

10.4. Administration of Special Rates levied for the Crows Nest and Neutral Bay business areas

AUTHOR	Christian Menday, Manager Financial Services
ENDORSED BY	Gary Parsons, Director Open Space and Infrastructure
ATTACHMENTS	Nil
CSP LINK	<p>2. Our Built Infrastructure</p> <p>2.1 Infrastructure and assets meet diverse community needs</p> <p>2.2 Vibrant public domains and villages</p> <p>3. Our Innovative City</p> <p>3.1 Our commercial centres are prosperous and vibrant</p> <p>4. Our Social Vitality</p> <p>4.1 North Sydney is connected, inclusive, healthy and safe</p> <p>5. Our Civic Leadership</p> <p>5.3 Community is engaged in what Council does</p>

PURPOSE:

This report seeks Council consideration of operating expense subsidies to Crows Nest Main Street Limited and the Neutral Bay Chamber of Commerce.

EXECUTIVE SUMMARY:

- The Neutral Bay Chamber of Commerce and Crows Nest Mainstreet have approached Council, seeking payment of an operating subsidy for the 2024/25 financial year.
- Council's *Revenue Policy* notes the payment of the operating subsidy for this purpose will be capped at \$18,000 per annum and is subject to a resolution of Council.

RECOMMENDATION:

1. THAT Council endorse the payment of operating expenses subsidy to Crows Nest Main Street Pty Ltd of \$18,000 ex GST for the 2024/25 financial year.

Background

In 2015/16, a Master Plan for the Crows Nest Commercial Centre was developed, outlining a vision for the area and introducing a contemporary streetscape design. The plan identified priority projects that have guided the allocation of funds, including the Main Street Levy, over the years.

Council's adopted *Revenue Policy* includes the Crows Nest Mainstreet Levy and the Neutral Bay Mainstreet Levy, established to fund infrastructure and improvements in these areas.

The Revenue Policy includes a provision of \$18,000 from each levy for operational costs to support activities within these areas, subject to Council approval.

Report

The Neutral Bay Chamber of Commerce and Crows Nest Mainstreet have approached Council seeking payment of an operating subsidy to cover expenses for the 2024/25 financial year. Council's Revenue Policy notes the following:

- i) Crows Nest Mainstreet Levy – was established to fund streetscape works within the Crows Nest business areas. As part of Council's general rate, this levy is collected and restricted for streetscape works and to subsidise the activities of Crows Nest Mainstreet Pty Ltd within the Crows Nest business area. The subsidy to Crows Nest Mainstreet will be capped at \$18,000 per annum and subject to a resolution of Council. The levy consists of a base amount (30%) and an ad valorem amount (at value).*
- ii) Neutral Bay Mainstreet Levy – was established to fund streetscape works within the Neutral Bay business areas. As part of Council's general rate, this levy is collected and restricted for streetscape works and to subsidise the activities of Neutral Bay Chamber of Commerce within the Neutral Bay business area. The subsidy to the Neutral Bay Chamber of Commerce will be capped at \$18,000 per annum and subject to a resolution of Council. The levy consists of a base amount (30%) and an ad valorem amount (at value).*

In support of their claims, Crows Nest Mainstreet Pty Ltd have submitted a financial report for the year ended 31 December 2023 and a summary of activities that are supported by the operational grant including administration, bookkeeping and operational costs associated with major activities and promotions to support the local business community including the Crows Nest Fest and involvement in Christmas in the Nest

Neutral Bay Chamber of Commerce have provided a Special Purpose Financial Report for the year ended 30 June 2024, however, have not provided sufficient information in relation to activities which would support payment of the subsidy. Should this information be provided in future, a subsequent Council report may be submitted.

Consultation requirements

Community consultation was not required to inform the recommendations within this report.

Financial/Resource Implications

The income from the Crows Nest Mainstreet Levy and the Neutral Bay Mainstreet Levy is externally restricted and held in their respective externally restricted reserves. These funds can only be used for the purposes outlined above.