

# MESSAGE TO AMS EXECUTIVES AND COUNCIL

January 31, 2023, from the Bike Kitchen program and shop managers and board.

## RE: BIKE KITCHEN FEE INCREASE ON BALLOT FOR REFERENDUM 2023

- We request that the AMS votes to approve our question on the ballot to increase our fee by \$3.00
- We request that the AMS council endorses our referendum question

## BRIEF ON ROADMAP TO DEBT, SERVICE PROVIDED & FAQs:

This year the Bike Kitchen will be celebrating 25 years of providing affordable and accessible transportation to UBC students, staff and community members. However, since the onset of the pandemic in 2020, the Bike Kitchen has been hit hard financially. We estimate that we have lost approximately \$250,000 in revenue. Last year we were unsuccessful in passing a referendum fee increase by 300 votes. We are again asking for an increase in our yearly fee from \$1.17 to \$4.17 (a \$3 increase) to get us out of debt, return to normal programming, and build on the success of our long standing community bike shop.

### Why are we in debt?

We were already a bit in a rocky place in 2019 having to navigate two consecutive moves into our new home in the basement of the Life Building. However since 2020 alone we have conservatively estimated a loss of over \$250,000 in revenue due to the following:

- The Bike Kitchen had a four month closure in 2020 despite being declared an Essential Service.
- Students, staff and faculty were not on campus as classes were online from 2020 to 2021.
- Bike part shortages due to global supply chain disruptions left us unable to complete repairs.
- Loss of skilled mechanics due to non-competitive wages has impacted our ability to generate revenue from repairs and refurbishing bicycles

All this has led to a current deficit of over **\$50,000** as we struggle to retain skilled mechanics and pre-order enough parts and supplies to function; we have cut back on staffing, purchases and orders, and essentially most of our programming and events to try to make ends meet. We also raised our labour prices already in August 2022 to try to increase revenue. We are struggling to pay fair and equitable wages to our full-time staff during a period of increased costs of living and inflation, and still balance that by continuing to provide affordable labour rates to our customers.

We need more than \$50,000 to wipe away our debt; we need a reinvestment from the community to help us see beyond each fiscal year and increase our capacity to deliver on our mandate as a community bike shop. We need your help!

## **What has happened since the last (failed) referendum vote?**

Since spring 2022 we have re-opened some of our programming including Access Nights, Volunteer Nights, Kids Bike Library and Do-It-Yourself shop time:

- served over 60 people through our Access Nights (Gender Liberation and Pride nights where DIY is free for folks in those demographics)
- provided 88 bikes to migrant workers through our Bici Libre program
- completed 96 free tune-ups at outreach clinics on campus during spring and summer
- over 200h of volunteers helping build and strip bicycles
- built 25 kids bikes for the Kids Bike Library
- supported over 470 people at the Do-It-Yourself stands during shop hours
- spoke to over 640 people to promote cycling and our services so far this fiscal year.

However all these programs and services cost money to run and are not a means to get us out of debt. Furthermore, in April 2022, we lost an additional revenue source, bike lockers and cages, when UBC decided to begin managing the program. This resulted in further cuts to our operating budget. There is so much more we could do if we can be financially stable for the years to come.

## **What will we do with the money?**

- No time limit on Do-It-Yourself instructional repairs (currently limited to max 1 hour)
- 4 repair stations available 6 days of the week (currently just 2 repair stations)
- Re-start intro to Bike Mechanic 101 courses, providing them at an accessible rate and discounted for students
- Increase our outreach clinics where we provide repairs at no cost to the recipients; partner with more student and on-campus groups to empower people to learn about fixing/maintaining their own bikes
- Providing living wages and health & dental benefits to create sustainable jobs
- Create a long-term program where we provide bikes, helmets, lights and locks to BIPOC Students who have historically been underserved with regards to accessible transportation
- Boost and maintain our recycling activities, including our thrift store, metal and rubber upcycling
- Expand our Access Nights (free shop time for women, non-binary & trans folks during Gender Liberation Night, and for LGBTQI2S+ during Pride night)
- Offer repairs for wheelchairs, strollers and mobility aids at no cost to the user, rather than charge "by donation"
- Increase community engagement: bring back the student-led cycling initiatives grant
- More tune-up giveaways
- Provide professional development for our staff (on topics such as anti-racism, anti-oppression, increasing cycling accessibility, and more!)

We project being able to begin offering increased programming immediately in our first fiscal year following a successful referendum and being completely debt free after 2 fiscal years. We envision reinvesting any future profits generated in the long run back into the UBC community, such as continued support for student access to bikes, bike parts and subsidized bike education.

