

# Memorandum



TO: Powered Scooter Share Program Staff and Interested Parties

THROUGH: Tom Maguire, Director of Sustainable Streets Division  
Jamie Parks, Livable Streets Director

FROM: Edward D. Reiskin, Director of Transportation 

DATE: April 15, 2019

SUBJECT: Pilot Powered Scooter Share Permit Program

This memorandum provides direction to SFMTA Powered Scooter Share Pilot Program staff regarding the second half of the SFMTA's pilot program for powered scooter share operations in San Francisco. This directive reflects due consideration of the public interest and safety of the transportation system and is based on the SFMTA's findings concerning and analysis of, the Powered Scooter Share Pilot in San Francisco to date.

Based on the SFMTA's August 28, 2018 Pilot Powered Scooter Share Permit Program Policy Directive from, staff issued two 12-month permits to Scoot and Skip. The Pilot began on October 15, 2018. Each permit allowed a maximum of 625 scooters in the first six months, with the potential for the original permittees to increase the number of scooters after six months at the SFMTA's sole discretion to a maximum of 2,500 scooters total.

The six-month point of the Pilot is April 15, 2019. This memorandum provides direction to SFMTA Powered Scooter Share Program staff regarding the administration of the program during the remaining six months of the Pilot.

In accordance with San Francisco Transportation Code Sec. 916, SFMTA scooter share program staff are directed to:

- Consider revising the current permits for Skip and Scoot to authorize up to 1,250 scooters each for the duration of the 12-month pilot period, based on criteria described in detail below.
- Consistent with the August 28 Policy Directive, issue no additional permits at this time.
- Prepare proposed amendments to the Transportation Code that could establish a permanent Powered Scooter Share Program or an extended pilot, subject to SFMTA Board of Directors approval. The proposed Transportation Code amendments, solicitation of applications, review of applications, and announcement of permit decisions should proceed as quickly as possible, should the SFMTA Board decide to extend the program. Any new permits would be effective October 15, 2019.

This directive reflects the SFMTA's thorough evaluation of the performance of each permittee to determine whether further increases to the number of shared scooters is advisable and would serve the public interest, and a thorough evaluation of the timing of considering additional permittees. The actions detailed in this memorandum will ensure that the Powered Scooter Share Pilot serves the public interest and maintains safe and accessible public rights-of-way, while continuing to provide opportunities for mobility innovation.

## **BACKGROUND**

Scooter share systems have expanded rapidly across the United States since 2018. When several companies deployed scooter share programs in the spring of 2018 in San Francisco, numerous challenges surfaced. In particular, the scooter programs impacted the safety and accessibility of San Francisco's sidewalks due to illegal sidewalk riding and scooters left in locations that impeded pedestrian access and created tripping hazards.

Based on these concerns and San Francisco's past experience regulating shared mobility systems, the Board of Supervisors and the SFMTA Board of Directors amended Divisions I and II, respectively, of the San Francisco Transportation Code to regulate scooter services. The resulting Transportation Code amendments authorize the SFMTA to implement a 12-month Pilot Powered Scooter Share Permit Program ensure consistent and effective regulation of scooter share programs.

The pilot program terms, as established by the SFMTA Board of Directors, authorized the SFMTA to issue up to five total permits during the one-year pilot period, with a maximum total of 1,250 scooters during the first six months increasing to 2,500 scooters after six months. On August 28, 2018, the Director of Transportation issued a Directive on the Pilot directing staff to, among other things, issue two 1-year permits to Scoot and Skip with the potential to increase the number of scooters after six months to these two permittees.

Staff conducted a thorough review of these first six months of operations, as detailed in the Powered Scooter Share Mid-Pilot Evaluation report (Evaluation Report). The main conclusions of the Evaluation Report are that complaints about sidewalk riding and improper parking were significantly reduced under the Pilot, the lock-to design addresses major issues with sidewalk clearance, and more robust equity engagement is needed to ensure powered scooter share programs effectively serve historically disadvantaged communities, especially low-income individuals.

The Evaluation Report identified several key areas for improvement by the permittees, particularly in the area of equitable access and distribution. For example, as of February 2019, Scoot had only 68 low-income plan participants, while Skip had 75, representing less than 1% of their respective user bases. Each operator has also seen challenges in the area of equitable distribution. Scoot

deployed a fleet size much smaller than the permitted 625 during the first four months of the Pilot, while Skip has only recently begun to consistently meet its equitable access goal of maintaining 20% of its fleet in southeastern San Francisco. This Directive is based on the findings of the Evaluation Report.

## **PERMIT MODIFICATIONS TO INCREASE FLEET SIZE**

The SFMTA finds, on the basis of the Evaluation Report that the most significant public safety concerns – including concerns around sidewalk safety and accessibility – have been largely addressed by the Pilot’s regulations, and demand for powered shared scooters is high. Additionally, at a recent Powered Scooter Share Pilot Program public meeting, many attendees expressed support for permitting increased fleet sizes. The SFMTA finds that it is in the public interest to expand the number of scooters in the current Pilot for the following three reasons: (1) the potential for transportation system and congestion benefits, (2) expanded service to more neighborhoods (including additional Communities of Concern), and (3) the opportunity for a more robust pilot evaluation to shape a better program at its conclusion.

