

Complete Streets Coalition Mtg May 17, 2019

Announcements

- IPHI - HealthCommunitiesIllinois.Org
 - Partnership between IPHI and APA-IL
 - Goal is to facilitate learning and idea sharing and connections among planners, public health practitioners, engineers, and others
 - Spurred by Planners for Health project which aimed to build capacity to integrate planning and health
 - Resources & Blog, but Forums are highlighted with topical discussion threads and conversations
- Last mile mobility demo day in Bedford Park (see flyer)
- Take action in support of walking, biking, transit in state capital bill at activetrans.org/capitalbill
- CMAP Future Leaders in Planning is closing for applicants on Monday 5/20; for high-schoolers – week long planning
- People for Bikes community grant
- Roopa – Aurora; Patrick Zagster; Karen – FPDCC; Sean CDOT

Introduction

Roopa – Transportation Engineer at City of Aurora; coordinates bike share system in the city; involved since it started in 2016; lots of internally discussions about whether Zagster was the best fit; bike/ped improvements is a big priority for the city; have 3 year contract with Zagster, looking to extend the contract; Roopa involved with implementation since inception

Karen – Director of Permits/Rentals/Concessions; responsible for generating non-tax revenue for the district & increase customer engagement; going back out to an RFP in the Fall for next contract

Sean – Assistant Commissioner; oversees citywide services which includes bike share; been at CDOT since 2012; worked on bike share since inception; went through brand development process; also worked on dockless bike share pilot and scooter pilot; also founding member of North American Bike Share Association, another great resource NABSA.net, conference in Indianapolis this Fall

Pat Kelsey – Zagster is one of the oldest micro-mobility companies, 10 years old; previously worked at Motivate, which is the Divvy operator; Zagster is expanding to micro-mobility more generally; reach is nationwide, operates more systems of any companies with emphasis on smaller systems; over 250 systems

Overview

Roopa – Docked based bike share system, but bikes have locks so you can lock at destinations before returning to stations; 18 bikes at 3 stations located in downtown Aurora; Library, City Hall, River's Edge Park; Usage 1850 trips since 2016, 26 active memberships

- (John – RAMP may be an opportunity to expand with integration into regional system)
- Lindsey – have you looked at partnering with the university?
 - Looking at opportunities to partner with expansion

- What was the primary motivation?
 - Bike friendliness is a big priority for administration; Gap in Fox River Trail was filled with new protected bike lane, so lots of momentum around biking locally; zagster opportunity emerged around same time
- What kinds of trips are people taking?
 - Mostly recreational; lots of lunch rides and rides during the weekend, people accessing the trail
- Have businesses seen an impact?
 - Getting positive feedback from business but see lots of potential for more impact with expansion
- Are you using data to help inform bike infrastructure planning?
 - When we get the expansion anticipating being able to do this

Karen – first RFP wasn't successful, but second was better and ended up partnering with Bike and Roll with docked system; docks were expensive so limited footprint; first three years only had six stations, five along North Branch Trail; big concern from equity perspective, most residents didn't have access to program; tried to get a sponsor but did not have success with that effort; last summer Bike & Roll partnered with HOPR (they have relationship) to be able to introduce dockless bikes; using parking zones eliminated cost of docks and district was able to install 43 parking zones; currently 250 bikes out, option to expand to 500; this year going down to 25 hubs to focus more on most active areas, but still have good geographic spread including on all major trail systems; hoping to have bikes out by June 1; small fee if bike isn't returned to hub, but this hasn't been an issue; 5,000 rentals last year, and only started in August; optimistic this year will be in 12-15,000 range of rides; doing new RFP for 2020 but think this model

- Have you had issues with bikes not being accessible at busy locations?
 - Balancing was effective and able to respond to demand; for example, botanic gardens was popular destination
- Is it a seasonal program?
 - Yes – June through September (or until demand ends)
- Are most people driving then renting?
 - Yes, primarily recreation however did see some commuter usage; lots of picnickers using them as well (7,000 picnic permits each year)
- How were the quality of bikes?
 - People like the bikes, positive review; bikes were brand new last year

