
SUBJECT: FARE PROGRAMS DISCOUNT

PURPOSE

The purpose of this report is to provide the Victoria Regional Transit Commission (the “Commission”) with a proposed bulk purchase discount structure for use in the Victoria Regional Transit System (“VRTS”), as well as a recommended increase to the ProPASS fare program discount. This report is presented to the Commission for **APPROVAL**.

BACKGROUND

BC Transit is looking to grow transit ridership by leveraging the capabilities of Umo to expand and create fare program partnerships. New Provincial housing legislation has resulted in increased future demand for the EcoPASS program as a component of the Transportation Demand Management requirements for new developments. The current EcoPASS program is underutilized with limited impact provided.

Another revenue generating fare program BC Transit is looking to expand the use of is ProPASS, an employer-facilitated transit program that currently offers employees who enroll a 14.2 per cent discount. The existing discount structure creates unnecessary complexity for calculating payments and marketing communication of the program.

DISCUSSION

BC Transit is seeking approval of the following bulk purchase discount structure to provide an alternative to the current EcoPASS program. In its existing form, EcoPASS is limited in impact as it only provides a single transit pass per unit in a development for a limited period. With the introduction of a standardized discount structure, developers could purchase rides or passes that all residents of a development could have access to, thereby creating more opportunities for residents to use transit as their mode of choice. This new EcoPASS program option would also be able to remain in place for longer periods of time without the need for a defined expiration date. If the program is well utilized by residents, strata organizations could also take advantage of the program once developer funds are exhausted.

In establishing the standardized discount structure, BC Transit was guided by our fare strategy goals and existing fare program discount structures. The two programs in the VRTS currently available for use are the ProPASS program, at a 14.2 per cent discount for employees of partnering organizations, and the Large Employer Program, which offers a 10 per cent discount (with the requirement that the employer match that amount with a further 10 per cent discount). Referencing these, the proposed discount structure would be a sliding scale based upon the dollar amount committed, starting at 5 per cent and up to a maximum of 15 per cent.

This discount structure is intended for use with bulk purchases of either individual rides or pass products and would be an option for EcoPASS program partnerships or any other partnership opportunity where an organization sought large quantities of transit fares such as employers, conferences, or events.

Standardized Discount Structure

Amount Spent	% Discount	Cost per Ride*	Cost per Adult 30-Day Pass*
\$5,000	5.00%	\$2.38	\$80.75
\$10,000	5.50%	\$2.36	\$80.33
\$20,000	6.00%	\$2.35	\$79.90
\$30,000	6.50%	\$2.34	\$79.48
\$40,000	7.00%	\$2.33	\$79.05
\$50,000	7.50%	\$2.31	\$78.63
\$100,000	10.00%	\$2.25	\$76.50
\$150,000	12.50%	\$2.19	\$74.38
\$200,000	15.00%	\$2.13	\$72.25

*Utilizing the existing Fare Product Pricing of \$2.50 for cash rides and \$85.00 for a 30-Day Pass

Along with the proposed discount structure, BC Transit is recommending an increase to the existing ProPASS employer transit program discount. Currently the discount is 14.2 per cent less than the Adult 30-Day pass, which creates unnecessary complexity for calculating payments and marketing the program. BC Transit is proposing the discount be increased to 15 per cent less than the Adult 30-Day pass to simplify the program and provide a modest increase to the discount to further incentivize program participation. This new discount combined with Umo's ease of use will create further opportunities for engagement with employers to increase program enrollment and therefore revenue and transit usage.

RECOMMENDATION

It is recommended that the Victoria Regional Transit Commission **APPROVE** the following:

- A. Introduce the standardized discount structure for BC Transit to utilize for selling bulk sales of individual rides and pass products, with immediate effect.
- B. Update ProPASS program pricing to be 15 per cent less than the Adult 30-Day Pass fare, with immediate effect.

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