The Evaluation Report of existing operators found a number of promising aspects of the program to date. However, the evaluation also identified opportunities for improvement, particularly related to fleet size, safety and rider accountability, data sharing, and equity. As such, this directive provides objective criteria that the operators must satisfy prior to the SFMTA authorizing an increase in the permitted fleet size. Those criteria for fleet size increases are as follows:

- The SFMTA may increase the permitted fleet size to 800 scooters once the permittee satisfies the following conditions:
  - Continued compliance with all permit terms and conditions;
  - Maintain fleet at over 450 devices (of 625) for 25 days out of 30 consecutive rolling days;<sup>1</sup>
  - Satisfy all SFMTA Emerging Mobility Services and Technologies Application Programming Interface (API) data requirements and comply with SFMTA quality assurance/quality control standards;
  - Deploy lock-to devices on 100% of fleet;
  - Improve rider accountability efforts by implementing a safety complaint resolution process, increasing rider education around safety topics, particularly

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<sup>1</sup> The SFMTA will use the Emerging Mobility Services and Technologies Application Programming Interface to determine if and when fleet size requirements are met. The SFMTA will commence the 30 rolling day period on March 16<sup>th</sup>, 2019, which is 30 days before the April 15<sup>th</sup> mid-point of the Pilot.

- helmet use and sidewalk riding, and improving education around how to alert permittees when a collision occurs;<sup>2</sup> and
- Achieve at least 150 low-income income plan members.
- Prior to the SFMTA further increasing the permitted fleet to 1,250 scooters, the permittee shall additionally meet the following conditions:
  - Achieve a minimum of 500 low-income plan members; and
  - Provide equitable distribution of devices according to commitments made in each permittee's application maintain 20% device availability in Communities of Concern; or, 20% availability in southeast neighborhoods (25 days out of 30 consecutive rolling days).<sup>3</sup>
- Any operator who fails to maintain a fleet deployment of at least 70 percent of their maximum permitted fleet for 25 days out of 30 consecutive rolling days is subject to reduction of their permitted fleet size to reflect actual deployment levels. No operator's permitted fleet size will be reduced below 625 during the course of the 12-month pilot.
- After June 15, SFMTA may consider increasing an operator's permitted fleet size beyond 1,250 scooters, subject to the maximum cap of 2,500 scooters for the pilot.
  - Any increase above 1,250 scooters shall require a proportional increase in the number of low-income plan members prior to increasing the fleet size (i.e., 1 new low-income plan member for every 2.5 additional scooters permitted).

The SFMTA believes that these criteria are reasonably achievable by each operator, and will result in a more robust program in the public interest for the balance of the pilot. The SFMTA will notify each permittee, in writing, when each set of criteria are met and when fleet size increases can occur.

## **EXTENSION AND/OR MODIFICATIONS TO PILOT PROGRAM**

The current Pilot program ends on October 15, 2019. Assuming the Pilot continues to demonstrate progress of the scooter share concept in the key areas related to the Emerging Mobility principles, SFMTA staff will prepare proposed Division II Transportation Code amendments that would extend the Powered Scooter Share Program beyond October 15, 2019.

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<sup>2</sup> The SFMTA will require permittees to submit documentation of the safety complaint resolution process, increased rider safety education, and improved education around collision reporting. The SFMTA will then approve these measures as sufficient, or request changes before requiring resubmittal and approval.

<sup>3</sup> The SFMTA will use the Emerging Mobility Services and Technologies Application Programming Interface to determine if and when equitable distribution requirements are met. The SFMTA will commence the 30 rolling day period on March 16<sup>th</sup>, 2019, which is 30 days before the April 15<sup>th</sup> mid-point of the Pilot. The SFMTA uses the Metropolitan Planning Commission's 2018 Communities of Concern definitions, and defines the southeast neighborhoods as the following San Francisco Planning Department neighborhoods: Bayview, Excelsior, Visitacion Valley, Outer Mission, and Crocker Amazon.

The SFMTA will establish an application process, with criteria around the following components, at a minimum:

- Fleet size and service area;
- Plan for safe scooter riding and parking;
- Labor and operations plan;
- Community engagement and equity plans;
- Experience and qualifications; and
- Privacy policy, user agreements, and terms of service.

The SFMTA will be ready to issue permits (if any) under the new or modified program no later than October 15, 2019.

## **CONSIDERATION OF ADDITIONAL PERMITTEES**

During the remaining six months of the pilot period, the SFMTA will not consider additional powered scooter share permittees, consistent with the Pilot Powered Scooter Share Permit Program Policy Directive issued on August 28, 2018. The SFMTA has determined that the second six-month period of the pilot program is not long enough to introduce new permittees and the main focus of the second six months will be on preparing Transportation Code amendments and other materials to prepare for an extension of the Powered Scooter Share Program (if such an extension is warranted at all). Should the SFMTA choose to extend the Powered Scooter Share Program beyond October 15, 2019, the Agency looks forward to engaging with other potential scooter share operators when it announces the next application process.