

2.6 PROPOSED SPECIAL CHARGE SCHEME FOR THE MOUNT WAVERLEY ACTIVITY CENTRE

Responsible Committee: Section 223 Committee of Council

Responsible Director: Russell Hopkins

RECOMMENDATION

That:

1. *Council receives and notes the:*
 - a) *submissions received; and*
 - b) *recommendation of the Committee established by Council to hear submitters, in respect of the proposal to declare a Special Charge Scheme for the Mount Waverley Activity Centre, in accordance with section 223 of the Local Government Act 1989 which resolved to recommend that Council proceeds with the Declaration of the Special Charge Scheme for the Mount Waverley Activity Centre, amended from the original proposal by excluding properties in Wadham Parade, for the period 1 December 2022 until 30 November 2027.*
2. *Council declares the Mount Waverley Activity Centre Special Charge in accordance with section 163 of the Local Government Act 1989 as follows:*
 - a) *the Mount Waverley Activity Centre Special Charge be declared for a period of 5 years commencing on 1 December 2022 and concluding on 30 November 2027;*
 - b) *the Mount Waverley Activity Centre Special Charge 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 Mount Waverley Activity Centre, which:*
 - i. *Council considers is or will be of special benefit to those persons required to pay the Mount Waverley Activity Centre Special Charge; and*
 - ii. *arises out of Council's functions of:*
 - A. *encouraging and promoting economic sustainability, commerce, retail activity and employment opportunities in and around the Mount Waverley Activity Centre; and*
 - B. *providing good governance in its municipal district for the benefit and wellbeing of the municipal community;*
 - c) *the Mount Waverley Activity Centre Special Charge applies 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. *1 - 11 Hamilton Walk, Mount Waverley;*
 - ii. *1 – 29 Hamilton Place, Mount Waverley;*

- iii. 2 – 30 Hamilton Place, Mount Waverley;
 - iv. 275 - 283/303 - 329 Stephenson's Road, Mount Waverley;
 - v. 258 – 316 Stephenson's Road, Mount Waverley;
 - vi. 4 – 12 The Highway, Mount Waverley; and
 - vii. 64 – 74 Virginia Street, Mount Waverley;
- d) the total cost of performing the function and the maximum amount of the Mount Waverley Activity Centre Special Charge to be levied is approximately \$66,040 per annum, equating to a maximum of approximately \$330,200 over a period of 5 years, exclusive of any CPI adjustments, or such other amount as is lawfully levied as a consequence of this Resolution;
- e) there will be a special benefit to persons required to pay the Mount Waverley Activity Centre Special Charge because the viability of the Mount Waverley Activity Centre will be enhanced through increased commerce and business activity;
- f) the benefit ratio, being the estimated proportion of the total benefits of the Mount Waverley Activity Centre Special Charge Scheme (including all special benefits and community benefits), that will accrue as special benefits to all the persons who are liable to pay the Mount Waverley Activity Centre Special Charge is in a ratio of 1:1 (or 100%), on the basis that the community benefit is nil;
- g) the criteria which forms the basis of the Mount Waverley Activity Centre Special Charge is the ownership of the land described in paragraph (2)(c) of this Resolution;
- h) the Mount Waverley Activity Centre Special Charge be assessed and levied on the following basis:
- i. \$520.00 per annum for each rateable property comprising a single storey or ground floor premise; and
 - ii. \$260 per annum for each rateable property comprising a 1st floor or higher premise,
- to be adjusted cumulatively by an amount equal to the March Quarter Consumer Price Index (CPI) as published prior to the annual Special Charge renewal at 1 July for each year of the Scheme, with the first adjustment to be made on 1 July 2024; and
- i) the Mount Waverley Activity Centre Special Charge be levied by sending notices to the persons liable to pay it, with payments to be made either in four instalments or a lump sum, in accordance with Council's general rate collection process.
3. Council's Chief Executive Officer be authorised to:
- a) notify each person who made a submission or objection of Council's decision and reasons for the decision;
 - b) write to the owners and occupiers of properties within the Mount Waverley Activity Centre Special Charge Scheme advising them of the decision embodied in this Resolution and associated appeal rights; and

- c) *enter into an agreement with the Mount Waverley Traders Association in relation to expenditure of the Mount Waverley Activity Centre Special Charge Scheme proceeds.*

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 Mount Waverley Activity Centre.

BACKGROUND

On 27 September 2022, Council considered a report on the proposed introduction of a Special Charge Scheme for the Mount Waverley Activity Centre and resolved as follows:

That:

1. *Council resolves to give Notice of its Intention to Declare a Special Charge for the Mount Waverley Activity Centre, commencing 1 December 2022.*
2. *The following matters constitute the proposed declaration:*
 - a) *The Mount 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 Mount Waverley Activity Centre.*
 - b) *In declaring the Mount Waverley Activity Centre Special Charge, Council will be performing functions of:*
 - i. *encouraging and promoting economic sustainability, commerce, retail activity and employment opportunities in and around the Mount Waverley Activity Centre.*
 - 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 maximum amount of the Mount Waverley Activity Centre Special Charge to be levied is \$72,280 per annum, subject to any CPI adjustment. This equates to a maximum of \$361,400 over a period of five years, exclusive of any CPI adjustments.*
 - d) *The Mount Waverley Activity Centre Special Charge is to commence on 1 December 2022 and conclude on 30 November 2027.*
 - e) *The Mount 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. *1 to 11 Hamilton Walk, Mount Waverley*
 - ii. *1 to 79 Hamilton Place, Mount Waverley*
 - iii. *2 to 30 Hamilton Place, Mount Waverley*
 - iv. *275 to 283/303 to 329 Stephenson's Road, Mount Waverley*
 - v. *258 to 316 Stephenson's Road, Mount Waverley*

