



# Bikeshare Cooperative Founding Project

## Final Grant Report



Manitoba Cooperative  
Association Inc.



Prepared for the Manitoba Cooperative Association's 2021 Co-op Development Grant  
by Bike Winnipeg  
February 2022

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# Executive Summary

Bike Winnipeg began actively researching the potential for bikesharing in 2020. To support research to advance the bikesharing project as a cooperative, Bike Winnipeg applied for funding from the Manitoba Cooperatives Association's (MCA's) Co-op Development Grant.

The eight project activities were to:

1. Create a list of prospective members;
2. Prepare a recruitment presentation;
3. Organize member recruitment events;
4. Identify next steps required for cooperative development;
5. Review research to confirm the case for a bikeshare's feasibility in Winnipeg;
6. Examine various cooperative structures;
7. Document key elements to include in a communications strategy; and
8. Produce and submit a brief final report of findings and recommendations.

There was a 100% completion of all deliverables and the project was completed within the expected budget and on schedule with an extension of two months due to unexpected delays related to the COVID-19 pandemic. .

The project outcome stated in the grant application was **“a founding group of members who fully understand the cooperative model.”** Based on the one-on-one recruitment presentations, group workshop facilitated by Cooperatives First, other communication with prospective members, and the self-initiated research by prospective members, we conclude that the six prospective members who have stated their interest in founding a cooperative understand the cooperative model. Bike Winnipeg and our fellow prospective members are moving ahead to found a producers' cooperative of local cycling nonprofits with the purpose of establishing a mission-level social enterprise that maximizes the potential of urban cycling through bikesharing.

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### Version History

Version	Prepared By	Reviewed By	Approved By
<b>Final Report</b>	Clayton Rudy (BW) February 27th, 2022	Sanjana Mada (BW) February 28th, 2022	Mark Cohoe (BW) February 28th, 2022

**BW:** Bike Winnipeg

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# Introduction

Bike Winnipeg (BW) began actively researching the potential for bikesharing in 2020. As work progressed, we realized that there was potential to organize a bikesharing service as a cooperative. To support research to advance the bikesharing project as a cooperative, Bike Winnipeg applied for funding from the Manitoba Cooperatives Association's (MCA's) Co-op Development Grant.

The project team consisted of:

- Clayton Rudy, Sanjana Mada, and Mark Cohoe of Bike Winnipeg; and
- Billy Granger of Wiltshire Business Services.

For clarity of Bike Winnipeg's records, the following documents effect the grant contract:

- [Bike Winnipeg's grant application](#) (May 15th, 2021)
- [MCA's conditional approval](#) (May 31st, 2021)
- [Wiltshire's quote for services](#) (June 16th, 2021)
- [MCA's final approval](#) (July 16, 2021)
- [MCA's approval of a schedule extension to February 28th, 2022](#)  
(December 14th, 2021)



## Grant Deliverables

Four deliverables were listed by Bike Winnipeg in the [grant application](#); each will be detailed below.

1. Create a list of prospective members;
2. Prepare a recruitment presentation and information about incorporating as a cooperative;
3. Organize and host 1-2 member recruitment events; and
4. Identify next steps required for cooperative development (to be completed separately).

The intent of the grant was to engage an external consultant to assist with these four deliverables. After subsequent discussions with the consultant, the [consultant's quote for services](#) committed to an additional four deliverables:

5. Review research conducted by Bike Winnipeg to confirm the case for a bikeshare's feasibility in Winnipeg;
6. Examine various cooperative structures in search of the one that would add the greatest value to the bikeshare, make a recommendation to Bike Winnipeg as to what structure to pursue;
7. Document key elements to include in Bike Winnipeg's communications strategy framework that will be used in the recruitment of members to the new cooperative; and
8. Produce and submit a brief final report of findings and recommendations.

The consultant's report on the second set of deliverables is attached as **Appendix A** and is also summarized below.

