ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AMENDING CHAPTER 8 OF THE MUNICIPAL CODE OF REDWOOD CITY RENAMING THE CHAPTER FROM "BICYCLES" TO "MICROMOBILITY DEVICES AND OPERATIONS" AND ADDING ARTICLE IV (SHARED MICROMOBILITY SERVICES)

WHEREAS, Chapter 8 of the Municipal Code for the City of Redwood City (the "City") sets forth standards related to bicycles; and

WHEREAS, California Assembly Bill (AB) 1286 (2020) (shared mobility devices: agreements) requires a shared micromobility operator to enter into an agreement with, or obtain a permit from, the city or county with jurisdiction over the area of use; and

WHEREAS, AB 1286 requires a city or county to adopt shared micromobility operation, parking, and maintenance rules before the shared micromobility operator may offer shared micromobility devices for rent or use; and

WHEREAS, the regulated and permitted operation of shared micromobility devices, which includes bicycles and scooters, is recognized as an alternative and efficient means of personal transportation; and

WHEREAS, the authorization of shared micromobility services in the City is consistent with the City's goals of sustainability and reducing vehicle trips and traffic congestion; and

WHEREAS, it is in the City's best interest to implement regulations regarding shared micromobility services to protect and enhance the quality of life for the City's residents, visitors, employees, and for public health, safety, and general welfare.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDWOOD CITY DOES ORDAIN AS FOLLOWS:

Section 1: The recitals set forth above are true and correct, and are hereby incorporated herein by this reference as if fully set forth in their entirety.

Section 2: The Ordinance has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 et seq.). The implementation of this Ordinance is not a project under Section 15061(b)(3) because there is no possibility that administrative authorization of shared micromobility permits will have a significant effect on the environment. This Ordinance is also categorically exempt from the requirements of CEQA under Section 15301(c), Class 1, Existing Facilities because it consists of negligible or no expansion of the operation, repair, maintenance, permitting, or minor alteration of existing public streets, sidewalks, and similar facilities.

Section 3: If any section, subsection, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the ordinance. The City Council declares that it would have adopted the ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional.

Section 4: The title of Municipal Code of Redwood City Chapter 8 is hereby renamed from "Bicycles" to "Micromobility Devices and Operations."

Section 5: Article IV is added to Chapter 8 by adding the text shown in Exhibit A, which is attached hereto and incorporated herein by reference.

Section 6: The City Clerk is directed to cause this Ordinance to be published in the manner required by law.

Section 7: This Ordinance shall go into effect 30 days following its adoption.

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EXHIBIT A

[Article IV is added to the renamed Redwood City Code Chapter 8 (Micromobility Devices and Operations) to read as follows]

ARTICLE IV. SHARED MICROMOBILITY SERVICES

Section 8.20. Purpose

The purpose of this Article is to establish regulations governing shared micromobility services to promote the general health, safety, and welfare of the residents of the City by:

A. Encouraging active transportation;
B. Providing adequate multi-modal transportation options to meet the needs of residents, workers, and visitors;
C. Reducing the potential for bicycles and scooters to block or interfere with pedestrian and emergency service use; and
D. Protecting the public right-of-way from uncontrolled, unmanaged encroachment.

Section 8.21. Definitions

For the purpose of this Article, the following words and phrases shall have the meaning respectively ascribed thereto.

A. “Department” means Community Development and Transportation Department.

B. “Director” means Director of the Community Development and Transportation Department or their designee.

C. “Public property repair and maintenance fee” means a refundable fee that is collected from shared micromobility operators during the permit process to reimburse the cost of potential damage to public right-of-way.

D. “Rider” means any person who rents a shared micromobility device for a trip, any part of which is located within the City of Redwood City.

E. “Shared micromobility business” means a business owning, managing, and/or making available shared micromobility devices for a fee.

F. “Shared micromobility device” means a device, including powered or non-powered bicycles and scooters, designed specifically for shared micromobility services and deployed by a shared micromobility operator. It does not include any assistive mobility devices used by persons with disabilities.

G. “Shared micromobility fee per ride” means a non-refundable fee that each shared micromobility operator shall pay to the City per every ride on a shared micromobility device within the City.

H. “Shared micromobility fleet” or “fleet” means all shared micromobility devices operated by a shared micromobility operator.

I. “Shared micromobility fleet expansion fee” means a nonrefundable fee due at the time a shared micromobility operator submits the application.

