

NOTICE OF INTENTION TO DECLARE A SPECIAL RATE SCHEME FOR DIAMOND CREEK

In accordance with a resolution of the Nillumbik Shire Council (Council) made at its Ordinary meeting held on Tuesday, **30 January 2018**, notice is given that at Council Ordinary meeting to be held on Tuesday, **27 March 2018**, it is the intention of the Council to declare a Special Rate Scheme (Special Rate) under Section 163(1) of the *Local Government Act 1989* (Act) for the purposes of defraying expenses to be incurred by the Council in, administratively only and subject always to the approval, direction and control of the Council, providing funds to the incorporated body known and operating as Diamond Creek Traders Association (Association) to be used for the purposes of funding a precinct marketing coordinator, promotional, advertising, marketing, business development and other incidental expenses to be approved by the Council and agreed to from time to time between the Council and the Association, all of which are associated with the encouragement of commerce, retail and professional activity and employment in the Diamond Creek commercial/ business area (Precinct).

The Special Rate will be based on geographic criteria, having regard to the location and the **Capital Improved Value** (CIV) of those rateable properties within the Precinct that are used, or reasonably capable of being used, for commercial, retail or professional purposes.

The Council considers that each rateable property and each business included in the Scheme area that is required to pay the Special Rate will receive a **special benefit** because the viability of the Precinct as a commercial, retail and professional area will be enhanced through increased economic activity.

In performing functions and exercising powers in relation to activities associated with the encouragement of commerce and retail activity in and around the area for which it is proposed the Special Rate will be declared, the Council intends to levy and spend an amount of **\$30,000** in the first year and **\$120,000** annually thereafter, raising in total an amount of \$510,000 over the five (5) year period of the Scheme.

The Special Rate is to be declared, and will remain in force for the period commencing on 1 April 2018 and ending on 30 June 2022.

The following land is specified as the land to be covered by the Special Rate Scheme: properties located in the core retail, industrial and commercial business precinct comprising all properties covered by the current Scheme including Main Street, Chute Street, George Street, Elizabeth Street, Station Street, both sides of Main Hurstbridge Road until corner of Wensley Street, Collins Street and Main Hurstbridge Road heading north until the intersection of Main Hurstbridge Road and Phipps Crescent in Diamond Creek.

For the period of the Special Rate Scheme, the Special Rate will be assessed based on the ownership of rateable land used or zoned for commercial, industrial, retail or professional purposes located within the Precinct. The Special Rate is calculated by reference to the **Capital Improved Value** (CIV) of each property included in the Scheme, in a similar manner to the calculation of the general rate.

The Special Rate will be levied by the Council sending a notice of levy quarterly (contained within the general rate notice) to the persons who are liable to pay the Special Rate, which will require that the Special Rate must be paid by four instalments by the due date fixed by Council in the notice.

For the purposes of having determined the total amount of the Special Rate to be levied under the Scheme, Council considers and formally determines for the purposes of sections 163(2)(a), (2A) and (2B) of the Act that the estimated proportion of the total benefits of the 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 benefit** to all of the persons who are liable 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 proceeds of 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, industrial or professional purposes.

Copies of the **proposed declaration** of the Special Rate and a detailed plan of the Scheme area (including a list of all properties included in the Scheme, with the estimated amounts payable by each property based on the 2016 CIV valuation) are available for inspection during normal office hours at the Council offices in Greensborough for a period of at least 28 days after the date of the Council meeting and publication of this notice, being until Thursday, **1 March 2018**.

Any person may make a written submission to the Council under sections 163A and 223 of the Act.

In addition, any person who will be required to pay the Special Rate to be imposed by the proposed declaration, whether an owner or an occupier of a property included in the Scheme, has a right to object to the proposed declaration and may also make a written objection to the Council under section 163B of the Act. An occupier is entitled to exercise the right of objection if they submit documentary evidence with the objection which shows that it is a condition of the lease under which the person is an occupier that the occupier is to pay the Special Rate.

