



# Memorandum

**Date:** June 6, 2017  
**To:** Transportation Authority Board  
**From:** Jeff Hobson – Deputy Director of Planning  
**Subject:** 06/13/17 Board Meeting: Update on Emerging Mobility Services and Technologies, Including Transportation Network Companies

<p><b>RECOMMENDATION</b>    <input checked="" type="checkbox"/> <b>Information</b>    <input type="checkbox"/> <b>Action</b></p> <p>None. This is an information item.</p> <p><b>SUMMARY</b></p> <p>This memo provides an update on the range of activities we are conducting relevant to Emerging Mobility Services and Technologies. We seek input on draft Guiding Principles that will shape upcoming evaluation activities as well as policy and program responses. The draft Principles were collaboratively developed by the Transportation Authority and the San Francisco Municipal Transportation Authority (SFMTA) and are based on existing local policies. The memo also provides updates on a definition of this sector, existing conditions, legislative developments at the local and state levels, and recent research by others on Transportation Network Companies. Staff has also been researching TNC activity in San Francisco as part of this project and will provide an update on our findings.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input checked="" type="checkbox"/> Policy/Legislation</p> <p><input checked="" type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contracts</p> <p><input type="checkbox"/> Procurement</p> <p><input type="checkbox"/> Other: _____</p>
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**DISCUSSION**

**Background.**

The San Francisco Charter mandates Transit First – charging the City and County of San Francisco with providing for the safe and efficient movement of people and goods in San Francisco. In the last decade, San Francisco has seen dramatic growth of many emerging mobility services and technologies that present opportunities while also challenging that core policy. These services and technologies include everything from mobile applications that connect passengers with demand-responsive transportation vehicles to self-driving and connected vehicles. While they each provide new conveniences, access, and mobility options, their impacts remain unclear with respect to our established policies and goals.

**Definition and Inventory of Emerging Mobility Services.**

We have developed the following proposed definition for this field: An “emerging mobility service or technology” is any private or nonprofit transportation services that automates at least three of the following characteristics: driving, routing, reservations/orders, vehicle tracking, billing, customer

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feedback, matching/sharing, crowd-sourced routing, and/or (un)locking. This definition includes a wide range of services.

For each of the different types of service, we have developed a draft description of the existing services, including a description of the sub-types of services, the services' background and approach, and examples of usage in San Francisco. This description is based entirely on existing data. As such, the data are spotty, often only including gross numbers for the services/company as a whole. The existing conditions largely point to the need for additional research in order to evaluate these services and technologies.

### **Draft Guiding Principles - Request for CAC Feedback.**

New mobility services and technology are developing at a rapid pace. Transportation Authority and SFMTA staff have established a set of draft Guiding Principles for Emerging Mobility Services and Technologies (see Attachment 1). These draft principles are based on the city's adopted goals of providing for safe, reliable, sustainable and equitable transportation choices now and in the future. These goals reflect the major policy themes and priorities contained in myriad city and countywide plans and policies including our Transit First Policy, San Francisco Transportation Plan, San Francisco Congestion Management Program, SFMTA Strategic Plan, Climate Action Strategy, and Vision Zero Strategy among many others.

The joint agency study team will use these principles as a framework to evaluate these services and technologies; identify areas for improvement or policy intervention; identify outstanding questions to shape future areas of research and study; and proactively develop pilots and programs to address research questions.

### **Recent Legislative and Regulatory Activities.**

As these services have grown, there have been an increasing number of legislative and regulatory activities at the local and state levels.

- SFTMA/Transportation Authority Joint Letter on Department of Motor Vehicles (DMV) Autonomous Vehicle Regulations: On April 20, Transportation Authority Executive Director Tilly Chang and SFMTA Director Ed Reiskin sent a joint letter to the California Department of Motor Vehicles, commenting on DMV's Proposed Autonomous Vehicle (AV) Driverless Testing and Deployment Regulations (see Attachment 2). This letter gives detailed comments on how to ensure AVs complement our city's efforts to provide streets that are safe for all.
- Senate Bill (SB) 182, on Transportation Network Company (TNC) Business Licenses, would allow TNC drivers to obtain only a single business license to operate in all local jurisdictions statewide, irrespective of where they operate their business (see Attachment 4). The Transportation Authority and the Board of Supervisors adopted "Oppose" positions, and SFMTA Director Reskin also sent a letter in opposition. The bill has passed out of the Senate and is now going through the committee process in the Assembly.
- Board of Supervisors Resolution on TNC Data-sharing: On April 4, 2017, the Board of Supervisors unanimously adopted a resolution urging the state legislature to amend relevant codes to allow local jurisdictions to access trip data for TNCs and to permit and conduct enforcement of TNCs as warranted to ensure safety and disability access, and to manage congestion (see Attachment 3).