## FAQ

### **Why is the Bike Kitchen running a referendum vote again, after failing last year?**

Last year the Bike Kitchen decided to run a referendum vote after being informed from VP Finance that no support from the AMS was forthcoming. The Bike Kitchen collected over 1000 signatures in two days to reach the petition minimums to put our question on the ballot. Our question had a majority vote yes (Yes 4405, No 4248) but failed for lack of quorum (quorum was 4742). However our rushed campaign with limited campaign experience on the team was a huge obstacle. It meant that folks who had signed the petition didn't know they had to still vote Yes in the election week, as well as running into issues on how to run a campaign (the rules were not clear) or how to submit the ballot question. Our services are also dependent on having students on campus, and we believe that the cohort of students last year, having had effectively 2 years of online learning, did not realize the value of our services or did not know about us as our operations were severely hampered by forced closures and difficulties in re-opening our programming. Now that we've had a year to promote our services and re-open some of our programming, as well as a better understanding of the referendum and elections process, we believe that the student body does want to support our fee increase and we would like to put their support to the test again through a referendum question.

### **Why is the Bike Kitchen asking for an increase from \$1.17 to \$4.17 (an increase of \$3)?**

Without the fee increase, we will be forced to raise our prices again. However, we do not want to increase our labour rates or charge higher amounts for our services such as DIY and mechanic workshops: our core values are to remain an accessible and affordable community bike shop. We want to remain a safe, accessible and affordable space for all students and the wider community to learn, repair, recycle and connect.

We also need to be able to retain skilled staff (mechanics) who can both generate revenue and provide instruction and guidance on DIY repairs and workshops. Even before the pandemic our wages were lagging far behind industry standards, & each time we lose a skilled mechanic this puts a further downward pressure on our operations. We've also seen an increase across the board in costs from bike parts & accessories to our Point of Sale system, our current fee portion is not keeping up with actual inflation.

### **What will happen to the Bike Kitchen if the referendum does not pass?**

If the referendum does not pass, we will have to do a combination of things: we will have to continue offering basic programming, which means less offering for students, and we will have to increase prices across the board in order to recoup losses and retain our skilled employees:

- Labour rate increased from \$75/h to \$80/h
- Introducing a deposit for repair appointments (from \$0 to \$40)
- Tool rental for Do-it-Yourself will drastically change from \$12/h (with or without instruction) to \$20/h with no instruction and \$80/h with instruction
- Used bikes: current we sell in the \$250-\$750 price range - this will increase to \$500-\$1500
- Access Nights, which are currently free, will be charged \$20/h for stand rental and instruction
- Workshops pre-pandemic ran for \$150 for the general public and \$100 for students; these would now be closer to \$600

- Kids Bikes (part of the Kids Bike Library) are currently sliding scale/by donation (no one turned away for lack of funds), we would begin charging \$50-\$100
- Outreach clinics not currently subsidized by Campus and Community Planning and any pop-up tune up stations on campus would go from being free to charging \$100/h minimum.

**This means instead of sharing the fee among the student body, the people who will be most impacted will be the students who rely on our services to be able to get to work or school.** For example paying \$80/h for DIY instruction will be unaffordable for most students. Without any kind of additional financial support, we will be pricing out our main purpose for providing these services: students.

### **Why turn to students? Can't you get money from somewhere else?**

Being part of the AMS limits the kinds of grants and subsidies we can apply for. Most COVID resiliency funding off campus requires the organization to be a registered charity, which we are not. We have partnered with other community bike shops who have registered charity status to apply for local Vancouver grants when possible (ex. Greenest City Grants), but it is not feasible to rely on grants to get out of debt.

We currently hire people under wage subsidy schemes (like UBC WorkLearn and Canada Summer Jobs) to limit our personnel costs (which is currently our biggest expense) - we will continue to do so, but these wage subsidy programs place a lot of restrictions on who can be hired and for how long, which further creates issues in terms of turnover and skill-levels of mechanics.

We are dedicated to supporting the students commuting to and living on campus - we are not looking to create profit but to break even and expand our programming in a sustainable way. Any revenue generation once we are debt-free will be reinvested back into students through subsidized or free programming.

### **I don't bike/own a bike/come to UBC Vancouver campus; why should I support you?**

Investing in sustainable mobility benefits everyone - one more bike means one less car, one more seat on the bus, etc. We also do so much more than promoting affordable transportation - we work in incorporating anti-oppression values on campus, supporting student groups and social justice causes (our long-running **Bici Libre** program provides bikes to temporary foreign migrant workers in the Fraser Valley, partnerships with other community bike shops have supported programs like **Pedals for the People** which provides bikes to those facing barriers to affordable transportation, and our fledgling project **Bikes for BIPOC** to provide bikes to BIPOC students, pushing for the right to repair in an effort to lower consumerism, increase sustainability and recycling/upcycling, and divert waste from our landfills. In reality, the bicycle is just the means of our work, but it's not only about bicycles!

All that being said though: **we are an opt-out fee.** This means students can support sustainable and affordable transportation by voting yes to the fee increase and still opt-out (digitally!) at the start of their academic term if they choose to.

## DRAFT BALLOT QUESTION

Do you support increasing the AMS Bike Co-op/Bike Kitchen fee to \$4.17 to support accessible and affordable transportation through increased programming, alleviate its pandemic-related accumulated debt, and invest in sustainable and active transportation for the UBC community?

Note 1: This constitutes a \$3 increase from the current AMS Bike Co-op/Bike Kitchen fee.

Note 2: The fee will continue to be fully refundable upon request through a digital opt-out

Note 3: The fee will continue to be indexed annually according to the BC Consumer Price Index