

### **Board Report**

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Agenda Number: 10

PLANNING AND PROGRAMMING COMMITTEE MARCH 16, 2016

SUBJECT: METRO COUNTYWIDE BIKESHARE EQUITY INITIATIVES

ACTION: APPROVE RECOMMENDATION

File #: 2016-0085, File Type: Program

### RECOMMENDATION

AUTHORIZE the initiation and implementation of the following **Metro Countywide Bike Share equity initiatives**:

- A. WAIVE the \$40 annual sign-up fee for Flex passes to make a single Metro Bike Share ride cost the same as a ride on Metro transit (\$1.75) for the following groups:
  - 1. Metro Rider Relief customers for the summer 2016 launch;
  - Reduced Fare TAP card-holders (Senior 62+/Disabled/Medicare, College/Vocational student, Student 9-12 grade) as part of Interoperability Step 3 approved in November 2015 (Attachment A); and
- B. AUTHORIZE the CEO to commit a 10% required hard local match of \$10,000 and a 15% required in-kind match of \$15,000 to develop a competitive Better Bike Share Partnership Grant (BBSP) application.
- C. AUTHORIZE the CEO to enter into a partnership with the City of Los Angeles for a Mobility Hubs FTA JARC grant.

### **ISSUE**

At the June 2015 meeting, the Board awarded a two-year contract to Bicycle Transit Systems (BTS) for provision of the equipment, installation and operations of the Metro Countywide Bike Share Phase 1 Pilot in greater downtown Los Angeles (DTLA Pilot). At the November 2015 meeting, the Metro Board approved a fare structure for the Metro Bike Share system (Attachment A) that is flexible and streamlined to meet the diverse needs of communities. The equity initiatives proposed in this report are expected to bolster the fare structure by increasing options to disadvantaged communities and potentially increasing ridership by discounting passes to those who otherwise may not participate due to financial constraints. Board approval and authorization are needed to proceed with the proposed

File #: 2016-0085, File Type: Program Agenda Number: 10

Metro Countywide Bike Share equity initiatives.

### **DISCUSSION**

Bike share systems all across the US have struggled to be inclusive to disadvantaged communities, especially low-income communities of color and women. However, based on the research from existing bike share systems in North America, options for monthly passes, fare relief and outreach are the best approaches to ensuring the system is accessible to all (Attachment B). The proposed equity initiatives are expected to increase ridership by enrolling those who wouldn't otherwise participate due to financial constraints and ensuring long-term diversity of the user base.

### \$0 Fee Annual Flex Pass - Rider Relief & Reduced Fare TAP Card-Holders

At the November 2015 meeting, the Metro Board approved a fare structure for the Metro Bike Share system (Attachment A). The fare structure's three proposed pass options (\$20 Monthly, \$40 Annual Flex/\$1.75 per 30 minute ride and \$3.50 Walk-Up/per 30 minute ride) are flexible and streamlined to meet the needs of frequent, occasional and casual users. The fare structure includes a "Flex" pass for a \$40 annual fee that allows for a \$1.75 charge per 30 min trip. The proposed initiative would waive the \$40 annual sign-up fee for Flex passes to make a single Metro Bike Share ride to cost the same as a ride on Metro Transit (\$1.75). The following groups would be eligible:

- 1. Metro Rider Relief participants for the summer 2016 launch.
  - Rider Relief participants are eligible for reduced rate transit passes based on a qualifying set of income criteria. The participants are screened and recertified annually through Metro Rider Relief participating social service providers that meet selection criteria.
  - ii. Participants would receive a bike share coupon code in their June 2016 recertification process.
  - iii. The coupon code can be used to register for a bike share pass at metro.net/bikeshare. Bicycle Transit Systems will recognize the bike share coupon code and waive the \$40 Flex pass fee. A credit card will be required for registration.
- Reduced Fare TAP card-holders (Senior 62+/Disabled/Medicare, College/Vocational student, Student 9-12 grade)as part of the development of Step 3 Interoperability (Seamless User Interoperability). Step 3 Interoperability was approved by the board in November 2015 as the last step in a phased Regional Bike Share Interoperability Strategy (Attachment A).
  - i. The \$40 Flex pass fee will be automatically waived with an eligible TAP card number upon registration at metro.net/bikeshare. When registering online for a bike share pass a user will be prompted to enter the TAP number and a fee reduction will automatically be issued when the system recognizes it as a Reduced Fare TAP number. A credit card will be required for registration.
  - ii. This option will utilize software infrastructure developed in order to facilitate the

exchange of information between Metro and BTS.

iii. Reduced Fare Students K-8 TAP card-holders will not be eligible for the discount since bike share users must be 16 to ride the bikes and requires a guardian's permission.

Bike share programs typically require that users provide a credit card to be kept on file. The credit card allows the contractor to charge a bike share participant for usage of the system. Keeping a credit card on file also serves as insurance against theft of the bicycle, in essence serving as a deterrent. While this is an important business feature of the bike share industry, we also recognize that this creates a barrier to participating in the bike share program, particularly for the unbanked population. Staff is exploring opportunities to implement cash payment options, similar to Philadelphia Indego's Pay Near Me program. We will return to the Board once the policy and administrative details are developed, as well as funding has been identified.

### JARC Partnership

The city of Los Angeles was awarded a grant for \$7,950,000 (capital and operating) in 2010 from the Federal Transit Administration (FTA) Jobs Access and Reverse Commute Program (JARC) to implement an Integrated Mobility Hubs Project. The project is 100% federally funded (i.e. no local match required). The Project's Scope of Work includes secure bicycle parking, bicycle sharing, and demand responsive service in DTLA, Hollywood and other cities in Los Angeles County. Metro and the city of Los Angeles have been working to integrate the Metro Countywide Bike Share Program into the Project due to the similarities in scope and schedule. The City of Los Angeles has requested Metro become a partner in order to utilize some of the JARC grant for eligible capital and operating costs in DTLA and Hollywood. In order to move forward with a partnership, and as required by the FTA, Metro must be listed as a partner agency and funding recipient on the grant. The Board's approval of the staff recommendation would support the implementation of Metro's Regional Bike Share Program in DTLA and in future proposed expansion phases.

### Better Bike Share Partnership Grant

Metro, the City of Los Angeles, the Los Angeles County Bicycle Coalition (LACBC) and the Multicultural Communities for Mobility (MCM) have been invited to jointly apply for the Better Bike Share Partnership (BBSP) grant. The BBSP is a collaboration funded by The JPB Foundation to build equitable and replicable bike share systems. The BBSP partners include The City of Philadelphia <a href="http://www.phila.gov/Pages/default.aspx">http://www.phila.gov/Pages/default.aspx</a>, Bicycle Coalition of Greater Philadelphia <a href="http://bicyclecoalition.org/">http://www.phila.gov/Pages/default.aspx</a>, Bicycle Coalition of Greater Philadelphia <a href="http://bicyclecoalition.org/">http://bicyclecoalition.org/</a>, the National Association of City Transportation Officials <a href="http://www.peopleforbikes.org/">http://www.peopleforbikes.org/</a>, The grant will serve to build upon Metro's efforts to establish an equitable program and will help fund Metro Bike Share outreach efforts to disadvantaged communities in and around the DTLA pilot service area. Staff is requesting the Board allocate a 10% required hard local match of \$10,000 and a 15% in-kind match of \$15,000 for a potential \$75,000 grant from the BBSP for the total programmatic cost of \$100.000.

