



STAFF REPORT

To: Fraser Valley Regional District Board
From: Alison Stewart, Manager of Strategic Planning

Date: 2025-02-27

Subject: BC Transit Fare Review Initiative

Reviewed by: David Urban, Deputy Director of Regional Services
Stacey Barker, Director of Regional Services/ Deputy CAO
Kelly Lownsbrough, Director of Corporate Services/CFO
Jennifer Kinneman, Chief Administrative Officer

RECOMMENDATION

This report is being brought forward for the Board's information and there is no staff recommendation.

BACKGROUND

BC Transit has notified the Fraser Valley Regional District (FVRD) and other local government partners in the region of their intent to initiate a fare review process. The goal is to collaboratively assess and implement transit fare adjustments that will meet the fare review objective of addressing inflation and the increased operational costs being experienced across the three transit systems in the region (FVRD, Chilliwack and Central Fraser Valley (Abbotsford-Mission)).

DISCUSSION

A previous fare review was initiated by BC Transit in 2020. The review was suspended as the impact of the COVID-19 pandemic became clear and related provincial and federal supports were implemented. Since 2020, challenges have included a freeze on fare increases due to the federal/provincial Safe Restart funding agreement which supported transit systems to offset low ridership during the pandemic and a transit labour disruption that has resulted in higher operating costs. In addition, a new transit facility in Chilliwack will become operational in 2027/28 with, at this time, unknown final costs. The multiple years of delays, rising inflation, and the introduction of new fare technologies and offerings (Umo) have rendered the previous fare review process outdated.

According to BC Transit, the purpose of the fare review process is to collaboratively review and implement transit fare adjustments, balancing the goals of maximizing revenue, attracting and

retaining ridership, reducing fare complexity, and ensuring affordability, with the ultimate goal of aligning fares across the region, where applicable. The Fraser Valley Express (FVX) has a fare structure that reflects the greater distances travelled, however reviewing the types of products available will be part of the process.

The 2025 fare review objectives are to:

- Simplify the product offerings
- Align across the region
- Increase ease for passengers
- Boost ridership
- Get the most out of existing electronic fare collecting technology (Umo):
 - Use of stored value.
 - Use of the **'Open Loop feature' to enable use** of debit and credit cards without an app.
 - Simplify to support ease of use.
 - Introduce fare capping to boost ridership.
 - **Equity focused so people don't overpay** accidentally.

The fare review will be taking place across the three systems in the FVRD. Of relevance to the FVRD will be the review of the Hope, Agassiz-Harrison (AGH), and FVX services. For the FVRD services, the last fare review for the AGH was in 2017 when the Hope service was introduced. At that time, a very complex range of fare offerings was streamlined. Fares have not been reviewed for the FVX since the service was introduced in 2015.

The steps in the fare review process are as follows:

- a. Local government staff notification
- b. Initial Board notification
- c. Data analysis and options development
- d. Local government staff review
- e. Engagement with relevant municipal and First Nation partners and stakeholders
- f. Finalize preferred option

The fare review process includes engagement and review with the FVRD and municipal stakeholders (City of Abbotsford (FVX), City of Chilliwack, District of Kent, District of Hope, and Village of Harrison Hot Springs), First Nations and the FVRD staff Transportation Working Group.

Implementation of fare changes, if supported, is proposed for October 1, 2025. A staff report with fare recommendations will be brought to the Board in the summer of 2025.

COST

BC Transit's review of transit fares will provide the Board with recommendations for fare adjustments aimed at simplifying fare structures, ensuring affordability, and promoting ridership. This review will also work to better align fares across the region's **services/systems (AGH, Hope, Chilliwack, and Central Fraser Valley)**.

CONCLUSION

The transit fare review process will result in a strategy that will address inflation and increased operating costs **across the region's transit services as well as simplifying fare structures, ensuring** affordability and promoting ridership.

If supported, the implementation of fare changes will be proposed for October 1, 2025.