



PROPOSED DECLARATION OF A SPECIAL RATE AND CHARGE FOR THE ACLAND STREET VILLAGE BUSINESS PRECINCT 2024 - 2029

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 and special charge (**Special Rate**) scheme under section 163(1) of the Act for the purposes of defraying expenses to be incurred by Council in connection with the marketing, promotion, business development and centre management for the encouragement of commerce, retail, tourism, professional activity and employment in the Acland Street Village Business Precinct (**Business Precinct**). It is proposed the funds be provided to the incorporated body known and operating as the Acland Street Village Business Association (**Association**), subject to a funding agreement with Council under which all 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.

The criteria which form the basis of the declaration of the Special Rate are the ownership and the Net Asset Value (**NAV**) 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 Acland Street Village Special Rate Area identified below and Proposed Boundary Map at figure 1 below (**Boundary Map**).

Further, the classification of properties within the Special Rate Area as receiving a 'primary', 'secondary', 'tertiary' or 'quaternary' special benefit is based upon the nature and characteristics of the properties and businesses included in each of the benefit areas. The benefit areas are described below.

In declaring the Special Rate scheme, 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 scheme 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 scheme is declared), and the total amount of the Special Rate to be levied by Council, is \$975,000. This is the total amount that will be raised by way of the Special Rate scheme during the declared Special Rate Period and reflects an amount of up to \$195,000 per annum in each of the financial years from 2024-2025 to 2028-2029.

The Special Rate is declared, and will remain in force, for the period commencing on 1 July 2024 and ending on 30 June 2029 (**Special Rate Period**).

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

Eligible Properties

The following eligible properties within the below address ranges (**Special Rate Area**) are included in the Special Rate scheme:

- 46 – 170 and 65 – 193 Acland Street (inclusive)
- 136 – 218 and 167 – 231A Barkly Street (inclusive)
- 1 – 9 and 2 – 26 Belford Street (inclusive)
- 22 and 25 – 49 Blessington Street (inclusive)
- 7 – 31 and 2 – 32 Carlisle Street (inclusive)
- 1 – 21 and 2 – 10 Irwell Street (inclusive)
- 30 – 40 Jacka Boulevard (inclusive)
- 14 – 18 Lower Esplanade (inclusive)
- 42B and 42D Marine Parade
- 1 – 7 Shakespeare Grove (odd and even inclusive)
- 16 – 32 The Esplanade (inclusive)

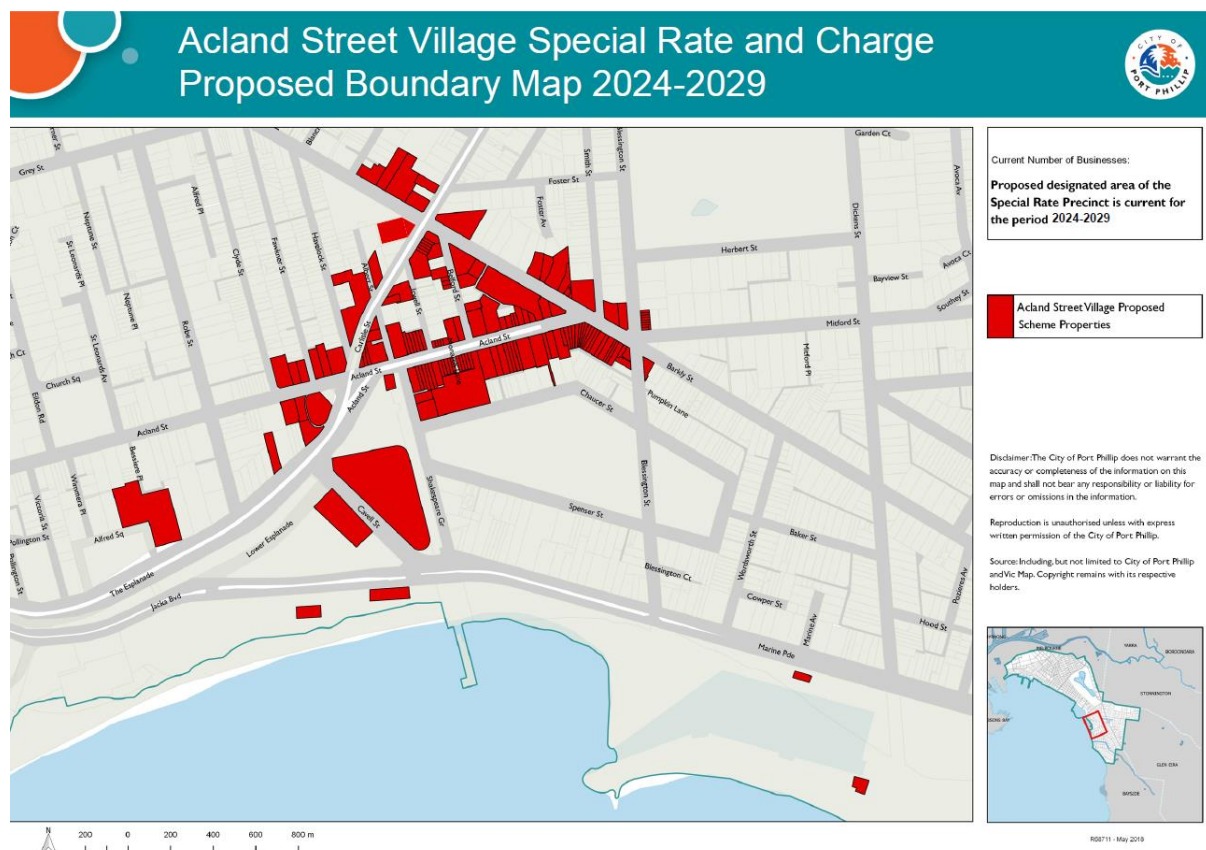


Figure 1. Boundary Map

For the Special Rate Period, the benefit areas for the purposes of assessing the Special Rate are as follows:

Primary Benefit Area

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

- Ground level with a street frontage at 46-170 and 65-193 Acland Street (inclusive).

