

**CITY OF LOS ANGELES**  
INTERDEPARTMENTAL CORRESPONDENCE

Date: September 15, 2009

To: The Honorable City Council  
c/o City Clerk, Room 395, City Hall  
Attention: Honorable Bill Rosendahl, Chair  
Transportation Committee

From:   
Rita L. Robinson, General Manager  
Department of Transportation

Subject: Bicycle Sharing Program Request for Information Update - CF 08-2053

**SUMMARY**

On December 16, 2008 the City Council adopted a report approving a draft Request for Information presented by the Department of Transportation (DOT). The Council instructed DOT to amend the RFI to include micro-bicycle sharing opportunities and authorized DOT to issue the RFP and receive responses. This report provides a status update on the Department's activities related to Council's instructions.

**Recommendations**

That the City Council:

1. DIRECT DOT to initiate discussions with the three most viable respondents to the RFI in order to determine the feasibility of implementing a bicycle sharing program in Los Angeles; and
2. Authorize DOT staff to select a potential vendor from the three most viable respondents to operate the project; and
3. DIRECT DOT to report back to your Committee with a proposal from the recommended vendor for the Committee's review and consideration or a determination that a project of this type is currently infeasible.

**Discussion**

Bicycle sharing is a concept most recently implemented on a large scale through the Velib' project in Paris. Users can check out a bike from an automated kiosk at a Metro station or other public location, ride it to their destination, and leave it in another kiosk at another conveniently located public location simply by swiping a credit card. The Velib' program in Paris is operated at no cost to that city.

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The concept of bicycle sharing has a long history in Europe, beginning with the White Bike programs initiated in the Netherlands in 1966. In the United States, Purple and Yellow bike-sharing projects were implemented in Portland, Phoenix, and Austin during the 1990's. While those programs failed largely due to the theft and vandalism of the loaner bikes, more recent programs with bike stations, special bicycles, and an automated component that require users to become members and/or to provide a credit card as security prior to bike check out, present a different model to try and provide user accountability and manage free bike programs.

The most widely-renowned program to date is the Velib' project ongoing in Paris, which has provided over 10,000 bicycles at 750 stations citywide. The project was initiated as a revenue neutral service to Paris since the contractor provided the bike-share project in exchange for operation and sale of advertising space on Paris' billboards. While the project has been wildly celebrated around the world and highly successful with Parisians, there are also reports from the vendor/operator JC Decaux that almost the entire fleet of bicycles has either been stolen or vandalized and the company has been required to replace almost all of the fleet of 10,000 bicycles. It is also reported that JC Decaux has asked city officials in Paris for additional funding and has requested renegotiation of their contract.

A number of similar programs are being tested in North America, most notably the program in Montreal, which is completely funded by the Montreal but seeks to duplicate the program in Paris. In addition, the cities of Boulder, Colorado, Washington, DC, and various university campuses are testing programs on a small scale.

In response to a Council Motion (CF 08-2053), LADOT staff prepared a RFI to determine the interest and ability of the private sector to own, maintain and operate a bicycle sharing program in the City of Los Angeles at no-cost to the City. Seven responses were received; of those seven, two were deemed non-responsive as they did not meet the minimum requirements of the RFI. The other five responders presented the City with a number of methodologies with which the City could implement a project at no- or low-cost.

It is recommended that staff continue to work on determining the potential for developing a project for the City of Los Angeles. Staff should meet with the top three responders to further evaluate their proposals, determine the strengths and weaknesses of each proposal, and to assess the vendors' ability to develop, operate, and maintain a bike-share program in Los Angeles. Following additional discussion with the respondents, it is recommended staff return to your Committee with a viable option for the development of a proposal for implementation in Los Angeles or report back on the infeasibility of such a project based on the responses received from potential operators.

It should be noted that the cities initiating programs in Europe, including Paris, have much more dedicated bicycle infrastructure, which may affect the viability of a project in Los Angeles. While the City continues to work on the development of bikeway infrastructure, it will be many years before the network is completed. Questions exist regarding the siting of bike share stations in corridors without supporting bicycle infrastructure. In addition, concerns exist about use of helmets for adult users of a potential bike-share program in Los Angeles. Currently, the California Vehicle Code (CVC 21212) requires minors under the age of 18 to wear an approved helmet when operating a bicycle. Due to liability concerns, most bicycle shops and rental operators require users to wear a helmet when using equipment owned by the operator. In Europe and Montreal, helmet use among adults and minors is rare; thus no pertinent data is available to test the viability of requiring helmet use as a condition to using the loaner bicycles.

### **Fiscal Impact**

No fiscal impact is anticipated outside of previously funded staff, which will work to select the contractor and manage the ongoing project operations, if a project is implemented in Los Angeles.