

OPTIONS FOR BIKE SHARE IN SAN FRANCISCO

Presentation to:

GOVERNMENT AUDIT & OVERSIGHT COMMITTEE

BOARD OF SUPERVISORS

CITY AND COUNTY OF SAN FRANCISCO

February 17, 2022

Purpose of Report

- ❑ Analysis of options for a potential municipal bike share program:
 - Fully owned and operated by the City of San Francisco
 - Owned and operated by a nonprofit organization
 - Publicly owned and privately operated

- ❑ Review of San Francisco Bike Share

- ❑ Case Studies of Other Cities

Bay Area Bike Share

□ Regional System

- Administered by Metropolitan Transportation Commission (MTC)

□ Governing Agreements: Dec 2015 – July 2027

- Program Agreement
 - System operator (Lyft) and MTC
 - Framework for the operator to deliver, own & operate system
- Coordination Agreement
 - System operator, MTC, participating cities
 - Gives exclusive rights to system operator as sole vendor

Bay Area Bike Share: 2013 - 2021

□ Regional System

- 2013: 700 bikes/70 stations regionally & 350 bikes/ 35 station in SF
- 2021: San Francisco = 87% of regional system

Four Months Aug 21- Nov 21

	Total Rides by City	Percent of Total
Berkeley	23,416	3%
Emeryville	3,076	0%
Oakland	29,328	4%
San Jose	49,572	6%
San Francisco	714,306	87%
Four Month Total	819,698	100%

San Francisco Bike Share

□ San Francisco

- 2018 – Lyft purchase of system
 - Owns system assets/ operates system
 - Renamed “Bay Wheels”
 - Regional Agreement → exclusive rights to Lyft to own & operate system
 - 1,100 classic bikes in operation in SF
- 2020: New SFMTA/Lyft contract for e-bikes
- 2021: 2000 classic and 1600 e-bikes in operation

San Francisco Bike Share Fees

□ Member and Casual Riders

○ Members

- Fees set by Program Agreement: 2015 rate increased annually by CPI + 2%
- Current rate: \$13/ month – no unlocking fee, 45 minutes free classic bike ride, discounted e-bikes

