



Application

10357 - 2018 Travel Demand Management (TDM)

10804 - Closed Network Carshare Development

Regional Solicitation - Transit and TDM Projects

Status: Submitted  
Submitted Date: 07/11/2018 8:51 AM

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## Primary Contact

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<b>What Grant Programs are you most interested in?</b>	Regional Solicitation - Transit and TDM Projects			

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## Organization Information

**Name:** CAREFREELIFE  
**Jurisdictional Agency (if different):**

**Organization Type:** In-State not for profit  
**Organization Website:**  
**Address:** 2516 West 22nd Street  
  
\* Minneapolis Minnesota 55405  
City State/Province Postal Code/Zip  
**County:** Hennepin  
**Phone:\*** 612-310-4822  
Ext.  
**Fax:**  
**PeopleSoft Vendor Number**

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## Project Information

**Project Name** Closed Network Carshare Development  
**Primary County where the Project is Located** Hennepin, Ramsey  
**Cities or Townships where the Project is Located:** Minneapolis, St. Paul, Plus first ring suburbs  
**Jurisdictional Agency (If Different than the Applicant):**

**Brief Project Description (Include location, road name/functional class, type of improvement, etc.)**

The goal of this program is to bring a viable carshare option to areas of the metropolitan area not served by commercial carshare operations. These areas include neighborhoods surrounding the high frequency transit corridors that are outside the dense core of the cities. The program could be summarized as follows: The closed network carshare program allows a group of neighbors to own and operate a car together.

The closed network system has several advantages over commercial carshare that allows it to operate in lower density locations than commercial operations. 1. Users of Closed network carshare, make a larger monetary commitment than a typical commercial carshare operation. Where commercial carshare operations typically seek to eliminate fixed costs, the closed network program seeks to limit fixed costs not eliminate them. 2. Because the user group is smaller and more defined, some of the operating systems and technology required can be less robust than commercial operations or performed by members, lowering costs. 3. Lastly, Closed network carshare users are taxed as vehicle owners, not as commercial system users.

Program parameters: the cars, typically late model electric or hybrid vehicles, are purchased by CarFreeLife (Minnesota Non-profit), then they are leased under a specialized long-term lease and joint ownership agreement to neighbors interested in using the car. The specialized lease and joint ownership agreements allows members to get in and out of the lease in a more favorable way than if they were in a long-term lease with a typical car leasing company. CarFreeLife also provides operational support services and technologies that facilitate smooth operations.

The CarFreeLife plan includes two variations of closed network carshare, sponsored and non-sponsored. A sponsor is a non-user that benefits from the presence of the carshare vehicle in a

particular location. It could be an apartment building owner who wants to have a closed network carshare vehicle for residents of his or her building to join. Or it could be an office building that wants it as an amenity for tenants of the building to use. Sponsors of closed network carshare vehicles contribute by facilitating the vehicle in a number of ways. These may include a parking spot or garage space for the vehicle, or power for charging in the case of electric vehicles. They may also include economic incentives or guarantees that change the risk factors associated with placing the vehicle in a particular location.

*(Limit 2,800 characters; approximately 400 words)*

**TIP Description Guidance (will be used in TIP if the project is selected for funding)**

Closed Network Carshare program to facilitate shared mobility solutions among neighbors

**Project Length (Miles)**

0

*to the nearest one-tenth of a mile*

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## Project Funding

**Are you applying for competitive funds from another source(s) to implement this project?**

No

**If yes, please identify the source(s)**

**Federal Amount**

\$160,000.00

**Match Amount**

\$40,000.00

*Minimum of 20% of project total*

**Project Total**

\$200,000.00

**Match Percentage**

20.0%

*Minimum of 20%*

*Compute the match percentage by dividing the match amount by the project total*

**Source of Match Funds**

CarFreeLife Inc. A Minnesota not for profit

*A minimum of 20% of the total project cost must come from non-federal sources; additional match funds over the 20% minimum can come from other federal sources*

**Preferred Program Year**

**Select one:**

2020

*Select 2020 or 2021 for TDM projects only. For all other applications, select 2022 or 2023.*

**Additional Program Years:**

*Select all years that are feasible if funding in an earlier year becomes available.*

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## Project Information-Transit and TDM

<b>County, City, or Lead Agency</b>	Minneapolis, St Paul, Richfield, St Louis Park, Edina, Bloomington, Brooklyn Center, Columbia Hts, Fridley, New Brighton, Roseville, St Anthony, Maplewood, North St Paul, Arden Hills, Falcon Heights, Shoreview, Crystal, Golden Valley, Robbinsdale.
<b>Zip Code where Majority of Work is Being Performed</b>	0
<b>Total Transit Stops</b>	0
<b>TERMINI:(Termini listed must be within 0.3 miles of any work)</b>	
<b>From: (Intersection or Address)</b>	NA
<b>To: (Intersection or Address)</b>	NA
<i>DO NOT INCLUDE LEGAL DESCRIPTION</i>	
<b>Or At: (Intersection or Address)</b>	NA
<b>Name of Park and Ride or Transit Station:</b>	NA
<i>e.g., MAPLE GROVE TRANSIT STATION</i>	
<b>(Approximate) Begin Construction Date</b>	10/01/2019
<b>(Approximate) End Construction Date</b>	09/30/2021
<b>Primary Types of Work</b>	Education
<i>Examples: GRADE, AGG BASE, BIT BASE, BIT SURF, SIDEWALK, CURB AND GUTTER, STORM SEWER, SIGNALS, LIGHTING, GUARDRAIL, BIKE PATH, PED RAMPS, PARK AND RIDE, ETC.</i>	

## Requirements - All Projects

### All Projects

1. The project must be consistent with the goals and policies in these adopted regional plans: Thrive MSP 2040 (2014), the 2040 Transportation Policy Plan (2015), the 2040 Regional Parks Policy Plan (2015), and the 2040 Water Resources Policy Plan (2015).

**Check the box to indicate that the project meets this requirement. Yes**

2. The project must be consistent with the 2040 Transportation Policy Plan. Reference the 2040 Transportation Plan goals, objectives, and strategies that relate to the project.

## 2040 Transportation Policy Plan

Page 62

Goal: Access to Destinations

Objectives: A. Increase availability of multimodal travel options, especially in congested corridors. D. Increase transit ridership and the share of trips using transit, bicycling, and walking. E. Improve Multimodal travel options for people of all ages and abilities to connect to jobs and other opportunities, particularly for historically underrepresented populations.

Page 63:

Strategies: Multimodal options include a variety of transit services from bus and train service to dial-a-ride or shared ride, as well as bicycling and walking.

Page 64:

List the goals, objectives, strategies, and associated pages:

Goal: Competitive Economy

Objective: A. Improve multimodal access to regional job concentrations identified in Thrive MSP 2040.

B. Invest in multimodal transportation systems to attract and retain businesses and residents.

strategies: Providing people safe and convenient transportation choices such as walking, bicycling, and transit can remove cars from highways and streets, and increase quality of life for everyone. An integrated multimodal transportation system helps to retain and grow existing businesses and industries, and attract new ones. It also attracts and retains talent, which the market shows is increasingly seeking a less auto-dependent lifestyle.

Page 66:

Goal: Healthy Environment

Objectives: A. Reduce transportation-related air emissions. C. Increase the availability of transit, bicycling, and walking to encourage healthy communities and active car-free lifestyles.

