

Red Bike Update

December 3rd, 2024



Current Situation

Ridership Summary – May to October Comparison (system was paused January - April 2024)

Total Rides

2022 – 70,218

2023 – 99,218

2024 – 94,593

Go Ridership

2022 – 18,411

2023 – 34,905

2024 – 51,139 (46.5% increase year over year, 54% of total rides this year)

Note: Top 5 destinations for Go Ridership include the Shelterhouse & the Kroger on Court Street

Financial Position

Funding through April 2024 – current cash on hand ~\$240K

Operations Update

Season-long averages:

- Average of 426 bikes on the street on every day of operations
- An average 48% Bike to Dock Ratio throughout the season
- 72% of the deployed fleet has been e-bikes
- On any given morning, only 11% of e-bikes needed a battery swap
- 73% of the fleet has been inspected in the last 30 days

Work Completed Since Reopening in Spring 2024

- **Study by One Source** – funded by Interact for Health – a non-profit consulting firm to benchmark Red Bike’s performance vs. other peer programs.
- **Develop a *Strengthen & Sustain Plan*** – Developed by RB with a coalition of partners including CM Jeffreys, Pete Metz (Chamber), Andy Aiello (Metro), John Yung (Haile Foundation).
 - This plan has been shared with partners at foundations (Haile, GCF, Interact for Health), NKY, Cincinnati Metro, administration, Mayor, others for input.
 - **Target:** have 3-year funding commitment while in parallel prove out “below the line” upside opportunities such as sponsorships, corporate partnership, Metro integration, hotel packages.

One Source Consulting Update

Project Core Assumptions

Red Bike serves a **public good**. That fact remains an important core value for funders, philanthropists, and public/private partners.

Relative comparison shows **no major outliers**, particularly on expenses.

Red Bike should operate in current footprint (vs expand into new neighborhoods) until operations are stable & the financial model to expand or modify operations exists.

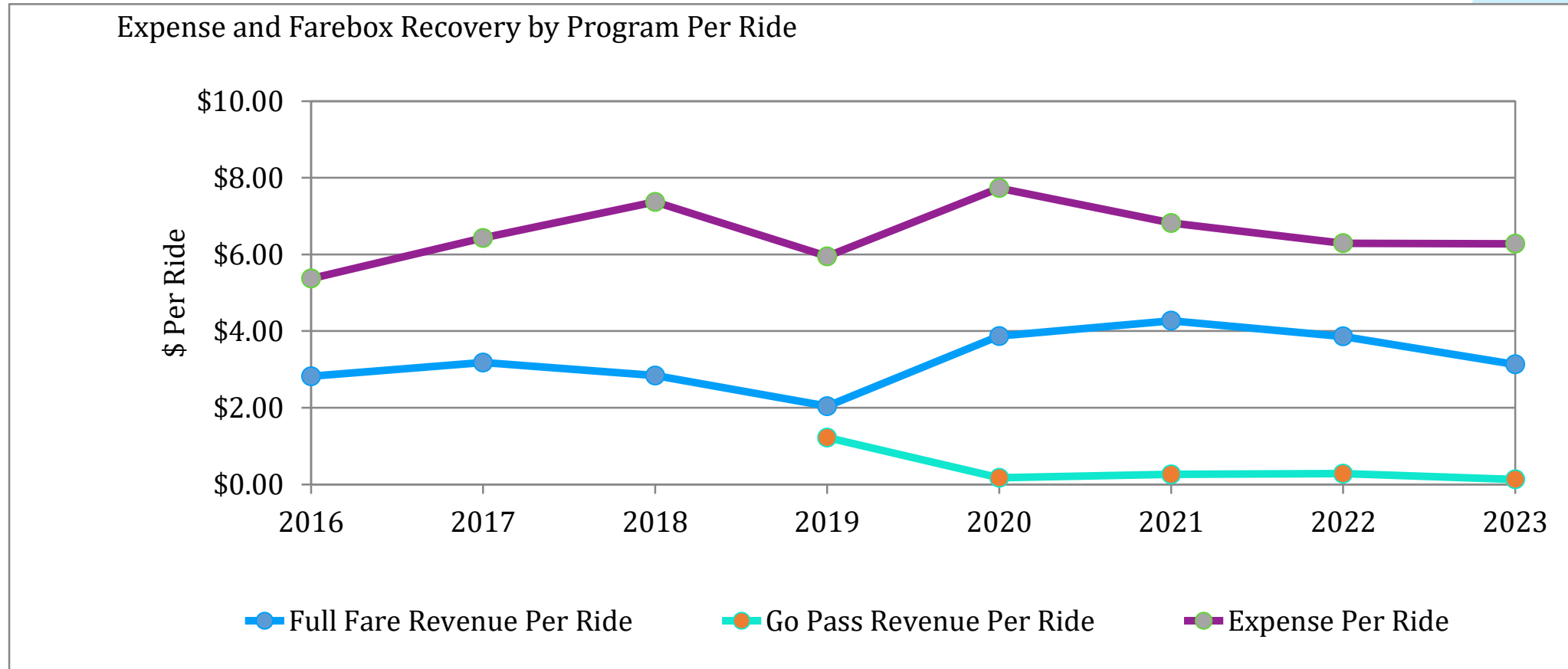
Loss of key corporate sponsor creates options for new models of funding.

Current funding partners play pivotal role in next three years.

New funding options expand support and geographic ownership.

Red Bike is a piece of larger transportation systems; opportunity to be integrated carries benefits and change.

Go & Full Fare Expense and Revenue Comparison



New Core Assumptions

- Red Bike requires subsidy for all users – farebox covers ~37% of overall costs per ride
- Go program requires further subsidy for low user cost
- Recent farebox increases help offset decline in users – jury still out for 2025
- Evaluation underway for full fare users to determine if targeted increases are useful and practical – but additional farebox revenue will not cover operating costs
- Linkage with Metro locations opens possibilities
- New corporate and public partnerships explored – sponsorship, station marketing, underwriting
- 2024 closure, transitions will require marketing efforts/\$ to increase full fare ridership revenue

Public Partnerships

- New partnerships based on linkage to overall transit operations and unique Red Bike role – first/last mile
- Connections needed for Northern Kentucky (15% source of rides)
- Corporate/Business Sponsorships need to include local station sponsorship, general citywide use and tied to visibility program
- Travel and hospitality options include visitor amenities and enhanced Cincinnati image for outdoor visitors
- Potential system expansions to include local universities could be gamechanger but will take time to explore and funds to execute
- Philanthropic partnerships can invest in Go program and access for underserved neighborhoods to achieve philanthropic and civic goals.

Possible Sustainable Annual Support Structure

Proposed Funding Commitment

• Farebox Recovery	\$300,000
• City of Cincinnati	\$125,000
• Metro	\$125,000
• NKY Community Partners	\$75,000
• Go Program Support	\$175,000
Total Budget:	\$800,000

Farebox adjustments & new riders

Civic Commitment

Integration of public transit

15% of system riders

Subsidy for Go program riders

Below the line upside:

• Corporate Sponsorships	\$100,000+
• Corporate/Tourist Partnerships	\$50,000
• Others...	

Station sponsorship, corporate visibility

Ticket sales, marketing options

Note: with new support structure will come a change in the governance model with board representation

Next Steps

- Three-year commitments for public partnerships discussions underway
- Expanding support in Northern Kentucky critical for next cycle of funding
- Philanthropic options identified and pursued for 2025-2028
- Fare box evaluation for full fare/multiple users presents 2025 farebox options for implementation
- New governance structure implemented
- Pilot Metro integration into wider transportation system