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915 I Street, 1st Floor, Sacramento
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(916) 808-5163

SUPPLEMENTAL MATERIAL

For the Meeting of: July 31, 2018

Description of Change: Recommended action must be approved to meet August 8, 2018 deadline for ordering electric vehicles as part of the Electrify America Program.

22. Car Share and Curbside Electric Vehicle (EV) Charging Parking Permits

File ID: 2018-01062

Location: Citywide

Recommendation: Pass a Resolution: 1) establishing parking permit fees for car share and curbside electric vehicle (EV) charging; and 2) approving an addition to the Fee and Charge Report for Car Share and Electric Vehicle parking permits.

Contact: Jennifer Venema, Sustainability Manager, (916) 808-1859; Matt Eierman, Parking Services Manager, (916) 808-5849; Erika Galang, Program Specialist, (916) 808-8572, Department of Public Works



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2018-01062

July 31, 2018

Consent Item 22

Title: Car Share and Curbside Electric Vehicle (EV) Charging Parking Permits

Location: Citywide

Recommendation: Pass a Resolution: 1) establishing parking permit fees for car share and curbside electric vehicle (EV) charging; and 2) approving an addition to the Fee and Charge Report for Car Share and Electric Vehicle parking permits.

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

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: Sacramento is preparing to support key investments in innovative car share and electric vehicle (EV) mobility initiatives. These are the next steps to implement the City's EV Strategy direction to update the City's permitting framework to facilitate new types of EV and car share programs in the public right-of-way. These programs will support parking availability for car share vehicles and allow for "curbside" EV charging in the right-of-way. Depending on the type of program, vendors will either have a parking permit allowing for parking in a dedicated space or within a specified geographic area. Staff has worked with industry partners to establish the proposed parking permit fees and time zone exemptions for car share vehicles and dedicated EV charging spaces in order to implement these programs.

Staff evaluated issues, conducted extensive engagement with car share and EV charging network vendors and engaged in discussion with the Law & Legislation Committee on May 22, 2018, to develop necessary processes to facilitate these programs by Summer 2018.

To support the deployment of these programs, staff is seeking approval to establish parking permit fees for car share and electric vehicles charging spaces. Proposed permit fees are shown in **Tables 2 - 3** of the Background section of this report. Following City Council approval of parking permit fees for car share vehicles and electric vehicle charging spaces, staff will bring other related authorizations for City Council action in Summer or Fall 2018.

Policy Considerations: Advancing new parking permits for car share and 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 (Motion 2017-0374). 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 to increasing household ownership of EVs from 2% to 35%. Establishing parking permit fees to incentivize curbside EV charging and electric car share supports the EV 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: 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: On May 22, 2018, the Law and Legislation Committee considered staff's proposal and recommended that staff proceed with the options presented in this report.

Rationale for Recommendation: To facilitate new types of car share and EV charging space parking permit fees for metered and non-metered parking spaces, City Council approval is required.

Establishing appropriate parking car share and EV charging space parking permit fees 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 charging space 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 in the right-of-way.

The proposal creates a transparent fee structure that aligns with City Council goals, providing discounts for zero-emission vehicles (ZEVs). The fee structure would also charge permittees based on actual parking time (for free-floating vehicles) or the type of parking space. This approach allows for cost recovery while minimizing costs to permittees. If fees are unduly high, viable service operators could be priced out of the market or pass on higher costs to users, creating barriers to program utilization.

Financial Considerations: Proposed parking permit fees for car share and curbside EV charging spaces were developed to avoid negatively affecting City parking revenues, ensuring efficient use of the City's infrastructure, while not posing an undue burden on these emerging programs. Car share programs and curbside EV charging spaces operate under different models, posing varying considerations for permit fees and should reflect the different impacts on current parking meter revenues and parking supply. Additionally, permit fees can also incentivize services that use or support ZEV technologies.

The recommendation balances discounts to car share and dedicated public-use EV charging spaces in metered spaces with new revenue that will be created through new permits collected for time-zone (non-metered) spaces. Staff anticipates that the new revenue generated for time-zone spaces will offset City staff time and meter discounts, ensuring that the program is cost-neutral to City operations. City staff will monitor this program to evaluate and revisit permit fee structures over time.

Local Business Enterprise (LBE): Not applicable.

Background:

Proposed Parking Permit Fees for Car Share and Dedicated Curbside EV Charging 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 spaces 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 car share vehicle and EV charging space parking permit fees 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 PROGRAM 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) |
| Free-floating 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 |

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 (non-metered spaces). Proposed fee options take into consideration the goal of car share and EV charging space programs by offering lower pricing options for zero-emission vehicle (ZEV) and EV charging space parking permits to incentivize program usage.

For purposes of these permits, ZEV technologies are vehicles that emit no exhaust from vehicle sources of power, such as full battery-electric vehicles and fuel-cell electric vehicles. EV technologies are a type of ZEV, including any vehicle that operates, either exclusively or partially, on electrical energy from an off-board source that is stored on-board for motive purpose.

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 (non-metered spaces): estimated cost recovery for program administration and staff time

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

TABLE 2: DEDICATED PARKING SPACE – PROPOSED PARKING PERMIT FEES

| Flat Permit | Base Flat 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 will require initial deposits, with actual use evaluated through a “true-up” process. Vehicles will not be assigned a dedicated space, but the car share 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 permits are identified in **Table 3**, including discounts for ZEVs.