Page 68:

Strategies: Transportation can play a significant role in fostering personal and community health by increasing pedestrian and bicycle infrastructure, including connectivity of these facilities region-wide.

Page 70:

Goal: Leveraging transportation investment to Guide Land Use.

Objective: A. Focus regional growth in areas that support the full range of multimodal travel.

Page 72:

Strategies: More walkable and bikeable communities where residents can choose to use their car less (or not at all) to go shopping, get to transit a stop or station, get to work and school and recreation areas.

*3. The project or the transportation problem/need that the project addresses must be in a local planning or programming document. Reference the name of the appropriate comprehensive plan, regional/statewide plan, capital improvement program, corridor study document [studies on trunk highway must be approved by the Minnesota Department of Transportation and the Metropolitan Council], or other official plan or program of the applicant agency [includes Safe Routes to School Plans] that the project is included in and/or a transportation problem/need that the project addresses.*

## The Minneapolis Comprehensive Plan

### Page 2-1: Transportation

Minneapolis will build, maintain and enhance access to multi-modal transportation options for residents and businesses through a balanced system of transportation modes that supports the city's land use vision, reduces adverse transportation impacts, decreases the overall dependency on automobiles, and reflects the city's pivotal role as the center of the regional transportation network.

### Building the City through Multi-modalism

The concept of a multi-modal system is one that integrates a wide range of transportation choices into a functioning, flexible network. The City continues to encourage investment in an interconnected multi-modal transportation system that supports sustainable growth.

List the applicable documents and pages:

### City of St. Paul Comprehensive Plan / Transportation

#### Page 10:

#### Strategy 2: Provide Balance and Choice

A more balanced system spurs new opportunities for infill housing and economic development that can be served predominantly by modes other than the single occupancy automobile.

#### Page 12:

#### 2.7 Expand Commuter Options with Travel Demand Management.

- b. Explore individual incentives, employer programs, and parking policies that encourage alternatives to single occupancy automobiles.
- c. Support the work of public agencies and the private sector to market transit, carpooling, biking

and walking, flexible work hours, and telecommuting.

4. The project must exclude costs for studies, preliminary engineering, design, or construction engineering. Right-of-way costs are only eligible as part of transit stations/stops, transit terminals, park-and-ride facilities, or pool-and-ride lots. Noise barriers, drainage projects, fences, landscaping, etc., are not eligible for funding as a standalone project, but can be included as part of the larger submitted project, which is otherwise eligible.

**Check the box to indicate that the project meets this requirement. Yes**

5. Applicants that are not cities or counties in the seven-county metro area with populations over 5,000 must contact the MnDOT Metro State Aid Office prior to submitting their application to determine if a public agency sponsor is required.

**Check the box to indicate that the project meets this requirement. Yes**

6. Applicants must not submit an application for the same project elements in more than one funding application category.

**Check the box to indicate that the project meets this requirement. Yes**

7. The requested funding amount must be more than or equal to the minimum award and less than or equal to the maximum award. The cost of preparing a project for funding authorization can be substantial. For that reason, minimum federal amounts apply. Other federal funds may be combined with the requested funds for projects exceeding the maximum award, but the source(s) must be identified in the application. Funding amounts by application category are listed below.

**Transit Expansion:** \$500,000 to \$7,000,000

**Transit Modernization:** \$100,000 to \$7,000,000

**Travel Demand Management (TDM):** \$75,000 to \$500,000

**Check the box to indicate that the project meets this requirement. Yes**

8. The project must comply with the Americans with Disabilities Act (ADA).

**Check the box to indicate that the project meets this requirement. Yes**

9. In order for a selected project to be included in the Transportation Improvement Program (TIP) and approved by USDOT, the public agency sponsor must either have, or be substantially working towards, completing a current Americans with Disabilities Act (ADA) self-evaluation or transition plan that covers the public right of way/transportation, as required under Title II of the ADA.

**The applicant is a public agency that employs 50 or more people and has an adopted ADA transition plan that covers the public right of way/transportation.**

Date plan adopted by governing body

**The applicant is a public agency that employs 50 or more people and is currently working towards completing an ADA transition plan that covers the public rights of way/transportation.**

Date process started

Date of anticipated plan completion/adoption

**The applicant is a public agency that employs fewer than 50 people and has a completed ADA self-evaluation that covers the public rights of way/transportation.**

Date self-evaluation completed

**The applicant is a public agency that employs fewer than 50 people and is working towards completing an ADA self-evaluation that covers the public rights of way/transportation.**

Date process started

Date of anticipated plan completion/adoption

**(TDM Applicants Only) The applicant is not a public agency subject to the self-evaluation requirements in Title II of the ADA. Yes**

10. The project must be accessible and open to the general public.

**Check the box to indicate that the project meets this requirement. Yes**

11. The owner/operator of the facility must operate and maintain the project year-round for the useful life of the improvement, per FHWA direction established 8/27/2008 and updated 6/27/2017.

**Check the box to indicate that the project meets this requirement. Yes**

12. The project must represent a permanent improvement with independent utility. The term independent utility means the project provides benefits described in the application by itself and does not depend on any construction elements of the project being funded from other sources outside the regional solicitation, excluding the required non-federal match.

Projects that include traffic management or transit operating funds as part of a construction project are exempt from this policy.

**Check the box to indicate that the project meets this requirement. Yes**

13. The project must not be a temporary construction project. A temporary construction project is defined as work that must be replaced within five years and is ineligible for funding. The project must also not be staged construction where the project will be replaced as part of future stages. Staged construction is eligible for funding as long as future stages build on, rather than replace, previous work.

**Check the box to indicate that the project meets this requirement. Yes**

14. The project applicant must send written notification regarding the proposed project to all affected state and local units of government prior to submitting the application.

**Check the box to indicate that the project meets this requirement. Yes**

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## Requirements - Transit and TDM Projects

### For Transit Expansion Projects Only

1. The project must provide a new or expanded transit facility or service (includes peak, off-peak, express, limited stop service on an existing route, or dial-a-ride).

**Check the box to indicate that the project meets this requirement.**

2. The applicant must have the capital and operating funds necessary to implement the entire project and commit to continuing the service or facility project beyond the initial three-year funding period for transit operating funds.

**Check the box to indicate that the project meets this requirement.**

### Transit Expansion and Transit Modernization projects only:

3. The project is not eligible for either capital or operating funds if the corresponding capital or operating costs have been funded in a previous solicitation. However, Transit Modernization projects are eligible to apply in multiple solicitations if new project elements are being added with each application. Each transit application must show independent utility and the points awarded in the application should only account for the improvements listed in the application.

**Check the box to indicate that the project meets this requirement.**

4. The applicant must affirm that they are able to implement a Federal Transit Administration (FTA) funded project in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices. Furthermore, the applicant must certify that they have the technical capacity to carry out the proposed project and manage FTA grants in accordance with the grant agreement, sub recipient grant agreement (if applicable), and with all applicable laws. The applicant must certify that they have adequate staffing levels, staff training and experience, documented procedures, ability to submit required reports correctly and on time, ability to maintain project equipment, and ability to comply with FTA and grantee requirements.

**Check the box to indicate that the project meets this requirement.**

### Travel Demand Management projects only:

The applicant must be properly categorized as a subrecipient in accordance with 2CFR200.330.

