

San Francisco's City Car Share as a Model

In 2004, the 'San Francisco Gate' titled an article, "Thinking Globally, Acting Locally in 2004: Maybe It Was a Great Year After All." As the country dealt with various national and international problems, the paper published an optimistic article on the improvements in the San Francisco urban environment. One of the significant causes for the improvement was the 20% growth of a car share program titled "City Car Share".¹ During 2004, over 3,500 people used the cars for short trips around the Bay Area, keeping thousands of additional cars off the road. The program continues to grow and reduce the amount of car emissions from polluting the atmosphere and waters. Since the program heads into the seventh year with record users and has experienced the challenges in creating a car share program, it can serve as strong example for other cities to develop or improve their own program.

The basic entities of City Car Share include cars, people, and city support. When an individual wants to rent a car, they reserve their request online or on the phone. After a simple approval, the individual can pick up an electronic key and use the car for the period they signed for in any of locations in the map below, or others. Once they finish the trip, they return the car at the designated parking space they found it. Individuals pay a \$10 monthly fee and then \$4 per hour and \$.44 per mile, which includes gas and insurance. Also, a renter must pay a \$300 security deposit of which is fully



This maps shows some of the locations members can access vehicles in San Francisco. They cluster in center city as internet requests for the area increase. Source: City Car Share

refundable.² Once users understand the steps taken to rent a car, the program runs smoothly and quickly.

At an efficient rate, the program can produce benefits which not only mitigate pollution, but also facilitate the transportation of the user. As a renter, one never needs to worry about the logistical responsibility of owning a car, such as payments, insurance, or repairs. The program cleans and repairs the cars as necessary. A 24/7 customer service is available in case of

¹ Dicum, Gregory. "Thinking Globally, Acting Locally in 2004: Maybe It Was A Great Year After All." San Francisco Gate, December 22, 2004.

² City Car Share. www.citycarshare.com. September 15, 2007.

accidents, flat tires, or other car troubles.³ The city and program designate parking spaces for users only; therefore, parking is not a challenge. The program enables individuals to utilize the benefits of private-vehicles without the responsibilities and expenses associated with car ownership.⁴

Nonetheless, the public notes the capability of the program to limit pollution more often than the assistance to an individual. City Car Share helps to reduce the amount of total cars on the road. Fewer cars lead to less traffic, which prevents more pollution. Also, fewer cars relieve the demand for parking spots, which allocates areas for potential green space. Ultimately, the program improves the environment and driving experience for those not using the program as they enjoy a clean environment with less trafficked roads.⁵ Because of the ‘utilitarian’ characteristics of the program, city officials and citizens should look upon City Car Share as useful model so they can improve their city’s green design.

Despite the benefits of the program, challenges lie on the task of organizing a city wide program and changing the perception of using a car. Since the beginning of the automobile, American perceived the car as a personal item, one of which is stored in a garage or private driveway and used for personal desires. However, the program does not market to people who need their car on a daily basis and must own their own car. Instead, it markets to 1) People who do not have a car but sometimes wish they did; 2) those who have a car but do not need it every day; 3) anyone who has a second car they do not really need; and 4) someone with a car that just died and that does not need to be replaced.⁶ Essentially, it is decreasing the amount of unnecessary cars owned by offering a convenient alternative method. It is not trying to change the driving habits of every driver in the area.⁷

One way of which City Car Share overcame some of the organizational challenges is through the cooperation of several local nonprofits and the city of San Francisco. Sixteen organizations from San Francisco as well as Oakland and Berkeley collaborated with the local transportation agencies to develop a broad area program.⁸ Essential to this collaboration is the idea that it is the long-term goal to make City Car Share self-sufficient over a long period. The key organizations that help City Car Share work believe that the program must remain non-profit in

³ City Car Share (1)

⁴ City Car Share (1)

⁵ Shaheen, Susan A. et al. “U.S. Carsharing & Station Car Policy Considerations.” Transportation Research Record (TRR): April 2004.

⁶ City Car Share (1)

⁷ City Car Share. “Car-Sharing to Your Community.” 2004. pp 1-17.

⁸ Brook, David. “Carsharing – Start Up Issues and New Operation Models.” Transportation Research Board. January 2004.

order to focus on its mission. Each player has a responsibility that is just as important as the other sector's. For example, local transit agencies can provide parking spaces and help promote usage of the program. The city's government branch can provide parking spaces, oversee funding, and create financial incentives for large businesses to promote their employees to use the program. Non-profit organizations can educate people on the benefits of the program and help guide fundraising. As each sector fulfills its duties, they create a balance of opinions, which increases the likelihood of success.

San Francisco's City Car Share was one of the first successful car share programs in the county, and truly believes that a car share program must remain a non-profit. However, as programs increase throughout the country, many are privately invested. San Francisco's City Car Share naturally argues that a car share program must be non-profit. Although one of their publications state that there is no one perfect model and each city is different, they only publish positive notes for a non-profit model. The large difference they state is, "non-profit car-sharing groups, driven by mission instead of profit-motive, can prioritize their social change agenda. This means using pricing, member recruitment, and all other aspects of business strategy to reduce over-dependency on the automobile, instead of simply trying to get people to drive a lot using shared vehicles instead of their own. They can cater to a wider range of income groups, rather than simply focusing on wealthy populations."⁹ City Car Share believes that a non-profit organized program allow more efficient communication between the program, community-based organizations, and other public sector non-profits.



