



PROPOSED NEW MUNICIPAL FEES

In accordance with Arizona Revised Statutes (A.R.S.) 9-499.15, this report provides that the City of Phoenix may propose new fees associated with the downtown shared electric scooter pilot program and explains the basis for those fees.

Background

Throughout the United States and in the Phoenix region, micro-mobility sharing programs such as shared electric scooters and bicycles have seen growth in demand. Shared electric scooters are a shared micro-mobility service that is made available to the public via private vendors. These scooters are stored and used within the public right-of-way on a short-term basis. Users of the proposed shared electric scooter service typically use a smartphone app to locate and pay for them.

A draft ordinance and permit detailing the specific components of a downtown shared electric scooter pilot program is being developed and will be available for public review and comment in February 2019.

The Phoenix City Council is scheduled to consider the final ordinance and related fees at its meeting on March 20, 2019.

Proposed Fees

Staff will be recommending to the City Council a 12-month downtown shared electric scooter pilot program to monitor operator compliance and market demand to better refine permit requirements. The proposed program will require a permit to operate a shared electric scooter system in the public right of way, identify associated rates and fees and establish parking regulations for scooters in public right of way. The permit will also include requirements that address safety, parking, operations and data sharing. Permits will include standard terms and conditions such as indemnification, insurance and performance bond requirements.

After public and stakeholder input has been considered, a final version of the ordinance and proposed permit will be presented to the City Council in March 2019.

The fee structure is intended to cover the administration costs of the program, including hiring one employee to oversee the program. Until the program is fully defined and ordinance language is finalized, the precise fee necessary to recover the costs of implementing that

ordinance will not be known. Therefore, staff has prepared preliminary estimates of the potential fees based on the framework presented to Council.

The proposed rates and fees are intended to recover 100 percent of the costs of administering the program, will be evaluated as part of the pilot, and are shown below:

Type	Fee Will Not Exceed
Shared Electric Scooter Permit Application Fee	\$500
Shared Electric Scooter Permit Fee	\$5,000 per six-month term
Surcharge Fee	\$0.10 per ride
Relocation Parking Fee	\$80 per scooter