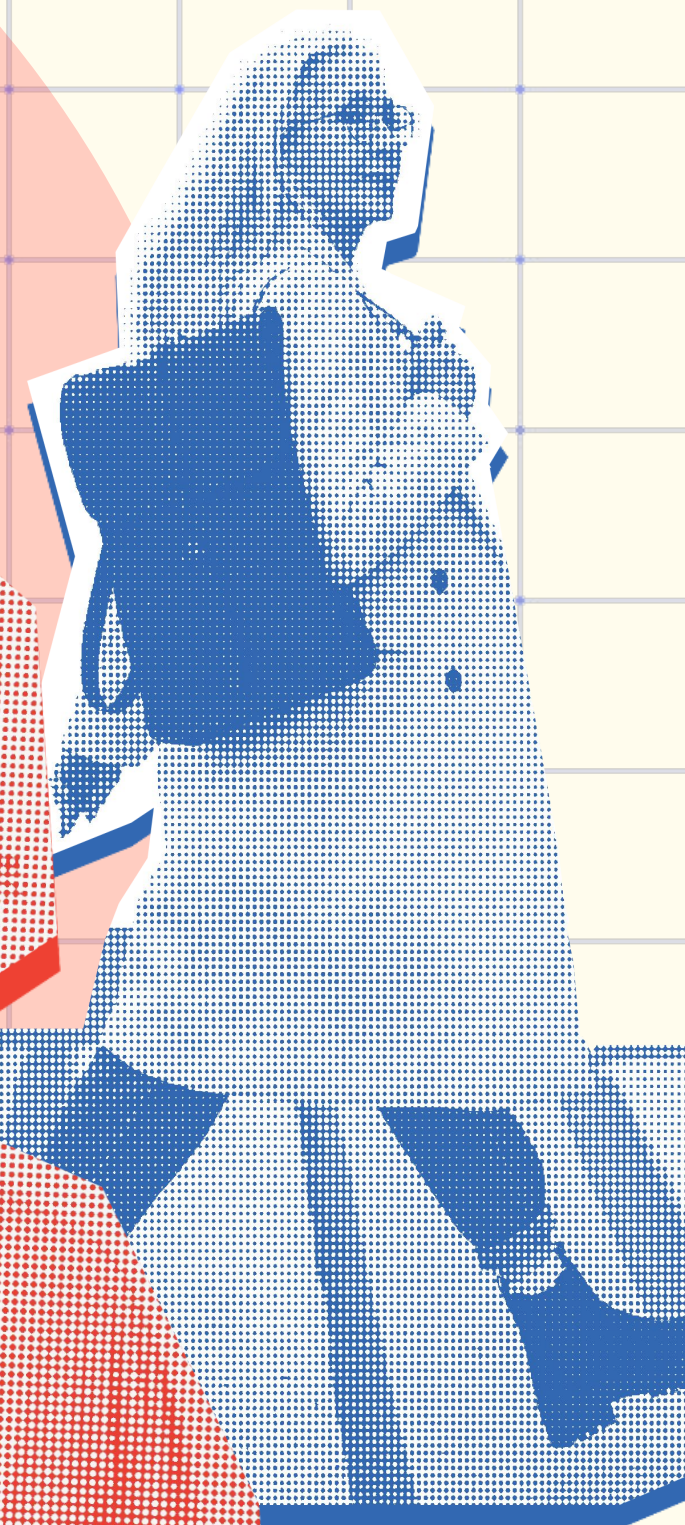
