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OAKLAND

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AGENDA REPORT

TO: SABRINA B. LANDRETH
CITY ADMINISTRATOR

FROM: Brooke A. Levin

SUBJECT: Adopt A Bike Sharing Policy

DATE: June 29, 2015

City Administrator
Approval

Date:

7/1/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council:

1) Adopt A Resolution To Approve A Bicycle Sharing Policy; And 2) Authorize The City Administrator To Negotiate And Enter Into An Intergovernmental Agreement With The Metropolitan Transportation Commission (MTC) Consistent With The Bicycle Sharing Policy.

OUTCOME

Specific outcomes of this legislation, if adopted, would include:

1. Adoption of Oakland's first bike sharing policy, which establishes the City's approach to the provision of bike sharing; and
2. Extension of authority to the City Administrator or designee to negotiate and enter into an Intergovernmental Agreement with the Metropolitan Transportation Commission (MTC) and the bike sharing organization (Motivate) to agree on the terms (see *Attachment A* for a summary of agreement terms to be further negotiated) for siting and installation of bike share stations, community outreach, operations and maintenance, and future expansion of the program.

By adopting the Policy and entering into negotiation on these agreements, the City will expand access to bike sharing services throughout the East Bay and increase the available transportation options for Oakland residents.

EXECUTIVE SUMMARY

The proposed policy provides the regulatory framework to allow a bike sharing program to operate in Oakland, and further directs City staff to establish a process to permit and to regulate stations for bike sharing in the public right of way. This staff report addresses the history of bike sharing in the Bay Area; the economic, environmental, and social benefits of bike sharing to

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Oakland; the proposed framework for the program; the anticipated costs and revenues of the policy and program; and the current funding opportunities available to the City for bike sharing.

BACKGROUND/LEGISLATIVE HISTORY

History of Bike Sharing in the Bay Area

Under the Bay Area Air Quality Management District's (BAAQMD) leadership, the Bay Area Bike Share program launched in 2013 with 700 bikes deployed across 70 stations in San Francisco, Redwood City, Palo Alto, Mountain View, and San Jose. As of March 1, 2015, the system yielded a total of 485,000 trips in the five pilot cities; riders in San Francisco took 436,000 trips overall, or 90% of the total.

In February 2015 Motivate, the current bike share vendor for the Bay Area Bike Share program, made a proposal to the Metropolitan Transportation Commission (MTC) and select Bay Area cities to be the exclusive supplier and operator of bike share in the Bay Area at no public cost. The Oakland Mayor's Office participated in the negotiations to best leverage opportunities for Oakland. Motivate's proposal for the Bay Area includes an expansion of the existing system to include 7,000 bikes throughout the region with approximately 850 bikes in Oakland.

In March 2015, the City approved a resolution (No. 85454 C.M.S.) to accept and appropriate Transportation Fund for Clean Air (TFCA) funding in the amount of six-hundred sixty thousand six-hundred sixteen dollars (\$660,616.00) to support implementation of the Bay Area Bike Share expansion program (Bike Share Program) in Oakland.

On May 27, 2015, the MTC Administration Committee authorized MTC staff to enter into an agreement with Motivate as the exclusive supplier and operator of bike share in the Bay Area.¹ *Attachment A* ("Term Sheet") summarizes the adopted term sheet for these negotiations.

Description of Bike Sharing

Bike share is an innovative transportation program that offers access to a fleet of bicycles at self-serve stations throughout a defined service area for short trips, serving as active transportation for commutes, errands, and other trips. Users may access the service through either a short term or on-going membership. Bike sharing is a healthy mobility option that can also help facilitate the "last mile" of transit trips or non-auto short trips. This point-to-point model is proposed for Oakland and is the model in use in the original Bay Area Bike Share cities, as well as many other cities in the U.S.

Current Demand for Bike Sharing

Oakland is poised for a successful bike sharing system, with a central location, numerous high-density urban neighborhoods, eight BART stations, and many high-frequency bus routes. The

¹ MTC Report and Resolution Nos. 3925, Revised and 4035 Revised
http://apps.mtc.ca.gov/meeting_packet_documents/agenda_2412/7a_Bike_Share_Expansion_Contract_Motivate_International_Incand_Res_Nos_3925Revised_and_4035Revised.pdf

proposed 850 bikes will complement existing transit modes while facilitating point-to-point trips within a wide service area. The City has also identified demand for bike sharing within the Broadway Valdez District Specific Plan² (adopted June 2014) and the Coliseum Area Specific Plan³, both of which state the need for bike share as an alternative transportation mode.

Benefits of Bike Sharing

Research demonstrates that bike sharing creates a variety of environmental benefits, including increased reach of transit, personal health improvement, and decreased greenhouse gas emissions. Recent studies show that use of bike sharing results in:

- *Increase the reach of transit:* Bike Share fills the critical gap between the station or stop and the final destination for the user.⁴
- *Improve the health of residents:* Bike Share provides both physical and mental health benefits.⁵
- *Reduce congestion and improve air quality:* Bike share offers an alternative means of transport for short trips that might otherwise have been made by car.⁶

ANALYSIS

This section summarizes the Contract Terms with Motivate (*Attachment A*), objectives of the Bike Sharing Policy (“Policy” *Exhibit A*), and necessary steps for implementation.

