



Answering your questions on Hampton Street and the proposed Special Rate

1. How did this proposal come about?

The current Hampton Street Traders Association (HSTA) Committee is running out of time, energy and more importantly money. Without a sustainable reliable income stream we will soon have to stop all our marketing - no more Hampton Street website, no more Hampton Street Facebook, no more Dad's Super Saturday, no more Halloween.

Aware of the need for ongoing funding, last year HSTA commissioned independent research by Streetwise, one of Australia's leading small retail consultancies. Streetwise looked at other successful strip shopping centres and how they fund activities to gain customers and importantly, achieve a greater share of the retail/service spend of those customers. The proposed Special Rate charge is the result of this work.

2. What is a Special Rate?

A Special Rate is a levy or rate applied to each business or property used for commercial purposes within a geographical area. It is collected in addition to the annual Council Rates for each property. Special Rates are usually tax deductible, along with your Rates and Charges.

3. Who is responsible for payment?

The property owner is responsible for all Rates and Charges on a property, including Special Rates. Many owners delegate responsibility to an occupant – this is often referred to as “outgoings” in the tenancy agreement. Bayside Council is able to issue notices direct to occupants upon written request from the owner. However, if payment is not made, the owner is ultimately responsible for the account. The Council may take action to recover unpaid accounts, and both interest and legal charges may apply.

4. What is proposed for Hampton Street?

The proposal is to introduce a Special Rate for the Hampton Street retail and commercial precinct for a period of five years.

Bayside City Council would collect the Special Rate charges and provide to HSTA to spend on an agreed Hampton Street Business Plan. HSTA would provide regular reports on progress to Special Rate paying businesses.

5. Who will be affected by the Special Rate?

The Special Rate Scheme will apply to all land used for, or capable of being used for, commercial purposes from Crisp Street to South Road in Hampton.

6. How much is the Special Rate?

Each charge will be based on the Capital Improved Value (CIV) of the site and location on the Street. The CIV figure is determined by Bayside City Council and printed on the Rates notice for each property.

By multiplying the CIV figure with the formula shown below, business operators and property owners can estimate their Special Rate annual charge:

- Properties/businesses between Crisp and Holyrood Streets - 0.0714 cents per CIV dollar



- Properties/businesses between Holyrood and Arcadia Streets - 0.0709 cents per CIV dollar
- Properties/businesses between Arcadia Street and South Road - 0.0667 cents per CIV dollar

For example, a business located between Crisp and Holyrood Streets with a CIV of \$1,000,000 x 0.0714 = annual Special Rate charge of \$714.

7. What will HSTA do with the funds raised via the Special Rate?

If the Special Rate goes ahead it will provide Hampton Street with a pool of funds to provide a professional and co-ordinated approach to marketing and business development. We will employ a professional Marketing and Business Development Manager to manage the implementation of a Hampton Street Business Plan.

The Plan includes more events such as Halloween and Dad's Super Saturday, online communications and social media, competitions, small business training and development programs to help traders market their businesses, customer loyalty programs, branding and more. The full Plan is available for review on hamptonstreet.com.au.

8. Do Special Rate Schemes currently operate elsewhere?

Yes, there are currently 60 Special Rate Schemes operating Victoria. These include Camberwell Junction, Chapel Street Prahran, Glenferrie Road (Hawthorn and Malvern), Moonee Ponds, Elsternwick, and Bentleigh. These strips use Special Rate funding to create highly effective marketing campaigns with significant business benefits to traders.

9. What are the benefits to property and business owners from a Special Rate?

The current events and marketing initiatives that bring many customers to our Street will continue. In addition, traders will benefit from the initiatives outlined in the Hampton Street Business Plan. We expect the investment in marketing and business development will have a material benefit to the profitability of businesses on Hampton Street.

Property owners will enjoy continued strong occupancy rates as traders see the flow-on benefits of the Special Rate. High occupancy rates mean better rental yields and greater returns.

10. What are the next steps?

HSTA is writing to property and business owners to seek their support. We are also holding an Information Session at 6.00pm on Wednesday 30th March 2016 at the Hampton Community Centre on Willis Street.

Property and business owners are asked to show their support via the attached voting slip or voting online at <http://hamptonstreet.com.au/members/>. The voting period closes on 8 April 2016.

If the majority of property and business owners on Hampton Street indicate their support for the Special Rate Scheme, Bayside City Council will commence the process to introduce the Scheme.

11. What will happen if the Special Rate does not go ahead?

The Hampton Street Traders' Association (HSTA) will cease to operate in July 2016. Events such as Dad's Super Saturday and Halloween will not continue and our Facebook, our website, shopper competitions and behind the scenes lobbying will end.

Please support the proposal. It's Your Street, Your Business and Our Collective Future.