The Austin Transportation Department (ATD) provided you with information on April 6 about the entrance of dockless scooters in Austin. This memo is to update you on the recommended approach going forward to manage and partner with these new industries.

Dockless or station-less mobility services are emerging transportation options that may sometimes be disruptive, particularly as they relate to operations within the public right of way. The e-scooters and bikes lock electronically and can be left anywhere, including sidewalks and bike facilities.

The Austin City Council authorized the creation of a pilot dockless mobility program through Austin City Council Resolution No. 20180201-059. Our intention following approval of that resolution was to initiate a public process and bring all stakeholders, including the companies, to the table to craft a pilot. One company launched in Austin April 5, disrupting the process and anticipated timeline; the company is operating outside City parameters and their actions have increased pressures from other companies wishing to do the same. On the morning of Monday April 16, 2018, another prospective operator informed the City of Austin it, too, would begin operations immediately. Austin dockless mobility community has expressed a strong desire to level the playing field for all operators of these emerging last mile and short trip mobility services.
This approach on behalf of dockless mobility companies is playing out in cities across the U.S. and abroad. Many U.S. cities are being faced with upwards of 20,000 vehicles appearing on their streets and sidewalks. Further, the cities, including Austin, are spending resources to enforce and impound the dozens of devices currently left on public property for safety violations. Cities such as Dallas, San Francisco, Santa Monica, and others, are passing expedited city ordinances to clearly articulate vending, storage and operating rules in the right of way.

We have impounded devices obstructing safe passage on our sidewalks, but there are currently limits to what the City can enforce in our right of way. The City Code is outdated and does not specifically cite dockless mobility options in section 14-9 of City code pertaining to right of way use. That means dockless mobility services are not restricted, per se, from using city property to store and sell their private services to the public (unless they are blatantly obstructing the right of way).

In order to forestall a predictable and unmanageable swamping of our streets with thousands of vehicles, ATD recommends a more nimble response than our previously expressed pilot timeframe. An expedited plan, based on a solid foundation of research from peer cities, would include updating City Code 14-9 to specify leasing or renting new devices and services, facilitating and strengthening enforcement actions, and moving directly to a permit process, with fees already authorized by Council that recapture costs for program management, education, inspection and bike/E-scooter parking.

We recommend a six month term for dockless mobility permits, starting May 1, with provisions for:

- A $30 permit for each device, for management, education, bike parking, inspection (Council previously authorized)
- An initial maximum of 500 vehicle/devices limit per operator license
- A bonus for more dockless devices outside the city core, in underserved markets
- A numbered permit for each device, which can help identify chain of custody
- Operators to maintain safety equipment, carry insurance, and performance bonds
- Directing/educating customers to bike/e-scooter stations for orderly staging
- Operator requirements to reposition equipment as needed or requested
- Required aggregated travel data, incident and injury reports from companies

The City would work cooperatively with operators to locate appropriate bike/scooter parking areas and help educate the community on the new services and proper storage of vehicles in the public right of way.
Similar to other City of Austin permits, Council could modify requirements annually during the budget process or more frequently by special action. Permits would then be offered on an ongoing six month cycle.

This approach will encourage the private operators to act responsibly in Austin, work with the City and communities regarding education, safe operations, and bike/scooter parking. This approach would also provide for safety operations (make-safe/impound when necessary), inspections, management, and data collection to inform Mayor and Council of the knowledge gained during each 6-month term. The staff-recommended code changes would also provide means to enforce against companies, suppliers, and/or vendors who are operating outside of the permit, inappropriately, unsafely, and/or not in the best interest of the public.

The conversations between the City, the companies and the community is ongoing and the City’s main focus is ensuring compliance with state and local laws while respecting innovation and the need for mobility options expressed by Austin residents. Learning from this initial six month permit period will inform the City whether changes or adjustments need to be made in subsequent permitting cycles.

Austin Transportation will present the issue and permit criteria to the City Council Mobility Committee on April 17 and seek City Council approval for emergency passage of right of way ordinance updates on April 26.

If you have any questions, please do not hesitate to contact Jason JonMichael, ATD Assistant Director, at Jason.JonMichael@austintexas.gov.