# Revised recitals – Replace last 4 recitals with 2 new recitals.

WHEREAS, the City Council requested a business plan including a financial analysis and information on long-term operations, implementation, and spending before granting such authority; and

WHEREAS, Pronto bike share is facing insolvency; and

WHEREAS, SDOT presented a proposal for City acquisition and on-going City
ownership of Pronto bike share; NOW, THEREFORE,

WHEREAS, SDOT continues to develop the business plan for expansion and will bring that before the City Council later this year; and

WHEREAS, to keep bike share operational in 2016, SDOT proposes that the City take ownership of the system and contract directly with an operator; and

WHEREAS, SDOT will then conduct a competitive bid process for long-term operations and equipment for the bike share system; and

WHEREAS, the existing bike share system is currently insolvent and may cease operations, which would create a gap between Pronto's and the City's operation of the bike share system; NOW, THEREFORE,

# Revised Section 1 – Allow for repayment of FTA grant.

Section 1. The Seattle Department of Transportation is granted a partial lift of the proviso in Green Sheet 93-1-A-1, part of The City of Seattle's 2016 budget, to <u>satisfy the City's</u> obligation on the Federal Transit Administration Grant for bike share and, if necessary, repay up

to \$1,000,000 of grant funds in the event that Pronto bike share ceases operations. purchase bike share assets from Pronto for \$1,400,000 to ensure that bike share remains operational in Seattle.

# Revised Section 2 – Proviso remaining funds.

Section 2. The remainder of the funds, totaling \$4,000,000, remains under proviso and may be available to support a future public-private partnership for bike share that does not rely on City of Seattle funding for operating revenue and appropriately shares responsibility for capital expenses. The Council understands that a future bike share system may make use of Pronto assets or may propose deploying new equipment. The Council will consider lifting the proviso on the remaining funds when the Seattle Department of Transportation provides a detailed Memorandum of Agreement between the City and an outside partner for Council approval that minimizes City investment and demonstrates a substantial shift in financial risk to the City's private partner, as well as a detailed spending and implementation plan and financial analysis of the future public-private partnership bike share system. If a public-private partnership is not developed by the end of 2016 or the full amount is not needed, the remaining funds will be repurposed for high priority pedestrian and bicycle infrastructure safety projects. \$3,600,000, will not be appropriated until completion of the competitive process and vendor selection needed for expansion. Council anticipates that such authority will not be granted until the Seattle Department of Transportation provides a detailed spending and implementation plan and financial analysis of the expansion and long term operations of the Bike Share program.

### Delete Section 3 – Remove reporting requirement.

Section 3. Following acquisition of Pronto assets, SDOT will provide a monthly written report on bike share operations to City Council until January 2017. At a minimum, the report

will include bike share ridership, program expenses and revenues, and a summary of SDOT actions to manage the bike share program.

# Delete Section 4 - Remove RFP Process.

Section 4. SDOT will incorporate feedback from the Council in developing the Request for Proposals for expansion of the bike share system. SDOT will involve the Council or Council staff in the review of responses to the Request for Proposals.

# Delete Section 5 – Remove Bike Share Fund.

Section 5. The City Budget Office shall create a new Bike Share Fund in the development of the 2017-2018 Budget to manage expenses and revenues related to the program.

Renumber subsequent sections accordingly.