

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 1, 2010

TO: The Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Bill Rosendahl, Chair, Transportation Committee

FROM:  Rita L. Robinson, General Manager
Department of Transportation

**SUBJECT: YEAR END STATUS REPORT ON THE ON-STREET CARSHARE
PILOT PROGRAM, (CF 08-1798)**

RECOMMENDATIONS for Council action:

1. FIND that the On-street Carshare Pilot Program undertaken by the City of Los Angeles commencing September 14, 2009, has been sufficiently successful in the areas near USC and UCLA to warrant extending the pilot for an additional year to a new non-campus based pilot area in CD 13.
2. FIND that the pilot program has served as a successful extension of an existing "on-campus" Carshare program at USC and UCLA according to the survey data showing that more than 91% of the on-street Carshare program users are university students and faculty.
3. FIND that the limited scope of the pilot and the survey results substantiate concerns for the viability/success of this on-street Carshare model beyond the University setting and warrants extending the one year pilot Carshare program to on-street and/or off-street settings in CD 13 to determine the viability of the program prior to a citywide expansion.
4. FIND that the City Attorney's review of the Letter of Agreement between Zipcar, inc. and the City of Los Angeles confirms the legality of extending the Agreement for an additional year.
5. DIRECT the Los Angeles Department of Transportation (DOT) to work with the City's current Carshare partner for one additional year to utilize the spaces allotted, but unused, under the existing pilot program to establish Carshare spaces in Hollywood.
6. DIRECT DOT to provide an update to the Transportation Committee in 180 days on the status of the pilot program and to provide detailed recommendations, including on the issuance of a Request for Proposals.

BACKGROUND

On January 1, 2007, section 22507.1 of the California Vehicle Code became law. This section allowed cities and counties, by ordinance or resolution, to designate certain streets or portions of streets for the exclusive parking privilege of motor vehicles participating in a Carshare program. On October 31, 2007, the Los Angeles City Council instituted a carshare program. On April 24, 2009, the City Ordinance No 180602 became effective by adding a new Section 80.58.1 and amending Sections 80.76.2 and 89.60 of Chapter VII of the Los Angeles Municipal Code to:

- Authorize the designation of certain streets or portions of streets for the exclusive parking privilege of motor vehicles participating in a carshare program and,
- To authorize the issuance of permits that allow vehicles participating in a carshare vehicle program to park in the exclusively designated parking areas, and
- To authorize the removal of vehicles parked in violation of the restrictions posted pursuant to this ordinance.

In August 2009, DOT and Zipcar, Inc., signed a Letter of Agreement (LOA) that formalized the operation and responsibilities of each agency with regards to the pilot program. On September 14, 2009, the City of Los Angeles together with Zipcar, Inc., held a press conference to announce the City's participation in a one-year carshare pilot program. The program was implemented to determine the viability of an on-street Carshare program in the City of Los Angeles. On September 15, 2009, the program commenced in two limited areas near the USC and UCLA campuses which were areas in which Zipcar, Inc. had both existing programs and customer bases.

On January 27, 2010, DOT and Zipcar, Inc., provided the Transportation Committee with a status update regarding the program. On February 12, 2010, DOT staff provided the City Council a status update regarding the program success, implementation, operational aspects, as well as the following recommendations for additional steps to be taken:

ADDITIONAL EFFORTS

- Work with the Planning Department in incorporating car sharing in the City's Planning and Land-Use policies and development related mitigation requirements.
- Work with the Metropolitan Transportation Authority to initiate a program in conjunction with existing and future transit station operations.
- Investigate the use of public and private parking lots and structures to allow for the implementation of a more comprehensive and effective carshare program.
- Develop a broad base description for the carshare program and drafting the

- criteria and qualifications for future expansion of the program.
- Coordinate efforts with the City's Integrated Mobility Hub Program to maximize success as both programs are undertaken.

DISCUSSION

Under the LOA, Zipcar, Inc. could request spaces allowing for deployment of 20 vehicles per University for a total of 40 deployable vehicles. By mid-January, Zipcar, Inc. had a total deployment of 18 Carshare vehicles near the two Universities. Twenty two additional parking spaces can be allocated for Carshare use under the Agreement. The remaining number of parking spaces could be dedicated to exploring the viability of the program in currently underserved and densely parked areas of the City farther from Zipcar, Inc.'s existing university markets.

FINDINGS

At the January 27, 2010 Transportation Committee meeting, Zipcar, Inc. indicated all utilization expectations for a new market roll-out were being exceeded. Zipcar, Inc. attributed the higher than expected weekday-midday utilization to business users rather than university students and staff.

Utilization figures provided by Zipcar, Inc. (see the attached Zipcar report) reveal that for the time period January to July 2010, actual utilization ranged from a low of 40.76% to a high of 56.42%, which exceeded the planned usage expectations which ranged between 32.15% and 41.22%.

