



CAR SHARE OPERATOR AGREEMENT

CarGari

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DENVER INTERNATIONAL AIRPORT



- Vision 100
- Requested council action
- Car share operator agreement
 - Quick history
 - Previous pilot agreement results
 - New agreement



100 MILLION ANNUAL PASSENGERS

- SUSTAINABILITY & RESILIENCY • EQUITY, DIVERSITY, INCLUSION & ACCESSIBILITY
- OPERATIONAL EXCELLENCE • ENHANCING THE CUSTOMER EXPERIENCE

PILLAR 1



**EMPOWERING
OUR PEOPLE**

PILLAR 2



**GROWING OUR
INFRASTRUCTURE**

PILLAR 3



**MAINTAINING
WHAT WE HAVE**

PILLAR 4



**EXPANDING OUR
GLOBAL CONNECTIONS**

REQUESTED COUNCIL ACTION



- Approve the new car share agreement with CarGari, Resolution Request 23-0446
 - Allow for peer-to-peer car-sharing to connect airport customers with individual owners engaged in a car-sharing operation
 - The permit is for 10% of gross revenues
 - Term of agreement is 3 years from the date of execution

WHAT IS CAR SHARE?



- Peer-to-peer sharing of cars
 - Defined in SB 19-090
 - Authorized use of car by persons other than owner facilitated by a car sharing program
- Differentiation from traditional rental car company
 - Transactions via marketplace
 - Pre-bookings only
 - No fleets
 - No dedicated leased buildings

CAR SHARE PILOT AGREEMENTS



- Initially entered into pilot agreement with Turo and Avail in 2020
 - Allowed airport to collect 5% of gross revenues
 - Dedicated parking spaces for both car share operators
 - Indemnification and insurance requirements
 - Intended to test the market for long-term feasibility
- Airport revenue results:
 - 2020 - \$342,558
 - 2021 - \$1,292,191
 - 2022 - \$2,482,136
 - 5% of Gross Jan-June (Pilot agreement) + 10% of Gross July-December (Current agreement)
 - Jan. + Feb. 2023 - \$998,142

In 2021, car share had the strongest commercial transportation growth at DEN

- Moved away from pilot agreements to a longer-term agreements
- New agreement is consistent with existing car share agreement and includes:
 - Gross revenue share of 10%,
 - No dedicated parking spaces
 - Car share operators have access to any parking area excluding short-term parking
 - Operators are responsible for paying any accrued parking fees
 - Minimum performance surety of \$50,000 or equal to 3 months of revenue, whichever is greater
 - Prohibits commercial hosts from operating at airport
 - 3-year term

- Anticipated revenues with new agreement
 - First year - \$34,000
 - Second year - \$53,000
 - Third year - \$67,383
- What could impact revenue projections
 - Company is local and beginning to build a new customer base and market
 - Company's growth dependent on marketing strategy
 - Growth rates could significantly change without warning
 - Transportation Network Companies (TNC's) such as Uber and Lyft are the most recent example
 - New competitors entering the local market

Q&A