### **DETERMINATION OF SAFETY IMPACT**

Implementing a Metro Countywide Bike Share Equity Initiatives will not have any adverse safety impacts on Metro employees and patrons.

### FINANCIAL IMPACT

Twenty percent of the proposed grant match (\$2,000 of hard match and \$3,000 in-kind match) is expected to be needed in FY16 if the grant is awarded, which will be absorbed by the FY16 bikeshare project budget of \$7.78M. The remaining local match (\$8,000 of hard match and \$12,000 in-kind match) will be requested by the Project Manager during the FY17 budget development process.

The \$0 annual sign-up fee offer is expected to have a positive financial impact to user revenue since it will bring in new users that would otherwise not participate.

### Impact to Budget

The source of funds for the hard local match is General Funds or other eligible and available local funds, which is eligible for bus/rail operating or capital expense.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to approve a Metro Countywide Bike Share Equity Initiatives. This alternative is not recommended, as it is not in line with previous Board direction.

### **NEXT STEPS**

Contingent upon Metro Board approval, the FTA JARC grant will be amended to include the Metro and City of Los Angeles and City of Long Beach partnership. Staff will return to the Board in May 2016 with an update on TAP Interoperability Step 3.

### **ATTACHMENTS**

Attachment A - Metro Bike Share Fare Structure Metro Board Report November 2015 Attachment B - NACTO Report on Bike Share Equity

Prepared by: Avital Shavit, Transportation Planning Manager, (213) 922-7518 Laura Cornejo, Deputy Executive Officer, (213) 922-2885 Diego Cardoso, Executive Officer, (213) 922-3076

Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319

#### ATTACHMENT A

### Metro

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA



### **Board Report**

File #:2015-1436, File Type:Program

Agenda Number: 10.

PLANNING AND PROGRAMMING COMMITTEE NOVEMBER 18, 2015

SUBJECT: METRO COUNTYWIDE BIKE SHARE PROGRAM

ACTION: APPROVE A BIKE SHARE FARE STRUCTURE AND AUTHORIZE INITIATION AND

IMPLEMENTATION OF A PHASED REGIONAL BIKE SHARE INTEROPERABILITY

STRATEGY.

### RECOMMENDATION

#### CONSIDER:

- A. APPROVING a fare structure for the **Metro Countywide Bike Share Program** as proposed (Attachment A); and
- B. AUTHORIZING the initiation and **implementation of a phased Regional Bike Share Interoperability Strategy** including the following:
  - 1. Implement Step 1 Bike Share-enabled TAP card as Bike Share ID and Step 2 Existing TAP card as Bike Share ID in 2016; and
  - 2. Continue to collaborate with TAP on an interoperability strategy for Step 3 Seamless User Interoperability and report back in Spring 2016.

### **ISSUE**

At the June 2015 meeting, the Board awarded a two-year contract to Bicycle Transit Systems (BTS) for provision of the equipment, installation and operations of the Metro Countywide Bike Share Phase 1 Pilot in downtown Los Angeles (DTLA Pilot). At the July 23, 2015 meeting, the Board approved Motion 22.1 (Attachment B), providing staff with direction on next steps for implementing the Countywide Bike Share Program. Included within Motion 22.1 was direction to enable a "seamless user experience." Staff has pursued TAP integration as one of the elements to creating a seamless experience between Metro Bike Share, transit and potentially, other municipal bike share systems. Board approval and authorization are needed to proceed with the proposed Countywide Bike Share Fare Structure and interoperability strategy.

### **DISCUSSION**

### Fare Structure Development

Staff continues to meet with the bike share-ready cities identified in the Metro Countywide Implementation Plan - including the cities of Los Angeles, Pasadena, Huntington Park, Culver City and the County of Los Angeles - on a regular basis, either as a group or one-on-one in order to advance the launch and expansion of the Countywide Bike Share system. We have worked with these bike share-ready cities to develop a fare structure that positions bike share as a Metro service (one that extends the reach of transit) and addresses a variety of regional needs. In developing the proposed fare structure, we reviewed an array of fare structures from other systems nationwide (Attachment C). Santa Monica's adopted fare structure for Breeze bike share was considered as part of this survey; however, it did not meet all of our fare structure objectives as described below. Staff from Santa Monica has stated they are not prepared to modify their rate structure until they have a period of operating the system and evaluate the local results.

### Fare Structure Objectives

In developing the Countywide Bike Share Fare Structure, staff set forth several objectives that would influence and frame the proposed structure. In addition to developing a fare structure that would contribute to the financial sustainability of the system, we also sought a fare structure that would work for a regional system - that is, a fare structure that would be successful in the various communities throughout Los Angeles County with their unique socio-economic and demographic characteristics.

As part of that effort, we developed a fare structure that is modeled after a transit fare structure. By drawing on the existing transit fare model, Metro has the opportunity - as the leader of the Countywide Bike share program - to fully position bike share as a thoughtfully integrated element of transit over time. We sought a fare structure that intrinsically addresses equity. Recent studies (Attachment D) show that lowering the barrier to entry can in and of itself draw persons of lower income into trying bike share. While staff will continue to explore other opportunities to further address equity and the un-banked, establishing a low entry point to use bike share was identified as a key objective. Lastly, we sought a fare structure that was clear, easy to understand and customer friendly.

### Fare Structure

The proposed fare structure includes 3 simple pass options: 1. a "Monthly" pass for \$20 that includes unlimited 30 min trips, 2. a "Flex" pass for a \$40 annual fee that includes a \$1.75 charge per 30 min trip, and 3. a "Walk-Up" for \$3.50 per 30 min trip. The "Monthly" pass will have an auto-renew option upon sign-up. The first two passes can only be purchased online (on a computer or mobile device) however; the walk-up can be purchased with a credit/debit card at the payment kiosk available at each bike share station. Each of these passes caters to the various types of bike share users - frequent user, occasional user and casual user. The fare recovery ratio for the Metro Countywide Bike Share Program with the proposed fare is estimated to range between 60% and 80% depending on the typology of the city. The fare recovery ratios are based on the proposed pass pricing and applied to other comparable systems (Attachment E). In addition to being financially sustainable, the proposed fare structure had broad support among the bike share ready cities and fulfills the bike share objectives as described below:

#### Bike Share as a Metro Service

- Fare pricing is based on a 30-minute trip equivalent to approximately a 3 mile ride which is the FTA bike-shed for transit.
- Fares look similar to transit or are based on a multiplier of existing transit fares.
  - For walk-up users, the price is 2x the price of a Metro bus/rail ride. This rate is low enough to encourage first-time users to try the system while remaining sustainable enough to foster an appropriate revenue stream. Based on the dynamics of other similar bike share systems, we expect a large percentage of walk-up users to be DTLA visitors or tourists who are not price-sensitive.
  - For Monthly Pass holders, all rides within the 30-minute period are free. Overage charges are equivalent to a Metro bus/rail trip at \$1.75 per every additional trip within 30 minutes.
  - Flex Pass fares are equal to a Metro bus/rail trip (\$1.75).
  - Similar to transit fares, the proposed fare structure is built on payment per ride or per month.