Contract Terms Summary

The contract terms were developed between MTC and Motivate from March to May, 2015, and were unanimously adopted by the MTC. As mentioned earlier in this report, the Mayor’s Office was involved in negotiating the terms.

- *System Size:* 850 bikes in Oakland with approximately 75 stations.
- *Launch Dates:* 25% of total stations approved and permitted by December 30, 2015 and installed by June 1, 2016. An additional 15% of stations approved and permitted by April 30, 2016. Motivate will install these stations by October 1, 2016. The remaining 60% of stations will be approved and permitted by July 30, 2016. Motivate will install these stations by January 1, 2017.
- *Pricing:* \$149 annual pass that can be increased no more than CPI + 2% annually. An annual pass can be paid in 12-monthly installments of no more than \$15.00. Motivate will offer a discounted pass set at 40% of the annual price. The discount will be available to

² City of Oakland Broadway Valdez District Specific Plan. Policy C-3.4. *Increase bicycle parking supply in the public realm.*

³ City of Oakland Coliseum Area Specific Plan. TR-Policy 5-30, *Bicycle Circulation Policies*

⁴ Institute for Transportation & Development Policy. *The Bike Share Planning Guide*. 2014. Pg. 14

⁵ Institute for Transportation & Development Policy. *The Bike Share Planning Guide*. 2014. Pg. 14

⁶ Institute for Transportation & Development Policy. *The Bike Share Planning Guide*. 2014. Pg. 14

customers who are eligible and enrolled in Bay Area utility lifeline programs. Approximately 49,000 Oakland households qualify for the discount program.

- *Parking Meter Revenue:* Motivate must make a best effort to avoid taking metered parking spaces. If a city requires reimbursement of lost parking meter revenue for a given site, the city must also provide an alternative site location within one city block that is not sited in metered parking areas. Motivate can choose to locate in either site.
- *Title Sponsor and Advertising:* Motivate is responsible for identifying a title sponsor and developing system name, color, and logo. MTC, in consultation with the cities, will have approval rights over title sponsorship and branding. Motivate will have the right to sell advertising on physical and digital assets. Advertising on physical assets are subject to local restrictions on outdoor advertising.

Bike Sharing Policy Objectives

To guide how the City will regulate bike sharing services, the Bike Sharing Policy establishes the following objectives (see *Exhibit A "Policy"*):

1. Support Bike Sharing on Public Property and the Public Right of Way
2. Balance the Opportunities for Bike Sharing with the Constraints of Local Parking Conditions
3. Ensure an Accessible, Equitable Program
4. Operate a Program that is Cost-Neutral to the City
5. Site Stations in Areas that are Safe, Convenient, and Unrestricted to Public Access

To act on these objectives, the Policy also outlines five primary implementation steps (Number 1 is recommended for approval in this report). The schedule for implementation is outlined in *Attachment B*.

1. *Negotiate and enter into an Inter-Governmental Agreement with MTC.* City staff will negotiate an inter-governmental agreement with MTC based on the contract terms provided in *Attachment A*.
2. *Prepare enabling legislation for a franchise agreement to allow advertising on bike share equipment.* City staff will prepare an ordinance that allows the creation of a Franchise Agreement for bike share organizations to advertise on bike sharing equipment including stations and bicycles. An ordinance is required for advertising in the public right of way per section 17.104.060 of the Oakland Municipal Code.
3. *Establish planning and siting criteria for bike share stations.* City staff will develop planning and siting criteria which outlines specific siting constraints and opportunities.

4. *Establish a bike share station permit and associated fees.* City Staff will prepare legislation to create a bike share station permit for stations in the public right of way and in public plazas, including amendments to the Oakland Municipal Code and Master Fee Schedule as appropriate.
5. *Establish a community engagement process and work with Motivate to site and permit stations.* City staff and/or city contractors will work with Motivate to facilitate outreach for bike sharing, including a process for locating stations.

The City will maintain sensitivity to parking conditions and will prioritize placing on-street stations in areas without parking meters. Details of a worst-case scenario are further explained in the Cost Summary/Implications section of this report.

PUBLIC OUTREACH/INTEREST

Motivate will lead a bike share outreach campaign in consultation with the City. The campaign will include a focus on low-income communities in Oakland. The campaign will seek to introduce bike share to all of Oakland residents and address the barriers for membership. City staff and Motivate will work with neighborhood groups and business leaders to find appropriate locations for bike sharing stations throughout the city.

COORDINATION

The proposed program has been coordinated internally with multiple divisions within Oakland Public Works, Planning and Building Department, and the Finance Department to ensure that the program is feasible to implement. The City Attorney's Office and Controller's Bureau have been consulted in preparation of this report.

COST SUMMARY/IMPLICATIONS

The bike share expansion in Oakland, including equipment, installation, operations, and maintenance, will be fully funded by Motivate at no cost to the city. Motivate will own and operate the bike share program and work in consultation with the city to address permitting.

Transportation Fund for Clean Air Grant to Support Bike Sharing in Oakland

The Alameda County Transportation Commission (ACTC) awarded \$660,616.00 to implement the bike share program in Oakland. The city has hired one Full Time Employee (FTE) through a contractor to coordinate the permitting and administrative tasks for launching bike share in Oakland. The remaining money is reserved for administrative costs and targeted outreach. The grant will allow the City to fully recover staff costs while waiving permit fees to expedite initial implementation.

