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October 8, 2019

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Amendment to Transportation Code Division I to establish a violation for operating a Shared Mobility Device Service without a permit

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors amend Division I of the San Francisco Transportation Code to make it a violation of the Transportation Code to operate a Shared Mobility Device Service, without the applicable permit or authorization. The creation of a unified Shared Mobility Device violation necessitates the repeal of Bicycle Share and Powered Scooter Share parking violations, both of which will be covered by the Shared Mobility Device Service violation.

This legislation will complement and work in concert with the legislation that will establish the Office of Emerging Technology, which will become the City's front door for emerging technologies. Proposals to operate new mobility services that do not fall within an existing permit program will be routed through the Office of Emerging Technology's front door. If the new mobility service would operate within SFMTA's exclusive jurisdiction, the Office of Emerging Technology will refer the proposal to SFMTA. If the operation of the new mobility service would affect more than one City department or agency, the Office of Emerging Technology will require the applicant to seek and obtain any required permit or authorization from each affected City department or agency.

Background

We ask that the Board of Supervisors consider an amendment to Division I of the Transportation Code that will create a violation for operating a Shared Mobility Device Service without a permit or authorization. Division II of the San Francisco Transportation Code will also be amended, upon approval of the SFMTA Board, to define a Shared Mobility Device Service as a service which is capable of transporting ten or more passengers, together or separately. To offset the prohibition of operating without a permit, the Proof of Concept Authorization (POCA) will be added to Division II, which allows for the limited testing of new technologies, while ensuring that they are in alignment with the SFMTA's Guiding Principles for Emerging Technologies.



Currently, if there is not an existing permit program for a new mobility service, companies can generally start operating until a violation is established and a permit program developed. This can be a lengthy process, which requires amendments to the Transportation Code, including the definition of each respective new device, as well as creating a violation for each type of service, and in the meantime, that service would still be operating outside of a structured permit program.

An example of this type of reactive regulatory approach that SFMTA would like to shift relates to the scooter share operations. In the spring of 2018, three non-permitted Powered Scooter Share operators launched in the City, leading to complaints about the manner in which the unregulated scooters were parked and ridden. In response, the Board of Supervisors passed a law requiring operators of Powered Scooter Share Programs to have a permit. A moratorium on scooter share operations was enacted to allow SFMTA to create the Powered Scooter Share Program.

Following the launch of the non-permitted Powered Scooter Share Programs, SFMTA began to internally discuss the coordination of permits issued by the Agency. The goal is to change SFMTA's position from reactive to proactive: instead of launching first and then asking for a permit, Shared Mobility Device Service operators would need permission before launching.

If approved by the SFMTA Board, the Proof of Concept Authorization (POCA) will be added to Division II of the San Francisco Transportation Code to allow innovation by Shared Mobility Device Service operators, while still maintaining public safety and consumer protection. As opposed to a pilot program or permit program, the POCA is for a short period of time, with a limit on the number of devices, the scope or the geographic location. Although the requirements are simplified, POCA recipients must still comply with core requirements such as data sharing, insurance, points of contact for the public and guidelines on the use and parking of Shared Mobility Devices allowed by the POCA.

Public Outreach

The impetus for this proposal had its genesis following the voluminous complaints from the public following the non-permitted launch of the Powered Scooters on City streets.

Staff discussed the Transportation Code amendments, including the POCA, with the SFMTA's Citizens' Advisory Council (CAC)'s Engineering, Maintenance & Safety Committee (EMSC), SFMTA's CAC, Pedestrian Safety Advisory Committee (PSAC), Bicycle Advisory Committee (BAC), Paratransit Coordinating Council (PCC), and Multimodal Accessibility Advisory Committees in July and August 2019. A public meeting to gather input from interested community organizations, industry members, current and former applicants, concerned



residents, and people who have submitted a comment recently regarding an emerging mobility device was held in late September. Staff also met with the San Francisco Chamber of Commerce in October. Feedback and comments will be used to inform the proposed legislation and the POCA terms and conditions that follow.

Recommendation

The SFMTA requests that the San Francisco Board of Supervisors approve the attached amendment to Division I of the Transportation Code to prohibit the operation of a Shared Mobility Device Service, without the applicable permit or authorization.

Thank you for your time and consideration of this proposal. Should you have any questions or require more information, please do not hesitate to contact me at any time.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tom Maguire', with a long horizontal flourish extending to the right.

Tom Maguire
Interim Director of Transportation