

TRANSPORTATION COMMITTEE REPORT relative to the implementation of a pilot bikeshare program for the City of Los Angeles.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Los Angeles Department of Transportation (LADOT), to execute a Memorandum of Understanding (MOU) with the Los Angeles Metropolitan Transportation Authority (Metro) that dictates the terms of the pilot program.
2. DIRECT the LADOT, Bureau of Engineering (BOE), and Bureau of Street Services to work together to site up to 85 bikeshare kiosks in the public right-of-way in preparation for installation prior to March 2016.
3. DIRECT the BOE to waive department to department permit fees for the City of Los Angeles Bikeshare Program.
4. TRANSFER and APPROPRIATE \$875,8111 within the Local Transportation Fund No. 207 from the Capital Improvement Expenditure Program Account No. 94M902 to Bikeshare- Operations and Maintenance Account Number to be determined.
5. TRANSFER and APPROPRIATE \$234,618 within the Measure R Fund No. 51Q from the Bicycle Plan/Program Account No. 94M482 to a Bikeshare- Operations and Maintenance Account Number to be determined.
6. AUTHORIZE the City Administrative Officer (CAO) to make technical corrections as necessary to the transactions included in the August 20, 2015 LADOT report, attached to the Council file, to implement the Mayor and Council's intentions.

Fiscal Impact Statement: None submitted by the LADOT. Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On August 26, 2015, your Committee considered an August 20, 2015 LADOT report relative to the implementation of a pilot bikeshare program for the City of Los Angeles. According to the LADOT, bikesharing programs have grown throughout the years from the free white bike programs introduced by the Dutch in the 1970's to the current explosion of member-based, electronic kiosk-operated bicycle sharing programs globally. In 2015, the global number of bikeshare bikes surpassed 1,000,000. Most major cities in North America including Washington, D.C., New York City, Chicago, San Francisco, Seattle, and Houston, have developed bikeshare programs. Bikeshare has been an effective tool in expanding the number of mobility options available for short trips in other cities, improving the health of its users, decreasing crashes, and producing positive outcomes for business.

Typically these projects are operated by a vendor that provides a fleet of bicycles and the backend software that allow users to check out bicycles from automated kiosks and use them for short trips.

Bicycles can conveniently be checked back in at any other station in the network at the end of a trip. The bicycles are maintained and rebalanced (redistributed throughout the network) by the operator. Liability is carried by the program operator. In many other cities including Washington D.C., Chicago, San Francisco, and most U.S. cities, bikeshare is subsidized, and is viewed as an extension of the transit system, often solving the first/last mile gap between transit stations and destinations.

The proposed pilot Program would operate similarly to those of other North American cities.

Following a formal procurement process by Metro, Bicycle Transit System (BTS) was selected to operate the bikeshare program in Los Angeles County. Additionally, a Regional Implementation Plan (Plan), attached to the August 20, 2015 LADOT report as Attachment B, was developed with input from partner cities, including Los Angeles, to study feasibility, phasing, expansion plans, business plans, ridership projections, fare structure, and interoperability. The Plan recommends Downtown Los Angeles as the pilot launch location with 65 stations and 1,090 bicycles. Factors considered in the siting of the pilot include bicycle infrastructure, employment density, residential density, retail density, transit ridership, and car ownership. Detailed analysis identified expansion neighborhoods including Hollywood, Mid-City, North Hollywood, and Venice. Expansion of the pilot to other areas of the City may require amendments to the MOU.

The City and Metro have drafted an MOU, attached to the August 20, 2015 LADOT report as Attachment A, to implement the bikeshare system with Metro administering the contract and sharing the capital and operating costs to implement bikeshare stations on City right-of-way. The MOU sets the terms of fiscal and administrative responsibility for the Pilot, in addition to procedures for reimbursement, rights of title sponsorship, bikeshare station siting, and a funding split. Key terms of the negotiated MOU are as follows:

- a. Metro owns the program and the capital equipment and is responsible for procuring and managing the bikeshare vendor contract.
- b. Capital expenses are shared equally between the City and Metro.
- c. Operations and maintenance expenses, net of user revenues, are shared with Metro paying 35% and the City covering the remaining 65%.
- d. The City will identify and establish bikeshare station locations and secure any related permissions and agreements, waiving any related permit fees.
- e. Naming rights for the bikeshare system will be retained by Metro.
- f. Advertising rights on bikeshare stations will be negotiated separately from the MOU.

Many of the terms set forth in the MOU reflect Metro policy and direction to staff for the pilot as adopted by the Metro Board in June 2015 (see Attachment C of the August 20, 2015 LADOT report, attached to the Council file). The MOU terms will govern the Program during the duration of the Pilot, which is expected to be two years from the execution of the MOU. Regional Bikeshare Program CEQA categorical exclusion, led by Metro, is also underway.

After further consideration, the Committee moved to recommend approval of the recommendations as contained in the August 20, 2015 LADOT report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

TRANSPORTATION COMMITTEE

A handwritten signature in black ink, appearing to be 'MB' followed by a long horizontal stroke.

MEMBER VOTE

BONIN: YES

KORETZ: ABSENT

HUIZAR: ABSENT

MARTINEZ: YES

RYU: YES

ARL

8/26/15

-NOT OFFICIAL UNTIL COUNCIL ACTS-