J. “Shared micromobility fleet expansion” means an increase in the number of shared micromobility devices operated by a shared micromobility operator in the City.

K. “Shared micromobility fleet expansion permit” means a permit issued by the City to a shared micromobility operator to increase the number of shared micromobility devices to be operated in the City.

L. “Shared micromobility impoundment fee” means the hourly fee of the city employees, or city contractors, responsible for impounding the shared micromobility devices.

M. “Shared micromobility operator” means a person or an entity, including the entity’s employees, contractors, and agents that has been issued a shared micromobility permit for the operation of shared micromobility services.

N. “Shared micromobility permit” means a permit issued by the City to a shared micromobility operator to conduct business under shared micromobility services.

O. “Shared micromobility application fee” means a nonrefundable fee due at the time a shared micromobility operator submits the application.

P. “Shared micromobility permit renewal fee” means a nonrefundable fee a shared micromobility operator submits at the time an application for renewal is submitted.

Q. “Shared micromobility services” means a system in which a shared micromobility operator makes available bicycles and scooters for use to persons on a short-term basis for a fee.

R. “Shared micromobility administrative regulations" means any administrative rules, regulations and procedures promulgated by the City Manager to implement the requirements and fulfill the policies of this Article.

Section 8.22. Shared Micromobility Permit

A. It is unlawful to operate a shared micromobility business in the City without obtaining a shared micromobility permit from the City. The issuance of a shared micromobility permit will be discretionary. In addition, a shared micromobility operator is required to obtain a business license and other necessary permits separately.

B. Shared micromobility operators must comply with this Article and the shared micromobility administrative regulations established by the City Manager. The City Manager may adopt additional administrative procedures to implement the provisions of this Article, including additional permit application standards, and requirements.

Section 8.23. Application for a Shared Micromobility Permit; Issuance

A. **Application.** An application for a shared micromobility permit shall be filed with the Department on a form prescribed by the Director consistent with the shared micromobility administrative regulations.

B. **Issuance.**
   1. The City will only issue shared micromobility permits to shared micromobility businesses that demonstrate the ability to meet the needs of the City and its residents by providing service at high-demand locations, laying out an operation plan that maintains a sustainable service, and providing inclusive and adequate means of communication with the public.
   2. The City will not issue a shared micromobility permit or shared micromobility fleet expansion permit pursuant to section 8.27 until the Director has:
      a. Physically inspected the shared micromobility business's shared micromobility devices to ensure compliance with the City Code and the shared micromobility administrative regulations;
      b. Determined that the proposed staging location of shared micromobility devices within the City complies with applicable zoning regulations and other applicable laws;
      c. Determined that the shared micromobility business has paid the necessary fees; and
      d. Determined that all requirements of the shared micromobility administrative regulations have been met.
   3. Shared micromobility businesses whose applications are denied may appeal the Director's decision in accordance with section 8.32.

Section 8.24. Term of Shared Micromobility Permits; Renewal

A shared micromobility permit is valid for one year from the date it is issued, unless suspended or revoked sooner. A shared micromobility permit may be renewed pursuant to section 8.26.

Section 8.25. Shared Micromobility Fees

A. A shared micromobility operator shall be subject to the following fees:
    1. A shared micromobility application fee;
    2. A shared micromobility application renewal fee;
    3. A shared micromobility application fleet expansion fee;
    4. A shared micromobility fee per ride;
    5. A public property repair & maintenance fee; and
    6. A shared micromobility impoundment fee.

B. The amounts of the fees described in this section shall be established by resolution of the City Council.

Section 8.26. Shared Micromobility Permit Renewal

A. A renewal application shall be filed with the Department on a form prescribed by the Director consistent with the shared micromobility administrative regulations.

B. Based on the overall performance of shared micromobility services and its impact to city streets, sidewalks, paths, driveways, doorways, and other avenues of vehicular and pedestrian traffic, the Director may limit the number of permits for shared micromobility operators.

C. The application for renewal shall be accompanied by a nonrefundable shared micromobility renewal fee.

Section 8.27. Expansion of Shared Micromobility Fleet

A. No shared micromobility operator shall expand its fleet beyond the total permitted amount until such expansion has been approved by the Director.

B. An application to expand the shared micromobility operator's fleet beyond the total permitted amount shall be submitted to the Department consistent with the shared micromobility administrative regulations.