**Check the box to indicate that the project meets this requirement. Yes**

The applicant must adhere to Subpart E Cost Principles of 2CFR200 under the proposed subaward.

**Check the box to indicate that the project meets this requirement. Yes**

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## Specific Roadway Elements

**CONSTRUCTION PROJECT ELEMENTS/COST ESTIMATES****Cost**

Mobilization (approx. 5% of total cost)	\$0.00
Removals (approx. 5% of total cost)	\$0.00
Roadway (grading, borrow, etc.)	\$0.00
Roadway (aggregates and paving)	\$0.00
Subgrade Correction (muck)	\$0.00
Storm Sewer	\$0.00
Ponds	\$0.00
Concrete Items (curb & gutter, sidewalks, median barriers)	\$0.00
Traffic Control	\$0.00
Striping	\$0.00
Signing	\$0.00
Lighting	\$0.00
Turf - Erosion & Landscaping	\$0.00
Bridge	\$0.00
Retaining Walls	\$0.00
Noise Wall (not calculated in cost effectiveness measure)	\$0.00
Traffic Signals	\$0.00
Wetland Mitigation	\$0.00
Other Natural and Cultural Resource Protection	\$0.00
RR Crossing	\$0.00
Roadway Contingencies	\$0.00
Other Roadway Elements	\$0.00
<b>Totals</b>	<b>\$0.00</b>

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**Specific Bicycle and Pedestrian Elements****CONSTRUCTION PROJECT ELEMENTS/COST ESTIMATES****Cost**

Path/Trail Construction	\$0.00
Sidewalk Construction	\$0.00
On-Street Bicycle Facility Construction	\$0.00
Right-of-Way	\$0.00
Pedestrian Curb Ramps (ADA)	\$0.00
Crossing Aids (e.g., Audible Pedestrian Signals, HAWK)	\$0.00

Pedestrian-scale Lighting	\$0.00
Streetscaping	\$0.00
Wayfinding	\$0.00
Bicycle and Pedestrian Contingencies	\$0.00
Other Bicycle and Pedestrian Elements	\$0.00
<b>Totals</b>	<b>\$0.00</b>

## Specific Transit and TDM Elements

<b>CONSTRUCTION PROJECT ELEMENTS/COST ESTIMATES</b>	<b>Cost</b>
Fixed Guideway Elements	\$0.00
Stations, Stops, and Terminals	\$0.00
Support Facilities	\$0.00
Transit Systems (e.g. communications, signals, controls, fare collection, etc.)	\$0.00
Vehicles	\$0.00
Contingencies	\$0.00
Right-of-Way	\$0.00
Other Transit and TDM Elements	\$150,000.00
<b>Totals</b>	<b>\$150,000.00</b>

## Transit Operating Costs

Number of Platform hours	0
Cost Per Platform hour (full loaded Cost)	\$0.00
Subtotal	\$0.00
Other Costs - Administration, Overhead, etc.	\$50,000.00

## Totals

Total Cost	\$200,000.00
Construction Cost Total	\$150,000.00
Transit Operating Cost Total	\$50,000.00

## Measure A: Project's Use of Existing Infrastructure

The high frequency transit network is the principle public infrastructure our project capitalizes on and is supportive of. The strategy of this program is to focus on areas that have access to most of the alternative transportation solutions, except an effective commercial carshare option. That leads to a trade area that is focused inside the freeway loop (494/694), outside the downtown and core areas of the Twin Cities covered by commercial carshare operations and concentrated along and around the high frequency transit corridors. Particularly, the portions of the high frequency transit corridors that are outside the core downtown areas, that are already served by existing commercial carshare services. These include the following corridors: The 5 Route south of 36th street along Chicago Avenue; the 11 Route south of 36th street on 4th Avenue; the 18 Route south on 36th street on Nicollet; the 515 Route along 66th Street; the Blue Line south of 36th Street; the A line south of Summit Ave.; the 54 Route south of Downtown St. Paul; the 10 Route and 11 Route and A line North of Larpenteur and East Hennepin along Central Avenue's and Snelling Avenues North. And the 19 Line on Penn Avenue North and the 64 Route in North St. Paul.

**Response:**

Getting people to relinquish cars involves delivering a critical mass of transportation alternatives to car-ownership, in both a convenient and cost-effective manner. It includes bike trails, transit, rideshare & vanpooling programs, rentals, carshare, and ride-sourcing TNCs like Uber and Lyft. All are important elements in delivering alternatives to the households that decide to reduce their dependence on individually owned vehicles. Each new element added to an area creates enough critical mass for some new households to relinquish a car. To reach the most potential users for the closed network carshare program, the strategy is to focus on areas that already have some or most of the alternative elements in place, but, are perhaps not quite dense

enough to support commercial carshare vehicles.

*(Limit 2,800 characters; approximately 400 words)*

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## **Measure A: Average Weekday Users**

**Average Weekday Users**

1000

100 cars x 10 users per car = 1000 weekday users. We expect the closed network carshare strategy to put one hundred (100) new carshare cars into service. Each car will have approximately 10 members and eliminate approximately 10 cars. According to the Economist magazine (22, September 2012, Seeing the back of the car) as many as 15 cars are eliminated for every carshare car placed into service through a commercial carshare operation. We anticipate the Closed Network Carshare to have slightly fewer members. Additionally, carshare use tends to reduce miles traveled by users 40 to 60% according to a study: (Evaluating Carshare, by Victoria Transportation Policy Institute 2015). While there are not specific statistics available for closed network carshare, I anticipate smaller groups per car than in a commercial carshare system, but higher car elimination and usage rates, because of greater convenience and a greater financial commitment by the users.

**Response:**

Carshare members reduce their dependence on owned vehicles, reduce their households overall transportation costs, and reduce vehicle miles traveled. These user benefits translate into significant community benefits as well; including, reduced congestion and emissions, the generation of a community space dividend, and user support for public transit and other alternatives to individual car ownership and use.

According to the Twin Cities Shared Mobility Action Plan: Goal 1. Is to reduce the number of vehicles on the roads in Minneapolis and St. Paul by 20,000 (5%) within five (5) years. Doing so, according to the plan would reduce vehicle miles traveled by 200 million miles, avoid 80,000 metric tons of annual greenhouse gas emissions, and save residents more than \$70 million each year in household transportation costs. To translate those benefits into annual per car savings we would divide them by 20,000 cars. VMT reductions are therefore

10,000 miles per car per year (200 million VMT / 20,000 cars = 10,000 miles per car in annual VMT reductions). Greenhouse gas emissions saving per car are four (4) metric tons (80,000 metric tons / 20,000 cars= 4). And Annual household savings per car are \$3,500 per car (\$70 million / 20,000 cars = \$3,500. Annual savings).

*(Limit 2,800 characters; approximately 400 words)*

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## **Measure A: Project Location and Impact to Disadvantaged Populations**

The Closed Network Carshare project area includes all areas inside 494/694 beltway, however, the areas of primary focus are those corridors served by high frequency transit routes. Particularly, the portions of those routes outside the downtowns and core areas that are served by commercial carshare operations. These include the following corridors: The 5 Route south of 36th street along Chicago Avenue; the 11 Route south of 36th street on 4th Avenue; the 18 Route south on 36th street on Nicollet; the 515 Route along 66th Street; the Blue Line south of 36th Street; the A line south of Summit Ave.; the 54 Route south of Downtown St. Paul; the 10 Route and 11 Route and A line North of Larpenteur and East Hennepin along Central Avenue's and Snelling Avenues North. And the 19 Line on Penn Avenue North and the 64 Route in North St. Paul. These areas include some of the most disadvantaged areas in the Twin Cities.

