



CITY OF OAKLAND

# AGENDA REPORT

**TO:** Elizabeth Lake,  
Acting City Administrator

**FROM:** Josh Rowan  
Director, Department of  
Transportation

**SUBJECT:** Bike Share Franchise Amendment

**DATE:** May 18, 2026

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City Administrator Approval

  
Betsy Lake (May 28, 2026 19:28:18 PDT)

Date: May 28, 2026

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## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt An Ordinance:**

- (1) Amending Ordinance No. 13355 C.M.S. Granting An Exclusive Franchise To Lyft Bikes And Scooters, LLC, Formerly Bay Area Motivate, LLC (Lyft), To Operate A Bike Share Program;**
- (2) Authorizing The City Administrator To Negotiate And Execute An Amendment To The Bike Share Program Franchise Agreement With Lyft To Extend The Term To No Later Than December 31, 2032;**
- (3) Authorizing Advertising Signs On The Bike Sharing Program Equipment, Pursuant to Section 17.104.060 of the Oakland Planning Code; And**
- (4) Adopting Appropriate California Environmental Quality Act Findings**

## **EXECUTIVE SUMMARY**

Lyft Bikes and Scooters, LLC (Lyft) operates a bike sharing program (Program) in the cities of Oakland (City), Berkeley, Emeryville, San Francisco and San José branded as “Bay Wheels”. The program is governed by a “Program Agreement” between Lyft and the Metropolitan Transportation Commission (MTC) and a regional “Coordination Agreement” between the five participating cities, Lyft and MTC. The Program is licensed to operate in Oakland through a ten-year Franchise Agreement. The Franchise Agreement with Bay Area Motivate, L.L.C. (Motivate) was executed on July 15, 2016 and the initial 10-year term will expire on July 14, 2026. The current Franchise Agreement includes two 5-year extensions until no later than 2036 upon mutual agreement. In 2018, Lyft Bikes and Scooters, LLC (Lyft) acquired Motivate, and staff requests that the authorizing Ordinance No. 13355 C.M.S. be amended to capture Lyft as the authorized exclusive franchisee due to the merger of Motivate with Lyft.

In March 2026, the MTC Regional Network Management Committee authorized the MTC Executive Director to negotiate and execute a contract amendment with Lyft to extend the regional Program Agreement to December 31, 2032. Staff is requesting an amendment to the Franchise Agreement to grant only a 6.5-year extension with an additional 5-month option for a co-terminus end date of December 31, 2032, to match the amendment to the MTC Coordination Agreement. This amendment is consistent with the regional Program Agreement and allows operations to continue in Oakland until a long-term successor agreement can be reached with Lyft or another bike share operator. Staff also requests authorization of advertising signs on the bike sharing program equipment pursuant to Section 17.104.060 of the Oakland Planning Code. No other amendments to the Franchise Agreement are recommended. The amendment to the Program Agreement includes several key terms that are summarized and included as **Attachment A**.

### **BACKGROUND / LEGISLATIVE HISTORY**

In July 2015, the City Council approved [Resolution No. 85715 C.M.S.](#), adopting a Bike Sharing Policy and authorizing the City Administrator to negotiate and enter into an Intergovernmental Agreement with the MTC and Motivate.

In February 2016, the City Council adopted [Ordinance No. 13355 C.M.S.](#) granting a ten year Franchise Agreement to Motivate to operate a bike share program. The Franchise Agreement was executed on July 15<sup>th</sup>, 2016.

In July 2017, Motivate began operating the regional bike share program, initially branded as “Ford GoBike”, in Oakland, Berkeley, Emeryville, San Francisco, and San Jose. This program initially consisted of non-electric bikes that must be docked in stations.

In July 2018, the City Council received [an Informational Report](#) on the City’s shared mobility programs, including bike share.

In November 2018, Motivate was purchased by the ride-hailing company Lyft, Inc and subsequently merged into a parent company called Lyft Bikes and Scooters, LLC (Lyft).

In January 2019, Ford Motor Company announced it would end its corporate sponsorship of the Ford GoBike program. This change in ownership and corporate sponsorship did not affect the City’s rights and responsibilities under the regional Coordination Agreement or the City’s Franchise Agreement with Motivate. Lyft subsequently re-branded the bike share program as “Bay Wheels.”