### Research on TNCs.

- We have also been tracking several threads of research on TNCs. Of particular interest are the following two studies: Schaller Consulting's release of Unsustainable? The Growth of App-Based Ride Services and Traffic, Travel and the Future of New York City. New York is unique in the nation in requiring public reporting of TNC data on trips provided in New York City. Schaller's report finds that TNC ridership initially grew by attracting passengers away from taxis. As TNC ridership continued to grow, however, TNCs have attracted more riders from transit, walking, and biking. The report estimates that between 2013 and 2016, TNCs increased vehicle miles traveled by 7% in the most congested parts of the city. The report concludes with several recommendations, including improving public transit and implement road pricing. The detailed report, and a briefer overview, is available at <http://schallerconsult.com/rideservices/unsustainable.htm>.
- For several reasons, these data may not be directly representative of San Francisco's experience. The transit system is the largest in the U.S. and the TNC industry is governed in a very different way in New York than in any other part of the country. Further, some in the TNC industry have questioned some of the methodology and data in the report. Nonetheless, we look forward to learning more from the New York experience.
- Natural Resources Defense Council (NRDC)/UC Berkeley study: In fall 2015, UC Berkeley and the NRDC embarked on a study to assess the climate impacts of TNCs and convened a technical advisory committee on which our Executive Director participates. The study will use passenger and driver surveys to try to understand how people are using TNCs: what portion of TNC riders were previously driving, using transit, walking, or biking? Crucially, the study will also use data from Uber and Lyft in several major metropolitan areas, including San Francisco, to validate survey data against actual ridership data. When complete, we expect the analysis will provide a significant advance in our understanding of the TNC phenomenon.
- Transportation Authority staff have also been undertaking our own research on TNC activity in San Francisco. We plan to bring an update on this work to the Board meeting as well.

### FINANCIAL IMPACT

None. This is an information item.

### CAC POSITION

None. This is an information item.

### SUPPLEMENTAL MATERIALS

Attachment 1 – Proposed Guiding Principles for Emerging Mobility Services & Technology

Attachment 2 – SFMTA/Transportation Authority Joint Letter to California Department of Motor Vehicles, on DMV's Proposed Autonomous Vehicle (AV) Driverless Testing and Deployment Regulations

Attachment 3 – San Francisco Board of Supervisors Resolution 114-17

## Attachment 1

### **DRAFT Guiding Principles for**

#### **Management of Emerging Mobility Services and Technologies**

Safety	Safety is a top priority. Emerging Mobility Services and Technologies must be consistent with the City and County of San Francisco's responsibilities for ensuring public safety and achieving Vision Zero.
Transit	Emerging Mobility Services and Technologies must complement rather than compete with public transit services, and must support and account for the operational needs of public transit.
Equity	All people, regardless of age, race, color, national origin, income level or any other protected category, should benefit from Emerging Mobility Services and Technologies, and no group shall be disadvantaged.
Disabled Access	Persons with disabilities, including those who require accessible vehicles, are entitled to receive the same or comparable level of access as persons without disabilities.
Sustainability	Emerging Mobility Services and Technologies must support sustainability, including helping to meet the city's greenhouse gas (GHG) emissions reduction goals and supporting efforts to increase the resiliency of the transportation system.
Congestion	The effects of Emerging Mobility Services and Technologies on traffic congestion must be considered, including the resulting impacts on road safety, modal choices, emergency vehicle response time, transit performance and reliability, and air quality.
Accountability	In order to ensure that the service is consistent with these Guiding Principles, Emerging Mobility Services and Technologies providers must share relevant data so that the City can effectively evaluate the services' impact on the transportation system.
Labor and Consumers	Emerging Mobility Services and Technologies must consider fairness in pay, labor policies and practices, and equitable access to services. Emerging Services and Technologies should support San Francisco's local hire principles.
Financial Impact	The potential for Emerging Mobility Services and Technologies to have a negative financial impact on delivery of publicly-provided transportation services and infrastructure will be considered.