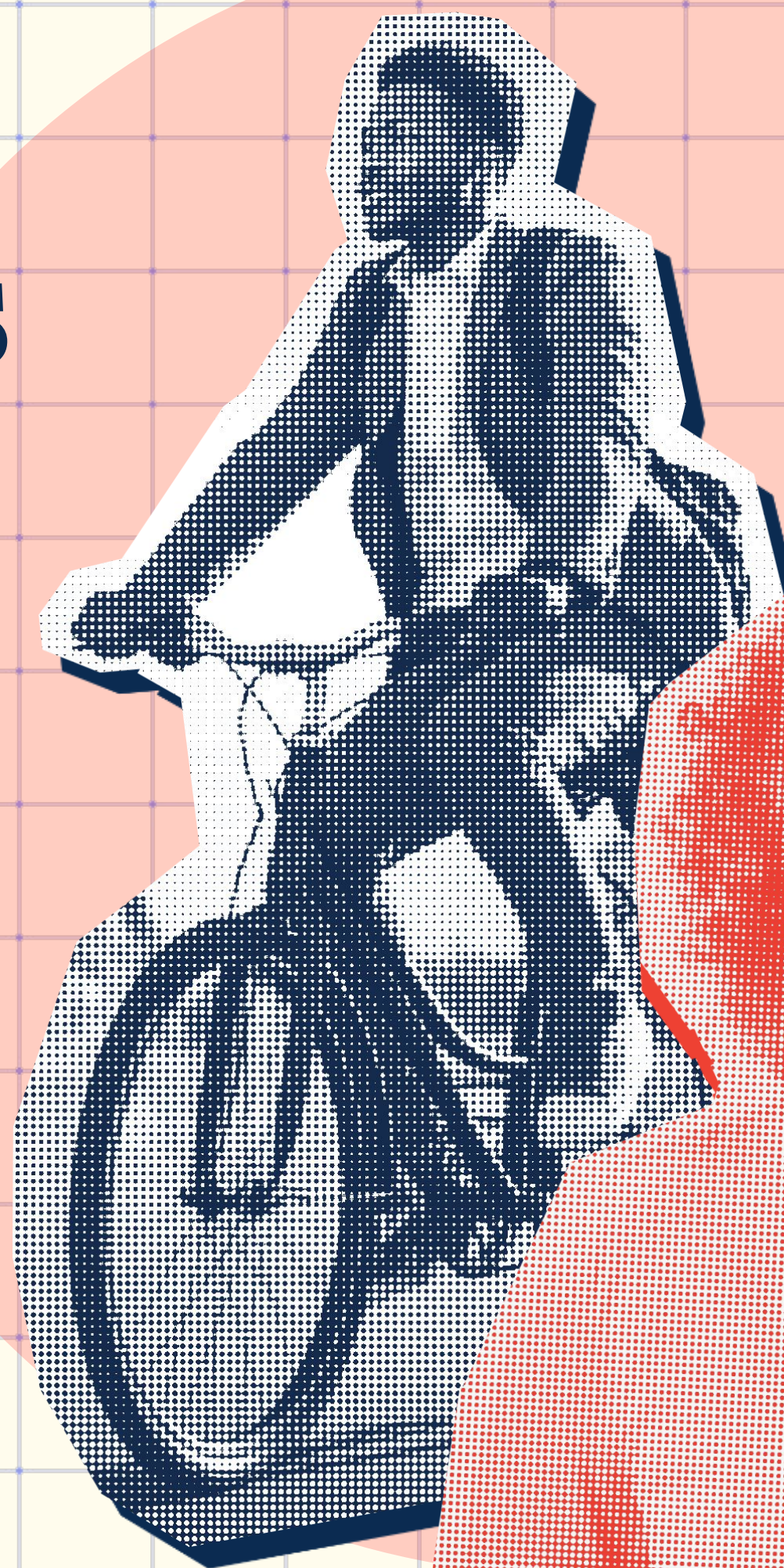