Secondary Benefit Area

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

- Upper level or without a street frontage at 82-146A and 77-171 Acland Street (inclusive);
- Ground level at 167-227A Barkly Street (inclusive);
- Ground level at 12-18 and 1 Belford Street (inclusive);
- Ground level at 17-21 Irwell Street (inclusive);
- 7-29 Carlisle Street (odd inclusive);
- Ground level at 1-7 Shakespeare Grove (odd and even inclusive);
- Ground level at 30-40 Jacka Boulevard (inclusive);
- Ground level at 14-32 The Esplanade (inclusive);
- Ground level at 14-18 Lower Esplanade (inclusive); and
- Ground level at 42B and 42D Marine Parade.

Tertiary Benefit Area

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

- Upper level at 181-189 Barkly Street (inclusive);
- Ground level at 136-218 and 229-231A Barkly Street (inclusive);
- Ground level at 6-32 Carlisle Street (inclusive); and
- Ground level at 22 and 25-49 Blessington Street (inclusive).

Quaternary Benefit Area

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

- Upper level at 150-212 and 179 Barkly Street (inclusive);
- Upper level at 29 and 31 Carlisle Street;
- Upper level at 33 and 33A Blessington Street;
- Automatic teller machines (not associated with a property used as a financial institution); and
- Above ground commercial signage excluding business identification signage.

Special Rate

The rates in the dollar applicable to each benefit area for the purposes of levying the Special Rate will be determined at the beginning of each financial year, having regard to the NAV of all the properties in each benefit area at that time, to raise up to \$195,000 per annum.

It be noted that the Valuer General Victoria re-values all properties within the municipal district every year. On 1 July 2024, the new valuations will be used to calculate the rate in the dollar for all eligible properties within the Business Precinct.

By way of example, and in the absence of the NAV figures for 2024-2025, below shows the rates in the dollar, based on the 2023-2024 NAV valuations, that would have been applied to collect the special rates and charges totalling up to \$195,000 per annum:

- Primary benefit rate – 0.00604
- Secondary benefit rate – 0.00367
- Tertiary benefit rate – 0.00271
- Quaternary benefit rate – 0.00196

The actual special rates to be applied in 2024-2025, and in each subsequent year of the Special Rate Period, will be redetermined in each financial year having regard to reassessed NAV figures prepared annually by Valuer-General Victoria.

In addition to the rate in the dollar being adjusted each financial year, maximum and minimum special charges will also apply. For the 2024-25 rating year, the following maximum and minimum special charges will apply:

- Primary benefit rate – maximum charge of \$4,223 and a minimum charge of \$739 per year.
- Secondary benefit rate – maximum \$3,167 and a minimum charge of \$570 per year.
- Tertiary benefit rate – maximum charge of \$2,639 and a minimum charge of \$428 per year.
- Quaternary benefit rate – maximum charge of \$2,111 and a minimum charge of \$369 per year.

The maximum and minimum special charges will be adjusted at the beginning of each financial year during the operation of the Scheme, having regard to:

- any change to the special rate in each of the benefit areas (which, as above, will be determined having regard to the movement of NAV to ensure that \$195,000 will be collected in that year);
- the inclusion or removal of any properties from the Scheme; and
- any change in the number of properties that will pay a special charge (as opposed to a special rate), having regard to the changed special rates in each benefit area, as above.

The Special Rate (which for the avoidance of doubt, includes any special charge) will be levied by the Council sending a levy notice annually to the persons who are liable to pay the Special Rate, which will require that the Special Rate 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.

In accordance with section 163(4A), this declaration will expire if the Special Rate is not levied to each person liable to pay it within 12 months after the day on which this declaration is made.

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 scheme; and
- directly and indirectly as a result of the expenditure of the Special Rate scheme, 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 Council, all of the services and activities to be provided from the expenditure of funds raised by the Special Rate scheme are marketing, promotion and advertising related and will accordingly only benefit those properties and businesses included in the Special Rate Area 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 scheme on the express condition that the Association enters into a funding agreement with Council for the Special Rate Period.

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 scheme 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 scheme 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.

The reasons for Council's decision are recorded as the reasons set out below:

- Council considers that it is acting in accordance with the functions and powers conferred on it under the *Local Government Act 1989*, having regard to its role, purposes and objectives under the Act, particularly in relation to encouragement of commerce, retail, tourism, professional activity and employment in the Business Precinct;
- 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 subject to the Special Rate; and
- The basis of distribution of the Special Rate among those persons who are liable or required to pay it is considered to be fair and reasonable.