C. The application for expansion of a fleet shall be accompanied by a nonrefundable shared micromobility fleet expansion fee.

Section 8.28. Compliance with Shared Micromobility Administrative Regulations and Other Applicable Laws

A. Every shared micromobility operator shall comply with all the operation, parking, and maintenance requirements under the City's shared micromobility administrative regulations and with the California Vehicle Code and any other applicable laws and regulations.

B. It is the responsibility of a shared micromobility operator to communicate all restrictions and regulations identified in the shared micromobility administrative regulations, including those regulating the speed and parking of shared micromobility devices, to their riders through their mobile application or other customer service channels.

Section 8.29. Unauthorized Operation of Shared Micromobility Services

A. The City may impound a shared micromobility device that is displayed, offered, or made available for rent in the City by a shared micromobility business without a valid shared micromobility permit.

B. The shared micromobility business shall collect the unauthorized shared micromobility devices within 24 hours after receiving notice from the City and shall notify the City within 24 hours after collecting all unauthorized shared micromobility devices. Otherwise, the shared micromobility business shall first reimburse the City for the costs of impoundment in order to collect the unauthorized shared micromobility devices.

Section 8.30. Defective Shared Micromobility Devices

A shared micromobility operator must remove any shared micromobility device from its fleet if the battery or motor on a shared micromobility device is determined by City to be unsafe for public use. The failure by the shared micromobility operator to remove these defective shared micromobility devices may result in a fine and/or revocation or suspension of the shared micromobility permit.

Section 8.31. Shared Micromobility Permit Revocation or Suspension

A. The Director may suspend or revoke a shared micromobility permit for any of the following reasons:

1. Failure to comply with the Redwood City Municipal Code, the shared micromobility administrative regulations, federal or state law, or any other applicable laws or regulations;

2. Failure to pay any fines, penalties, fees or damages lawfully assessed upon it;
3. A determination by the City that a shared micromobility device poses a risk to public health, safety or general welfare, or conflicts with the City's use of the public right-of-way;

4. A breach of confidential data obtained from riders; or

5. For other good and sufficient cause as determined by the Director.

B. If a shared micromobility permit is revoked or suspended, the Director may require that the shared micromobility operator's fleet be removed from the City within 10 calendar days of the Director's decision. The shared micromobility operator must pay all costs associated with removal and storage of the shared micromobility devices, in addition to any applicable fines, fees, or other applicable penalties. If there is any damage to the public right-of-way, the cost to repair the damage will be deducted from the shared micromobility operator's public property and maintenance fee.

C. If the Director determines that grounds for shared micromobility permit revocation or suspension exist, the Director shall furnish written notice of the proposed permit revocation or suspension. The notice shall be mailed, postage prepaid, addressed to the last known address of the shared micromobility operator and shall set forth the ground or grounds upon which the proposed revocation or suspension is based, the pertinent regulations, and a brief statement of the factual matters in support of the revocation or suspension. The shared micromobility operator may file an appeal within ten (10) calendar days of the date the decision was mailed and request a hearing. If the decision is appealed, the notice of hearing shall be sent by first-class mail to the applicant within ten (10) calendar days of filing a timely notice of appeal. At the hearing, all parties involved shall have a right to offer testimonial, documentary, and tangible evidence bearing on the issues.

D. The Director shall render a written decision within ten (10) calendar days following the hearing date.

E. The operator may appeal the decision of the Director in accordance with the procedures set forth in section 8.32.

Section 8.32. Appeals

A shared micromobility business or operator who wishes to appeal the decision of the Director regarding an action to deny, revoke or suspend a permit, may do so pursuant to the following procedures:

A. An appeal may be made by filing a written request for appeal with the City Clerk's office within ten (10) calendar days of the date the decision was mailed. If no appeal is filed within this time period, then the decision of the Director shall become final and the shared micromobility operator shall be deemed to have waived all rights to appeal or another review. All requests for appeal shall include a statement of the basis for the appeal and the errors alleged to have occurred.

B. The City Manager shall schedule a hearing on the appeal within ten (10) calendar days of filing a timely appeal. The notice of hearing shall be sent by first-class mail to the applicant within ten (10) calendar days of filing a timely notice of appeal.

C. The City Manager shall review the written record and allow testimony to be given. After all verbal testimony has been reviewed, the City Manager shall render a written decision within ten (10) calendar days following the hearing date. The action of the City Manager shall be final and conclusive, subject only to applicable judicial review.