Parking Revenue

As a provision in the term sheet (*Attachment A*), Motivate must make a best effort to avoid taking metered parking spaces. If Oakland requires reimbursement of lost parking meter revenue for a given site, the city must also provide an alternative site location within one city block that is not sited in metered parking areas. Motivate can choose to locate in either site.⁷ The City and Motivate will work with property owners and businesses that support bike share adjacent to their property.

The City will site stations in areas that do not remove parking meters. At most, the City is expected to lose up to \$66,000 per year of parking revenue from the removal of 30 metered parking spaces associated with the installation of bike share stations as seen in Table 1. Working with the Finance Department, City staff will conduct an analysis of each individual metered parking space proposed for removal and assess its occupancy rate. Staff will avoid removal of metered parking spaces with high occupancy rates, and instead look for alternative sites.

Table 1: Hypothetical Parking Reduction

Worst Case Parking Reduction from Bike Share Stations	
Bike Share Stations	75
Parking Spaces Removed/Relocated per Station	2
Maximum Parking Spaces Removed/Relocated	150
20% Anticipated Metered Spaces Removed ¹	30
Average Annual Revenue per On-Street Metered Space ²	\$2,200
Total Anticipated Revenue Loss per year	\$66,000

¹ City staff anticipates approximately 20% of on-street bike share stations will be located in high density commercial districts with metered parking.

² Based on \$10 per meter per day over the course of 220 days.

FISCAL/POLICY ALIGNMENT

The City Of Oakland will benefit from a bike share program that supports 850 bikes at minimal public cost. The environmental benefits associated with bike sharing advance the City's "Alternative Modes" policy (Resolution No. 73036 C.M.S.), which aims to reduce dependency on single occupant vehicle trips. Furthermore, the Oakland Energy and Climate Action Plan calls for a 36% reduction⁸ of Oakland's greenhouse gas emissions (Resolution No. 84126 C.M.S.).

SUSTAINABLE OPPORTUNITIES

Economic: Bike sharing will bring new transportation choices to Oakland residents who will have the opportunity to reduce transportation costs associated with owning a private vehicle or bicycle.

⁷ Motivate-MTC Proposed Contract Term Sheet

⁸ 2005 levels

Environmental: Research has shown that bike sharing services reduce the demand for private vehicles, decrease greenhouse-gas emissions, and increase walking and biking. Expanding bike sharing services in Oakland will help Oakland meet our sustainability goals outlined in the Energy and Climate Action Plan.

Social Equity: By adopting the Bike Sharing Policy, the City will take steps to see that bike sharing services expand to underrepresented neighborhoods that can benefit from additional transit options. The City will also have an opportunity to set standards for access to bike sharing services and to develop a bike sharing marketing and outreach program to key areas.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The City Council's action to establish a bike sharing policy and authorize the City Administrator to negotiate and enter into an inter-governmental agreement is exempt from CEQA pursuant to CEQA Guidelines sections 15061(b)(3) (General Rule), and 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning), and 15303 (New Construction of Small Structures), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance.

None of the exceptions that apply generally to categorical exemptions would apply to the bike share program. Bike share stations will be located in urban areas without environmental resources of critical concerns, and moreover installation of stations does not entail excavation, digging, or other disturbance of the pavement. Bike share will not have any potential impacts to traffic flow, as stations will be located outside of travel lanes (e.g., on sidewalks and in parking lanes). Finally, bike share will not adversely affect historic resources. Although bike share stations may be located near designated historic resources, bike share is not qualitatively different from other aspects of the urban environment that are routinely located near historic resources (e.g., parked cars, bike racks, utility boxes, etc.).

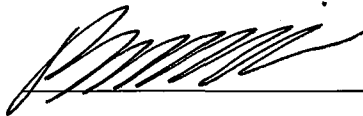
This action does not constitute an approval of a bike share station permit stations, or authorization to advertise on bike share equipment or install bike share stations, and subsequent approval of these actions by the City is subject to CEQA. Adoption of a franchise agreement to allow advertising on bike share equipment and establishment of a bike share station permit to authorize installation of stations in the public right of way and in public plazas requires additional environmental analysis pursuant to CEQA; after completion of such environmental analysis, these actions shall return to the City Council for its consideration for adoption and approval. The City reserves all of its rights and duties under CEQA with respect to these actions, including without limitation, the authority to do any and all of the following:

- a. Prepare an environmental study evaluating the impacts of establishing a bike station permit and adoption of a franchise agreement, feasible alternatives to these actions, and feasible mitigation measures;
- b. Adopt any feasible alternatives and/or feasible mitigation measure to lessen any significant environmental impacts resulting from establishment of a bike station permit and adoption of a franchise agreement;

- c. Determine that any significant environmental impacts of the bike station permit and/or franchise agreement that cannot be mitigated are acceptable due to project benefits overriding any significant unavoidable impacts; and/or
- d. Decide to modify or deny its approval of a bike station permit and/or franchise agreement, and not to proceed with the project, due to the results/findings of the CEQA process.

For questions regarding this report, please contact Carlos Hernandez, Bike Share Coordinator, at (510) 238-2254.