Written submissions to be submitted to the Council under section 223 of the Act and/ or written objections to be lodged with the Council under section 163B of the Act must be received by Council by 5PM on Thursday, **1 March 2018**. Submissions and/ or objections must be in writing and addressed and sent by mail to the Chief Executive Officer, Nillumbik Shire Council, PO Box 476, Greensborough VIC 3088.

Any person who has made a written submission under section 223 of the Act and has requested to be heard in support of their written submission is entitled to appear in person or to be represented by a person specified in the submission before the Future Nillumbik Committee appointed by the Council to hear submissions under section 223 of the Act, meeting to be held on Tuesday, **13 March 2018**, time and place of which will be advised in writing.

Any person making a written submission under section 223 of the Act is advised that the Council is no longer required to make available for public inspection submissions received in accordance with section 223 of the Act. Accordingly, all submissions and personal information in submissions will be handled as authorised or required by law, including under the Privacy and Data Protection Act 2014.

Council will consider any written submissions and take into account any objections in accordance with sections 163A, 163B and 223 of the Act.

Any person requiring further information concerning the proposed declaration of Special Rate should in the first instance contact Council's Business, Tourism and Marketing officers on 9433 3111 or email darko.popovski@nillumbik.vic.gov.au

MARK STOERMER
CHIEF EXECUTIVE OFFICER
NILLUMBIK SHIRE COUNCIL

Enquiries: Darko Popovski
Telephone: 9433 3315
Reference: 15/70/029

31 January 2018

«Ratepayer Address 1»
«Ratepayer Address 2»
«Ratepayer Address 3»
«Ratepayer Address 4»
«Ratepayer Address 5»

Dear Owner/ Occupier

RE: DIAMOND CREEK SHOPPING PRECINCT SPECIAL RATE RENEWAL

The Diamond Creek Traders Association has requested Council to renew the Diamond Creek Special Rate scheme for a further five years, commencing 1 April 2018.

The proposal involves a proportional rate levied on properties included in the Special Rate scheme area and it will enable the implementation of an ongoing program of marketing, major events, business development, business communication, networking, advocacy, coordination and management.

The expenditure of the Special Rate proceeds is intended to build on the successes over the years. The Association has highlighted the following initiatives that will be pursued with the funds: ongoing special promotions and events to lift the image and profile of the precinct, cross-marketing opportunities with like businesses, advocacy for improved transport and infrastructure, regular newsletters, advertising and business development activities and continuation of the dedicated marketing coordinator for the precinct.

The proposal has been further canvassed with business operators throughout the precinct, and the Association has advised Council that there is sufficient support for it.

At its ordinary meeting on **30 January 2018**, Council gave notice of its intention to declare a Special Rate for Diamond Creek. A copy of the public notice of intention relating to the Special Rate is attached to this letter.

The main points of the rate proposal are:

- It is for marketing, management, business development and other incidental expenses associated with the encouragement and development of commerce, trade and associated employment in Diamond Creek.
- The proposal involves a proportional rate levied on properties included in the Special Rate scheme area. This would raise an amount of \$30,000 in the first year and \$120,000 annually thereafter, raising in total an amount of \$510,000 over the five year period of the scheme, commencing on 1 April 2018 and ending on 30 June 2022.

The contribution for the property detailed below has been calculated as follows:

Property	«Formatted Address 1»
	«Formatted Address 2»

CIV	«Rateable Value»
Special Rate	«Special Rate»

The properties included in the scheme and the amounts of the Special Rate payable by the ratepayers will be subject to general and supplementary valuations on the same cycles and in the same manner as the Nillumbik Shire Council general municipal rates and charges.

If the proposed Special Rate is introduced, it is intended that Council will provide the rate proceeds to the Diamond Creek Traders Association for expenditure on marketing, management and business development of the precinct subject to an agreement being entered into with Council.

Prior to that, the Association will be required to prepare a business and marketing plan and develop an annual budget for the precinct outlining how the Special Rate proceeds will be spent. A copy of the plan, calendar of annual marketing activities and budget would be provided to Council for approval.

A person (being a property owner or occupier) liable or required to pay the Special Rate may make a written submission or objection to Council, see enclosed notice.

