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AGENDA

Hearing of Submissions Committee Meeting to be held
at Darebin Civic Centre,
350 High Street Preston
on Monday, 15 July 2019
at 7.00pm.



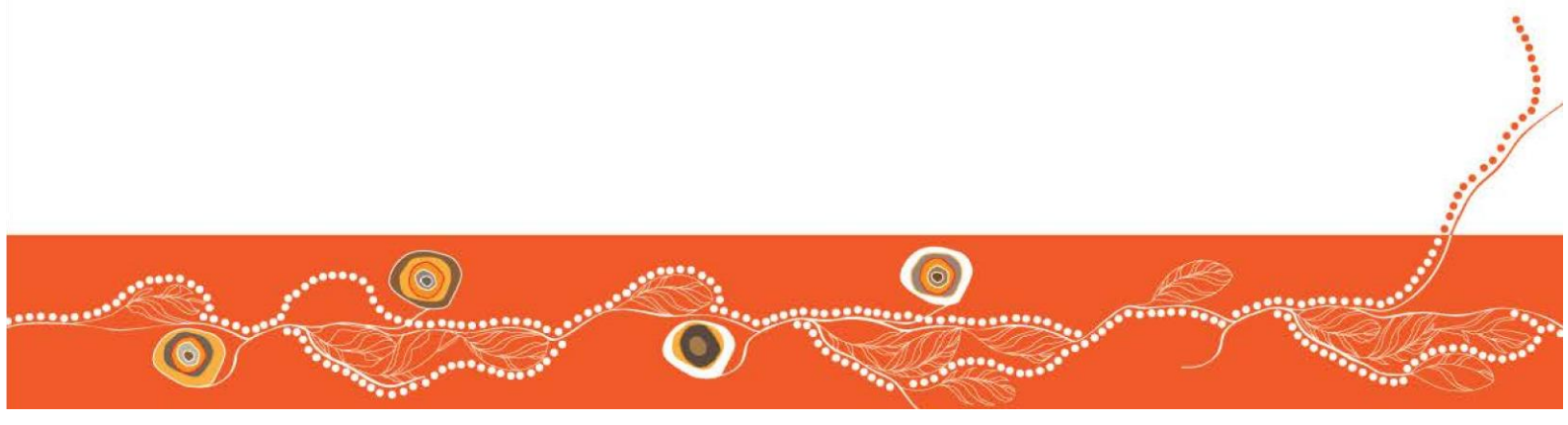
ACKNOWLEDGEMENT OF TRADITIONAL OWNERS AND ABORIGINAL AND TORRES STRAIT ISLANDER COMMUNITIES IN DAREBIN

Darebin City Council acknowledges the Wurundjeri Woi-Wurrung people as the Traditional Owners and custodians of the land and waters we now call Darebin and pays respect to their Elders, past, present and emerging.

Council also pays respect to all other Aboriginal and Torres Strait Islander communities in Darebin.

Council recognises and pays tribute to the diverse culture, resilience and heritage of Aboriginal and Torres Strait Islander people.

We acknowledge the leadership of Aboriginal and Torres Strait communities and the right to self-determination in the spirit of mutual understanding and respect.



English

This is the Agenda for the Hearing of Submissions Committee meeting. For assistance with any of the agenda items, please telephone 8470 8888.

Arabic

هذا هو جدول اعمال اجتماع لجنة الاستماع إلى الطلبات. للحصول على المساعدة في أي من بنود جدول الاعمال، يرجى الاتصال بالهاتف 8470 8888.

Chinese

这是递交意见听证委员会日程。如需协助了解任何日程项目，请致电8470 8888。

Greek

Αυτή είναι Ημερήσια Διάταξη για τη συνεδρίαση της Επιτροπής Ακρόασης Υποβολής Προτάσεων. Για βοήθεια με οποιαδήποτε θέματα της ημερήσιας διάταξης, παρακαλείστε να καλέσετε το 8470 8888.

Hindi

यह सबमिशन समिति की बैठक की सुनवाई के लिए एजेंडा है। एजेंडा के किसी भी आइटम में सहायता के लिए, कृपया 8470 8888 पर टेलीफोन करें।

Italian

Questo è l'ordine del giorno della riunione del comitato per l'audizione delle osservazioni presentate. Per assistenza con qualsiasi punto all'ordine del giorno, si prega di chiamare il numero 8470 8888.