Sean – Launched in 2013 with 69 stations and 750 bikes; expanded in Chicago, as well as with Evanston and Oak Park (OP left); 600 stations 6,000 bikes serving 100 square miles of the city, 2/3 of population served about 40% of land; new sponsorship with Lyft (which purchased Divvy operator Motivate), investing considerable amount to expand system citywide by 2021 and taking on all operational risk; 3 million trips a year, 38k members; Divvy for Everyone for unbanked and people without phones; \$36 million investment so far, much of start up funding came from CMAQ; membership – annual membership for 45 mins unlimited, explorer pass – 3 hrs continuous use, single rides

- How does contract work with OP/Evanston?

- IGA with each muni that lays out business agreement and how to channel revenue based on where passes are purchased, but Evanston has own contract with Motivate
- Something unusual about Divvy is that city owns the hardware (bikes and docks) and contracts out operations to a vendor (Motivate) including balancing, customer service, fee collection
- Sean – as you consider your options realize many companies are venture capital funded and bike share may not be their end game, lots of rapid evolution

Patrick – Bikes are not dead! Zagster also operating scooters; recently adopted operations as service model, whatever options local groups want; Pace is lock-to dockless system, doesn't need to be returned to a station, but does need to be locked to something, app provides parking locations, help solve some of the problems with dockless bikes ending up lost; Zagster bikes are 'dumb' so don't have GPS and rely on phone connection, Pace are 'smart' and have on-board GPS

- Sean – city moving to a true hybrid system where new bikes will be able to be docked at stations or locked to bike rack
- Karen – Forest Preserve Districts bikes had GPS so were able to balance and find bikes each night; two hour window for company to move poorly parked bikes
- With lock-to has there been issues with folks locking to objects munis don't want things locked to?
 - Occasionally, but it has not been a major issue. In general, bike share is maturing so Patrick thinks we'll see less of that as norms developed.
- Does the fact Chicago has existing docked system contributed to fact we didn't see major behavioral issues during dockless pilot?
 - Probably contributed, but also not that many bikes in pilot area so that also a part of it. Nightmare in Dallas was due to vendors dropping as many as 20k bikes. This is why city is working with locked-to to avoid this becoming an issue.
- With locked-to how is theft prevented?
 - U-locks go through wheel so even if they are cut they can't move.

Getting Started

Finances

- Roopa – Zagster charges \$1,800 per bike per year, Aurora has 18 bikes so about \$32k per year; Aurora is not turning a profit, but having a sponsorship would help with expansion and extending contract; goal was not for it to be profitable but to provide an amenity for residents and visitors; but sponsorship is important to ensure long term viability and make it easier for cities to maintain
 - Patrick – Zagster is able to help find larger and more reliable sponsorships to ease burden of administering these deals; branding space on bikes, baskets, station signs, in-app
 - What about user fees?
 - \$20 annual membership, 2 hr free ride; pay as you go \$1 per 30 minutes; new student membership

- John – most municipalities locally are not seeing profit as a main motivation, most groups are thinking about it as an amenity; Convention & Visitor Bureaus have also been sponsoring/leading development in several places around the region
- Sean – about a dozen Divvy stations have been purchased by developers or property owners that want to provide the amenity; BCBS was sponsor for Divvy, but used about \$36 Million in CMAQ, trade off with owning system is capital outlay to purchase hardware; Divvy gets about 80% ‘fare box recovery’; make about \$1 million a year in station advertising, use a broker to sell those spaces
 - What is the life span of bikes?
 - For divvy about 7-10 years, built like tanks. Zagster re-fleets every three years.
 - Current bikes cost about \$1k, new pedal-assist bikes will be \$2k and obviously have more complications and maintenance need, but that’s balanced out by expanded access and increased usage by broader spectrum of residents
 - City of Chicago recently adopted e-bike and scooter ordinance regulating their usage
- Karen – operate as a concession, so they do get revenue; looking at plowing that money into promo codes and free rides going forward (only about \$20,000); last year with Bike & Roll
- Trend towards scooters for many companies; Zagster & Jump have been committed to bike share business
- Other examples of sponsorship
 - Hubway had corporate membership program; Harvard invested \$2 million and got stations plus 20% off memberships for Harvard.edu members
 - Athletic and performance apparel companies
 - Biggest bang for your buck will be selling naming rights of system
 - Exclusivity is also valuable chit in negotiations
- Where does the revenue go?
 - Profit/Loss sharing contract; over the years split the loss 50/50; BCBS was paying \$2.5 million/year plus \$1 million in advertising, so city took in about \$1 million a year, invested that in vision zero and bike infrastructure; Lyft investment will be even greater amount of annual revenue for city which will likewise go into traffic safety investments