# Supporting Bikeshare Across the California

**Colin Hughes**  
Principal, Rebel Group  
On behalf of Cal-ITP



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- ↓ **Phase 3:** Local Implementation & Support
- ↓ **Let's work together**





# A modern and consistent transportation experience throughout California

Learn how the California Integrated Travel Project (Cal-ITP) is making riding by bus and train simpler and more cost-effective—for providers and customers.



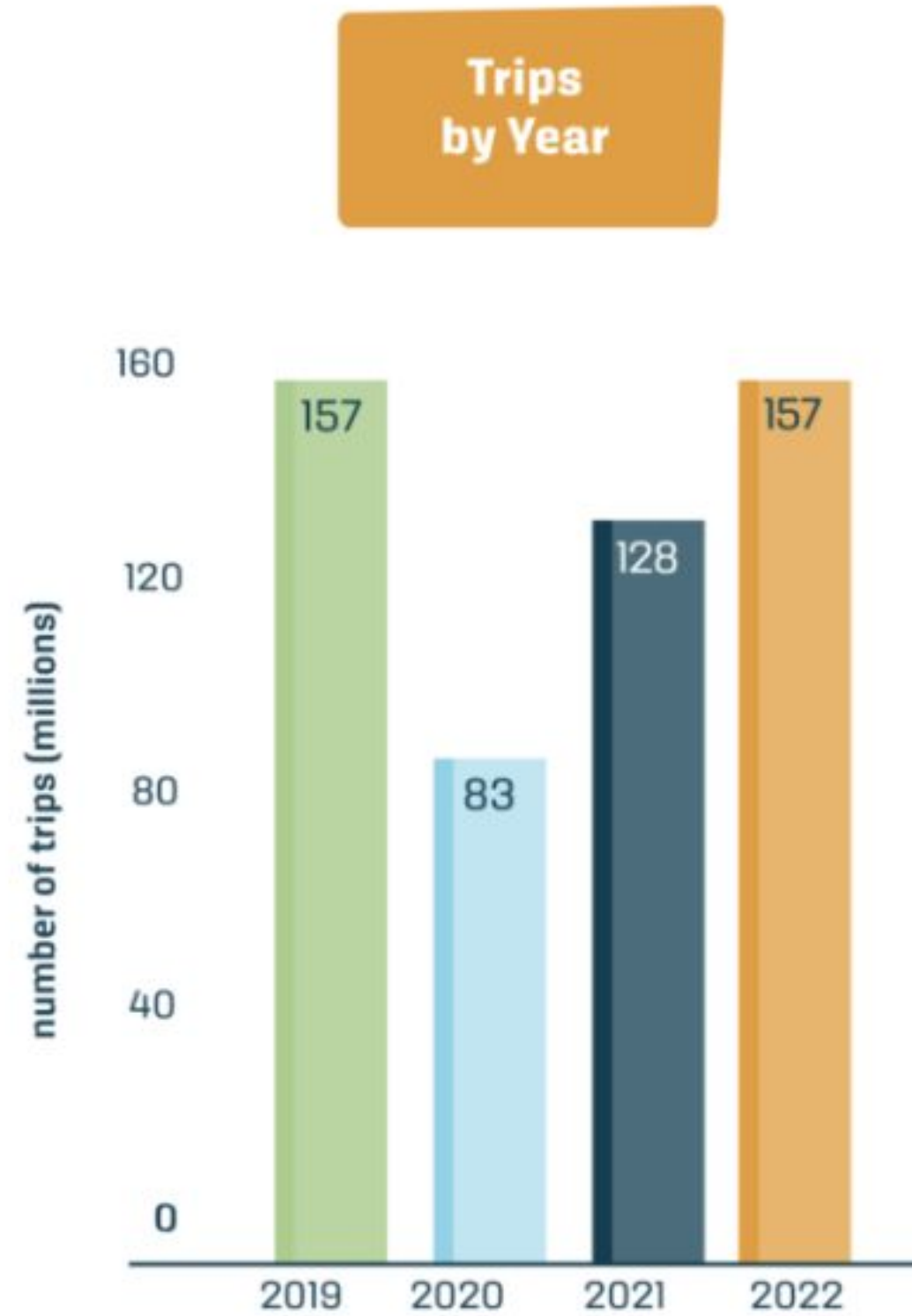
# A show of hands:

Who thinks micromobility is succeeding and growing in California?

Who thinks it is failing and receding?

# Micromobility has more trips in the US than ever

Shared Micromobility Comes Back Stronger Than Ever, NABSA's Fourth Annual Industry Report Shows



# Yet the business model is struggling. The industry is contracting. Major systems are closing.

Jump bikes, scooters will not return to Sacramento streets

May 2020

San Francisco's bike sharing program reckons with an uncertain future

Sep 2022

WHEELS | Scooters

Pulls out of [West Hollywood](#) & [Culver City, CA](#)

Lyft Removes Scooters and Bikes In Monica

E-Scooter Company Bird Pulls

The company said San Francisco's regulatory environment and fines are

Scooter startup Superpedestrian shutting down US operations, exploring sale of Europe business

What Does Bird Micromobility?

Pundits are debating why American

Bolt Mobility has vanished, leaving e-bikes, unanswered calls behind in several US cities

July 2022

TRAN: Rebecca Bellan @rebeccabellan / 1:33 PM PDT • July 31, 2022

Last Remaining Scooter Company Plans to Leave San Diego

Jan 2024

Nice Ride shuts down pioneering Minneapolis bike share program

BAY AREA // HEATHER KNIGHT

Exclusive: Another company leaves S.F., blaming 'the most onerous regulations' in the world

By Heather Knight  
Updated Feb 17, 2023 5:53 p.m.



Feb 2023

Metro Cancels Bike-Share Procurement that Had Led to Proposed Lyft Contract

Metro will continue with the current contractor, Philadelphia-based Bicycle Transit Systems (BTS), for the foreseeable future

By Joe Linton

11:03 AM PDT on March 29, 2024

March 2024



# Bikeshare is...



Highly Aligned with local and state mobility goals

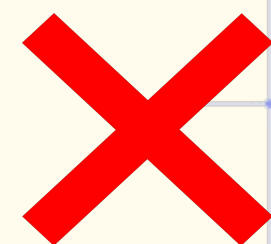
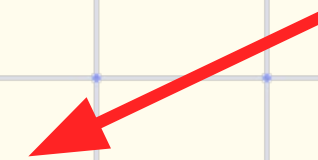


Popular and growing



Not always cheap or free, but highly cost-effective.

