



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **W.H. Jackson, Director of Utility Services**

Meeting Date: **April 18, 2017**

Subject: **USTR17-005**
Community CarShare

Purpose

A report to recommend that the City of Peterborough enter into an agreement with Community CarShare bringing four CarShare vehicles to Peterborough, including one that is wheelchair accessible.

Recommendations

That Council approve the recommendations outlined in Report USTR17-005 dated April 18, 2017, of the Director of Utility Services, as follows:

- a) That Council authorize staff to sign the agreements necessary to implement Community CarShare in the City of Peterborough including the designation of parking spaces at City facilities for the exclusive use of Community CarShare vehicles;
- b) That funding to an upset limit of \$60,000 be authorized to ensure the financial viability of Community CarShare's Peterborough fleet;
- c) That funding of up to \$27,000 be authorized to convert one Community CarShare vehicle to become fully wheelchair accessible; and
- d) That the City of Peterborough become a corporate member of the Community CarShare.

Budget and Financial Implications

The partnership model being offered to the City by Community CarShare is one where the City would underwrite the net costs of the Peterborough fleet of Community CarShare while the service gains traction in its first two years. Based on results from cities similar to Peterborough in size and demographics, it is anticipated that the CarShare would break even after two years. Table 1 is a summary of the project costs and Table 2 is a summary of the project revenues.

Table 1: Project Costs

Description	Cost
Operating Cost	\$60,000
Capital Cost for Accessibility Retrofit for One vehicle	\$27,000
Total	\$87,000

Table 2: Project Revenues

Description Budget	Cost
TDM 2016 Capital Account 5-14.02	\$60,000
Access Fund 2017 Capital Budget 3-4.11	\$27,000
Total	\$87,000

The amount needed to support the general project is in 2016 Capital Budget Project Reference #5-14.02.

The cost to convert one vehicle to become fully wheelchair accessible is estimated at \$27,000. This aspect of the project will be funded from the Access Fund Reserve, leaving an uncommitted balance in the reserve of \$98,265.98.

Background

CarSharing in Peterborough

In 2013, the City was working with Community CarShare to bring a fleet of vehicles to Peterborough. A report was brought to Council and on April 29, 2013, Council approved the recommendations outlined in Report USTR13-003, as follows:

- a) That the City of Peterborough become a corporate member of the Community CarShare; and
- b) That staff be authorized to work with the Community CarShare organization to designate parking spaces at City facilities for the exclusive use of Community CarShare vehicles.

Shortly after Report USDTR13-003 was approved, a for-profit CarShare company announced that it was going to provide CarShare vehicles at Peterborough's post-secondary institutions. Presuming that a market the size of Peterborough could only be served well by one CarShare, City staff put the talks with Community CarShare on hold.

The business model of Student CarShare was not sustainable and the company, which had spread to most campuses provincially in one year and nationally by their second year, went bankrupt.

Given the lag in time since the recommendations were approved in Report USTR13-003, these recommendations have been included for consideration in this report.

About CarSharing

The principle of CarSharing is that individuals gain the benefits of private cars without the costs, environmental impact, and responsibilities of ownership. Members access a fleet of vehicles on a self-serve as-needed basis. CarSharing may be thought of as organized short-term car rental. The vehicles can be reserved and billed for trips as short as 30 minutes or for several days, although the pricing is geared to trips of less than a day. Rentals of more than one day are usually more economical through a vehicle rental business, but individual cases may vary (i.e. a person can use a CarShare vehicle without a credit card, but not a rental car).

A long-term study of CarSharing found that 30 percent of households that joined sold a car; others delayed purchasing one. Transit use, bicycling, and walking also increased among members. When using a CarShare vehicle, more costs are tied to hours of use and distance driven. With owned automobiles, many expenses are sunk costs and thus independent of how much the car is driven (such as original purchase, insurance, registration, and some maintenance). A study of driving behavior of members from major CarSharing organizations found an average decline in 27% of annual vehicle kilometres travelled.

CarSharing also reduces parking demand in residential or mixed use developments because one vehicle serves several drivers. Some businesses choose to host a CarShare vehicle to ease demand on parking because not all employees who may need access to a vehicle for work purposes need to bring their personal vehicle to work.

CarSharing makes occasional use of a vehicle affordable, even for low-income households. Some households will reduce the portion of their budget that goes to transportation by reducing the number of vehicles that they own. CarSharing provides

an incentive to reduce driving and rely more on other transportation modes because most of the cost is associated with the distance driven and the length of time the car is used. With regular car ownership, most of the costs are fixed. CarSharing is best suited to households with a vehicle that is driven less than 10,000 km per year and for businesses wanting to reduce their fleet numbers, transportation costs and/or demand for parking.

