

IMPACT STATEMENT

Title: Increase the Portland Bureau of Transportation's procurement authority for the bike share system (Ordinance)

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Purpose of proposed legislation and background information:

The increase in procurement authority from \$2.175 million to \$3.75 million allows PBOT to utilize a portion of sponsorship dollars raised to date to increase the fleet size of the bike share system, BIKETOWN, by 66% to 1,000 bicycles.

Should additional funds become available, the additional procurement authority would also allow PBOT to expand the system by an additional 100 bicycles without the need for additional Council action. This Council action will not require any additional funds beyond the sponsorship dollars secured to date.

In October 2015, Council unanimously passed ordinance 187351 which approved the amended and restated bike share system contract with Motivate International ("Motivate") to acquire, launch and operate Portland's forthcoming bike share system. The 600-bike system envisioned at that time relied solely on the \$2.042 million federal grant to purchase and launch the system. In December 2015, PBOT entered a five-year, \$10 million title sponsorship agreement with Nike. This agreement provided PBOT and Motivate the opportunity to increase the system size 1,000 bicycles and expand the service area to more neighborhoods.

Financial and budgetary impacts:

The contract approved by Council via ordinance 187351 explicitly limits public funding for the day-to-day operation of the bike share system to the aforementioned federal grant, sponsorship funds, and user revenues. This ordinance makes no changes to that or any other contract provisions; it increases PBOT's procurement authority to grow the system with the aforementioned Nike sponsorship funds. This ordinance will not result in the use of any City funds for the procurement, installation or day-to-day operation of the system beyond the original \$2.042 in federal grant dollars during the three-year operating term of the Motivate contract.

Per the agreement with the Oregon Department of Transportation, PBOT is required to operate a bike share system for a minimum of five years. The Nike title sponsorship agreement provides a strong financial foundation for the five-year period.

Community impacts and community involvement:

This ordinance will allow the expansion of a new flexible and low-cost transportation option to additional Portland neighborhoods. This expansion will increase the system's viability for a larger number of trips and support the climate and transportation goals of the Portland Plan, Comprehensive Plan, Transportation System Plan and the Climate Action Plan.

At the time of submission, PBOT is amidst its public station planning process. Public participation has been robust and positive. PBOT has proposed 300 draft station candidates and is engaging the public to help narrow these to the final 100 station candidates. To date, the public has submitted over 4,600 comments via the project's interactive online map (<http://suggest.biketownpdx.com>) and five open houses. In addition, PBOT staff has conducted 20 meetings and/or presentations with neighborhood and community stakeholder groups.

This May, the Better Bike Share Partnership announced a \$75,000 grant award to the Community Cycling Center, PBOT and Motivate for our joint proposal to conduct grass roots outreach with affordable housing communities and further reduce the cost of BIKETOWN's discounted equity memberships. This award will provide the project team further resources to provide this low-cost transportation option to more Portlanders.

Budgetary Impact Worksheet

Does this action change appropriations?

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

KK 4-22-16