



Law and Legislation Committee Report

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Sacramento, CA 95814

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Discussion Item 04

Title: Parking Permit Fees for Car Share and Curbside Electric Vehicle Charging

Location: Citywide

Recommendation: Receive and provide staff direction on establishing parking permit fees for car share and curbside electric vehicle (EV) charging.

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Presenter: Matt Eierman, Parking Services Manager, (916) 808-5849; Jennifer Venema, Sustainability Manager, (916) 808-1859; Department of Public Works

Attachments:

1-Description/Analysis

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Issue Detail: Sacramento is preparing for an accelerated expansion of car share and electric vehicle (EV) mobility initiatives. The City's EV Strategy calls for expediting updates to the City's permitting framework to facilitate new types of EV and car share programs in the public right-of-way. These programs would provide parking privileges for car share vehicles or "curbside" EV charging in the right-of-way, either in the form of a parking permit or dedicated space. Parking permit fees and time zone exemptions for car share and dedicated EV charging spaces are key components of these programs.

Staff has evaluated issues and conducted extensive engagement with car share and EV charging network vendors. Based on this engagement, staff is working to develop necessary processes to facilitate these programs throughout Summer and Fall 2018. As an early step, staff is seeking direction on parking permit fees. Proposed options are shown in **Tables 2 - 3** of the Background section of this report. Based on direction from the Law and Legislation Committee, staff will return with a recommended parking permit structure for car share vehicles and dedicated EV charging spaces, for Committee consideration. Following City Council adoption of parking permit fees for car share and dedicated EV charging spaces, staff will bring other related authorizations for City Council action in Summer and Fall 2018.

Policy Considerations: Advancing new parking permits for car share and dedicated on-street EV charging spaces is consistent with City policies for electrification and transportation. General Plan Section M1 calls for the use of emerging transportation technologies and services to increase transportation system efficiency (Goal M1.5). Policies also call for the City to aid in achieving a more balanced transportation system and reducing air pollution and greenhouse gas emissions (Policy M1.2.1), and to cooperate with public-private transportation partnerships (such as car sharing companies) to establish programs within the City that support the goals and policies of the General Plan (Policy M1.5.3).

On December 12, 2017, City Council adopted the EV Strategy. The Strategy establishes goals for increasing EV adoption and EV car share programs. This includes a target for 75,000 zero-emission vehicles (ZEVs) by 2025, equal increasing household ownership of EVs from 2% to 35%. Establishing parking permit fees to incentivize curbside EV charging and electric car share supports Strategy implementation.

Relevant actions in the EV Strategy include the following:

- Enable the testing of new car share models with Electrify America, expedite ordinance updates necessary to enable new car share models, and support program launch prior to updates to the citywide car share framework. (Action 3.1.5)
- Allow for the testing of new ZEV car share models and on-demand shuttle services on a pilot basis. (Action 6.3.8)
- Review the City's ordinances to develop guidance for car share programs that incentivize ZEV deployments and prioritize providers that offer service in disadvantaged and low-income communities. (Action 8.1.3)

Economic Impacts: Not applicable.

Environmental Considerations: The recommendation in this report consists of an administrative activity such as general policy making and is not a project under the California Environmental Quality Act (CEQA), Guidelines Section 15378(b)(2).

Sustainability: EV technologies and programs implement adopted City Council sustainability policies. The City's 2012 Climate Action Plan includes EV strategies to help achieve community-wide greenhouse gas emissions targets. The transportation sector accounts for 48% of community-wide greenhouse gas emissions, the largest single sector in the community. Electrification of the transportation sector leads to reductions in petroleum use, both reducing greenhouse gas emissions and improving local air quality.

Commission/Committee Action: None

Rationale for Recommendation: To facilitate new types of car share and EV programs, updates to the City's frameworks are necessary. Programs will affect metered and non-metered parking spaces, requiring City Council actions to develop new parking permit fees for car share and dedicated EV charging spaces, and establish other authorizations for staff. First, staff desires to confirm early policy direction to develop a recommended parking car share and EV charging space parking permit fee structure.

Staff is requesting the Law and Legislation Committee to provide direction to staff, based on a review of the proposed parking permit fee options. Staff requests the Law and Legislation Committee to: 1) identify a preferred option for parking permit fees, or 2) provide other direction. Based on this guidance, staff will return to the Law and Legislation Committee with a recommendation.

