ALAMEDA County Transportation Commission
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DATE:	October 7, 2019
TO:	Planning, Policy and Legislation Committee
FROM:	Carolyn Clevenger, Director of Planning Kristen Villanueva, Senior Transportation Planner Kate Lefkowitz, Associate Transportation Planner Christopher Marks, Associate Transportation Planner
SUBJECT:	2020 Countywide Transportation Plan: Shared Mobility/Transportation Network Companies Overview

Recommendation

Receive an overview of shared mobility services, including current trends and effects of shared mobility services on overall travel, as well as current regulatory actions. This is an information item.

Summary

As part of the 2020 Countywide Transportation Plan (CTP), staff will bring key transportation topics to the Commission for discussion purposes. These topics reflect emerging transportation issues for which polices and strategies may be further explored and recommended in the CTP. The first of these topics is on shared mobility, with a focus on transportation network companies (TNCs) and shared bikes and scooters.

This memo presents a summary of current research on use trends and observations of the effects of shared mobility options on larger travel outcomes such as congestion and transit ridership. This memo also provides an overview of actions related to establishing regulations for shared mobility providers. The memo summarizes work done by many researchers across academia, consultancies, and planning agencies to provide a high-level review of findings to date across the country. It is important to note that the shared mobility ecosystem is continuously evolving so our understanding of the effects of these services will also be changing over time.

Background

The Shared-Use Mobility Center[1] distinguishes shared services as those that are "shared among users, either concurrently or one after another." These services have been around for about 10 years, with a rapid increase in dock-less "micromobility" systems of bikes and scooters deployed in cities since early 2017. This memo focuses on TNCs, bike share, and scooter share. Within the Bay Area, the mix of companies providing these services is frequently changing. Table 1 presents a list of common companies in operation as adapted from an inventory taken by the San Francisco County Transportation Authority (SFCTA).[2] While there are only two major TNCs operating in the Bay Area (Uber and Lyft), there are slightly more companies providing bike share service and many competing companies for scooter share.

Table 1. Shared Mobility Companies Operating in the Bay Area

Shared Mobility Service	Companies in Bay Area
Ride-sourcing/Ride-hailing/Transportation Network Company (TNC)	Uber, Lyft
Bike share/E-Bike	Ford GoBike, HOPR, JUMP, LimeBike, Lyft
E-Scooter/Shared Scooter	Bird, JUMP, Lime, Lyft, Scoot, Skip, Spin

Services that provide carpool matching are not included in this memo. Staff notes that carpool matching services like Scoop and Waze Carpool are not in the same category as Uber and Lyft because the drivers in the carpool are not compensated by a fare and they are sharing the same destination as the passenger, thereby not creating additional vehicle impacts on parking or congestion.

What do we currently know about TNC use?

Understanding trip patterns and characteristics of shared mobility services like Uber and Lyft has been limited due to their strict stance on data sharing and lack of data-sharing regulation. In response, researchers have utilized surveys of travelers as the primary method for assessing use trends. In a handful of instances, Uber and Lyft have released their trip data for researchers and consultants to analyze. Lastly, in SFCTA's *TNCs Today* data collection effort, which was presented in detail to the Commission's Transit Committee in September 2017, researchers developed a novel approach to directly collecting the trip data through an outside source.

From these various data collection efforts over the last 5 years, there are a few key patterns starting to emerge regarding use trends for TNCs. Overall, TNCs are most often used in the urban areas of a region and for short trips for social purposes. The one exception is for airport

[1] The Shared-Use Mobility Center is a non-profit, public-interest organization that is promoting knowledge-share for shared mobility services, supporting pilot programs and conducting new research.
[2] https://www.sfcta.org/policies/emerging-mobility

trips that are both longer distance and occurring outside of the urban core. TNCs are typically not used for daily commute purpose or for trips that occur on a regular basis. [3]

Based on a recent analysis of Uber and Lyft trip data in the country's largest regions such as San Francisco, Los Angeles, and Chicago, Fehr & Peers has determined that as a share of overall travel in these regions, TNC trips contribute a small share of vehicle-miles travelled (VMT). The share of travel is higher in the core county of these regions and higher still in the core of the core county. For example, the share of VMT within the core of San Francisco, which is the northeast quadrant of the city, is estimated to be approximately 13% of total VMT. Within the nine-county SF Bay Area, 3% of total VMT is estimated to be associated with TNC trips.[4]

A key policy question involves the interplay of TNCs and public transit. Research on trip substitutions, or how a trip would have been made if TNCs were not an option, is still very limited. One survey done by researchers at UC Davis within the same regions as the Fehr & Peers study and including New York City, found that between 49% and 61% of TNC trips either would not have been made at all or would have been made walking, biking, or on transit. [5] This suggests more vehicles are on the road with TNCs than without and that some of the new TNC trips could be leading to decreasing transit ridership. This same study, however, found that TNC use increased use of commuter rail, suggesting a complementary relationship in providing first/last mile service to rail. More information on the emerging trends around transit ridership is discussed in the next section.