**Disconnect!**



Struggling Financially with many systems at risk for closure



Cal-ITP Project:

## California: State of Bikeshare

- Phase 1: Market Sounding
- Phase 2: Technical Analysis & Tools
- Phase 3: Implementation





# Phase I: Market Sounding Findings

Engagement with market players and governments identified the following opportunities for California to address pain points:

## Expand Caltrans' internal capacity

Hire a statewide Micromobility coordinator within Caltrans

## Improve the quality and visibility of data

Develop bikeshare data sets and insights at state level

## Optimize funding

Clarify eligibility of bikeshare for existing funding and remove barriers / prioritize bikeshare uses

## Improve procurement support

Explore a bikeshare procurement for smaller regions

## Build and strengthen partnerships

Work to incentivize bikeshare use across the state



# Phase 2: Defining a clear set of State interventions

Does bikeshare makes sense in my city?

Develop a **user-friendly tool to model a bikeshare program for policy makers:**

- Defining *input tables*: e.g. system demand  based on city size, density, demographics, how much bikeshare should I provide?

How can we get revenues and ridership up in underfunded systems?

Develop a set of **recommendations for incentives and nudging behaviour.**

- *CARB programs*  Could CARB fund or incentivize bikeshare use?
- *Grant programs*  Can we expand access to grant programs?

How can we contract providers?

Develop **proposal for state-level procurement / contracting that cities can utilize**

- *MSA brief* that outlines the concept for state procurement of bikeshare equipment
- Agency Rules for a bikeshare *permit/concession* for systems without public funding

How can we offset insurance costs?

Investigate a state-level bikeshare insurance pool that could reduce insurance costs

How can we learn from other cities' experiences or improve our system?

**Peer support:** offering brains and hands setting up the bike share system - making it happen by creating a *centre of expertise*.

# Bikeshare Business Model

Run scenario

## Bike sharing business case policy tool

📍

### 1. City Characteristics

1.1 What is the size of your city?

1.2 What is the population of your city?

1.3 What is the cycling prevalence in your city?

1.4 What is the property crime rate in your city?

🚲

### 2. Bike sharing system characteristics

2.1 What bikes/vehicles should be included in the bike sharing system and what should be their share?

2.2 How many bikes should be included in the system?  
 Recommended 300

2.3 What pricing should apply to the bike sharing system?

2.4 Subsidize memberships?

2.4 What type of bike sharing system should be implemented?

Required Number of Trips per Bike

# 3,44

Expected Number of Trips per Bike

# 3,00

Annual subsidy needed

# \$41.875

### Pricing

<b>Fixed tariffs (per trip)</b>			
Members	<input type="text"/>	<input type="text"/>	<input type="text"/>
PAYG	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Variable tariff (per minute)</b>			
Members	<input type="text"/>	<input type="text"/>	<input type="text"/>
PAYG	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Subscriptions</b>			
Monthly fee	<input type="text"/>	<input type="text"/>	<input type="text"/>

>

Cover
Dash
Dash (2)
Input
Time
Esc
Ops
Rev
Capex
Opex
Acc
Finstat
Finstat annual
Analysis
Audit
Temp
+



# Concession/RFP Packet Overview

## Documents needed to deploy a system



**City Ordinance**  
(Generate locally - not provided but often pre-existing)

### Cover Page / Explanation

**Micromobility Concession: RFP & Deployable Agency Rules**

Cal-ITP developed the following micromobility program guidance documents to provide a largely turn-key pathway for cities to launch unfunded shared micromobility programs. These documents were created after engaging with cities and micromobility operators across California with the goal of improving and expanding micromobility across the state.

Many Californian cities are unable to fund micromobility systems, but currently use permits to allow multiple self-funded micromobility operators to provide vehicles in their city with relatively few service commitments. Though this model once facilitated exponential growth in the number and diversity of micromobility services, it has recently encouraged operators to raise prices for users, serve only central business districts and tourist zones, and, increasingly, withdraw service due to financial considerations with little warning or input from the public.

The most determinant aspect of micromobility programs' success is their governing rules. If rules are too loose, cities often experience cluttered sidewalks and unreliable, inequitable service. If rules are too strict or penalties too high, operators can't achieve financial sustainability and aren't willing to introduce or continue service. Solving this problem relies on balancing the operators' financial realities with cities' need for socially and environmentally sustainable mobility. The RFP Framework and Agency Rules contained here was developed by Cal-ITP to help any city deploy a micromobility system that achieves this balance.

