



Staff Report Details (With Text)

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**Title:** CC:BPAC - (1) Discussion of Bike Share Program Options and Available Funding for Bicycle and Pedestrian Projects and Programs; and (2) Direction to the City Manager and Public Works Director/City Engineer as Deemed Appropriate.

**Sponsors:**

**Indexes:**

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**Attachments:** 1. 2019-09-16\_ATT - Bicycle & Pedestrian Funding Summary.pdf, 2. 2019-09-16\_ATT - Metro Bike Share Revised Culver City Estimates

Date	Ver.	Action By	Action	Result
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**CC:BPAC - (1) Discussion of Bike Share Program Options and Available Funding for Bicycle and Pedestrian Projects and Programs; and (2) Direction to the City Manager and Public Works Director/City Engineer as Deemed Appropriate.**

**Meeting Date:** September 16, 2019

**Contact Person/Dept:** Heba El-Guindy/Public Works Department

**Phone Number:** (310) 253-5628

**Fiscal Impact:** Yes  No       **General Fund:** Yes  No

**Public Hearing:**       **Action Item:**       **Attachments:**

**Council Action Required:** Yes  No       **Date:** 09/16/2019

**Public Notification:** (E-Mail) Meetings and Agendas - City Council/BPAC (09/10/19)

**Department Approval:** Charles D. Herbertson, PW Director/City Engineer (09/06/19)

**RECOMMENDATION**

Staff recommends the City Council and the Bicycle & Pedestrian Advisory Committee (BPAC) (1) discuss Bike Share Program options and available funding for bicycle and pedestrian projects and programs; and (2) provide direction to the City Manager and Public Works Director/City Engineer on

the bike share operator(s), which will be further evaluated based on the initial research findings and associated financial impacts.

## **BACKGROUND/DISCUSSION**

In 2017, the City developed a comprehensive Bike Share Feasibility Study that described the City's objectives and desired outcomes. The Study also identified the operational standards and expected ridership estimates. At the time, the Study's overview of bike share operators covered the Metro Bike Share, CycleHop and Zagster.

The Public Works (PW) Department and the Transportation Department recently renewed the review of Bike Share Program options. The PW Department will be responsible for the establishment (including design and construction) and maintenance of the Bike Share facilities, while the Transportation Department will be responsible for operation of the Program. Details of these logistics such as staffing needs have not yet been evaluated. This report aims to provide members of the City Council and BPAC with initial findings and seek guidance on option(s) to pursue.

In the past few months, staff interviewed three bike share operators namely Metro, JUMP, and Wheels. Below is summary information resulting from these interviews and other follow-ups. It should be noted that installation of facilities associated with any of the three providers will follow design and construction standards including the NACTO Bike Share Station Siting Guide. Staff will also ensure compliance with ADA requirements and safe operations of all modes of transportation.

### **Metro:**

The Metro team supplied the financial data included under the Financial Analysis section of this report covering the capital cost, pre-launch cost, and the costs of operations and maintenance to be paid by Metro and the City. Data provided are for FY 19/20, FY 20/21, and FY 21/22 with expected annual growth of 3% thereafter. Metro also supplied data on the shared revenue as described in the Financial Analysis section.

The Smart Metro Bike is a manual bike with eight speeds and is currently available/used on the Westside and North Hollywood. Riders can operate the smart bikes in the service area and end trips by locking the bikes for free at designated stations. It is also allowed to lock the smart bikes at public bike racks for a convenience fee. TAP cardholders can use the smart bikes if enrolled in the Metro Bike Share.

Metro offers 30-Day and 365-Day passes. Metro also offers giveaways after 50, 150 and 300 rides. It should be noted that the Metro bike share team has been coordinating with City staff on a number of events, such as CicLAvia.

### **JUMP:**

JUMP was originally founded as Social Bicycles Inc. in Brooklyn, NY and rebranded in 2017 to JUMP. JUMP launched the first dockless e-bike share system in North America. JUMP was acquired by Uber in 2018 and currently operates e-bike and scooter share systems live in 18 cities including the cities of Santa Monica, Los Angeles, San Diego, Sacramento, and San Francisco. Uber operates in 700+ cities worldwide and is currently leveraging its expansive reach to expand JUMP globally.

The JUMP bikes and scooters are available in the Uber app to millions of users who might not otherwise think to ride a bike or scooter, which could potentially reduce the friction in switching modes. JUMP is currently up-to the 8<sup>th</sup> edition of the e-bike which weighs 50-60 lbs. and can accommodate a rider who weighs up-to 350 lbs. These smart bikes are equipped with GPS and wireless connectivity, wireless reservations, pay-as-you-go pricing, and lock-to stationless design. For convenience, the bikes are also equipped with retractable mounts for phone and navigational use, and storage baskets.

