

From: [Councillor Support](#)
To: [Jules Radich](#); [Council 2022-2025 \(Elected Members\)](#); ["Lee Vandervis"](#); [Executive Leadership Team \(ELT\)](#)
Subject: University and Government Department Rates
Date: Monday, 6 October 2025 02:38:00 p.m.

Kia ora Mr Mayor,

The following is in response to your request for information relating to University and Government Department rates.

In the Local Government (Rating) Act 2002 (the Act), certain properties are classified as “non-rateable” based on their ownership, use, or land category. These classifications are outlined in Schedule 1 of the Act.

As you’ve correctly noted, non-rateable properties may still incur specific rates —namely water, sewerage (excluding stormwater), and refuse collection rates. However, general rates, community services rates, private streetlighting rates, and any other rates not directly related to water, sewerage, or kerbside refuse cannot be levied.

Properties such as universities, schools, many Health New Zealand facilities, certain government buildings (both central and local), religious institutions, and others are required by the Act to be classified as non-rateable.

For educational institutions including universities, polytechnics, schools, kindergartens, and other entities defined under section 10(1) of the Education and Training Act 2020—non-rateability depends on whether the property is owned or used by the institution for its core purposes.

There are exceptions. For example, properties owned by a university but leased commercially (e.g. cafés or bars within the university precinct), or university-owned student flats, are generally fully rateable.

If a university, school, or government agency acquires a commercial building, its rateability depends on whether the building is used for the organisation’s core purposes or (for example) leased commercially.

Regarding government-owned land (including local authorities), the following uses are considered non-rateable:

- Public gardens, reserves, and children’s playgrounds
- Sports and games facilities (excluding racing venues)
- Public halls, libraries, museums, art galleries, and similar institutions
- Public baths, swimming pools, bathhouses, and public toilets
- Land used for soil conservation and river control
- Roads, access ways, and service lanes vested in the Crown or a local authority
- Operational aerodrome land used primarily for aircraft movement or passenger/goods loading
- Land occupied by vice-regal residences or Parliament buildings

Locally, examples include the Civic Centre, Municipal Building, and Central Library. Of these, only the Civic Centre is fully rateable.

To illustrate the impact of ownership on rates:

- **Gardens Tavern:** When sold in 2010, annual rates were approximately \$10k. The following year, under University ownership, rates dropped to around \$3k. Current rates are approximately \$21k, which would be significantly higher if not owned by the University.
- **15 Dowling Street (ACC-tenanted):** Revenue received for development contributions was

\$404k. On average, based on the last three years of operation of the Dowling St car parking site (18/19 to 20/21), net profit was \$182k. The property is fully rateable, with current annual rates of approximately \$353k. The rates were \$24k in 20/21.

Kā mihi,

Jackie Harrison

Manager Governance

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From: Jules Radich <Jules.Radich@dcc.govt.nz>

Sent: Thursday, 18 September 2025 2:43 p.m.

To: Councillor Support <Councillor.Support@dcc.govt.nz>

Subject: Uni & Govt Rates

Hi Jackie

Can you provide me with some information about University and Government department rates please?

My understanding is that neither pay rates on their property values but do pay for services received such as water and waste.

Could I have a clear description of what they pay please?

What about the University's residential property such as Uni Flats?

What about the Gardens Tavern, for example, which would've been a substantial ratepayer in that area. What is the before and after comparison please?

If Uni or Gov't buy a commercial building then say it sits there empty, will that amount to a net or total loss to the rating income for Council?

In the case of ACC where we had income from parking charges, what did we get in the way of development contributions and what are we collecting in rates now that there is a large building on the site please? How does that compare to the previous parking charges income?

Thank you

Jules Radich

MAYOR OF DUNEDIN

TE KOROMATUA O ŌTEPOTI

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