Respectfully submitted,



Brooke A. Levin
Director, Oakland Public Works

Reviewed by:
Michael J. Neary, P.E., Assistant Director
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Reviewed by:
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Prepared by:
Carlos Hernandez, Bike Share Coordinator
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Attachments (2):

- Attachment A – Summary of Terms with Motivate
- Attachment B – Bike Share Schedule

Motivate-MTC Proposed Term Sheet

This term sheet is intended to be used to facilitate discussions between the Metropolitan Transportation Commission (“MTC”) and Motivate International Inc. (“Motivate”) in order to develop a contract for the acquisition, launch and operation of a bike share system in the Bay Area.

Contract Topic	Contract Terms
Equipment Ownership	<p>If required by the FHWA, Motivate will be obligated to purchase the equipment initially acquired with federal funds according to the terms of the FHWA agreement.</p> <p>As currently outlined in the FHWA agreement, any item with a current per-unit FMV of less than \$5,000 will be transferred to Motivate at no cost. For items with a current per-unit FMV of more than \$5,000, the purchase price will be based on the share of federal funding for the project multiplied by the equipment’s FMV, as established by past sales of comparable equipment.</p>
System Size	<p>7,000-7,055 bikes total</p> <ul style="list-style-type: none"> • 4,500 in SF • 1,000 in San Jose • 1,400 in East Bay (850 in Oakland, 100 in Emeryville, 400 in Berkeley, 50 TBD based on additional system planning analysis) • Between 100 and 155 to be determined: <ul style="list-style-type: none"> - If Mountain View, Palo Alto, and Redwood City all decide to agree with Motivate and continue bike share, Motivate will provide 155 bikes among the three cities. - If one or two of the three pilot cities listed above decide to continue bike share, Motivate will provide enough bikes to maintain a 2:1 dock to bike ratio with the docks currently stationed in each city. If this is less than 100 bikes, Motivate will deliver enough bikes to another city to reach a program total of at least 7,000. - If none of the three pilot cities listed above decides to continue bike share, 100 bikes to be determined among SF, San Jose, and the East Bay.
Launch Dates	<p>Sites representing 25% of the total bikes for San Jose, East Bay and San Francisco should be approved and permitted by December 30, 2015. Motivate will install these bikes by June 1, 2016.</p>

Contract Topic	Contract Terms
<p>Launch Dates (continued)</p>	<p>Sites representing an additional 15% of bikes for San Jose, East Bay and SF should be approved and permitted by April 30, 2016. Motivate will install these bikes by October 1, 2016.</p> <p>Sites representing the remaining 60% of bikes for the East Bay should be approved and permitted by July 30, 2016. Motivate will install these bikes by January 1, 2017.</p> <p>Sites representing an additional 30% of bikes for San Jose and SF should be approved and permitted by November 30, 2016. Motivate will install these bikes by April 1, 2017.</p> <p>Sites for the remaining bikes in San Jose and SF should be approved and permitted by May 31, 2017. The remainder of bikes shall be installed no later than November 1, 2017.</p> <p>Delays in receiving permitted and approved sites by specified dates will result in extension of the installation dates in an amount equal to the delay.</p> <p>The above dates are based on completion of the contract with the MTC by July 31, 2015. If Motivate is negotiating in good faith and the contract signing occurs after July 31, 2015, the above dates will be extended by a duration equal to the difference between the contract signing date and July 31, 2015.</p>
<p>Term</p>	<p>10 year term, reduced to 5 years if Motivate does not achieve the aggregate bike target numbers described above (includes provisions for force majeure and siting issues) or if Motivate is in persistent and material breach of its contractual obligations as of the time renewal is considered in the fourth year.</p> <p>The contract may be extended for two additional five-year terms upon mutual agreement of the MTC and Motivate. If Motivate is in substantial compliance with the terms of the contract, MTC will engage in good faith negotiations to renew the contract on substantially equivalent terms one year prior to the expiration of the current term.</p> <p>MTC will provide notification of non-renewal no later than six months prior to the end of the term. If neither party provides no notice of non-renewal by six months, the contract should be extended for five years on the same terms.</p>

Contract Topic	Contract Terms
Exclusivity	<p>During the Term of this Agreement, Motivate shall have the exclusive right to operate a bike sharing program that utilizes public property and public right of way anywhere within San Francisco, Berkeley, Oakland, San Jose and Emeryville.</p> <p>The exclusivity provision does not apply to an existing pilot electric bike share program, facilitated by City CarShare and planned for Berkeley and San Francisco. The approximately 90 electric bikes at 25 planned stations will be available only to members of City CarShare.</p>
System Buy-In	<p>San Jose, San Francisco, Berkeley, Emeryville, and Oakland may contribute public funding for additional bikes and stations that are interoperable with the existing system. Costs to cities for purchasing, installing and operating the equipment is as follows:</p> <ul style="list-style-type: none"> • Capital Equipment: Aggregate pricing for bike share solution as specified in the Air District contract + 10%. Adjusted annually by the producer price index. • Installation: \$4,000 per station, including site planning and drawings, growing at CPI. • Operations and maintenance of the equipment: \$100 per dock per month, growing at CPI • Motivate is obligated to maintain equipment purchased by the cities in a state-of-good repair throughout the term. At the end of the term, Motivate shall return the equipment to the city in good working order acknowledging that there is expected to be normal wear and tear from use. <p>San Mateo and existing pilot cities other than San Francisco and San Jose that want to continue and/or expand existing system operations after the expiration of the BAAQMD contract can develop a new service agreement with Motivate using their own sources of funds. Costs to cities for purchasing, installing and operating the equipment is as follows:</p> <ul style="list-style-type: none"> • Existing equipment upgrade cost: \$12.50 per dock per month, growing at PPI. • New capital equipment: Aggregate pricing for bike share solution as specified in the Air District contract + 10%. Adjusted annually by the producer price index. • Installation of new equipment: \$4,000 per station, including site planning and drawings, growing at CPI • Operations and maintenance of the equipment: \$100 per dock per month, growing at CPI.

