

Economic Development Incentives Desktop Research Report

GRC : P-2019-28 Infrastructure Charges Rebate Scheme Policy

Developer receives a 50% discount on the total Infrastructure Charges payable, up to a maximum of \$500,000.

Rockhampton Regional Council – Development Incentives Policy

Provide tangible financial and non-financial support for projects with the following land uses:

- Aged Care & Retirement
- Destination Tourism
- Education & Training
- Farm Stay Accommodation
- Medical, Health & Community Services

Projects must be completed within three years of the development application being approved by Council.

To be eligible, proponents must demonstrate their project has the scale and standard to significantly increase employment in the Rockhampton Region, and attract residents, visitors, students, patients and clients from outside the Local Government Area.

Repay the maximum of 75 per cent of the infrastructure charges for an eligible project.

GENERAL INCENTIVES

Council's facilitation includes:

- Access to Council's Economic Development team to provide advice on applicability and incentives that may be available under this policy;
- Access to Council Planning Officers through the Duty Planner to provide advice in preparing development applications;
- Pre-lodgement meetings with all relevant Council officers free of charge; and
- Assistance with identifying and facilitating contact with State Government agencies with a view to facilitating the development.

Finance and support **Advance Rockhampton** – 30+ ED staff - \$4.1M budget

Mackay Regional Council – Facilitating development in the Mackay Region Policy

MRC is seeking sustainable economic growth that will generate employment, diversify our economy and value-add to existing businesses and industry.

Facilitating development in the Mackay Region Policy outlines a number of key incentives and facilitation initiatives to encourage development in our region.

- Major development within the Mackay City Centre
- Major industry development in Paget, Marian, Mirani,
- Sarina, Slade Point and Glenella industry areas
- Aged care and retirement living
- Rural based and nature-based tourism
- Commercial and retail development in urban areas
- Community facilities
- Residential development in urban areas

DEDICATED POINT OF CONTACT

The 'First Point of Contact' officer will work with project proponents to assess

project suitability, facilitate access to the relevant areas of council, calculate the economic benefits and look at support options from project inception to completion.

ACCELERATED ASSESSMENT

Dedicated to cutting red tape and reducing time and holding costs by providing accelerated assessment for desirable development applications.

SPECIFIC INCENTIVES

- Delayed payment of charges
- Development application fee refund on completion
- Service connection fee discount
- Concession on car parking rates in the City Centre
- Reduction in Food License and Trade Waste fees

Initiatives to support business investment and expansion:

- Export Ready Program - Providing leading international trade specialists to deliver an Export Ready Program for local businesses.
- International Trade Missions - Providing access and funding towards establishing international connections and investment opportunities through trade missions.
- Façade Improvement Scheme – Working with property owners to facilitate upgrades to
- commercial building through matched funding when utilising local contractors.
- Dedicated point of contact - The 'first point of contact' officer can provide assistance with
- negotiating council approval processes, business opportunities as well as making connections with industry groups and professional contacts.
- Business Partnerships - Providing support and funding to key industry groups and bodies.

REDUCED INFRASTRUCTURE CHARGES

Council is offering concessions on infrastructure charges of up to 75% based on the net charge amount for new development.

Council places significant importance on attracting events and conferences to the region through our *Events and Conferences Attraction Program*.

The Program which commenced in July 2015 has been successful in attracting over 50 significant events and conferences to the region (as on Dec 2016), with a focus on events which deliver an economic boost to the region. Invest Mackay Events and Conference Attraction Program = \$1M

Planning & ED Budget - \$7M= including sponsorships & Partnerships

Finance and Support – **Greater Whitsunday Alliance** (together with IRC & WRC)

Bundaberg Regional Council – "Bundaberg Open for Development" initiative

Discounts off infrastructure charges for development completed by 26 June 2020 across four broad categories:

- 100% discounts for development in the Bundaberg CBD and town centres of Bargara, Childers and Gin Gin;
- 100% discounts for Intensive Horticulture, Rural Industry, Aquaculture and Winery (where in a Rural Zone) developments and 50% discounts for Intensive Animal

Industry and development that provides housing for itinerant farm workers and backpackers;

- 50% discounts for Long Term Employment Generating (Industrial, Medical, Commercial - where in a Commercial Zone - and Tourism) development;
- 50% discounts for certain infill residential and greenfield residential developments, as well as residential subdivision in Rural Residential Zone and Relocatable Home Parks.

