



# STAFF REPORT

AGENDA NO: 10b

MEETING DATE: December 3, 2018

**To: Honorable Mayor and City Council**

**Date: December 3, 2018**

**From: Lisa K. Goldman, City Manager – (650) 558-7243  
Nil Blackburn, Assistant to the City Manager – (650) 558-7229**

**Subject: Adoption of a Resolution Extending the City’s Agreement with Lime and Authorization of the Issuance of a Request for Proposals to Identify a Long-term Bike Share Vendor**

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## **RECOMMENDATION**

Staff recommends that the City Council adopt a Resolution to extend the City’s agreement with bike share provider LimeBike (hereinafter known as Lime, the company’s new name). Staff also recommends that the City Council authorize staff to issue a Request for Proposals (RFP) to identify a long-term bike share vendor.

## **BACKGROUND**

During its goal-setting session in 2017, the City Council set four priorities for the City: sustainability, transportation, housing, and infrastructure. Bike sharing plays an important role in supporting the City’s sustainability goal and reducing greenhouse gas emissions. To that end, the City Council voted in November 2017 to authorize the City Manager to execute an agreement allowing the use of the City’s public right-of-way and public spaces to facilitate the Lime bike sharing program in Burlingame.

Lime offers dockless bike share that allows riders to leave the bikes at their destination rather than at a docking station. The goals of the six-month pilot program, which began in December 2017, were to test dockless bike sharing in Burlingame; provide another transportation alternative to cars, especially for making first and last mile transit connections; and support the City’s climate action goal to reduce greenhouse gas emissions.

Under the attached agreement, Lime is responsible for all aspects of operating and supporting the bike sharing program, including maintaining a 24-hour customer service line and responding to complaints within two hours.

## **DISCUSSION**

On May 7, 2018, the City Council voted to amend the agreement with Lime and extend the pilot program another six months through December 19, 2018. The City Council agreed to extend the pilot program in order to: (1) collect more usage data, particularly during the warmer months of the

year; (2) continue to learn from other cities' experiences; and, (3) assess the opinion of Burlingame residents by conducting a customer community opinion survey.

### **Pilot Program Findings**

#### ***Lime Usage in Burlingame***

Lime launched in Burlingame at the end of December 2017 with 50 bikes. By January 2018, Lime had deployed a total of 200 bikes. In February, Lime replaced some of the manual bikes with electric assist bikes (e-bikes). As of October, Lime's dashboard showed that there were 107 bikes deployed in Burlingame. According to a Lime representative, there is "a lot of movement from Burlingame to and from San Mateo and SSF. So it's possible there's not always exactly 200 bikes in Burlingame at all times."

<b># Bicycles in Burlingame, April –October, 2018</b>							
	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>
Manual	37	58	44	42	60	62	51
Lime E	21	121	68	61	71	61	56
All Bikes	58	179	112	103	131	123	107

Based upon the monthly usage data provided by Lime below, total rides averaged about 5,473 per month since May. Also, total complaints received by Lime have decreased since the pilot program first kicked off.

<b>Month</b>	<b>Pedal Bike Rides</b>	<b>Electric Bike Rides</b>	<b>Total Rides</b>	<b>Complaints Lime Received</b>
January	2,093	0	2093	77
February	3,468	2,273	5,741	130
March	2,087	2,081	4,168	56
April	1,694	2,543	4,237	44
May	1,836	4,091	5,927	38
June	1,839	4,127	5,966	57
July	1,764	4,315	6,079	64
August	1,868	4,061	5,929	53
September	1,399	3,157	4,556	42
October	1,139	3,245	4,384	32

#### ***Benchmarking Other Cities' Experiences***

South San Francisco was an early adopter of a dockless bike share program with Lime. While it will likely continue with some type of bike share program, it has extended its pilot program through February 2019 to allow more time to investigate necessary changes to its City ordinances. South San Francisco has about 200 bikes (100 manual and 100 e-bikes) deployed throughout the city and about 500 users who consistently use Lime bikes one to two times a month. The issue of bad parking, when users leave bikes in inappropriate areas, has lessened since the outset of its pilot program. One possible reason offered for the decline in bad parking complaints may be attributable

to the elimination of promo codes for free bike rides that Lime offered at the beginning of the pilot program. As the initial fervor and curiosity surrounding the bikes decreased over time, so did the number of complaints related to bad parking.

The City of Alameda launched its six-month pilot with Lime in October 2017. It was the second city in the Bay Area, and the first city in the East Bay, to test dockless bike sharing. At the close of its pilot program, the City of Alameda conducted a community survey to assess public opinion regarding the program. While the program was generally well supported, respondents cited two primary issues: bad parking of bikes and youth riding without helmets. Alameda issued an RFP for a dockless bike share program on May 3, 2018. As part of their proposals, the City encouraged companies to provide solutions for the issues of bad parking and helmet safety. Only two companies, Lime and Beijing-based Ofo, submitted proposals. The City selected Lime, and their bikes are currently in use in Alameda.

The City of Palo Alto kicked off a 12-month pilot program in March 2018 and opened up the program to any eligible bike share company that could meet its permit requirements. It also removed any cap on the number of bikes deployed in order to encourage competition. The City of San Mateo launched its bike share pilot program with Lime in May 2018 after a two-year pilot program with Social Bicycles, a bike share program that used docking stations. Foster City recently kicked off its 12-month pilot program with Lime in June 2018. Several other cities throughout the Bay Area are discussing or testing dockless bike sharing.

