



Connecting the Business Community on the Plateau

Business Rate Levy

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BSC - Recommendation (BSC minutes 27 June 2013 p111)

RECOMMENDATION

That Council supports the General Manager in approaching the Alstonville, Ballina and Lennox Head Chambers of Commerce, to determine whether or not there is support from the business community for the introduction of a special rate levy, for 2014/15 onwards, to assist in implementing the various recommendations identified in the Jenny Rand report.

BSC - Resolution (27 June 2013)

10.9 Town Centre Management - Options

270613/6 **RESOLVED**

(Cr Sharon Cadwallader/Cr Ben Smith)

1. That Council commence the process of applying to the State Government for a business rate levy of 8% across all Ballina businesses from 2014/15 with the endorsement of Ballina Chamber of Commerce & Industry Inc.
2. Pending endorsement from Alstonville and/or Lennox Head Chamber of Commerce, Council supports broadening the levy to apply to the whole shire (approximately \$280,000 if whole of shire are levied).
3. The funds are to be administered by the Chambers of Commerce proportionate to the number of businesses within their region (i.e. 65% in Ballina, 23% in Alstonville and 12% in Lennox) overseen by the General Manager to ensure transparent and appropriate fund expenditure and adequate acquittals.
4. Activities for the project include marketing, development and promotion activities for all business sectors (including, professional services, hospitality, trade, manufacturing, industry and retail), business development initiatives, and town revitalisation projects.
5. That Council contribute \$50,000 from reserve funds in 2013/14 to the Chambers to be allocated in consultation with the General Manager.
6. That Council retain 10% of the levy funds in the first two years to repay its initial contribution plus interest (approx. \$56,000).

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Jeff Johnson

BRL - Proposed Duration & Governance

- The BRL remain in place for between 3-5 years
- Funds are held in a Council Trust
- All expenditure on business promotion and development be approved by a Panel consisting of representatives from the business community with Council having a minority position on the panel.

What is the role of the AWCC?

BSC and the three business Chambers have agreed to consult with the 1,264 commercial property owners in the Shire (and tenants) to determine the level of support for a Shire wide levy to raise funds for additional business promotion and development activities. (Alstonville/Wollongbar 290/1,264 = 23%)

Owners and tenants can provide feedback until 6 December 13 via the Council's online survey <http://www.ballinabusiness.com.au/>

What is a Business Rate Levy?

A BRL is a Local Council Special Business Rate Variation Levy applied to all commercial property owners in the Shire, submitted by Council, recommended by IPART and approved by the NSW Minister for Local Government.

Why have a Business Rate Levy?

Purpose

To maximise the resources available to maintain and grow our local economy and employment opportunities.

Benefits

Economic benefits expected include increased visitation to the area; higher frequency and length of stay; improved shop front presentation; increased rental returns; decreased vacancy rates and increased retail expenditure and employment.

How much will a Business Rate Levy cost?

An 8% BRL will cost an average of \$225 per year over a 3-5 year period.

What level of support is required for a BRL?

BSC consultation with the broader business community (those businesses (80%) that choose not to be represented by the 3 Chambers) commenced on 7 November 13 with 1,264 letters sent to property owners. They were asked to carefully consult with their tenants if they intend to pass on the cost and complete the online survey.

AWCC has held 2 general meetings (5/11 & 4/12) open to non-members and the public. Invitations were sent across Chamber email networks, newsletters and letter box flyers. So far just over 100 responses to the online survey have been received.

% Buy-in?

How will the levy be spent?