Despite the consistently strong utilization figures, user surveys, conducted in the last quarter of fiscal year 2009-2010, revealed that 91 percent of the users surveyed were affiliated with the universities, i.e. students or faculty, which underscored the reason for concern that further testing of the program in an untried market should be undertaken before the true success of this on-street program could be determined.

CHALLENGES

DOT's January 22, 2010 report revealed several challenges that faced the on-street Carshare program. A number of steps were taken by LADOT to assist Zipcar, inc., including an inventory of existing parking restrictions on streets near Carshare spaces, to overcome the challenges:

CITATIONS ISSUED TO CARSHARE VEHICLES

In the first several months of the pilot program, parking citations were issued to several Carshare vehicles because they were parked outside the designated Carshare spaces. Zipcar, Inc. attributed the issue primarily to a lack of enforcement in keeping the spaces clear of non-Carshare vehicles.

While more than 170 citations were issued to non-Carshare vehicles parked in the

restricted spaces and 35 vehicles were impounded during the first three months of the pilot, new enforcement protocols were implemented to increase impoundments from the restricted locations. The change in enforcement protocols have resulted in 384 citations being issued and 175 vehicles impounded between January 1, 2010 and July 31, 2010. The user survey revealed approximately 9% of the users had found a citation on a Carshare vehicle, which equates to approximately 24 citations. DOT believes that many of these were issued to the vehicles before enforcement efforts were modified.

CUSTOMER SURVEY

The joint customer survey revealed that approximately 30% of Carshare patrons found the home space filled by a non-Carshare vehicle upon returning vehicles. On March 5, 2010, DOT supplied Zipcar, Inc. a survey of the parking restrictions, for streets near every Carshare space enabling Zipcar personnel to provide guidance to the patron regarding alternate parking spaces where citation of the Carshare vehicles can be avoided. DOT Enforcement indicated that there are no current complaints about Carshare vehicles being parked outside the designated spaces.

The survey information also revealed that approximately 70% of the members joined because they did not have access to a car 24/7. The survey results also indicated that the group likely to comprise the constituency of that category was the graduate and undergraduate students which comprised approximately 82% of the responses. An additional 9% of the users were staff, and faculty.

FUTURE POLICY CONSIDERATIONS

While the Carshare program may prove to be a powerful tool to enhance the City's transportation demand management goals, it is not clear if the goals can be best served by entirely relying on an on-street program that lessens the limited supply of curbside parking. This program will consistently be a balancing act between having too many versus too few vehicles to ensure availability for use. There appears to be an inherent conflict between the City's desire to assure turn-over of parking spaces to maximize use and the needs of a successful rental operation to have a supply of vehicles available for use at all times. Parking is likely to become more congested in the areas where car sharing has a presence.

DOT was awarded grant funds to implement a pilot project to implement first and last mile mobility options at strategic locations in Downtown. In addition, DOT, in partnership with the City of Long Beach, was awarded grant funds in 2010 as part of the jobs access Reverse Commute Program to implement various Integrated Mobility Hubs throughout Downtown and Hollywood. The goals of the City's Carshare Program are consistent with those pursued under the above grant funded projects to enhance urban mobility, and to serve as an extension of the current transportation network for all users. Therefore, it is essential to coordinate these programs as an integrated Transportation Demand Management tool to address the City's long-term needs.

A more goal-oriented use of the carshare program to enhance and encourage transit

use by providing convenient carshare vehicles around rail and transit stations and other transportation facilities can maximize the benefits of the program. The availability of carshare vehicles in transit station areas can encourage the use of transit by those whose trip destinations are not conveniently located within the reach of the transit system. In addition, the transit station car share vehicles could be utilized on nights and weekends especially in Transit Oriented Districts.

FISCAL IMPACT STATEMENT

The costs associated with the staffing, design and implementation of dedicated Carshare parking spaces is born by the General Fund. There is no mechanism in place to recover these public resources. While staffing costs during the pilot program have been minimal to date, the expansion of the program will require additional resources which cannot be supplied at this time. The Division has been impacted by Mandatory Furloughs, work related injuries, and ERIP which has resulted in over 40% reduction in staffing

The Parking Permits Division, which has been tasked with the oversight of the Carshare Pilot, is staffed with resolution authority positions. The program was scheduled for elimination as part of the 2010-2011 Budget discussions. However, the program was continued for an additional year in the final budget. There are instructions for the City's Administrative Officer (CAO), the City's Legislative Analyst (CLA), and DOT to consider moving the Parking Permits Division under the Special Parking Revenue Fund (SPRF). It would be advisable to consider moving the Carshare program under SPRF, as well, in light of plans to expand citywide.

