CITY OF KELOWNA

MEMORANDUM

DATE: April 18, 2006 File: 0550-05

TO: City Manager

FROM: Airport General Manager

SUBJECT: WAIVING OF AIRPORT IMPROVEMENT FEES FOR CHARITABLE FLIGHTS

RECOMMENDATION:

THAT Council authorize the Airport General Manager to at his discretion waive the \$8.00 Airport Improvement Fee where an airline has donated a departing passenger's flight for a charitable cause;

AND THAT Council approve amending Bylaw No. 7982, Airport Fees, Section 22. Airport Improvement Fees to add clause 22.3 "The Airport General Manager may at his discretion waive the Airport Improvement Fee where an airline has donated the departing passenger's flight for a charitable cause."

BACKGROUND & COMMENTS:

From time to time airlines partner with our community on a charitable cause by donating flights to individuals departing from Kelowna. A request has been received from WestJet for permission to waive the Airport Improvement Fee on these flights. This request has been received and approved by similar sized airports in B.C. specifically Victoria and Abbotsford. In addition Prince George Airport has noted that if a similar request is received it will be approved.

The payment of Airport Improvement Fees is governed by the Air Transportation Association of Canada (ATAC) Memorandum of Agreement. A letter has been received from ATAC noting that waiving of Airport Improvement Fees is not covered under the agreement and therefore causes no concern.

It is estimated that if all 3 major airlines serving Kelowna requested this exemption and all flights were approved, the annual dollar value would be approximately \$1,500.00.

R. Sellick

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