



REPORT

Report Date: February 12, 2020
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 13670
VanRIMS No.: 08-2000-20
Meeting Date: February 25, 2020
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TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: On-Street Car Sharing Parking Policy: Updates to One-Way Fleets at Metered Parking

RECOMMENDATION

- A. THAT Council approve the updates to one-way car sharing parking policy related to metered parking as outlined in this report to ensure a robust car sharing market continues in Vancouver, and that a resulting 2020 revenue decrease of \$200,000 be managed within the existing 2020 operating budget;

FURTHER THAT Council direct staff to report back on the initial outcomes of these car sharing parking policy changes in fall 2020 as part of the strategy to achieve Big Move #2 (Safe and convenient active transportation and transit) and Big Move #3 (Pollution free cars, trucks and buses) of the Climate Emergency Response.

- B. THAT Council approve, in principle, changes to the Parking Meter By-law No. 2952 as detailed in this report and Appendix A;

FURTHER THAT Council authorize the Director of Legal Services to prepare and bring forward for enactment amendments to the Parking Meter By-law No. 2952 as generally outlined in Appendix A.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Council regulates stopping and parking on City streets in Street and Traffic Bylaw No. 2849 and Parking Meter Bylaw No. 2952.

In 2010, Council set rates for reserved on-street car sharing parking spaces and formalized the issuance of parking permits to car sharing vehicles that allows them to park in Residential Parking Permit (RPP) areas.

In 2012, Council approved Transportation 2040 which supports increased car sharing, and states that the City should continue to make priority on-street locations available.

In April 2019, Council approved a Climate Emergency Response report. Relevant sections of this report include:

- Big Move #2, which is to accelerate the existing sustainable transportation target by 10 years, so that by 2030, two-thirds of daily trips in Vancouver will be by active transportation and transit;
- Big Move #3, which calls for 50% of the kilometers driven on Vancouver's roads to be by zero emission vehicles by 2030;

In July 2019, Council approved the following updates to on-street car share parking policy to advance the goals of the Climate Emergency Response:

1. Allow one-way car sharing vehicles to end trips in metered parking areas;
1A. Allow a limited number of one-way zero emission car sharing vehicles to end trips in metered parking areas at a 50% discount;
2. Allow unpaid stopovers for actively rented car sharing vehicles in metered parking areas;
3. Waive parking permit fees for zero emission car sharing vehicles; and,
4. Charge a flat rate for reserved parking spaces for zero emission car sharing vehicles.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

Car sharing allows their members to choose less costly and more sustainable modes such as walking, cycling and transit, but provides access to a motor vehicle when necessary; it forms part of a robust multi-modal network and supports reduced car ownership.

Vancouver has taken pride in being the world leader in car sharing. Just six months ago, there were over 3500 car sharing vehicles operating in the Metro Vancouver area, with the majority of those operating within the City of Vancouver limits.

In July 2019, Council approved policy changes that:

- allows one-way car sharing vehicles to end trips in metered parking areas;
- allows unpaid stopovers for actively rented car sharing vehicles in metered parking areas;
- waives parking permit fees for a limited number of zero emission car sharing vehicles; and,
- charges a flat rate for reserved parking spaces for zero emission car sharing vehicles.

When the above noted policy changes were approved, staff were directed by Council to report back on the initial outcomes of these policy changes in fall 2020. There has, however, been a significant change in Vancouver's car sharing market: In November 2019, one-way car sharing operator, ShareNow (formerly Car2Go), announced its departure from the North American market. This change will remove 1500 car sharing vehicles from Metro Vancouver's streets. In light of this change, staff have accelerated the timeline to report back and propose changes to policies affecting one-way car sharing.

Strategic Analysis

Importance of Car Sharing to Vancouver’s Residents and Transportation Network

Approximately 34% of Vancouver adults (18+) have car sharing memberships and may be directly, or indirectly, impacted by the loss of ShareNow. This loss of service has the potential to set back many of the reductions in car dependency that Vancouver has achieved and may make the sustainable transportation and zero emission goals of the City’s Climate Emergency Response more difficult to realize.

