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MAYOR EMANUEL, CHICAGO DEPARTMENT OF TRANSPORTATION
PROPOSE $50 MILLION EXPANSION AND MODERNIZATION OF DIVVY BIKE SHARE SYSTEM
Divvy bike sharing would expand to serve the entire city, dramatically increase annual Divvy revenues
to the City of Chicago & create more than 200 new jobs

Mayor Rahm Emanuel and the Chicago Department of Transportation (CDOT) today proposed an
amendment to the existing contract with Divvy operator Motivate International Inc., now part of
Lyft, Inc., to modernize and expand the city’s bike share system. Pending City Council approval
under the amendment, Divvy would expand to serve the entire city within three years with a $50
million investment in new bikes, stations and hardware; Lyft will become the new sponsor of the
system; and the city will receive an additional $77 million in direct revenue for transportation
improvements over a nine-year period. In sum, the agreement represents $127 million in direct
benefits to the city, plus additional indirect benefits.

“My administration has made it a priority to create a variety of high-quality, reliable transportation
options to get Chicagoans and visitors where they want to go,” said Mayor Emanuel. “While the
Divvy program has expanded substantially since its launch in 2013 and helped make Chicago the
best bike city in America, City Council has the opportunity to create a modernized system that
creates increasing annual revenues for the city while ensuring all 50 wards have access to bike
sharing.”

Under the proposed amendment, Lyft would make a $50 million capital investment to modernize
and expand the Divvy system to all 50 wards by 2021, adding 10,500 bikes and 175 stations. As a
result, the expanded system would have approximately 16,500 bikes and 800 stations. All new
bikes will be electric pedal-assist bikes and have hybrid locking capabilities, so they can be locked
at a Divvy station or to a regular bike rack. The growth of the bike share system would create more
than 200 additional jobs with Divvy in Chicago. Lyft would also offer a job training program for
youth and ex-offenders; expand the Divvy for Everyone program for low-income customers; and
pilot an adaptive bike sharing program for people with disabilities.

“CDOT is very pleased to be partnering with Lyft to deliver on our commitment to expanding our
popular Divvy system to the entire city,” CDOT Commissioner Rebekah Scheinfeld said. “The
proposed amendment builds on the strong foundation of Divvy today, to ensure we have a growing,
modern system with the latest technology, to give Chicagoans and visitors alike an affordable,
convenient and high-quality option for getting around.”
Under the agreement, the city would maintain ownership of the current capital equipment. Lyft would continue to operate Divvy with equipment owned by the city as well as new equipment purchased by Lyft. The city will maintain control over significant fare pricing changes and any new fare products or promotions, and Lyft will continue to be accountable for meeting service quality standards.

The amendment does not extend the existing term of the Divvy contract, which has nine years remaining. Any extension beyond the contract's remaining nine years would require City Council approval. If the agreement is approved by City Council, Lyft would have exclusive rights to operate bike share from the city's public right of way, and the city will not license or permit any additional bike share operations during the term of the agreement.

“We are thrilled with the potential opportunity to partner with the City and deliver bike share to every ward and every neighborhood of Chicago,” said Lyft Chief Policy Officer Anthony Foxx. “We’re committed to working closely with communities across Chicago to build on the success of Divvy and ensure its growth as a public transportation solution that is convenient, equitable and affordable.”

Additionally, the amendment restructures the financial terms of the contract to dramatically increase annual guaranteed revenues and reduce financial risk to the city. Lyft will pay the city an annual payment of $6 million, which would increase by four percent each year. Further, the city would receive $1.5 million in minimum guaranteed revenue from advertising and promotions, and five percent of all rider revenue that exceeds $20 million per year. Over the nine year life of the contract, this totals a minimum of $77 million in guaranteed revenue available for investment in transportation improvements and programming.

The proposed agreement would also eliminate the city's current financial risk for the system, as Lyft will absorb all operational, cost and revenue risk of Divvy's performance, and would eliminate the city’s current obligation to share in operating losses.

As it does today, the city would maintain oversight of the performance of the Divvy contract through a set of ridership and equity targets, and the city would retain its ability to assess financial penalties if Lyft does not meet these targets.

ABOUT DIVVY
With more than 6,000 bikes currently deployed and more than 600 stations, Divvy is North America's largest bike share system in terms of geographic area, covering about two-thirds of the City of Chicago. Intended to provide additional options for both Chicagoans and visitors to get around and explore the City, Divvy is convenient, fast, fun and affordable. It is also serves as Chicago's newest transit system and provides a convenient first-mile/last-mile connection at many CTA and Metra stations.

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