

1.5 PROPOSED SPECIAL CHARGE SCHEME FOR THE GLEN WAVERLEY ACTIVITY CENTRE

Responsible Committee: Section 223 Committee of Council

Responsible Director: Peter Panagakos

RECOMMENDATION

That Council:

1. *Receives this report from the Committee established by Council pursuant to Section 223 of the Local Government Act 1989 (S.223 Committee) to hear and consider any submissions received to Council's public notice in respect of the proposal to implement a Special Charge Scheme for the Glen Waverley Activity Centre.*
2. *Notes that the S.223 Committee met on Tuesday 12 July 2022 at 7.00pm to hear and consider any submissions received in response to the public notification of the proposed Special Charge Scheme for the Glen Waverley Activity Centre, and noting that in response to the Public Notification process:*
 - a. *4 separate submissions in support were received.*
 - b. *5 individual objections were received.*
 - c. *67 pro-forma support forms were submitted. However it appears that these are from the original GWTA Special Charge background support work undertaken in January 2002 have been resubmitted by the President of the GWTA as indications of support to the formal declaration of the Special Charge.*
3. *Notes and accepts the S.223 Committee's recommendation as follows:*
 - a. *The Committee resolved to recommend to Council that Council proceed with the process of Declaring a Special Charge Scheme for the Glen Waverley Activity Centre for the period 1 July 2022 until 30 June 2027.*
4. *Authorise the CEO or her delegate to:*
 - a. *publish a Public Notice of its Declaration of a Special Charge Scheme in The Age newspaper pursuant to the Local Government Act 1989 noting Council's decision to Declare a Special Charge for the Glen Waverley Activity Centre; and*
 - b. *Prepare and execute all documents required in connection with, and to give effect to, the Declaration*

of a Special Charge for the Glen Waverley Activity Centre.

INTRODUCTION

This report considers the response and outcome of the public notification process undertaken pursuant to S.223 of the Local Government Act 1989 for the proposed introduction of a Special Charge Scheme for the Glen Waverley Activity Centre.

BACKGROUND

On 31 May 2022, Council considered a report on the proposed introduction of a Special Charge Scheme for the Glen Waverley Activity Centre and resolved as follows:

That:

1. *Council notes that:*
 - a) *the Glen Waverley Traders Association (GWTA) has been canvassing traders in the Glen Waverley Activity Centre on the proposal for a Special Charge since December 2021.*
 - b) *trading conditions and Covid impacts on business have made consultation and contacting business owners difficult which may have contributed to the low level of trader engagement.*
 - c) *the GWTA has had some difficulty in contacting business and land owners and has not obtained written support from a majority of traders for the proposal.*
 - d) *the information submitted by the GWTA does not show either majority support or majority opposition to the introduction of the Special Charge.*
 - e) *the GWTA consultants interpretation of the “no response” and “awaiting response” as “support” potentially overstates the actual level of trader support for the proposed Special Charge and introduces a further element of risk of failure of the proposal should Council proceed to formal notice of the proposed Special Charge.*
 - f) *the officer assessment of the responses to the GWTA consultation process shows approximately 27% confirmed support, 6% not supporting and 67% either no response or vacant.*
 - g) *given the relatively low level of response indicating an objection to the proposed Special Charge and the difficulties experienced by the GWTA in undertaking consultation and obtaining feedback, although not without risk, there is some merit in undertaking a formal consultation process under the Local Government Act 1989.*

2. *Council resolves to give Notice of its Intention to Declare a Special Charge for the Glen Waverley Activity Centre, commencing 1 July 2022.*
3. *The following matters constitute the proposed declaration:*
 - a) *The Glen Waverley Activity Centre Special Charge will be declared for the purpose of defraying marketing, management, business development and other incidental expenses associated with the encouragement and development of commerce, trade and associated employment in the Glen Waverley Activity Centre.*
 - b) *In declaring the Glen Waverley Activity Centre Special Charge, Council will be performing its functions of:*
 - i. *encouraging and promoting economic sustainability, commerce, retail activity and employment opportunities in and around the Glen Waverley Activity Centre; and*
 - ii. *providing good governance in its municipal district for the benefit and wellbeing of the municipal community.*
 - c) *The total cost of performing the function and the maximum amount of the Glen Waverley Activity Centre Special Charge to be levied is \$107,750 per annum. This equates to a maximum of \$538,750 over a period of 5 years, exclusive of any CPI adjustments.*
 - d) *The Glen Waverley Activity Centre Special Charge is to commence on 1 July 2022 and conclude on 30 June 2027.*
 - e) *The Glen Waverley Activity Centre Special Charge will apply to all rateable land primarily used or adapted or designed to be used for retail, commercial or entertainment purposes, being the following land at ground level and above ground level:*
 - i. *5-113 Kingsway, Glen Waverley*
 - ii. *2 – 110 Kingsway, Glen Waverley*
 - iii. *295 Springvale Road, Glen Waverley*
 - iv. *245-289 Springvale Road, Glen Waverley*
 - v. *40-54 Montclair Avenue, Glen Waverley*
 - vi. *161-193 Coleman Parade, Glen Waverley*
 - vii. *15-77 Railway Parade North, Glen Waverley*
 - viii. *52-60 O’Sullivan Road, Glen Waverley*
 - f) *The criteria which forms the basis of the Glen Waverley Activity Centre Special Charge is the ownership of the land described area set out above.*
 - g) *The Glen Waverley Activity Centre Special Charge is to be assessed and levied on the following basis:*
 - i. *\$500.00 per annum for each rateable property comprising a single storey or ground floor premise; and*
 - ii. *\$250 per annum for each rateable property comprising a 1st floor or higher premise,*
to be increased by an amount equal to the Consumer Price Index each year.

