



# **ANNUAL LEVY RESOLUTION**

**FOR THE  
TAURANGA TRANSPORT  
SYSTEM PLAN (TSP)**

**SUBMITTED BY  
TSP FINANCE LP  
THE LIMITED PARTNERSHIP**  
May 2024



# ANNUAL LEVY RESOLUTION

(Section 42 of the Infrastructure Funding and Financing Act 1993)

## 1. PURPOSE

To enable TSP Finance LP to set the annual levy for the 2024/25 financial year in accordance with the Western Bay of Plenty Transport System Plan Levy Order 2022 (the TSP Levy Order).

## 2. BACKGROUND

TSP Finance LP is the special purpose vehicle (SPV) with the authority to charge a levy to the Tauranga City Council's rating area. The SPV is responsible for setting the amount of levy for each levy year and Tauranga City Council is the responsible levy authority who will collect the levy on behalf of the SPV.

The levy is used to fund the Transport System Plan (TSP) Project and involves the funding of eligible costs for investment in the transport network within the Tauranga region. The TSP Levy Order authorises the use of the levy to fund the eligible costs directly relating to this infrastructure.

This resolution sets the amount of annual levy intended to be collected in the levy year commencing 1 July 2024 and ending 30 June 2025 (the 2024/25 levy year). This is the first year of the 30 year levy period.

The TSP levy area is the district in which Tauranga City Council is entitled to charge general rates under the Local Government (Rating) Act 2002 but excludes protected Māori land.

The TSP Levy Order authorises a levy to be set for two categories of land being residential and commercial rating units. The levy is divided equally between the two categories of land. All levy payers within the TSP levy area are liable under section 37 of the Infrastructure Funding and Financing Act to pay the levy due on a rating unit.

Tauranga City Council has divided the "Commercial" rating category into two rating categories "Commercial" and "Industrial". Where there is a reference to Commercial category or use in this resolution it means the same as the "Commercial" and "Industrial" rating category and use in Tauranga City Council's rating area.



### 3. RESOLVED

The total amount of levy revenue that TSP Finance LP intends to collect in the levy year to which this resolution relates including the levy revenue expected from each category of land in accordance with the TSP Levy Order is:

<b>ANNUAL LEVY FOR 2024/25 LEVY YEAR (EXCLUDING GST)</b>	<b>\$ 8,486,865.33</b>
<b>ANNUAL LEVY FOR 2024/25 ALLOCATED TO TWO CATEGORIES OF LAND:</b>	<b>TOTAL LEVY (EXCL GST)</b>
Residential rating units at 50% of total annual levy	\$ 4,243,433.67
Commercial rating units at 50% of total annual levy	\$ 4,243,433.66
<b>TOTAL ANNUAL LEVY FOR THE 2024/25 LEVY YEAR</b>	<b>\$ 8,486,865.33</b>

In setting the levy rate, TSP Finance LP has assumed the information received from Tauranga City Council's rating information database in April 2024 is forecast to be the same as at 30 June 2024. For the purposes of clauses 17 of the Levy Order, the SPV has estimated the aggregate capital values (CV) and the number of rating units (excluding protected Māori land and rating units that are subject to remission) as at 30 June immediately preceding the levy year to which this resolution relates.

The aggregate CV's of the region used for the levy rate calculation for the 2024/25 levy year is \$60,252,975,153 for residential rating units and \$14,311,596,155 for commercial rating units.

The levy rate will be allocated to residential and commercial rating units based on the CV of each property. The levy rate to be applied to the CV of each category of land or rating unit is as follows:

- **RESIDENTIAL** levy rate at **\$0.00007043** excluding GST.
- **COMMERCIAL** levy rate at **\$0.00029650** excluding GST.

The levy amounts in the first levy year are \$70.43 per million of CV (excluding GST) for residential and \$296.50 per million of CV (excluding GST) for commercial.

This levy will be invoiced and collected by Tauranga City Council in the same manner that rates are invoiced and collected with the levy included in Tauranga City Council's rating invoices as a separable portion for the 2024/25 financial year. Late payments will follow the same penalty regime as Tauranga City Council applies to rates.

**SIGNED** on behalf of **TSP Finance LP**, by  
its general partner **TSP Finance GP Limited**  
By two directors by:



**Graham Mitchell**  
Director



**Michael Sean Wynne**  
Director

**Dated: 1 May 2024**