## #1: Create a list of prospective members

### Winnipeg-based community organizations

At first, prospective stakeholder organizations within Winnipeg were sought as prospective partners. The following partial list of Winnipeg-based organizations were contacted as either supporting partners and/or potential co-op members:

- A. Green Action Centre (20.09.19);
- B. CCEDNet (20.10.05, 21.08.25; 21.10.28);
- C. BUILD Inc. (20.10.05);
- D. Peg City Car Co-op (20.09.19);
- E. The WRENCH (20.09.18);
- F. SEED Winnipeg (20.09.18);
- G. The City of Winnipeg (21.05.08);
- H. University of Manitoba (20.11.03);
- I. The Winnipeg Foundation (21.02.01);
- J. North End Community Renewal Corporation (21.02.01);
- K. North Forge (21.02.10);
- L. Climate Connections (2021);
- M. Health In Common (21.02.16);
- N. Red River College (21.02.09);
- O. Winnipeg Trails Association (21.03.01, 21.09.10); and
- P. Manitoba Research Alliance (21.01.27).

After considerable consultation with these and other organizations, and within Bike Winnipeg, we concluded that, despite verbal support of the idea, there was insufficient interest from local organizations to aggressively pursue bikesharing.

## Local cycling nonprofits in other jurisdictions

We attended a workshop on cooperative governance hosted by the Newfoundland and Labrador Federation of Cooperatives (21.10.20) where the instructor, Ken Kavanagh, stated that:

**The ideal members of a cooperative are those that share the same needs.**

With this in mind, we realized that the organizations with the same needs as our own are other local cycling nonprofits in different cities. The mission statements of local cycling nonprofits were nearly identical compared to the great diversity of missions amongst the various Winnipeg-based nonprofits. Criteria used to short-list an initial list of local cycling nonprofits to contact required at least 4 of the following 5 criteria:

1. Presence of a carshare cooperative;
2. No existing bikeshare service;
3. A transit system;
4. A supportive local political climate; and
5. Permissive provincial regulations.

Local cycling nonprofits contacted to be prospective members were:

1. HUB Cycling (Greater Vancouver);
2. Kelowna Area Cycling Coalition;
3. West Kootenay Cycling Coalition;
4. Bike Edmonton;
5. Saskatoon Cycles;
6. Bike Regina;
7. Bike Ottawa; and
8. Halifax Cycling Coalition.

## #2: Prepare a recruitment presentation and information about incorporating as a cooperative

A recruitment presentation lasting 45 minutes (plus a question-and-answer period) was developed and tailored to each prospective co-op member. A sample presentation is included as **Appendix B**.

## #3: Organize and host 1-2 member recruitment events

Bike Winnipeg completed the following one-on-one recruitment events:

1. May 5th, 2021, with Bike Edmonton;
2. November 5th, 2021, with Bike Regina;
3. December 22nd, 2021, with the Kelowna Area Cycling Coalition;
4. December 26th, 2021, with Saskatoon Cycles;
5. December 30th, 2021, with the West Kootenay Cycling Coalition;
6. January 11th, 2022, with the Halifax Cycling Coalition;
7. January 21st, 2022, with Saskatoon Cycles (a 2nd presentation); and
8. February 22nd, 2022, with Bike Edmonton (a 2nd conversation).

Another recruitment meeting was held October 27th, 2021, with a potential cooperative manager, Eric Gosselin, who is experienced in cycling-focused cooperative development through his co-founding of [Coop Vélo-Cité](#) and who is a graduate of Saint Mary's University's [Masters in Co-operative and Credit Union Management](#).

Subsequently, an all-prospective-members' meeting facilitated by [Cooperatives First](#) was held February 24th, 2022. Representatives from all 7 local cycling nonprofits attended plus Eric Gosselin, [MMCCU](#).