CITY ATTORNEY OPINION REGARDING NEED FOR FURTHER PILOT

A review of the Letter of Agreement between Zipcar, Inc. and the City of Los Angeles confirmed that the parties contemplated the possible need for the pilot program to continue an additional period of time and into additional areas in order for the City to determine the viability of the program and to enable the City to prepare and release a Request for Proposals based on that assessment.

NEXT STEPS:

Continue the Carshare Pilot Program for an additional 12 months in order to explore the viability in a non-University setting:

- Work with staff from Council District 13th to identify appropriate locations for dedication of parking space for Carsharing near Metro Rail Stations in Hollywood.
- Design and implement new Carshare parking spaces in Hollywood.
- Work with Zipcar Inc. to deploy new Carshare vehicles in Hollywood.
- Conduct a survey of Carshare users in the Hollywood area and assess the success of the expansion.

YH:tlm

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Attachments



DRAFT Operations and Performance Report – Los Angeles Car Sharing Pilot Program

Zipcar is pleased to submit an updated progress report on the Los Angeles-Zipcar neighborhood car sharing pilot program. To prepare for this report, Zipcar not only conducted a survey of its members participating in the University and City Pilot programs, we also examined operational and program management improvements. Below, we have segmented these findings into three broad areas for discussion.

1. The car sharing pilot program is strong.

Overwhelmingly, members in the program are strong users of alternate forms of transportation. In fact, 21% bike, 23% ride the bus and 27% walk as their primary mode of transportation. We believe it is fair to say that Zipcar enables them to continue this lifestyle by helping them meet their needs for personal transportation without having to buy a car. More than 45% have used Zipcar 2-4 times in the past three months; nearly 30% have used it between 5 and 11 times. We are pleased to report that 97% of respondents rated their experience with the reservation service as positive; 92% rated their experience with customer service as positive. Nearly 90% (87%) give a positive rating to the overall vehicle condition.

Perhaps most illustrative of the success of the neighborhood targeting approach is this statistic: significant 45% of people report living or working less than a block from a Zipcar location; 36.5% report being within one to three blocks. In fact, 25 percent report learning about the program from seeing the cars on campus or on streets in the neighborhood. We believe this is key to helping members (and prospective members) feel that car sharing is just as convenient (if not more convenient) than owning a car.

2. We have made continual progress, but still some room for improvement.

As we enter the second full year of the on-street program, we are making good progress on improving the operations and management of the program, not only for members, but also for the City of Los Angeles and for Zipcar. At the last program review, we noted significant issues with parking citations on Zipcar vehicles as well as non-Zipcars frequently parked in reserved locations.

To address these issues we have worked with parking enforcement to get our information in front of the officers at the daily meetings. We also increased outreach and training with our call center on what to tell members if cars are in our spots, based on guidance from LA DOT. The hotline number given to us by DOT has also been helpful in streamlining communication. As a result of this outreach, we've seen a decrease in citations, with only 9% of survey respondents stating that they have received a citation for parking a Zipcar in a designated spot. While 30% of respondents still report experiencing some difficulty in returning vehicles, we are confident that this number will continue to decrease as the program becomes more established in the neighborhoods.



3. Utilization is high and warrants expansion

Since the launch of the program, we have been impressed with membership growth as well as utilization. Since January, we've grown membership by 230% and utilization by 128%. We are currently at 136% of utilization goal, and nearing 100% capacity.

This good news is tempered by the findings of our survey: Only 78 percent gave a positive rating to their ability to get a car when they needed one, and only 68 percent gave a positive rating to ability to get a car where they needed one. These numbers indicate difficulty in securing a reservation, a direct result of strong, or too strong, demand. We believe increasing the number of vehicles and locations will address these access challenges, making the program more beneficial to more members.

Conclusion

We believe the pilot car sharing program has been a strong success to date, and is the reflection of the solid partnership between Zipcar and the City of Los Angeles. While there are still some logistical challenges, we believe those will continue to decrease in number and frequency, and can be addressed through additional communication and training. We believe there is sufficient demand in the current locations, as well as perhaps additional neighborhoods, to warrant expanding the program strategically and deliberately.

We look forward to continuing to work with the city on car sharing and on its longer-term vision for transportation and mobility.

2010 Utilization Actual vs. Plan (Percentage is based on a 24 hour utilization clock; 50% represents "full" utilization)

Month	Actual	Plan	LA City Program Members/ Res. Members	# Cars
January	43.76%	32.15%	140/482	15
February	40.76%	35.47%	170/515	18
March	50.03%	35.99%	198/591	18
April	44.15%	38.46%	227/634	18
May	55.49%	38.51%	263/654	18
June	52.77%	40.97%	300/482	18
July (MTD)	56.42%	41.22%	322/235	18