The University of Berkley contributes to the funding of City Car Share by donating some parking spots specifically for the program.
Source: www.treehugger.com/.../08/flexcar_goes_to.php

Ultimately, the deciding factor is where the capital will come from to create the program. Each city will have its own kinds of source, whether it is through private investment, foundations, or government grants.¹⁰ Nonetheless, a privately based program requires a large investment in cars, staff, parking spaces, and insurance. Also, most of the membership fees must be reinvested to provide essentials for growth, such as parking spaces and advertising. However, communication may be more efficient since there are less players.¹¹ In a non-profit based program, some of the

⁹ City Car Share (2) p. 15

¹⁰ Brooke, 3

¹¹ Brooke, 4

essentials may be donated or funded by other organizations. Despite the advantages and disadvantages of both types of programs, David Brook, a car share consultant, stated it is almost essential for a program to be a combination of private and non-profit.

Regardless of whether a car share program is private or non-profit, leaders must address six issues to ensure success: service usability, market, technology, organizational specialization, insurance, and purchasing discounts.¹² The only way for the program to be self-sufficient is to have individuals become members and rent the cars. The program's markets specific kinds of people, but they still need to be convinced to use the program. They are adapted to a specific lifestyle, whether that is using a private car, public transportation, or some other mode of transportation.¹³ The car share program needs to advertise its program dominantly through decals on its cars and parking spaces. City Car Share does this very well as demonstrated in the photograph below. By addressing the six issues, the organizers ensure the highest chance for the program to be successful.



City Car Share is able to market its program through bold advertising on its cars and parking spaces. Also, the neon colors and fashionable models demonstrates that driving through City Car Share is fun.

The state and local government funds car share programs to ensure the success of environmental benefits. However, very little data exists. Currently, 80 percent of the United States car share programs administer some kind of survey during the period of which a customer is a member.¹⁴ Only 33 percent conduct both pre and post-membership surveys tracking behavioral and attitude changes. Without this data, researchers cannot understand the effectiveness the program has on the city's drivers. Furthermore, only 13 percent of the United State's car share programs collect socio-economic data, which could help researchers understand the demographics of which use the program.¹⁵

Similar to the lack of social data, researchers cannot make concrete conclusions because of the lack of environmental data. A variety of programs measure the vehicle mileage traveled, auto ownership rates, and model shifts, but most research methods are inconsistent. European studies document that their programs on average experience a 30 to 70 percent decrease in vehicle mile traveled.¹⁶ American programs are not at the point to be able to conclude their programs are as

¹² Shaheen

¹³ Shaheen, 12

¹⁴ Cervo, Robert and Tsai, Yu-Hsin. "San Francisco CarShare: Travel Demand Trends and Second-Year Impacts." University of California at Berkeley, Institute of Urban and Regional Development. Working Paper, 2003-2005.

¹⁵ Cervo, 11

¹⁶ Cervo, 19

efficient. Yet, San Francisco is on key to be one of the first cities to conclude the efficiency of the program to produce environmental benefits.

In San Francisco, City Car Share teamed with Short Term Auto Rental Service in San Francisco, San Francisco Bay Area Station Car Program, and CarLink to publish short term, long term, and commuter-based car share conclusions. These studies should help researchers understand the unknowns, such as the change of membership behavior, the reduction of driving time, the impact of vehicle ownership, and the difference between using hybrid cars and regular cars. Other studies should be performed to find the correlation between car share and other modes of transportation like walking and cycling. However, the collaboration of the three research teams in San Francisco conclude that in a two year study 23 percent of member sold a personal vehicle, and 25 percent were able to avoid purchasing one.¹⁷

The City Car Share program is a great example of how to improve the efficiency of transportation in the city while improving the environmental quality. Nonetheless, it is only one of the many tools needed to improve the urban design. San Francisco's City Car Share demonstrates that the program can only target specific population. Although all drivers may benefit from the program, the program cannot change all drivers. Therefore, it is limited on the improvement in terms of the city's population. Additionally, City Car Share laments that great amount of funding is required to begin the program. Unlike public transportation, where improvements can be made in small steady steps, San Francisco needed enough cars, parking spaces, and other essentials so that they could market the efficiency of the program. If a member is dissatisfied with his first trial with City Car Share, they are not likely to use the program consistently.

Nonetheless, a car share program is an essential tool for cities to improve transportation efficiency and the environment. City Car Share should be used as a model for cities to create or improve their own car share program and have it run self sufficiently within five years. Its development of relationships with non-profits, government organizations, and private investors shows that leadership is necessary. Where some cities failed before San Francisco, City Car Share broke the barrier of failure and demonstrated that a program is not only possible, but very useful.

¹⁷ Cervo, 5

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