**Appendix C** lists the prospective members who have stated interest in continuing to explore developing a cooperative.

## #4: Identify next steps required for cooperative development

Cooperatives First identified 6 steps to complete after initial recruitment and the all-prospective-members' meeting. Though this meeting occurred recently and that, within the scope of this grant, next steps were only supposed to be *identified* and not completed, some work has already been done to advance next steps.

### 1. Form a steering committee

With the West Kootenay Cycling Association and Bike Winnipeg having already passed board motions supporting the formation of a bikeshare co-op, these two organizations would contribute one member each to a steering committee. Other prospective members have scheduled the topic for upcoming board meetings. That being said, a board motion is not required to be involved on a steering committee; following the open membership principle, participation in the steering committee has been opened to all prospective members since pre-incorporation preparation does not create any organizational obligations.

### 2. Incorporation

Given that prospective members span several provinces, Cooperatives First recommended incorporating federally. The greatest momentum, support, and resources are in Manitoba: it can be assumed that a federally incorporated cooperative could have its headquarters in Winnipeg.

### 3. Feasibility study

Considerable work on many feasibility study components has been advanced to varying degrees. Additional feasibility work should be completed to fill in gaps, update data sets with more current sources, and expand the geographic coverage to include the jurisdictions of all formal cooperative members.

#### 4. Business planning

Some preliminary business planning has occurred during the feasibility study work. A complete business plan would need to wait until one or two initial cities have been chosen for launching a bikesharing system, which would depend on establishing relationships with municipalities and, potentially, external contractors to manage operations and maintenance.

#### 5. Solicit potential members

The shareholder group can be built to its target size and target levels of commitment. Member recruitment is expected to be ongoing and would continue after incorporation.

#### 6. Raise capital

Work is already being advanced on the cooperative's capital structure. Given the limited resources of its members, equity contributions are not feasible. Grants, conventional social financing, outcomes purchasing, and other types of capital funding are currently being explored.

## #5: Review research

The following is excerpted from Wiltshire Business Services' *Report on the Potential Feasibility of a Bicycle Sharing Program in the City of Winnipeg*, included in full in **Appendix A**.

Critical success factors were found to generally intersect in or near the Downtown/ Central Park and Osborne Village areas of Winnipeg, suggesting that a bicycle sharing program servicing these areas in the warmer months of the year (when temperatures are above zero degrees) may be feasible. There is also evidence to suggest that the bikeshare may be able to extend to the University of Manitoba where there may be a large population cluster intersecting with other critical success factors, but Bike Winnipeg's Literature Study did not provide sufficient evidence to confirm whether this would be a suitable location for the bikeshare at this time.

It must be noted that certain information sources referenced in Bike Winnipeg's Literature Study were out of date and impeded concise conclusions from being made about the potential viability of the bikeshare. Those involved in the creation of new bikeshare are therefore advised to ascertain the current status of certain critical success factors, including updated information on population clusters in the City of Winnipeg and the status of the City's plan to move forward (or not) with completing the 2015 Winnipeg Bike Plan Proposal, as shown in Figure 5. Once that information is obtained, it will need to be compared to the analyses contained in this report, as it may impact the assessment that a bikeshare would be feasible in Winnipeg. Certain aspects of the bikeshare may also be impacted by the updated information, such as: the scale of the proposed program, the size and location of the service area and optimal locations for docking stations.

