



DECLARATION OF A SPECIAL RATE FOR THE CARLISLE STREET BUSINESS PRECINCT 2023 - 2028

Having considered all submissions and objections received and having complied with the requirements of sections 163, 163A, 163B and 223 of the *Local Government Act 1989 (Act)*, Port Phillip City Council (**Council**) declares a Special Rate (**Special Rate**) under section 163(1) of the Act for the purposes of defraying expenses to be incurred by Council in providing funds to the incorporated body known and operating as the Carlisle Street Traders Association (**Association**). The funds provided to the Association are subject to the approval, direction and control of Council, and will be used for the purpose of marketing, promotion, business development and centre management expenses as approved by Council and agreed to between Council and the Association, all of which are associated with the encouragement of commerce, retail, tourism, professional activity and employment in the Carlisle Street Business Precinct (**Business Precinct**).

The criteria which form the basis of the declaration of the Special Rate are the ownership and the Capital Improved Value (**CIV**) of rateable land which is:

- used, or reasonably capable of being used, for retail, commercial, leisure, tourism, entertainment, light industrial or professional purposes; and
- situated within the geographical area shown in the Carlisle Street Special Rate Area and Proposed Boundary Map attached to this declaration (**Boundary Map**).

Further, the classification of properties within the Area as receiving a 'primary' or 'secondary' special benefit is based upon the nature and characteristics of the properties and businesses included in each of the two benefit areas.

In declaring the Special Rate, Council is performing functions and exercising powers in relation to the peace, order and good government of the municipal district of the City of Port Phillip, in particular the encouragement of commerce, retail activity, tourism and employment opportunities within the area for which the Special Rate is declared.

The total cost of the performance of the function and the exercise of the power by Council (in relation to activities associated with the encouragement of commerce, retail activity, tourism and employment opportunities in the area for which the Special Rate is declared) and the total amount of the Special Rate to be levied by Council is referable to an amount of up to \$200,000 per annum in each of the financial years from 2023-2024 to 2027-2028.

The Special Rate is to be declared, and will remain in force, for the period commencing on 1 July 2023 and ending on 30 June 2028.

The area for which the Special Rate is declared is the area of land comprising all the properties set out below and as shown on the Boundary Map attached to this declaration. The land in relation to which the Special Rate is declared is all that rateable land described in the address listing of rateable properties set out below:

Carlisle Street -

- 114 – 336 Carlisle Street
- 103 – 289 Carlisle Street
- Within arcades at 232 Carlisle Street and 246-252 Carlisle Street

Chapel Street -

- 141 – 159 Chapel Street
- 100 – 126A Chapel Street

Camden Street -

- 54 Camden Street

Nelson Street -

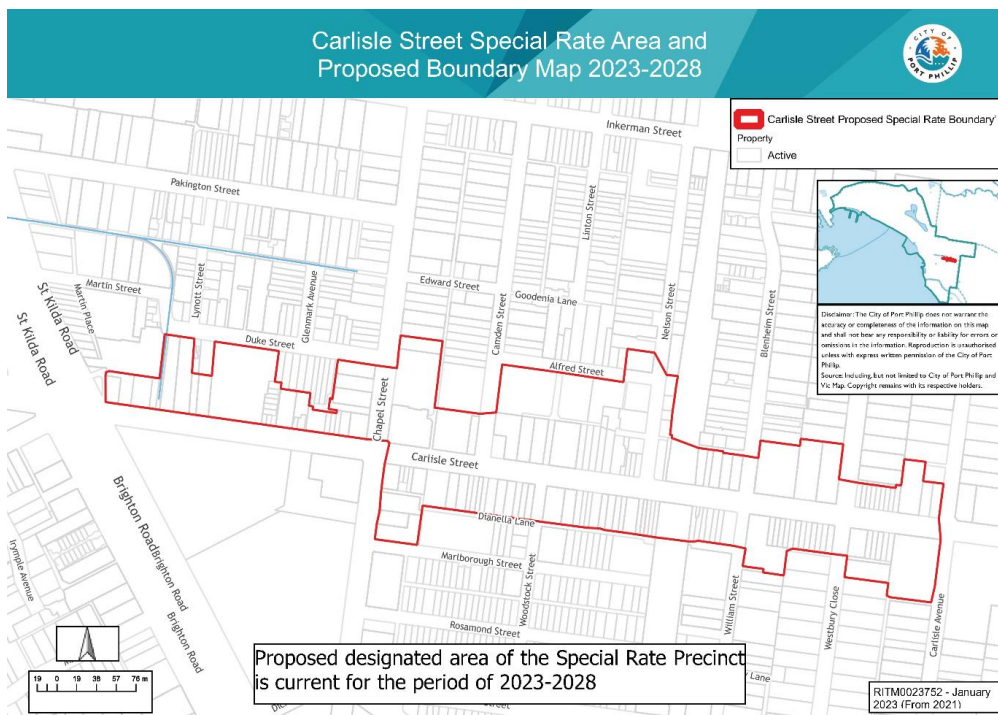
- 45 – 65 Nelson Street
- 26 – 32 Nelson Street

Westbury Close -

- 114A Westbury Close

William Street -

- 2 – 8 William Street



For the period of the Special Rate, it will be assessed as follows:

Primary Benefit Level

The primary benefit level includes properties that are used, or reasonably capable of being used, for retail, commercial, leisure, tourism, entertainment, light industrial or professional purposes that are:

- fronting and at ground level on Carlisle Street (between St Kilda Road and Carlisle Avenue/Orange Grove);
- 54 Camden Street;
- located at ground level within the arcades at 232 Carlisle Street and 246-252 Carlisle Street; and
- in the opinion of Council receive a primary special benefit.