In October 2023, MTC and Lyft finalized a funding agreement for up to \$13,940,000 for Lyft to expand, electrify and operate the Bay Wheels program with 2,702 new docked electric bicycles, between 55 and 64 new stations and 8 new electrified stations. The agreement also funded a reduction in membership fees and per-minute fees for electric bikes (e-bikes).

In November 2023, the City Council adopted [Resolution No. 90008 C.M.S](#) finalizing and executing an agreement with Lyft to authorize the addition of docked electric bicycles to their bike share fleet, subject to the terms of their Franchise Agreement and accepting and

appropriating a \$150,000 grant from the metropolitan transportation commission to fund staff time for the planning, outreach, and permitting of nineteen new bike share stations.

In February 2026, Lyft completed installation of all nineteen new bike share stations agreed to as part of the e-bike expansion agreement, bringing the City's total to 102 stations.

In March 2026, the MTC's Regional Network Management Committee [agreed to the terms](#) of a five-year Program Agreement renewal to July 31, 2032 with an optional five-month extension to December 31<sup>st</sup>, 2032. They also authorized their Executive Director to execute a contract amendment with Lyft and appropriated \$2,510,000 to fund capital investments in more e-bikes, batteries, stations and system expansion.

## **ANALYSIS AND POLICY ALTERNATIVES**

Bike share is an innovative transportation service that offers access to a fleet of bicycles at self-serve stations throughout a defined service area. Bike share serves as an active transportation option for commutes, errands, and other trips. Users may access the service by purchasing either a single trip, or a monthly or annual membership. Bike sharing is a healthy mobility option that can also help facilitate the "last mile" of transit trips to and from Bay Area Rapid Transit (BART) stations, AC Transit bus stops, Amtrak stations, the San Francisco Bay Ferry terminal, and other transit options.

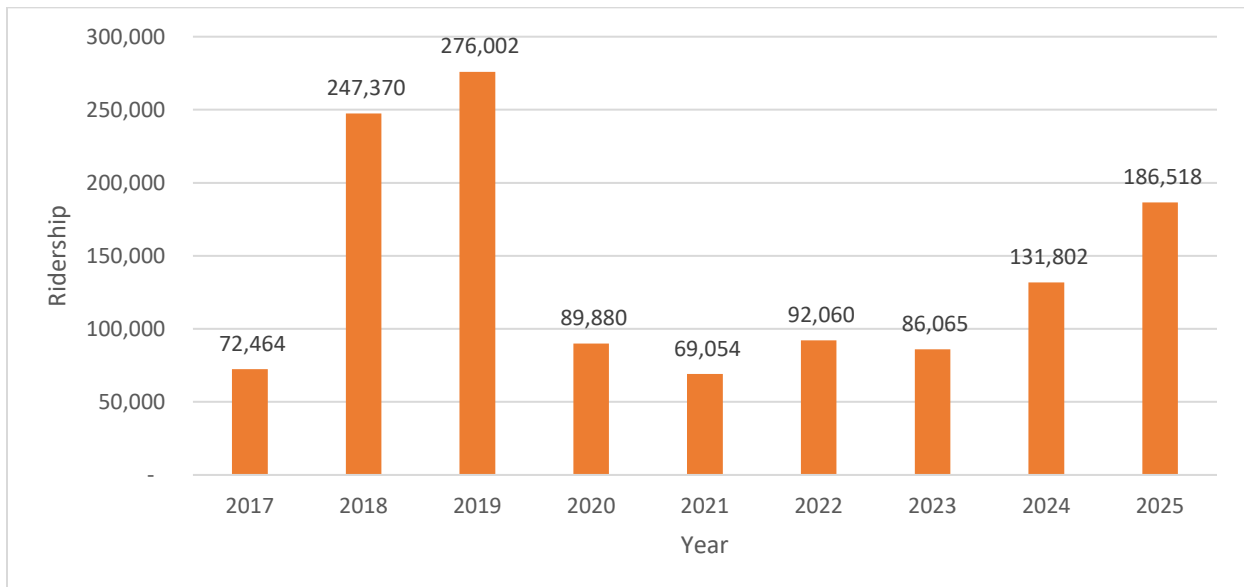
Lyft Bikes and Scooters, LLC (Lyft) operates a bike sharing program (Program) in the Cities of Oakland (City), Berkeley, Emeryville, San Francisco and San José branded as "Bay Wheels". The program is governed by a regional ten-year "Program Agreement" between the five participating cities, Lyft and the Metropolitan Transportation Commission (MTC) that expires July 31, 2027. The Program is licensed to operate in Oakland through a Franchise Agreement. The ten-year Franchise Agreement with Motivate, now Lyft, was executed on July 15, 2016 and will expire on July 14, 2026. In addition, the City is a party to a regional Coordination Agreement that governs coordination between the five participating cities, MTC and Lyft. The Coordination Agreement does not need to be amended, as its term does not expire until the Program Agreement or successor agreement expires.

