


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: December 5, 2019

To: Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Seleta J. Reynolds, General Manager 
Department of Transportation

Subject: **METRO BIKE SHARE UPDATE (CF #15-0985)**

SUMMARY

This report provides an update on the status of the Countywide Bike Share Pilot Program and requests authority to expand to Hollywood. Bike share remains one of the only systems operated as an extension of a transit system. Its continued expansion, ridership growth, and affordability make it a compelling investment consistent with the City's policy goals of providing equitable transportation choices.

RECOMMENDATION

1. AUTHORIZE the General Manager of the Los Angeles Department of Transportation (LADOT) to amend the Memorandum of Understanding (MOU) between the City of Los Angeles and Metro that dictates the terms of the program; and
2. APPROVE the expansion of Metro Bike Share into Hollywood; and
3. DIRECT LADOT to develop and execute a scope of work to evaluate the program and make recommendations on the program including areas around expansion, pricing, equity, and new technology.

BACKGROUND

The City of Los Angeles (City), in partnership with LA Metro (Metro), launched the Countywide Bike Share Pilot Program in Downtown Los Angeles on July 7, 2016. As of November 2019, there are nearly 180 Metro Bike Stations located in the Westside, Central, and Downtown Los Angeles service areas. In August of this year, Metro Bike Share launched in North Hollywood and has grown to 18 stations featuring Smart Metro Bikes bringing the total fleet to over 1,900 bikes throughout the City.

LADOT requests to amend its existing MOU with Metro to expand the existing bike share system into Hollywood as part of Metro's Regional Bike Share Implementation Plan (Attachment A). This proposed expansion will repurpose equipment from the Port of Los Angeles' relinquished system and incur no new capital costs.

DISCUSSION

Continued expansion through 2020 will bring the Metro Bike Share fleet to approximately 3,000 bikes, including electric and smart bikes, and over 250 stations across four service areas: Downtown Los Angeles, Central Los Angeles, Westside, and North Hollywood.

Program Highlights

Major milestones completed since the last update include the following:

- Expansion of DTLA/Central LA service area to Expo Park/USC Area (July 2018)
- Expansion of DTLA/Central LA service area to Westlake/MacArthur Park, Koreatown, Echo Park, Silverlake, Los Feliz, East Hollywood and Pico Union (January 2019 - Present)
- Expansion of Westside service area to Palms, Mar Vista, Del Rey, and Playa Vista (March 2019)
- Expansion to North Hollywood (August 2019)
- TAP Integration: Ability to purchase bike share passes on taptogo.net (October 2018)
- Product launch: Smart Metro Bikes (new feature: lock to any public bike rack) (March 2019)
- Product launch: Electric Metro Bikes (new feature: electric pedal-assist) (May 2019)
- Equity - Price update to coincide with Metro Bus and Rail starting at \$1.75 for 1-Ride pass (July 2018)
- Equity: Integration with Metro's Reduced Fare pass (February 2019)

Statistics below cover the overall life of the program to date (7/7/16 - 11/1/19):

