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Issue

Car ownership is associated with numerous positive outcomes for people with limited means. Yet the high cost of car ownership is prohibitive for many low-income households. According to the Federal Highway Administration, more than one-third of American households with incomes under \$25,000 did not own automobiles in 2018. An additional 11% of low-income households had more drivers than vehicles.¹ Carsharing programs — subscription-based services that allow drivers to rent vehicles as needed — present a promising alternative to car ownership. They provide households with access to vehicles without the financial burden of ownership.

In recent years, a handful of carsharing programs have emerged specifically to serve low-income households and communities.² In Los Angeles, BlueLA by Blink Mobility (BlueLA) is an electric vehicle (EV) carsharing program that provides subsidized short-term car rental services to lowincome households in central Los Angeles. The program receives funds from the state's cap-and-trade program and the Los Angeles Department of Water and Power.

Launched in 2018, BlueLA today is a network of 100 EVs located at stations in neighborhoods including East Hollywood, Pico-Union, Downtown, Boyle Heights, Chinatown, and Westlake. The service offers both regular and subsidized membership rates for income-qualifying members. Rates start as low as \$5 per hour for subsidized members with further discounted three- and five-hour packages. In this study we collected qualitative data from BlueLA members to evaluate whether subsidized carsharing services can effectively address the accessibility needs of low-income travelers.

Study Approach

The research team conducted interviews with 37 BlueLA members holding both regular and subsidized (or "community") memberships. We evaluated how people used the service, its effect on members' car ownership decisions, and the benefits it provided. The interviews assessed how BlueLA influenced members' accessibility and automobile ownership and identified differences between members who *did* and *did* not receive steep discounts for carshare use.

Key Findings

Overall, the interviews suggested that most BlueLA members did not own personal vehicles. Consequently, the service filled critical mobility gaps. Having occasional car access complemented their regular use of public transit, walking, or biking. Carshare helped members feel less pressure to purchase cars. This was particularly true of members who lived in housing that did not include off-street parking.

Interviewees with community and standard memberships were equally enthusiastic about the benefits of BlueLA. In general, the two types of members used the service in similar ways. However, standard members were more likely to travel further distances to access carshare vehicles. They were also more likely to choose a car-free lifestyle, rather than be carless due to economic constraints.

Interviewees described the following benefits of BlueLA:

Affordability

BlueLA was a more affordable alternative to other car-based modes such as driving a private automobile and ride-hail. This was especially true when people used the three- or five-hour packages that allowed them to complete multiple trips in a single rental period.

Trip-Chaining for Household-Serving Travel

Most members used BlueLA to string together multiple household trips during their rental period, including grocery shopping and errands.

Independence

Access to carshare provided members with increased independence. Members could reach family and friends and pursue recreational travel without relying on other people. It also allowed them to avoid more time-consuming and expensive modes of travel.

Exposure to Electric Vehicle Technology

BlueLA provided many members with their first exposure to electric vehicles. A handful of interviewees indicated interest in owning an electric vehicle.

Respondents also discussed the following challenges in using BlueLA:

Inability to Serve Certain Trip Types

Carsharing poorly serves commute trips, as users must pay for long periods when the vehicle was not in use. BlueLA is no exception. Members seldom used the service to travel to work. However, a small number of interviewees utilized it for trips related to their jobs. For example, one teacher described using the service to attend weekend events at their school.

Difficulty Securing a BlueLA Vehicle

Vehicle scarcity influenced how and when members used BlueLA's service. Some members indicated that the service had the potential to replace the need for car ownership, but only if vehicles were more regularly available. Most BlueLA members still preferred to own an automobile, when economically possible, to maintain more reliable automobile access.

Conclusion

Our findings suggest that with strategic location and reducedrate pricing, carshare may effectively increase transportation access for low-income travelers. However, station-based carshare systems do not serve all trip purposes well, particularly the work commute. Most users relied on a robust set of other options, including public transit, walking, and ride-hail. Planners should thus implement carshare programs in neighborhoods where evidence suggests that the service works well — low-income urban neighborhoods with limited on-street parking and a diverse set of existing transportation services.

The research team did not evaluate the financial sustainability of the service. Public subsidies allow BlueLA to charge affordable prices; however, future funding for BlueLA is uncertain. Sources of financial support for these types of programs are even more limited outside of California. This fact helps to explain why private carshare companies tend to locate their vehicles in higher-income neighborhoods. Future research on the equity potential of carshare programs should address the financial sustainability of different business models.

More Information

This policy brief is drawn from "Can Subsidized Carshare Programs Enhance Access for Low-Income Travelers? A Case Study of BlueLA in Los Angeles," published in the *Journal of the American Planning Association* with funding support from the Southern California Association of Governments. The journal article is available at <u>https://doi.org/10.1080/01944363</u> .2023.2268064.

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