

Resolution of the City of Jersey City, N.J.

File No. Res. 21-157
Agenda No. 10.14
Approved: Feb 24 2021



RESOLUTION AUTHORIZING A COST AND REVENUE SHARING AGREEMENT BETWEEN THE CITY OF JERSEY CITY AND THE CITY OF HOBOKEN IN CONNECTION WITH THE BIKE SHARING SYSTEM OPERATED BY LYFT BIKES AND SCOOTERS, LLC

COUNCIL offered and moved adoption of the following resolution:

Whereas, the City of Jersey City (City) desires to implement a self-sustaining, accessible bike sharing system that will allow interoperability with the City of Hoboken (Hoboken); and

Whereas, Jersey City and Hoboken (Cities) wish to jointly select one operator to provide bike sharing services in both Cities; and

Whereas, the Cities publicly advertised a joint Request for Proposals ("RFP") on November 13, 2020 and received three proposals on December 22, 2020; and

Whereas, a committee appointed by the Cities' Business Administrators pursuant to N.J.A.C. 5:34-4.3 reviewed the proposals and recommended that the contract be awarded to Lyft Bikes and Scooters, LLC, a subsidiary of Lyft, Inc. (Lyft) as best meeting the Cities' needs; and

Whereas, Jersey City approved a Resolution on February 24, 2021 awarding the contract to Lyft; and

Whereas, Hoboken approved a Resolution on March 3, 2021 awarding the contract to Lyft; and

Whereas, the term of the Cities' contract with Lyft is five years commencing on March 1, 2021 and during the first year of the contract Jersey City will pay Lyft a sum not to exceed \$400,000.00 and Hoboken will pay Lyft a sum to exceed \$200,000.00 for providing a bike sharing system; and

Whereas, Lyft will make good faith efforts during the term of the contract to obtain private funding for the operation of the bike sharing system; and

Whereas, any private funding obtained by Lyft will be used to reimburse the Cities for all or part of their funding depending upon the amount of private funding Lyft obtains while the contract is in effect; and

Whereas, Lyft will pay an annual concession fee to the Cities of five (5) percent of its annual ridership revenue in excess of \$2,000,000.00; and

Whereas, the Cities desire to execute the Cost and Revenue Sharing Agreement attached hereto; and

Whereas, the Cities are authorized to execute the Cost and Revenue Sharing Agreement pursuant to N.J.S.A. 40A:11-10(a)(1).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JERSEY CITY AS FOLLOWS:

1. Pursuant to N.J.S.A. 40A:11-10(a)(1), the City of Jersey City is authorized to execute the Cost and Revenue Sharing Agreement attached hereto with the City of Hoboken subject to such modifications as deemed necessary or appropriate by Corporation Counsel;
2. The term of the contract is the earlier of five (5) years commencing on March 1, 2021 or the termination date of the Cities' contract with Lyft;
3. For each one year term of the contract, Jersey City will pay Lyft a sum not to exceed \$400,000.00 which is two thirds (2/3) of Lyft's annual operating costs and Hoboken will pay one third (1/3) of Lyft's annual operating costs;

resolution authorizing a cost and revenue sharing agreement between the city of jersey city and the city of hoboken in connection with the bike sharing system operated by lyft bikes and scooters, llc

4. Jersey City will receive two-thirds ($2/3$) of any revenue paid by Lyft to the Cities and Hoboken will receive one-third ($1/3$) of any revenue paid by Lyft to the Cities.

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APPROVED AS TO LEGAL FORM



Business Administrator



Corporation Counsel

Certification Required

RECORD OF COUNCIL VOTE – Feb 24													9-0	
	AYE	NAY	N.V.	Absent		AYE	NAY	N.V.	Absent		AYE	NAY	N.V.	Absent
RIDLEY	✓				SALEH	✓				LAVARRO	✓			
PRINZ-AREY	✓				SOLOMON	✓				RIVERA	✓			
BOGGIANO	✓				ROBINSON	✓				WATTERMAN, PRES	✓			

N.V. –
(Abstain)

Adopted at a meeting of the Municipal Council of the City of Jersey.



Joyce E. Watterman, President of Council



Sean J. Gallagher, City Clerk

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RESOLUTION FACT SHEET -

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Project Manager

Ray Reddington, Attorney	547-5063	raymond@jcnj.org
Division	Corporation Counsel	

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 1:00 p.m.)