Contract Topic	Contract Terms
<p>System Buy-In (continued)</p>	<ul style="list-style-type: none"> - Price is reduced to \$75 per dock, adjusted by CPI, if an average of 1 ride per bike per day citywide occurs for a 12 month period - Price is reduced to \$50 per dock, adjusted by CPI, if an average of 1.5 rides per bike per day citywide occurs for a 12 month period - Price is reduced to \$0 per dock, adjusted by CPI, if an average of 3 rides per bike per day citywide occurs for a 12 month period <ul style="list-style-type: none"> • Motivate is obligated to maintain equipment purchased by the cities in a state-of-good repair throughout the term. At the end of the term, Motivate shall return the equipment to the city in good working order, acknowledging that there is expected to be normal wear and tear from use. • Cities are able to raise sponsorship to offset the costs of purchasing and operating the bike share system in their locality. Local sponsorship packages may include recognition of the sponsor on one side of one ad panel on the station. System naming rights, bike branding, and other branding of physical assets will be determined by Motivate in conjunction with title sponsor and in compliance with local advertising regulations. Local sponsors cannot be in the same category as the title sponsor, unless approved by Motivate. • Motivate will operate the current configurations of stations and docks, following the expiration of the BAAQMD contract, with enough bikes to provide a 2:1 ratio of bikes to docks, at no cost until December 31, 2015. • MTC will pay \$100 per dock per month to Motivate from January 1, 2016 through June 30, 2016 to maintain operations in the pilot cities. • Cities must decide whether or not to continue and/or expand bike share by May 31, 2016. Motivate will begin relocating equipment in cities that decide not to continue in July 2016. <p>Subsequent to deployment of 7,000 bikes within San Francisco, San Jose, Oakland, Berkeley and Emeryville, other cities in the MTC region that want to participate in the regional bike share system can develop a service agreement with Motivate using their own sources of funds. Costs to cities for purchasing, installing and operating the equipment is as follows:</p>

Contract Topic	Contract Terms
<p>System Buy-In (continued)</p>	<ul style="list-style-type: none"> • New capital Equipment: Aggregate pricing for bike share solution as specified in the Air District contract + 10%. Adjusted annually by the producer price index. • Installation: \$4,000 per station, including site planning and drawings, growing at CPI • Operations and maintenance of the equipment: \$130 per dock per month, growing at CPI. <ul style="list-style-type: none"> - Price is reduced to \$97.50 per dock, adjusted by CPI, if an average of 1 ride per bike per day citywide occurs for a 12 month period - Price is reduced to \$65 per dock, adjusted by CPI, if an average of 1.5 rides per bike per day citywide occurs for a 12 month period - Price is reduced to \$0 per dock, adjusted by CPI, if an average of 3 rides per bike per day citywide occurs for a 12 month period • Motivate is obligated to maintain equipment purchased by the cities in a state-of-good repair throughout the term. At the end of the term, Motivate shall return the equipment to the city in good working order, acknowledging that there is expected to be normal wear and tear from use. • Cities are able to raise sponsorship to offset the costs of purchasing and operating the bike share system in their locality. Local sponsorship packages may include recognition of the sponsor on one side of one ad panel on the station. System naming rights, bike branding, and other branding of physical assets will be determined by Motivate in conjunction with title sponsor and in compliance with local advertising regulations. Local sponsors cannot be in the same category as the title sponsor, unless approved by Motivate. <p>In addition, Motivate has the right to contract with private entities that want to provide funding for stations and bikes that are situated on privately-owned property.</p>
<p>Pricing</p>	<p>\$149 annual pass that can be increased no more than CPI + 2% annually.</p> <p>Annual pass can be paid in 12-monthly installments of no more than \$15.00</p> <p>All other pricing can be set at Motivate’s discretion.</p> <p>Motivate will offer a discounted pass set at 40% of the annual price. The discount will be available to customers who are eligible and enrolled in Bay Area utility lifeline programs. If participation</p>

Contract Topic	Contract Terms
Pricing (continued)	<p>in the discounted program is below expectations, Motivate and MTC may mutually agree on other eligibility criteria so long as the eligibility is determined by a third-party.</p>
Revenue Share	<p>User Revenue: 5% of user revenue above \$18,000,000 earned by Motivate (in accordance with GAAP) in any year will be paid to MTC. Amounts owed will be paid within 120 days of the end of the calendar year.</p> <p>Sponsorship Revenue: 5% of sponsorship revenue in excess of \$7,000,000 earned by Motivate (in accordance with GAAP) in any year will be paid to MTC. Amounts owed under the sponsorship revenue share agreement in years 1-5 will be deferred and paid in equal installments in years 6-10. For years 6-10, amounts owed under the sponsorship revenue share agreement will be paid within 120 days of the end of the calendar year.</p> <p>The revenue share hurdle will be adjusted for CPI starting in year 2.</p>
Brand Development and Sponsorship	<p>Motivate is responsible for identifying sponsors and developing system name, color, logo and placement of system assets. MTC, in consultation with the cities, will have approval rights over title sponsorship and branding.</p> <p>Motivate will abide by cities' existing guidelines and restrictions with regards to outdoor advertising. Motivate will not choose sponsors that are in age-restricted categories (alcohol, tobacco or firearms), products banned by the local government, or deemed offensive to the general public. Rejection of proposed sponsors by municipalities are limited to the grounds above.</p>
Advertising	<p>Motivate will have the right to sell advertising on physical and digital assets. Advertising on physical assets are subject to local restrictions on outdoor advertising.</p>
Siting	<p>Motivate to develop site locations, which will be prioritized based on demand. Motivate will also use city analyses and recommendations already developed where possible.</p> <p>If a city does not approve a proposed site location, they must provide an alternative within one-block.</p> <p>Motivate to provide a 20% minimum placement in communities of concern system-wide. Participating cities may designate other areas for 20% minimum placement instead of communities of concern.</p>