### **Equity**

- The three proposed pass options are flexible and streamlined to meet the diverse needs of
  communities that may need to serve user bases composed of local residents, tourists, or both.
  For instance, the overage charge rate does not escalate and thus supports users who may be
  traveling from greater distances to access a transit station or a final destination. (We may
  observe this in more suburban areas like South LA, East LA, San Gabriel Valley and San
  Fernando Valley cities and other areas of Los Angeles County.)
- We priced the walk-up rate to accommodate all users, including low-income riders. (Attachment A)
- The flex pass option is the most affordable option for occasional users. This pass will provide transit dependent users who are the most price-sensitive a low annual entry fee at \$40. In the future, the \$40 Flex pass fee could be subsidized to allow rides on bike share to cost the same as trips on Metro Transit (\$1.75).

### Customer Friendly/Easy to Understand

- The proposed fare structure includes three simple pass options. We limited the menu of options to improve customer understanding and make signing up easy.
- The overage charges are non-escalating to keep the structure user friendly.

### Bike Share Interoperability Strategy

The Metro Board provided direction through Motion 22.1 to create a "seamless user experience." Staff has pursued TAP integration as one of element of creating a seamless experience between the Metro Countywide Bike Share Program, transit, and other bike share systems. With two different bike share vendors in the County, physical interoperability between the two proprietary bike share systems can best be addressed through the co-location of stations. Software interoperability for step

3 may be addressed through web and mobile applications, and/or the TAP system. TAP in partnership with Countywide Planning, has worked with BTS's technical team, and CycleHop and its contracted cities' staff to develop interoperability strategies for step 3. Based on the work conducted thus far, staff proposes to implement the following phased approach to achieve countywide bike share interoperability.

### Step 1 - Bike Share-enabled TAP card as Bike Share ID

A uniquely branded TAP card will function as a Countywide Bike Share ID to unlock bicycles at each station. Only Countywide Bike Share TAP cards issued by BTS to pass holders will be recognized by the bike share system. Bike share fares are associated with the bike share user's account and not with the TAP card itself. The TAP cards will also be usable on the TAP bus and rail system. Customers using the bikeshare station for the first time and that do not have this special TAP card can still use a valid credit/debit card to check out a bike. Estimated Implementation Schedule: DTLA launch next summer.

### Step 2 - Existing TAP card as Bike share ID

All TAP cards will function as bike share passes to unlock a bicycle at a station. The TAP card number will need to be entered, either by the user or an app, at the time of purchase of a Bike share pass and validated by BTS for the Metro system. This step requires sharing of limited data between TAP and bike share vendor(s). Planning staff is working with TAP and Metro Information Technology Services staff to develop a data exchange tool for this task. Bike share fares are associated with the bike share user's account and not with the TAP card itself. Customers using the bikeshare station for the first time and that do not have a TAP card can still use a valid credit/debit card to check out a bike.

Estimated Implementation Schedule: By the end of calendar year 2016.

### Step 3 - Seamless User Interoperability

Create a seamless user experience where the account registration and/or payment for Metro transit services and multiple bike share vendors is linked. Staff anticipates that the development of a regional back-office and clearinghouse and/or the procurement of a third-party intermediary service provider will be required. Staff will continue to work collaboratively between departments to further refine the functions of this service and develop rough order of magnitude costs to inform a recommendation. However, it is anticipated that this clearinghouse and/or third-part intermediary should perform, at a minimum, the following functions and accommodate expansion of functions:

- Exchange of data for purse and account information.
- Enable transfers between Metro transit and bicycle services.
- Enable interoperability with other Countywide bicycle services such as Metro Bike Hubs.
- Enable interoperability between bike share vendors.

Estimated implementation Schedule: Metro Bike share Phase 2 Expansion

### **DETERMINATION OF SAFETY IMPACT**

Implementing a Metro Countywide Bike Share fare structure and initiation and implementation of a phased bike share interoperability strategy will not have any adverse safety impacts on Metro employees and patrons.

### FINANCIAL IMPACT

The FY16 budget includes \$7.78M for this project in cost center 4320, Project 405301 - 05.01 (Bike Share Program).

Since this is a multi-year project, the cost center manager and Chief Planning Officer will be responsible for budgeting the cost in future years, including any phase(s) the Board authorized to be exercised.

### Impact to Budget

The sources of funds are toll revenue grant and other eligible and available local funds or general funds.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to approve a Metro Countywide Bike share fare structure or authorize the initiation and implementation of a multi-step bike share interoperability strategy. This alternative is not recommended, as it is not in line with previous Board direction.

### **NEXT STEPS**

Staff will return to the Board in Spring 2016 with an update on the following items:

### Title Sponsor

We are working with our bike share contractor, BTS to solicit a title sponsor. As was reported to the Board in September 2015, we are on schedule to launch the DTLA Pilot and are proceeding with a black bicycle that will provide flexibility to add sponsor placement with decals on the body, skirt guard, and basket at a later time.

### Cash Payments and Subsidized Reduced Fares

We are exploring options for in-person and/or cash payment for the "Monthly" and/or "Flex" passes. We also continue to explore opportunities for providing subsides to Metro Rider Relief and Reduced Fare Office participants, potentially utilizing JARC funds for the DTLA Pilot to "buy-down" subsidies as is done for transit.

### Step 3: Seamless User Interoperability

We continue to evaluate options for Step 3 seamless user interoperability. We will return to the Board to request direction on the development of a clearinghouse and/ or the procurement of a third-party

intermediary.

### **ATTACHMENTS**

Attachment A - Metro Bike Share Fare Structure

Attachment B - Metro Board Motion 22.1, July 2015

Attachment C - Bike Share Fare Structure in Other Cities

Attachment D - Data Supporting Monthly Pass

Attachment E - Fare Recovery Estimates Comparison Chart

Prepared by: Avital Shavit, Transportation Planning Manager, (213) 922-7518

Laura Cornejo, Deputy Executive Officer, (213) 922-2885

Diego Cardoso, Executive Officer, (213) 922-3076 Cal Hollis, Managing Executive Officer, (213) 922-7319

Reviewed by: Martha Welborne, FAIA, Chief Planning Officer, (213) 922-7267

Phillip A. Washington Chief Executive Officer

### Metro Bike Share Fare Structure

### **Monthly Pass**

30 days, unlimited half-hour trips

30-Day Pass:

\$20

Unlimited FREE

trips up to 30 minutes each

\$1.75

per extra half hour

### **Flex Pass**

Pay per trip

Annual fee:

\$40

\$1.75

per trip up to 30 minutes each

<u>+</u>

\$1.75

per extra half hour

### WalkUp

Pay per trip

Pass Charge:

None

\$3.50

per trip up to 30 minutes each

+

\$3.50

per extra half hour

### Metro



### **Board Report**

Los Angeles County Metropolitan Transportation Authority One Gateway Plaza 3rd Floor Board Room Los Angeles, CA

File #:2015-1093, File Type: Motion / Motion Response

Agenda Number:22.1

### PLANNING AND PROGRAMMING COMMITTEE JULY 15, 2015

#### Motion by:

#### Supervisor Ridley-Thomas

July 15, 2015

### 22.1, Relating to File ID 2015-0995 Next Steps for Implementing the Countywide Bikeshare Program

The Metro Board of Directors (Board) has expressed a strong commitment to deploy a Countywide Bikeshare Program as a first and last mile solution and as a practical option for inter-jurisdictional travel. A regionally-coordinated bikeshare program will reduce vehicle miles travelled, improve the accessibility of our transit system and enhance the overall livability of the region.