### ***Community Opinion***

On Monday, November 12, 2018, staff released a community survey designed to gauge the degree of public support for dockless bike sharing in Burlingame, identify pain points, and obtain some usage and demographic data. The data from the survey is available in Exhibit C: Community Survey Results. The public was invited to participate in the 13-question survey via Nextdoor, the City's weekly e-Newsletter, and Burlingame High School's student newspaper. The survey had 607 respondents, though most respondents did not answer all of the questions. While this community survey was by no means scientific, particularly with regard to sampling, there are ten notable findings and conclusions.

#### **1. Most respondents support dockless bike share in Burlingame.**

- 68.8% (413 out of 600 respondents) are "very supportive" or "somewhat supportive" of dockless bike share in Burlingame. (Survey, Q3)
- 17.0% (102 out of 600 respondents) are "somewhat against" or "very against" dockless bike share in Burlingame. The remaining 14.2% are "neutral". (Survey, Q3)

#### **2. Non-Lime users also support a dockless bike share program.**

- Even though 413 out of the 600 respondents who answered Q2 are "very supportive" or "somewhat supportive" of dockless bike share in Burlingame, only 282 out of the 607 respondents who answered Q7 have actually used a Lime bike in Burlingame.
- 53.5% (325 out of 607 respondents) have never used a Lime bike in Burlingame.

#### **3. Similar to other cities' experiences, the two biggest complaints about dockless bike sharing in Burlingame are poor parking by users and users riding without helmets.**

- 58.2% (314 out of 540 respondents) selected “bicycles are often parked poorly, blocking sidewalks, curb ramps, or bus stops” as their most disliked aspect of dockless bike share. (Q2)
- 30.6% (165 out of 540 respondents) selected “too many bike share users ride without helmets”. (Q2)

#### **4. Most respondents did not wear a helmet when riding a Lime bike.**

- 75.4% (218 out of 289 respondents) indicated they did not wear a helmet. (Q8)

#### **5. Users want more bikes around Burlingame.**

- The third most disliked aspect of dockless bike share in Burlingame is “there are too few bikes near me when I need one” according to 25.0%, or 135 out of 540 respondents. (Q2)
- To contrast, 26 survey respondents said they might be more supportive of dockless bike share if fewer bikes were made available throughout the city.(Q4)

#### **6. Respondents that consider themselves “neutral” or “not supportive” of dockless bike sharing might be more supportive of the program if users did a better job parking the bikes, and docking stations were used in some locations.**

- 57.6% (140 out of 243 respondents) said “ensuring better parking of bikes by users” would make them more supportive. (Q4)
- 47.7% (116 out of 243 respondents) said “using docking stations in certain locations: outside City Hall, train station, library, etc.” would make them more supportive. (Q4)
- To contrast, one of the features of the program that 41.3% (235 out of 569 respondents) liked most is that “it’s dockless”. (Q1)

#### **7. Most Lime riders are adults.**

- 69.7% (258 out of 370 respondents) are 18 years old or older. (Q11)

#### **8. Lime does not always address questions or concerns within the two hours required by the agreement between Lime and the City of Burlingame.**

- 31.76% (47 out of 148 respondents) indicated that Lime took more than two hours to address their questions or concerns. (Q6)

#### **9. Implementation of this pilot bike share program supported the City’s climate action goals to reduce greenhouse gas emissions.**

- Of the 290 respondents who reported what they would have used had dockless bike share not been available, 61.3% (178 out of 290 respondents) would have used some type of motor vehicle instead, including the Burlingame shuttle (1.38%); Lyft, Uber, or taxi (21.4%); or personal car (38.6%). (Q10)

#### **10. Most Lime users are not riding for fun or recreation.**

- 89.6% (260 out of 290 respondents) have used Lime as transportation to and from work, to and from school, to take care of errands and appointments, and going to or from a restaurant and/or shopping destination. (Q9)
- Of the 24 respondents who answered “Other” to question 9, which asks about the primary

purpose of their most recent trip, more than half listed transportation to or from BART or Caltrain, or some other use in lieu of an automobile.

### **Extension of Agreement with Lime**

Although some members of the community oppose dockless bike sharing in Burlingame, the community survey and other data indicate that the program has been well received and should continue. Therefore, staff recommends that the City Council authorize the City Manager to negotiate and execute an amendment to the agreement with Lime extending the program for an additional six months. This should give staff sufficient time to issue a Request for Proposals for dockless bike sharing in Burlingame and negotiate an agreement with a selected vendor. Both the Request for Proposals and the subsequent agreement will include performance metrics in order to address some of the issues that have been raised, such as availability of bikes, parking, and customer service.

Alternatively, the City Council could decide to employ a permit model similar to that used by the City of Palo Alto whereby any bike share company that meets yet-to-be-developed permit requirements is eligible to pay a fee and operate in Burlingame. Given the current state of flux in the bike share industry, with Uber and Lyft moving into the field, and some companies abandoning bike share in favor of electric scooters, it is unclear how many companies will remain in the bike share business. Nevertheless, should the City Council be so inclined, it could direct staff to develop a permit system, rather than a Request for Proposals, and allow all companies to apply to operate in Burlingame.

### **FISCAL IMPACT**

There is no fiscal impact related to this update. While there is no direct cost to the City for dockless bike share equipment or operations, implementing and monitoring a bike share program requires City staff time to respond to comments and complaints; plan efforts to solicit a company, monitor an agreement, and evaluate the program; and ensure that the selected operator is meeting its contractual requirements.

Exhibits:

- Resolution
- Second Amendment to Agreement
- Original Agreement
- May 2018 Staff Report
- Community Survey Results