



Legislation Text

File #: 23-0290, Version: 1

Resolution to Approve Amendment No. 1 to the Right-of-Way License Agreement with Spin, Inc., for the Operation of Electric Scooters and Electric Bicycles in the City of Ann Arbor

Spin, Inc. (Spin) is the owner and operator of the Spin electric scooter (e-scooter) service which has been in operation in Ann Arbor since April 2019. Currently, Spin operates 400 dockless shared e-scooters in Ann Arbor at a rate of \$1 per scooter per day as approved by City Council in [R-21-226 <http://a2gov.legistar.com/LegislationDetail.aspx?ID=4979356&GUID=3250F967-56BE-45DA-9753-8B135DAD1739&Options=ID%7cText%7c&Search=e-scooter>](http://a2gov.legistar.com/LegislationDetail.aspx?ID=4979356&GUID=3250F967-56BE-45DA-9753-8B135DAD1739&Options=ID%7cText%7c&Search=e-scooter). Half of those scooters are licensed by the City of Ann Arbor; the other half are licensed by the University of Michigan.

The attached amendment to the existing agreement would introduce and allow for the operation of 100 dockless shared electric bicycles (e-bikes) in addition to the existing e-scooters. Pursuing this deployment with Spin is advisable because:

- a) this is a target identified in the Moving Together Towards Vision Zero Transportation Plan;
- b) Spin has proven to be a responsive micromobility operator resulting in few complaints;
- c) using the same company for e-scooters and e-bikes results in a seamless experience for users. Spin is also integrated with Lyft ride hailing service which means a single app can grant users access to one of three different shared mobility options;
- d) Spin has recently integrated equitable access into their deployment - namely the Spin Cash Card makes their vehicles available to unbanked individuals and non-smartphone users; and Spin Access offers 50% discounted rides for qualifying individuals (e.g. public housing residents).

Budget/Fiscal Impact: Spin has requested a reduced licensing fee to offset the increased operational cost to deploy e-bikes. Specifically, they've requested that they be charged \$.20/e-scooter or e-bike/day (as opposed to \$1/e-scooter/day). This would reduce the annual fee collected by the City from ~\$73,000/year to ~\$18,250/year to the Major Streets Fund. This reduced fee seems reasonable because City staff recognize that e-bikes are a costlier vehicle to manufacture, maintain, and deploy. Additionally, City staff have found that many communities pay for these shared mobility services - and this arrangement still results in fees paid to the City. Lastly, the last 4 years of Spin's deployment in Ann Arbor have shown they are a responsive partner which has required much less City staff overhead than expected to manage and provide oversight of the e-scooter deployment. The reduction in revenue results in a minimal reduction in funding available for infrastructure expansion; however, grant funding including the American Rescue Plan and Safe Streets and Roads are available to off-set expansion plans.

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Reviewed by: Brian Steglitz, Public Services Area Administrator
Approved by: Milton Dohoney Jr., City Administrator

Whereas, Providing mobility options to Ann Arbor residents is an important and necessary function of this government to help foster the continued adoption of active transportation opportunities;

Whereas, The A2Zero Carbon Neutrality Plan and the Moving Together Towards Vision Zero Transportation Plan both call for electric and shared mobility such as e-scooters and e-bikes to achieve our sustainability and mobility goals;

Whereas, Bike share gives people a healthy, affordable option for making short trips and can expand the reach of transit service;

Whereas, Encouraging multi-modal transportation through non-motorized options is a necessary and important tool for reducing vehicle miles traveled on our roads and increasing the viability of our City;

Whereas, While encouraging multi-modal transportation, it is critically important to make every reasonable effort to ensure the proper and safe operation of e-scooters and e-bikes on the public right-of-way; and

Whereas, It is also a necessary function of local government to permit use of the right-of-way to ensure that all commercial uses are not obstructive and contribute positively to the public's wellbeing;

RESOLVED, That Council approve Amendment No. 1 to the Right-of-Way License Agreement with Spin, Inc. for the Operation of Electric Scooters in the City of Ann Arbor to include e-bikes;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to form by the City Attorney, and approval as to substance by the City Administrator; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.