The Program includes approximately 340 pedal-powered, docked bicycles (Classic bikes), 510 docked electric bicycles (e-bikes) and 102 bike share stations in Oakland. Docked e-bikes use an electric motor to assist pedaling. At the end of a reservation, docked e-bikes must be locked into a dock at a bike share station, not locked to a bike rack or other street furniture. Lyft minimizes fire risk by using Underwriters Laboratory (UL) certified batteries in all e-bikes. UL certification includes a review of the electric drive train system, battery, and charger. Since their introduction in 2024, docked e-bikes have proven very popular with Oaklanders and are ridden more than twice as often as the standard pedal powered bikes.

According to the MTC: "Since 2023, Bay Wheels ridership has grown by more than 30% for two consecutive years and more than 74% from 2023 to 2025. The system served 4.4 million trips in 2025 and over 22 million trips since 2017. This level of ridership would make Bay Wheels equivalent to the 7th largest transit operator by ridership in the Bay Area."

Ridership in Oakland grew from 188,733 trips during its first full year (July 2017 to July 2018) to 276,002 trips in 2019, when it reached its peak. The COVID-19 pandemic and associated changes to commute patterns severely impacted bike share ridership starting in the first quarter of 2020 and continuing through 2023. Ridership has since increased steadily, from 131,802 trips in 2024 to 186,518 trips in 2025 (see **Figure 1: BayWheels Annual Ridership, 2017-2025**). This upward trend continues in 2026. Ridership in the first quarter of 2026 (52,253 trips) was about 50 percent higher than in the first quarter of 2025 (34,840 trips) and is on pace for record annual ridership.

**Figure 1: Bay Wheels Annual Ridership, 2017 to 2025**



The Metropolitan Transportation Commission’s Regional Network Management Committee unanimously [agreed to the terms](#) of a five-year extension of the regional Program Agreement in March 2026. The contract terms were negotiated by MTC and Lyft, with input from Oakland and the five other participating cities. MTC staff plan to execute a five-year and five-month extension of the regional Program Agreement in June 2026. Staff recommends that the City Council adopt an Ordinance extending the Franchise Agreement term with Lyft until no later than December 31, 2032 to maintain program operations and continuity in Oakland, in concurrence with the regional Program Agreement extension.

### **Advertising**

The bike share stations include an advertising panel, as well as advertisements and sponsorships on the bikes themselves, to help defray program costs. Advertising on these panels is required to adhere to City rules and regulations for outdoor advertising. Lyft intends to maintain the advertising panels, and therefore this provision of the Program will remain unchanged. An ordinance is required for advertising in the public right of way per section 17.104.060 of the Oakland Municipal Code.

### **Program Agreement Contract Terms Summary**

The City is not a party to the Program Agreement, however, the Franchise Agreement references and incorporates the terms of the Program Agreement. The term of the Program Agreement began in July 2017, one year later than the term of the Franchise Agreement. Therefore, while MTC plans to extend the Program agreement for five years until December 31, 2032, the Franchise Agreement would need to be extended by six years and five and a half months to maintain concurrency.

The five-year extension of the regional Program Agreement between MTC and Lyft includes the following contract terms, selected for those most relevant to Oakland (full terms included as **Attachment A**). No amendments are recommended to the Franchise Agreement, other than the term.

#### Program Agreement Term

An additional six and a half years, to July 31, 2032, with MTC having an option to unilaterally extend by an additional five months through December 31, 2032.