At the June 2015 Metro Board meeting, the Board awarded a bikeshare contract to Bicycle Transit Systems and instructed staff to move forward with the pilot phase of implementation in downtown Los Angeles. Metro should serve as the regional facilitator of a financially sustainable system and seamless user experience and work with communities throughout the region as they are prepared to join a Countywide Bikeshare Program. Some cities have already initiated efforts to establish bikeshare programs.

Metro should work with those jurisdictions to optimize opportunities for interoperability.

APPROVE Ridley-Thomas Motion that the Metro Board of Directors instruct the Chief Executive Officer to proceed as follows:

- A. Continue to work with the cities of Santa Monica and Long Beach, which have executed a contract and plan to move forward with an alternate bikeshare provider to achieve the Interoperability Objectives as presented at the June 2015 Board meeting, including title sponsorship, branding and marketing, membership reciprocity, reciprocal docks, a unified fare structure and data sharing;
- B. Consistent with the Interoperability Objectives, require that any city with an existing bikeshare vendor contract as of June 25, 2015, using a bikeshare system other than Metro's selected system, shall be eligible for up to 35% of operating and maintenance funding support from Metro on condition that the city or cities agree to fully participate in a Metro Countywide Bikeshare Title Sponsorship by reserving on bike title placement and associated branding for

Metro's Sponsor (including branding, color, and ad space on baskets, skirt guards and bike frame) and agree to meeting the other Interoperability Objectives, consistent with the agreement developed between Metro and the City of Los Angeles for the pilot phase of Metro's Countywide Bikeshare Program. Such cities shall also agree to participate in and provide data for the evaluation study described in Directive 8 below;

- C. Proceed with awarding Call for Projects funding to the Cities of Beverly Hills, Pasadena and West Hollywood, consistent with the staff recommendations for the 2015 Call for Projects, for the capital costs associated with their proposed bikeshare programs.
- D. Include in the 2015 Call for Projects bikeshare funding contracts, that if any of the cities select a bikeshare system other than Metro's, operations and maintenance funding will not be provided unless each city agrees to the Interoperability Objectives outlined above. All costs associated with providing duplicative dock or other systems within adjacent jurisdictions to enhance interoperability shall be borne by such cities and shall not be funded with Metro funds.
- E. Specify in future Call for Projects applications that any city requesting bikeshare funding for either capital and operations and maintenances expenses must commit to using Metro's selected vendor and Title Sponsorship, and other Interoperability Objectives;
- F. Engage Bicycle Transit Systems in accelerating the roll out of all identified project phases so that implementation can be accomplished no later than 2017. Staff shall work with each city to secure local funding commitments and report to the Board for specific approval of any expansion beyond the downtown Los Angeles Pilot, together with a proposed funding plan;
- G. Conduct additional feasibility studies and preliminary station placement assessments to incorporate the communities of Boyle Heights (centering around the Mariachi Plaza Gold Line Station), El Monte (centering around the Bus Station) and the Westside of Los Angeles (along the Exposition Line as well as Venice), as part of the Bikeshare Program; and
- H. Conduct an evaluation of the bike share systems operating within Los Angeles County after 12 months from the downtown Los Angeles Pilot launch date, Evaluation of the systems shall, at a minimum, address operations and user experience, including the following:
  - 1. Timeliness and success of roll-out;
  - 2. Experience of the respective agencies in working with their respective vendors;

### File #:2015-1093, File Type: Motion / Motion Response

Agenda Number:22.1

- 3. Ability of bikeshare providers to meet performance criteria including bicycle distribution, removal and replacement of inoperable bicycles and deanliness of bikeshare facilities;
- 4. Customer satisfaction as measured by a survey;
- 5. Fare structure;
- 6. Equity/effectiveness serving disadvantaged community; and
- 7. Bicycle use/behavioral change; and
- Once the independent evaluation of both systems is complete, the Board should consider funding for future bikeshare systems that opt to not use Metro's selected vendor on a case-bycase basis subject to the respective city fulfilling Metro's interoperability objectives.

### Other System Fares

|              |             |                |       |     |               | Pass Cost |       |       |                |       |                |                        |  |
|--------------|-------------|----------------|-------|-----|---------------|-----------|-------|-------|----------------|-------|----------------|------------------------|--|
| City         | Name        | Vendor         | Pass* | Anr |               |           | nthly |       | Daily          | Bikes | Membership     | Riders/ Trips per year |  |
| Phoenix      | Grid        | СусІеНор       | Yes   | \$  | 79            | \$        | 30    |       | \$5/ hr        | 50    | 0 NA           | NA                     |  |
| Santa Monica | Breeze      | CycleHop       | Yes   | \$  | 119           | \$        | 20    |       | \$6/ hr        | 4     | 0 NA           | NA                     |  |
| Philadelphia | Indego      | B-cycle        | Yes+  | -   | \$10 + \$4/hr | \$        | 30    |       | \$4/ .5 hr     | 60    |                | 101                    |  |
| Denver       | None        | B-cycle        | Yes+  | \$  | 90            | \$        | 15    | \$    | 9              | 70    | 0 2,659        | 40,600                 |  |
| Minneapolis  | Nice Ride   | PBSC           | Yes   | \$  | 65            | \$        | 30    | \$    | 5              | 1,30  | 0 3,521        | 37,103                 |  |
| Miami**      | citibike    | DecoBike       | Yes   | No  | one           | \$        | 15    | \$    | 24             | 80    | 0 2,500        | 338,828                |  |
| Chicago      | Divvy       | Motivate       | Yes   | \$  | 75            | N         | one   | \$    | 9.95           |       |                |                        |  |
| NYC          | citiBike    | Motivate       | Yes   | \$  | 149           | N         | one   | \$    | 9.95           | 5,48  | 0 13,528       | 6,900,000              |  |
| DC           | Capital     | Motivate       | Yes   | \$  | 75            | \$        | 25    | \$    | 7              | 1,20  | 0 19,200       | 105,644                |  |
| Boston       | Hubway      | Motivate       | Yes   | \$  | 85            | N         | one   | \$    | 5              | 60    | 0 3,600        | 30,000                 |  |
| Bay Area     | None        | Motivate       | Yes   | \$  | 88            | N         | one   | \$    | 9              | 70    | 0 5,900 annual | 300,000                |  |
| London       | Santander   | Cycles Devinci | Yes   | £   | 90.00         | N         | one   | £     | 2.00           | 11,50 | 0 163,205      | 5,747,362              |  |
| Mexico City  | EcoBici     |                |       | \$  | 25            | N         | one   | \$    | 6              | 6,00  | 0 180,000      | 4,798,870              |  |
| Berlin****   | Call-a-Bike | Deutsche Bahn  | Yes+  | €   | 49.00         | €         | 9.00  | €     | 12.00          | 1,4!  | 66,000         | 177,000******          |  |
| Taipei       | YouBike     | Giant          | Yes   | No  | one           | No        | one   | \$0.3 | 32 - 1.28 / hr | 5,30  | 00 NA          | 12,000,000******       |  |