The JUMP bikes can travel at a speed of up-to 20 miles per hour, with a 20-40 miles range on a single charge. If desired, the JUMP e-bike can be geo fenced to disallow cycling on the sidewalks. Based on research supplied by JUMP, the e-bike share attracts more female and older cyclists than the manual bicycles.

The JUMP e-bikes are inspected every 200 miles, with the batteries changed every 3-5 days depending on the frequency of usage. Uber offers technicians who are specifically assigned to the JUMP e-bikes, with 24/7 customer support and maintenance calls addressed within a maximum of a two-hour period. Newer bike models are always in development, and the e-bikes are typically replaced with newer models within a 3-5 year life span. The JUMP parking station/hub cannot presently accommodate other types of e-bikes.

It should be noted that JUMP offers dockless operations which provides riders with the convenience of reducing travel distances. This also eliminates the need for significant capital investment to build docking stations, and the service areas are easily adjustable based on user demand and the City's goals. JUMP staff maintains the hardware and software. JUMP offers jurisdictions with free on-line information on the frequency of usage, new users, average trip length, and popular destinations which could in turn inform investments in bikeway infrastructure.

The JUMP e-bike can be unlocked for free and the rental cost is 30 cents per minute of riding. Eligible low-income riders receive 60 minutes of riding per day for a low yearly or monthly rate. Over 60 minutes, additional use is charged at a time-based rate. JUMP also offers incentives for returning bicycles to parking hubs. JUMP requires that riders are age 18+ years.

In the interest of increasing cycling, JUMP also offers encouragement and safety education services. For example, JUMP staff attends events in the jurisdictions they serve and they provide free helmets. They also create localized and multi-language marketing materials. JUMP staff held 150+ meetings with local stakeholders and organizations in San Francisco alone. On the Uber platform, riders get estimated travel times and prices for different modes of transportation, making it easy to compare options and switch to cleaner transportation modes.

### **Wheels:**

Relative to the JUMP e-bike, Wheels offers a smaller size bike/scooter that weighs 44 lbs. The Wheels e-bike can travel at a maximum speed of 20 miles per hour with the battery lasting for 24-30 miles. Wheels staff replaces the batteries every night. Batteries are also replaced when they reach 50% of their capacity.

Wheels currently employs 40 staff members in the West Hollywood office and offers 24/7 customer support. Reported malfunctions or other issues are addressed within a two-hour window. The

newest model of the Wheels e-bike has a lock-in mechanism that is released when a rider retrieves the enclosed helmet. Life span of the e-bike is two years; at which time it is replaced (with newer models if developed).

Wheels is currently deployed in many large cities including Los Angeles, San Diego, Atlanta and Chicago. There is presently about 3,000 e-bikes deployed in the City of Los Angeles alone, with 250 on the UCLA campus. Staff of the serviced jurisdictions have free access to all on-line trip data and associated analysis. Wheels riders are about 50% females, and about one third (1/3) age 30+ years. The average trip length varies between the different communities and is in the range of 2-3 miles. A rider can place reservations and receive a text message regarding device availability.

It should be noted that Wheels offers safety education and encouragement materials, and their employees attend special events based on their staff's availability. Wheels also offers other forms of community outreach.

### FISCAL ANALYSIS

Currently, the following on-going funding sources potentially available to fund bicycle and pedestrian projects including bike share are:

**General Fund** - CIP and operating funds; however the amount of funding available depends on the available revenues in any given year and other competing uses of the funds. The Capital Improvement and Acquisition Fund (Fund 420) is the major source of funding for capital improvements. In FY 2019/2020 alone, \$6,478,567 has been allocated for a wide range of capital improvement projects. Of this amount approximately \$1,598,000 has been allocated for general street infrastructure improvements and approximately \$300,000 of the \$1,598,000 has been allocated for bicycle and pedestrian projects. There was also one-time money appropriated from both the General Fund and the Parking Authority Fund of \$130,000 for the Fox Hills Parking Bike Lane project.

**State Gas Tax** - There are several components to State Gas Tax; however, the funds are eligible for expenditure on bicycle and pedestrian facilities.