#### Fleet Size

- 2026: 20% reduction in Classic fleet minimums in each city due to very low classic bike utilization
- 2028: If Classic bike utilization is still below 0.4 then additional 20% reduction in Classic fleet minimum

#### Pricing

Member pricing – Consumer Price Index (CPI) + 2% annual increases

- Bikeshare for All (BS4A) pricing - No changes through July 2027, then in August 2027, BS4A pricing will be structured as follows:
  - Maintain \$5 first year BS4A membership fee through full extension term
  - 2nd year BS4A membership fee set at ½ the amount of the current annual membership fee
  - BS4A e-bike fee set at ½ current annual member e-bike fee and capped at the cost of a 20-minute trip

#### Station Relocation And Operating Fee

Starting in 2026, Lyft will work with Berkeley, Emeryville, Oakland, and San José to relocate severely underperforming stations (less than 1 trip/station/day), waiving installation/de-installation fees for up to 30 relocations per year

- Starting in 2028, an operating fee of \$25 per dock per month would apply to any underperforming stations not moved
- Stations in Equity Priority Communities (EPCs) will have an additional grace period through 2029 before an operating fee applies; operating fees for stations in EPCs will also be discounted by 50%

#### Regional Transit Connectivity Incentives

Lyft will provide \$10,000 in credits per year through 2032 to be distributed by MTC to encourage connectivity between regional transit and bikeshare.

### System Performance Measures

Establish escalating measures based on significant adverse impacts to ridership and utilization sustained over a six-month period, measured against the same six-month period for the previous two years

- Tier 1 – San Francisco Classic fleet minimum reduction of 25% if casual ridership and overall utilization are down any amount
- Tier 2 – Annual member fee cap increased to \$200 if casual ridership is down 10% or more and total ridership and overall utilization are down any amount
- Tier 3 – Unilateral termination option (by Lyft) if casual ridership, overall ridership, and overall utilization are all down 20% or more. Lyft must provide at least 15-months written notice to terminate.

### Student Membership

MTC, in consultation with Lyft, may elect to use up to \$400,000 of the 2023 MTC investment intended for college student memberships to instead fund Bay Wheels stations in high demand areas close to public university campuses.

## **RELATED PLANNING EFFORTS: EQUITABLE CLIMATE ACTION PLAN**

Extending the Bike Share program Franchise Agreement would help achieve the Equitable Climate Action Plan's (ECAP) Action item "Transportation and Land Use – 9: Ensure Equitable and Clean New Mobility". That item calls for the City to "Ensure that new mobility platforms and technologies equitably support City carbon reduction goals, including integrated planning for vehicles, public transit, and active transportation networks and amenities." Amending the Franchise Agreement with Lyft to extend the bike share program for another six years with a five-month option to extend until December 31, 2032, will maintain this low-carbon transportation option for Oaklanders. Oakland's most-used bike share stations are located at BART stations, indicating that Oaklanders are using bike share to access public transit, another low-carbon transportation mode.

## **FISCAL IMPACT**

The bike share program in Oakland, including equipment, installation, operations, and maintenance, will be fully funded by Lyft and MTC at no cost to the City. Staff help to implement, administer and monitor the Program by conducting outreach, planning, and permit review while serving as a single-point-of-contact for the Program in Oakland. The staff time needed to support the program is approximately one quarter of a full-time equivalent Transportation Planner II at the Department of Transportation. The annual, fully loaded cost of this position for fiscal year 2026-27 is \$299,130. The one quarter of this annual cost needed to support the bike share program is \$74,783 per year. Funding for this position will be requested as part of the Fiscal Year 2026-27 mid-cycle budget proposal and subject to funding availability and budget adoption.

Starting in 2028, the proposed Program Agreement between MTC and Lyft, would allow Lyft to charge an "operating fee" of \$25 per dock per month that would apply to any seriously underperforming stations (less than 1 trip/station/day) that were identified as such and not

relocated to a potentially better performing location. Staff do not anticipate incurring that fee as any seriously underperforming station would be relocated before that happened.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

### **COORDINATION**

This report and legislation have been reviewed by the Office of the City Attorney and the Budget Bureau.

