

OBJECTS OF AND REASONS FOR PROPOSED DIFFERENTIAL RATES FOR THE 2015-16 FINANCIAL YEAR

GROSS RENTAL VALUES:

OBJECT

The rates in the dollar (\$) for the various differential rates are calculated to provide the shortfall in income required to enable the City to provide necessary works and services in the 2015-16 Financial Year after taking into account all non-rate sources of income.

REASONS

Residential Improved – the rate in the \$ of 0.051849 has been set to ensure that the proportion of total rate revenue derived from residential property remains consistent with previous years.

Residential Vacant – the rate in the \$ of 0.103698 has been set in an effort to promote development of this category of property thereby stimulating growth and development in the community and also to be consistent with the approach to applying a higher differential on commercial and industrial vacant property.

Commercial Improved – the rate in the \$ of 0.063443 has been set to ensure that the proportion of total rate revenue derived from commercial property remains consistent with previous years and recognises the higher demand on City infrastructure and services from the activity on commercial property.

Commercial Vacant – the rate in the \$ of 0.103698 has been set to ensure that the proportion of total rate revenue derived from commercial property remains consistent with previous years and is higher than commercial improved property in an effort to promote development of this category of property thereby stimulating growth and development in the community.

Industrial Improved - the rate in the \$ of 0.058035 has been set to ensure that the proportion of total rate revenue derived from industrial property remains consistent with previous years and recognises the higher demand on City infrastructure and services from the activity on industrial property.

Industrial Vacant – the rate in the \$ of 0.103698 has been set to ensure that the proportion of total rate revenue derived from industrial property remains consistent with previous years and is higher than industrial improved property in an effort to promote development of this category of property thereby stimulating growth and development in the community.

UNIMPROVED VALUES:

OBJECT

The rates in the dollar (\$) are calculated to provide the shortfall in income required to enable the City to provide necessary works and services in the 2015-16 Financial Year after taking into account all non-rate sources of income.

REASON

Residential – the rate in the \$ of 0.009432 has been set to ensure that the proportion of total rate revenue derived from residential property remains consistent with previous years.

Rural – the rate in the \$ of 0.009386 has been set to ensure that the proportion of total rate revenue derived from rural property remains consistent with previous years.

MINIMUM PAYMENT:

A minimum payment of \$828 is applied to Gross Rental Valued residential improved and Unimproved Valued residential and rural rate categories in recognition that every property receives some minimum level of benefit from works and services provided.

A minimum payment of \$846 is applied to Gross Rental Valued residential vacant and commercial and industrial both improved and vacant rate categories in recognition that every property receives some minimum level of benefit from works and services provided and the higher minimum compared to other rate categories recognises the higher demand on City infrastructure and services from the activity on commercial and industrial property.