

City of Minneapolis
Request for Committee Action

To: Transportation & Public Works
Date: 11/10/2015
Referral: N/A
From: Public Works Department
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File type: Receive & File
Subcategory: Staff Direction

Subject:

On-street car sharing program

Description:

Receiving an update on Car Sharing On-Street Pilot and Next Steps

Previous Actions:

September 11, 2015: Council directs staff to report by October 27, 2015, to TPW with: "An update on negotiations with our car-sharing partners including outstanding policy questions on car-sharing in the City of Minneapolis."

September 11, 2015: Council approved extension of contracts to February 29, 2016, with two of the car sharing organizations involved in the pilot program. Contracts include: HOURCAR #C37498 and Car2go #C37244

December 12, 2013: Authorize staff to execute an agreement with Zipcar to participate in the Car Sharing Pilot Program.

November 12, 2013: Resolution 2013R-515 Authorization to execute a two-year agreement with Neighborhood Energy Connection (d.b.a. HOURCAR) for the Car Sharing Pilot Program.

August 16, 2013: a) Authorize staff to execute a two-year agreement with Car2Go N.A, LLC, for a city-wide car sharing pilot program, pending passage of any ordinance amendment required to carry out the terms of the contract; and b) Accept the City Engineer's recommendation to allow certain parking in established Critical Parking Areas as outlined in the contract, and authorize the same as a special term under M.C.O. 478.710.

June 28, 2013: Authorize staff to expand the car sharing pilot to include HOURCAR and Zipcar and to negotiate terms for the two-year agreements.

May 10, 2013: Authorize negotiation of terms for a two-year agreement with Car2Go N.A., LLC, for a City-wide Car Sharing Pilot Program.

January 29, 2013: Receive and file on the Car Sharing Pilot.

Ward/Address:

All Wards

Background/Analysis:

The Car Sharing Pilot Program started on September 13, 2013. The Pilot focus was to introduce car sharing at on-street parking spaces, to learn how to develop a long-term program.

City Council authorized contracts with three Car Sharing Organizations (CSO's) to operate during the two-year pilot which ended on September 11, 2015. Upon conclusion of the Pilot Program, staff requested, and Council approved extension of contracts for two of the three participating CSO's, HOURCAR and car2go. The other vendor, Zipcar, declined further extensions because they no longer wanted on-street spaces for their operations.

Since conclusion of the pilot program, staff has been summarizing and analyzing collected data, reviewing lessons learned during the pilot program, studying best practices from other cities, and meeting with CSO's in an effort to develop a recommendation for an ongoing car share program.

Summary of the pilot program statistics and results over the course of two years indicate:

- There was steady growth in memberships and participation indicating wide use and acceptance by the public.
- Highest usage and membership were in the Downtown, U of M, and Uptown areas.
- Peak usage was in spring and summer; winter and fall usage decreased in both years.
- CSO's recorded:
 - 503,840 trips
 - 24,705 members
 - 558 fleet vehicles

There are four basic types of car share models:

Round-trip (A.K.A. Dedicated Space or Classic) Car Share:

(As used by HOURCAR and Zipcar) Customers begin and end trips in the same locations. During the pilot, the two companies had spaces reserved, on-street, for exclusive use of their vehicles.

- HOURCAR had 6 spaces on-street and 58 spaces off-street in Minneapolis.
- Zipcar had 17 spaces on-street and 11 spaces off-street in Minneapolis during the pilot. During the past several months, Zipcar moved its entire fleet of 28 vehicles to off-street locations.

Point-to-point Floating (A.K.A. One-way) Car Share:

(As used by car2go) Vehicles are generally parked on-street, including at meters and in Critical Parking Areas (CPA's). Trips can start from any location in the service area, and can end at any location in the service area.

- car2go had 350 permitted vehicles in Minneapolis with another 15 vehicles allowed for St Paul car sharing.

During the pilot, car2go operated with a city-wide point-to-point service in Minneapolis and St. Paul. These operations provided citywide service area at the end of your trip. However, at the start of your trip, a car was only available if a) left nearby from a previous user, or b) redistributed according to car2go methods.

Point-to-point Station-based Car Share (currently not in use here):

Vehicles are parked in groups stationed at multiple locations. Customers start a trip at any station and end the trip when the vehicle is returned to any of the stations.

Peer-to-peer Car Share (currently not in use here):

Privately-owned vehicles are shared among a cooperative group of individuals.

Lessons Learned by CSO's during the Pilot

Throughout and upon conclusion of the pilot program, staff met with CSO's who requested consideration of the following items:

- Better signage and branding of signs for reserved spaces
- Stronger enforcement and towing for reserved spaces
- Reserved spaces in City ramps
- Narrowed service areas for point-to-point CSO's
- Limited or no requirements to share data with the City
- À la carte service options and pricing
- Continued no-cost reciprocity with St. Paul for point-to-point CSO's
- Lower prices
- Financial incentives (non-specific)
- Flexible city rules regarding loss/change of parking space due to construction
- Reduction or elimination of State taxes

Staff is analyzing, reviewing and considering options to address the items above.

At the conclusion of the Pilot Program, in October, the CSO's conducted customer surveys. Detailed survey results along with other pilot information will be available soon.

Lessons Learned by City Staff during the Pilot

On review of the data collected, customer surveys, CSO input, and what other cities are doing, staff drew these conclusions:

- Overall feedback has been positive.
- There have been some limited questions and concerns by public about "why is this car parked in front of my property/business" and from vendors about process items.
- Statistics indicate the program can continue to be successful and would be beneficial to the public.
- CSO's are reluctant to provide any data to the City.
- Administrative efforts during the pilot included extensive learning, education and communication needs, but were costs less than \$50,000 per year. Based on the Pilot, the administration and processes could be simplified and streamlined with costs being reduced.
- Staff reviewed the policies and procedures of 16 other cities to determine best practice information.
 - 15 of the 16 established permit programs. (The other is in a pilot program.)
 - All are charging additional fees for residential permit parking areas (CPA's).
 - Five of the 16 established limitations on the quantity of vehicles or spaces available to each CSO in their programs.
 - Denver – 250 cars (Denver expands these limits for CSO's who also serve "opportunity" areas.)
 - Arlington County, VA – 200 cars
 - Austin, TX – 500 cars
 - Los Angeles – 300 on-street metered spaces
 - Seattle – 500 cars

Future Next Steps:

Staff is developing a policy approach, as opposed to negotiating separate contracts with each vendor every three years, for the car-share use of on-street spaces.

Based on conversations to date with numerous stakeholders, the key policy items under consideration and discussion include:

- Annual permitting approach (versus individual agreements with each vendor)
- Annual reporting instead of quarterly in the pilot (less data and summary data)
- Coverage area – citywide versus selected areas
- Simplified flat rate pricing and exploring any incentives/discounts
- Number of vehicles – minimums and/or maximums

Future Timeline:

- Draft Policy and Finalize based on stakeholder comments – November
- Resolution Adopting Policy without ordinance changes
 - To T&PW Committee:
 - December/January
 - February (Contingency)
 - Implementation March 1, 2016
- If Ordinance change is required -- Earliest Dates:
 - November 20, 2015 – Notice of Intent
 - December 11, 2015 – Introduction, First Reading, Refer to Committee
 - January 5, 2016 – Set Public Hearing
 - January 19, 2016 – Hold Public Hearing
 - January 29, 2016 – Full Council Vote
 - March 1, 2016 – New Ordinance Effective Date

Financial Review:

No financial impact.

Attachments:

1. Presentation