Response (Limit 2,800 characters; approximately 400 words)

The Closed network carshare program has beneficial effects on the disadvantaged communities in several important ways: 1. It reduces the cost of living for participating households. The cost of housing and transportation combined is over 50% of income for many households. Being able to get by with less individual car ownership represents a large raise in household discretionary income that can go to other needs. 2. Because most car costs leave the local economy in the form of fuel and depreciation, and because car savings are more likely to be spent in the local economy, a University of Minnesota Economic Impact study initiated by CarFreeLife, estimates that over \$5,500.00 per year in new economic output is generated in the local economy every time a community member relinquishes a car. This has the effect of giving everybody in the community a raise. 3. Neighborhoods where residents can live without owning a car, are more equitable than those

neighborhoods where an individually owned car is necessary to get to school or a job or daycare or buy groceries. And greater equity leads to greater diversity and attracts more employers.

Carshare is an important alternative transportation strategy that fills different travel occasion niches than any of the other alternatives. Bringing a form of carshare to areas that are outside the trade areas of commercial operations is an important development, particularly for households and neighborhoods that are disadvantaged.

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## Measure B: Affordable Housing

City/Township	Population in each city/township	Score	City Population/Total Population	Housing Score Multiplied by Population percent
Minneapolis	12262.0	100.0	0.06	6.276
St. Paul	30077.0	100.0	0.15	15.393
Richfield	2926.0	76.0	0.01	1.138
St. Louis Park	12924.0	96.0	0.07	6.35
Edina	13063.0	91.0	0.07	6.084
Bloomington	7486.0	100.0	0.04	3.831
Brooklyn Center	9785.0	100.0	0.05	5.008
Columbia Heights	14146.0	97.0	0.07	7.023
Fridley	10812.0	84.0	0.06	4.648
New Brighton	9894.0	67.0	0.05	3.393
Roseville	0	70.0	0	0
St. Anthony	2508.0	78.0	0.01	1.001
Maplewood	18181.0	85.0	0.09	7.909
North St. Paul	3351.0	75.0	0.02	1.286
Arden Hills	12389.0	57.0	0.06	3.614
Falcon Heights	1199.0	38.0	0.01	0.233
Shoreview	6024.0	92.0	0.03	2.836
Crystal	3182.0	98.0	0.02	1.596
Golden Valley	12257.0	90.0	0.06	5.646
Robbinsdale	12654.0	90.0	0.06	5.829

Eagan	263.0	84.0	0	0.113
Mendota Heights	11.0	22.0	0	0.001
				<b>89</b>

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## Affordable Housing Scoring

**Total Population** 195394.0

**Total Housing Score** 89.21

**Upload "Regional Economy" map** 1530928579577\_TC Reg Econ Closed Network Carshare.pdf

*Click on 'Edit' button on top right of page*

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## Measure A: Areas of Traffic Congestion and Reduction in SOV Trips

The Closed network carshare program will focus on the high frequency transit corridors, that are outside the downtowns and core areas of the city that are already covered by commercial carshare operations. These include the following corridors: The 5 Route south of 36th street along Chicago Avenue; the 11 Route south of 36th street on 4th Avenue; the 18 Route south on 36th street on Nicollet; the 515 Route along 66th Street; the Blue Line south of 36th Street; the A line south of Summit Ave.; the 54 Route south of Downtown St. Paul; the 10 Route and 11 Route and A line North of Larpenteur and East Hennepin along Central Avenue and Snelling Avenue North. And the 19 Line on Penn Avenue North and the 64 Route in North St. Paul. These routes include some of the highest density and highest congested areas of the Twin Cities.

Carshare reduces congestion and reduces single occupancy vehicle trips in several ways: First, it results in reductions in Vehicle miles traveled, and second, it contributes to increases in mode shift. Reductions in VMT: Studies suggest that people who use carshare reduce their overall vehicle miles traveled by between 40% and 60%. So, if the typical urban car owner drives 10,000 miles or more a year, and if 50% or more of those miles are single occupant miles, that means that the typical owner drives at least 5000 SOV miles per year. If we reduce the over-all miles by 50% for the carshare participant, and then apply the SOV distinction to the reduced mileage, we get 2500 SOV miles, or a reduction of 2500 miles per carshare participant. Then we have to multiply 2500 mile SOV reduction by the number of cars eliminated per carshare car which we have said was 10, resulting in the elimination of 25000 SOV miles per year.

Mode shift: According to a study by the Shared Use Mobility Center, (Shared Mobility and Transformation of Public Transit, TCRP J-

Response:

11/Task21) key findings included: Finding 1. The more people use shared modes (like carshare) the more likely they are to use public transit, own fewer cars, and spend less on transportation overall. Finding 2. Shared modes compliment public transit. So if a household joins a carshare, and reduces their dependence on individually owned cars, they use transit and other shared modes more and presumably travel less SOV miles.

*(Limit 2,800 characters; approximately 400 words)*

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## Measure B: Emissions Reduction

Number of Daily One-Way Commute Trips Reduced:	900
Average Commute Trip Length (Default 12.1):	12.1
VMT Reduction	10890.0
CO Reduced	26027.1
NOx Reduced	1742.4
CO2e Reduced	3992274.0
PM2.5 Reduced	54.45
VOCs Reduced	326.7

10,000 annual vehicle miles traveled (typical urban owned car) x (40%) VMT reduction for carshare users = 4,000 VMT reduction per user. Divided by 12.1 miles per trip = 330 trips per year reduced per user. Multiplied by 10 users per car = 3300 annual trip savings per car placed in service. Divided by 365 days = 9 trips per car per day. Multiplied by 100 cars placed in service = 900 daily trip reductions.

Reductions in VMT: According to a study titled, Evaluating Carshare by Victoria Transportation Policy Institute 2015, carshare use reduces VMT by 40 to 60% for the typical carshare user.

CarFreeLifes Closed network carshare program contributes to emissions reductions in three important ways: First, is reductions in Vehicle miles traveled (VMT), second, is reductions in single occupancy vehicle (SOV) trips and more use of shared mobility and transit use, and third, by providing people more efficient vehicles for the miles they do travel by car.

Reductions in SOV: According to a study by the Shared Use Mobility Center, (Shared Mobility and Transformation of Public Transit, TCRP J-11/Task21) key findings included: Finding 1. The more people use shared modes (like carshare) the more likely they are to use public transit, own fewer cars, and spend less on transportation overall. Finding 2. Shared modes compliment public transit. So if a household joins a carshare, and reduces their dependence on individually owned cars, they use transit and other shared modes more and presumably travel less SOV miles.

Efficient Hybrids and Electric plug in vehicles: CarFreeLifes closed network carshare program intends to focus on late model, but not necessarily new, hybrid and plug in electric vehicles. We want to provide not just an alternative to owning a vehicle but also a chance for the consumer to drive a more economically and emission efficient vehicle.

Response:

The Twin Cities Shared Mobility Action Plan goal of reducing the number of cars in the Twin Cities by 5% (20,000 vehicles) within five years, will result in a reduction of 80,000 metric tons of greenhouse gas emission annually.