<sup>\*\*\*</sup> Has the option of using Best Fare pricing. BahnCard bridges multiple modes and systems

\*\*One | None | SU.32 - 1.28 / Irr | S.3500 | NA | 12,000,000 \*\*\*

\*\*One | SU.32 - 1.28 / Irr | S.3500 | NA | 12,000,000 \*\*\*

\*\*One | SU.32 - 1.28 / Irr | S.3500 | NA | 12,000,000 \*\*\*

\*\*\*One | SU.32 - 1.28 / Irr | S.3500 | NA | 12,000,000 \*\*\*

\*\*\* Conventional membership plan: unlimited number of 30 min trips and increasing additional fees after 30 to 45 mins per trip OR 60 mins total per day under Cyclehop. Commonly

\*\*\* In units of stations per square mile in service area

\*\*\* Miami has a hybrid rental/ bikeshare program to address tourism market. Also has large protected environment for carefree bicycling.

\*\*\*\* Has the option of using Best Fare pricing. BahnCard bridges multiple modes and systems

### **Data Supporting Monthly Pass**

### Philadelphia Low-Income Focus Group:

- Sticker price is more important than total cost
- People will pay more overall if they can pay by the month (92% indicated prices above \$20)

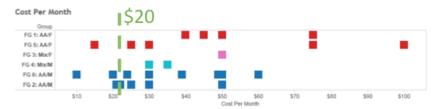


Figure 5. Cost Suggestions by Focus Group

Source: NACTO. "Can Monthly Passes Improve Bike Share Equity?"
Institute for Survey Research - Temple University. (2014).
Bike Sharing in Low-Income Communities: An Analysis of Focus
Group Findings. Philadelphia, PA: Hoe, N.D. & Kaloustian, T.K.

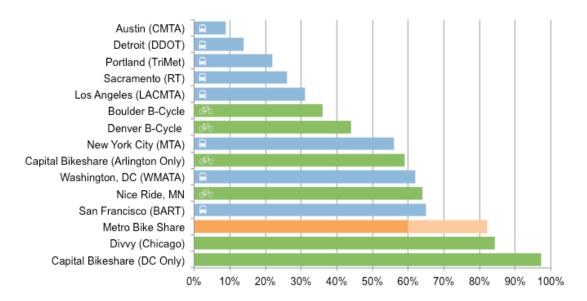
Low-income transit riders opt for more membership plan flexibility:



NACTO analysis of CTA, NYC MTA, and MBTA pass sales.

### **Fare Recovery Estimate**

(Excluding Sponsorship & Advertising)



Source: National Transit Database (2012); Fehr & Peers via bike share operators; http://www.chicagobusiness.com article/20140529/NEW9027440529774/davy-pedaled-to-tass-in-13; http://www.aceves.com/news/tricks/2012/09/17/hike-sharing-systems-ovent-trying-to-peddie-for-profit



At pennies per day, bike share in the U.S. is the cheapest form of transit other than walking.¹ However, lowincome people are less likely to purchase annual memberships than people in higher income brackets. While a variety of factors impact ridership, including station density and the presence or absence of high-comfort bike lanes, data and marketing psychology suggests that the traditional bike share annual membership pricing may discourage membership among low-income would-be riders. In addition to convenient station spacing, successful, equitable bike share systems require pricing options that are user-friendly for people of all income levels.

Over the past year, a number of cities have taken advantage of backend technology updates to consider how payment structures impact enrollment.<sup>2</sup> Some systems like Philadelphia's Indego have focused extensively on payment options, eliminating the classic annual membership and offering in its place monthly

passes, cash payments and pay-per-trip options.<sup>3</sup> These monthly passes are intended to make bike share more convenient and attractive by making the pricing more flexible and highlighting bike share's inherent affordability. The majority of U.S. bike share programs now offer monthly or installment membership options.

While most monthly options are still too new to fully determine their impact, research suggests that monthly options may increase overall enrollment and make bike share more attractive to lower-income riders. This paper uses behavioral pricing research in comparable industries, customer behavior data from rail transit, findings from focus groups and reports from outreach ambassadors to assess potential ridership impacts. In addition, this paper explores the three major aspects of pricing — cost, membership duration, and payment method (credit/debit card vs. cash) and identifies a variety of pricing policy decisions that impact ridership, especially among low-income riders.

### Technology, Price or Information?

In the U.S., the conversation around pricing and equity has largely focused along two lines: how much lowincome people can pay for a bike share membership, and whether payment technologies (credit and debit cards) limit access to bike share for low-income populations. These discussions have spurred the creation of programs to reach the unbanked and steep discounts (reducing prices to as little as \$5/year) for low-income people in systems around the country.

In most cities, however, sales of discounted annual membership have been extremely low, even when reduced to \$5/year.<sup>6</sup> In focus group data and anecdotal reports from bike share outreach teams, absolute cost is rarely highlighted as a major barrier. Despite discount programs in most cities, Boston is the only place where subsidized members make up a significant portion (18%) of the overall ridership, a fact largely attributable to Boston's extensive outreach efforts.<sup>7</sup> For most cities, providing steep discounts has not significantly increased the number of low-income riders and may use resources that could be used for other equity interventions.

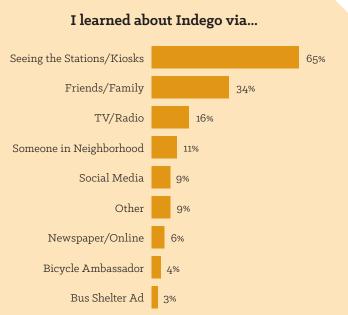
The role of credit cards as a barrier may also be overstated in many cities. To date, programs that provide ways to sign up for bike share other than with "THE SENSE WE GET IS THAT MONEY IS NOT REALLY THE ISSUE, ONCE PEOPLE UNDERSTAND THE PRICING. I'M HEARING PEOPLE SAY: IF I CAN AFFORD CABLE AND MY PHONE THEN I CAN FIND THE \$15 FOR BIKE SHARE."