### **RACE AND EQUITY**

Staff did not complete a Racial Equity Impact Analysis on the recommended action; however, racial equity considerations have been integrated into the Program. For example, highly discounted “Bikeshare For All” Bay Wheels passes are, and will continue to be, available for those that qualify for CalFresh food assistance or Pacific Gas & Electric’s California Alternate Rates for Energy Program (CARE) program. In addition, a minimum of twenty percent (20%) of bike share stations in Oakland must be placed to the east of 14<sup>th</sup> Avenue.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The California Environmental Quality Act (CEQA) and the CEQA Guidelines exempt specific types of projects from environmental review. The following CEQA exemptions apply to this proposed action under CEQA Guidelines Section 15183 (projects consistent with a Community Plan, General Plan, or Zoning) Section 15308 (protection of the environment), and Section 15061(b)(3) (no significant effect on the environment).

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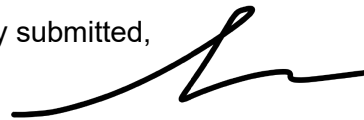
**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt An Ordinance:

- (1) Amending Ordinance No. 13355 C.M.S. Granting An Exclusive Franchise To Lyft Bikes And Scooters, LLC, Formerly Bay Area Motivate, LLC (Lyft), To Operate A Bike Share Program;
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- (4) Adopting Appropriate California Environmental Quality Act Findings

For questions regarding this report, please contact Kerby Olsen, Supervising Transportation Planner, at 510-238-2173.

Respectfully submitted,



Megan Wier Acting for Josh Rowan

Josh Rowan  
Director, Department of Transportation

Reviewed by:

Reginald Bazile, Right-of-way Division Manager

Prepared by:

Kerby Olsen, Senior Transportation Planner  
Mobility Management Team

Attachment (1):

A: Program Agreement Contract Terms

**Attachment A**

<b>Program Agreement Contract Terms</b>	
<b>Contract Item</b>	<b>Terms</b>
Program Term	5-year renewal term extending agreement to July 31, 2031. MTC will have the option to unilaterally extend the agreement by an additional 5 months through December 31, 2031.
Pricing Structure	<ul style="list-style-type: none"> <li>● Member pricing – Consumer Price Index (CPI) + 2% annual increases</li> <li>● Bikeshare for All (BS4A) pricing - No changes through July 2027, then in Aug 2027, BS4A pricing will be structured as follows:               <ul style="list-style-type: none"> <li>○ Maintain \$5 first year BS4A membership fee through full extension term</li> <li>○ 2nd year BS4A membership fee set at ½ the amount of the current annual membership fee</li> <li>○ BS4A e-bike fee set at ½ current annual member e-bike fee and capped at the cost of a 20-minute trip</li> </ul> </li> </ul>
Fleet Minimums	<ul style="list-style-type: none"> <li>● San Francisco               <ul style="list-style-type: none"> <li>○ 2026: E-bike minimum increase from 1,800 to 2,200, decrease in Classic fleet minimum from 1,400 to 1,000</li> <li>○ Between 2027-2029: Utilization based e-bike minimum increase to 2,500, option to increase e-bike minimum further to 2,800 with corresponding decrease in Classic fleet minimum to 700, upon mutual agreement.                   <ul style="list-style-type: none"> <li>■ E-bike fleet minimum increase conditions (must meet both), measured on a 12-month rolling basis:                       <ul style="list-style-type: none"> <li>○ Between 2027-2029: Utilization based e-bike minimum increase to 2,500, option to increase e-bike minimum further to 2,800 with corresponding decrease in Classic fleet minimum to 700, upon mutual agreement.</li> </ul> </li> </ul> </li> <li>● Overall e-bike utilization greater than 6 trips/e-bike/day</li> <li>● Casual e-bike utilization greater than 1.5 trips/e-bike/day</li> <li>● All other cities                   <ul style="list-style-type: none"> <li>○ 2026: 20% reduction in Classic fleet minimums in each city due to very low Classic bike utilization</li> <li>○ 2028: If Classic bike utilization is still below 0.4 then additional 20% reduction in Classic fleet minimum</li> </ul> </li> </ul> </li> </ul>
San Francisco Valet Operations	Lyft commits to implementing valets or rebalancing at a minimum of 6 major events per year in San Francisco, as well as a commuter valet in downtown San Francisco if peak demand exceeds dock availability by 2x over 10 or more days in a month
Rideability KPI	Implement Rideability KPI as a stronger accountability metric for bike and dock availability than the current Rebalancing KPI, starting with a 6-month assessment period in SF, then expansion to other cities in Q4 2026