The effects on transportation for older adults and people with disabilities is one of complementary services. City-based programs have relied on traditional taxi services to provide same-day transportation for these populations. Within Alameda County, many city-based programs are beginning to integrate TNCs as an on-demand option that is able to provide more flexible service. Table 2 presents the eight current TNC pilots within Alameda County that are primarily for older adults and people with disabilities with the exception of the Go Dublin! Pilot, which is for everyone. More discussion on the TNC Access for All Act (SB1376), which was approved in 2018, is included below.

Table 2. City-Based TNC Pilots for Older Adults and People with Disabilities in Alameda County

Jurisdiction	Program Components	Program Status
City of Albany	• Same day, on demand • Participants receive a 75% reimbursement or up to $25 per trip, up to $200 per month	Active

[3] Shared-Use Mobility Center, TCRP Report 195: Broadening Understanding of the Interplay Among Public Transit, Shared Mobility, and Personal Automobiles, 2018

[4] Fehr & Peers analysis of Uber and Lyft data for September 2018 and released August 2019.

[5] Clewlow, R.R. & Mishra, G.S. (2017). *Disruptive Transportation: The Adoption, Utilization, and Impacts of Ride-Hailing in the United States.* Institute of Transportation Studies, University of California, Davis, Research Report UCD-ITS-RR-17-07

Jurisdiction	Program Components	Program Status
City of Emeryville	• Same day, on demand • Participants receive a 90% reimbursement up to $80 per quarter • Separate from Taxi Reimbursement program	Active; incorporated into program in FY 18-19
City of Fremont City of Newark City of Union City	• Subsidized curb-to-curb rides through Lyft • Fares structure in a similar manner to current taxi program	In progress
City of Hayward City of San Leandro	• Curb-to-curb • Do not need a smartphone • Partner with non-profit Life Elder Care • Lyft Concierge and Uber Health	Active; launched in January 2019
WHEELS Go Dublin!	• Same day, on demand • Pays half of fare for trips that start and end in Dublin using rideshare option	Active

What do we currently know about the effects of TNCs and transit ridership?

Results on the relationship between TNC use and transit ridership are limited and mixed. Over the last few years, transit ridership has been declining across the country, which has coincided with the timeframe associated with an acceleration in TNC use. The UC Davis survey (Clewlow and Mishra) suggests that at least a portion of new TNC trips would have been taken by transit. This same study and others have found a positive relationship between TNC use and commuter rail use, suggesting a complementary first/last mile relationship.

To shed light on this discussion, MTC is currently evaluating the potential causes of transit ridership declines in the Bay Area, among which TNCs may be a factor. So far, the MTC study has found ridership increases along strong commuter routes such as to downtown San Francisco and ridership declines on nights and weekends and on routes not servicing high density downtowns. They also note that housing affordability has affected the location choices of lower income residents who traditionally were living in transit-oriented communities. The study will not be able to definitively prove if TNCs are causing declines in transit ridership but it's beginning to suggest that there are areas that will continue to be strong transit markets in spite of TNC access (e.g. commuter trunk routes) and areas that could continue to be negatively influenced by strong TNC activity during nights and weekends. Findings and recommendations from this study are anticipated to be released late 2019 or early 2020.

What do we currently know about bike share and scooter share?

Shared mobility in the form of bike share has been implemented across cities for the past decade. These systems started in partnership with local municipalities and were implemented as docked systems with stations under a clear regulatory framework. Since the beginning of 2017, however, private companies have deployed dock-less bike and scooter systems on public rights of way after little or no coordination with city officials. According to the National Association of City Transportation Officials (NACTO), the number of trips taken on shared "micromobility" services doubled in one year to 84 million trips nationwide in 2018, which was also the first year that shared scooters were available. In that first year, 38.5 million

scooter trips were taken. The majority of the remaining shared mobility trips were from station-based bike share. In the Bay Area, the significant expansion of Ford GoBike led to 260% increase in ridership.[6]

Given the relatively new arrivals of bike share and scooter share, there is less known about where these trips are happening and their effects on travel behavior compared to TNCs. Generally, these services still reflect the same market areas as TNCs: concentrated in core urban areas and used for short trips that are more occasional in nature. Riders have tended to use station-based bike share during traditional commute hours whereas scooter share use is more evenly seen throughout the day and during social hours of Fridays and weekends. [7]

What are the impacts to cities and what is being done?