CRITICAL SUCCESS FACTORS FOR A BICYCLE SHARING PROGRAM IN WINNIPEG BASED ON BIKE WINNIPEG'S LITERATURE STUDY			
General Considerations/Critical Success Factors	Recommended by Transport Canada	In Winnipeg	Supports Case for Feasibility
Population Size	200,000+	766,900 <sup>2</sup>	✓
Population Density	9,000+/km <sup>2</sup>	2006 population density map indicates two neighbourhoods with a population density over 14,000/km <sup>2</sup> . More research is required to verify current locations of population density.	✓
Roads And Bicycle Facilities	Bicycle routes must be interconnected and be laid out to allow for direct trajectories to key locations. Direct cycling trips should be within a practical range of about 5 km.	Bicycling infrastructure is in place to support trips to various key destinations.	✓
Potential For Transit Intermodality	Exact distances to transit stations are not provided by Transport Canada. However, the location of bicycling infrastructure needs to be close enough to transit stations to allow for intermodality.	There is close proximity and/or overlap of transit routes/stations with existing or planned bicycling infrastructure.	✓
Topography	Cyclists generally dislike going up inclines of more than 4% and avoid going up inclines greater than 8%	Winnipeg is located in a low-lying flood plain with a very flat topography. Winnipeg has an even flatter topography than other cities with existing bicycle sharing programs	✓
Climate	Long and severe winters can limit the seasons in which a bicycle sharing program can operate and generate revenues. Some other Canadian bicycle sharing programs only operate during warmer months.	Winnipeg has a long and severe winter, but also between 4-6 months (depending on the year) when temperatures average slightly below or above zero degrees. This would allow for at least a seasonal bike share operating in Winnipeg.	✓
Areas of Winnipeg Where Critical Success Factors Intersect	Factors, including: population size and density, roads and bicycle facilities, potential for transit intermodality, topography and climate; accommodate the development of a bicycle sharing program of a particular location.	By comparing Bike Winnipeg's Literature Study and information about Winnipeg, it can be seen that critical success factors are in place for at least a seasonal bicycle sharing program in Winnipeg.	✓

## #6: Examine co-op structures and make recommendation

The following is excerpted from Wiltshire Business Services' *Report on the Potential Feasibility of a Bicycle Sharing Program in the City of Winnipeg*, included in full in **Appendix A**.

Various cooperative structures were examined to see which one would best suit this new bikeshare. Given the information available, it appears that the bikeshare would be best served by establishing itself as a consumer cooperative at the local level, and then subsequently forming and joining a producer/marketing cooperative comprising other bicycle sharing programs.



The multi-stakeholder cooperative model also emerged as a potentially suitable structure. However, it was found that forming a consumer cooperative at the local level and then a producer co-op with other bikeshares later on would replicate many of the benefits that would come with the multi-stakeholder model, but would be less costly and complex to establish, govern and operate. By forming a consumer cooperative, the co-op's financial needs would be supported by members' share capital in exchange for the consumers' access to services, patronage based on their usage of the bikeshare, and voting rights. The subsequently-formed producer cooperative would allow for collective marketing and advocacy and increased purchasing power. And, while the consumer cooperative would exclude nonprofit organizations from ownership and voting rights, an advisory group of nonprofit organizations could be formed to support the co-op with research, educational initiatives and advice on best practices -- without the risks that come with owning a business.

It is therefore recommended that those involved in the development of the new bikeshare co-op move forward with a process to share key information about the project with the target communities and collect key information from the potential members -- such as how likely they would be to purchase a share in the new co-op and use the bikeshare's services, before moving forward with the development of a business plan or incorporation of the new co-op.

## #7: Key elements of communications strategy framework

The following is excerpted from Wiltshire Business Services' *Report on the Potential Feasibility of a Bicycle Sharing Program in the City of Winnipeg*, included in full in **Appendix A**.

Cooperatives operate the best when they are formed to serve members who have a defined common need. As such, those involved with forming the new cooperative are strongly advised to undertake a thorough process to share key information about the project with the community and collect key information from the potential members before moving forward.

Key information to share with potential members should include but not necessarily be limited to: what bike shares and co-ops are and how they function, what is being planned in Winnipeg and why, how the co-op is expected to operate, the locations of proposed service areas, the potential for transit intermodality within the service areas, key timelines, and the benefits and projected costs of membership. This information would best be shared through a wide range of communication channels, including in-person community consultations and presentations, an informational website, social media and printed materials. Information shared through these channels should include graphical representations of proposed routes and locations docking stations, key destinations along proposed routes, potential equipment being used, and the bicycling facilities available within the service areas.