In a 2016 study released by the Transportation Sustainability Research Centre, it was found that, in Vancouver, one-car sharing vehicle replaces two to nine private vehicles and allows households to reduce their annual vehicle related GHGs by up to 15%, on average. In this study, up to seven of the private vehicles replaced are vehicles that are foregone purchases (e.g. vehicles that people chose not to buy). Accordingly, there is a risk that individuals that have foregone purchasing a vehicle may choose to do so if there is a significant drop in the number of car sharing vehicles available.

Affordability is another reason why car sharing is popular in Vancouver. A 2017 VanCity survey found that 62% of respondents cited saving money as a common reason for using car sharing services. As all car sharing companies active within Vancouver are provided by third party services, the costs which these companies incur are ultimately passed down to customers by way of usage fees.

Parking Performance of Car Share Vehicles Using Meters

Currently, one-way car sharing vehicles are permitted to end trips in metered areas which provides convenience in commercial areas. Evo has taken advantage of this program since mid-October 2019 whereas ShareNow never opted to join this program. Evo has indicated to the City that comparing their October to December 2019 data to the same period in 2019, the total number of trips they served increased by 23%. When this service is used, car sharing organizations are required to pay the full cost for metered parking. These costs have been identified as a strain on the organizations’ business models.

Using parking session data collected through the Paybyphone app as a proxy for the average stay of private vehicles, staff were able to compare the average stay of car sharing vehicles to private vehicles. This comparison, summarized in Table 1 below, indicates that in November 2019 the average stay for a one-way car sharing vehicle is 33% shorter than for private vehicles during all metered hours and 48% shorter during peak parking hours.

Table 1 – One-Way Car Sharing Vehicle Average Stay vs. Private Vehicles (November 2019)

	Full Day (9AM - 10PM)	Peak Parking Hours (11AM - 3PM)
Private Vehicles (PayByPhone)	72 minutes	73 minutes
Car Sharing Vehicles (Evo Data)	47 minutes	38 minutes
% Difference	-33%	-48%

Although the turnover of one-way car sharing vehicles is less than private vehicles, the data analyzed by staff indicates that approximately 7% of all parking sessions exceeded the posted time limits of the meters (Car sharing vehicles that use meters today are not subject to time limits). Long-term stays of this nature have a negative impact on parking occupancy and are not intended use of most metered parking throughout the City.

One of the primary reasons for charging the full cost of metered parking to car sharing operators was to mitigate the impact of vehicles not turning over frequently and bunching together in certain areas. Now that Evo has used metered parking for several months, the data collected by the program, as well as a low number of public complaints, has shown that these potential issues have not significantly materialized. In fact, with the exception of stays that exceed the posted time limits, the positive parking performance of car sharing vehicles is a more significant contributor to the City's overall goal of achieving a target parking occupancy of 60 – 85%. Furthermore, these shorter stays also mean that a typical on-street metered parking space can serve more customers destined to a commercial area.

Recommended Approach

In response to the concerns arising from ShareNow leaving the market and the positive parking performance of car sharing vehicles parking at meters, staff recommend allowing car sharing vehicles to have a 35% discount for the time they are parked at a meters that falls within the posted time limit. To keep an incentive for car sharing organizations to relocate vehicles that stay for long periods of time, no discount should be applied for parking time that falls outside of the posted time limit. This discount is recommended to only be in place until the end of 2020. Staff will monitor the effectiveness and impact of the discounts and report back to Council, through the annual budgeting process or future Climate Emergency Response work, to recommend discounts that could apply in 2021 and beyond. The by-law amendments required to make the aforementioned changes can be found in Appendix A.

If this discount is approved by Council, the 50% metered parking discount for zero emission vehicles previously approved by Council in July 2019 would no longer be an significant incentive. Since no car sharing organizations have expressed interest in this incentive at this time, staff recommend discontinuing it and reporting back to Council at a later date with an updated alternative.