Contract Topic	Contract Terms
Siting (continued)	<p>Motivate will work together with cities on community engagement and outreach as part of the station siting process, including necessary business associations and city meetings.</p> <p>Motivate can relocate or resize underperforming stations while maintaining minimum placements in communities of concern.</p> <p>Motivate will hire planning and engineering firms to minimize the cities' costs and resources related to planning. Motivate will discuss staff time requirements with each city and determine ways to reduce demands on staff. If staff time exceeds estimates due to errors or omissions or by Motivate or its contractors, Motivate will reimburse cities for reasonable and documented direct staff time related to these issues.</p> <p>Cities to provide estimates on costs of permits within seven days of signing term sheet. If costs of permits are significant, Motivate will seek a waiver on permit costs given the public benefits of the project. If Motivate and Cities cannot reach agreement on a waiver, Motivate may consider reimbursing actual direct costs incurred by the city to provide the permit (e.g, a field visit by an inspector).</p>
Security Fund	<p>Motivate will provide \$250,000 into a Security Fund account controlled by MTC prior to the installation of the first new station. The Security Fund shall serve as security for the faithful performance by Motivate of all obligations under the contract.</p> <p>MTC may make withdrawals from the Security Fund of such amounts as necessary to satisfy (to the degree possible) Motivate's obligations under this Agreement that are not otherwise satisfied and to reimburse the MTC or cities for costs, losses or damages incurred as the result of Motivate's failure to satisfy its obligations.</p> <p>MTC shall not make any withdrawals by reason of any breach for which Motivate has not been given notice and an opportunity to cure in accordance with the Agreement.</p> <p>If funds are withdrawn from the Security Fund, Motivate will be required to replenish the Security Fund to an amount equal to \$250,000 on a quarterly basis.</p> <p>Interest in account accrues to Motivate.</p> <p>90 days after the end of the term, any remaining funds will be returned to Motivate.</p>

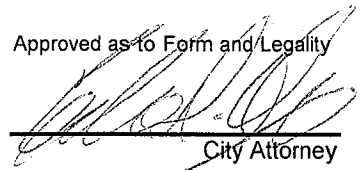
Contract Topic	Contract Terms
Liability	<p>Motivate shall defend, indemnify and hold MTC and its officers and employees harmless, to the fullest extent permitted by law, etc. Similar indemnities for cities.</p>
Default	<p>Termination and default clauses include the option to require Motivate to remove equipment, assign or transfer equipment and IP to a third party. IP assignment is limited to the extent needed for a third-party to maintain and operate the system.</p>
Data	<p>All data owned by Motivate. Cities granted a non-exclusive, royalty free, perpetual license to use all non-personal data.</p> <p>Monthly Reports shall be provided for each of the above KPIs and other system data, to be determined.</p>
Responsibilities of Motivate	<p>Brand development, station siting, design, permitting, purchase of equipment and software, installation of bikes and stations, station relocation, equipment replacement, bike share safety training, monthly operating meetings with MTC and cities, marketing, sales and sponsorship, operations and maintenance of system including customer service.</p> <p>Station relocation by public agencies will require reimbursement of costs incurred by Motivate. However, if a newly installed station is found to be unsuitable by a city for its location, the city may request within 30 days of installation the relocation of a station at Motivate's cost. The number of available free station moves is equal to 10% of the installed station base less any prior moves. For example, if a city has 100 stations installed, they have a total of 10 free station moves less any free station moves used to date. If the system grows to 200 stations, they then have 20 station moves less any station moves used to date.</p>
Site Design and Planning	<p>Motivate will hire a planning and engineering firm with experience in the specific locality to do surveying, site design and permit submission. Motivate will solicit input from each city to help determine its planning and engineering partners.</p> <p>Motivate will hire a community relations firm to assist with organizing and hosting community meetings and to conduct outreach to local residents and businesses.</p> <p>Motivate will use commercially reasonable efforts to subcontract the work to DBEs where possible.</p> <p>Each municipality should provide a point of contact to coordinate the community engagement efforts and the permitting process.</p>