*(Limit 2,800 characters; approximately 400 words)*

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## **Measure A: Project Innovation**

Carshare is an important alternative to individually owned cars. It serves a unique niche and is favored on certain travel occasions that are not easily replaced by other alternative strategies. Despite its importance in allowing people to relinquish a car, carshare has proven to be fragile in terms of its economics. Here in the Twin Cities in the past couple years we have lost multiple operators and well over half of the carshare cars that were once offered. Several factors contributed to the economic performance that caused these carshare operations to pull back in the Twin Cities:

First, are sales and use taxes: Carshare cars are classified as rental cars and are subject to sales and use taxes of almost 20%.

Among the innovations that allow the closed network carshare system to be economic, is the unique joint ownership structure that allows the users to be taxed as individuals who own a car for their own use, rather than as a commercial operator that is required to charge and pay sales and use taxes on its use.

Second, typical carshare models work by converting the fixed costs of car ownership into variable costs tied to the members usage. Whether we are talking about a one-way roving carshare model, or a station-based model, the economics of converting all fixed costs to all variable costs, requires many users per car (50 or more in most cases). That means that traditional carshare models are only viable in the parts of the city that have the greatest densities.

The closed network system is different because it requires the users to pay some fixed costs. It requires a smaller group of people using the car more often. The benefits are lowered costs but not necessarily elimination of fixed costs.

Additionally, the closed network carshare system is designed to empower and facilitate members not to create a one-size fits all solution for them. Un-like traditional rental or carshare operations the

Response:

neighbors who are jointly operating a closed network carshare car can have more flexibility to decide the kind and age and value of vehicle they choose to have as well as afford them some operational flexibility. This leads to lower depreciation and operating costs.

The carshare innovations that CarFreeLife is bringing to the table are designed to broaden the reach of carshare in the Twin Cities.

*(Limit 2,800 characters; approximately 400 words)*

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## Measure A: Organization's Experience and Resources

CarFreeLife Inc. is a Minnesota not for profit organization dedicated to promoting and facilitating voluntary car-free and car-light living in the Twin Cities. We are a small organization with limited overhead, so we can pour most of the funds we receive into programs. In the past we have sponsored and produced several important research efforts including, an Economic Impact Analysis conducted by the University of Minnesota on the community economic impact of residents relinquishing cars, a consumer market study on the potential effectiveness of utilizing the airport rental car facilities to support car-light living, and an analysis of car registration patterns in the Twin Cities.

**Response:**

Additionally, CarFreeLife was awarded a CMAQ grant from the most recent regional solicitation that was begun in October 2017. While we are still in the early portions of the work associated with that award, we are very excited about results so far.

*(Limit 1,400 characters; approximately 200 words)*

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## Measure B: Project Financial Plan

**Project funding sources are identified and secured to continue the project past the initial funding period, and/or carry on the project to a future phase:**

25 Points

**Applicant has identified potential funding sources that could support the project beyond the initial funding period:**

Yes

15 Points

**Applicant has not identified funding sources to carry the project beyond the initial funding period:**

0 Points

The market leverage or efficiencies to the Joint Ownership User Group provided by the Closed Network Carshare Program come from several strategies (diagram in brochure attached to this proposal): 1. The use of Program Related Investments (PRIs) for below market financing for the cars (see letter attached from Venn Foundation). 2. In some cases, the use of sponsor contributions to provide incentives and or operating benefits or discounts or other benefits associated with symbiotic services or organizations. 3. Sales and use tax advantages vs. commercial carshare. 4. The ability of owner/members to select a vehicle that is several years old and past its heavy depreciation period. 5. Operational efficiencies provided by the Joint Ownership User Group. 6. Management and operational services, technology, legal templates, and educational marketing, and facilitation provided by CarFreeLife.

**Response:**

The carshare vehicles will be purchased by CarFreeLife using low interest Program Related Investment (PRI) debt. The carshare vehicles are then leased under a specially developed long-term lease (part of the Participation agreement) to the Joint Ownership User Group.

The Participation Agreement also includes fee for service arrangements for management technology and operational services, including: legal infrastructure, management software and systems. These services are paid for by the Joint Owner User Group in the form of monthly fees to CarFreeLife.

Additional operational services or user incentives or benefits may be provided to the Joint Ownership User Group through a contract between a sponsor (could be an apartment bldg. owner or another type of business that wants to do business with the User Group) and CarFreeLife. These could include use of a parking space, charging energy, financial incentives or guarantees, or discounts to the Joint Ownership User Group provided by symbiotic

supplier services.

All capital and operating costs associated with the purchase and management of the vehicle is paid for by the Joint Ownership Users and financed by CarFreeLife using PRI debt secured by the vehicles. The remaining soft costs needed to make this plan go is educational marketing.

Educational marketing to teach prospective Closed Network Carshare Users, potential sponsors, and suppliers the benefits, costs, and obligations of entering or forming a Joint Ownership User Group is the subject of this application. CarFreeLife plans to use any funds derived from this application to provide and enhance our electronic social media presence. To develop and disseminate print media explaining the program, and to provide counselors to work with groups trying to organize.

*(Limit 2,800 characters; approximately 400 words)*

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### **Measure A: Cost Effectiveness**

<b>Total Project Cost (entered in Project Cost Form):</b>	\$200,000.00
<b>Enter Amount of the Noise Walls:</b>	\$0.00
<b>Total Project Cost subtract the amount of the noise walls:</b>	\$200,000.00
<b>Points Awarded in Previous Criteria</b>	
<b>Cost Effectiveness</b>	\$0.00

