long scar on her face. Also, on July 23, 2019, there was an accident where a 13-year-old boy suffered a serious head injury which left him in critical condition. These incidents brought about additional scrutiny of Lime's system as it relates to underage riders. The April agreement with Lime states:

*"Lime shall require a valid driver's license per electric scooter rented, in order to help prevent use of electric scooters by minors."*

Lime's system currently allows one license holder to rent multiple devices (confirmed by City staff). This issue was raised by City staff on June 10, August 29, and again on September 27. In response to the June 10 inquiry, Lime officials indicated they *"have not had this kind of scenario come up in any conversations in other cities in California. In all other cities, we satisfy their requirements by having the ID scan."* Adding, *"we are going to begin investigating into how we can update our software to account for double use of ID scans; however, this is not something we will be able to fix in the near term."*

City staff have suggested that, with the technology available, Lime should be able to effectively limit each driver's license holder to one device rental at a time, and thus effectively prevent an adult from renting one device for themselves and additional devices for underage riders. This approach is not fool-proof, as it may still be possible for an adult to rent one device, not use it himself or herself, and then turn the device over to a minor.

## 2. Heavenly Village "Full Stop" Geofence

Lime was unable to establish a "full stop" geofence within Heavenly Village as desired by City Council and City staff, but has successfully established a slow zone, no locking zone, preferred parking area, extra monitoring, and plans to implement a system for fines. It should be noted that Lime has established "full stop" zones in other US markets.

The City's efforts to rectify this issue started on June 4 and included many meetings, phone calls, and e-mails. Lime's most significant concern about the "full stop" zone centers on the safety of riders when a device loses power without warning. City staff have expressed concern for the safety of pedestrians in our City's most congested pedestrian area.

Lime provided the following data pertaining to trips within and near Heavenly Village:

1. 2.94% of trips are within Heavenly Village (5,768 of 196,206).
2. 7.3% of trips are within a larger zone to include Raley's (14,323 of 196,206).

City staff are not aware of any significant accidents or incidents involving Lime scooters in the Heavenly Village area during the 2019 season.

## 3. "Slow Zone" Geofence at Lakeview Commons

City staff expressed interest in the development of a "slow zone" at Lakeview Commons, and Lime established the "slow-zone" on July 28.

Lime provided the following data pertaining to trips in this area:

1. 0.08% of trips are within the low speed zone (1,569 of 196,206).
2. 3.79% of trips are in larger zone with bike path (7,436 of 196,206).

It should be noted that the City Manager instructed Lime to place greater emphasis on the underage rider concern and the Heavenly Village concern, with the Lakeview Commons concerns perceived as a lower priority.

City staff are not aware of any significant accidents or incidents involving Lime scooters in the Lakeview Commons area during the 2019 season.

#### 4. \$ 0.05 Per Ride Fee

The 2019 agreement includes a “\$ 0.05 charge per ride” fee, and Lime provided initial data on the number of rides in August. For rides through August 9, the City invoiced Lime a total of \$13,595.65. City staff estimates a second billing cycle for the remaining part of the season may generate another \$5,000 in revenue for fiscal year 2018-2019.

#### 5. Lime Facility

As part of Lime’s business operation, they currently occupy a portion of the building located at 920 Highway 89 (Emerald Bay Road). To date, Lime has not obtained the necessary building permits from the Development Services Department to operate at this location. Similarly, during the 2018 season, the business location was noticed and posted with a stop work order until a building permit application and plans were submitted and a valid building permit was issued.

On September 19, 2019, Lime submitted to the Development Services Department a building permit application (including Plans), which are currently under review.

Safely operating out of this location is imperative. The City has identified the use of lithium batteries as a life/safety matter that should be addressed. On August 27, 2019, an unfortunate incident occurred when the lithium battery of one scooter caught fire. Fortunately, the fire did not become a larger event or cause significant damage to the El Dorado County offices.

It is recommended that the new City ordinance include a requirement that all City building permits be in hand prior to the issuance of a City permit to offer SMDs.

#### 6. Lime-Related Data

Chief Uhler prepared and submitted a data request to Lime on August 29 (attached as 03\_Data\_Request). Lime’s response (dated September 27) is provided as part of this report (Attached as 04\_Lime\_Data\_Response), and Lime officials will present an updated response at the October 15 City Council meeting. Lime did not include significant data pertaining to underage riders and rider demographics in the September 27 report, however, Lime indicated that they would provide additional data in their presentation at the October 15 meeting.

Additional data that may be helpful includes the following:

1. Zip code, one-way, and round-trip data could be useful to determine how much of Lime usage is recreational versus transportation related. Absent these specifics, we are dependent on a relatively small sample of survey data provided by Lime to make such an assessment (survey data is only from 60 people).
2. Lime data regarding multiple rentals from single account holder and related rental data/maps would facilitate understanding as to the extent of the multiple device use issue.

3. Juicing location data would facilitate Fire Department response to lithium fires (special response protocol). Also, City staff could proactively ensure circuit loading is safe at juicer locations within the City.