Implications/Related Issues/Risk

Financial

The proposed policy changes recommended in this report are expected to reduce the net revenue collected from car sharing vehicles parking at meters in 2020 by approximately \$200,000/year. Evo has already announced they are expanding their fleet by 250 vehicles in response to the departure of ShareNow; this increase has already been assumed in the calculation of net reduced revenue. Should Evo wish to expand further, or should another one way car sharing operator wish to enter the market, further revenue gains may be possible to offset the reduction in revenue.

Additionally, as ShareNow is leaving the market, the 2020 meter revenue generated by their dedicated spaces will be reduced by approximately \$100,000, and a lower than forecasted volume in car sharing vehicles parking at meters result in a further reduction of approximately \$150,000. While these two factors are a result of market condition and is not contingent on the recommendation in this report, together with the proposed policy changes would result in a net reduction in revenue of approximately \$450,000. The reduction in revenue will be managed within the 2020 operating budget, to be offset by additional revenue or operational savings.

Staff will report back to recommend discounts that could potentially apply in 2021 and beyond taking into account the impact of the 35% discount noted in this report (if approved by Council), the parking and transportation impacts of car sharing vehicles, and the long-term sustainability of revenue generated by the servicing one-way car sharing. Revenue impacts of 2021 will be incorporated into the 2021 annual budget process.

Climate Emergency

In July 2019, staff noted that every new household that takes advantage of one-way car sharing has the potential to reduce their greenhouse gas emissions by up to 15%. Accordingly, an 8% to 16% uptake in one-way car sharing could reduce carbon emissions by 1,400 to 2,700 tonnes per year. With the departure of ShareNow, there is a risk that these reductions may not be realized or previous reductions may be reversed. Providing discounts at metered parking space will help ensure a healthy car share market furthering decades of helping residents to be less car dependent.

Legal

In order to make the policy changes outlined within this report, changes to the Parking Meter By-law No. 2952 are required. A draft of the proposed amendments to the Parking Meter By-law can be found in Appendix A.

CONCLUSION

One-way car sharing forms an important part of forms part Vancouver's robust multi-modal network and supports reduced car ownership. The departure of ShareNow from the North American market has the potential to set back many of the transportation and sustainability gains made in Vancouver. To ensure a healthy car share market and in light of the positive parking performance of car sharing vehicles using meters today, staff recommend the metered parking discounts for one way car sharing vehicles as outlined in this report.

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**DRAFT By-law to amend Parking Meter By-law No. 2952
regarding updates to one-way car sharing metered parking policy**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting. This By-law would come into force and take effect on the date of its enactment.

1. This by-law amends the indicated provisions of the Parking Meter By-law No. 2952.

2. Council strikes out section 6(1)(d) and replaces it with:

“(d) Shared vehicles belonging to a one-way shared vehicle organization that are parked in a metered space by a member at the end of each of their rental periods, provided that the one-way shared vehicle organization has an agreement with the City Engineer to pay:

(i) 65% of the metered parking charges for parking time that is less than the parking time limit, and

(ii) 100% of the metered parking charges for parking time that exceeds the parking time limit.

The shared vehicle may remain parked in the metered space, without time limit, as long as it is not in contravention of any other stopping or parking regulations.”.

**DRAFT By-law to amend Parking Meter By-law No. 2952
regarding updates to one-way car sharing metered parking policy**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting. This By-law would come into force and take effect on January 1, 2021.

3. This by-law amends the indicated provisions of the Parking Meter By-law No. 2952.

4. Council strikes out section 6(1)(d) and replaces it with:

“(d) Shared vehicles belonging to a one-way shared vehicle organization that are parked in a metered space by a member at the end of each of their rental periods, provided that the one-way shared vehicle organization has an agreement with the City Engineer to pay 100% of the metered parking charges for parking time that exceeds the parking time limit. The shared vehicle may remain parked in the metered space, without time limit, as long as it is not in contravention of any other stopping or parking regulations.”.