Macedonian

Ова е Дневниот ред за состанокот на Одборот за сослушување на претставки (Hearing of Submissions Committee). За помош во врска со која и да било точка од дневниот ред, ве молиме телефонирајте на 8470 8888.

Nepali

यो प्रस्तुतिको सुनुवाइ समितिको बैठकको एजेन्डा हो। एजेन्डाका कुनै पनि वस्तुसम्बन्धी सहायताका लागि कृपया 8470 8888 मा कल गर्नुहोस्।

Punjabi

ਇਹ 'ਸਪੁਰਦਗੀਆਂ ਦੀ ਸੁਣਵਾਈ' (Hearing of Submissions) ਕਮੇਟੀ ਦੀ ਮੀਟਿੰਗ ਵਾਸਤੇ ਏਜੰਡਾ ਹੈ। ਏਜੰਡੇ ਦੀਆਂ ਕਿਸੇ ਵੀ ਆਈਟਮਾਂ ਸੰਬੰਧੀ ਸਹਾਇਤਾ ਵਾਸਤੇ, ਕਿਰਪਾ ਕਰਕੇ 8470 8888 ਨੂੰ ਟੈਲੀਫੋਨ ਕਰੋ।

Somali

Kani waa Ajandaha Dhegaysiga fadhigii Guddiga Soo-gudbinta. Caawimada mid kasta oo ka mid ah qodobada laga wada hadlay, fadlan la xiriiir 8470 8888.

Spanish

Este es el Orden del día de la reunión del Comité de audiencia de presentaciones. Para recibir ayuda acerca de algún tema del orden del día, llame al teléfono 8470 8888.

Urdu

یہ سبمشنز کی سماعتی کمیٹی کی میٹنگ کا ایجنڈا ہے۔ ایجنڈے کے کسی بھی حصے کے بارے میں مدد کے لیے براہ مہربانی 8470 8888 پر فون کریں۔

Vietnamese

Đây là Chương trình Nghị sự phiên họp Ủy ban Lắng nghe Đề trình. Muốn có người trợ giúp mình về bất kỳ mục nào trong chương trình nghị sự, xin quý vị gọi điện thoại số 8470 8888.

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Agenda

1. MEMBERSHIP

Cr. Susanne Newton (Deputy Mayor)
Cr. Susan Rennie (Mayor) (Chairperson)
Cr. Steph Amir
Cr. Gaetano Greco
Cr. Tim Laurence
Cr. Kim Le Cerf
Cr. Trent McCarthy
Cr. Lina Messina
Cr. Julie Williams

2. APOLOGIES

3. DISCLOSURES OF CONFLICTS OF INTEREST

4. CONFIRMATION OF THE MINUTES OF THE PREVIOUS HEARING OF SUBMISSIONS COMMITTEE MEETING

| |
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| Recommendation |
|-----------------------|

That the Minutes of the Hearing of Submissions Committee Meeting held on 23 May 2019 be confirmed as a correct record of business transacted.

5. CONSIDERATION OF REPORTS

5.1 PROPOSED RENEWAL OF A SPECIAL RATE SCHEME FOR PRESTON CENTRAL BUSINESS PRECINCT 2019 - 2024

Author: Coordinator Economic Development

Reviewed By: General Manager City Sustainability and Strategy

PURPOSE

For the Hearing of Submissions Committee's to hear, receive and note the submissions made on the proposed intention to declare Special Rate Scheme for Preston Central Business Precinct for a further five years 2019 – 2024.

EXECUTIVE SUMMARY

At its meeting on 20 May 2019, Council resolved to commence the statutory process under *the Local Government Act 1989* to declare a special rate scheme to and for the properties defined in the Preston Central Business Precinct for the encouragement of business and commerce.

The Public Notice was given regarding the proposed declaration and inviting submissions under section 223 of the Act by 5pm on 5 July, 2019. Businesses and property owners were notified by mail and provided a copy of the Public Notice.

Four submissions were received by the closing date for submissions, and one submitter has requested to be heard in support of their submission.

