

**CITY OF KELOWNA**

**MEMORANDUM**

**DATE:** November 2, 2006  
**TO:** City Manager  
**FROM:** Airport General Manager

File: 0550-05

**SUBJECT: AIRPORT ADVERTISING FEE INCREASE**

THAT Council approve increasing the existing fees for advertising at the airport by 15% effective January, 2007;

AND THAT Council approve the new fee structure for existing and new advertising spaces as shown below;

**10. AIR TERMINAL BUILDING ADVERTISING SPACE FEE**

10.1	Strip Signs	approx. size 2' x 4'	\$ 648.00 per annum
10.2	Individual Signs	approx size 29" x 24"	\$ 828.00 per annum
10.3	Super Signs	approx. size 30" x 40"	\$ 2,553.00 per annum
10.4	Hotel Directory Board	approx. size 8" x 10"	\$ 450.00 per annum
10.5	Bag Belt Signs	approx. size 2' x 4'	\$ 1,150.00 per annum
10.6	Spectacular Signs	approx. size 9' x 4'	\$ 8,000.00 per annum
10.7	Entrance Roadway Sign	approx. size 15' x 6'	\$10,000.00 per annum

**AND THAT** Staff be instructed to amend Airport Fees Bylaw No. 7982 in accordance with this recommendation.

**BACKGROUND AND COMMENTS**

Rates for Air Terminal Building Advertising Space have not been raised since 1996 and new advertising opportunities have been made available due to the terminal expansion.

A comparison of advertising rates in both local venues and other similar sized airports was conducted resulting in the fees schedule shown above. The fees were in line with those offered in a local sports venue and university and college billboards. They are lower than those in similar sized airports, however the schedule will ensure that the available spaces are filled to maximum potential while keeping the impact on the airport's current advertisers to an acceptable limit.

Each advertising contract is for 1 year and as each contract expires the new rate will be put into effect. All new rates will be in effect by the end of 2007 at which time extra revenue generated is expected to be approximately \$16,000.00 per annum.



R. Sellick  
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