

Report to Council



Date: April 20 2026
To: Council
From: City Manager
Subject: Commercial Boat Operator Bylaw Amendment
Department: Real Estate

Recommendation:

THAT Council receive, for information, the report on Commercial Marine User Fees from the Real Estate department dated April 20, 2026;

AND THAT Council gives reading consideration to Bylaw No. 12903 being amendment No. 10 to Parks and Public Spaces Bylaw No. 10680;

AND FURTHER THAT Council gives reading consideration to Bylaw No. 12904 being amendment No. 44 to the Bylaw Notice Enforcement Bylaw No, 10475.

Purpose:

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 consistent with Fees & Charges Policy 395.

Program fees are paid into the Marine Reserve Fund – funding operational and maintenance requirements. Program fees were based on a recovery target of \$90,000 - \$100,000 from commercial boat launch users, reflecting their share (approximately 25%) of the \$365,000 in total annual boat launch operating and capital renewal costs.

Total revenues collected by the City since implementation of the program are summarized below:

	2022	2023	2024	2025
Total Fees Collected	\$140,000	\$84,500	\$104,000	\$61,000

Discussion:

Notwithstanding fees collected to date, overall compliance with the commercial licencing program has been limited, with feedback from operators indicating that the current fee structure is both cost-prohibitive to the economic viability of smaller commercial operators, and that it does not accurately reflect the significant number of commercial users of boat launch facilities (i.e. it under-counts the number of commercial watercraft and operators).

To resolve some of these challenges, Staff have had extensive discussions with commercial user groups - including the Kelowna Marine Tourism Association (KMTA), which was recently established to represent and advocate on behalf of individual commercial operators.

As a result of these stakeholder engagement efforts, Staff are proposing changes to the originally established fee structure to better align fees with the realities of the commercial marine user ecosystem, streamline administration of the program, and simplify compliance and enforcement mechanisms.

The proposed fee schedule for implementation in 2026 is shown below:

Category	Flat Fee
Commercial Users with 1-20 watercraft	\$2,000
Commercial Users with 21-40 watercraft	\$10,000
Commercial Users with 41+ watercraft	\$20,000

In addition to a change in fee structure, Staff are also proposing language changes to Bylaw 10680 to ensure the bylaw applies to all commercial users of the boat launch facilities – not just boat rental companies. This will expand the bylaw to include boat service companies, boat sales companies and other ancillary commercial operators.

Total program revenue is anticipated to remain the same (approximately \$90,000 - \$100,000/year), with the reduction in fees per operator off-set by the additional number of commercial launch operators included (and in compliance) with the program.

As shown in the attached Schedule A, the KMTA – as representative of a significant portion of commercial boat launch users – is in support of the proposed structure.

Conclusion:

The proposed changes to Bylaw 10680 support a sustainable, well-managed approach to Kelowna's commercial marine activity. They promote fair access for public users while ensuring that high-impact commercial operators contribute proportionally to the cost of infrastructure and compliance systems.

Internal Circulation:

Communications
Parking Services
Finance
Bylaw Services

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Consultation and Engagement:

Communications Comments:

Submitted by: M.McAfee, Property Management Manager

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

Attachments:

Schedule A: Letter of Support KMTA

Schedule B: Bylaw Amendments

Schedule C: PowerPoint