

Report to Council



Date: April 15, 2019
File: 0280-40
To: City Manager
From: Revenue Supervisor
Subject: 2019 Sterile Insect Release (SIR) parcel tax
Report Prepared by: Pam Kuiper, Accountant

Recommendation:

THAT Council approve the Sterile Insect Release Program as outlined in the report of the Revenue Supervisor dated April 15, 2019, charging the 2019 Sterile Insect Release (SIR) Parcel Tax to individual property tax rolls in accordance with the 2019 SIR Parcel Tax Assessment Roll provided to the City of Kelowna by SIR administration.

AND THAT Bylaw No. 11803 being the Sterile Insect Release Program Parcel Tax Bylaw 2019 be forwarded for reading consideration.

Purpose:

To authorize the 2019 Sterile Insect Release parcel tax levy on specified property tax rolls within the City of Kelowna.

Background:

The SIR Program is an area wide codling moth management program operating in key growing areas of the Okanagan, Similkameen and Shuswap Valleys, in commercial orchards and urban areas. The SIR Board governs the service provided through bylaws of the Okanagan Similkameen, Central Okanagan, North Okanagan and Columbia Shuswap Regional Districts. Funding is requisitioned through a land value tax paid by all property owners in the service area and a parcel tax levied against planted host tree acreage. The SIR Program provides enforcement of area wide management and control of codling moth infestation as well as the rearing and releasing of sterile codling moths throughout orchards. This environmentally friendly technique reduces the need for reliance on pesticides. Sterile insect technology allows for greater opportunities for sustainable agricultural practices such as integrated pest management controls of orchard pests. A reduction in chemical sprays benefits the entire community through less environmental impact to the air, water and soil quality, benefiting public health as well as producing quality fruit.

The program consists of two separate levies. The first levy is based on the assessed value of the land and a tax rate for each class of property (residential, utility, major and light industrial, recreational, business, and farm land), and is provided by the Regional District of Central Okanagan. It applies, generally, to all property tax rolls within the City of Kelowna.

The second levy is a parcel tax applicable to all properties that are 0.30 acres or more and contain 20 or more codling moth host trees (apple, pear, crab apple, and quince). The 2019 charge of \$139.26 per assessed acre will be applied to all property tax rolls on the list provided by SIR administration and are attached to Bylaw 11803.

The following chart lists the historical annual budget figures levied on property within the City of Kelowna as well as the year over year percentage change.

	2013	2014	2015	2016	2017	2018	2019
General Levy on All Properties	\$708,659	\$715,400	\$719,400	\$725,950	\$731,272	\$738,469	\$744,305
Percentage Change from Prior Year	0.79%	0.95%	0.56%	0.91%	0.73%	0.98%	0.79%
Parcel Tax Levy	\$352,690	\$344,695	\$336,120	\$329,755	\$322,597	\$319,073	\$307,121
Percentage Change from Prior Year	-3.71%	-2.27%	-2.49%	-1.89%	-2.17%	-1.09%	-3.75%
Per Acre Charge for Parcel Tax	\$139.26	\$139.26	\$139.26	\$139.26	\$139.26	\$139.26	\$139.26
Percentage Change from Prior Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Internal Circulation:

Office of the City Clerks

Legal/Statutory Authority:

Section 200 of the Community Charter provides that Council may, by bylaw, impose a parcel tax in accordance with Part 7 Division 4 – Parcel Taxes to provide all or part of the funding for a service.

Financial/Budgetary Considerations:

While the SIR program is run across the 4 participating regional districts, each municipality has tax authority over their own specific area. Each municipality deals with the parcel tax and then passes on the funds to the Regional District, who then uses the funds to pay for the SIR Program.

Considerations not applicable to this report:
Legal/Statutory Procedural Requirements:
Existing Policy:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

Angie Schumacher, Revenue Supervisor

Approved for inclusion:



Genelle Davidson, Divisional Director, Financial Services

Attachments:

Schedule A - 2019 SIR Parcel Tax Roll