Purpose

Authorizes Cost and Revenue Sharing Agreement with Hoboken in connection with the bike sharing system

Contract term (include all)

Five years commencing on March 1, 2021
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ATTACHMENTS:

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Approved by	Status:
John McKinney, Attorney	None
Peter Baker, Corporation Counsel	None
Amy Forman, Attorney	None
Nick Strasser, Attorney	None
Norma Garcia, Attorney	None
Ray Reddington, Attorney	Approved - Feb 16 2021
Jeremy Jacobsen, Attorney	None
Sapana Shah, Attorney	None
Elizabeth Barna, Assistant Corporation Counsel	None
John Metro, Director of Finance	Approved - Feb 17 2021

BIKE SHARING SYSTEM COST AND REVENUE SHARING AGREEMENT

THIS AGREEMENT entered into this ____ day of _____, 2021 by and between the City of Jersey City (Jersey City), a municipal corporation of the State of New Jersey with its offices located at City Hall, 280 Grove Street, Jersey City, New Jersey 07302 and City of Hoboken (Hoboken), a municipal corporation of the State of New Jersey with its offices located at City Hall, Newark and Washington Streets

WITNESSETH THAT:

NOW, THEREFORE, in consideration of the mutual promises and other conditions, covenants, and obligations made and agreed to by and between the parties, it is hereby agreed as follows:

1. **Recitals.** Each of the foregoing recitals are incorporated herein at length as if fully set forth in the body of this instrument.

2. **Term of Agreement**

This Agreement shall be effective as of March 1, 2021, the effective date of the Cities' contract with Lyft Bikes and Scooters, LLC (Lyft), and shall remain in effect until one hundred twenty (120) days after the end of the fifth year of the term of the Cities' contract with Lyft.

3. **Concession fee Payments**

Lyft will pay the Cities an annual concession fee of five (5) percent of its annual ridership revenue in excess of \$2,000,000.00. The Term of Lyft's contract with the Cities is five (5) years effective March 1, 2021. Lyft will pay Jersey City the concession fee for each year of the Term, if any, within ninety (90) days following the end of such year of the Term.

Within thirty (30) days of Jersey City's receiving an annual concession fee payment from Lyft, Jersey City shall pay Hoboken one-third (1/3) of the annual concession fee.

4. Annual Bike Share System Operating Costs.

Jersey City agrees to pay Lyft \$400,000 which is two-thirds (2/3) of its annual operating costs of \$600,000.00. Hoboken agrees to pay Lyft \$200,000.00 which is one-third of its annual operating cost of \$600,000.00. During the first year of the Cities' contract with Lyft, the Cities shall make these payments to Lyft within thirty (30) days of March 1, 2021. For subsequent years, the Cities shall make these payments within thirty (30) days of March 1.

5. Communications

Hoboken will direct all communications concerning this Agreement to:

John Metro, Acting Business Administrator
City of Jersey City
City Hall
280 Grove Street
Jersey City, New Jersey 07302

Jersey City will direct all communications concerning this Agreement to:

6. Records

Jersey City agrees to submit to Hoboken, in a timely manner, such reports as may be required by Hoboken.

7 Compliance Regarding Audits and Inspections

At any time during the normal business hours, and as often as Hoboken may deem necessary, there shall be made available to Hoboken, all of Jersey City's records

13. Entire Agreement

This Agreement constitutes the entire Agreement between Jersey City and the Hoboken. It supersedes all prior or contemporaneous communications, representations of Agreement whether oral or written with respect to the subject matter thereof and has been induced by no representations, statements or agreements other than herein expressed. No Agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound thereby.

14. Counter-Parts

This Agreement shall be executed in two (2) counter-parts, each of which shall be deemed to be an original and such counter-parts shall constitute one and the same document.

15. Paragraph Headings

The paragraph headings in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.

16. Severability

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, such determination shall not affect or impair any other provision of this Agreement.

17. Indulgences

Neither the failure nor any delay on the part of any party hereto to exercise any right, remedy, power, or privilege (collectively “rights”) under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or further exercise of the same or of any other right, or, with respect to any occurrence, be construed as a waiver of such right with respect to any other occurrence.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly signed and sealed the day and year first above written.

Attest:

City of Jersey City

Sean Gallagher
City Clerk

John Metro
Acting Business Administrator

Attest:

City of Hoboken
