



**TO:** Chair Thibodeau and Members of the Sustainability and Transportation Committee

**FROM:** Bruce Hyman, Transportation Program Manager

**DATE:** March 16, 2018

**SUBJECT:** Draft Bike Share Ordinance

**CC:** Jon Jennings, City Manager  
Jeff Levine, Planning and Urban Development Director  
Jennifer Thompson, Associate Corporation Counsel  
Troy Moon, Sustainability Coordinator

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**Introduction:**

The City of Portland has been looking at the possibility of a bike share system since at least 2012. In 2013, the City received technical assistance from the Environmental Protection Agency and completed a feasibility study that outlined some opportunities and challenges. A non-profit called Portland Bikeshare was created, based on the recommendations of that study, but lacked funding to launch a service. In the past year, the City has received inquiries from several potential bike share operators of various types, including for-profit and non-profit operators during the last several years. These providers may work in conjunction with Portland Bikeshare if feasible.

However, there are no current ordinance provisions defining or governing bike share systems or enabling their regulation. Based on experiences in other cities, there are significant opportunities in bike share in mid-sized cities. However, without a set of rules to govern operations, there is a risk for public safety hazards and costs for City staff. The draft ordinance being presented to the Sustainability and Transportation Committee is intended to fill that void in the city ordinance and delegate the development of bike share regulations to the City Manager.

**Draft Ordinance:**

The draft ordinance is based on a review of ordinances and other materials from other municipalities and bike share operators and organizations from around the country.

Section 25-27(8) of the draft ordinance proposes a Street Occupancy Permit fee structure governing both Station-less and Station-based/Hybrid Bike Share Systems. It attempts to be neutral in terms of the overall amount of the fee to be paid between the two types of systems of similar size. Station-less system permit fees are proposed to be solely based on the number of bicycles deployed while the Station-based/Hybrid system (using docks) permit fees are based on combination of the number of bikes and the number of docks deployed.

**Section 25-31 of the draft ordinance in its elements:**

- defines Bike Sharing Systems
- proposes delegating the authority to develop regulations of the systems to the City Manager including setting insurance and bonding requirements, specifying where parking of bicycles as part of a system is allowed and not allowed and other provisions in sub-section (c) “to ensure the safe and effective operation of such a system”
- allows the City Manager to set a cap on the number of systems operating within the city
- establishes that operating a system without a permit is a violation of city ordinance.

**Potential Regulatory Framework:**

A similar review of bike share system regulations from other municipalities and guidance from the bike share industry/organizations has many common elements. These elements include:

- **Safety/Equipment** – what minimum national safety standards with which the bicycles need to conform including front and rear lights
- **Parking** – where parking of station-less and station-based system bicycles are allowed focusing on maintaining adequate sidewalk clearance for bicycles parked there, how users will be educated on proper parking and enforcement mechanisms
- **Fleet Size and Service Area** – minimum and maximum fleet size and where the system is allowed to operate within the city
- **Signage/Advertising/Contact Information** – requirements for company contact information on each bicycle and limitations on advertising
- **Maintenance/Operations** – sets requirements for local responsiveness for customer service requests/complaints, removal of bicycles that are improperly located/parked and maintenance of bicycles.
- **Insurance/Bonding/Indemnity** – establishes insurance and bonding minimum requirements and requires the operator indemnify the city and employees
- **Data Sharing/Reporting** – sets requirements for the type and frequency of data sharing and surveying/reporting from each operator. (Adapted from NABSA ‘Dockless Bikeshare Regulation Preliminary Guidance, Version 1’, January 2018)

The development of the regulations by the City Manager would follow soon after the adoption of the Bike Share ordinance by the City Council. The hope is that, should there be support for the concept, timing may allow for a pilot program this summer.

**Sec. 25-27. Fees and fines.**

- (a) The following fees are hereby established for the issuance of a revocable street and sidewalk occupancy permit:
- (1) Objects other than portable signs, including but not limited to tables, chairs, barricades and bollards, eighty-eight dollars (\$88.00) for one (1) fiscal year or any portion thereof;
  - (2) Portable signs, twenty-five dollars (\$25.00) plus twenty cents (\$0.20) per square foot of signage. Square footage is calculated pursuant to section 14-369(b) of the land use ordinance. Permits remain valid until there is a change:
    - a. In the sign dimensions; or
    - b. In the use, lessee or ownership of the business causing a change in the business name, design or dimensions.
  - (3) Vehicles, equipment, or construction materials, fifteen dollars (\$15.00) per day or any portion thereof;
  - (4) Use of city property (including but not limited to festivals, events, promotions, demonstrations, parades, marches, road races, walkathons, fundraisers, press conferences, rallies, protests, sampling, poll taking, banners and public displays), fee as provided by annual order of the city council;
  - (5) Use of streets, ways or public places by street goods vendors as defined in Section 19-16 for purposes of vending, thirty-six dollars (\$36.00) per day or any portion thereof;
  - (6) Permit to Portland's Downtown District or similar organization/business to hold events on not less than twenty-four (24) hours' notice to the city manager, within area or areas designated in permit, one hundred dollars (\$100.00) per fiscal year or any portion thereof;
  - (7) Location of dumpster on city-owned property, except as part of a street festival or other special event declared by the city council, two hundred twenty-five dollars (\$225.00) per fiscal year or any portion thereof.