CarSharing differs from traditional car rentals in the following ways:

- CarSharing is not limited by office hours
- Reservation, pickup, and return is all self-service
- Vehicles can be rented by the hour, as well as by the day
- Users are members and have been pre-approved to drive (background driving checks have been performed and a payment mechanism has been established)
- Vehicle locations are distributed throughout the service area, and often located for access by public transport.
- Fuel and insurance costs are included in the rates.
- Vehicles are not serviced (cleaning, fueling) after each use, but are serviced regularly.

CarSharing can provide numerous transportation, land use, environmental, and social benefits. CarSharing can be an alternative to owning multiple cars for households with more than one driver. CarSharing is generally not cost-effective for commuting to a full-time job on a regular basis (more than 2 times per week). Most CarSharing advocates, operators, and cooperating public agencies believe that those who do not drive daily or who drive less than 10,000 kilometers annually may find CarSharing to be more cost-effective than car ownership. Occasional use of a shared vehicle costs significantly less than car ownership, making automobile use more accessible to low-income households.

Community CarShare

Community CarShare is a non-profit co-operative which provides its members access to vehicles on a self-serve, pay-per-use basis. The co-operative is Ontario's first CarSharing organization and was founded in 1998 and operated first in Kitchener-Waterloo, adding service to Hamilton in 2009, Elmira, Guelph and St. Catherine's in 2013, London in 2014, Burlington in 2015, and Cambridge in 2016.

Community CarShare's mission is to deliver a CarSharing service which empowers people to make affordable and sustainable transportation choices. As well, Community CarShare upholds the International Co-operative Principles through the following values:

- Service: Providing an excellent membership experience by being responsive, fair, and transparent.

- Sustainability: Guiding the transportation system towards an affordable, efficient, and inclusive future.
- Collaboration: Supporting employees, volunteers, partners, and peers by building strong relationships.
- Innovation: Advancing the CarSharing sector through leadership, creativity, and long-term vision.

Reservations for CarShare vehicles can be made for as little as 30 minutes, or as long as needed, and gas and maintenance costs are included in driving rates. By filling in transportation gaps with occasional car use, Community CarShare also helps support the use of greener transportation modes such as transit and cycling. Many CarShare members also already own a car, but supplement their driving needs with CarShare reservations a few times a week. Corporate members include six municipal governments, several universities, and many businesses and non-profit organizations.

Community CarShare currently has more than 2,000 members who have access to a fleet of 70+ vehicles, stationed along main transit corridors. As membership grows and vehicle usage increases, additional vehicles are added to the fleet to meet membership and usage demands. Community CarShare is governed by a volunteer board of directors, elected from the membership, and supported day-to-day by six full-time staff members.

Although there are other CarShare companies operating in Toronto, Community CarShare specializes in operating in smaller urban centres in Ontario. CarShare members can use vehicles in any of the cities where they operate. CarShare rates are the lowest in the province, and are unique in that they include distance based rates for corporate members. Each vehicle will have a designated home station and the vehicles will be able to be reserved on-line or by phone.

Benefits of a Car Share Service in Peterborough

A CarSharing service in Peterborough will advance Transportation Demand Management and provide the other benefits of carsharing as described above. Section 5.2.2 of the 2012 Comprehensive Transportation Master Plan recommends that the City explore the feasibility of introducing a car share program as, 'It reduces the number of vehicle trips made in households that are members, is a cost effective way for businesses to meet their transportation needs and provides access to vehicles for low-income households.' The partnership with Community CarShare will allow the City to implement this recommendation.

New Option for Transportation for People in Wheelchairs

Four vehicles are planned for Peterborough, one of which will be wheelchair accessible. The Accessible Advisory Committee has approved funding of \$27,000 through the Access Fund to convert one of the CarShare vehicles, a mini-van, to a fully accessible vehicle. This vehicle will be one of the vehicles that any member can book. This will be the first wheelchair accessible vehicle in a CarShare fleet in Ontario and other

communities are quite interested in our approach.

The agreement with Community CarShare will specify the financial terms should this vehicle cease operations in Peterborough prior to its 60 month amortization period.

Interviews with various stakeholders were conducted as requested by the Accessibility Advisory Committee when considering the Access Fund Application. The following points summarize the challenges in transportation options for people in wheelchairs that can be somewhat mitigated with a wheelchair accessible vehicle in the local CarShare fleet.