YVONNE RIKE SHARE AMRASSADOR GREATER PHILADELPHIA RIKE COALITION

a credit/debit card have produced mixed results. The overwhelming majority of Americans have a checking or savings account (92.3%)8 or a credit card (72.1%).9 In Boston, a snapshot of Hubway membership sales from 2014 found that 92% of subsidized memberships were purchased with a personal credit card. 10 However, the impact that the credit/debit card requirement may have on access varies greatly by region. The need for alternatives to credit cards may be greater in Southern and Rust-Belt cities which tend to have higher rates of unbanked households than the country at large.<sup>11</sup> In general, unbanked Americans tend to be poorer, less well educated and are less likely to be white.<sup>12</sup> In Chicago, for example, 2009 data shows that the rate of unbanked households ranges from less than 4% in the wealthier north Chicago neighborhoods to as high as 24% in some census tracts on the South Side.13

Preliminary results from Philadelphia show that the Indego30CASH membership, designed primarily for





low-income and unbanked Philadelphians, is reaching its target audience: people who buy the Indego3oCASH plan tend to have lower incomes than the membership at large. However, even in Philadelphia, which ranks as the 9th most unbanked large city in the United States, about 30% of people who purchased cash memberships renewed with a credit card. <sup>14</sup> Such data suggests that many low-income people both have access to credit cards and prefer their convenience once they have decided that bike share works for them. Cash payment plans may serve two distinct purposes: to provide access to the unbanked and also to get people in the door.

Further compounding the issue, all operators report challenges with accurately conveying pricing information, making it hard to determine if the dollar amount is in fact too high, or if people are wary of joining bike share programs because they are uncertain about the cost. A 2012 focus group of Emerson University students found that "the cost of Hubway is not the factor that limits students from using the service, but rather the confusion and inefficient method of making the payments." A Temple University study of Philadelphia's Indego system and its perception among low-income Philadelphians found that about half the people who said they knew how the pricing worked or how to become a member actually had incorrect information. 16

Stations are the primary communication platform about price, especially for low-income people. The Temple University study also found that 65% of people learned about Indego by seeing the stations. These findings suggest that clearly articulating pricing information on the kiosks is key, even for membership types that cannot (yet) be purchased at the kiosk.<sup>17</sup> In New York, planners recognize that they missed an opportunity to inform lowincome New Yorkers about the \$60 membership option by failing to highlight that information on the kiosk, especially in the weeks between station installation and launch.<sup>18</sup> Anecdotes suggest that some low-income New Yorkers thought that the \$9.95 day pass, advertised extensively on the kiosk and largely designed for tourists, was the only option for membership. Overall, improving the information presented on the kiosk – both content and graphic layout – is an important and low-cost way to increase ridership.



### **BOSTON BIKES: SIMPLICITY EQUALS SUCCESS**

Boston Bikes, the City of Boston department that oversees bike share in Boston, runs one of the most successful subsidy programs. As of 2014, approximately 18% of Hubway members who live in Boston have purchased \$5/year subsidized memberships. 19 Use statistics suggest that many of these low-income Bostonians rely on Hubway for their basic transportation needs. On average, male subsidized users take more trips per year (78 trips/year) than male unsubsidized users (60 trips/year). 20

The success of Hubway's subsidy programs in Boston is largely due to the extensive resource commitment by the City of Boston. Boston Bikes employs a designated Program Manager who spends 30% of their time on growing Hubway's subsidized membership program. Their efforts are widespread. Rather than focus on a single partnership, the Program Manager works closely with multiple community organizations and reaches out via neighborhood groups. Boston Bikes' efforts are supported by extensive marketing in multiple languages.

Hubway's high percentage of subsidized members can also be attributed to the ease with which memberships can be purchased. While subsidized memberships are restricted by income and place of residence, Hubway assesses eligibility via the honor system. To sign up, people applying for subsidized membership make a phone call, receive a code and proceed to the general online purchase site. The City feels confident that the honor system is working well with minimal if any problems. Demographic data on Boston's subsidized members suggests that these efforts are reaching the target audience: 64% of subsidized members are on public assistance.

# Monthly membership plans can increase ridership

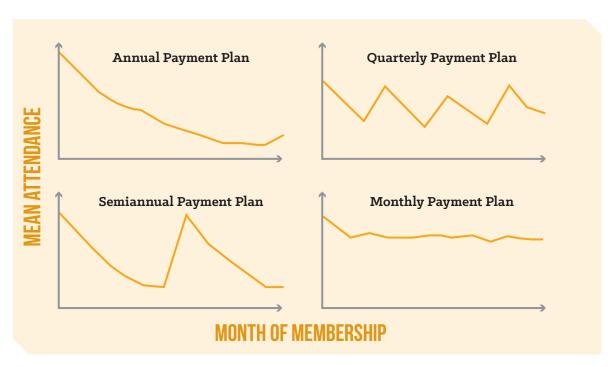
Data from a variety of comparable, user-based services such as cell phones, gyms, and transit suggest that monthly installment options can increase enrollment and use. A 2002 report in the Harvard Business Review found that members who were billed monthly, as opposed to annually, went to the gym more consistently, suggesting that frequent, regularly scheduled payments encouraged them to try to "get their money's worth."

The same report found that more consistent use was associated with higher annual renewal rates; gym members who paid in monthly installments were more likely to renew their membership after a year than those who paid the lump sum. Another study from UC Berkeley found that gym members who chose monthly versus annual contracts were 17% more likely to remain enrolled for longer than one year. <sup>25</sup> Applying these findings to bike share membership may be a way to increase membership and revenue for cities/operators and get more people on bikes.

## Low-income users may especially benefit from monthly options

Monthly memberships may also make bike share pricing more attractive to low-income users. Research around travel behavior and transportation expenditures has shown that low-income people prefer to make smaller, more frequent payments, which allow them to make more nuanced budgeting decisions. <sup>26</sup> In bike share focus groups in Boston, paying for an annual membership all at once was cited as a barrier and respondents stated that they would be more likely to use bike share if they could pay smaller amounts more frequently. <sup>27</sup>

In Philadelphia, focus groups explicitly designed to reach lower-income Philadelphians found that people would pay more overall (around \$20/month) if they could pay by the month.<sup>28</sup> For some low-income would-be riders, the monthly membership option reduced fears of being locked into a financial commitment they could not keep and made them more willing to try bike share in the first place.



Comparison of program attendance for different types of payment plans.<sup>23</sup>

### Low-income transit riders opt for more membership plan flexibility



NACTO analysis of CTA, NYC MTA, and MBTA pass sales.