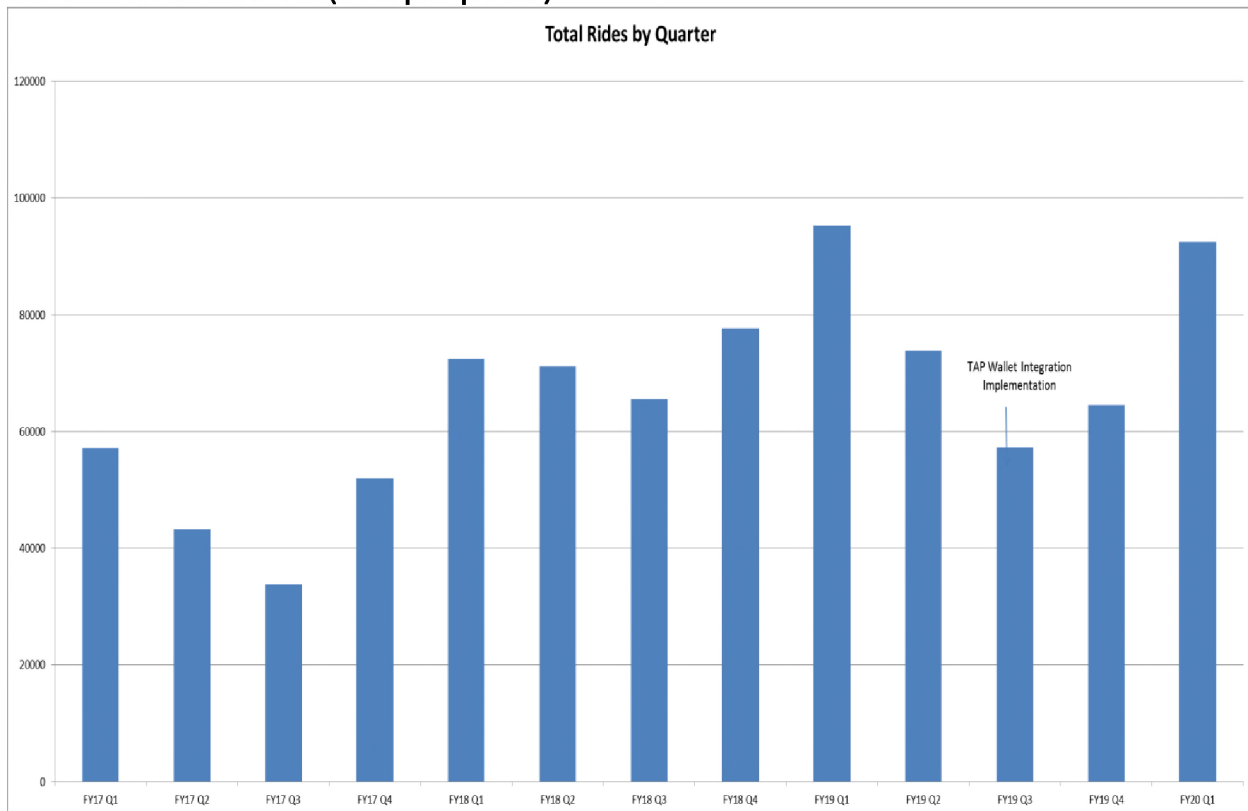
- Ridership 883,000 Total Trips
- 74,556 Passes Sold
- 2,680,899 Miles Traveled
- 2,546,854 Emissions Reduced (Pounds of CO2)

Ridership

Available Metro data for the entire Metro Bike Share network shows that ridership fluctuates seasonally, with highs in the summer and fall months, and lows in winter and spring, but has shown overall growth annually as the system expands. The majority of these stations are in the City of Los Angeles, and Table 1 and Table 2 below show the year to year increase across the entire Metro Bike Share system with an average of 254,572 annual rides from FY 17 to FY 19.

Table 1. Metro Bike Share (rides per quarter)

	FY17	FY18	FY19	FY20	Average
Q1	57,114	72,375	95,294	92,521	74,928
Q2	43,202	71,190	73,877		62,756
Q3	33,786	65,494	57,285		52,188
Q4	51,923	77,647	64,528		64,699
TOTAL	186,025	286,706	290,984		254,572

Table 2. Metro Bike Share (rides per quarter)

Additionally, systemwide use rates increased from FY 18 to FY 19. Rides per bike, per day, increased from 0.67 in FY 18 to 0.76 in FY 19. Recently launched e-bikes have an even higher use rate, with 4.57 rides per bike per day in Central LA.

At the same time that the Metro Bike Share network has expanded across Los Angeles, the micromobility market has shifted considerably. Since the launch of the Dockless Mobility Pilot Program in April 2019, private operators have deployed more than 27,000 dockless electric scooters and bicycles across the City, competing with Metro bikes. Despite this competition, use of the Metro Bike Share system continues to grow, showing the value of an expanded publicly funded micromobility system.

Fare Restructuring

In July 2018, Metro Bike Share updated its passes and pricing to coincide with Metro's Bus and Rail. Pass prices start at \$1.75.

As Table 3 shows, Metro Bike Share is the most affordable micromobility option in Los Angeles. For example, where a 30 minute Metro Bike Share ride will cost up to \$2.75, private micromobility operators charge between \$9.70 and \$11.50 for the same time period. This fact underscores the importance of a publicly funded system to provide an affordable micromobility option.

