



Regional Board Report

TO: Regional Board

FROM: Karen Needham
Corporate Officer

DATE: November 22, 2021

SUBJECT: Referral Request - City of Kelowna Municipal and Regional District Tax Bylaw No. 12290

Voting Entitlement: *All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208*

Purpose: To consider a letter of support for the City of Kelowna Municipal and Regional District Tax Bylaw No. 12290 for the renewal of the City of Kelowna hotel tax levy under the provisions of the *Provincial Tax Act*.

Executive Summary:

The City of Kelowna is a designated recipient of revenues generated through the Municipal and Regional District Tax (MRDT). A large portion of these revenues are paid to Tourism Kelowna to support tourism marketing, programs, and projects. As per provincial requirements, implementation of the tax is for a five-year period and an application to renew the tax must be submitted at least 6 months prior to the repeal date. The last time the tax was renewed was in 2016. If approved, the renewed three (3%) percent MRDT would come into effect on July 2, 2022 through a new Order in Council.

Section 7 of the Province's Municipal and Regional District Tax Program Requirements sets out the application requirements. If a municipality is applying to the Province, the municipality must provide evidence that the regional district has been consulted and indicate whether the regional district supports or opposes the imposition of the tax in the municipality. Such evidence could be in the form of a letter from the regional district Board.

The City of Kelowna is requesting that the Regional Board review the continued tax levy of three (3%) percent and provide a letter of support for the Province's consideration.

The three (3%) percent Municipal and Regional District Tax impacts the hotel industry in the boundaries of the City of Kelowna; therefore, staff are recommending the Regional Board support the imposition of the tax.

RECOMMENDATION:

THAT the Regional District of Central Okanagan provide a letter of support for the 2022 renewal of a 3% hotel tax levy as approved in the City of Kelowna Municipal and Regional District Tax Bylaw No. 12290.

Respectfully Submitted:



Karen Needham
Corporate Officer

Approved for Board's Consideration



Brian Reardon, CAO

Prepared by: S. Horning, Supervisor-Corporate Services

Attachment(s):

- November 10, 2021 correspondence from the City of Kelowna
- City of Kelowna Municipal and Regional District Tax Bylaw No. 12290