Submissions and objections must be lodged with Council by the close of business on Thursday **1 March 2018**, and be addressed to the Chief Executive Officer, Nillumbik Shire Council, PO Box 476, Greensborough 3088.

At its Future Nillumbik Committee meeting to be held on Tuesday, **13 March 2018**, Council will consider submissions and objections in accordance with Sections 163A, 163B and 223 of the *Local Government Act 1989* and hear persons who wish to be heard in support of their submission or objection.

Please indicate if you would like to present at the Future Nillumbik Committee meeting by completing the online form on Council website <http://www.nillumbik.vic.gov.au/Council/Council-meetings-dates-and-forms> or by phone on 9433 3271.

Should you have any further queries about the proposed Special Rate, please contact me on 9433 3315 or via email darko.popovski@nillumbik.vic.gov.au.

Yours sincerely



Darko Popovski
Business Development and Tourism Coordinator

Summary of Submissions

Diamond Creek Special Rate Scheme Renewal

No.	Business/ Proprietor	Submission Summary	Response
1	Claire Nolle Osteologic Healthcare	Supporting the scheme renewal. <i>I am in acceptance of renewing of the Special Rate commencing on 1 April 2018.</i>	Noted
2	Gina Hallal Platters Café, Bar and Grill Please note that this business resubmitted their previous letter.	Supporting the scheme renewal. <i>We are in full support of the Traders Association Special Rate Scheme as in the last 18months of being a small business owner in Diamond Creek, we have seen the effortless & amazing work that The Association have contributed to the community & as a result increased the foot traffic in the shopping precinct at times of special events organised by them.</i>	Noted
3	Andrew Gillard Darebin Travel	Supporting the scheme renewal. <i>Regarding the letter from Council and the marketing levy. Darebin Travel is in full support of the proposal.</i>	Noted
4	Steve Watson Volumes Books & Gifts	Supporting the scheme renewal. <i>We feel that the Special Rate is important for the promotion of Diamond Creek as a destination for consumers. We also feel that the various activities undertaken as a result of the Special Rate funds is great for community spirit and involvement.</i>	Noted

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5	Xenia Ruan Kilara House	<p>Objecting to the proposed renewal.</p> <p><i>Kilara House is a pension level Supported Residential Service which accommodates a group of vulnerable, disable, aged and failed residents. More than 85% of clients are pensioner and we are barely sustaining the running of our facility from their accommodation fees.</i></p>	<p>The facility is commercial for profit organisation.</p> <p>With regard to the special benefit, it is considered that all properties used for retail, commercial and professional purposes in the proposed scheme will receive special benefit through increased economic activity.</p>
6	M. Hermann SuziWorld	<p>Objecting to the proposed renewal.</p> <p><i>We are firmly of the opinion that this Special Rate is inappropriate and is not able to be judged as reasonable under the terms by which it has been designated and how the proposed funding allocation will be used.</i></p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>A coordinated and collective approach is aimed at maintaining and improving the Diamond Creek shopping precinct performance over time. This includes increasing patronage and expenditure, business attraction and investment.</p> <p>Some of the Diamond Creek Traders Association recent activities and achievements include: enhancement of the Diamond Creek brand; ongoing development of the website; continuation of integrated marketing campaigns, events and competitions including arts programs and activities. The Association also provides an effective communication, engagement and advocacy role for individual businesses in the precinct and for the town as a whole.</p> <p>This is considered to be of benefit both directly and indirectly to all businesses and property owners located within the designated area and the wider community and that the value of properties included in the scheme, their desirability as a letting proposition, and their general image will be enhanced. With regard to the special benefit, it is considered that all the properties used for retail, commercial and professional purposes in the proposed scheme will receive special benefit through increased economic activity.</p> <p>Traders who contribute to the scheme are provided with ongoing opportunities to participate in decision-making on how the Special Rate funds are spent on marketing and promotional activities, through the sub-committees of the Association and through surveys regarding their priorities and preferences for marketing activities.</p>

