

National Capital Region Transportation Planning Board

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MEMORANDUM

TO: TIGER II Working Group

FROM: Rex Hodgson, DTP Staff
Monica Bansal, DTP Staff

DATE: June 9, 2010

SUBJECT: Regional Bike Share Sponsorship Opportunities

The TPB is proposing to submit a regional application under the TIGER II competitive discretionary grant program for bike sharing and, in partnership with WMATA, complementary bike infrastructure that facilitates connections between bike-sharing stations and transit, the bike network, and activity centers. To date, the following jurisdictions have expressed interest in participating:

1. District of Columbia, for 1000 additional bikes in their bike-sharing scheme
2. Arlington County, for 750 additional bikes in their planned bike-sharing scheme
3. City of Fairfax
4. City of Alexandria
5. Montgomery County (100-200 bikes in an initial bike-sharing scheme)
6. City of College Park (bike-sharing and possible cycle-tracks or side paths)
7. Prince George's County

Known Financial Issues with the Application

The two major obstacles to participation expressed by jurisdictions are both financial: (1) local match and (2) operating expenses for bike-sharing.

For a majority of the interested parties, the local match is proposed to be met by leveraging programmed projects that can be included in this grant request, such as already planned bike-sharing and bicycle infrastructure within bike-sharing locations. Other sources include developer contributions and tax-increment financing. Although many jurisdictions have potential sources of match, meeting the full 20% requirement is still difficult for most.

The other major issue is the ability to provide operating costs for the bike-sharing system. Many jurisdictions expressed an inability to find operating dollars in their budgets, despite the relatively low associated costs. It is possible that additional information on operating costs and projections would assist jurisdictions in making this determination.

A related issue may be meeting the \$10 million minimum grant request, because of these two financial obstacles to participation.

How have other places financed bike-share programs?

Partnerships with the business community and possible sponsorships should be explored as sources to fund initial capital and operating costs. Within the United States, there are several examples of how cities have worked to overcome the financial obstacles standing in the way of implementing bike share-programs. Here are a few:

Nice Ride - Minneapolis, MN (<http://www.niceridemn.org>)

On June 10, 2010, Nice Ride will launch its 700 bicycle/65 station bike-share program in Minneapolis, MN. The program received funding from Blue Cross Blue Shield (\$1.0M) and Transit for Livable Communities' Bike Walk Twin Cities program (\$1.75M), in addition to smaller private contributions from local retailers and businesses, including Target, Aveda, Ameriprise Financial, Abbott Northwestern Hospital, and Augsburg College.

B-Cycle – Denver, CO (<http://www.denverbikesharing.org>)

On April 22, 2010, B-Cycle launched its 500 bicycle/50 station bike-share program in Denver, CO. The program received funding from Kaiser Permanente (\$450,000) and a host of other sponsors. Corporate sponsors are invited to provide support for one-year at \$30,000 or for three-years at \$20,000 annually (\$60,000 total).

Capital Bike Share – Arlington, VA

Within our region, Arlington will fund its planned bike-share program with funds received from the Crystal City Business Improvement District (BID) (\$200,000) and the Potomac Yard Transportation Management Association (TMA) (\$53,000).

Sponsorship opportunities in this region

There are many opportunities to be explored for sponsorship of bike-share activities in the metropolitan Washington area, including the following:

- Business improvement districts
- Chambers of commerce
- Large employers and retailers
- Known bicycle-friendly businesses
- Property management firms (commercial and residential)
- Transportation demand management (TDM) planners
- Area colleges and universities
- Not-for-profit health care organizations
- Philanthropic foundations

It is suggested that project owners from each jurisdiction identify several organizations that may be interested in sponsoring bike-share locally. Preferably, sponsors would donate a large enough sum of money to fund the installation of multiple bike-share stations and to contribute toward operating costs for a period of several years. Also, it is important to recognize that bike-share stations will not be viable in all areas of a jurisdiction, so potential sponsors must be willing to support bike-share stations in locations that can be incorporated into a larger bike-share network.

There are a number of benefits to supporting bike-sharing that may appeal to organizations in different ways. Many organizations pursue efforts to support sustainable practices and connect with their communities, which is oftentimes outlined in their mission statement or other guiding

policy directives. For these organizations, supporting bike-sharing means promoting active living and improving community health.

Of benefit to all sponsors is the opportunity to be associated with this new, fun idea of bike-sharing that is spreading across the country. Commensurate with their level of support, sponsors are thanked for their contributions through a number of advertising opportunities related to the bike-share system. These advertising opportunities include: mention on the bike-share website, printed maps and other promotional materials; display of an organization's name and/or logo at a sponsored station on the map frame; and display of an organization's name and/or logo on the bicycles (e.g. headset, wheel-guard).

The TIGER II application timeframe is extremely tight, with pre-applications due on July 16 and final applications on August 23, so it is suggested that project owners from each of the jurisdictions interested in participating in this application reach out to potential sponsors immediately in order to solidify their local match and determine at what level they will participate in the proposal for a regional bike-share system. Project funding must be confirmed no later than July 1, 2010.