It is noted that the role of the Hearing of Submissions Committee is only to 'hear' and receive submissions. There are no options for consideration, or analysis of submissions included in this report. Following the Hearing of Submissions Committee meeting, a report will be submitted for consideration at a meeting of Council on 12 August 2019.

| |
|-----------------------|
| Recommendation |
|-----------------------|

That the Hearing of Submissions Committee

- (1) Receives and notes the written and verbal submissions.
- (2) Thanks the submitters and presenters for addressing the Committee in support of their written response.
- (3) Notes that a report is scheduled for presentation to the Council meeting of 12 August 2019 on the Special Rate Scheme for Preston Central Business Precinct, which will include a response to the issues raised in the submissions.

BACKGROUND / KEY INFORMATION

At its meeting on 20 May 2019, Council resolved to give public notice of its Intention to Declare a Special Rate renewal at a meeting of Council to be held on 11 June 2019.

Notice was given by mail on 27 May 2019 to owners and businesses that would be liable to pay the proposed special rate for the purposes of marketing, promotion and development of the Preston Central Business Precinct.

A public notice was placed in the Northcote and Preston Leader on Tuesday 28 and Wednesday 29 May 2019. The notices invited submissions until 5pm on 5 July, 2019.

Any person requesting to be heard in support of their written submission was invited to do so at the meeting of Council's Hearing of Submissions Committee at 7.00pm on 15 July 2019.

For the last two special rate periods (around ten years) the Preston Business Advisory Committee supported Council to administer the special rates.

In regards to the special rate now proposed, Council resolved on 18 March 2019 to support the establishment of a business association in Central Preston, which would administer the special rate. A business association is not yet in place, but is expected to be in place before the end of 2019. Until that time, Council would administer the special rate in line with its resolution.

Previous Council Resolution

At its meeting held on 20 May 2019, it was resolved:

'That Council:

- (1) *Having otherwise considered all relevant matters, commences the statutory process under the Local Government Act 1989 (the Act) to reintroduce a special rate to and for the properties defined in the Preston Central Business Precinct for the encouragement of business and commerce (**Appendix A – Map**). This special rate will commence on 1 July 2019 and end on 30 June 2024 (five years), and raise an amount of \$110,000 per annum, for a total of \$550,000,000 multiplied by the Consumer Price Index Rate provided by the Australian Bureau of Statistics for the previous financial year for years two, three, four and five of the Scheme.*
- (2) *Applies the criteria to be used as the basis for levying the special rate:*
 - i. *For the period of the scheme, it is proposed that the special rate will be assessed as follows:*

Properties allocated to the 'primary' special benefit will be subject to a special rate of 0.00031815 in the dollar of the Capital Improved Value of the property (plus any CPI increase annually in the second, third, fourth and fifth years of the scheme).
 - ii. *The manner in which the special rate is assessed (that is, the criteria to be used as the basis for levying the special rate) is: For the first year and subsequent years of the proposed special rate – each commercially zoned property included in the special rate is to pay the amount calculated in **Appendix B** of the respective property's Capital Improved Value.*
- (3) *Gives public notice in the Preston and Northcote Leader newspapers, of Council's intention to declare a special rate at its ordinary meeting to be held on 12 August 2019 in accordance with the proposed declaration of the special rate (**Appendix C**).*
- (4) *Sends separate letters enclosing a copy of the public notice to the owners and the occupiers referred to and set out in the listing of rateable properties in **Appendix A** to the proposed declaration of the special rate advising:*
 - a) *Of the intention of Council to declare the special rate at its ordinary meeting to be held on 12 August 2019;*

- b) *The amount for which the property owner or the occupier (being a person who as a condition of a lease under which the person who occupies the property is required to pay the special rate) will be liable; and*
- c) *The basis of the calculation and distribution of the special rate and notifying such persons that submissions and/or objections in writing in relation to the Proposed Declaration of Special Rate will be considered and/or taken into account by Council in accordance with the Act.*
- (5) *Authorises the appropriate members of Council's staff to carry out any and all other administrative procedures necessary to enable Council to carry out its functions under the Act.'*

At its meeting of 18 March 2019, Council resolved:

'That Council:

- 1) *Acknowledges the work undertaken by the Preston Business Advisory Committee and its members over the past ten years.*
- 2) *Disbands the Preston Business Advisory Committee as at 18 March.*
- 3) *Continues to administer the special rate levy until such time as a Business Association is established.*
- 4) *Supports the establishment of a business association for Preston Central.'*

COMMUNICATIONS AND ENGAGEMENT

Consultation

Council has consulted with the Preston businesses and property owners within the Business Precinct throughout the process as follows:

- Officers have visited each business and hand delivered survey and information sheet to commence the Intention to Declare process.
- Advertisements were placed in the Preston and Northcote Leader newspapers.
- Individual letters were sent to property owners and business occupiers who are required to pay the Special Rate Levy.
- Two information sessions were scheduled for businesses to ask questions.
- Officers have responded to queries from businesses, real estate agents and property owners regarding the special rate.

