



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** April 10, 2012

**TO:** Mayor and Councilmembers

**FROM:** Transportation Division, Public Works Department

**SUBJECT:** Execution Of Agreement For The Operation Of The Granada Garage Bicycle Station

**RECOMMENDATION:** That Council:

- A. Authorize the Public Works Director to execute a License Agreement with Bikestation Coalition for the continued operation of the bicycle station located in the Granada Garage, in the amount of \$8,333, until June 30, 2012; and
- B. Authorize the Public Works Director to execute annual License Agreements with Bikestation Coalition, in a form acceptable to the City Attorney, for Fiscal Years 2013 through 2018 in an amount up to \$25,000 per year.

**DISCUSSION:**

On March 23, 2001, Council approved the Granada Garage Project (Project), including space for a bicycle station, offices for Downtown Parking staff, a shared trash facility and public restrooms. Council also included the Planning Commission's conditions and the Resolution describing the elements listed above as part of the Project.

The 1,300 square foot bicycle station houses a 78-space 2-tier bike rack, providing enclosed, secure, and convenient bike parking for downtown employees, thereby enhancing the attractiveness of commuter bicycling. Facility amenities include a work bench, floor space for minor bike maintenance and repair, a unisex restroom, a shower, day-use lockers, and a transit and commuter information kiosk. The inclusion of the bicycle station in the Project design follows the intent of the Circulation Element by providing members of the public an alternative to driving automobiles to work in the downtown area. Individuals who choose to ride their bikes to work may store them at the bicycle station and enjoy the convenience of available lockers and restroom facilities. Additionally, bicycle parking in the facility was used during the Project planning process as another measure to help offset the increased vehicle trips which may be generated by the 360 additional parking spaces in the new parking garage.

Because the Project was financed by Redevelopment Agency tax-exempt bonds, commercial uses were greatly limited. The opinion at that time was that commercial uses, other than City offices or the bicycle station, could compete with similar existing businesses in the area, which could have resulted in the bonds being taxable rather than tax-exempt.

In December 2006, the Public Works Director executed a five-year agreement to operate the bicycle station. In the past five years, the Bikestation Coalition ("Bikestation") has successfully provided secure and convenient bike parking for downtown employees.

In 2009, Bikestation conducted a survey to measure the effectiveness of the station and gather demographic statistics. Currently, there are 50 members and the station is at 60% capacity. Due to the economy over the last two years, membership has declined; however usage has remained stable. Santa Barbara Bikestation members are more active than the members in the Palo Alto and Long Beach facilities, which are also managed by Bikestation. The membership of the Santa Barbara Bikestation is fairly even between men and women, with the majority of members in the age range of 41 to 50. Work is the main travel destination for members; however, other frequent destinations include the Library, MTD Transit Center, and retail stores.

In September of 2011, the City solicited a request for proposals to operate the bicycle station. Staff received two proposals: one from the current operator, Bikestation, and one from the Santa Barbara Bicycle Coalition ("SBBC"). After a review of the proposals and interviews with representatives of SBBC and Bikestation, staff determined that the proposal submitted by Bikestation was more responsive to the City's needs.

Staff recommended the selection of Bikestation as the facility operator because their proposal was responsive to the needs outlined in the City's RFP, including maintaining the same number of bike racks and having secure, convenient, membership-only parking available for downtown employees at all hours. Over the last five years, Bikestation has demonstrated that they have the knowledge and experience to successfully operate a bicycle parking facility. The Downtown Parking Committee has also expressed a preference for the existing non-staffed model that targeted downtown employees as being more in line with their vision of how the facility should be operated, instead of the Bici-Centro model that was proposed by SBBC.

In addition to the recommendation to award operation of the facility to Bikestation, staff suggested that Bikestation consider a partnership with SBBC as a way for a local group to assist with membership, outreach, marketing and promotion efforts. After a brief negotiation with Bikestation, SBBC withdrew from the effort. City staff, with Bikestation's consent, then offered to contract directly with SBBC for membership, outreach and marketing as well as using the facility for bicycle clinics. SBBC decided to not contract directly with the City, leaving Bikestation as the sole entity working with City staff on a new operating agreement for the facility. City staff has communicated its

interest in working with SBBC in the future on marketing, hosting special clinics, and assisting with special events.

The facility will continue to use the Bikestation's Proprietary Membership Management and Access System. The Bikestation will issue memberships at a nominal cost to bicyclists interested in using the facility. The purpose of the membership is to provide a safe and secure 24-hour facility for people wishing to store their bicycles. Proximity keys will be issued to the members, allowing access to the facility, restrooms, showers, and other services.

At the February 9, 2012, Downtown Parking Committee meeting, the committee voted unanimously to recommend that Council authorize the Public Works Director to execute annual contracts with Bikestation for the next five fiscal years for the operation of the bicycle station at the Project. The Committee recommended that the City's contract with Bikestation provide a \$20,000 annual operating budget to be used to support membership management, marketing, administration, and any other miscellaneous items needed to operate the Bicycle Station. The Committee also recommended that the contract provide for payment of an annual marketing incentive. As part of this marketing incentive, Bikestation would receive \$200 for every membership received during the contract year, up to \$5,000.

#### **BUDGET/FINANCIAL INFORMATION:**

In order to align the term of the agreement to operate the bicycle station facility within the fiscal year, staff has negotiated a new agreement with Bikestation to extend the current agreement until June 30, 2012. A five-year agreement, with options to renew each year, will take effect July 1, 2012, and expire on June 30, 2017. The annual payment of \$20,000 provides for operational expenses including repairs and management of the membership program. An additional marketing incentive payment, up to \$5,000 annually, is available depending on the costs of outreach, marketing, and generating new memberships.

The Downtown Parking program has budgeted sufficient funds to cover annual operational expenses for the bicycle station.

**PREPARED BY:** Browning Allen, Transportation Manager/kts

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office