**Use of Guiding Principles:** The SFCTA and SFMTA will use these Guiding Principles to shape our approach to Emerging Mobility Services and Technologies. For the SFMTA, these Guiding Principles will serve as a framework for the consistent application of policies and programs. The SFCTA will use these Guiding Principles to evaluate these services and technologies; identify ways to meet city goals, and shape future areas of studies, policies and programs. Every Guiding Principle may not be relevant to every consideration associated with Emerging Mobility Services and Technologies, and in some cases a service may not meet all of the principles consistently. SFMTA and SFCTA Directors and staff will consider whether a service or technology is consistent with the Guiding Principles, on balance. If a service provider or technology does not support these Guiding Principles, SFMTA and SFCTA will work with the service provider to meet the principles, or may choose to limit their access to City resources.



April 24, 2017

**Brian G. Soublet, Deputy Director/Chief Counsel**  
**Department of Motor Vehicles**  
**Legal Affairs Division**  
**P.O. Box 932382, MS C-244**  
**Sacramento, CA 94232-3820**

***RE: DMV Proposed Autonomous Vehicle Driverless Testing and Deployment Regulations***

**Dear Mr. Soublet:**

The San Francisco Municipal Transportation Agency (SFMTA), on behalf of the City and County of San Francisco, together with the San Francisco County Transportation Authority (SFCTA) appreciates the opportunity to comment on the Department of Motor Vehicles' (DMV) proposed regulations for the testing and deployment of driverless vehicles.

As the manager of ground transportation in San Francisco, the SFMTA is charged by the City Charter to enable a safe, effective, sustainable transportation system. The SFMTA sees the potential for autonomous vehicles in our city to advance the goals for our transportation system, but only if done right. We are currently home to many technology-enabled transportation advances that are not consistently supportive of city policy. We want to ensure that autonomous vehicles (AVs) in San Francisco complement our city's efforts, rather than working against them. That means that AVs need to be able to operate safely in complex environments like San Francisco, where pedestrians, buses, cable cars, bicyclists and trucks are central to the life of the street. It also means their operation should be governed such that it reduces congestion, and is supportive of city policy goals with respect to accessibility, affordability, air quality, and other integral aspects of our transportation system.

San Francisco recognizes the important benefits that AVs may bring to city streets, particularly in the area of safety. If deployed appropriately, AVs can help San Francisco achieve its Vision Zero goal of ending traffic fatalities, by eliminating excessive speeding and other dangerous driving behaviors, and by reducing the number of cars on our streets. A clear, standardized approach to AV regulation will enable San Francisco, other local jurisdictions, and the state of California to guard and advance the public interest while enabling the benefits that AV technology promises. Thus San Francisco supports an approach that allows the private sector to move ahead with the testing and deployment of autonomous vehicles without undue bureaucratic hurdles or procedural requirements, but ensures no adverse outcomes.

We believe that the proposed regulations, in part, rely too heavily on the AV manufacturers' self-certification of safety of technology, and in those cases we suggest strengthening validation requirements and adding safety benchmarks that the technology used must meet. Furthermore, **it is critical that trust in the private sector be paired with maximum transparency**, particularly when it comes to safety and collisions. We therefore make several

FILE NO. 170306

RESOLUTION NO. 114-17

1 [Urging the California State Legislature to Amend the California Vehicle and Public Utilities  
2 Codes Related to Regulation of Transportation Network Companies]

3 **Resolution urging the California state legislature to amend the California Vehicle and**  
4 **Public Utilities Codes to enable local jurisdictions to access trip data for**  
5 **Transportation Network Companies (TNCs) and to permit and conduct enforcement of**  
6 **TNCs as warranted to ensure safety and disability access, and manage congestion.**

7  
8 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is  
9 responsible for the operation and management of San Francisco city streets under the City's  
10 Transit First policy and is leading the city's Vision Zero initiative and implementation of the  
11 City's Transit First Policy, in an effort to combat traffic congestion and carbon emissions; and

12 WHEREAS, The San Francisco County Transportation Authority (SFCTA) is the county  
13 congestion management agency and its adopted long-range countywide transportation plan  
14 calls for study of the ridesharing sector leading to recommendations for management of this  
15 rapidly growing sector; and

16 WHEREAS, Pursuant to these roles, both agencies have made repeated requests to  
17 the CA PUC for annual reports submitted by each TNC detailing the number of rides  
18 requested by customers and accepted/not accepted by TNC drivers within each zip code  
19 where the TNC operates and provision of trips in accessible vehicles, and the CA PUC has  
20 consistently denied these requests; and

21 WHEREAS, In denying local requests for TNC data, CA PUC cited the current  
22 Commission Decision (D. 13-09-045) that requires TNCs to provide verified reports to the it's  
23 Safety and Enforcement Division (SED) documenting operational data and requires TNCs to  
24 file these reports confidentially unless in Phase II the Commission requires public reporting  
25