Appendix A includes the contents of the submissions in full. Identifying information has been redacted.

Communications

In addition to the survey that was circulated to each business, Council distributed a brochure outlining the benefits provided to businesses via the special rate over the past five years.

Information about the special rate in the letters to business owners and landlords was provided in English, Chinese and Vietnamese, which reflects the demographic make-up of the business owners.

ANALYSIS

Alignment to Council Plan / Council policy

Goal 4 - A strong economy

The overall goal is to support and attract a diversity of local businesses and industries by fostering an environment in which they can thrive. The current and proposed scheme raise funds to achieve marketing, promotions and business development outcomes in line with the Council Plan.

Council's Tourism Strategy – *A destination plan for Darebin 2016 – 2021* seeks to increase awareness of the diversity of experiences on offer in our City.

Environmental Sustainability Considerations

Climate Emergency

Supporting vibrant local shopping centres can help encourage local shopping and more pedestrian and active transport trips compared to vehicle trips. This can have a small impact on reducing emissions.

Equity, Inclusion and Wellbeing Considerations

Business associations have always struggled to get representation from the diverse background of business owners. Supporting vibrant local shopping centres can help encourage local shopping and community inclusion.

Cultural Considerations

Events delivered through the special rate levy are often unique to the businesses and community. In Preston over the period of the last special rate levy, this has included the delivery of Lunar New Year celebrations and events that celebrate the diversity of businesses operating in Preston.

Economic Development Considerations

The events, marketing and promotional activities held in these precincts attract people from neighbouring suburbs and provide a boost to the local economy, which is the key to maintaining a strong and vibrant retail centres.

Financial and Resource Implications

The special rate proposed would raise in 19/20 a total amount of \$110,000. The total amount proposed to be raised over 5 years is \$550,000 plus an annual increase to adjust for inflation (using the Consumer Price Index (CPI)).

Council's contribution in providing resources for the set up and administration of a new special rate is estimated to be \$10,000 over five years. This amount will not be recovered from the special rate and will be absorbed in Council's Economic Development operational budget.

Legal and Risk Implications

In line with the Act, Council public notice has been given of a proposed declaration of the special rate and Council has written to all people who will be liable to contribute.

DISCUSSION

There have been seven enquiries received regarding this process and four written objections. At the time of writing this report, one submitter has requested to be heard in support of their submission. The general issues raised by the submitters include:

- Amount is excessive and increasing more than CPI, capped amount should be applied
- Additional rates on properties are a financial burden on landlords
- Type of business does not receive any benefit from a general marketing campaign or events.
- No specific benefit outlined.

OPTIONS FOR CONSIDERATION

It is recommended that Council proceed with the Hearing of Submissions as outlined in this report. The role of this Committee is only to hear submissions.

Council must provide the submitters that have requested to be heard the opportunity to do so, in accordance with s.223 of the *Local Government Act 1989*. If Council were not to proceed with the hearing it would need to be rescheduled.

IMPLEMENTATION STRATEGY

Details

Following the Hearing of Submissions, a report will be presented to Council for consideration on 11 June 2019.

Communication

All submitters have been advised of the Council meeting date at which Council will consider the declaration of the special rate and will be provided written notice of the outcome of Council's decision. This will include responses for the issues raised in the submission.

Timeline

RELATED DOCUMENTS

- Council Meeting 20 May 2019
- Public Notice in The Preston and Northcote Leader Newspapers - 27 & 28 May 2019

Attachments

- Submissions - Special Rate Preston (**Appendix A**) [↓](#)

DISCLOSURE OF INTEREST

Section 80C of the *Local Government Act 1989* requires members of Council staff and persons engaged under contract to provide advice to Council to disclose any direct or indirect interest in a matter to which the advice relates.

