



**RDOS Area “D” Governance Study
Fact Sheets
December 2015**

ECONOMIC DEVELOPMENT SERVICES

➤ **What service is provided?**

In 2007 Weyerhaeuser announced that they would be closing their Okanagan Falls plant. In response, the RDOS, on behalf of Electoral Area “D,” applied for a grant to assist in economic development for the area. As part of that proposal, the RDOS established an economic development service for Electoral Area “D.”

Initially the service was focused on finding a new user for the Weyerhaeuser site; however, the broader purpose is to assist the area in attracting business and industry, supporting the health and growth of current businesses and industry, as well as promoting uses that will create jobs.

The service is provided through an office located in Okanagan Falls, separate from the RDOS main office in Penticton. The office has recently been rebranded as the Electoral Area “D” Rural Services office. The office is to provide a local point of contact for those seeking information on the electoral area, its economy, community, local services, programs, businesses and development opportunities. The service is supported by a website.

➤ **Who makes decisions?**

The entire RDOS Board makes decisions regarding the Area “D” Economic Development service, due to the fact that one Electoral Area Director cannot make decisions on a service alone. Decisions are made on the advice of staff.

➤ **Who delivers the service?**

The economic development service is delivered by RDOS staff, under the direction of the Community Services Manager. The service has a Rural

Services Manager, as well as 2 administrative clerks who work in the Okanagan Falls office.

➤ **What is spent by RDOS on the service?**

Figure 1 shows the total 2015 budgeted cost for delivering the economic development service. The amount can vary depending on the projects undertaken. In 2014 an Okanagan Falls revitalization strategy was initiated, resulting in a higher service cost in that year. No significant increases are planned for the next 5 years.

Figure 1 Cost of Services 2015	
Service Component	Cost¹
Economic Development	\$136,482
Total	\$136,482

¹ Cost estimates are from adopted 2015 budget figures

In addition to the service cost, there is also an operating reserve account created for the economic development service. The reserve total is shown in Figure 2.

Figure 2 Reserve Total 2015	
Service	Reserve Total¹
Economic Development Reserve	\$74,317

¹ Reserve totals are as at the end of 2014.

➤ **How are the costs recovered?**

Property taxes are the source of funding for the economic development service. Occasionally grant funding or prior years' surplus may be available, but the service is typically funded through property taxes on land and improvements.

➤ **What is the cost to a typical residence?**

The cost of the economic development service is recovered from Area "D" taxpayers on the basis of property assessments. In 2015 a residence assessed at \$325,000 in Area "D" paid approximately \$27, as shown in Figure 3.

Service	Tax Req.¹	Res. Rate	Owing²
Economic Development	\$126,482	0.083	\$27.06
Total			\$27.06

1 Tax requisition amount excludes 5.25% Surveyor of Taxes fee
2 Impact is calculated on a home assessed at \$325,000