Establishing appropriate parking permit fees for car share and dedicated EV charging spaces is a critical issue. The City is responsible for managing the right-of-way for safety and access. Providing parking permits to vendors allows for recovery of costs, and also places a premium

on access to the right-of-way. Car share and EV network operators can be operated by for-profit or non-profit businesses. While these businesses provide services to residents and businesses in Sacramento, establishing a permit fee structure ensures that only viable operations and services may operate with parking privileges in the right-of-way.

Financial Considerations: Establishing parking permit fees for car share and curbside EV charging spaces will affect future City revenues. Staff is seeking initial input before developing a recommended approach. Car share programs and curbside EV charging operate under different models, posing varying considerations for permit fees. New fees should reflect the different impacts on current parking meter revenues and parking supply. Additionally, permit fees can also incentivize services that use or support zero-emission vehicle (ZEV) technologies.

Additional financial considerations for a preferred approach will be discussed as part of a future item, based on direction from the Law and Legislation Committee.

Local Business Enterprise (LBE): Not applicable.

Background:

Proposed Parking Permit Fees for Car Share and Dedicated Curbside EV Parking Spaces

During staff's research and engagement with stakeholders, the primary issue identified is the need to balance parking revenue and supply with policy goals for shared mobility and EVs. Related considerations include the following:

- Permit fees should be sufficient to offset program administration, staff time, and existing revenue projections, but also shouldn't pose insurmountable barriers to entry for innovative programs that support adopted mobility goals.
- Permits are a mechanism the City can use to incentivize desired types of mobility activities but shouldn't prohibit viable services in the Sacramento market.
- Compared to established car share markets in the Bay Area and other metropolitan areas, Sacramento lacks the relative market density to attract a wide range of service providers, potentially disincentivizing providers from operating in Sacramento.
- Car share and curbside EV charging are intended to provide beneficial services for those who live and work in Sacramento. Car share can fill transportation gaps, providing a mobility option when transit or other modes are not viable. Car share also provides an option for residents to maintain personal mobility without owning a personal vehicle. For example, studies have found that each car share vehicle can remove as many as 11 personal cars from our streets.

The proposed parking permit fees for car share and dedicated EV parking spaces are designed to accommodate special parking privileges for three different program models. Each model is summarized in **Table 1**.

TABLE 1: CAR SHARE AND EV PARKING MODELS

Program Model	Description
Dedicated Car Share Space	Exclusive use of an on-street space by a qualified car share operator, available for use by car share members using the car share fleet
Dedicated Public-Use EV Charging Space	Designation of a space for active EV charging on-street, for use by any EV (public use)
Car Share Vehicle Permit	Permit for a car share vehicle to park in any legal on-street parking space, for “free-floating” car share programs that do not require a dedicated parking space

The following are conceptual permit fee options for Law and Legislation Committee direction. These options address parking permit fees for both dedicated parking spaces and free-floating models. Parking permit fees will also address both metered spaces and other on-street time zones. Permit fees for time zone spaces would be a new revenue source for the City. Proposed fee options take into consideration the goal of car share and EV programs by offering lower pricing options for zero-emission vehicle (ZEV) and EV charging space permits to incentivize program usage.

The Base Flat Permit Fee for dedicated parking spaces is calculated as follows:

- Metered spaces: the average gross revenue per meter during the last fiscal year
- Time-zone spaces: estimated cost recovery for program administration and staff time

Table 2 presents the Base Flat Permit Fee and discount options for dedicated spaces that support ZEV car share or public-use EV charging.

TABLE 2: DEDICATED PARKING SPACE – PROPOSED FEE OPTIONS

Flat Permit Fee	Base Fee		25% Discount		50% Discount	
	Metered	Time Zone	Metered	Time Zone	Metered	Time Zone
Dedicated Car Share Space – Gas Vehicle	\$1,864	\$720				
Dedicated Car Share Space – ZEV			\$1,398	\$540		
Dedicated Public-Use EV Charging Space					\$932	\$360

Free-floating car share permits would require initial deposits, with actual use evaluated through a “true-up” process. Vehicles will not be assigned a dedicated space, but the car share vehicle permit will allow for parking at metered and time-zone spaces. Car share vehicles will pay for actual meter costs. Costs for time zone spaces will be pro-rated based on use, with the time zone deposit functioning as a cap. Proposed options for free-floating car share vehicle permits are identified in **Table 3**, including discounts for ZEVs.