Secondary Benefit Level

Secondary benefit level includes all other properties listed above that are not included in the primary benefit area, and that are used or reasonably capable of being used for retail, commercial, leisure, tourism, entertainment, light industrial or professional purposes, and which, in the opinion of Council receive a secondary special benefit.

The rates in the dollar applicable to the Special Rates in both the primary and secondary benefit levels will be determined at the beginning of each financial year to achieve a Special Rate of up to \$200,000 per annum.

The rate in the dollar applicable to the Special Rate in the primary benefit level will be determined at the beginning of each financial year based on the CIV of all the properties in that area at that time.

The rate in the dollar applicable to the Special Rate in the secondary benefit level will be determined at the beginning of each financial year based on 50 percent of the rate applicable to the primary benefit level.

The formula to calculate the Special Rate of up to \$200,000 per annum includes:

- primary benefit rate is \$200,000 divided by total sum value of the CIV of all properties in the Special Rate defined area (this includes properties paying either the primary or secondary benefit rate); and
- secondary benefit rate is 50 percent of the primary benefit rate.

The Special Rate will be levied by the Council sending a notice of levy annually to the persons who are liable to pay the Special Rate levy, which will require that the Special Rate levy must be paid in the following manner:

- by one annual payment to be paid in full by the due date fixed by Council in the notice, which will be a date not less than 30 days after the date of the issue of the notice; or
- by four instalments to be paid by the dates which are fixed by Council in the notice.

Council considers that there will be a special benefit to the persons required to pay the Special Rate because:

- there will be a benefit to those persons that is over and above, or greater than, the benefit that is available to persons who are not subject to the Special Rate; and
- directly and indirectly as a result of the expenditure of the Special Rate the viability of the Business Precinct as a business, commercial and retail area, and the value and the use, occupation and enjoyment of the properties and the businesses included in the Special Rate area, will be maintained or enhanced through increased economic activity.

Council has determined for the purposes of sections 163(2)(a), (2A) and (2B) of the Act that the estimated proportion of the total benefits of the Special Rate scheme to which the

performance of the function and the exercise of the power relates (including all special benefits and community benefits) that will accrue as special benefits to all of the persons who are liable or required to pay the Special Rate is in a ratio of 1:1 (or 100%). This is on the basis that, in the opinion of the Council, all of the services and activities to be provided from the expenditure of the Special Rate are marketing, promotion and advertising related and will accordingly only benefit those properties and businesses included in the Scheme that are used, or reasonably capable of being used for retail, commercial, leisure, tourism, entertainment, light industrial and professional purposes.

Council authorises the Association to administer the proceeds of the Special Rate on the express condition that the Association enters into a funding agreement with Council for the period of the Special Rate.

Council authorises its Chief Executive Officer or delegate to prepare the funding agreement between Council and the Association by which administrative arrangements in relation to the Special Rate are confirmed. Such agreement will ensure that at all times, and as a precondition to the payment of any funds by Council to the Association, Council is, and remains, legally responsible for approving, directing and controlling the expenditure of the proceeds of the Special Rate in accordance with its legal obligations to do so.

Notice of Council's decision to declare and levy the Special Rate shall be sent to all owners and occupiers of properties included in the Special Rate and all persons who have lodged a submission and/or an objection, and such notice shall also set out the reasons for Council's decision.

Within 30 days of the date of issue of notice of Council's declaration of the Special Rate, any person on whom the Special Rate is imposed is entitled to apply to VCAT for review of Council's decision to impose the Special Rate on that person, in accordance with section 185 of the Act on any of the grounds specified in s 185(2b). Section 185AA of the Act provides a separate right to apply to VCAT for a declaration as to the validity of Council's decision. An application for a declaration can be made at any time.

The reasons for Council's decision to declare the Special Rate are that:

- there were 13.06 percent valid objections to the Special Rate, and Council otherwise considered that there is a broad level of support for the Special Rate from all other property owners and occupiers;
- council considers that it is acting in accordance with the functions and powers conferred on it under the Act and the *Local Government Act 2020*, having regard to its role, purposes and objectives, particularly in relation to the encouragement of commerce, retail activity, tourism and employment opportunities in and around the Special Rate area;
- all persons who are liable or required to pay the Special Rate and the properties respectively owned or occupied by them will receive a special benefit in the form of an enhancement or maintenance in land values and/or a maintenance or enhancement in the use, occupation and enjoyment of the properties; and
- the basis of distribution of the Special Rate amongst those persons who are liable or required to pay the Special Rate is considered to be fair and reasonable.