Contract Topic	Contract Terms
Marketing	<p>MTC, in consultation with the cities, has final approval of marketing plans and activities.</p> <p>MTC, in consultation with the cities has approval over marketing and outreach plans for low-income communities, non-native English speaking populations, and disadvantaged communities. Motivate must do outreach and marketing in Spanish, Chinese and Vietnamese. MTC retains the ability to conduct outreach and program support in low-income and Limited English Proficiency neighborhoods.</p> <p>Motivate’s other marketing activities must comply with MTC and local standards for decency and not offend the general public. Motivate will not advertise or promote any products in prohibited categories (tobacco, alcohol, etc.).</p>
Parking Meter Revenue	<p>Motivate must make best effort to avoid taking metered parking spaces. If a city requires reimbursement of lost parking meter revenue for a given site, the city must also provide an alternative site location within one city block that is not sited in metered parking areas. Motivate can choose to locate in either site.</p>
KPIs	<p>Key Performance Indicators:</p> <ol style="list-style-type: none"> 1. Rebalancing: no station will remain full or empty for more than 3 consecutive hours between 6AM and 10PM. 2. Bicycle Availability: the number of bikes available for rent on an average, monthly basis shall be at least 90% of all bikes in service. 3. Station Deactivation, Removal, Relocation, and Reinstallation: as notified by MTC, perform the necessary action within the number of days in the established schedule for each task. 4. Station/Bike Maintenance, Inspection & Cleaning: check each bike and station at least once per month and resolve each issue within a given time frame. 5. Program, Website, and Call Center Functionality: the system, website, and call center shall each be operational and responsive 24/7, 365 days a year. <p>Liquidated damages related to KPIs may not exceed 4% of annual user revenue for the year.</p>

Contract Topic	Contract Terms
Transition of Project from Bay Air Quality Management District (BAAQMD) to MTC	Subject to Air District Board approval, BAAQMD, MTC and Motivate will cooperatively develop a plan to effectuate the transfer of the project from the BAAQMD to MTC. The plan will provide for the implementation of new pricing, the continuation of existing memberships, the transfer of system data, the transfer of assets, and any other provision to ensure a seamless transfer and provide Motivate with the ability to operate the system under the MTC contract.
Resolution of Terms with BAAQMD	<p>Resolution includes:</p> <ul style="list-style-type: none"> • Motivate will settle all outstanding claims with the Air District for the amount of \$150,000. • Air District agrees to release funds withheld for billed expenses and to pay all legitimate past and documented unbilled expenses totaling \$582,872 less the \$150,000 settlement amount. • On a go-forward basis, Motivate will be paid for all eligible reimbursable costs per month to the maximum amount of one twelfth of the Annual Operations Fee, or \$136,638.67 per month. Cost caps within categories will not be relevant. • This agreement will resolve prior SLA claims and any other prior potential claims that could be asserted through the date of Settlement
Americans with Disability Act (ADA) Provisions	In implementing and operating the bicycle sharing system, Motivate shall comply with all applicable requirements of the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, and all other applicable federal, state and local requirements relating to accessibility for persons with disabilities, including any rules or regulations promulgated thereunder. Such compliance shall extend to the location and design of system equipment and related facilities as well as the system website and any mobile application for the system.

FILED
OFFICE OF THE CITY CLERK
OAKLAND

OAKLAND CITY COUNCIL


City Attorney

RESOLUTION No. _____ C.M.S.
2015 JUL -2 AM 11:04
Introduced by Councilmember _____

1) ADOPT A RESOLUTION TO APPROVE A BICYCLE SHARING POLICY; AND 2) AUTHORIZE THE CITY ADMINISTRATOR TO NEGOTIATE AND ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION (MTC) CONSISTENT WITH THE BICYCLE SHARING POLICY

WHEREAS, the City of Oakland recognizes the practice of bike sharing as a beneficial mode of transportation that reduces demand for private vehicles, decreases per capita greenhouse-gas emissions, and creates more affordable mobility options for all of Oakland's residents; and

WHEREAS, the Energy and Climate Action Plan (Resolution No. 84126 C.M.S) calls for a 36% reduction in greenhouse gas emissions and 20% reduction in vehicle-miles traveled from 2005 levels by 2020; and

WHEREAS, the City of Oakland, through its "Alternative Modes Policy" (Resolution No.73036 C.M.S.) supports transportation alternatives to private, single-occupant vehicles, and

WHEREAS, the Broadway Valdez District Specific Plan and the Coliseum Area Specific Plan calls for bike share as an alternative transportation mode; and

WHEREAS, the City of Oakland applied for Transportation Fund for Clean Air funding and received \$660,616.00 for the Oakland Bike Share Program; and

WHEREAS, each as a separate and independent basis, these actions are exempt from CEQA pursuant CEQA Guidelines Sections 15303 (new construction or conversion of small structures), 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning), and 15061(b)(3) (no significant effect on the environment); and

WHEREAS, the regional bike share project manager, Metropolitan Transportation Commission, approved an exclusive contract for expansion with Motivate, the largest bike share vendor and operator in the U.S.; now, therefore be it

RESOLVED, that the City of Oakland adopts the Bike Sharing Principles contained in *Exhibit A*, attached hereto and incorporated herein by reference; and be it

FURTHER RESOLVED, that the City Administrator or designee will negotiate and implement an inter-governmental agreement with MTC and the bike sharing organization on behalf of the City; and be it

FURTHER RESOLVED, that the City Administrator is authorized to execute agreements with the MTC, and amendments or modifications of the agreement within the limitations of the project specifications; and be it

FURTHER RESOLVED, that the City Council's action to establish a bike sharing policy and authorize the City Administrator to negotiate and enter into an inter-governmental agreement is exempt from CEQA pursuant to CEQA Guidelines sections 15061(b)(3) (General Rule), and 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning), and 15303 (New Construction of Small Structures), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance; and be it