- Projected revenues including Highway Users Tax Account funds (HUTA) and Road Maintenance and Rehabilitation Account funds (SB-1) are estimated to be \$1,700,354 for FY 2019/2020.
- The FY 2019/2020 Budget of \$1,699,325 and carryover budget from FY 2018/2019 of \$883,097 and has been appropriated for the following projects:
  - Bike Related Projects - \$ 20,000
  - Traffic System Improvements - \$ 278,601
  - Street Construction/Pavement Rehabilitation - \$1,399,325
  - Curb, gutter & sidewalks - \$ 118,036
  - Bridges - \$ 94,138
  - Street Lights - \$ 164,075
  - Traffic Signs, Counts, NTMP \$ 108,247
  - Transfers to Gen. Fund for Street Maintenance Operations \$ 400,000

**Total \$2,582,422**

State Gas Tax Funds are the major source of funding for these types of infrastructure projects. Also,

State Gas Tax Funds are often used as matching funds for grants for infrastructure projects.

**Los Angeles County Metro Local Return Funds** - These funds are eligible for bicycle and pedestrian facilities which includes LA Metro Proposition C, Measure R & M and TDA Article 3 Funds.

- The actual Prop C revenues for FY 2018/2019 was \$667,817, Measure R - \$501,007, Measure M - \$564,684 and TDA Article 3 - \$27,193 for a total annual amount of \$1,760,701.
- Currently all Proposition C Local Return Funds and one-half of Measure R Local Return Funds are transferred to the Municipal Bus Lines Fund for operations. This left approximately **\$839K available** in the prior fiscal year for bicycle and pedestrian projects.
- The FY 2019/2020 Budget of \$587,995 and carryover budget from FY 2018/2019 of \$960,000 has been appropriated for the following projects:
  - Measure R - Pavement Rehabilitation \$ 251,203
  - Measure M - Bicycle Projects \$ 960,000
  - Measure M - Expo to Downtown Connector \$ 587,995
  - TDA Article 3 - Ballona Creek Bike Path Maintenance \$ 27,193

**Total \$ 1,826,391**

Competing Uses of Funds:

*Pavement Rehabilitation:* There is an on-going need identified in the City's Pavement Management Plan for approximately \$1,500,000 per year for pavement rehabilitation. This level of funding is required to prevent gradual deterioration of the City's street network pavement condition. Additional funding is required to see a significant increase in pavement condition over time. Failure to maintain current funding levels for pavement rehabilitation will result in deterioration of the City's street network which will impact all users including motorist, bicyclists and transit and may subject the City to increased liability.

*Traffic Signal Improvements:* The City has an on-going need to maintain and improve the traffic control system. Shifting funds from this use would likely decrease the reliability and efficiency of the City's traffic signal system and may increase the City's liability. Funding needs vary from year to year but average around \$250,000 annually.

*Curbs, gutters and sidewalk improvements:* Due to the City's mature tree population, there is an on-going need for sidewalk repair and replacement. The minimum annual need is approximately \$150,000 annually.

*Bridges:* The County's periodic inspections have identified a number of deficiencies with the City's bridges that need to be addressed. Although the City seeks grant funding for bridges, this funding is not always available and requires matching funds from the City. The need for bridge maintenance varies from year to year but the minimum annual need is estimated at \$150,000.

*Street Lights:* The General Fund sometimes funds street light improvement projects but the State Gas Tax is often the only source available. There are substantial needs in the City's aging street light system and the minimum annual need is estimated at \$150,000.

*Traffic Signs, Counts and Neighborhood Traffic Management Program (NTMP):* There is a high demand throughout the City for management of neighborhood traffic. Traffic counts are often required as part of the evaluation of neighborhood traffic problems. There are frequent demands for new signs and old signs fade and require periodic replacement. The minimum annual need for these areas is \$250,000.

*Bike Share:* Should the City choose to participate in the LA Metro Bike Share program there is an

anticipated need of \$1,117,735 in the first year for capital and operating expenses and an estimated amount of \$654,000 annually for operation and maintenance thereafter. The annual operating costs will be somewhat offset by annual system revenues to Culver City which are estimated to be approximately \$239,000.

As a more cost-effective option, Council could choose to engage with other bike share systems such as JUMP and Wheels. The operating cost would be limited to the cost of staff oversight of the operators with no direct capital or operating costs for the bike share systems themselves. Subject to negotiation with these Bike Share operators, it is possible that fees collected from these operators could be used to offset some or all of the City's oversight cost.

## **ATTACHMENT**

1. 2019-09-16\_ATT - Bicycle & Pedestrian Funding Summary
2. 2019-09-16\_ATT - Metro Bike Share Revised Culver City Estimates

## **MOTION**

That the City Council and BPAC:

1. Discuss Bike Share Program options and available funding for bicycle and pedestrian projects and programs; and
2. Provide direction to the City Manager and Public Works Director/City Engineer regarding next steps for Bike Share in Culver City.