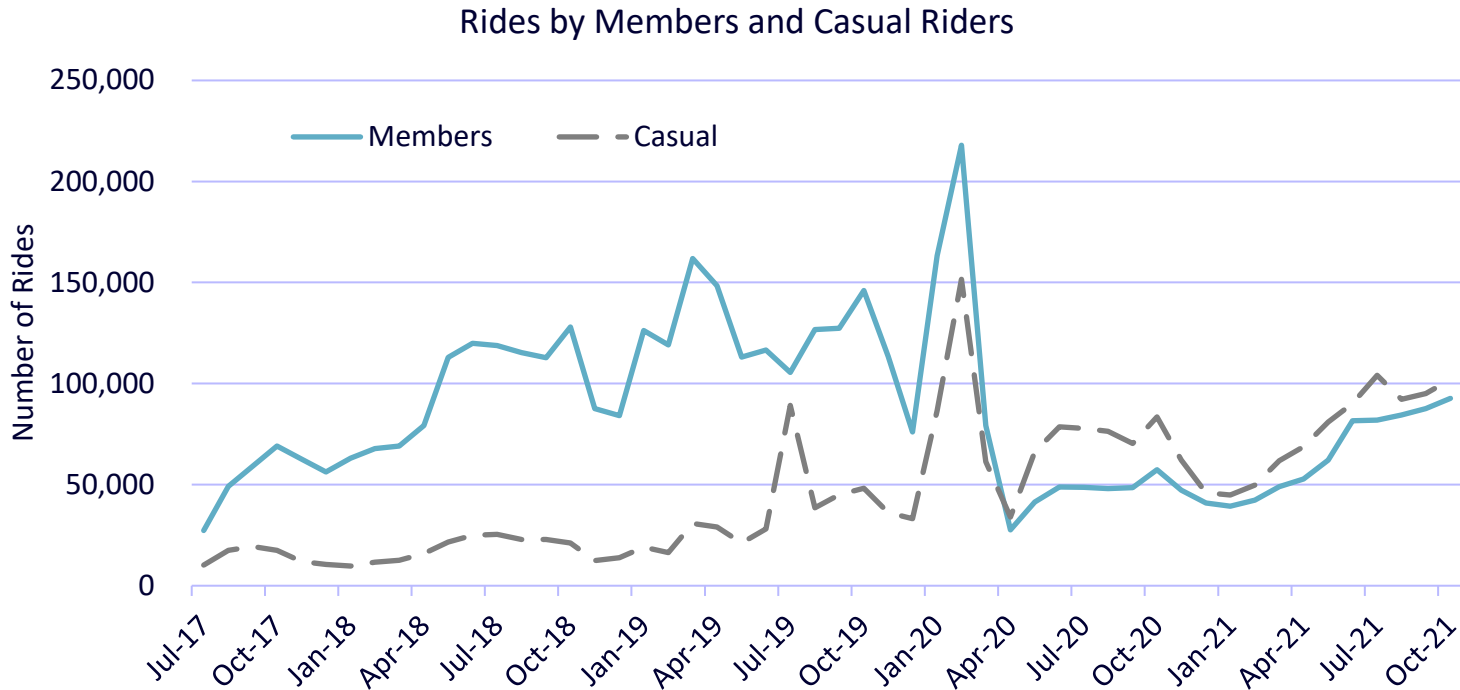
○ Casual

- Fees set by system operator
- \$3 unlocking fee, 30 minutes classic bike ride

○ Discounted fees for low income

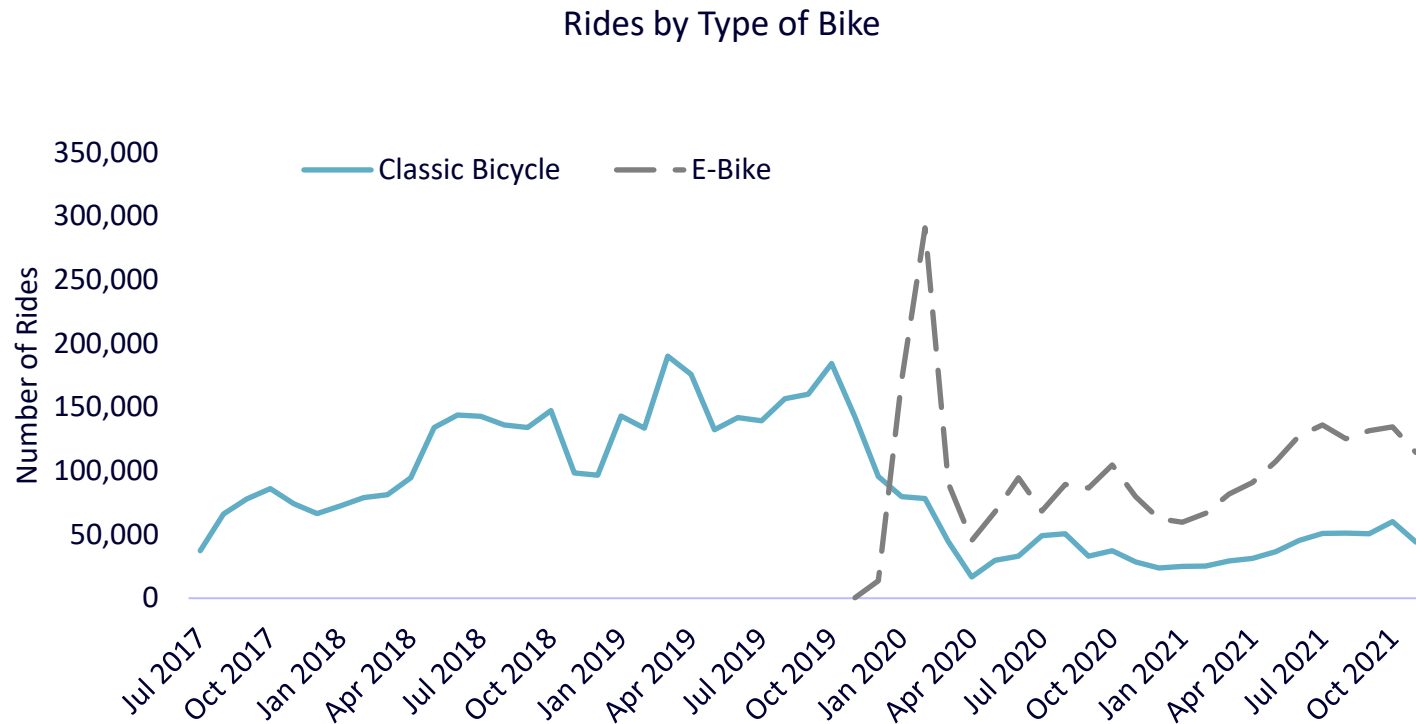
San Francisco Bike Share

- Member rides > casual rides pre-pandemic
- Casual rides > member rides post-pandemic



San Francisco Bike Share

- ❑ E-bikes introduced Dec 2019 → Jump in ridership
- ❑ Pandemic/ increased e-bike fees → Decrease in ridership



Other Cities

	System Owner	Operator	Corporate Sponsor	Year Founded
San Francisco (Bay Wheels)	Private (Lyft)	Private (Lyft)	MasterCard	2013
New York (CitiBike)	Private (Lyft)	Private Lyft	Citibank	2013
Philadelphia (Indego)	Public	Private (BTS) ^a	Independent	2015
Washington DC (Capital Bikeshare)	Public (DC)	Private (Lyft)	none	2008
Chicago (Divvy)	Public (DoT) ^b	Private (Lyft)	none	2013
Boston (Blue Bike)	Public ^c	Private (Lyft)	Blue Cross	2011
Montreal (BIXI)	Public	Public (BIXI)	None	2009

