



City of Culver City

Staff Report

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Item #: A

(1) Discussion of Options Regarding Bike-Share Services; and (2) Recommendation to City Council as Deemed Appropriate

Meeting Date: September 20, 2018

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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - Bicycle and Pedestrian Advisory Committee (09/17/18);

Department Approval: Charles Herbertson, Public Works Director

RECOMMENDATION

Staff recommends the Bicycle and Pedestrian Advisory Committee (1) Discuss options Regarding Bike-Share Services; and (2) Recommend to City Council as Deemed Appropriate

BACKGROUND

Bike Share

Bike share is a shared mobility service that complements public transit and other mobility modes by enabling users to rent bicycles at one station and drop them off at another location. Bicycle sharing programs typically appeal to riders taking short trips, with most rentals lasting less than 30 minutes.

First implemented in Copenhagen in 1995, it has proved to be a successful active transportation shared mobility option in both Europe, Asia, and North America. In 1998, Vélo à la Carte in Rennes, France launched its first city-wide bike share system run in partnership between the city of Rennes and Clear Channel, the advertising company. This program was then a free service offered by the City.

In 2008, Washington DC launched the first bike share program in the country, SmartBike DC (later Capital Bikeshare), a 10-station, 120-bike pilot program, and the City continues to run a successful expanded bike share system. Globally, by 2013, bike share saw a 60 percent increase in the number of programs, and New York, Minneapolis, Denver, San Francisco, and Chicago launched bike share.

Bike Share in Los Angeles County

In Los Angeles County, Santa Monica was the first City to invest in a city-wide bike share system. In partnership with CycleHop, a private bike share company, Santa Monica launched a 500 bikes dockless system in 2015. Since then Long Beach, Beverly Hills, West Hollywood, and University of California Los Angeles (UCLA) have joined this network. In the spring of 2018, the system in all the cities was integrated, allowing users across the system to use bikes in any of the other partnering cities. Cycle Hop has since moved away from its original business model and is now a private dockless bike share company, Hopr.

Metro, launched its bike share system in 2016 in Downtown Los Angeles. Since then it has expanded into Port of LA, Pasadena, and Venice. The docked system features approximately 1,400 bikes available 24/7, 365 days a year with an average farebox recovery between 20 to 10 percent. On May 2018 Metro board approved a revised business plan reducing fares and increasing sponsorship opportunities for City's partnering with Metro, and the Phase 3 expansion (Westside and downtown expansion) of the bike share system, Culver City included. In August 2018 the City of Pasadena pulled out of the system citing financially infeasibility after a fourteen-month pilot.

The bike share industry has undergone considerable shifts over the last year. In early 2017 Seattle, after the failure of its city-owned bike share system Pronto, launched a one-year pilot program and gave out permits to three private dockless bike share companies to operate in the City. This pilot was concluded in December of 2017 for the 10,000 bike system and the City is currently evaluating the data. Initial surveys indicate that 74% of respondents were favorable of the system. Since Seattle, multiple cities across the county have introduced privately owned dockless bike share systems through pilots with an operating agreement. Improperly parked bikes, cluttered sidewalks and bike share user education have been the biggest challenges. Instability of the market has made several operators like Ofo and Lime Bike to cease operations in several cities which is a major cause for concern.

In Los Angeles City, Ofo and Lime Bike piloted their bikes earlier this year at the Port of Los Angeles, Watts and Griffith Park. Both of these companies no longer operate in the City. The City of Monrovia and Bellflower are in single operator contracts currently with Lime Bike and Ofo respectively.

Bike Share in Culver City

On October 03, 2017 Culver City released its bike share feasibility report (attached here) that took into account 5 types of bikes share system option:

1. Metro - Smart Dock
2. Metro - Smart Bike
3. Cycle Hop (Santa Monica)
4. Cycle Hop (Long Beach)
5. Zagster

On June 26, 2017, City Council opted for the Metro - Smart Dock (dockless) system based on this feasibility report and the competitive cost estimates for Metro Bikeshare. However, on May 2018, the Operation and Maintenance (O&M) costs for the bike share system increased by \$354,699 to a total of \$783,345 due to contract negotiations between Metro and their contractor, Bicycle Transit Systems (BTS). The revised costs and its implication is detailed in the May 31, 2018 memo to the City Council attached here.

Currently, the City is negotiating the Memorandum of Understanding (MOU) with Metro and which is currently on hold awaiting further direction from the City Council. In the meantime, the City has also been approached by other private dockless bike share companies to operate in the City. The City has currently earmarked Measure M local returns funds, set aside for active transportation infrastructure, for bike share.

On July 9, 2018, the City entered into a pilot program with scooter share companies Bird and Lime through an Interim Operating Agreement (IOA).

How Neighboring Jurisdictions are Addressing Bike Share?

The following Cities have/ had a bike share systems.

1. **Santa Monica:** Currently has a publicly owned bike share system of 500 bikes, Breez that is operated by Cycle Hop. As of August 2018, the city has released a pilot program to allow four companies to manage fleets of 2,000 scooters and 1,000 e-bikes in the city for the next 18 months starting September.
2. **Los Angeles:** Currently has Metro and publically owned Metro bike share system of 1,400 bikes. On September 2018, LA City Council approved a pilot allowing shared mobility companies to deploy up to 10,500 dockless scooters and bikes in the City's jurisdiction.
3. **Long Beach:** The City currently has a City owned bike share system of 400 bikes that is operated by Cycle Hop. The city has also approved a four-month pilot program with scooter sharing operators.