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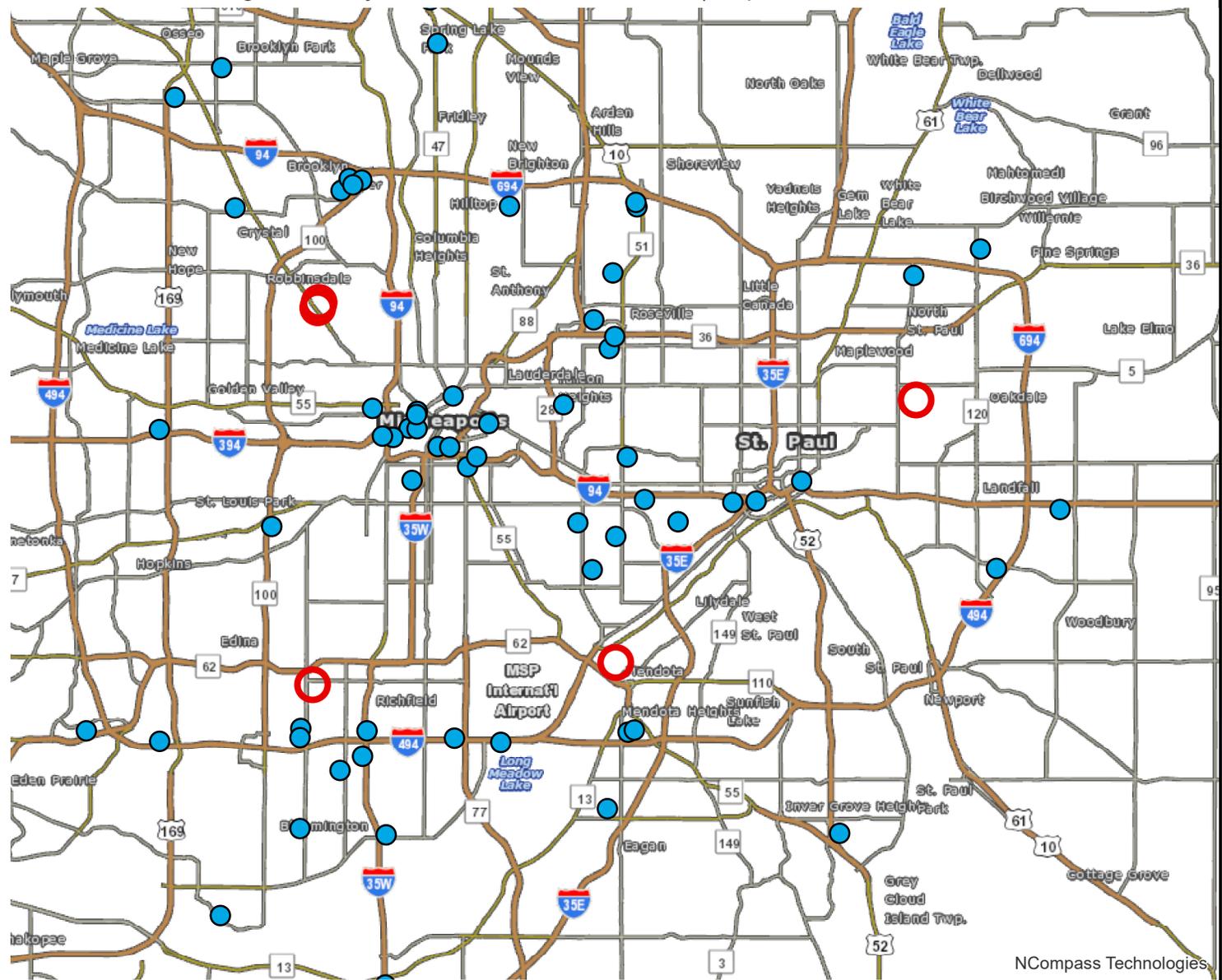
### **Other Attachments**

<b>File Name</b>	<b>Description</b>	<b>File Size</b>
Minneapolis.docx	Required Municipal Notification Letters.	38 KB
One Page Project Summary.pdf	Project Summary Description	112 KB
Project Budget Closed Network Carshare.pdf	Project Budget: Closed Network Carshare Development	129 KB
TC Reg Econ Closed Network Carshare.pdf	Project Area Regional Economy Map Closed Network Carshare	6.9 MB
TC Socio Econ Closedf Network Carshare.pdf	Project Socio-Economic Map Closed Network Carshare	7.1 MB
Tri-fold Neighbor-Car Brochure.pdf	Closed Network Carshare Brochure	411 KB
Venn PRI Description.pdf	Program Related Investment (PRI) Financing Proposal	117 KB

# Regional Economy

- Edina**  
Population: 22000  
Employment: 32184  
Mfg and Dist Employment: 985
- Fort Snelling (unorg.)**  
Population: 133  
Employment: 2282  
Mfg and Dist Employment: 204
- Golden Valley**  
Population: 3909  
Employment: 215  
Mfg and Dist Employment: 13
- Lilydale**  
Population: 563  
Employment: 217  
Mfg and Dist Employment: 20
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Employment: 2319  
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- Mendota Heights**  
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- Richfield**  
Population: 7540  
Employment: 1790  
Mfg and Dist Employment: 56
- Robbinsdale**  
Population: 10758  
Employment: 6077  
Mfg and Dist Employment: 136
- St. Paul**  
Population: 29642  
Employment: 3519  
Mfg and Dist Employment: 422

Travel Demand Management Project: Closed Network Carshare | Map ID: 1530928266577



- Project Points
- Postsecondary Education Centers



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## Summary of Closed Network Carshare Development Project

**The Problem:** Reducing dependence on individually owned cars involves replacing a single source transportation solution (owned car) with a group of services that operate in unique niches, covering different travel occasions. Among these different transportation services, carshare is an important strategy that provides households with a transportation alternative for important and necessary travel occasions not served by other alternatives. The problem is, commercial carshare operations require many users per car to be viable. That limits their operations to the densest populated areas of the metropolitan area, leaving many households unable to access carshare in their area.

**Solution:** The goal of this program is to bring a viable carshare option to areas of the metropolitan area not served by commercial carshare operations. These areas include neighborhoods surrounding the high frequency transit corridors that are outside the dense core of the cities. The program could be summarized as follows: The closed network carshare program allows a group of neighbors to own and operate a car together.

The closed network system has several advantages over commercial carshare that allows it to operate in lower density locations than commercial operations. 1. Users of Closed network carshare, make a larger monetary commitment than a typical commercial carshare operation. Where commercial carshare operations typically seek to eliminate fixed costs, the closed network program seeks to limit fixed costs not eliminate them. 2. Because the user group is smaller and more defined, some of the operating systems and technology required can be less robust than commercial operations or performed by members, lowering costs. 3. Lastly, Closed network carshare users are taxed as vehicle owners, not as commercial system users.

**Program Parameters:** the cars, typically late model electric or hybrid vehicles, are purchased by CarFreeLife (Minnesota Non-profit), then they're leased under a specialized long-term lease and joint ownership agreement to neighbors interested in using the car. The specialized lease and joint ownership agreements allows members to get in and out of the lease in a more favorable way than if they were in a long-term lease with a typical car leasing company. CarFreeLife also provides operational support services and technologies that facilitate smooth operations.

The CarFreeLife plan includes two variations of closed network carshare, sponsored and non-sponsored. A sponsor is a non-user that benefits from the presence of the carshare vehicle in a particular location. It could be an apartment building owner who wants to have a closed network carshare vehicle for residents of his or her building to join. Or it could be an office building that wants it as an amenity for tenants of the building to use. Sponsors of closed network carshare vehicles contribute by facilitating the vehicle in several ways. These may include a parking spot or garage space for the vehicle, or power for charging in the case of electric vehicles. They may also include economic incentives or guarantees that change the risk factors associated with placing the vehicle in a particular location.

**Use of Proceeds of this Grant Application:** The vehicles and operating costs are paid for by the user/owners of the cars. The proceeds of this application if successful would be used to educate potential neighbor groups and sponsors of the costs and benefits involved in participation.

### **User/Member Profile Scenarios:**

1. "I commute to work using Metro Transit, or sometimes ride my bike. I also use Uber or Lyft when I'm out for the evening. I just don't need a car full time, but it's nice to have Neighbor-Car for the times that I do. I'm going to go to Europe with the money I saved by not owning a car."
2. "We have two cars in our household. By adding a Neighbor-Car membership we can easily relinquish a car, allowing us to pocket a significant amount of money every month."
3. "I like Neighbor-Car because, it allows us to drive a late model environmentally friendly car. By myself it might have taken me a long time before I could afford something like that. Besides Neighbor-Car has helped create a great social network. We find ourselves sharing all kinds of stuff now."