TABLE 3: FREE-FLOATING CAR SHARE VEHICLE PERMITS – PROPOSED FEE OPTIONS

Vehicle Type	Permit Deposits	Max Permit Fee
	Metered*	Time Zone**
Car Share Vehicle – Gas	\$1,864	\$540
Car Share Vehicle – ZEV	\$1,864	\$360

*Annual permit cost = Actual use – deposit

**Annual permit cost = Permit deposit prorated based on actual use

Pending guidance on parking permit fees, staff will also finalize drafts of a Curbside Charging Guidance Policy and a Car Share Framework. These documents would establish eligibility criteria for car share and EV parking space permit fees for these programs, including terms and conditions. Staff will present related authorizations for car share and curbside charging to City Council in Summer and Fall 2018. A summary of key milestones and anticipated timing follows:

- June 2018: Staff presentation of recommended parking fees for car share and dedicated curbside EV charging spaces, public release of Curbside Charging Guidance Policy and Car Share Framework
- July - August 2018: City Council actions on parking permit fees for car share and curbside EV charging spaces
- September 2018: City Council action on Car Share Framework and Parking Manager authorities for implementation, release of final Curbside Charging Guidance Policy
- October 2018: Begin acceptance of car share and curbside charging applications

Permit fees will address both existing and future operations. Zipcar currently operates car share at ten sites in the right-of-way. The City is also preparing for significant investment in car share by Electrify America. Electrify America is launching an EV car share program in Sacramento, with program launch anticipated in late 2018 or early 2019.

Dedicated Car Share Space – “Round-trip” Car Share

Zipcar is currently the only car share operator with parking privileges in the right-of-way. Zipcar’s original access to the right-of-way was authorized by City Council Resolution 2011-0183, which authorized the City Manager to execute an agreement with Zipcar for a car share pilot program in Sacramento. Zipcar operates under a “round-trip” car share model, meaning that users of the vehicles begin and end reservations at the same location, a dedicated Zipcar space. The City agreed to dedicate up to 25 on-street parking spaces for exclusive use by Zipcar car share vehicles at no charge to Zipcar. Parking locations were deemed “highly visible” and mutually agreed to by the City and Zipcar. The pilot program agreement has expired, but the City has allowed Zipcar’s use of the spaces to continue. There are currently 19 Zipcar car share vehicles operating in the public right-of-way in 10 locations in the Sacramento. Zipcar has been utilizing these spaces at no charge. **Table 4** summarizes the estimated the value of spaces that Zipcar has been using for operations since 2011.

TABLE 4: SUMMARY OF AVERAGE METER REVENUE AT ZIPCAR LOCATIONS IN SACRAMENTO*

Type of Revenue	Annual	Monthly
Average revenue per meter for all blockfaces	\$3,215	\$268
Lowest average revenue per meter	\$1,864	\$155
Highest average revenue per meter	\$5,362	\$447

**Based on average revenue of other meters on the blockface*

Community utilization of the pilot program reflected Zipcar’s effectiveness with supporting mobility needs in Sacramento. According to the 2017 year in review provided by Zipcar, members in Sacramento made over 11,000 reservations in 2017. The average distance traveled per reservation was over 50 miles.

According to the company’s 2017 transportation survey, more than 39 percent of Sacramento members that responded to the survey joined to avoid the high costs of car ownership, and 45 percent of respondents have postponed buying or leasing a vehicle as a result of their Zipcar membership. Furthermore, over 62 percent of Sacramento respondents say they are more satisfied with the transportation system overall as a result of their Zipcar membership. If Zipcar was to exit the market, members reported they would probably acquire additional personal

vehicles. Nearly 44 percent of survey respondents indicated that they would buy a car if Zipcar disappeared.

Dedicated Public-Use EV Charging Space

For dedicated curbside charging spaces, parking permit fees may be paid in different ways. Spaces will be limited to EVs, but not limited to a select fleet or business (unless also supporting a dedicated car share space). The dedicated EV charging space will be available for public use, therefore any EV driver may park and charge their vehicle. Parking permit fees are paid by the developer of the infrastructure to provide the availability of the dedicated charger space. Depending on the service provider, users who park at the space may pay a fee to charge their vehicle. Permit fees also recover the cost of lost meter revenue caused by restricting a metered parking space to only one type of use. Additionally, developing an appropriate permit fee for non-metered spaces will assign a price for the privilege of using a dedicated space since that removes a parking space from the on-street inventory that was formerly available to non-EV drivers.

Car Share Vehicle Permit – Free-Floating Car Share

Other car share programs operate under different models. Free-floating or one-way car share does not require a dedicated space; it operates with special parking permits that allow for pick-up and drop-off within a specified home zone. These permits allow for parking beyond posted time limits. The car share operator pays meters or other permit fees to the City directly. Users pay indirectly through membership rates. The ability to park anywhere within a home zone is typically viewed as an incentive that can attract ridership.