203 Applications / 189 Approved / 109 completed

Initiative suspended until after 2020 LG elections

Townsville Regional Council –

Townsville's original CBD Development Incentives Program (capped at \$7.5 million) provided concessions to 12 qualified projects that met the requirements of being \$3 million or more in value and substantially completed by June 2015.

The 2015 Jobs and Investment Package (capped at \$5million) offered a new round of incentives to attract new residential and retail development in the city's CBD.

Both have recently been replaced by the *Development Incentives Package 2019 – 2021* with incentives provided only in the period from adoption of the package until 1 July 2021.

Component 1 Incentives Package: New and Repurposed Development

Waiver of Council charges, being infrastructure charges, and other Council fees and charges:

- associated with road and footpath closures for site and services access to facilitate development; and
- operational works, compliance assessment, miscellaneous infrastructure, water meter and service connection and Hydraulic Services fees.

The value of the incentive available is a 50%-100% concession being the lesser of:

- the assessed Council charges or
- \$500,000.

Other Assistance

Provision of the services of a Development Advocate as the central point of contact for the package and active in the assessment of eligibility of projects.

Council Commitment

A maximum of \$2 Million of revenue foregone over the period of the Development Incentives Package 2019 – 2021.

Eligibility

Project must:

- a) be in the City Core or City Fringe Area depicted in Figure 1;
- b) have a project cost exceeding \$750,000;
- c) be an approved project type eligible to receive the funding (refer Table 1);
- d) substantially commence construction prior to 1 July 2021; and
- e) be confirmed in writing by Council as an eligible project prior to full allocation of the Council commitment for Component 1 incentives.

Component 2 Incentives Package: Attracting Jobs to the City Objective

Council proposes to directly target businesses to locate in Townsville. This is intended to fill vacant commercial space and bring new jobs to the city.

Incentives

A grant to the value of 50% of the rental costs incurred for the first six months of tenancy up to a maximum value of \$125,000.

Other Assistance

A bespoke incentives package may be negotiated with any large company proposing to locate at least 50 FTE employees full-time in the Townville City Core Area.

Council Commitment

\$350,000 with potential additional commitment to be budgeted on a case by case basis.

Eligibility

Eligible businesses are those having no, or less than 10, staff presently located in the Townsville Local Government Area that:

- a) locate at least 50 FTE employees full-time into the Townsville City Core Area;
- b) sign a minimum 3-year lease on the City Core premises;
- c) commence occupancy prior to 1 July 2021; and
- d) are confirmed in writing by Council as an eligible business for Component 2 incentives.

Component 3 Incentives Package: Modernising Buildings and Activating Spaces

Objective

This package component proposes a grant program supporting a wide variety of initiatives that activates the city streets. It is proposed to include support for shopfront and building façade improvements, retrofitting buildings to open them onto the street, and for the conduct of city events or community inclusion activities.

Incentives

A grant of 50% of the cost of the Eligible Works, to maximum grant amount of \$30,000 per project.

Other Assistance

Provision of the services of a Project Advocate as the central point of contact for the package and to assist applicants to qualify for a Component 3 incentive.

Council Commitment

\$300,000 for the period of the Development Incentives Package 2019 – 2021.

Eligibility

Eligible Works projects must:

- a) be in the City Core or City Fringe Area depicted in Figure 1;
- b) focus on improvements to the attractiveness and safety of the interface between the building and the public realm, such as façade improvements, precinct lighting, landscaping or shade;
- c) utilise local trades and products;
- d) not relate to a premises in respect of which a Show Cause Notice under Local Law No.8 (Unsightly Buildings) 2020 has been issued; and
- e) be confirmed in writing by Council as an eligible project prior to full allocation of the Council Commitment for Component 3 incentives.

Eligible Event projects must involve the conduct of an activity that attracts at least 1000 people to the city core but does not substantially compete with current event offerings.

