



City of Culver City

City Hall
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report

File #: 19-1089, Version: 1

CC - Approval of an Amendment to the Existing Interim Operating Agreements with Bird Rides, Inc. (Bird) and Neutron Holdings, Inc. (Lime) Through June 30, 2019.

Meeting Date: April 8, 2019

Contact Person/Dept: Diana Chang/Transportation Department

Phone Number: (310) 253-6566

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (04/02/19)

Department Approval: Art Ida, Transportation Director (03/27/19)

RECOMMENDATION

Staff recommends the City Council approve an amendment to the existing Interim Operating Agreements with Bird Rides, Inc. (Bird) and Neutron Holdings, Inc. (Lime) through June 30, 2019.

BACKGROUND

On May 29, 2018, City Council directed staff to develop a draft Interim Operating Agreement (IOA) and to negotiate with Bird to allow for deployment of the stand-up electric scooter share service for a "trial period" of six months while City develops the future regulations. City Council further directed that this IOA be a template for use with other potential Operators interested in deploying the scooter share service in the City.

On July 9, 2018, City Council authorized the City Manager to finalize and approve the IOA with Bird and another operator.

In July 2018, City executed the IOAs with Bird and Lime. Bird and Lime subsequently started their service in July and August.

DISCUSSION

Since the inception of the trial period, staff has been monitoring and resolving issues with Bird and Lime to ensure their compliance on various requirements in the IOA. Staff has also been monitoring and addressing public input; reviewing and resolving data issues; addressing other issues related to scooter share; monitoring the scooter share landscape in the region and in the nation; researching and discussing with other jurisdictions their program requirements and lessons learned; and conducting evaluations of the City's trial program to propose revised program requirements. Staff provided regular status updates on the trial program at the Mobility, Traffic, and Parking Subcommittee (Subcommittee) meetings and obtained feedback and direction from the Subcommittee.

At the request of the Subcommittee on January 8, 2019, staff administratively extended the IOAs with Bird and Lime for another two months to allow time for staff to prepare an agenda item for City Council to consider for a longer extension, during which time the City can continue its evaluation of the current program and develop recommendations for proposed future regulations.

On March 19, the Subcommittee recommended that staff present the City Council on April 8th a request for the approval on an extension to the existing IOAs with Bird and Lime through June 30, 2019 in order to prepare a new IOA (for the period of July 1, 2019 through June 30, 2020), in order to give additional time to monitor the program and prepare proposed regulations to be incorporated into the Culver City Municipal Code. The following actions are planned to occur between now and the end of June:

- April:
 - Staff will present the new IOA to the Subcommittee for their feedback and approval at the April Subcommittee meeting;
 - Staff will circulate the new Subcommittee-approved IOA to Bird and Lime and confirm their interest to continue operating in the City past June 30;
 - Staff will also distribute the new IOA to other scooter/bike share operators that have shown interest in operating in the City.
- May:
 - Bird and Lime, if they are willing to sign the new IOA, will be invited to the Subcommittee meeting to provide a status update. Other scooter/bike share operators who are interested and willing to sign the new IOA will be invited to present at the Subcommittee meeting. The Subcommittee will consider each operator and make recommendations to present to the City Council as to whether the City should proceed with executing an IOA with these operators.
- June:
 - Staff will present the new IOA and Subcommittee recommendations to the City Council for consideration. The City Council will consider approving new IOA with Bird and/or Lime if either company is willing to sign the new IOA. The City Council will also consider whether the City will execute IOA with the new operator(s).

Staff is seeking City Council's approval on another short extension to the existing IOAs with Bird and Lime through June 30, 2019, in order to give staff additional time to negotiate a new IOA and work

with the Subcommittee on its recommendations.

FISCAL ANALYSIS

City anticipates incurring costs on the administration, monitoring, and enforcement of the IOA(s) on the stand-up electric scooter sharing service.

The costs associated with the IOA may be offset or recovered through the revenue sharing of \$1/day/scooter.

ATTACHMENTS

None.

RECOMMENDED MOTIONS

That the City Council:

1. Approve an amendment to the existing Interim Operating Agreements with Bird and Lime, extending each agreement through June 30, 2019;
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.