**CarFreeLife**  
**Closed Network Carshare Development Program**

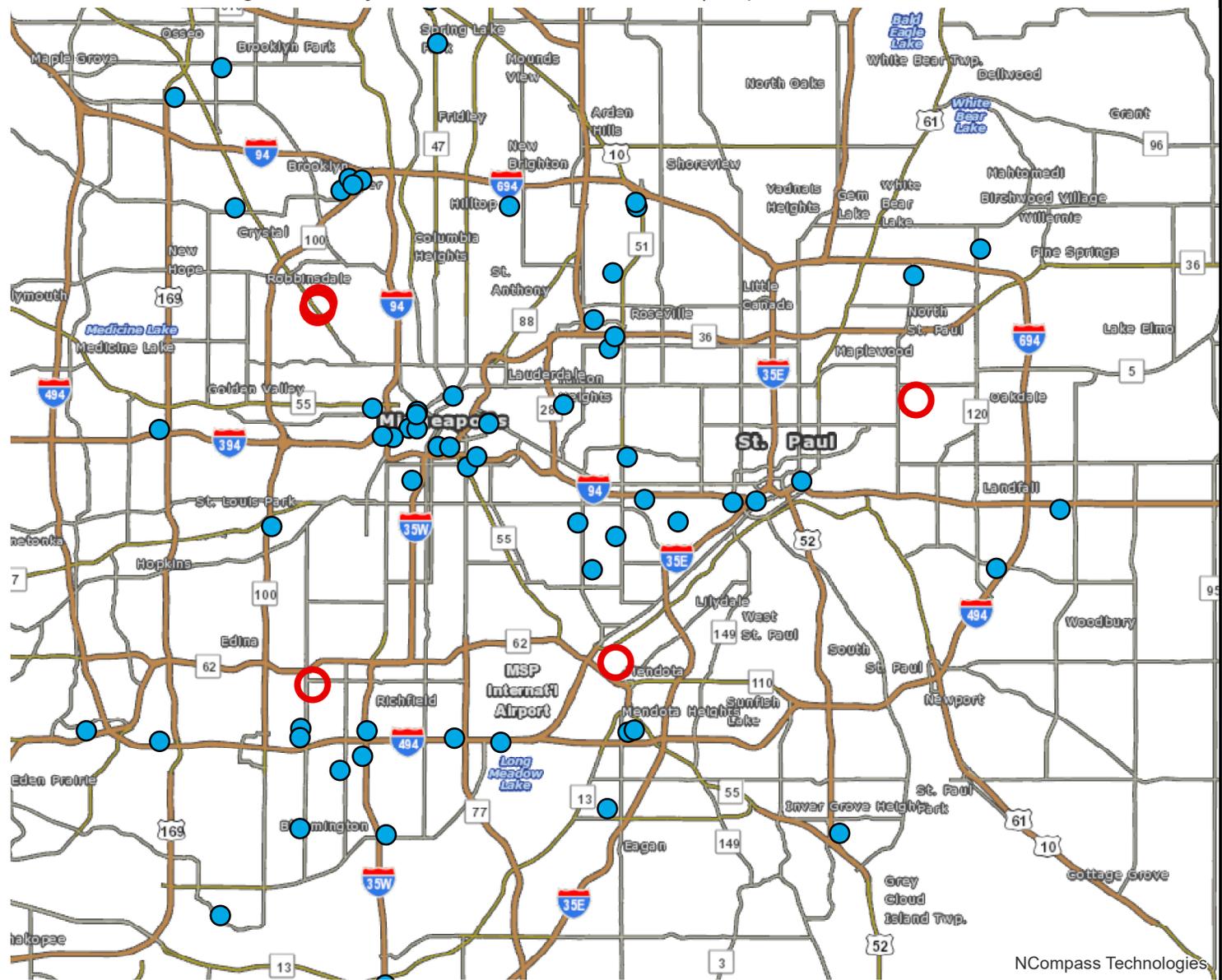
Sources of Support	Year 1		Notes / Status
Metropolitan Council	\$ 160,000		
Match Requirement	\$ 40,000		By CarFreeLife, its contributors, and Car-free living suppliers
Other	na		
<b>Total Support</b>	<b>\$ 200,000</b>		

Expenses			
<b>General Administration</b>			
Personnel	\$ 40,000		
Rent	\$ -		Assumption that meeting venues will be rent free
Phone	\$ 2,000		
Present. & Off. Equip.	\$ 4,000		Computer equip., Projection equip.
Legal	\$ 2,000		
Accounting/Compliance	\$ 2,000		
Subtotal		\$ 50,000	
<b>Professional Services</b>			
Web-master	\$ 15,000		
Social Media	\$ 20,000		Prime method to message with certain segments
Media Consultant	\$ 15,000		Professional help on reaching market
Subtotal		\$ 50,000	
<b>Materials Devel. &amp; Distribution</b>			
Print Materials Devel.	\$ 10,000		Development of several different pieces
Video/Audio Materials Devel.	\$ 20,000		Direct people to you.tube channel
Printing/Distribution/Mtg	\$ 70,000		May also include meeting or presentation inducements or snacks
Subtotal		\$ 100,000	
<b>Total Expenses</b>	<b>\$ 200,000</b>		

# Regional Economy

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Travel Demand Management Project: Closed Network Carshare | Map ID: 1530928266577



- Project Points
- Postsecondary Education Centers



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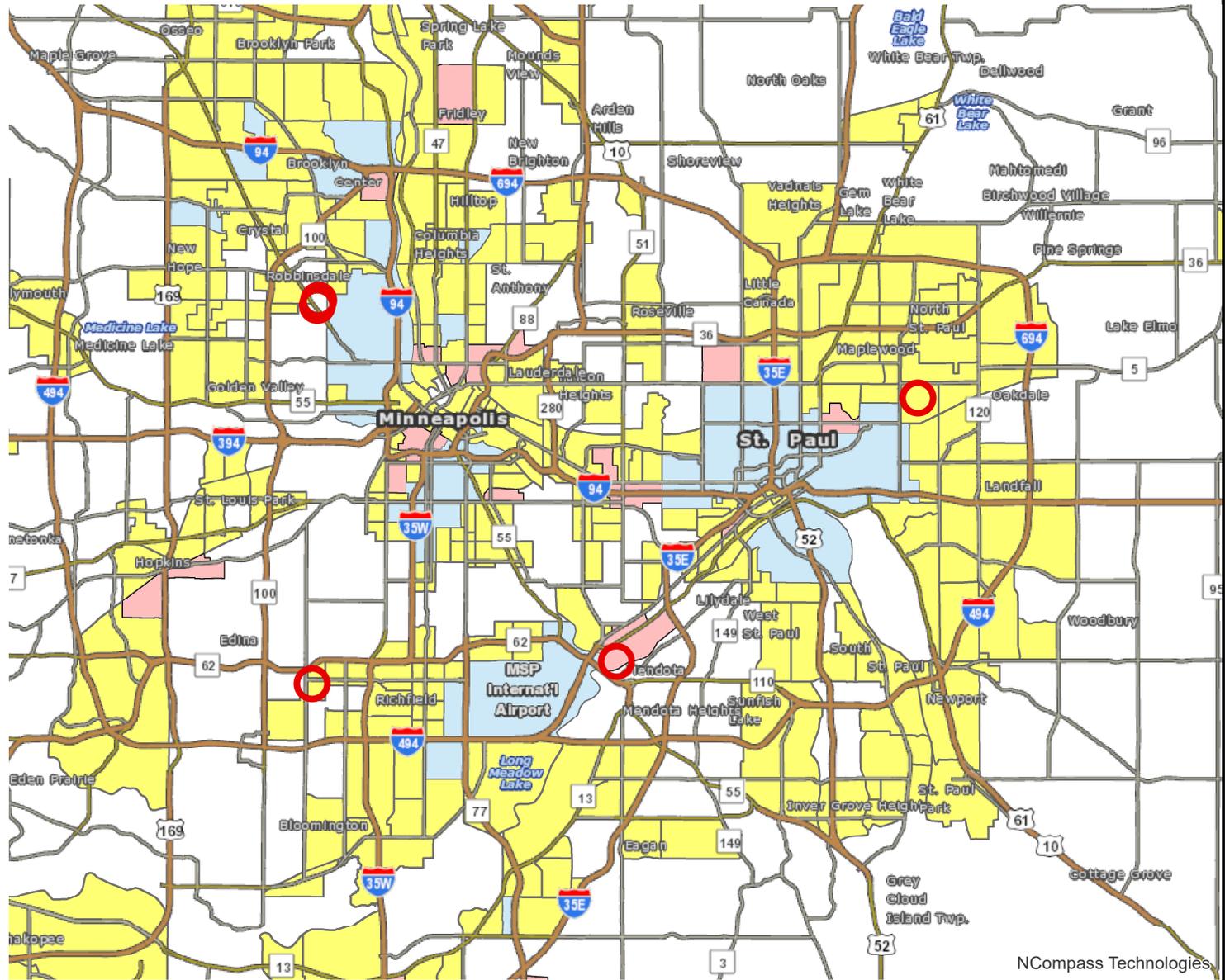