ANALYSIS/DISCUSSION

Considerations for Assessing Bike Share Systems

The following considerations have to be taken into account to assess a bike share system:

1. **Cost:** The primary costs for any bike share system is the capital costs and the operations and maintenance (O&M) costs. Secondary costs involve increasing the bike parking capacity in the city, monitoring bike share data and staff hours.
2. **Accessibility:** Easy accessibility to bikes, docked or dockless, is a key parameter for the success of bike share.
3. **Level of Service:** Regular maintenance and rebalancing of bikes are required for an efficient and successful bike share system.
4. **Equipment Quality:** Bikes have to be of good quality, reliable and not prone to breakdowns.
5. **Data:** Regular availability of data is crucial to assess the success or changes required in a dockless bike share system.
6. **Parking infrastructure:** Both Metro and private bike share companies avail dockless bikes in the City which will require the City to increase its bicycle parking capacity as current parking is insufficient. Insufficient parking could lead to improper parking of bicycles on sidewalks.
7. **Connectivity:** A robust system that connects neighboring cities will create a better bicycle network that connects destinations.
8. **Equity:** Everyone, with or without a smartphone and/or despite their level of English literacy should be able to access the bike share system.

City Council Directions on the bike-share services

Below are the strategies for dockless bike share service for the Bicycle and Pedestrian Advisory Committee's consideration:

1. **No Bikeshare:** Maintain the status quo and not invest in bike share.
 - a. City funds will be used to expand bicycle infrastructures like bike lanes, parking, signals, and intersection improvements.
 - b. Limit healthy and sustainable mobility options in Culver City to private dockless scooters and personal bikes.
2. **Metro bike share:** Enter into an MOU with Metro
 - a. Good level of service for maintenance and rebalancing of the bikes.
 - b. Metro's new Smart Bikes are extremely sturdy, easy to use and of very good quality.
 - c. Accessibility: Bikes will be available at Metro bike hubs across the city and can be parked outside of the hubs too.
 - d. Metro currently manages data collected through the bike share station.

- e. The Westside expansion will connect Culver City's Metro bike share network with the system in Palms, Mar Vista and Marina Del Rey.
- f. It will have a considerable fiscal impact with yearly an O&M cost of \$783,345, much higher than our current yearly Measure M local returns that is available to the City (~\$500,000) earmarked for active transportation. This will leave no money to invest in bicycle infrastructure.
- g. Staff recommends the expansion of bicycle parking facility in the City to accommodate equal distribution and reduce improper parking of dockless bikes throughout the City.
- h. The system is available in multiple languages and accessible without smartphones.

3. Private Dockless Bike Share Operators: Enter into an operating agreement/permit/license with dockless bike share operator/s.

- a. Easy accessibility to bike share as the system is dockless.
- b. Level of service and quality of maintenance and rebalancing depends on individual operator and will be monitored by the City. This can also be negotiated and specified in any operating agreements the City chooses to enter into.
- c. No Primary Costs of Capital and O&M for the system. Secondary costs such as investment in bicycle parking, data monitoring and regular coordination with operators will be incurred.
- d. Regular and timely availability of aggregated data is required to monitor the bike share system. Without proper data, the City will be unable to assess the success or failure of a system or the operator. Data will have to be managed by the City at an additional cost and staff time. This data can be used in the future to justify future active transportation projects and to validate recommendation made by the Bicycle Plan.
- e. Staff recommends all bicycle be equipped with a lock and require them to be locked to a rack at the end of each ride to avoid cluttering of the sidewalk. This is crucial to avoid impeding pedestrian and ADA accessibility.
- f. Staff recommends private dockless bike share not be implemented without first expansion of the public bicycle parking facilities in the City. This will help equal distribution of bicycles, and curb improper parking of dockless bikes throughout the City,.
- g. Equity programs need to be mandated in the operating agreement or negotiated with the operator.

4. Metro bike share + Private Dockless Bike Share Operators Enter into an MOU with Metro and an operating agreement/permit/license with dockless bike share operator/s.

- a. This system will have good accessibility, be robust, have a good level of service and

variety of bike share options for residents.

- b. Large fiscal impact as the City will have to pay primary costs of Capital and O&M for the Metro system and considerable secondary costs for the private dockless system.
- c. Regular and timely availability of aggregated data is required to monitor the private dockless bike share system. Without proper data, the City will be unable to assess the success or failure of the system or the operators. Data will have to be managed by the City at an additional cost and staff time.
- d. Staff recommends the expansion of bicycle parking facility in the City to accommodate equal distribution and reduce improper parking of dockless bikes throughout the City.

Staff recommends the Committee to consider the various options, discuss them and provide recommendations for the City Council.

FISCAL ANALYSIS

The City will incur either primary or secondary costs depending on the recommendations of Committee and both costs will have a fiscal impact accordingly. Costs associated with the Metro bike share can be recovered in part through farebox recovery and sponsorship, if this is not sufficient then it will impact the City's general funds. Some of the costs associated with Private dockless companies can be recovered through permit or per-bike fees and it currently can be covered by the City's Measure M local return funds.

ATTACHMENTS

- 1. Metro bike share cost update memorandum
- 2. June 26, 2018 bike share staff report
- 3. Culver City bike share feasibility study

RECOMMENDED MOTIONS

That the Committee:

- 1. Discussion of Options Regarding Bike-Share Services; and
- 2. Recommendation to City Council as Deemed Appropriate