Table 3. Comparative Costs of Micromobility Providers in Los Angeles

	Public Operators		Private Operators			
	Metro Bike Share	Breeze bikes	JUMP	Wheels	Bird	Lime
1-Ride of 30 minutes	\$1.75 ¹ or \$1 + 1.75 = \$2.75 ² (E-bikes)	\$3.60	\$0+\$9.00 = \$9 ³	\$1+\$8.70 = \$9.70 ⁴	\$1+\$9.60 = \$10.60 ⁵	\$1 + \$10.50 = \$11.50 ⁶
30-Day pass	\$17/mo.	\$25/mo.	N/A	N/A	N/A	N/A

¹Classic bike (Non-Electric)

²\$1 unlock fee applies to E-bikes. \$1 unlock fee does not apply to passholders.

³Assume no unlock fee and 0.30 cents/minute. Prices on 11/20/19 subject to change without notice.

⁴Assume \$1 to unlock and 0.29 cents/minute. Prices on 11/20/19 subject to change without notice.

⁵Assume \$1 to unlock and 0.32 cents/minute. Prices on 11/20/19 subject to change without notice.

⁶Assume \$1 to unlock and 0.35 cents/minute. Prices on 11/20/19 subject to change without notice.

Passholders and Sales

Metro Bike Share sold a total of 7,174 passes between January 1 - October 31, 2019. The most popular passes are the Pay-Per-Ride Pass (3,123 purchased) and the 30-Day Pass (2,299 purchased), followed by the 24-Hour Access Pass (1,532). There were far fewer purchases of the City of Los Angeles Employee Pass (184 purchased) and the 365-Day Pass (36 purchased).

Metro Bike Share also offers reduced fare rates for the 30-Day and 365-Day passes to seniors (62+), persons with disabilities, college/vocational students, and K-12 students (must be 16+ to ride Metro Bike Share). Reduced fare passes accounted for 11 percent of 30-Day Passes and 50 percent of 365-Day Passes sold during this period.

Key Innovations

Transit Access Pass (TAP) Integration

In September 2018, Metro Bike Share integrated user registration, payment, and account information with TAP. This provides a more seamless user experience for multimodal trips and account management. A single TAP card provides users access to bike, bus, and rail, and TAP Wallet provides users a central account to pay for and track their bike, bus, and rail passes.

TAP integration also enables reduced fares across all modes. Once TAP approves a participant as a senior (62+ years old), student (16+ years old), or a person with disabilities, the system automatically recognizes the user as eligible for reduced fares in Metro Bike Share. No additional registration is needed, and the discount automatically appears on the checkout page. The LIFE program will soon

provide similar discounts for low-income individuals. Once implemented, Metro and LADOT will create a marketing campaign to highlight Metro Bike Share discounts for reduced fares and LIFE patrons.

TAP integration is the first step toward implementing free transfers between Metro Bike Share, bus, and rail which the forthcoming TAP Rewards program will facilitate. Metro Bike Share will be the first program to pilot TAP Rewards. Patrons will earn points with their pass purchases that can be used towards products across modes. This will facilitate cross-promotional opportunities between Metro Bike Share, Metro bus, Metro rail, and other municipal transit services offered through TAP. The anticipated launch of this program is in early 2020. The program will continue to explore developments to enable more seamless free transfers.

Mobile App

The Metro Bike Share mobile app provides key features such as station mapping, real-time bike and dock availability, and customer support contacts. Most recently, the app added mobile checkout capabilities to allow more bike checkout options for patrons when kiosks are unavailable or a TAP card is not on hand. Currently under development, the TAP mobile app will make it easier for users on the go to purchase passes and enroll.

Smart Bikes

Since March 2019, Metro Bike Share has deployed more than 500 Smart bikes, primarily on the Westside and in North Hollywood, generating over 15,000 trips. Smart Metro Bikes allow riders to lock their bikes at an official Smart Metro Bike Station or, for a small \$2 convenience fee, lock them to available public bike racks in the service area, thus extending the convenience for riders to access destinations throughout the area. Users pay a \$20 fee to lock a bike to a public bike rack outside of the Smart Metro Bike service area. They can also unlock bikes via the official Metro Bike Share App or by using TAP via a card reader that is installed directly on the bike.