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			<p>Council considers and formally determines for the purposes of sections 163[2][a], [2A] and [2B] of the Act that the estimated proportion of the total benefits of the 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 ratio of 1:1 (or 100%).</p> <p>This is on the basis that, in the opinion of the Council, all of the services and activities to be provided from the proceeds of 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 commercial, retail or professional purposes.</p>
7	Joseph Scerri Diamond Creek Tavern	<p>Objecting to the proposed renewal.</p> <p><i>From the perspective of having been a major contributor to the previous Diamond Creek Shopping Precinct Special Rate Scheme, we strongly feel that the program has not provided a level of benefit to our business that is proportionate to the amount levied upon us; therefore we are unable to justify an investment for a future term.</i></p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>As per above.</p>
8	Tamsyn Borton Domino's Head office	<p>Objecting to the proposed renewal.</p> <p><i>As we don't benefit from the special rate there should be no requirement for Domino's to pay this on top of the already issued levies. As such, we object to the proposed rate under Section 163B of the Local Government Act 1989.</i></p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>As per above.</p>

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9	Tania Carns GTFJ Holdings	<p>Objecting to the proposed renewal.</p> <p><i>1. Special Rate Scheme area and properties it includes: The area of this proposed scheme is the same as previous scheme. Money collected from the Elizabeth/ Station Street area is in no way being distributed back to this precinct. Promotions provided by the association to date have had no benefit to this area. And future marketing proposal includes no promotions for area. The Eltham industrial precinct is not included in their scheme even though they are in the same shire.</i></p> <p><i>2. The proposed distribution of income: The associations model rules state as follows: (a) To generate and manage the collective marketing, promotion, advertising and business development activities for the Diamond Creek traders (b) To engage with the business owners and operators; represent their interests and work with for the collective benefit of the Diamond Creek area.</i></p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>The Diamond Creek Traders Association is an independent and incorporated entity managed by its elected committee of management with traders and landowners participating in committees work. The Committee members are volunteers and making valuable contribution to the Association and Diamond Creek communities. The relationship between the Association and Council is governed by the Payment Agreement to ensure the most effective management of Special Rate funds.</p> <p>Traders who contribute to the scheme are provided with ongoing opportunities to participate in decision-making on how the Special Rate funds are spent on marketing and promotional activities, through the sub-committees of the Association and through surveys regarding their priorities and preferences for marketing activities.</p> <p>The funds collected through the Special Rate scheme are levied by Council and then used to reimburse the Diamond Creek Traders Association for its expenditure on advertising, promotion, management and business development expenses for the Diamond Creek shopping precinct.</p>
10	Greg Carns Nillumbik Auto Electrical	<p>Objecting to the proposed renewal. Comments reflected above</p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>As per above.</p>

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11	Carolyn Tsioulos Titans Taekwondo Academy	<p>Objecting to the proposed renewal.</p> <p><i>I do not support the Special Rates Scheme as it currently is proposed and object to the proposed declaration. I would like to request that Elizabeth Street and Station Street be removed from the scheme. It is disappointing for many of the businesses in Diamond Creek that have previously objected to be faced with this again with no real change in the scheme. Furthermore I question the legality of this second attempt at a rate renewal considering that Council must abandon a scheme if more than 50% of those liable to pay object. The revision of the scheme is only financial and has not addressed the key issues. Wearing down the objectors over time is a questionable approach to pushing a scheme through for Declaration. It has certainly left myself and others feeling disenfranchised that our previous objections to the Scheme are now redundant.</i></p>	<p>The benefit is a common special benefit rather than individual businesses promotion.</p> <p>The Diamond Creek Traders Association is an independent and incorporated entity managed by its elected committee of management with traders and landowners participating in committees work. The Committee members are volunteers and making valuable contribution to the Association and Diamond Creek communities. The relationship between the Association and Council is governed by the Payment Agreement to ensure the most effective management of Special Rate funds.</p> <p>Traders who contribute to the scheme are provided with ongoing opportunities to participate in decision-making on how the Special Rate funds are spent on marketing and promotional activities, through the sub-committees of the Association and through surveys regarding their priorities and preferences for marketing activities.</p> <p>The funds collected through the Special Rate scheme are levied by Council and then used to reimburse the Diamond Creek Traders Association for its expenditure on advertising, promotion, management and business development expenses for the Diamond Creek shopping precinct.</p>