An analysis of data from transit systems also supports offering monthly payment options.<sup>29</sup> In a review of transit pass purchases by income level in Chicago, New York, and Boston, NACTO found that, while rates of purchase of single ride passes remained the same across income levels, low-income people were more likely than higher-income people (25% vs. 10%) to buy short-term transit passes. While some of the variance may be attributable to the fact that low-income people often have less fixed work schedules, this finding corroborates research that suggests that for many low-income people, financial decisions about transportation are highly calibrated to exact need; low-income people in particular do not want to pay for a week they won't use.<sup>30</sup>

Importantly, data from London, Boston, and Philadelphia suggests that when bike share is convenient for low-income people, they rely on it heavily to get around. In London, research on Santander Cycle Hire found that people who purchased annual memberships and lived in low-income neighborhoods took more bike share trips than average. <sup>31</sup> In Boston, 2014 ridership data reveals that men with subsidized memberships took 78 trips per year as opposed to 60 trips per year made by men without subsidized memberships. <sup>32</sup> In Philadelphia, people who purchase memberships in cash represent less than 1% of all members but have taken over 4% of total trips. <sup>33</sup>

Lastly, bike share focus group results suggests that monthly installments may also be good for the bottom line of cities and operators because the monthly payment lowers the sticker shock and encourages more people to try bike share. In the Philadelphia focus groups, when participants were asked what the monthly price should be, they consistently suggested prices that were 50 – 100% higher than current prices. Only 8% of suggestions were below \$20/month. The resulting Indego30 pass is \$15. In Denver, a University of Colorado Denver study also found that low-income people would be willing to pay around \$15 a month for a bike share membership.<sup>34</sup>

In terms of impact on ridership and equity, the difference between monthly installments and monthly memberships is hard to determine. A monthly membership, with no further financial obligations,



may decrease trepidation about trying bike share and increase sign-ups. Operators, however, may find the financial uncertainty of a month-to-month system hard to manage. Monthly memberships can be made more convenient by offering auto-renewal options. Boston and Minneapolis make auto-renewal particularly attractive to people on tight budgets by connecting auto-renewal to use — membership begins, or renews, when a member swipes their key at any station. Alternatively, monthly installments offer valuable financial predictability for operators and users alike. Promoting the low "sticker price" for the installment payment rather than the total annual cost (e.g. \$8/month vs. \$96/year) may help encourage use.

### Convenience is key

As with all aspects of bike share, convenience is crucial to success. While most monthly payment options are still too young to evaluate, city-specific features, such as issuing keys for monthly membership, options for immediate long-term access, auto-renewal timing, and early cancelation fees may affect sign-up rates, especially among low-income people.

Creating ways for people to get long-term memberships immediately, as opposed to waiting for a key to arrive in the mail, can encourage enrollment. Unlike rail transit, most systems do not allow potential riders to purchase long-term access at the kiosk when they are already thinking about bike share. In Seattle, the Pronto kiosk can dispense physical keys for 1 or 3-day passes, technology that could be extended to long-term access. Ensuring ease of access should also be applied to programs designed for low-income or unbanked populations. Indego's partnership with PayNearMe makes paying with cash particularly easy - members who chose the Indego3oCASH plan can go to any of over 25 locations (7-11s and Family Dollar stores) to physically purchase their memberships.

Providing physical bike share keys, regardless of membership duration, may also encourage ridership. The key serves as a physical reminder that bike share is available and shortens time spent getting a bike. In Philadelphia and Austin, users sign up for an automatically renewing 30-day membership online and receive a key for use at any dock. In contrast, in Nashville, users sign up online for 30-day membership but must swipe their credit card at the kiosk each time to access a bike.



PayNearMe locations and Indego stations in Philadelphia.



### **LESSONS FROM THE CITIES**

### » Allow people to spread out costs.

Membership plans that allow for installment payments tend to see higher use and better annual retention rates than lump-sum annual memberships. Data from bike share, transit, and other sources suggests that, especially for low-income people, making monthly membership available can decrease trepidation about trying bike share and increase sign-ups.

### » Sticker price is more important than cost.

Deep discounts on annual memberships rarely attract significant numbers of low-income people and may tie up money that can be used for other equity initiatives. In focus groups, most low-income people express willingness to pay \$10-20 per month for bike share, provided that the payments can be spaced out over the course of the year and that the bike share system meets their mobility needs. Expressing prices in monthly installments may help reduce sticker shock.

### » Keep equity initiatives simple.

Adding hoops – multiple steps, complicated verifications, the need to enroll at a limited number of specific locations – will reduce enrollment. Boston has the highest rate of discount membership sales of all U.S. systems, partially because Hubway's administrators keep the subsidized membership process as simple as possible – a phone call with honor-system reporting on income or status.

### » Make it easy to join.

In order to increase ridership, especially among low-income populations, make it easy to sign up for bike share. Taking a cue from transit, cities and operators should look toward technology that facilitates spontaneous enrollment, such as being able to buy monthly or annual access at the kiosk, when potential members are thinking about bike share in the first place. Apps that allow for on-the-spot sign up and access should also be explored.

### » Measure your impact.

Gather before/after data to make sure programs are having the right impact. Key metrics to consider include: average number of rides per user by membership type, rides per bike per day, and rides from stations in low-income areas. Data from NYC suggests that billing ZIP code is a decent proxy for income if demographic data is unavailable.<sup>36</sup>

### » The kiosk is an opportunity.

Especially for potential low-income riders, the physical bike share infrastructure — kiosk and bikes — is the best platform for conveying information about bike share. To bring in low-income riders, make sure that discount programs are listed clearly on the kiosk and that pricing information is clear and simple.

### » Pricing alone is not enough.

People use bike share when it is convenient and makes their lives easier. Operators looking to increase ridership, especially among low-income populations, should ensure that low-income areas have a sufficient number of stations, densely placed, to make bike share a good value proposition for would-be riders.

- Annual membership prices range from \$199 in San Diego to \$50 in Nashville and Chattanooga (as of summer 2015).
- 2 Until recently in the U.S., requested modifications to the standard pricing structure – annual membership/casual pass with initial free period and overage fees – were limited by the backend technology. In most systems, options other than the standard annual memberships or nonrenewing short term passes required extensive, cost-prohibitive, time-consuming, manual workarounds.
- 3 The membership options in U.S. bike share programs were initially modeled on European programs but without the massive European system subsidies that have kept annual prices extraordinarily low.
- 4 Credit cards were initially seen as essential to bike share security as they linked each trip to a specific rider and allowed operators to assess user and damage/loss fees as necessary. The very low theft rate in U.S. bike share to date has allowed system operators to reconsider this stance.
- 5 Examples of these programs include Bank on DC in Washington DC, the community development credit union membership discount in New York, cash payment options in the new Indego system in Philadelphia and the Divvy for Everyone program in Chicago.
- 6 Goddin, Paul, "The Good and the Bad of the Capital Bikeshare Member Survey," Urban-ish Blog, June 11, 2015. http://paulgoddin.com/2015/06/11/the-goodand-the-bad-of-the-capital-bikeshare-membersurvey/ (accessed 8/24/15)
- 7 Data provided by Boston Bikes. In Chicago, heavy promotion of the Divvy For Everyone program has resulted in the sale of over 800 discount \$5 memberships in the first two months, but this represents a fraction of the overall Divvy membership.
- 8 2013 FDIC "Nation Survey of Unbanked and Underbanked Households," October 2014 (https://www.economicinclusion.gov/ surveys/2013household/banking-status-findings/)
- 9 Schuh, Scott & Joanna Stavins, "The 2011 and 2012 Surveys of Consumer Payment Choice," Federal Reserve Bank of Boston: Research Data Reports #14-1, September 29, 2014
- 10 Data provided by Boston Bikes.
- 11 CFED, "The Most Unbanked Places in America," http://cfed.org/assets/pdfs/Most\_Unbanked Places\_in\_America.pdf (accessed 8/24/15)

