Ruth Stellmacher

From: Michael Hughes <hughes.m@comcast.net>
Sent: Monday, March 13, 2017 3:12 PM
To: citycouncil
Subject: Amendments to SRC Chapter 30 for

Dear Mayor and City Councilors:

I am a little alarmed at the seemingly headlong rush to bring ride hailing or transportation networking companies (TNCs) to Salem. I realize that this was one of Mayor Bennett's main campaign issues and he is anxious to show what he can accomplish but as a taxpaying property owner and voting citizen of Salem, I want to urge caution and a good deal of analysis before rushing into this since it may have far-reaching effects.

I very much support the concept of a shared economy and ride hailing could be an important asset for the city but it must be compatible with the needs of Salem.

Unfortunately the current plan appears to be adapting the city's code to the desires of business interests rather than having them adapt to the city's needs. The proposed amendments to the SRC seem to simply weaken existing rules for all providers in an effort to accommodate the TNCs rather than being designed to benefit the people of Salem. There are a number of obvious issues I feel need to be addressed when modifying the SRC to accommodate this kind of business. Some of them that come quickly to mind include:

1.- I understand that city staff has used the City of Bend's code as a template. I see the rationale for using Bend's model but it won't necessarily work for Salem. Bend is half the size of Salem and has different transportation needs and funding.

2.- While Uber cited unfavorable regulations as the reason for leaving Eugene, the reason cited for leaving Salem was low ridership.

3.- Only two companies, Uber and Lyft, have been mentioned. Both are heavily subsidized by venture capitalists allowing them to operate by charging artificially low rates in order to compete with traditional players and eliminate competition.

4.- Many insurance companies suspend coverage when vehicle is used for ride hailing.

5.- Uber has had substantial negative publicity recently including: driver complaints about the company; assaults by drivers; privacy concerns; Sexual misconduct; use of the Greyball App to evade authorities. Issues such as these should be taken into consideration when amending the SRCs to accommodate these companies.

6.- There is a lot of controversy over how thorough background checks should be for drivers. Many people think that simply using a person's name and social security number is insufficient.

7.- The city should have some way to control who is allowed to participate in this type of operation.

There are many other issues that could be found. It appears that the ride-hailing concept, while it has vast potential, is still being refined. Many cities have been able to accommodate this kind of business. Many others do not allow it due to various differences. Some others such as Austin, TX have found alternatives. Both sides may need to make some compromises. But the city absolutely should not sacrifice its citizens' quality of life in order to accommodate some outside corporation's desire to profit from their needs. In addition, while this type of business may be desirable for certain people, it definitely is not a substitute for other transit services. A vast number of citizens of Salem cannot afford this kind of personalized transportation and rely on Cherriots to get from one place to another. It is imperative that this kind of service must be expanded to include weekends and longer hours. Ride hailing is definitely not a substitute but, rather, can be a complememt. The city should make mass transit a priority over any kind of individualized transportation service.

In summary, I feel the Council should not rush into amending the SRC to allow this type of business. Rather, I think that while this kind of operation should be allowed, and even encouraged, it needs to be done with a great deal of research and deliberation designed to maximize the benefit to Salem's citizens. Perhaps we can even provide a model for other cities.

Sincerely,

Michael Hughes

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