Despite the low share of overall VMT caused by TNCs, research by SFCTA has found that TNCs contributed significantly to the increase in congestion between 2010 and 2016 within San Francisco.[8] This corresponds with the findings from the UC Davis survey that TNC use is creating more vehicle trips from people switching from non-auto modes or taking a trip they otherwise would not have taken. An additional impact relates to physical space. TNCs and shared mobility services compete for scare public space within city's rights of way – roadways, sidewalks, curbs. Furthermore, motorized bikes and scooters add complexity to roadways already experiencing safety issues for walking, biking, and driving, in addition to creating competition for sidewalks, especially for parking bikes and scooters.

The current regulatory framework for TNCs involves imposing taxes and fees typically at the state or city level on the companies and trips and imposing requirements to ensure everyone has equal access to this service, particularly for people with disabilities. As the regulator of TNC companies in California, the California Public Utilities Commission (CPUC) can impose fees on TNCs. The CPUC assesses an annual fee and a fee as a share of the TNC's gross statewide revenues. Outside of California, a handful of cities around the country are going one step further and have begun to impose fees and/or taxes on the trips of TNC providers.[9] No jurisdictions in California have imposed fees and/or taxes but the City of San Francisco will vote on November 5, 2019 whether or not to approve what is referred to as a congestion mitigation tax on TNC trips. Attachment A includes more information on taxes and fees across the U.S. with links to the relevant ordinances.

In September 2018, the California State Legislature passed Senate Bill 1376 (Hill): Disability Access to Transportation Network Companies, also known as the TNC Access for All Act. This legislation requires TNCs to provide services that are accessible to persons with disabilities through their online-enabled applications, with a primary focus on users that require a wheelchair accessible vehicle (WAV) and imposes a per-trip fee with the intention of creating an on-demand WAV program. Many of the implementation details are currently being developed but the per-trip fee went into effect in July 2019. CPUC is required to

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[6] All values sources from the NACTO assessment of trip data: https://nacto.org/shared-micromobility-2018/
[7] https://nacto.org/shared-micromobility-2018/
[8] https://www.sfcta.org/projects/tncs-and-congestion
[9] Eno Center for Transportation. Eno Brief: Taxing New Mobility Services: What's Right? What's Next? July 18. 2018

administer this program. More information on this legislation and requirements is included in Attachment B.

Cities across the country are starting to establish regulatory frameworks for dock-less micromobility. Within Alameda County, the City of Oakland started a scooter permit program in July 2019 and as recently as August, the City of Fremont launched a shared active transportation program. In January 2019, the City of Berkeley started a shared electric scooter pilot. For cities interested in developing regulation for dock-less systems, NACTO released Version 2 of their Guidelines for Regulating Shared Micromobility in September 2019. Topics include general terms and conditions for the agreement, permit fees, data sharing protocol, requirements on fleet size, relocation frequency, maintenance, parking and distribution throughout a city.

Conclusion and Next Steps

The information in this memo provides an overview of the current understanding of the use and effects of shared mobility on travelers and cities, which will naturally be in flux as the systems mature and companies continue to iterate with local governments. Given this on-going uncertainty, staff will continue to monitor the latest research and incorporate best practices into our planning initiatives and capital projects scoping. The 2020 CTP will include strategies for taking advantage of the new mobility provided by these services while ensuring they advance broader public benefits.

Fiscal Impact: There is no fiscal impact associated with the requested action.

Attachments:

A. Overview of Fees and Taxes for TNCs in U.S. Cities
B. Overview of California Senate Bill 1376 (Hill): TNC Access for All Act

Attachment A – Overview of Fees and Taxes for TNCs in U.S. Cities

This attachment provides a list of cities across the country that have passed bills or imposed fees on TNCs over the past five years. The relevant ordinances are hyper-linked in the city names.

Chicago, IL

In 2015, the City of Chicago became the first jurisdiction to collect a per-ride surcharge and establish an ordinance (Title 9, Section 115) to license and regulate the TNC industry. Most of the $0.72 per-ride fee goes into the city's general fund, $0.15 is used to fund transit (including the Chicago Transit Authority), and $0.10 goes to the city's Accessibility Fund that incentivizes conversion of taxis and TNC vehicles to serve customers using wheelchairs. [10]

Portland, OR

The City of Portland, Oregon, requires Taxi and TNC companies to collect a $0.50 surcharge per pickup charge on TNCs and Taxis. Revenue is used to fund the following programs/services:

- Program expenses, including administration and enforcement
- Accessible service needs (subsidies / incentives: is the centralized dispatch for WAV taxi only)
- Driver education

Additionally, Portland City Council authorized the Portland Bureau of Transportation (PBOT) to create an Accessible Services Fund in 2016 from rider and permit fees.

