

**RESOLUTION PROVIDING \$64,000 TO ESTABLISH A ZIPCAR PROGRAM IN DOWNTOWN ANN ARBOR DURING FY 2008/09**

Whereas, The A2DDA has been a committed supporter and funder of many alternative transportation programs for downtown, including go!passes, the getDowntown program, bike lockers, the Link, and more;

Whereas, Zipcar is a growing company that provides hourly car rental services to universities and downtowns throughout the nation and the world, and the University of Michigan currently has 10 Zipcars in its fleet and they are well used by U of M students, faculty, staff and Ann Arbor residents;

Whereas, Zipcar members can see which cars are available, sign them out online and then simply walk to the car and wave their keycard to turn the car on. Zipcar provides a card for gas and handles the cleaning and maintenance of the vehicle;

Whereas, The getDowntown program requests that the DDA provide a grant in the guaranteed amount of \$64,000 to fund three Zipcars in downtown for one year. This funding would be used for the following:

1. Zipcar Sponsorship: \$54,000
  - a. Up to \$1,500 a month in guaranteed revenue to Zipcar. The utilization of the Zipcars will determine the amount of money the DDA will need to pay Zipcar at the end of each month.
  - b. The DDA will only be responsible for the guaranteed amount less the revenue generated by users (see figures below). Because user fees count toward the total amount owed, this is why the DDA grant amount is a “maximum” amount.

**Utilization**

<b>Price/HR</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>	<b>25%</b>	<b>30%</b>	<b>35%</b>	<b>40%</b>	<b>45%</b>
<b>\$4.00</b>	\$1,212	\$1,068	\$924	\$780	\$636	\$492	\$348	\$204
<b>\$5.00</b>	\$1,140	\$960	\$780	\$600	\$420	\$240	\$60	\$0
<b>\$6.00</b>	\$1,068	\$852	\$636	\$420	\$204	\$0	\$0	\$0
<b>\$7.00</b>	\$996	\$744	\$492	\$240	\$0	\$0	\$0	\$0
<b>\$8.00</b>	\$924	\$636	\$348	\$60	\$0	\$0	\$0	\$0

**2. Marketing and Promotion of Zipcars: \$10,000**

- a. getDowntown and the DDA would work with Zipcar to determine the best way to market the Zipcar program to downtown businesses and local residents.

Whereas, The DDA Operations Committee members has reviewed the details of this program and believe that the availability of these Zipcars may encourage even more downtown workers and residents to use mass transit if alternate vehicles are available to attend meetings or run errands, and thus recommend approval of this \$64,000 grant;

RESOLVED, The DDA approves the grant request from the getDowntown program for \$64,000 to acquire and market three Zipcars in downtown Ann Arbor in fiscal year 2008/09;

RESOLVED, The DDA shall make available three very public parking spaces for these Zipcars so they are readily available and visible to the public;

RESOLVED, The DDA requests data as it becomes available about the use and users of these Zipcars;