

## **Panel 2: Return on Investment: Benefits of Effective Employment Transportation to All Community Partners**

### **STRENGTH IN NUMBERS: CHARLOTTE (NC)-AREA HOTELS ACCESS LARGE-VOLUME TRANSIT DISCOUNTS**

**Project name:** Charlotte Area Hotel Association ETC Program

**Partners involved:** Charlotte area hotels, Charlotte Area Transit System

**Funding sources:** Charlotte area hotels,

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**Program description:** The Charlotte Area Hotel Association (CAHA) represents some of the largest hotels doing business in the city of Charlotte. CAHA was created about six years ago, partly in response to the opportunity to participate in the Charlotte Area Transit System's Employee Transportation Coordinator program, which offered large volume discount passes to employers. Many of the association member hotels had expressed an interest in participating in the ETC program, but were not able to meet minimum purchase requirements needed to receive the 30 percent discount on travel pass purchases. Thus, CAHA became the conduit, purchasing bus passes as an entity itself and distributing them to the hotels, which in turn made them available to their employees. Purchases made by CAHA generate approximately \$6,000 a month in savings for 530-550 hotel employees. CAHA coordinates monthly purchases for participating hotels, distributes the passes directly to HR staff at each hotel, and manages all the accounting and administration activities, saving the hotels valuable staff time. Each hotel then makes the passes available to workers, either through payroll deductions or by reselling them at the discounted rate.

In addition to offering what has become acknowledged as a significant employee benefit, many of the participating hotels have also saved money on employee parking. Sid Smith, CAHA's Executive Director, notes a strong parallel between recent increases in gas prices and employee interest and participation in the program.

A CATS representative routinely attends CAHA meetings to update members on changes in mass transit and other ETC related issues. The briefings also provide an opportunity to make suggestions and address any questions hotel management may have about the ETC program. In addition, CATS staff often reference and/or bring literature which can be distributed to employees.

Upon a recommendation from CAHA, CATS developed a bi-lingual wall poster for the hotels to mount in employee lounges. The poster encourages employees to look into participating in the bus pass program by stating that discount bus passes are available via the hotel's HR Department, and includes information on the amount of the discount. The concept has proven

to be so successful, that CATS now makes copies available to other ETC members. CATS also supplies updated route maps and other promotional materials for the hotels to distribute along with the passes each month.

### **How this program has benefited employers (the hotels):**

- \* Able to offer a “cost-pass-through” benefit to employees that bonds the employees to the hotel. The benefit costs the company nothing but administrative time to run the program.
- \* Able to offer the same deep discount to employees as individual major corporations do, because of the joint volume through the hotel association.
- \* Only a few individual companies in the city can generate the volume to get the maximum discount, so being able to offer this benefit puts participating hotels in a stronger competitive position in the local labor market.
- \* The employees generally have come to the HR department to pickup their passes, giving the department more “face-time” to explore other opportunities or issues with these employees.
- \* Instead of having to “push” car-pooling and still provide parking, the employer is moving people to mass transit.
- \* During times of bad weather, mass transit usually still operates keeping employees safe and on time.

### **How this program has benefited the employees:**

- \* Hotel employees can get the maximum discount generally available only to the larger corporations in the region even though they do not (and might not be able to) work for them.
- \* Most of the hotels operate the program through payroll deduction so the employees don't have to worry about “paying a monthly bill.”
- \* They can pickup their passes right at work and don't have to go somewhere else to get them.
- \* Employees can purchase the same deeply discounted bus passes for their family members, as well as themselves, making their job more important to the whole family.
- \* Mass transit saves the employees a tremendous amount of money over operating, maintaining and parking a vehicle, giving them more discretionary money out of their paycheck.
- \* Employment at the participating hotels becomes more important and rewarding then just a paycheck and a job.
- \* Different than other benefits, like health insurance or retirement funds, this employee benefit can be enjoyed now, in all aspects of daily living and travel, 24-7-365.