## #8: Consultant's report

Wiltshire Business Services' *Report on the Potential Feasibility of a Bicycle Sharing Program in the City of Winnipeg*, is included in **Appendix A**.

## Summary of performance on deliverables

As tabulated below, all grant deliverables were achieved including one deliverable exceeding its target.

Deliverable	Performance
1. Create a list of prospective members	Completed
2. Prepare a recruitment presentation and information about incorporating as a cooperative	Completed
3. Organize and host 1-2 member recruitment events	Completed, target exceeded
4. Identify next steps required for cooperative development (to be completed separately)	Completed
5. Review research conducted by Bike Winnipeg to confirm the case for a bikeshare's feasibility in Winnipeg	Completed
6. Examine various cooperative structures in search of the one that would add the greatest value to the bikeshare, make a recommendation to Bike Winnipeg as to what structure to pursue	Completed
7. Document key elements to include in Bike Winnipeg's communications strategy framework that will be used in the recruitment of members to the new cooperative	Completed
8. Produce and submit a brief final report of findings and recommendations	Completed
<b>Overall</b>	<b>100% completed</b>

## Schedule Performance

The project schedule conceived in the [May 2021 grant application](#) estimated work to occur from June 2021 through October 2021. Subsequently, Bike Winnipeg's work to advance the literature review proceeded at a slower pace than expected, in part due to the breadth of relevant topics, the high quantity of sources, the often low quality of sources due to information being outdated or poorly applicable, and internal difficulty resourcing this task. Bike Winnipeg requested an extension of the deadline to submit the final report from December 31st, 2021, to February 28th, 2022, which was [granted by MCA](#).

## Financial Performance

The project was completed within the expected budget. The consultant's invoice (the only receipt/invoice) is included in **Appendix D**.

## Outcomes & Overall Performance

### Outcomes

The project outcome stated in the grant application was “**a founding group of members who fully understand the cooperative model.**” Based on the one-on-one recruitment presentations, group workshop facilitated by Cooperatives First, other communication with prospective members, and the self-initiated research by prospective members, we can conclude that the six prospective members who have stated their interest in founding a cooperative understand the cooperative model.

Additional outcomes of this project include: maintaining momentum for ongoing development and work outside the scope of this project; building relationships with other local cycling nonprofits and cooperative associations; confirming that ongoing work toward establishing a bikeshare should take place through a separately incorporated organization; and selecting a preferred type of cooperative. Another noteworthy outcome was that, while Cooperatives First green-lit the concept of a producers’ cooperative of local cycling nonprofits, the consultant’s report recommended establishing a bikeshare service as a consumers’ co-op in Winnipeg. This consumers’ co-op model is not only antithetical to the mission-level social enterprise approach taken thus far but would also not warrant any further resources by Bike Winnipeg, thereby terminating the project since there is no group of individuals with the interest or capacity to start a consumers’ co-op.

### Overall grant performance

There was a 100% completion of all deliverables outlined in the grant. The project was completed on schedule with an approved two month extension granted due to pandemic related delays. Financial performance was as expected: the Co-op Development Grant covered consulting costs with additional time donated by Bike Winnipeg volunteers.

## Appendix A: Consultant's Report

The report by Wiltshire Business Services can be [viewed online at this link](#) and is also included in the following pages.

## Appendix B: Recruitment Presentation

One of the recruitment presentations – January 21st, 2022 with Saskatoon Cycles – can be [viewed online at this link](#) and is also included in the following pages.

## Appendix C: List of Prospective Members

Organizations who currently have attended at least two recruitment meetings have stated their interest in the proposed cooperative model are:

1. West Kootenay Cycling Coalition
2. Bike Winnipeg
3. Bike Regina
4. Saskatoon Cycles
5. Kelowna Area Cycling Coalition
6. Halifax Cycling Coalition

Bike Edmonton is also considering joining the effort but has not yet had sufficient internal discussions to state whether the organization would be supportive or not.



## Appendix D: Expense Receipts

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