These documents adopt a minor paradigm shift in approaching unfunded micromobility governance from the widely permissive "permits" to more limited, focused "concessions." The "permit" approach, used widely across California since 2017, maximizes experimentation and competition in public space amongst many firms while sacrificing long-term financial sustainability or service quality. A "concession" approach, by contrast, maximizes operating quality in exchange for exclusive market rights. This approach allows the cities, especially those that cannot subsidize micromobility, to create a more valuable micromobility market by limiting competition on the streets. But operators must still compete for the exclusive concession through an RFP, namely by providing benefits like equitable service areas, low-income programs, improved parking infrastructure, multimodal integration, pricing caps, and/or operating term commitments. In short, the concession approach allows a city to attract high quality, equitable service by limiting access to its market. Single-operator concessions also bring other benefits like consolidating the duplicative costs of multiple operators and improving user experience by allowing access to the entire fleet in one app instead of several.

The documents here are tailored to work well for most cities without customization, but we understand that cities may choose to tailor the documents further as they see fit. To support cities in making informed customizations to meet their unique goals and context, we have provided annotations to justify given recommendations, explain policy alternatives, and discuss their impacts throughout the documents. It is our hope these documents will help any community improve their micromobility options with as much or as little effort and customization as they prefer.

### RFP Template

**Micromobility Concession Program Agency Rules**

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### Evaluation Matrix

### Agency Rules Document

**Micromobility Program Agency Rules**

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MINIMUM SYSTEM MAINTENANCE AND REPAIR AGREEMENTS ..... 2  
CUSTOMER SERVICE REQUIREMENTS ..... 2  
ADVERTISING REQUIREMENTS ..... 2  
INSURANCE REQUIREMENTS ..... 2  
DATA AND REPORTING REQUIREMENTS ..... 2  
SAFETY REQUIREMENTS ..... 2  
OPERATING REQUIREMENTS ..... 3  
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RIDER ENGAGEMENT POLICY ..... 3  
RIDER EQUITY & ACCESS ..... 3  
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PENALTIES & TERMINATION PROCEDURES ..... 3  
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PROCEDURES FOR MANAGEMENT ..... 4

### Annotations



# Creating a statewide center of expertise

*To offer support to the cities during and after implementation (brains & hands)*

A **Micromobility Centre of Expertise** led by a California Micromobility Coordinator could support collaboration between cities and the State. This would not only allow us to test the tools developed in the short term, but also to create a 'go-to' platform in the future for further refinement / expansion.

## **Job Profile – California Micromobility Coordinator**

Describe what this the role requires, what expertise / experience is needed

### **Services:**

- **Master Service Agreement** management to procure equipment more cheaply statewide
- **Statewide Insurance Pool management** to reduce costs for small operators
- Develop a **community of practice** amongst operators
- **Technical Support** for cities to develop system plans and procure operators
- **Funding Directory** – support in finding and applying for grants and other funds
- **Manage Policy Relationships** with CalTrans and Legislature on Micromobility issues

# Phase 3: Implementation (Coming soon)

We're looking for 1-3 cities in which we can test these tools, apply our findings, and expertise, and support growth in California bikeshare. Ideally cities that want to:

- **Implement their first bikeshare system**
- **Move from a permit to a contract model**
- **Re-negotiate a contract** that is reaching the end of its term

We are also looking for feedback and inputs on our technical tools

If you are an advocate, industry member, or city staff and want to discuss further, please reach out!

Colin Hughes

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@colinkhughes

## Subsidizing Owned E-bikes vs. Shared E-bikes

	<b>Owned E-Bikes</b>	<b>Shared E-Bikes</b>
<b>Cost Structure</b>	High Upfront Cost > \$1000	Low to no upfront cost, pay as you go
<b>Storage</b>	Requires secure storage space at home (ground-level, generally)	No storage space required
<b>Maintenance and charging</b>	User must charge the battery (low-cost) and maintain the bike (high cost)	User does not charge or maintain the equipment
<b>Cost-Effectiveness</b>	Cheapest option for long-term daily use	Cheapest option for occasional or short-term use
<b>Location &amp; Convenience</b>	User-dedicated vehicle is always where they need it.	Shared vehicle often requires walking to and from a station. Users subject to availability and quality
<b>Transit Compatibility</b>	Works with most but not all transit, occupies transit space. Need for physical infrastructure for private bike storage.	Highly compatible with transit (depending on city form and travelers' OD)