

Bay Area Bikeshare Background & History

Bay Wheels

In 2013, the Bay Area Air Quality Management District (Air District) launched the Bay Area Bike Share pilot with Alta Bicycle Share in five cities. In May 2015, the Commission approved the 10-year, zero-cost and contract with Motivate to grow the system to at least 7,000 bicycles in the cities of Berkeley, Emeryville, Oakland, San Francisco and San Jose. The contract terms were crafted to promote public benefits including price protection, low-income membership and siting requirements and Clipper access. On December 31, 2015 the 7-party contract was signed and on June 27, 2017 the system launched as Ford GoBike in San Francisco. In 2018 Lyft acquired Motivate and rebranded the system as Bay Wheels. While the contract is now with Lyft, Motivate still operates the system as Bay Wheels.

The system is currently built out in Berkeley, Emeryville, Oakland and San Jose. San Francisco still has 38 remaining stations to install as it has faced delays in permitting stations, which has led to a slower deployment of bikes.

The program has two membership options, an annual membership at \$169/year and a monthly membership of \$29/month, both of which are subject to an annual regulated increase of Consumer Price Index (CPI) + 2%. Prices have increased twice since launch in 2017. The program also offers a low-income membership option, called Bike Share for All, which is \$5/year for the first year and then \$5/month thereafter for unlimited 60-minute trips. Bike Share for All members also receive a 75% discount on e-bike pricing, a \$1 cap on fees. Bike Share for All members make up 10.5% of all members.

E-bikes

In April 2018, Lyft launched its own 250-ebike pilot in San Francisco, and by December 2018, Motivate had deployed over 1,400 e-bikes in the five cities with about half of those in Emeryville, Berkeley, Oakland and San Jose.

Although various parties raised concerns about Lyft's exclusive rights as they relate to dockless bikes since e-bikes were not explicitly mentioned in the contract, the cities resolved these issues sufficiently to re-affirm Lyft's exclusive rights through a Right of First Offer and to proceed with hybrid e-bike procurement. In early 2019, San Jose signed a letter agreement, consistent within

the terms of the 2015 agreement, regarding an expansion of Bay Wheels to include 500 hybrid ebikes. In late 2019, San Francisco agreed to Lyft's offer to add 4,000 hybrid e-bikes. The new e-bikes began deployment in late 2019, and San Jose e-bikes did not have additional pricing (e-bikes were priced the same as classic bikes). The cities of Berkeley, Emeryville, and Oakland did not sign onto the agreement with San Jose and opted to proceed in their own negotiations with Lyft. However, COVID-19 derailed those negotiations and Oakland, Emeryville and Berkeley proceeded to develop their own electric micromobility permit programs separate from Bay Wheels. Oakland and Emeryville launched their programs in 2021 and have e-scooters, and Berkeley launched their program in 2022 and has e-scooters and e-bikes.

After agreeing to reduce the fleet size to 100 in September 2021, Lyft and San Jose added e-bike pricing in April 2022 to match San Francisco pricing. E-bike pricing agreements are between Lyft and individual cities, separate from the Program Agreement.

COVID-19

The Coronavirus impacted the industry and ridership. Overall ridership dropped 65% in April 2020 compared to April 2019. Ridership continued to drop in 2021, and while 2022 has seen an overall return to ridership, San Jose and the East Bay cities have seen a significant drop in ridership at 55% and 54% respectively in September 2022 compared to September 2019. Factors such as changing commute patterns, and a slow return to work likely explain some of this trend in San Jose and the East Bay. San Francisco, however, has seen a return in ridership in 2022, and saw a 45% increase in trips in September compared to 2019. With almost 50% of its fleet as e-bikes, and 70% of trips taken on e-bikes, this may be due to user preferences of e-bikes.

Since COVID-19, more casual users (non-members) have been using the system. Overall, members make up 49% of trips and casual users make up 44% of trips in 2022. This is a change from 2019 where members made up 70% of trips and casual users make up 22% of trips. The change in 2022 is due to a large drop in members, likely due to a reduction in workers returning to the office regularly. Overall, the system saw a 9% reduction in trips in 2020, compared to 2019. However, much of this was due to the deployment of e-bikes in early 2020, before COVID-19 spread throughout the country. In the East Bay cities, where e-bikes weren't deployed, they saw a 62% decrease in 2020, compared to 2019.

Theft and vandalism rates have also been high since COVID-19 across the Bay Wheels system. Theft includes bicycles (both classic and e-bikes), e-bike batteries and station batteries, which has been further exacerbated by supply chain issues. Impacts on the system include longer outages for down stations due to supply chain issues of batteries and the operator facing high costs to replace stolen parts and a slower redeployment of bikes.

Bikeshare Capital Grant Program

Richmond

Richmond launched its bikeshare system June 2021 after having significant delays due to COVID-19. The original operator Gotcha was acquired by another company Bolt, who took over the contract in early 2021. The system used a phased launch to build out stations and bikes but due to high theft/vandalism rates and supply chain issues the system never reached the full 250 bike deployment. One year after launch, the operator Bolt unexpectedly ceased operations due to financial reasons. Richmond relaunched the system two months later with LEAP Mobility using city funds to cover operating costs for 6 months and retaining the original equipment.

Safety, Mobility, Automated Real-time Traffic Management (SMART) Corridor [Sonoma County Transportation Authority (SCTA) and Transportation Authority of Marin (TAM)]

SCTA and TAM are leading the program to develop bikeshare along the SMART corridor with 7 cities (Santa Rosa, Rohnert Park, Cotati, Petaluma, Novato, San Rafael, Larkspur) The program was in the development phase when Bolt abruptly ceased operations. Since no funds of the grant have been spent, MTC staff are supporting TAM/SCTA on next steps.

Industry

Since 2015, the bike share industry has changed significantly and continues to be volatile. In late 2017, dockless bike share began to proliferate across the Bay Area and country, funded largely through private capital. Within two years, most of those companies went out of business, stopped operating in North America or stopped operating bike share. Following the ridership challenges resulting from the COVID-19 pandemic, consolidation has continued. In addition to consolidation, the industry frequently sees vendors exiting markets or going out of business. For example, Zagster, which operated bike share in small communities across the country, including a system launched in Healdsburg in 2017, ended all operations in 2020. There has also been a

significant shift in the bike share and shared micromobility funding landscape; the days of private venture-backed systems are now in the past. The industry has faced a reality in which public subsidies, grants, single-operator permits and/or income from other revenue streams, such as e-scooter programs, are required for bike share programs to pencil out.