The bike design prioritizes ease-of-use, comfort, and convenience. Smart bikes include front baskets, rear pannier-compatible racks, front and back lights for night-time riding, wide tires and eight speeds for easily tackling any terrain. Smart Metro Bike station infrastructure uses a smaller footprint which requires less right of way. Additionally, geofence technology creates virtual bike stations, further reducing the footprint.

Electric Bikes

Metro Bike Share debuted its electric pedal-assist bicycles in the City of Los Angeles on May 30, 2019 in Central LA and the Port of LA. To date Metro Bike Share deployed over 350 electric bikes in the Classic Metro Bike Share system in Downtown and Central Los Angeles, generating over 50,000 trips with an average of over 4 trips per day per bicycle. The pedal-assisted, electric bikes expand opportunities for riders to complete their first/last mile connections from farther distances with less effort required to pedal. The Electric Metro Bike is powered by a mid-drive pedal assist motor capable of speeds up to 17 mph with an electric “boost”.

Vehicle Loss

Vehicle loss has emerged as an issue and challenge for Metro Bike Share. Metro is tracking this issue and recently reported on it as part of Metro’s Report to the Executive Management Committee on November 21, 2019. The report outlines the issue as follows:

Unlike bus and rail, bike share systems across the board are uniquely vulnerable to fleet theft. Metro Bike Share is not immune to this issue, but has employed a multifaceted strategy to address bicycle loss. The total number of bicycles missing or stolen is 973 bicycles and 329 have been recovered based on the latest inventory report. Metro continuously works in partnership with law enforcement officials and our contractor to recover all missing or stolen bicycles. In anticipation of this issue, bike replenishment is built into the operations and maintenance costs; including but not limited to the repair, safety evaluation, redeployment, and/or replacement of missing and stolen bicycles. These costs are offset by user fees collected for bicycles that go missing or are stolen due to improper docking or misuse. The program also has insurance coverage to cover any replenishment costs accumulated above the budgeted amount. Staff continues to coordinate with the Metro Bike Share contractor, transit security, and LAPD on bicycle recovery and to enforce laws that protect bike share operations. This includes hardware and software enhancements, as well as marketing and communications strategies to prevent further abuse.

LADOT staff will continue to monitor and work with Metro to mitigate this issue.

Recent and Future Expansions

In April 2018, City Council directed LADOT to pilot a bike share project in the San Fernando Valley. That expansion is consistent with the Regional Bike Share Implementation Plan which Metro published in 2015 and implemented in August 2019. The Metro plan also identified Hollywood as a key expansion area for consideration. With the expansion of DTLA into Central Los Angeles and the neighborhoods of Koreatown/Echo Park/Silver Lake/Los Feliz/East Hollywood, Hollywood now sits as a critical gap in the Metro Bike Share network.

The following is a summary of existing bike share stations as of November 6, 2019:

- Westside and Westside Phase I Expansion Smart Stations - Installed 53 stations
- DTLA and DTLA Phase I Expansion Classic Stations - Installed 107 stations
- North Hollywood Smart Stations - Installed 18 stations

Earlier this year, the Port of Los Angeles elected not to exercise their option to renew their contract for Metro Bike Share. Therefore, as of November 2019, Metro has removed 12 stations and 120 bikes from the network. Using these relinquished assets, LADOT has the opportunity to repurpose this infrastructure to fill the gap in Hollywood as outlined in the initial Regional Bike Share Implementation Plan.

The Hollywood expansion will provide service to high density neighborhoods adjacent to existing service areas and key destinations while increasing the existing footprint. This infrastructure is less suitable for the Westside or North Hollywood where Metro Bike Share is currently using smart bike infrastructure. The City of Los Angeles will incur costs for operations and maintenance only, as approved in FY 19-20.

FISCAL IMPACT

Per the MOU (C-127318) between the City of Los Angeles and LA Metro, the City and Metro split the capital costs for expansion with each party paying 50 percent. Net operating and maintenance costs for the expansion will be split among the City of Los Angeles paying 65 percent and Metro paying 35 percent.

Hollywood Expansion of Metro Bike Share totaling 12 stations and 120 bikes would result in an estimated increase in operations and maintenance costs to the City of Los Angeles in the amount of \$250,000 in FY 19-20. Funds are available in the current fiscal year for the additional O&M costs. LADOT also submitted budget requests for FY 20-21 which includes operations and maintenance, and capital costs.

SJR:mp