



**Regional Bike Share Policy Steering Committee**  
**Meeting Date: 11/20/2020**

**Agenda Item No: 2020-August-1**

**Subject:** White Paper on Bike Share and Shared Micromobility

<input type="radio"/> Action	<input type="radio"/> Consent	<input checked="" type="radio"/> Information	<input type="radio"/> R&F	<input type="radio"/> Report	<input type="radio"/> Workshop
<b>Prepared by:</b> Sabrina Bradbury			<b>Approved by:</b> Kirk Trost		
<b>Attachments:</b> <input checked="" type="radio"/> Y <input type="radio"/> N					

**Issue:** With only six months remaining on the regional bike share agreement, operations curtailed by the pandemic, and ongoing disruption in the shared micromobility marketplace, what is the future of bike share in the Sacramento region?

**Recommendation:** None; this item is for information only.

**Background:** The following is a brief timeline of major bike share activities/events in the Sacramento region.

- December 2013: SACOG board awards \$3.9 million to the Sacramento Metropolitan Air Quality Management District to implement a bike share system in three cities (Davis, Sacramento, and West Sacramento).
- April 2015: SACOG becomes lead agency and advances the project as a publicly owned/privately operated hub-based bike share system.
- February 2017: Social Bicycles, Inc. (SoBi) selected to implement a publicly-owned regional, hub-based system. The system was to be publicly owned but operated by SoBi under a revenue sharing agreement.
- May 2017: SACOG enters into a Program Agreement with SoBi (now JUMP/Uber); the Agreement shifts the regional approach to a public-private partnership under which SoBi owns and operates the bike share system, but agrees to certain service level requirements, advertisement and sponsorship revenue sharing, and the implementation of an equity plan.
- May 2018: After an initial preview period, the full system launches.
- March 2020: JUMP suspends bike share operations in response to the local stay-home orders due to COVID-19.
- May 2020: Lime acquires Uber’s ownership interest in JUMP.

- August 2020: Bike Share Policy Steering Committee approves assignment of the Program Agreement to Lime, with interim amendments through November 30.
- November 2020: Policy Steering Committee considers options for bike share in the near and long term, including the potential of extending the agreement with Lime to maintain bike share operations in the near term.
- May 2021: Program Agreement scheduled to expire, unless extended.

The bike share industry is once again at a point of considerable change, contraction, and instability—due to both the changing economics of the market and the impact of the global pandemic—creating an opportunity to examine our regional approach to bike share and how we want bike share to look in the coming years. SACOG, in coordination with the cities and our regional partners, took this opportunity to prepare a white paper that provides information to generate discussion and inform an eventual update to the regional business plan, while also exploring the potential for extending the Agreement with Lime.

**Discussion/Analysis:** Over the last two months, SACOG has worked with the cities and our regional partners to continue to explore a longer-term deal with Lime, while also examining other options for bike share in the region. This work has involved digging into questions around profitability, user pricing, ridership, and the region’s policy objectives for bike share, all with the objective of informing decisions on a path forward for a more sustainable bike share system in the region. Attachment A is the white paper that resulted from this research and analysis. It provides information about the evolution of the region’s bike share system, a status update on the current system, recent trends in shared micromobility, and an analysis of different bike share operating models. It also provides options and ideas for the region to consider at this inflection point.

Key findings from the report include:

- The Sacramento region had one of the strongest shared micromobility markets in the nation (in terms of vehicle utilization) prior to the pandemic.
- Under the current market conditions, bike share does not appear to be self-sustaining, at least as a stand-alone business, particularly when designed to achieve policy goals that do not directly relate to profitability. Public funding and/or sponsorships are needed to achieve goals around equity, mode shift, and transit integration. However, given the strong micromobility market in the region, it is likely possible that the region could attract bike share vendors willing to pay some fees to cover public oversight costs if the region considers some incentives, such as limiting the number of providers and/or offering exclusive sponsorship/advertising rights.

- A publicly owned and operated system will give partners the most control over day-to-day operations and the ability to achieve policy goals, but it will require substantially more funding (either from public funds or sponsorship) compared to a privately owned and operated system.
- Operating models are shifting back toward public-private partnerships in which costs and risks are shared between partners.
- Micromobility options are beginning to integrate and partner more directly with public transit providers.
- Travel patterns are in flux due to the pandemic. People are working from home but still want to get outside for errands and recreation.
- Scooters and bikes have different uses and could be set up as complementary and holistic systems. Scooter trips in some cities have been concentrated in entertainment or downtown districts, and have tended to be more common in the afternoons, evenings, and weekends. Station-based bike share trips have been highly concentrated during commuting hours. It's possible that bikes could serve areas that are less dense and have land uses that require people to travel longer distances, while scooters can more easily serve dense areas where people are looking to replace a taxi or ride-hail trip.

Given these findings, the unknowns around ridership in the pandemic, and that the regional bike share agreement expires in six months, the second item on this committee agenda will discuss the potential for an agreement with Lime to extend bike share operations in the near term. SACOG, on behalf of the project partners, is still working on a potential agreement and will share the terms with the committee prior to the November 20 meeting.