### Rationale for City Ordinance

The intent of the 2019 agreement with Lime was to provide the City and public with assurances the operation would have a positive community impact and that specific community concerns would be addressed effectively. A City ordinance, if developed, may be more effective in addressing the key concerns in the future, and would also apply to any other SMD companies that may seek to operate in South Lake Tahoe. City staff recommend the adoption of a new ordinance in the coming weeks so that Lime (and/or other SMD companies) will have time to make their operations compliant for the 2020 season.

### Recommended Ordinance Provisions:

City staff recommend the inclusion of the following ordinance provisions in a new City ordinance, and if City Council concurs, these provisions will be included in a recommended ordinance to be presented to the City Council on November 5:

1. City permit required for SMD operations,
2. limit of 500 devices per SMD company permitted,
3. SMD company must secure all building permits prior to issuance of SMD operations permit,
4. 15 mph speed limit for all devices,
5. requirement for system to not allow more than one device to be rented by any account holder,
6. age requirement (18 and older only),
7. multiple riders prohibited,
8. the establishment of a results-oriented limit of no more than 5% underage riders, to be determined by periodic photographic surveys conducted by City staff and reviewed by a 3-person City staff panel; the final determination, and potential permit revocation, would be made by the City Manager, with ability for appeal of City Manager's decision to City Council,
9. implementation of "full-stop" geofencing at Heavenly Village,

10. implementation of “slow zone” (5 mph) ring 1000 feet around Heavenly Village, in order to provide ample time and space for devices to respond to “pings” directing the vehicle to stop or slow,
11. implementation of “slow zone” (5 mph) area within and 1000 feet around Lakeview Commons, in order to provide ample time and space for devices to respond to “pings” directing the vehicle to slow,
12. parking restrictions to prevent roadway and sidewalk impediments,
13. prohibition on operations during snow season (November 1 through April 30),
14. permit (sticker) fee of \$75 per device (instead of \$ 0.05 per ride fee) and provision of two electric scooters for enforcement operations; permit fees expected to generate approximately \$22,500 - \$37,500 per year, with revenues earmarked for City enforcement (expected to be sufficient for approximately 30 – 50 hours of enforcement per week during season),
15. requirement for highly visible permit number printed on each device to facilitate photo enforcement program,
16. implementation of a photograph-driven violation/fine program whereby City staff takes photo of violation (multiple rider, underage, etc.), and the photo is sent to the SMD company which is responsible for paying the recommended \$100 fine within 10 days (company’s responsibility to recoup fine from customer),
17. requirement for SMD company to “ban” violating customers from future rentals, and
18. implementation of a permit revocation process, with revocation authority granted to City Manager and ability to appeal to City Council.

### Renewable Energy Requirement Option

The City Council supports the goal of reaching 100% renewable energy consumption in South Lake Tahoe by 2032. To move more closely to this goal, the Council could include a requirement in the new ordinance to require 100% renewable sources for all SMD charging activities for the 2020 season and beyond.

Liberty Energy is scheduled to go before the Public Utilities Commission in the coming days, and they anticipate having a renewable option available to households and business near the end of the year. Liberty Energy reports that the forecasted rate for the “Green Tariff” is \$0.02 per kWh. Further, Liberty energy follows a “time of use” model where the cost of energy is lower at night (presumably when much of the charging activities occur). Liberty also offers a solar incentive program whereby

a SMD company might opt to develop solar/battery options and save money through the incentive and tax credits. Liberty's household rates are \$0.11407, so the option for a juicer to source only renewable represents about a 15% increase in electricity costs. A scooter requires only .187 kWh to charge (ES2 model) so the extra cost for charging 5 scooters is about 2 cents (approximately .2 kWh per scooter times 5 scooters equals 1 kWh).

According to the Lime website (<https://www.li.me/lime-green>): "Lime charges our entire fleet with 100% renewable energy, and we neutralize the emissions of our operations vehicle fleet by supporting carbon offset projects." This said, imposing this restriction within the ordinance should be non-controversial with Lime and the organizations which support Lime in South Lake Tahoe.

If the City Council wishes to include a 100% renewable requirement in an ordinance, the following provisions in the ordinance are suggested:

1. a requirement for all charging activities to be 100% renewable, with the SMD to require proof of renewable service before authorizing any "juicer", and
2. a requirement for any SMD company to provide lithium battery charging locations (so City staff can confirm 100% renewable component, provide a courtesy safety inspection, and ensure fire responders are informed of the presence of lithium batteries during a response to a given address).

### **Financial Implications:**

The current per ride fee of \$0.05 is expected to generate approximately \$18,000 for 2019. Changing to a \$75 per device fee is expected to generate \$22,500 (300 devices) - \$37,500 (500 devices) annually per SMD company. The additional revenue would be used to fund proactive, non-sworn, part-time staff for the photo-enforcement program. Additionally, this fee structure is less cumbersome for City staff and SMD company staff than a per ride fee.

### **Policy Implications:**

The availability of SMDs in South Lake Tahoe is consistent with the City Council's identified priority of "Sustainability Initiatives".