



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Fred Kelley
Director, Oakland
Department of
Transportation

SUBJECT: Electric Bike Share Expansion

DATE: October 16, 2023

City Administrator Approval

Date: Oct 30, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To:

- (A) Finalize And Execute An Agreement With Lyft Bikes And Scooters, LLC. To Authorize The Addition Of Docked Electric Bicycles To Their Bike Share Fleet, Subject To The Terms Of Their Franchise Agreement;**
- (B) Accept And Appropriate Funds From The Metropolitan Transportation Commission's One Bay Area Grant In The Amount Of \$150,000 To Fund Staff Time For The Planning, Outreach, And Permitting Of Nineteen New Bike Share Stations; And**
- (C) Adopt Appropriate California Environmental Quality Act Findings**

EXECUTIVE SUMMARY

Approval of this proposed resolution will authorize the City Administrator to finalize an agreement with Lyft to add docked electric bicycles to their bike share fleet in Oakland. It will also accept and appropriate funds from the Metropolitan Transportation Commission's (MTC) One Bay Area Grant (OBAG 3) in the amount of \$150,000. These funds will be allocated toward time for existing staff to plan for and permit nineteen new bike share stations.

Lyft Bikes and Scooters, LLC (Lyft) operates a bike share system in the Cities of Oakland (City), Berkeley, Emeryville, San Francisco and San José branded as "Bay Wheels". Adding 510 docked electric bicycles and nineteen new bike share stations will grow the bike share network, expand mobility options, and increase equitable access to the network for Oakland residents.

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 Bay Area Motivate, L.L.C. (Motivate).

In February 2016, the City Council adopted [Ordinance No. 13355 C.M.S.](#) granting a Franchise Agreement to Motivate to operate a bike share program.

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 consists of non-electric bikes that must be docked in “stations”.

In April 2018, the installation of all 80 planned bike share stations in Oakland was completed. An additional three stations have since been added using grant funds.

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

In September 2018, the City Council adopted [Ordinance No. 13502 C.M.S.](#) establishing regulations and permits for dockless electric scooter sharing in the public right of way.

In November 2018, Motivate was purchased by the ride-hailing company Lyft, Inc.

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 2020, the City Council adopted [Ordinance No. 13627](#) to amend the Oakland Municipal Code to include dockless electric bicycles and tricycles as vehicles eligible for dockless electric scooter permits. The resulting “Dockless Vehicle Share Program” allows electric scooters, electric bikes, and electric tricycles.

In February 2023, the MTC committed \$20 million in OBAG 3 Climate Initiatives funds to MTC for Bay Wheels E-bike Expansion. That same month, the MTC Operations Committee authorized staff to negotiate a contract with Lyft, the operator of Bay Wheels, for \$15.9 million.

In October 2023, the MTC’s Programming and Allocations Committee approved [an item](#), programming \$600,000 in MTC exchange funds (within the \$20 million in OBAG 3 Climate Initiatives funds already committed) to MTC as follows: \$150,000 for station siting staff support by City of Oakland staff, \$100,000 to supplement additional funding for station siting consultant support in the remaining Bay Wheels member jurisdictions (Berkeley, Emeryville, San Francisco, and San José), \$150,000 for marketing activities associated with the E-bike Expansion launch, and \$200,000 to purchase membership incentives to promote the launch.

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 funds a reduction in membership fees and per-minute fees for electric bikes.

ANALYSIS AND POLICY ALTERNATIVES

The Bay Wheels system in Oakland includes 83 stations and approximately 650 bicycles. Approval of this proposed resolution will grant the City Administrator the authority to finalize and execute an agreement (included as Exhibit A to the Resolution) with Lyft, Berkeley and Emeryville to allow Lyft to add approximately 510 docked electric bicycles and add 19 stations to the system in Oakland.

Docked electric bikes are bicycles that use an electric motor to assist pedaling. At the end of a reservation, docked electric bikes can only be locked into a “dock” at a bike share station, not locked to bike racks or any other street furniture and amenities. Lyft agrees to use only Underwriters Laboratory (UL) certified batteries in all electric bikes. UL certification helps minimize fire risk and includes a review of the electrical drive train system, battery, and charger.

