

## BANKING/ FINANCE

# New Honda for Almost Nothing? Car Sharing Becomes Sales Tool



SHUTTERSTOCK

Turning your car into an extra income stream is coming in handy at a time when affordability is straining new-car sales.

by Gabrielle Coppola

The ability to rent his car to strangers for cash convinced Trevor Davis, a high-school teacher in Dallas, to buy a brand-new Honda Civic instead of a used car. "I was going to get something real cheap, an inexpensive second car to drive back to the Fort Hood area," said the retired Army veteran, who makes the 150-mile trip frequently. "But then I was like, 'I can get a better car and not really pay for it.'"

This is the logic behind Airbnb-like services for autos that are catching on as new-car prices soar, borrowing costs rise to the highest in a decade and consumers take out longer-term loans to keep payments down. Startups like Turo Inc. and Getaround Inc. are helping car owners lower their transportation costs in ways analogous to how Airbnb Inc. enables real estate owners to defray housing expenses, using peer-to-peer rental transactions.

Car-sharing startups are beginning to look more like sales tools than mortal threats to traditional car ownership that automakers ought to be worried about. Fiat Chrysler Automobiles NV and Volkswagen AG's Porsche are both experimenting with Turo to see if they can up-sell customers or reach new buyers, while General Motors Co. rolled out a service last summer to let owners of its cars rent them out.

Buying a new car is "no longer this freedom-only, sort of care-free-type of purchase that some people may have enjoyed over the last few decades," Andre Haddad, Turo's chief executive officer, said in an interview. "For more and more people, this is a mathematical problem that they need to solve."

The arithmetic is working out in Davis' favor. His 2019 Honda Civic costs about \$428 a month, including insurance. In the first month he put the car on Turo, Davis said he earned \$437 renting it out for about three weeks.

Just 10 to 15 percent of the roughly 350,000 cars listed on Turo are new, Haddad said, and the average vehicle is three to four years old. About 60 percent of owners who put their car on the platform use the proceeds to pay down a car loan, and more than half use it to cover primary expenses or add to their

savings, according to an internal survey of 3,900 Turo users last summer.

A 2018 study by Susan Shaheen at the University of California, Berkeley found that most people who joined peer-to-peer car-sharing services were not replacing a vehicle, and nearly half were looking for alternative transportation because they didn't own a car. Another 20 percent joined to earn money by sharing their wheels.

"We are becoming increasingly convinced that the pool of buyers who can afford new vehicles is shrinking," said Michelle Krebs, a senior analyst at AutoTrader. "It will be affordability that pushes people to consider mobility services, whether it will be peer-to-peer car sharing, or more Uber or Lyft kinds of things."

Turo, founded in 2009, has raised \$205 million from investors, including Daimler AG, the venture capital arm of Liberty Mutual Insurance Co., and venture capital firm Kleiner Perkins. The company was valued at about \$760 million at the closing of its last funding round in March 2018, according to the Prime Unicorn Index, which tracks the performance of 116 private U.S. companies valued at \$500 million or more.

Getaround, its fellow San Francisco-based rival, counts Japanese internet giant SoftBank Group Corp. and Toyota Motor Corp. among its backers. The company was valued at more than \$800 million in its funding round last August, a source familiar with the discussions said at the time.

Turning your car into an extra income stream is coming in handy at a time when affordability is straining new-car sales. The annualized industry sales rate slowed to 16.6 million in February, the slowest pace in 18 months. Auto lenders have been tightening credit, and the number of people delinquent on their loans swelled to a record of more than 7 million last year.

Harley Fox, a 61-year-old who lives in Rockwood, Michigan, said he would have had to sell his cherry red, three-wheeled motorcycle, a Polaris Slingshot, if he hadn't put it up for rent on Turo. Payments on the vehicle, which he bought new for \$27,000 in 2016, are close to \$700 a month.

**Gabrielle Coppola reports for Bloomberg News.**



## CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **Local Planning Agency (LPA)** meeting on **Wednesday, March 27, 2019 beginning at 5:00 PM**, to consider the following amendment to the official zoning map of the City of Doral. This meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166.**

The City of Doral proposes to adopt the following Resolution:

### RESOLUTION No. 19-

**A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, SITTING AS THE LOCAL PLANNING AGENCY, RECOMMENDING APPROVAL / DENIAL OF, OR GOING FORWARD WITHOUT A RECOMMENDATION FOR AN AMENDMENT TO THE OFFICIAL ZONING MAP OF THE CITY OF DORAL FROM GENERAL USE (GU) DISTRICT TO INSTITUTIONAL PUBLIC PARKS AND PUBLIC FACILITIES (IPF) DISTRICT FOR A +/- 5 ACRE PARCEL LOACED AT 6255 NW 102 AVENUE, DORAL, FLORIDA; AND PROVIDING FOR AN EFFECTIVE DATE**

**HEARING NO.:** 19-03-DOR-04

**APPLICANT:** City of Doral

**PROJECT NAME:** Amendment to the Official Zoning Map of the City of Doral

**PROJECT OWNERS:** City of Doral

**LOCATION:** 6255 NW 102<sup>ND</sup> Avenue, Doral, Florida

**FOLIO NUMBER:** 35-3017-001-0360

**SIZE OF PROPERTY:** ± 5 Acres

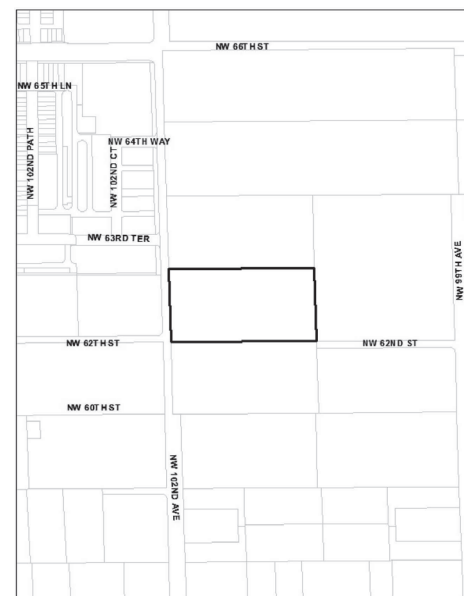
**PRESENT LAND USE:** Industrial

**PRESENT ZONING:** General Use

**REQUEST:** An amendment to the official zoning map of the City of Doral Land Development Code from General Use (GU) to Institutional Public Parks and Public Facilities (IPF). This location will serve as the future site for Glades Park.

**LEGAL DESCRIPTION:** 17 53 40 5 AC, FLA FRUIT LANDS CO SUB NO 1, PB 2-17, TR 61 LESS E1/2, F/A/U 30-3017-001-0360

### Location Map



Information relating the subject application is on file and may be examined in the City of Doral, Planning and Zoning Department Located at **8401 NW 53rd Terrace, Doral, FL. 33166**. All persons are invited to appear at this meeting or be represented by an agent, or to express their views in writing addressed to the City Clerk, **8401 NW 53rd Terrace, Doral, FL. 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes if a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

**NOTE:** If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide interpretation services during the zoning application process or during any quasi-judicial proceeding.

**NOTA:** Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento durante el proceso de solicitudes de zonificación.

Connie Diaz, MMC  
City Clerk  
City of Doral