TABLE 3: FREE-FLOATING CAR SHARE– PROPOSED PARKING PERMIT FEES

| 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 fee = Actual use – deposit. If actual use is less than or exceeds deposit, the annual permit fee shall equal the cost of actual use.*

***Annual permit fee = Actual use – deposit. Annual fee not to exceed deposit if actual use exceeds deposit.*

Pending approval of 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 vehicle and EV charging space parking 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 anticipated timing follows, pending approval of parking permit fees for these programs:

- August 2018: City Council action on Car Share Framework and Parking Manager authorities for implementation,
- September 2018: City Council action on Curbside Charging Guidance Policy, and begin acceptance of car share and curbside charging applications

Permit fees will address both existing and future operations seeking parking privileges. 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 new EV car share programs in Sacramento with Envoy and GIG Car Share. GIG Car Share, in partnership with Electrify America, will operate a free-floating car share program anticipated to launch by early 2019. This free-floating car share program will initially launch with 260 EVs that will require parking permits from the City. The second Electrify America car share partner, Envoy, will operate a round-trip car share program with 142 cars at 71 sites focused on multi-family properties in low-income and disadvantaged communities, with dedicated off-street parking. Envoy is not anticipated to require parking permits from the City for initial program launch.

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. 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 value of the spaces that Zipcar has been utilizing free-of-charge 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 | \$3,216 | \$268 |
| Lowest average revenue per meter | \$1,860 | \$155 |
| Highest average revenue per meter | \$5,364 | \$447 |

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

The pilot program reflected Zipcar's effectiveness with supporting mobility needs in Sacramento. According to the 2017 year in review provided by Zipcar, nearly 1,000 individual members utilized the car share vehicles in Sacramento and made over 11,000 reservations. The average distance traveled per reservation was over 50 miles. Users of the vehicles begin and end reservations at the same location, a dedicated Zipcar space. Zipcar operates under a "round-trip" car share model.

Dedicated Public-Use EV Charging Spaces

For dedicated curbside EV 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 EV charging spaces 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, EV users 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 permit that allows 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 actual meter rates and other permit fees to the City directly. Users pay parking fees indirectly through membership rates. The ability to park anywhere within a home zone is typically viewed as an incentive that can attract ridership.

RESOLUTION NO. 2018-

Adopted by the Sacramento City Council

July 31, 2018

CAR SHARE AND ELECTRIC VEHICLE CHARGING SPACE PARKING PERMIT FEES

BACKGROUND

- A. Sacramento is preparing to support key investments in innovative 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.
- B. These programs will support parking availability for car share vehicles and allow for "curbside" EV charging in the right-of-way. Depending on the type of program, vendors will either have a new form of parking permit or a dedicated space. Parking permit fees and time zone exemptions for car share vehicles and dedicated EV charging stations are key components of these programs.
- C. Advancing new parking permits for car share and 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).
- D. On December 12, 2017, City Council adopted the EV Strategy (Resolution 2018-0478). 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 to increasing household ownership of EVs from 2% to 35%. Establishing parking permit fees to incentivize curbside EV charging and electric car share supports the EV Strategy implementation.
- E. Car share programs and curbside EV charging spaces operate under different models, posing varying considerations for permit fees and 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.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1: Car share and EV parking program models eligible for parking permits to park at metered or time zone (non-metered) spaces shall be as follows:

| 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) |
| Free-Floating 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 |

Section 2. For purposes of the parking permits established herein, the following definitions apply:

- ZEV technologies are vehicles that emit no exhaust from vehicle sources of power, such as full battery-electric vehicles and fuel-cell electric vehicles.
- EV technologies are a type of ZEV, including any vehicle that operates, either exclusively or partially, on electrical energy from an off-board source that is stored on-board for motive purpose.

Section 3. The annual base flat permit fee for a metered space is calculated as the average gross revenue per meter during the most recent completed fiscal year.

Section 4. The annual base flat permit fee for vehicles at a time zone (non-metered) space is \$60 multiplied by 12 months.

Section 5. The annual base flat permit fee of a dedicated space for a gas-powered car share vehicle is the annual base permit fee for metered spaces and annual base permit fee for time zone (non-metered) spaces, when parked at those respective spaces.

Section 6. The annual permit fee of a dedicated space for a zero-emission powered (ZEV) car share vehicle is based on a 25% discount off the annual base permit fee for metered spaces and a 25% discount off the annual base fee

for time zone (non-metered) spaces (i.e., equal to 75% of the annual base permit fee).

Section 7. The annual permit fee of a dedicated space for a public-use electric vehicle charging is 50% of the annual base permit fee for metered spaces and 50% of the annual base fee for time zone (non-metered) spaces.

Section 8. The annual base permit deposit for a Free-Floating, gas-powered or zero-emission (ZEV) Car Share vehicles at a metered space is the annual base permit fee for a metered space. Determination of annual permit fee shall be periodically calculated upon audit of the actual use to the deposit amount. If the actual use is less than or exceeds the deposit, the cost of the actual use shall be the cost of the annual fee.

Section 9. The annual base permit deposit for Free-floating gas-powered fleet vehicles at a time zone (non-metered) space is equal to a 25% discount from the annual base permit fee for a time zone space. Zero-emission (ZEV) fleet vehicles shall be charged 50% of the annual base flat fee for a time zone space. Determination of annual permit cost shall be periodically calculated upon audit of the actual use to the deposit amount, with the annual permit fee to not exceed the initial deposit amount.

DEDICATED SPACE PARKING PERMIT FEES

| Annual Fee | Base Flat 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 FLEET PARKING PERMITS

| Free-floating Fleet Permits | Permit Deposits | Max Permit Fee |
|-----------------------------|-----------------|----------------|
| | Metered* | Time Zone** |
| Car Share Vehicle – Gas | \$1,864 | \$540 |
| Car Share Vehicle – ZEV | \$1,864 | \$360 |

*Annual permit fee = Actual use – deposit. If actual use is less than or exceeds deposit, the annual permit fee shall equal the cost of actual use.

**Annual permit fee = Actual use – deposit. Annual fee not to exceed deposit if actual use exceeds deposit.