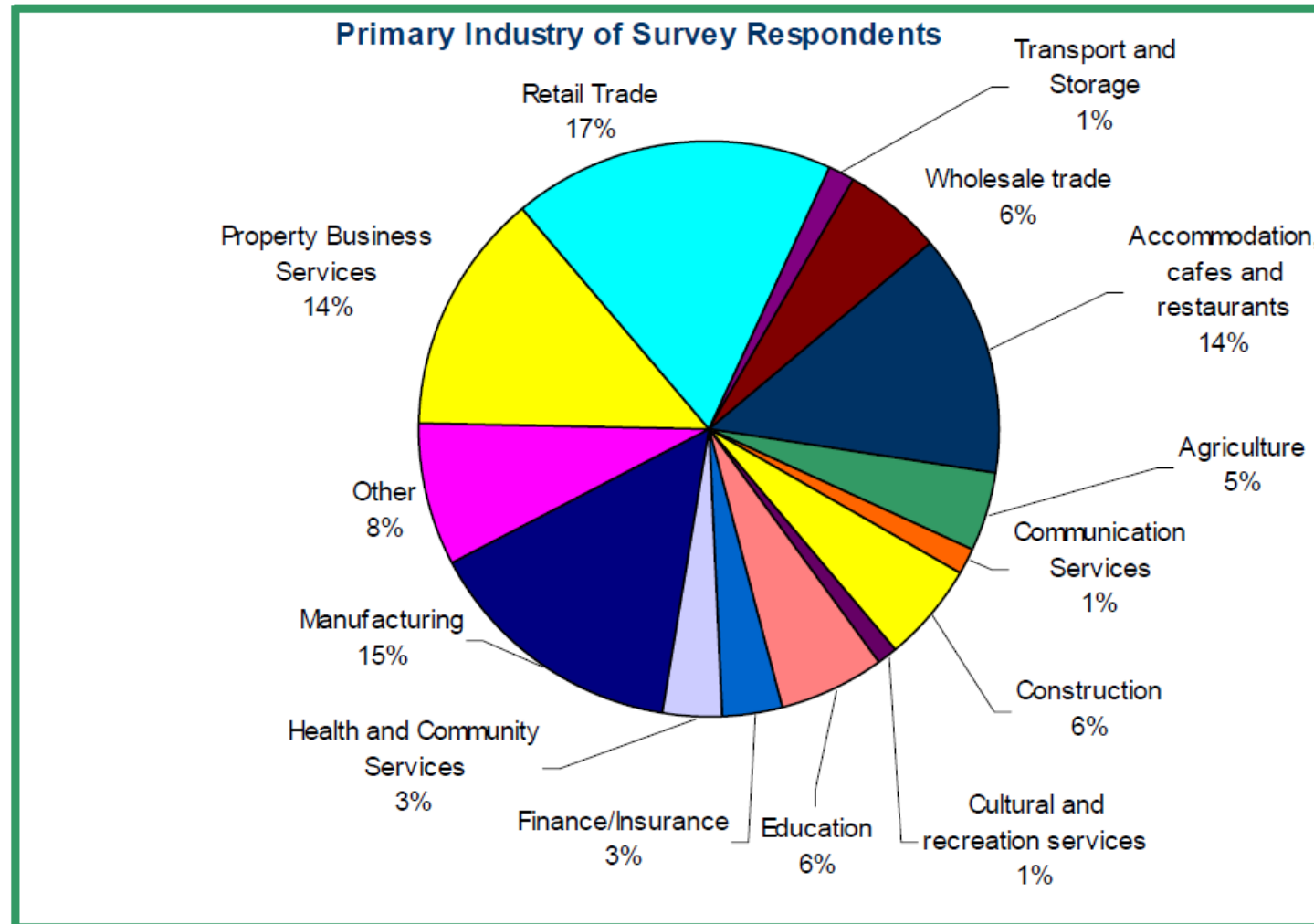
Examples of BRL activities include marketing, development and promotion activities for all business sectors (including, professional services, hospitality, trade, manufacturing, industry and retail), business development initiatives, and town revitalisation projects.

Northern Rivers - ABS Employment Profile

INDUSTRY	SME(1-49)	MM(50-199)	CORPORATE (200+)	TOTAL EMPLOYING	%
Accommodation and Food Services	620	39	12	671	8.46%
Administrative and Support Services	282	9	6	297	3.74%
Agriculture, Forestry and fishing	668	15	0	683	8.61%
Arts and Recreation Services	87	9	0	96	1.21%
Construction	1,252	12	0	1,264	15.93%
Education and Training	111	6	0	117	1.47%
Electricity, Gas, Water and Waste Services	21	0	0	21	0.26%
Financial and Insurance Services	231	0	0	231	2.91%
Health Care and Social Assistance	519	9	0	528	6.65%
Information Media and Telecommunications	84	0	0	84	1.06%
Manufacturing	540	6	9	555	7.00%
Mining	21	0	0	21	0.26%
Other Services	439	6	0	445	5.61%
Professional, Scientific and Technical Services	704	3	0	707	8.91%
Public Administration and Safety	30	0	0	30	0.38%
Rental, Hiring and Real Estate Services	317	6	0	323	4.07%
Retail Trade	1,050	21	0	1,071	13.50%
Transport, Postal and Warehousing	362	0	3	365	4.60%
Unknown	83	0	0	83	1.05%
Wholesale Trade	330	9	3	342	4.31%
Total	7,751	150	33	7,934	100.00%

Alstonville/Wollongbar - Business Profile

(Business Retention and Expansion Survey - June 2008)



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THE END