



Commute with Enterprise

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Program Overview

Commute with Enterprise is the largest vanpool provider in the United States. As a third-party provider, Commute with Enterprise provides a completely turnkey service which includes the vanpool vehicle (of which they have several options ranging from seven passenger minivans (including hybrid options) to fifteen passenger vans), insurance, vehicle maintenance, and anything else that ensures efficient day-to-day operation of a vanpool program. Additionally, Commute with Enterprise will collect data on vanpool mileage and any other reporting requirements for the National Transit Database (NTD).

How to get started?

The vanpool process is easy to initiate and there are several approaches. Commute with Enterprise has a local operation team and local sales representative who work to engage with interested stakeholders in the region (e.g., regional planning organizations, local employers, chambers of commerce, public transit agencies). Once Commute with Enterprise engages with interested parties, they begin to coordinate vans on the road.

A vanpool program can begin through a full procurement process where Commute with Enterprise would respond to a request for proposals, or via a pilot program. Commute with Enterprise has documented success in both processes however, starting out with a pilot program with a public entity acting as the vanpool sponsor, allows an area to gauge demand for vanpools prior to going through the full procurement process. Partnering with a public entity through a contractual relationship can also establish access to public funds to help subsidize a vanpool program and would include reporting data to NTD, thereby creating a sustainable federal funding source after about two years of operation (per the federal process of data collection and budgeting). Areas not accustomed to multiple transit options (or where they do not understand the value), tend to be slower to adopt vanpools. Commute with Enterprise can provide support and outreach to local stakeholders in order to market the pilot and establish the vanpool program quickly.

A vanpool pilot program typically runs for two years. This time period allows enough time to deeply engage with stakeholders in a region, begin vanpool operations, and gauge demand. Commute with Enterprise has found that employers prefer to follow rather than be the first to join a vanpool program, which is often why having a public agency, like a planning organization,

helps to initiate such a program. Once the benefits are more tangible to employers, they typically join. Promoting the vanpool program and employer outreach is included as part of the Commute with Enterprise services. They will not invoice for the vanpool pilot program until there are vans on the road.

Regardless of the sponsor (public agency or employer), generally, Commute with Enterprise suggests that the vanpool sponsor provide a subsidy of around \$500 to \$600 per van per month. While this subsidy is not required, it does reduce costs to commuters which can help to build interest in vanpooling. A minimum number of vans are not required to begin a vanpool pilot program. Instead, Commute with Enterprise suggests setting a maximum number of vans (e.g., 20) which the vanpool sponsor will be able to subsidize.

At the end of a pilot, the vanpool sponsor can move forward to full procurement if they wish. This allows for a flexible, fairly low risk option to examine a region's demand for services. The almost door-to-door transportation from one's residence to work at a significantly lower cost than owning and operating a private vehicle, often makes vanpools very appealing to many Americans.

Does a public agency (e.g., planning organization, transit agency) need to be involved?

No, however, Commute with Enterprise will work to engage all local partners including the public sector as a part of the vanpool planning process. In cases where the public agency does not want to be involved, Commute with Enterprise works directly with employers. Ultimately, each vanpool program ends up being unique, as interest and needs change from program to program. In recent years, Commute with Enterprise has found chambers of commerce and economic development organizations leading the initiation of vanpools in terms of funding them alongside the local, public transportation provider.

How is the program funded?

Vanpool vehicles are leased at an estimated cost of \$1200 to \$1400 per vehicle per month, so for a group of four participants, costs would be \$300 to \$350 per month per participant or less as the average ridership in a vanpool nationwide is six. Compared to the American Automobile Association's (AAA's) estimated \$9,000 for annual operating and maintenance costs for a vehicle, monthly cost savings of using a vanpool can be \$400 or more, even without a subsidy. For low-income Americans, this can pay for groceries, utilities, or other basic needs. Generally, a public agency or employer will provide a subsidy to the vanpool program which helps to reduce costs for members which in turn makes vanpool and some of the perceived or real drawbacks such as lack of flexibility in case of emergency, worth the compromise. Commute with Enterprise recommends a \$500 to \$600 subsidy per vehicle per month.

If there is no public sector contractual relationship and financial assistance, then Commute with Enterprise cannot provide the reporting data for the NTD. Reporting vanpool program statistics

to the NTD is required to access certain federal monies (e.g. FTA Section 5311 (rural) or 5307 (urban)).

Several funding sources have been found to be effective for seed money to start a vanpool program. These include: Congestion Mitigation and Air Quality (CMAQ) (although not all areas can leverage these funds), Carbon Reduction Program (CRP), FTA Section 5307 and 5311, American Rescue Plan Act (APRA), economic development funds, state dollars (e.g., commuter assistance funds (Florida); Long Range Transportation Funds (L RTP)) (including those for economic development), local dollars (e.g., Transportation Improvement Program (TIP)), and private sector (e.g. employer subsidized vanpool services).

Lessons Learned from Other Programs

Vanpool Needs to Be Open to All:

The most successful vanpool programs are those that are open to any commuter as this allows for a critical mass of potential riders. Furthermore, it also allows the vanpool to leverage public funding.

Always Fall Back on Education:

Engaging with local employers can take time and many do not want to be the first, as generally, employers are averse to risk. However, educating interested stakeholders on how the vanpool program works and its benefits can help to overcome this hurdle. Generally, once one employer tries out the vanpool program, other employers will start to see the benefits and the program will begin to see growth. Word of mouth can be your best form of marketing.

Transfer Penalties Will Result in Failure of a Vanpool:

Vanpools should not be viewed as a feeder for public transit, it is public transit. In other words, someone will not travel from their home to a vanpool pick-up location, take the vanpool to a transit stop, take the transit stop to the closest stop to their destination, and then complete the final trip by foot to their destination – there are too many transfer penalties in this scenario. It reduces the appeal of vanpools, which function more closely to a private vehicle commute, albeit at a steeply reduced cost. In contrast, vanpools should be viewed as a complementary service to existing public transit. It is part of a suite of mobility options for the public.

It Takes a Village:

Commute with Enterprise bears a majority of the responsibility for operating the vanpool program, but public agencies should work in cooperation with the vanpool provider to “get the word out.” For example, the public agency could develop press releases as well as encourage employer participation. Often the most successful vanpool programs are assisted by numerous public employees, from those tasked with getting people to work to those whose job functions are more purely transportation focused.

Learn More

To learn more about Commute with Enterprise, please visit the program website at:

<https://www.commutewithenterprise.com/>

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