



City Manager's Office

MEMORANDUM

DATE: December 20, 2023

TO: Mayor and City Council

THROUGH: Doug Thornley, City Manager Approved Electronically

FROM: Suzanne Groneman, Sustainability Manager
Jackie Bryant, Assistant City Manager

SUBJECT: Bird Announcement

On December 20, 2023, Bird notified the City of Reno it has filed for voluntary protection of its business under Chapter 11 of the U.S. Bankruptcy Code. See message below. At this time, Bird representatives have indicated there is no effect on the existing Franchise Agreement or operations. Nevertheless, Staff will be in regular communication with representatives of Bird. Please advise if you have any questions.

Message from Bird representative:

As a valued partner, I'm writing to inform you that a short while ago Bird announced that we have made the proactive decision to restructure our finances to best position the company for success. I am including more context on this news below, but first I want to underscore that we expect this strategic restructuring to move quickly and have no impact on the city or our riders in Reno. Our commitment to Reno, local workforce, and riders remains unwavering and we expect that this restructuring will allow us to continue investing in hardware and technology and to continue building on our success in your city. Specifically, here is what this news means for you:

- **Uninterrupted Service:** Throughout restructuring, Bird will continue our operations as usual, and our operations in Reno will continue with the same levels of service and safety, without interruption.
- **Upholding Our Commitments:** Bird expects to uphold all of the commitments we have made to Reno including compliance with rules and regulations, full payment of past and future city fees, outstanding and future legal defense and indemnity costs, and other obligations. We have the financial resources to fully support our local operations teams, pay permit-related fees, and run a responsible business.
- **Preserving Local Jobs:** Our employees and Fleet Managers are a vital part of our success, and Bird is dedicated to preserving jobs on our local teams and we expect zero impact in this regard. In Reno, we will operate with the same local team and level of performance you have come to expect.

This announcement represents a significant milestone in Bird's financial transformation, which began with the appointment of new leadership earlier this year. Our company is making progress toward profitability and aims to accelerate that progress by right-sizing our capital structure through this restructuring. Effective Wednesday, December 20, Bird has filed for voluntary protection for its U.S. business under Chapter 11 of the U.S. Bankruptcy Code. As part of the restructuring, Bird has raised \$25M in funding from our primary lenders, which we will use to fund normal operations—including upholding all city commitments—during this process. We expect Bird to emerge from this restructuring process in 90-120 days with a strengthened financial position that will allow us to invest more significantly in our operations, employees, and the communities we serve for years to come.