- 12 Carney, Michael, "Bike Sharing and the Unbanked: A study of the unbanked population in Chicago and best practices for their inclusion in bike sharing." University of Illinois at Chicago, 7/24/2012, pp. 8-16
- 13 Carney, Michael, "Bike Sharing and the Unbanked: A study of the unbanked population in Chicago and best practices for their inclusion in bike sharing." University of Illinois at Chicago, 7/24/2012, p.25
- 14 Interview with Claudia Setubal, Access Manager, Bicycle Transit Systems/Indego, 7/20/15 & CPED, "The Most Unbanked Places in America," <a href="http://cfed.org/assets/pdfs/Most\_Unbanked\_Places\_in\_America.pdf">http://cfed.org/assets/pdfs/Most\_Unbanked\_Places\_in\_America.pdf</a> (accessed 8/24/15)
- 15 Hussain, Anum, "Hubway Research Presentation 2012," Emerson University, <a href="http://www.slideshare.net/anumthussain/hubway-research-2012">http://www.slideshare.net/anumthussain/hubway-research-2012</a> (accessed 8/24/15)
- 16 Institute for Survey Research Temple University. (2014). Bike Sharing in Low-Income Communities: An Analysis of Focus Group Findings. Philadelphia, PA: Hoe, N.D. & Kaloustian, T.K.
- 17 Institute for Survey Research Temple University. (2014). Bike Sharing in Low-Income Communities: An Analysis of Focus Group Findings. Philadelphia, PA: Hoe, N.D. & Kaloustian, T.K.
- 18 Interview with Kate Fillin-Yeh, former Bike Share Program Director, NYCDOT, 8/24/15
- 19 Data provided by Boston Bikes.
- 20 Interview with Kim Foltz, Program Manager, Boston Bikes, 6/22/15. Women take about the same number of trips (~36 trips/year) regardless of subsidy. Subsidized members renew their memberships at roughly the same rate as nonsubsidized members.
- 21 Applicants must be on public assistance or meet income guidelines based on household size; must live in the City of Boston and cannot be full-time students.
- 22 Email communication with Nicole Freedman, former Director of Boston Bikes, 8/14/15
- 23 Reprinted with permission from "Pricing and the Psychology of Consumption" by John T. Gourville and Dilip Soman. Harvard Business Review, September 2002. Copyright 2002 by Harvard Business Publishing; all rights reserved. See: https://hbr.org/2002/09/pricing-and-the-psychology-of-consumption
- 24 Gourville, John T. & Dilip Soman. "Pricing and the Psychology of Comsumption" Harvard Business Review, September 2002, p. 90-96

- 25 Della Vigna, Stefano & Ulrike Malmendier, "Paying Not to Go to the Gym," The American Economic Review, June 2006, vol. 96, p.694-719 (http://eml. berkeley.edu/~sdellavi/wp/gymempAER.pdf)
- 26 Agrawal, Asha Weinstein, et al. "Getting around when you're just getting by: the travel behavior and exptenditures of low-income adults" Minetta Transportation Institute, January 2011, MTI 10-2, p.2
- 27 Murphy, Brian, Assistant City Manager for Community Development. "Re: Council Order #10 dated October 20, 2014 regarding Hubway membership." http://rwinters.com/council/ HubwaySubsidiesfinal.pdf (accessed 8/24/15)
- 28 Institute for Survey Research Temple University. (2014). Bike Sharing in Low-Income Communities: An Analysis of Focus Group Findings. Philadelphia, PA: Hoe, N.D. & Kaloustian, T.K.
- 29 While transit passes are typically offered on a monthly basis, as opposed to annual like bike share, the cost of the average monthly transit pass is on par with the average annual bike share pass, allowing for comparison across different time scales.
- 30 Agrawal, Asha Weinstein, et al. "Getting around when you're just getting by: the travel behavior and exptenditures of low-income adults" Minetta Transportation Institute, January 2011, MTI 10-2
- 31 Ogilvie, F. & A. Goodman. "Inequalities in usage of a public bicycle sharing scheme: Socio-deomgraphic predictors of uptake and usage in London (UK) cycle hire scheme," Preventative Medicine, 14 May, 2012, p. 43
- 32 Interview with Kim Foltz, Program Manager, Boston Bikes, 6/22/15
- 33 Interview with Claudia Setubal, Access Manager, Bicycle Transit Systems/Indego, 7/20/15
- 34 Duvall, Andrew. "Denver B-Cycle: Evaluation of Users, Health Impacts, and Low-Income Neighborhoods" Kaiser Permanente Community Benefits, February 2015
- 35 Institute for Survey Research Temple University. (2014). Bike Sharing in Low-Income Communities: An Analysis of Focus Group Findings. Philadelphia, PA: Hoe, N.D. & Kaloustian, T.K.
- 36 Crotty, Emilia, "Citi Bike Use By Discounted Members (Summer 2014)", CUNY School of Public Health Capstone Report Brief, June 2015

This paper is made possible by a grant from The JPB Foundation to further the conversation around equity in bike share.



# Metro Countywide Bike Share Equity Initiatives



### Recommendation

Authorize the initiation and implementation of the following Metro Countywide Bike Share equity initiatives:

- A. Waive \$40 Flex pass fee
  - 1. Apply to Metro Rider Relief customers for 2016 launch
  - Apply to Reduced Fare TAP card-holders as part of Step 3 TAP interoperability
- B. Commit a 10% hard local match of \$10,000 and a 15% in-kind match of \$15,000 to go towards the Better Bike Share Partnership Grant (BBSP) application
- C. Authorize the CEO to enter into a partnership with the City of Los Angeles for a Mobility Hubs FTA JARC grant



# **\$0** Annual Flex Pass

- Waive the \$40 annual Flex Pass amount to make a single Bike Share ride cost \$1.75 for eligible participants
- Apply to Metro Rider Relief participants for 2016 launch
  - Current Metro Rider Relief participants would receive a coupon code in their June 2016 recertification packet
  - The code could be used to register for the reduced Flex Pass. A credit card will be required for registration
- Apply to Reduced Fare TAP card-holders as part of Step 3
   TAP interoperability
  - At registration, TAP card holders will be prompted to enter TAP number. Participation in Reduced Fare program will be recognized and reduced pass amount will be applied
  - A credit card will be required for registration
- Staff is working on a cash payment option to address access for the unbanked community

# **Better Bike Share Partnership Grant**

- Metro, City of Los Angeles, LACBC and MCM have been invited to jointly apply for the BBSP grant
- Grant will help fund Metro Bike Share outreach efforts to disadvantaged communities in and around the DTLA service area
- A 10% hard local match in the amount of \$10,000 and a 15% in kind local match in the amount of \$15,000 is requested



# JARC Partnership

- The City of Los Angeles was awarded JARC funding to implement an Integrated Mobility Hubs Project
  - Metro's Countywide Bike Share will be integrated as a component of the Project
- The City of Los Angeles has requested Metro become a partner in order to use JARC funding towards eligible capital and operating costs for the DTLA pilot and future Hollywood expansion