Equity

- Roopa – system is accessed through zagster app, but text messaging option is available but that still requires an account and credit card; Zagster recently started accepting PayPal which you can load with cash
- Sean – Divvy for Everyone is means tested \$5 annual membership; since system uses a key no issue with smartphones; about 6,000 divvy for everyone members, price increases slowly each year until reaching student membership level \$75; don’t need internet access can sign up in person for D4E; Cash based payment system called Pay Near Me (CVS, Family Dollar, 711)
- Karen – removing docked system enabled expansion to entire county; equity focus was geographic

Advice

- Roopa – big question was station placement; as first system along fox river corridor didn't have model to replicate; zagster was able to present proposed plan; partnership with zagster made it easier since they manage hardware, software, customer service etc
- Karen – had some leads on sponsorship that didn't pan out; important to be thoughtful and have eyes wide open about that reality
- Sean – took a year to find a divvy sponsorship; had a broker that was not helpful in finding the sponsor and city staff ended up taking lead; if you can't operate without a sponsor, then don't promise you can launch a system; Portland had to wait 2-3 years until sponsor; did an RFP in 2012 and awarded Alta Bike Share and PBSC; liability – strict insurance requirement for partners and strong indemnity for city

Scooters

City established speed limits for devices and weight limits for what can go into bike lanes, will share ordinance with attendees. All devices will have same rights and responsibilities that meet speed/weight criteria. Needed to create framework for upcoming divvy ebike expansion as well, so ordinance covers both.

Chicago running a pilot for scooters on West Side btw south branch and north branch of the river and Irving Park Road. Has some divvy service, but not totally covered. Good transit service but also gaps. Will run June 15-Oct 15. Had an open RFP, using emerging business permit for categories of businesses that are not bricks and motars, enables up to 2 year pilot; sunsets if city doesn't act. Dozen companies came in on RFP, will be announcing who will be participating in next week or so.

Need to meet low-speed electric mobility device definition, some will have seats. Chicago requiring all scooters to be removed from the street each night to avoid 'knuckleheads.'

25% of scooters must be placed in two target neighborhoods to ensure equitable balance each morning.

Texting and cash-based payment option required for participating companies.

- What have you learned about life cycle of scooters? Issues around lithium ion at end of life
 - No requirements to do anything, but asked about these issues in RFP. Seems the scooters are all over the place in terms of how long scooters are lasting, a month on the low-end. Still a very new industry.
- Have scooters entered suburbs at all?
 - Not that Sean is aware of
- Why are scooters so popular vs. bikes?
 - They are fun! But concern is definitely injuries, so requiring educational materials to be attached to each scooter for first month of pilot regarding how to ride, where to park, encouraging helmet usage. Most injuries are people falling off with higher center of gravity, can't signal intent to turn because need to have hands on handlebars.
- What have you learned regarding contractors and maintenance?
 - Requiring monthly maintenance and most doing at least weekly checks. Some companies using 'gig economy' to charge scooters, some are using their own staff, this is something that the pilot will look at.
- What are expectations on farebox recovery?

- Bluntly, not an issue since it is all on companies. City is only charging a permit but not like Divvy system.
- What considerations on rebalancing? Some companies incentivizing leaving scooters in underserved areas.
 - Looking at doing this with Divvy

Question

Are there apps that are able to integrate different systems? For example, fox river valley may end up with multiple branded systems.

- TransitApp integrates all modes of transit, could possibly work with systems to serve across