<b>Contract Item</b>	<b>Terms</b>
Stations and Station Electrification	<p>MTC will purchase a total of 826 docks (electrified and non-electrified)</p> <ul style="list-style-type: none"> <li>● Lyft will contribute 150 additional docks</li> <li>● Intent of new stations               <ul style="list-style-type: none"> <li>○ System sustainability, generate ridership to avoid performance measures</li> <li>○ Pilot expansion to adjacent cities</li> </ul> <p>Improve seamless connections to regional transit hubs (BART, Caltrain, ferry)</p> </li> <li>● Electrified station installation               <ul style="list-style-type: none"> <li>○ Lyft will lead implementation and fund trenching costs associated with deployment of electrified stations at locations included on Lyft's list of priority locations</li> <li>○ For locations not on Lyft's priority list, MTC and/or the Participating City will need to fund trenching costs</li> </ul> </li> </ul>
Station Relocation and Operating Fee	<p>Starting in 2026, Lyft will work with Berkeley, Emeryville, Oakland, and San José to relocate severely underperforming stations (less than 1 trip/station/day), waiving installation/de-installation fees for up to 30 relocations per year</p> <ul style="list-style-type: none"> <li>○ Stations in EPCs will have an additional grace period through 2029 before an operating fee applies; operating fees for stations in EPCs will also be discounted by 50%</li> <li>○ Starting in 2028, an operating fee of \$25 per dock per month would apply to any underperforming stations not moved</li> </ul>
Station Re-sizing	<p>Lyft and the cities will meet annually to discuss right-sizing stations in order to better allocate docks within each city based on demand, and upon mutual agreement, Lyft will reallocate docks accordingly at no cost to MTC or the cities</p>
System Expansion	<p>Up to 10 stations, as determined by MTC, may be sited within 1/4 mile of the Participating City borders and these stations will not be subject to operating fees.</p>
Theft & Loss Replenishment	<p>MTC will fund replenishment of initial 200 e-bikes in extension period. Lyft will fund up to 200 additional replenishment e-bikes per year across all cities. Lyft will also fund Lyft-funded San Francisco e-bike replenishment up to 9% per year; if Lyft's theft &amp; loss replenishment exceeds 9% of the San Francisco e-bike fleet in a year, the San Francisco e-bike minimum will be reduced by a proportionate amount in the subsequent year.</p>
Regional Transit Connectivity Incentives	<p>Lyft will provide \$10,000 in credits per year through 2032 to be distributed by MTC to encourage connectivity between regional transit and bikeshare.</p>

<b>Contract Item</b>	<b>Terms</b>
System Performance Measures	Establish escalating measures based on significant adverse impacts to ridership and utilization sustained over a six-month period, measured against the same six-month period for the previous two years <ul style="list-style-type: none"> <li>○ Tier 1 – San Francisco classic fleet minimum reduction of 25% if casual ridership and overall utilization are down any amount</li> <li>○ Tier 2 – Annual member fee cap increased to \$200 if casual ridership is down 10% or more and total ridership and overall utilization are down any amount</li> <li>○ Tier 3 – Unilateral termination option (by Lyft) if casual ridership, overall ridership, and overall utilization are all down 20% or more. Lyft must provide at least 15-months written notice to terminate</li> </ul>
Security of Investment /Capital	<ul style="list-style-type: none"> <li>● At end of contract, or in case of early termination by Lyft, MTC has the right of title, right to assign title or have Lyft remove all assets and Lyft would retain ownership of assets.</li> <li>● In case of early termination by Lyft, and if MTC does not elect to retain or transfer title, Lyft agrees to repurchase assets funded by MTC at an amount pro-rated for the remaining duration of the contract.</li> </ul>
Student Membership	<ul style="list-style-type: none"> <li>● MTC, in consultation with Lyft, may elect to use up to \$400,000 of the 2023 MTC investment intended for college student memberships to instead fund Bay Wheels stations in high demand areas within close proximity to public university campuses.</li> </ul>