- vi. 4 to 12 The Highway, Mount Waverley
- vii. 64 to 74 Virginia Street, Mount Waverley
- viii. 47 to 63 Wadham Parade, Mount Waverley
- f) *The criteria which forms the basis of the Mount Waverley Activity Centre Special Charge is the ownership of the land described area set out above.*
- g) *The Mount Waverley Activity Centre Special Charge is to be assessed and levied on the following basis:*
 - i. *\$520.00 per annum for each rateable property comprising a single storey or ground floor premise;*
 - ii. *\$260 per annum for each rateable property comprising a first floor or higher premise,*
to be increased by an amount equal to the Consumer Price Index each year.
- h) *Council considers that there will be a special benefit to persons required to pay the Mount Waverley Activity Centre Special Charge because the viability of the Mount Waverley Activity Centre will be enhanced through increased commerce and business activity.*
- i) *Council determines that the estimated proportion of the total benefits of the Mount Waverley Activity Centre Special Charge Scheme (including all special benefits and community benefits) that will accrue as special benefits to all the persons who are liable to pay the Mount Waverley Activity Centre Special Charge is in a ratio of 1:1 (or 100%). This is on the basis that, in the opinion of Council, the broader community benefit is nil because expenditure of the Mount Waverley Activity Centre Special Charge is marketing, management and business development related and will accordingly only benefit the owners and occupiers of those properties included in the Mount Waverley Activity Centre Special Charge Scheme.*
- j) *The Mount Waverley Activity Centre Special Charge will be levied by sending notices to the persons liable to pay it. Payments are to be made either in four instalments or a lump sum, in accordance with Council's general rate collection process.*
- 3. *Council's Chief Executive Officer be authorised to give public notice of the proposed declaration of the Mount Waverley Activity Centre Special Charge, in accordance with section 163 of the Local Government Act 1989.*
- 4. *Council appoints a Committee of Council comprising of the Mayor and Mount Waverley Ward Councillors to meet to consider the outcome of the public notice referred to in point 3 above, and to consider any submissions and hear any submitters requesting to be heard in accordance with Section 223 of the Local Government Act 1989, at 6.30pm on 15 November 2022 at the Monash City Council Civic Centre, 293 Springvale Road, Glen Waverley.*
- 5. *The Notice of Intention to declare the Mount Waverley Activity Centre Special Charge indicates that Council will consider the recommendation of the Committee of Council and determine whether to declare the Mount Waverley Activity Centre Special Charge at its Ordinary Meeting on 29 November 2022.*

6. *The proceeds of the Mount Waverley Activity Centre Special Charge be expended on activities and programs which -*
- a) *provide incentives to shop and do business within the Mount Waverley Activity Centre;*
 - b) *strategically plan the fostering of business growth within the Mount Waverley Activity Centre;*
 - c) *enhance customer service, pride and excellence in business within the Mount Waverley Activity Centre; and*
 - d) *improve the commercial viability of the Mount Waverley Activity Centre*

Public Notification

A public notice advising of Council's *Intention to Declare* a Special Charge for the Mount Waverley Activity Centre was published in The Age Newspaper and on Council's website on 5 October 2022 inviting submissions on the proposal to be received by 10 November 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:

- 11 separate submissions in support were received (Confidential Attachment 1)
- 12 individual objections were received (Confidential Attachment 2)
- 68 signed support forms have been submitted. (Confidential Attachment 3).

Copies of these submissions and support forms have been provided to Councillors as confidential attachments to this report on the basis that their public disclosure would involve the unreasonable disclosure of information about the personal affairs of the submitters.

S.223 Committee Meeting

The Section 223 Committee met at 6.30pm on 15 November 2022 in the Council Chambers to consider the submissions received in respect of this proposal and the outcome of the public notification process generally.

The Mayor and the Mount Waverley Ward Councillors comprised the Committee appointed by Council for this purpose.

The agenda of the Section 223 Committee was to consider the written submissions received and hear any verbal presentations in support of them.

In considering the submissions, the Section 223 Committee determined to recommend to Council that the properties in Wadham Parade, which were included in the original proposed Scheme, be excluded. If Council accepts this recommendation, it will have the effect of reducing the overall levy to be raised through the Scheme. This recommendation has been conveyed to the Mount Waverley Traders Association (MWTA), which has expressed its support for this amendment. The annual budget and delivery plan as submitted will be adjusted accordingly in consultation with Council staff.

The Committee resolved to recommend to Council that:

- (1) *Having considered the submissions received, it is recommended that Council proceeds with the Declaration of the Special Charge Scheme for the Mount Waverley Activity Centre, amended from the original proposal by excluding properties in Wadham Parade, for the period 1 December 2022 until 30 November 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 encourages active business associations in Activity Centres.

In particular, *Section 2 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 Mount 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 \$66,040 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 MWTA. The MWTA will then use these funds for the marketing and promotion of the Centre, consistent with the purpose for which the Special Charge Scheme has been declared.

The funds will be transferred to the MWTA on a quarterly basis, pro rata. An agreement will be entered into between Council and the MWTA which sets the standards for management of those funds by the MWTA to ensure that the funds are acquitted in accordance with the Business Plan and the Local Government Act 1989.

CONCLUSION

The proposal to Declare an amended Special Charge Scheme for the Mount Waverley Activity centre should be supported.

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

The MWTA 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 a Special Charge for the Centre.