

Report to Council



Date: May 1, 2023
To: Council
From: City Manager
Subject: 2023 Update: Municipal Boating Facilities Commercial Licensing Program
Department: Real Estate

Recommendation:

THAT Council receive, for information, the report on Municipal Boating Facilities Commercial Licensing from the Real Estate department dated May 1, 2023;

AND THAT Council gives reading consideration to Bylaw No. 12518 being amendment No. 6 to Parks and Public Spaces Bylaw No. 10680;

AND FURTHER THAT Council gives reading consideration to Bylaw No. 12519 being amendment No. 35 to the Bylaw Notice Enforcement Bylaw No, 10475.

Purpose:

To provide an update on the Municipal Boating Facilities Commercial Licensing Program and to amend the Parks and Public Spaces Bylaw, as well as the schedule of the penalties in the Notice Enforcement Bylaw, in relation to the Municipal Boating Facilities Commercial Licensing program.

Background:

In February 2022 Council authorized the implementation of a licensing program for commercial users of the City’s boat launch facilities with two primary goals:

- 1) maximizing the safety and efficiency of operations within the boat launch areas, and,
- 2) targeting cost-recovery for commercial users’ proportionate share of operating and capital costs associated with municipal boat launches.

Actual 2022 program revenue was \$140,000, compared with anticipated revenue of \$106,000. Furthermore, on-site monitoring by Staff and anecdotal evidence from last year suggests that boat launches were less congested as a result of implementation of this program.

Discussion

The implementation of the commercial licensing program and its associated fees represented an interim step in establishing a more holistic and comprehensive framework for the City's boating facilities. Accordingly, the City engaged Urban Systems to establish guiding principles and make recommendations that will enable the City to create a sustainable, long-term model for providing this important amenity to our community.

Guiding Principles

Using the engagement feedback and the general community vision established through *Imagine Kelowna*, Urban Systems compiled a draft set of 'Guiding Principles' (high-level values statements), and 'Objectives' (specific implementation statements), relating to the sustainable, long-term operation of the City's boat launch facilities. These are summarized as follows:

Guiding Principles & Objectives	
Guiding Principles	Objectives
Fairness	Focus on the user experience
Sustainability (Environmental & Financial)	Self-funded cost recovery
Collaboration	Balanced lake access
Service Excellence	Explore partnerships

A copy of the draft Urban Systems report is attached as Schedule A.

Program Changes for 2023

For 2023, Staff are proposing a number of additional changes to the Municipal Boating Facilities Commercial Licensing Program in order to ensure that it more closely aligns with the framework established in the report from Urban Systems. This includes additional enforcement capabilities and monitoring efforts to maximize compliance with the program and ensure equity and fairness for all boat launch users

Staff also continue to explore the viability and implications of expanding the licensing program to all users (commercial and non-commercial) of the City's boat launch facilities, with the aim of having this amenity fully funded from user fees - with no direct impact on taxation - in future years.

Facility Improvements for 2023

In line with the strategic framework established in the Urban Systems report, revenues generated by the licencing program are placed in the Municipal Boating Facilities Reserve Fund, which is used to support the ongoing maintenance and improvement costs associated with Municipal Boating Facilities. For 2023, Staff identified the replacement of the Water Street Boat Launch as the top priority for use of these funds, with budget having been allocated and approved for this purpose. An application is currently underway to receive provincial approval for the project and the City is preparing to issue an RFP for

completion of the works. Staff are targeting the completion of this replacement project for the fall of this year.

Financial Considerations

Total annual operating and capital renewal costs associated with municipal boat launch facilities is approximately \$365,000, including on-going annual costs for dredging at the Cook Road Boat Launch (\$125,000 in 2022, \$163,000 in 2023). As a result of the implementation of last year's commercial licensing program, approximately \$140,000 in revenue was generated to off-set these costs. While program revenues are not anticipated to increase substantially in 2023, the implementation of an all-user-pay cost recovery system in 2024 and beyond will see this important amenity entirely self-funded, with minimal reliance on taxation.

Conclusion

The Commercial Licensing Program was highly successful in its inaugural 2022 season: alleviating commercial demand for limited launching capacity at the Cook Road and Water Street boat launches, while concurrently generating \$140,000 in non-taxation revenue, the majority of which will be re-invested to improve the City's boating facility infrastructure in 2023 and beyond.

Staff recommend that Bylaw No. 10680 and Bylaw No. 10475 be amended as presented, to enhance the overall functionality of the Commercial Licensing Program and to strengthen the City's enforcement capability. Staff aim to return to Council in Fall of this year to provide a summary of 2023 operations, as well as recommendations regarding an expanded all-user pay licensing program in 2024.

Internal Circulation

Communications
Parking Services
Finance
Bylaw Services

Considerations not applicable to this report

Legal / Statutory Authority
Legal / Statutory Procedural Requirements
Existing Policy
External Agency / Public Comments
Communications Comments

Submitted by: J. Buck, Manager, Property Management

Approved for inclusion: J. Säufferer, Real Estate Department Manager

Attachments: Schedule A - Urban Systems Report
Schedule B - Bylaw Amendments
Schedule C - PowerPoint