1. There are no accessible vehicles available for rent in Peterborough.
2. For short term needs, like post-surgery, it is unlikely that someone would purchase a personal accessible vehicle.
3. If the vehicle were used to take someone to an 8 hour round trip medical appointment in Toronto, the trip would cost the member who booked the vehicle \$140, including time and distance fees. The cost to take a taxi to a medical appointment in Toronto is approximately \$500.
4. The cost of buying a suitable vehicle and converting it for wheelchair accessibility is out of financial reach for many households.
5. Community Care has a Caremobile that provides transportation for people in wheelchairs living in the County, with medical appointments a priority, but there is no equivalent service between the City and the County.
6. The Handi-Van requires pre-approval for use and only takes passengers within City limits. Bookings must be made well in advance. With the CarShare, 30% of bookings are typically last minute, allowing for an increase in quality of life by providing the opportunity for spontaneity and non-medical trips.
7. Local taxi companies have some accessible vehicles and provide great service, but the rates discourage long and/or multi-purpose trips.
8. Some Personal Support Workers cannot use their personal vehicle to transport clients because they do not have insurance coverage. Personal Support Workers can use CarShare vehicles for transporting clients and are insured when doing so.
9. The CarShare vehicle can be a back-up vehicle for people when their accessible vehicle is being repaired.
10. A person can go anywhere in Canada with a CarShare vehicle, although there are some time restrictions.
11. The accessible CarShare vehicle could be used for transportation to out-of-town medical (and other) appointments with volunteer drivers who are CarShare members.

Two Year Start-Up Assistance

Community CarShare has provided excellent service in the municipalities where it operates and is the only CarShare operating in Ontario in medium-sized urban centres. Having a CarShare in Peterborough would provide numerous benefits to the Peterborough community, as described earlier in this report. Community CarShare has expanded to serve several new communities recently and the model that they have been using to ensure viability is that the municipality covers any losses of operating the fleet in the start-up phase.

Using actual revenues from another recent Community CarShare start-up, Table 3 shows the estimated costs for the City of Peterborough in the first two years. The projected costs assume a fleet of four vehicles, one being a wheelchair accessible mini-van. The Peterborough fleet of Community CarShare is expected to break even in its third year of operations.

Table 3: Projected Net Cost for Community CarShare (first two years)

Year	Operating Cost	Projected Revenue	Net Cost
Operating			
2017 (September - December)	\$ 22,300	\$ 8,000	\$14,300
2018 (January - December)	\$ 66,900	\$42,000	\$24,900
2019 (January - August)	\$ 44,600	\$33,600	\$11,000
Total Operating	\$133,800	\$83,600	\$50,200
Capital			\$27,000
Total	\$133,800	\$83,600	\$77,200

Corporate Membership

The advantages of the City of Peterborough being a corporate CarShare member include:

1. The City would be a leader in supporting CarShare, recognizing the opportunities the local CarShare will bring to our community in terms of access to affordable, effective transportation options.
2. CarShare would provide another option for transportation for employees that occasionally need a vehicle for work purposes. This is particularly relevant for employees that do not own a vehicle or have regular access to a household vehicle.
3. CarShare can act as a back-up vehicle for employees who use their car daily for work purposes when their vehicle is not available due to repairs or other unforeseen circumstances.

4. CarShare allows employees who prefer to walk, bus, bike or carpool to work to occasionally use a vehicle for work purposes, making more parking spaces available for those who really need them.
5. The Peterborough fleet of Community CarShare will have a fleet with a few different types of vehicles that can suit different purposes, including a wheelchair accessible van.

The corporate membership related costs consist of:

- a) A refundable deposit of \$600 for the first four drivers and an additional \$100 for each additional driver. Given the number of employees that are CarShare corporate drivers in the other municipalities where the CarShare is operating, it is expected that about 5 drivers would join from the City of Peterborough.
- b) A non-refundable application fee of \$30 per driver.
- c) A monthly fee of \$30 (regardless of the number of drivers). The annual cost of carrying the Corporate Membership is \$360.

Membership related costs will be allocated to the Operating Budget of the Transportation Demand Management section.

Next Steps

Two agreements need to be in place in order to start the formal process of partnering with Community CarShare to operate a fleet of vehicles in Peterborough. The first agreement is the terms of the agreement for the service. The second agreement is to provide parking spaces for Community CarShare vehicles at various City facility parking lot locations. Four spaces will be allocated for the exclusive use of the Community CarShare vehicles and about a dozen more will be signed for future use by Community CarShare vehicles, anticipating growth of the system.

Timelines

If the recommendations are approved, agreements will be prepared and will be signed by the CAO and Clerk, under their delegated authority to do so. The target date for the CarShare to begin operations is September 2017.

Summary

The Peterborough fleet of Community CarShare vehicles will initially include four vehicles, including one wheelchair accessible van. Under the terms of agreements to be signed with Community CarShare, the City will underwrite any net operating costs to an upset limit of \$60,000 and provide designated parking spaces on its property for CarShare vehicles. This initiative directly supports Transportation Demand Management programs as CarShare can manage travel demand and reduce trips made in personal vehicles. Staff will report back to Council after one year of operating,

reporting on the actual revenues compared to the projected revenues and overall performance of the service.

Submitted by,

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