Source: BLA Survey

^a Bicycle Transit Systems

^b Chicago Department of Transportation

^c Four City Regional Consortium

Other Cities

	Privately Owned & Operated		Publicly Owned & Privately Operated		Publicly Owned & Operated
	San Francisco (Bay Wheels)	New York (CitiBike)	Wash DC (Capital Bikeshare)	Boston (Blue Bike)	Montreal (BIXI)
Bikes per 1,000 residents	7.6	6.8	8.4	6.1	22.7
Bikes per km ²	5.4	10.7	4.2	3.1	8.2
Daily rides per 1,000 residents	13.5	42.7	18.9	20.9	113.8
Daily rides per bike	1.8	8.3	2.4	4.0	6.8
Annual membership	\$159	\$179	\$95	\$109	\$99
Free of charge (classic bikes)	45 min	45 min	45 min	45 min	45 min
Charge per additional minute	\$0.20/min	\$0.12/min	\$0.05	\$0.08/min	\$0.05/min
E-bike additional per minute charge ^a	\$0.20/min	n/a	\$0.10/min	n/a	\$0.10

Source: BLA Survey

^a Assessed at start of ride

Boston & Montreal

❑ City of Montreal

- Only publicly-owned & operated in No America
 - Purchased assets in bankruptcy
 - Funded nonprofit – BIXI Montreal

❑ BIXI Montreal

- Responsible all operations & maintenance
- Revenues
 - 50% membership & fees
 - 25% City of Montreal
 - 25% advertising and corporate sponsorship revenues

Boston & Montreal

□ Montreal Costs

- Major cost to Montreal – purchase of assets
- Operating costs
 - IT, staff
- Operating revenues
 - City payment to BIXI – fixed annual sum tied to volume of equipment (25%)
 - Ridership, advertising, sponsorships (75%)

□ Ridership

- Pre-pandemic – 1.1 million annual rides

Boston & Montreal

□ City of Boston

- Mixed: public ownership & private operation
 - City ownership of assets
 - Operations contracted to Lyft
- Four city regional consortium
 - Revenues apportioned
 - Assets owned by each city
- Comparison to SF
 - City sets monthly and per minute rates
 - City owns all data

Options for SF

- ❑ Option A:
 - City owned and operated bike share program
 - Public funding for asset acquisition/ subsidized annual operating costs
 - Montreal BIXI model
- ❑ Option B:
 - City owned assets (bikes, stations, kiosks)/ contract with private operator (for-profit or nonprofit)
 - Boston, Toronto, and Washington DC.
- ❑ Option C:
 - City contract with private for-profit
 - Bay Area Bike Share/ San Francisco Bike Share

Costs: Asset Acquisition

- Estimated costs to purchase & installation costs for bikes, stations, docks = \$33.2 million

Mix of e-bikes & classic bikes	4,500
Average cost per bike	x <u>\$1,644</u>
	\$7,398,000
Total stations	325
Docks per station	x <u>27</u>
Total docks	8,775
Price per dock	x <u>\$2,941</u>
Total costs per docks	\$25,803,050
Total equipment costs	\$33,201,050

Costs: Civil Service or Nonprofit

- Estimates from \$12.0 million for City staff to \$7.1 million for nonprofit staff

	Montreal	San Francisco	Civil Service		Nonprofit Organization	
			Cost per FTE	Total	Cost per FTE	Total
Stations	610	325				
Bikes	7,270	4,500				
Employees	150	139	\$135,000	\$12,033,012	\$80,000	\$7,130,674

Costs: Annual Operating

- Estimates from \$13.3 million to \$18.2 million

	Civil Service	Nonprofit Organization
Staff Costs	\$12,033,012,	\$7,130,674
Depreciation Allowance	4,642,528	4,642,528
Other Administrative Costs	1,500,000	1,500,000
Total	\$18,175,540	\$13,273,202

Costs and Revenues: Publicly Owned and Operated

- ❑ Purchase bikes, stations, docks = \$33.2 million
- ❑ Annual operating = \$13.3 million to \$18.2 million
- ❑ Revenues: Montreal experience
 - 50% rider fees and revenues
 - 25% advertising & sponsorship revenues
 - 25% public subsidy = \$3.4 million - \$4.7 million per year

- ❑ Public ownership rationale \implies MTC Program Agreement Goal
 - Alternative mode of public transportation in the Bay Area
 - Bicycle use as a healthy, environmentally friendly, and congestion reducing transportation option

Considerations for Implementation

- ❑ Program Agreement between MTC and Lyft expires July 2027
 - Early termination: agreement between Lyft, MTC, participating cities – Berkeley, Oakland, Emeryville, San Jose
 - Considerations: costs of system purchase and continued participation of other cities
- ❑ Montreal experience:
 - Purchased system on bankruptcy of system operator
 - Set up nonprofit – BIXI Montreal
 - Operates Montreal bike share
 - Call center services to Toronto, Detroit & Chattanooga

Questions and comments

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Policy Analysis Report to Supervisor Dean Preston

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