# Socio-Economic Conditions

Travel Demand Management Project: Closed Network Carshare | Map ID: 1530928266577

## Results

Project located IN  
Area of Concentrated Poverty:  
(0 to 24 Points)



-  Project Points
-  Area of Concentrated Poverty > 50% residents of color
-  Above reg'l avg conc of race/poverty
-  Area of Concentrated Poverty



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LandscapeRSA2



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NCompass Technologies

**Customer scenario 1.** “I commute to work using Metro Transit, or sometimes ride my bike. I also use Uber or Lyft when I’m out for the evening. I just don’t need a car full time, but its nice to have Neighbor-Car for the times that I do. I’m going to go to Europe with the money I saved by not owning a car.”

**Customer scenario 2.** “We have two cars in our household. By adding a Neighbor-Car membership we can easily relinquish a car, allowing us to pocket a significant amount of money every month.”

**Customer scenario 3.** “I like Neighbor-Car because, it allows us to drive a late model environmentally friendly car. By myself it might have taken me a long time before I could afford something like that. Besides Neighbor-Car has helped create a great social network. We find ourselves sharing all kinds of stuff now.”

### *Community benefits:*

- According to a study conducted by the University of Minnesota, a car relinquished in Minnesota adds as much as \$5500. per year in new economic activity to the local economy.
- Carshare cars also reduce the congestion on Minnesota roads and cost burden of public infrastructure.

# Neighbor-Car

## Closed Network Car-Share Program

What if a group of neighbors owned and operated a car together?

The typical individually owned car is parked and idle 95% of the time, yet it is the second largest expense for most households. This imposes excessive costs on households, the environment, and the community

### Neighbor-Car participants:

- Save money. (\$300 to \$500 dollars per mo. in many cases)
- Reduce their environmental foot print.
- Realize health and wellness benefits.
  - Create better neighbor networks.
  - Generate sustainability benefits for the community.



CarFreeLife Inc. is a Minnesota not-for-profit organization dedicated to promoting and facilitating Car-Free and Car-Light living in the Twin Cities and beyond.

Learn the benefits and strategies to live car-light!

[www.CarFreeLife.org](http://www.CarFreeLife.org)

## Civic & Public Policy Interests



### They provide Resources Agreements

- Low Cost Financing
- Insurance
- Other

### They get in return

#### Community Benefits

- Environment
- Health
- Economics
- Livability

### They provide Sponsorship Agreement

- Parking space
- Energy for Electric cars
- Revenue share & contribution



## Apartment Building Owner

### They get in return

- Increased affordability
- Building amenity
- Revenue

# CarFreeLife

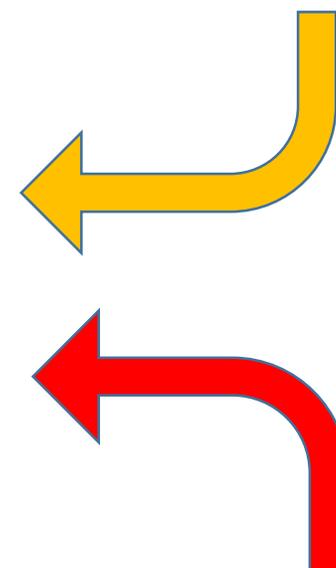
Car-Free Living Made Easy!

**CFL** purchases the car and enters into a participation agreement with the neighbors that includes a long-term lease, operating agreement, and administrative resources and services.

### Neighbor-Car:

**Good for the neighbors!**  
**Good for the community!**

Neighbor-Car





## PRI Opportunity Outline

This document provides an outline of a potential Program-Related Investment (PRI) that Venn Foundation is currently contemplating. Its purpose is to help Venn Foundation gauge interest of potential donors and to identify an anchor donor. If an anchor is identified, Venn Foundation would proceed with due diligence and, based on the results, work to negotiate an appropriate set of terms. If an agreement is reached, Venn Foundation will open the PRI for syndication among its donors and invite them to recommend that Venn Foundation make a distribution from their Venn Accounts to fund the PRI. Please note that Venn Foundation is considering this PRI primarily to advance its charitable purpose and not with the significant goal of producing income, although some financial return may result as described below.

**Prospective Recipient:** CarFreeLife

**Current Corporate Form:** Minnesota Nonprofit Corporation, 501(c)(3) Public Charity

**Recipient Leader:** Gene Tierney, President & CEO

**Contemplated PRI Structure:** \$25k-\$250k secured loan

### Recipient Overview

CarFreeLife is a nonprofit organization dedicated to promoting and facilitating car-free living in the Twin Cities, Minnesota. Currently CarFreeLife is focused on piloting and mainstreaming “closed-network carsharing” in which defined networks of people co-lease an automobile that they share amongst themselves. CarFreeLife envisions this arrangement being available in all types of neighborhoods, but especially in condominiums and apartments. It could be particularly useful in areas without commercial carshare service or among households who may be able to eliminate a second household vehicle.

### PRI Overview

CarFreeLife would like to purchase 1-10 automobiles with which to pilot its model at a small scale, and it anticipates needing to borrow \$25,000 - \$250,000 to do so. A Venn PRI would provide this capital on terms favorable to market-rate lenders, allowing CarFreeLife to reduce the cost of participation in the carsharing arrangement and drive adoption. The cars would be owned by CarFreeLife and leased to each network, which would be governed by a “Joint Lease Agreement.” CarFreeLife plans to charge network participants a monthly fee, which would fund its operations and from which it could repay the Venn PRI.

### Proposed Investment Structure

Below is an outline of the envisioned financial terms of the PRI. This is subject to change based on due diligence and further conversations with Family Tree and prospective donors.

1. \$25,000 - \$250,000 Loan
  - a. Five-year term
  - b. 2% interest
  - c. Quarterly payments
  - d. Full amortization
  - e. Secured by the automobiles?
2. CarFreeLife may need to meet other conditions of syndication or closing.