The Officer reviewing this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

Submission one

Dear Sir/Madam

I write in regards to the Proposed Special Rate for the Preston Central Business Precinct.

Having receive the letter dated 27 May outlining the new special rate, I wish to object to the proposed under Section 163B of the Act, also to the CPI increases proposed in the second, third, forth, and fifth years.

The current increase for the first year to \$572.65 is excessive, it is much greater than CPI (1.8%) at almost a 15% increase. With CPI on top of this in the following four years, this will increase to over \$650 on top of all our other fees like outdoor permits, rates, etc.

As with many businesses in this precinct, we are a small business and its no secret how tough retailing is in the current economic climate. Small business is being hit left and right with increased costs at every level, making it very hard to make ends meet, and we cannot take much more.

I ask that the special rate be capped at its current amount of \$500, or only a marginal increase of \$10 for the next five years.

Submission two

To the Economic Development Coordinator

I am submitting this opposition, on behalf of my parents, regarding the proposed additional Levy on the property owned by [REDACTED].

Firstly, my parents are humble, hard- working post war immigrants, who have never received any financial government assistance and planned for their retirement. They are self - funded retirees that rely on the rent received by this Preston property. They are by no means, wealthy landlords.

The rental property at [REDACTED], does not cover the current existing Rates and Taxes as the tenant struggles to pay her way. This shop will soon be empty as this business is failing. My father has had Debt collectors sent to his home demanding Council Rates be paid, as the tenant has not paid for years.

Further to this financial pressure, the Council wants to impose another Levy; this is draconian. Why can't existing Rates accommodate marketing and infrastructure improvements? Why should the owners pay more? There are many shops that are empty on the High Street as is the case all over Melbourne and the State.

Darebin Council needs to apply constructive and fiscally responsible planning to support shop owners and business operators. That means working within an existing budget.

Imposing an additional Levy, means increased pressure on rents and that will only result in more empty shops. This precinct will soon become a ghost town, as the current Rates and State Land Taxes are bleeding ordinary folk like my parents.

Please understand this is not a strategy that will add value, only more hardship for the High Street vendors.

Submission Three

To the Economic Development Coordinator

As Director of [REDACTED] and referring to your letters noting the above addresses, on behalf of [REDACTED] I object to the Proposed Special Rate – Preston Central Business precinct.

The services conducted from the three properties are services which are by appointment only. There is no sales of a product or over the counter products to public in the specific precinct or Darebin region. The properties would not derive any benefit from the precinct and have never actively promote or encouraged clientele from the vicinity of Preston or would benefit as a business/s from the precinct.

As mentioned by your undated Notice of Intention to declare a special rate levy there will be no benefit or special benefit. Your description of the “special benefit” envisaged by Council is wanted to explain how the properties above could benefit.

The Notice of Intention provides no detail for any person, especially in the services, to understand or appreciate the special benefit that has been assumed.

Sec163 (1) of the Act, specifically notes the levy will be of benefit to the person required to pay the special rate or special charge.

Section163 (1B) in addition to any other requirement specified by this act, the public notices must –

- (a) contain an outline of the proposed declaration
- (b) set out the date on which it is proposed to make the declaration

We have not been given a detailed outlined to date.

The undated notice provides no specific notification, no description of the function that will be performed other than generalised information.

Sec163 (2D) sub sec (3) is lacking any information for a reasonable person to make a decision how this levy has been determined to be beneficial to the functions operated from all three properties.

The notice lacks all information noted by S163 and all subsections

The key facts are that services provided by the three properties will not receive any benefit directly or indirectly by this proposed levy designed to encouragement of commerce and retail, specifically referring to the operation from each of the three properties.

If no benefit is available, as a landlord it will be very difficult to encourage this payment by the three properties. This levy will add unnecessary costs to each property Please be aware that there are no existing leases with the current tenants and accordingly we cannot charge the levy to the tenants.

All three properties are a rateable entity and the majority of the three properties object to the proposal.

As the landlord we want to make a submission in person, Sec223 gives this right.

Submission Four

Thanks for this. We already have a large marketing budget [REDACTED]. What is the total levy you propose for [REDACTED]?

6. CLOSE OF MEETING

**CITY OF
DAREBIN**

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relayservice.gov.au

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 **Speak your language**
T 8470 8470

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