

Report to Council



Date: February 19, 2018
File: 1140-43
To: City Manager
From: M. Olson, Manager, Property Management
Subject: License Agreement – Bikeshare Pilot Program

Recommendation:

THAT Council receives, for information, the Report from the Manager, Property Management, dated February 19, 2018, regarding the proposed License Agreement with Dropbike Inc.;

AND THAT Council approves the City entering into an 18-month License Agreement with Dropbike Inc. for the bikeshare pilot project term, as per the terms and conditions of the agreement attached to the Report of the Manager, Property Management, dated February 19, 2018;

AND THAT Mayor and Clerk be authorized to execute all documents necessary to complete the transaction.

Purpose:

To obtain Council support in entering into an 18-month License Agreement with Dropbike Inc. in order to formalize the use of City property during the bikeshare pilot project.

Background:

Bikeshare is an emerging service where bicycles are made available for shared use to individuals on a short term basis. These systems allow users the ability to pick up a bicycle in one location and return it to another, within a defined service area.

The establishment of a bikeshare system in Kelowna will allow residents and visitors to access affordable and convenient bicycles for short distance trips which would provide a number of community benefits that support the City's mobility, carbon reduction and economic development goals.

Staff received authorization from Council on January 22, 2018 to negotiate and bring forward an agreement with Dropbike Inc. for the purpose of licensing use of the public right-of-way for a bikeshare service in 2018. The attached License Agreement obligates Dropbike Inc. to follow the requirements, details and framework as proposed to Council in exchange for the use of City property in which to operate.

Key Lease Terms/Conditions

A high level summary of the key terms and conditions of the proposed lease is provided below:

Lease Component	Description
Service Area	Outlined in Schedule B (to be amended as agreed in writing from time to time)
Havens	Identified areas where Dropbike customers are to drop off and pick up bikes. As identified in Schedule A (to be re-located as agreed in writing from time to time)
Tenure Type	Licence of occupation to use City property to place Havens
Term	18-month pilot project
Obligations	<ul style="list-style-type: none">• Demarking Haven locations using a smart phone app.• Identify Haven locations on the ground• Maintain bikes to a safe and functional state (remove damaged bikes from service daily)• Inspect all bikes daily• Inspect Service Area and ensure bikes are re-balanced to havens daily• Provide between 500 – 1,500 bikes during the term• Respond to inquiries, complaints or requests made by customers, members of the public• Provide incentives to customers who return Bikes to Havens• Operate its bikeshare program in a manner that does not create any hazard or nuisance to users of City Property• Provide key data and financial information at regular intervals

Next Steps

1. Pending Council support to proceed, Staff will work to fulfill responsibilities outlined in the Implementation section of the Kelowna Bikeshare Proposal Background Report to the Report to Council dated January 22;
2. The proposed target date of Dropbike bikeshare launch is Spring 2018;

3. Staff will update council on the pilot before the end of 2018;
4. Staff will report back to Council at the end of the pilot in Fall 2019 with results of the pilot and future recommendations;

Internal Circulation:

Transit and Programs Manager

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by: M. Olson, Manager, Property Management

Approved for inclusion: D. Edstrom, Director, Strategic Investments

Attachments:

1. Schedule A – Lease Agreement
2. Schedule B – Service Area/ Haven Locations
3. Schedule C – PowerPoint

cc: J. Dombowsky, Transit and Programs Manager