Public Notification

A public notice advising of Council's *Intention to Declare* a Special Charge for the Glen Waverley Activity Centre was published in The Age Newspaper and on Council's website on 8 June 2022 inviting for submissions on the proposal to be received by midday on 5 July 2022.

Letters were also sent to all owners and occupiers in the proposed Special Charge Area.

Public Response

In response to the Public Notification process:

- 4 separate submissions in support were received. (Attachment 1)
- 5 individual objections were received. (Attachment 2)
- 67 pro-forma support forms have been submitted. However, it appears that these are from the original GWTA Special Charge background support work undertaken in January 2002 have been resubmitted by the President of the GWTA as indications of support to the formal declaration of the Special Charge. (Attachment 3)

S.223 Committee Meeting

The S.223 Committee met at 7.00pm on 12 July 2022 in the Council Chambers to consider the outcome of the public notification process.

Mayor Stuart James and the Glen Waverley Ward Councillors comprised the Committee appointed by Council.

The agenda of the of S.223 Committee was to consider any verbal presentations and the written submissions received.

The outcome of the Committee was to recommend to Council the following:

- (1) Council to proceed with the Declaration of a Special Charge Scheme for the Glen Waverley Activity centre for the period 1 July 2022 until 30 June 2027.

POLICY IMPLICATIONS

The implementation of the Special Charge is consistent with the Council Plan 2021-2025 and "*Growing Prosperity through Diversity*" *Economic Development Strategy & Action Plan. 2018*, which encourage active business associations in Activity Centres.

In particular *Section 2.3 Retail and Commercial Activity Centres of the Economic Development Strategy recognises that Monash Retail and*

Commercial Activity Centres are at the core of our neighbourhoods providing localised access to products, services and employment.

Objective 2.3 Support the ongoing development of contemporary, vibrant and economically viable retail and commercial Activity Centres.

Planned and Current Actions

- Encourage and provide support for the establishment of sustainable and active Traders Associations in Activity Centres
- Administer special charge schemes for marketing, promotion and business development for established trader group special charge levies

CONSULTATION

Consultation regarding the *Intention to Declare* a Special Charge Scheme for the Glen Waverley Activity Centre has been completed in accordance with Council's statutory obligations pursuant to Section 163 of the Local Government Act 1989. No further consultation is required.

FINANCIAL IMPLICATIONS

The proposed Special Charge will generate approximately \$105,000 each year. These funds are designated specifically to the further promotion and marketing of the Centre and the facilitation of business development and networking opportunities for people operating businesses in the Centre.

Council, in establishing the Special Charge scheme, will essentially act as an agent for collecting and overseeing the expenditure of the funds for GWTA. The GWTA will then use these funds for the marketing and promotion of the Centre.

The funds will be transferred to the GWTA on a quarterly basis, pro rata. An agreement will be entered into between Council and the GWTA which sets the standards for management of those funds by the GWTA to ensure that the funds are acquitted in accordance with the Business Plan and the Local Government Act.

CONCLUSION

The proposal to Declare a Special Charge Scheme for the Glen Waverley Activity centre should be supported.

Special Charges are a common method of Trader groups such as the GWTA to fund their activities independently of public funds. These Special Charge programs successfully operate in retail activity centres throughout metropolitan Melbourne.

The GWTA has set out a clear Business and Marketing Plan for the funds collected through the Special Charge.

Accordingly, it is considered appropriate to proceed to the formal notification process for the Declaration of a Special Charge for the Centre.