1 from Transportation Charter Party (TCP) companies, and therefore D. 13-09-045 prohibits  
2 SED from releasing the information SFMTA and SFCTA requested; and

3 WHEREAS, The CA PUC further cited provisions of the California Evidence Code  
4 Section 1040(b)(2) that authorize the Commission to refuse to disclose official information if  
5 disclosure is against the public interest, and stated that "...the Commission has determined  
6 that preserving confidentiality outweighs disclosure in the interests of justice at least until  
7 Phase II of this rulemaking;" and

8 WHEREAS, San Francisco Board of Supervisors seeks a public hearing on the basis of  
9 the public interest claims of the CA PUC in favor of TNCs over local jurisdictions and on the  
10 status of the Phase II Rulemaking; and

11 WHEREAS, There is growing concern and evidence that the large number of TNCs  
12 operating in San Francisco is having a negative effect on congestion, safety and equitable  
13 access based on 1) the City Treasurer's estimate that up to 50,000 TNC drivers are required  
14 to apply for business permits in order to drive for TNC companies, 2) corridor-level data from  
15 San Francisco International Airport which shows that the rate of TNC use more than tripled  
16 during January 2015 to October 2016, while BART SFO extension ridership declined over the  
17 same period; 3) news reports of TNC drivers operating for excessive hours potentially  
18 jeopardizing passenger and traffic safety; and 4) the average number of monthly paratransit  
19 trips provided by wheelchair accessible ramp taxis has declined markedly over the past three  
20 years, a decline SFMTA attributes to the rise of TNCs and decreasing availability in on-  
21 demand service for people with disabilities; and

22 WHEREAS, Given the scale of TNC services in California and given the small number  
23 of CA PUC transportation enforcement staff who are expected to conduct statewide  
24 enforcement of TNCs, a recent independent audit of the CA PUC's Transportation  
25 Enforcement Branch (TEB) indicated that TEB is not meeting its mandated activities; and

1           WHEREAS, The impact of TNC service is experienced at the local level and SFMTA  
2 has expertise in regulating private transportation modes and could enhance the public safety  
3 by conducting enforcement; and

4           WHEREAS, A recent study of New York City TNC activity estimated that TNCs  
5 added 600 million miles of vehicular traffic and account for 3.5% of vehicle miles driven by all  
6 vehicles and its author advises cities experiencing similar conflicts with TNCs to seek  
7 regulatory authorities to manage TNCs, among other strategies; now, therefore, be it

8           RESOLVED, That the San Francisco Board of Supervisors urges the California State  
9 Legislature to amend the Vehicle and Public Utilities Code to permit CA PUC to share TNC  
10 trip data with local California jurisdictions; and, be it

11          FURTHER RESOLVED, That the San Francisco Board of Supervisors urges the  
12 California State Legislature to allow local jurisdictions to Permit TNC operations and conduct  
13 Enforcement as warranted to ensure safety and access, and manage congestion; and, be it

14          FURTHER RESOLVED, That the City Lobbyist for the City and County of San  
15 Francisco shall advocate for this policy; and, be it

16          FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs  
17 the Clerk of the Board to transmit copies to the members of San Francisco State Legislative  
18 Delegation with a request to take any and all action necessary to achieve the objectives of this  
19 resolution.





# City and County of San Francisco

## Tails Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 170306

**Date Passed:** April 04, 2017

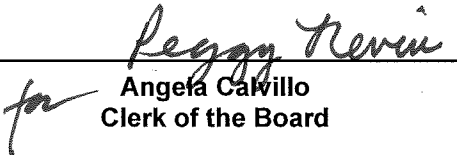
Resolution urging the California state legislature to amend the California Vehicle and Public Utilities Codes to enable local jurisdictions to access trip data for Transportation Network Companies (TNCs) and to permit and conduct enforcement of TNCs as warranted to ensure safety and disability access, and manage congestion.

April 04, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170306

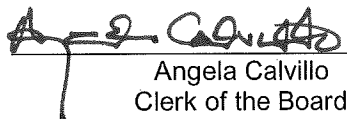
**I hereby certify that the foregoing Resolution was ADOPTED on 4/4/2017 by the Board of Supervisors of the City and County of San Francisco.**

  
for Angela Calvillo  
Clerk of the Board

\_\_\_\_\_  
**Unsigned**  
Mayor

\_\_\_\_\_  
**4/14/2017**  
Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

  
Angela Calvillo  
Clerk of the Board

\_\_\_\_\_  
4/14/17  
Date