FURTHER RESOLVED, that this action does not constitute an approval of a bike share station permit stations, or authorization to advertise on bike share equipment or install bike share stations, and subsequent approval of these actions by the City is subject to CEQA. Adoption of a franchise agreement to allow advertising on bike share equipment and establishment of a bike share station permit to authorize installation of stations in the public right of way and in public plazas requires additional environmental analysis pursuant to CEQA; after completion of such environmental analysis, these actions shall return to the City Council for its consideration for adoption and approval. The City reserves all of its rights and duties under CEQA with respect to these actions, including without limitation, the authority to do any and all of the following: (a) prepare an environmental study evaluating the impacts of establishing a bike station permit and adoption of a franchise agreement, feasible alternatives to these actions, and feasible mitigation measures; (b) adopt any feasible alternatives and/or feasible mitigation measure to lessen any significant environmental impacts resulting from establishment of a bike station permit and adoption of a franchise agreement; (c) determine that any significant environmental impacts of the bike station permit and/or franchise agreement that cannot be mitigated are acceptable due to project benefits overriding any significant unavoidable impacts; and/or (d) decide to modify or deny its approval of a bike station permit and/or franchise agreement, and not to proceed with the project, due to the results/findings of the CEQA process.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

BIKE SHARING POLICY

The City of Oakland recognizes the practice of bike sharing – a membership-based transportation service, which allows members to make bicycle trips with the use of a rented bicycle without a separate written requirement for each trip – as a beneficial mode of transportation that reduces demand for private vehicles, decreases per capita greenhouse-gas emissions, and creates more mobility options for all of Oakland’s residents. Furthermore, bike sharing supports Oakland’s “Alternative Modes” policy (Resolution No. 73036 C.M.S.), which encourages the use of alternatives to single-occupant vehicles.

As such, the City will establish requirements to operate a bike share program in Oakland, adopt changes to the municipal code and Master Fee Schedule to permit the use of bike sharing services in the public right of way, and establish a program for staff to monitor the use of bike sharing within Oakland and make future recommendations about the role of bike sharing in Oakland.

A. Bike Sharing Objectives

Support Bike Sharing on Public Property and the Public Right of Way

The City of Oakland will work with Bike Sharing Organizations, typically described as the operators/vendors of bike share programs, to make the public right of way available for bike sharing services, as the City deems appropriate. The City will establish basic requirements to operate a bike sharing program, standards for placing bike share stations on the public right of way, and monitor feedback from Oakland residents about bike sharing services. In addition, the City will collect and analyze data from bike sharing organizations to ensure that the public right of way is being used in a manner that reduces dependency on private automobiles while enhancing mobility options for all residents.

Maintain Sensitivity to Local Parking Conditions

In planning and permitting bike sharing services, the City of Oakland will maintain sensitivity to parking and accessibility conditions in both residential and commercial districts. Needs of owners of private vehicles, members of the bike share program, and City site maintenance employees will be balanced when designating the public right of way for the use of bike sharing services. According to the Alternative Modes policy, the City will resolve disputes in favor of the mode “that provides the greatest mobility for people rather than vehicles giving due consideration to the environment public safety economic development health and social equity impacts” (73036 C.M.S.).

Ensure an Accessible, Equitable Program

The City of Oakland wants to ensure that all residents, including the elderly and disadvantaged, are served by this environmentally beneficial mode of transportation. The City will work with bike sharing organizations so that all residents have equitable access to bike sharing services.

Operate a Cost-Neutral Program

The financial impact of administering a bike sharing program should be cost neutral to the City. The City should make space in the public right of way available to bike sharing organizations, but it should not subsidize the operations of bike sharing.

Site Stations in Safe, Convenient, and Unrestricted Areas

Bike Share stations should be placed in areas with high visibility to ensure safety. They should also be available at all times to members and located near key destinations.

B. Implementation

Negotiate and Enter in an Inter-Governmental Agreement with MTC

The City Administrator or his/her designee will negotiate and enter into an inter-governmental agreement with MTC to establish the terms for the Oakland bike sharing program. The agreement will be consistent with the contract between MTC and the bike sharing organization.

Prepare Enabling Legislation for a Franchise Agreement for Advertising

Bike share organizations typically require the ability to advertise a title sponsor on equipment to pay for the program's operating costs. Thus, the City Administrator or his/her designee will prepare enabling legislation to allow a franchise agreement between the City and the bike sharing organization to advertise on bike share equipment.

Establish a Planning and Siting Criteria

The City Administrator or his/her designee will establish Planning and Siting Criteria for a successful point-to-point bike sharing (i.e., "from one station to another") program. The City will determine the geographic boundaries of the service area in consultation with the bike share organization and community input.

Establish a Bike Share Station Permit

The City Administrator or his/her designee will explore a process to permit and to locate dedicated spaces for bike sharing stations in the public right of way and in public plazas in cooperation with bike sharing organizations. Furthermore, the City Administrator or his/her designee will prepare legislation to create a bike share station permit for stations and amend the Oakland Municipal Code and Master Fee Schedule accordingly.

Exhibit A

Establish a Community Engagement Process

The City Administrator or his/her designee will work with Motivate to implement a community engagement process to address station placement and membership barriers.