New York, NY

Ride-hailing services and taxis are charged per ride if they drive in Manhattan. Surcharges include $2.75 per ride for Uber and Lyft, $2.50 per trip for a medallion taxicab and $0.75 per pool trip. Surcharges are required to be charged to passengers. The new fees aim to mitigate congestion and help fund subway repair and improvements, providing an expected $400 million per year going forward for the MTA.

New Orleans, LA

New Orleans City Council adopted Ordinance Calendar No. 30,617 which facilitates collection of an annual permit fee from TNC companies (not the driver) of $15,000, as well as $0.50 cents per trip originating in Orleans Parish to be paid each quarter.

San Francisco, CA

On November 5, 2019, residents of the City of San Francisco will vote on Measure D: Traffic Congestion Mitigation Tax. Based on state legislation sponsored by Assemblyman Phil Ting, D- San Francisco (AB1184), the congestion tax will apply a 3.25 percent tax on net rider fares for individual trips associated with travel within City of San Francisco and a 1.5 percent tax on

[10] City of Chicago TNP License Fact Sheet 2018

shared trips with origins in San Francisco. If approved by voters, the tax would take effect in January 2020.

Seattle, WA

The City of Seattle passed ordinance 124524 in 2014 that imposed a fee of $0.10 per ride for all trips originating in Seattle, revenue for which goes to the Department of Finance and Administrative Services. This ordinance was amended in 2016 (Director's Rule CPU-10-2016) increasing the fee to $0.12 per trip. Today, TNCs must also collect a $0.10 per trip surcharge for the Wheelchair Accessible Services Fund (Director's Rule CPU-11-2016). Seattle is considering raising this fee to $0.75 to help pay for transit.

Attachment B – Overview of California Senate Bill 1376 (Hill): TNC Access for All Act

In order to increase accessibility of TNCs for people with disabilities, the California State Legislature passed Senate Bill 1376 (Hill): Disability Access to Transportation Network Companies, also known as the TNC Access for All Act, in September 2018. The CPUC is required to implement SB 1376 as part of its regulatory authority of TNCs.

This legislation went into effect on January 1, 2019, and requires TNCs such as Uber and Lyft to provide services that are accessible to persons with disabilities through their online-enabled applications, with a primary focus on users that require a wheelchair accessible vehicle (WAV).

SB 1376 requires CPUC to implement the following regulations[11]:

- Conduct public workshops with stakeholders throughout the state to gather input on key components of the program
- Impose per-trip "Access Fund" fee (at a minimum $0.05 for each trip completed) on "TNC trips" that originate in "geographic areas" selected by CPUC to facilitate on-demand WAV service beginning July 1, 2019
- Requires TNCs and "access providers" to demonstrate presence/availability of WAVs and improved response times as a result of fee money expenditures and report data on trips requested/fulfilled, response times, etc.
- Establish geographic areas based on the demand for WAVs within the area (as identified during required workshops) to be funded by the funds collected in the Access Fund.
- Establish TNC Investment Offsets.
    - Allows for TNCs to offset the Access Fund payments by demonstrating "the presence and availability of WAVs on its online-enabled application or platform improved level of service, including reasonable response times, due to those investments for WAV service compared to the previous quarter, efforts undertaken to publicize and promote available WAV services to disability communities, and a full accounting of funds."
- Establish Exemptions.
    - Allows TNCs to be exempt from paying the fee in a geographic area if, after the Commission adopts a "designated level of WAV service that is required to be met," the TNC meets the set standard.
- Distribute Access Funds
    - Establishes a process access providers to submit applications to receive funds from the Access Fund any time after April 1, 2020.
- Develop Reporting Requirements
- Establish Intervenor Compensation
- Address Additional TNC Accessibility Issues
- Report to the Legislature by January 1, 2024 on the implementation of the program.

[11] Assigned Commissioner's Scoping Memo and Ruling, California Public Utilities Commission Proceeding: R1902012

Current Status

Since the bill went into effect, CPUC has been conducting workshops with key stakeholders. These include disability advocates, transit agencies, the paratransit coordinating council, as well as with Uber and Lyft.

As of May 25, 2019 the following SB 1376 policies have been decided upon and implemented:

- A "TNC Access for All Fund" (Access Fund)
    - TNCs must charge customers a per-trip "Access for All Fee" of $0.10 per-trip for TNC trips that originate in a designated geographic area. This fee started in July 2019.
- Designated Geographic Area(s).
    - The CPUC Commission decided that each county in California will be a designated geographic area.

Currently, PUC is currently conducting public workshops to solicit stakeholder input on the following policies related to the implementation of SB 1376 through the first quarter of 2020:

- Establish TNC Investment Offsets
- Establish Exemptions
- Distribute Access Funds