

COFFS HARBOUR CITY COUNCIL



Our ref: IR 3246797

14 November 2012

Local Government Team
The Independent Pricing and Regulatory Tribunal
Level 17, 1 Market Street
SYDNEY NSW 2000

Dear Sir or Madam

Intention to Apply for a Special Rating Variation under Section 508(2)

This letter is to formally notify IPART that Coffs Harbour City Council resolved on 8 November 2012 to make an application for a Special Rate Variation under Section 508(2) of the Local Government Act.

The purpose of the rate variation is to extend a Special Rate that has been applied to business properties within the Coffs Harbour Central Business District (CBD). The current Special Rate is due to expire on 30 June 2013.

Council will be applying to have this Special Rate continue for a further ten year period, providing funds for a capital works program developed through a CBD Master Plan process.

Council's application will be based on the current level of funding from the CBD Special Rate (approximately \$668,900 for 2012/2013) being maintained and increased by the annual rate pegging allowances for the next ten years.

The following table shows estimated annual rate revenue to be generated over this period from the proposed Special Rate continuation (*Please Note: Yields have been calculated using an estimated rate pegging allowance of 3%*).

Year	Financial Year	CBD Special Rate Yield	Annual Rate Pegging Allowance (%)
Expiring SRV	2012/2013	\$668,900	
1	2013/2014	\$688,967	3.0
2	2014/2015	\$709,636	3.0
3	2015/2016	\$730,925	3.0
4	2016/2017	\$752,853	3.0
5	2017/2018	\$775,438	3.0
6	2018/2019	\$798,702	3.0
7	2019/2020	\$822,663	3.0
8	2020/2021	\$847,343	3.0
9	2021/2022	\$872,763	3.0
10	2022/2023	\$898,946	3.0

- Communications to: The General Manager, Locked Bag 155, Coffs Harbour 2450 • Administration Building, 2 Castle Street, Coffs Harbour • Tel: (02) 6648 4000
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The yield from the proposed Special Rate continuation for 2013/2014 represents an increase in Council's notional general income of approximately 2%.

Council will therefore be seeking a total increase to its notional general income of approximately 5% for 2013/2014 (*assuming a rate pegging allowance of 3% for 2013/2014*).

For further information regarding this matter please do not hesitate to contact Council's Revenue Accountant - Mr Jay Kirkman on (02) 6648 4330 or by email: jay.kirkman@chcc.nsw.gov.au

Yours faithfully



Craig Milburn
Director Corporate Business