Approval of the proposed Resolution will meet the Citywide priorities of **Vibrant, Sustainable Infrastructure** by enhancing access to transit options, jobs and housing. Accepting and appropriating \$150,000 from the MTC will fund the necessary staff time for implementing nineteen new bike share stations. Oakland Department of Transportation (OakDOT) staff will identify the best locations for the new stations according to community outreach results and an analysis of areas with a high density of jobs, housing and population. In addition, the Coordination Agreement with Lyft and MTC requires that twenty percent of the bike share stations be located in “Equity Priority Communities” (previously known as “Communities of Concern”) as designated by MTC. Equity Priority Communities are census tracts that have a significant concentration of underserved populations, such as households with low incomes and people of color. These planning criteria will ensure that the stations are placed in areas that are convenient, useful and equitable. Staff will conduct outreach to gain community input on their preferences for the location of stations. Accepting and appropriating funds from the MTC comes at no cost to the City. Once the stations are installed, Lyft will operate the nineteen new stations and incorporate them into the 83-station Bay Wheels network.

As part of the contract between Lyft and MTC, Lyft will reduce prices for annual Bay Wheels memberships from \$169 per year to \$150 per year and reduce the per-minute surcharge for electric bikes from 20 cents to 15 cents. 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. Bikeshare For All memberships cost \$5 for the first year and \$5 per month after that. No annual commitment is required.

FISCAL IMPACT

Oakland's bike share system is owned and operated by Lyft at no cost to the City. However, staff helps to implement and administer the program by conducting outreach, planning, and permit review. The MTC has awarded OakDOT \$150,000 in One Bay Area Grant funds to defray the cost of staff time. The funds will be appropriated into project and grant funds to be determined and will be used to fund staff time to plan, permit, and perform outreach for the 19 new bike share stations.

PUBLIC OUTREACH / INTEREST

Staff did not conduct any outreach regarding this proposed Resolution. Once the contract and funding have been approved, staff will begin public outreach to determine where the nineteen new stations should be located.

COORDINATION

This report and legislation were developed by staff in coordination with the Budget Bureau and Offices of the City Attorney and the City Administrator.

SUSTAINABLE OPPORTUNITIES

Economic: Adding electric bicycles and eighteen new stations to the Bay Wheels system will increase access to bicycles and thus increase mobility for Oakland residents, leading to better access to jobs and economic opportunities.

Environmental: Electric bicycles are an environmentally beneficial mode of transportation that emit no air pollution or greenhouse gasses. An estimated 30% of bike share trips would have been made by car if bike share did not exist.

Race & Equity: Twenty percent of bike share stations are required to be located in MTC-designated Equity Priority Communities. The proposed expansion of the bike share system will therefore include underserved areas that were not included in the current service area. 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. Bikeshare For All memberships cost \$5 for the first year and \$5 per month after that. No annual commitment is required.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

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 Project under CEQA, 15183. (projects consistent with a Community Plan, General Plan, or Zoning), and 15061(b)(3) (no significant effect on the environment).

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To:

- (A) Finalize And Execute An Agreement With Lyft Bikes And Scooters, LLC. To Authorize The Addition Of Docked Electric Bicycles To Their Bike Share Fleet, Subject To The Terms Of Their Franchise Agreement;**
- (B) Accept And Appropriate Funds From The Metropolitan Transportation Commission's One Bay Area Grant In The Amount Of \$150,000 To Fund Staff Time For The Planning, Outreach, And Permitting Of Nineteen New Bike Share Stations; And**
- (C) Adopt Appropriate California Environmental Quality Act Findings**

For questions regarding this report, please contact Kerby Olsen, New Mobility Supervisor at 510-238-2173.

Respectfully submitted,

Fred Kelley
Fred Kelley (Oct 30, 2023 10:53 PDT)

FRED KELLEY
Director, DOT

Reviewed by:
Megan Wier
Assistant Director

Michael P. Ford, Ph.D.
Parking and Mobility Division Manager

Prepared by:
Kerby Olsen
Planner III, Parking and Mobility Division

Jorlen Garcia
Intern, Parking and Mobility Division