(8) Operation of a bike sharing system (as defined in 25-31 below,) according to the following fee schedule:

Station-less Systems (or Hybrid systems not meeting 50% docking point threshold):

Initial Annual Permit Fee, per operator per calendar year:

|                               |   |
|-------------------------------|---|
| <u>Less than 250 bicycles</u> | <u>\$1500</u>   |
| <u>251 to 500 bicycles</u>    | <u>\$2500</u>   |
| <u>More than 500 bicycles</u> | <u>\$ 500 per every additional 250 bicycles or fraction thereof</u> |

Annual Renewal Fee (Station-less Systems), per operator per calendar year:

|                               |   |
|-------------------------------|---|
| <u>Less than 250 bicycles</u> | <u>\$1000</u>   |
| <u>251 to 500 bicycles</u>    | <u>\$2000</u>   |
| <u>More than 500 bicycles</u> | <u>\$ 250 per every additional 250 bicycles or fraction thereof</u> |

Station-based/Hybrid Systems (Station-based systems must provide at least 50% as many docking points as bikes):

Initial Annual Permit Fee, per operator per calendar year:

|                               |   |
|-------------------------------|---|
| <u>Less than 250 bicycles</u> | <u>\$ 500</u>   |
| <u>251 to 500 bicycles</u>    | <u>\$1000</u>   |
| <u>More than 500 bicycles</u> | <u>\$ 250 per every additional 250 bicycles or fraction thereof</u> |

Plus \$50 per approved docking station.

Annual Renewal Fee, per operator per calendar year:

|                               |   |
|-------------------------------|---|
| <u>Less than 250 bicycles</u> | <u>\$ 500</u>   |
| <u>251 to 500 bicycles</u>    | <u>\$1000</u>   |
| <u>More than 500 bicycles</u> | <u>\$ 250 per every additional 250 bicycles or fraction thereof</u> |

Plus \$25 per approved docking station.

Within one year following the issuance of the first permit for a bike sharing system, the fee schedule above is to be re-assessed.

Should the number of bicycles be increased during any calendar year requiring additional fees, the difference in permit fees paid to date will be payable and a revised permit application is to be filed before their deployment. A reduction in bicycles in any one calendar year will not trigger a refund of permit fees paid.

#### 25-31 Bike Sharing Systems

(a) A "bike sharing system" is defined as a system of bicycles, electric bicycles, helmets, or similar bike-share-related merchandise that is made available for rent for general public use, generally for short periods of time, and may include docks

or stations for storing bicycles when not in use.

- (b) Bike sharing systems require annual revocable street occupancy permits pursuant to this section and section 25-27(8), above.
- (c) The City Manager or her/his designee is hereby authorized to develop regulations to further delineate reasonable rules for operation of a bike sharing system, including limits on the number of bikes (including per operator), where bikes and other bike-share-related merchandise may be stored or parked on public ways, requirements for insurance, indemnity and bonding, the conduct and responsiveness of bike share operators, requirements for data sharing and reporting, restrictions on advertising and signage, and other relevant factors to ensure safe and effective operation of such a system.
- (d) The City Manager may set a cap on the number of bike sharing systems that may operate in the city at one time. If such a limit is set, the City shall determine operators through a competitive bidding process.
- (e) In addition to the street occupancy permit fees outlined in 25-27 above, in the event that any installation, reinstallation, relocation, repair or maintenance of any existing or future improvements owned by, constructed by or on behalf of the City is made costlier by virtue of a bike sharing system, the operator of that bike sharing system shall pay to the City an amount equal to such additional cost as reasonably determined by the City Manager or the City Manager's duly authorized representatives.
- (f) It shall be considered a violation of the City Code to park, leave standing, or leave unattended a bicycle that is part of a bike sharing system, as defined in Sect 25-31(a), on any sidewalk, street, or public right-of-way except as authorized under a valid street occupancy permit. Bicycles parked, left standing, or left unattended constitute a public nuisance subject to abatement and removal by duly designated authorities by the City Manager. Failure to obtain a street occupancy permit as required by this section, parking or leaving unattended a bicycle in an unauthorized location, and any other violations of this Section or the Rules and Regulations governing Bike Sharing systems shall be subject to the fines outlined in Section 1-15 of the City Code.