Geraldton Regional Council –

The City will support industrial area project development by:

- Facilitating provision of required infrastructure to support industrial development;
- Provision of incentives that support industrial project development in any of the nine Economic Sector Clusters identified in the Growing Greater Geraldton Growth Plan, or any Sector displaying growth potential.
- Provision of business support to emerging enterprise in established and emerging Clusters through Progress Midwest either by means of direct assistance or facilitating liaison with appropriate funding, business support or research organisations;
- Enabling collaboration with other members of a Cluster by way of the Clusters programs.
- Facilitating provision of business support enterprise through Progress Midwest either by means of direct assistance in navigating Council processes and procedures or facilitating liaison with appropriate funding, business support or research organisations;
- Facilitating international trade missions to promote investment and export opportunities for local businesses;
- Assisting in site selection for businesses looking to expand or relocate in City of Greater Geraldton;
- Provision of a dedicated concierge service that provides assistance to existing and new developers in terms of liaison with relevant stakeholders, information or any other requirement through the Progress Midwest website and other inquiries;
- Collaborating with local stakeholders to ensure that new investment opportunities are dealt with in a coordinated and effective manner.
- Facilitating the support of entities and individuals seeking assistance from Federal and State programs.

Incentives may include a number of concessions (City rates and fees; rent if on leased City land) from the City of Greater Geraldton with applications assessed on a case by case basis and influenced by a minimum eligibility criterion that may include:

- The location of the project;
- The degree of economic, social and environmental benefits;
- A minimum capital investment;
- Project creates a minimum number of full-time equivalent jobs;
- If a project, is contestable;
- Proven commercial viability;
- Project does not cause detriment to existing industries.

Funds and Assists – Progress Midwest - <\$1M

Bunbury Regional Council –

Developing an investment incentives Package for delivery in 2020.

Cairns Regional Council

Investment incentives

Cairns Regional Council offers investment incentives to businesses wishing to locate, expand and retain their operations in the Cairns region in key strategic industries.

Council will provide discretionary support to approved projects where the nature and scale of investment will stimulate significant economic and community benefits, diversity and value-add to the wider regional economy beyond the growth of the business itself. Council's investment incentives support projects that:

- create new jobs
- create direct value-add through construction and operations
- catalyse additional investment
- generate growth in a key strategic area
- support the growth of other businesses

The incentives

In-kind support incentives: approved applicants can expect to receive priority local government support through the appointment of a dedicated Case Manager, who will serve as a single point of contact in Council.

Council offer offsets or refunds on infrastructure costs on application with support evidence. No fixed percentage offset/refund.

Does not support Advance Cairns financially.

Cassowary Coast Regional Council – Activate Cassowary Coast Development Incentives Scheme

Community and Sporting groups granted full exemption under the scheme.

1. Reduction in Infrastructure Charges Policy (Policy No. PRD005)

The aim of this policy is to encourage development that achieves certain strategic objectives for the Cassowary Coast by allowing a reduction in the infrastructure charges payable of up to 100% in relation to certain types of development that are completed within three (3) years of the date of the approval taking effect.

2. Façade Improvement Incentive Scheme Policy (Policy No. PRD001)

The aim of this policy is for Council encourage commercial building owners and business operators to invest in façade renovations and storefront improvements for their buildings by Council providing a fund to contribute to a portion of the renovation costs. Improving building facades can positively influence the perception of the Cassowary Coast and create a more inviting and interesting place to live, work, shop, dine, invest and experience. All improvement works must be external and visible from the street and local businesses and licenced tradespeople must be engaged to undertake the associated work.

Funding Arrangement

It is a requirement of the Facade Improvement Scheme Guidelines that Council's contribution is to be

matched by the applicant up to a maximum amount as determined below:

(a) Works under \$1,999.99 (excluding GST) - maximum Council contribution 50% of the project spend

(excluding GST) per applicant.

(b) Works between \$2,000.00 and \$10,000.00 (excluding GST) – maximum Council contribution of

50% of the project spend (excluding GST) up to a maximum of \$2,000.00 per applicant.

(c) \$10,001.00 and for works over – maximum Council contribution of \$3,000.00 (excluding GST) per applicant.

3. New Development Attraction Incentive Scheme Policy (Policy No. PRD002)

The aim of this policy is to encourage development that achieves certain strategic objectives for the Cassowary Coast by providing a one-off rate exemption period up to 100% for the first 12 months of operation for certain types of eligible new developments that are completed and the use commences within two (2) years of the date of the approval taking effect. The proposed development must involve new building work as defined in the Planning Act 2016. The applicant must demonstrate that there has been significant capital investment in the Cassowary Coast region and local businesses and licenced tradespeople have been engaged to undertake the associated building work.

4. Reduction in Development Application Fees Scheme Policy (Policy No. PRD004)

The aim of this policy is to encourage development that achieves certain strategic objectives for the Cassowary Coast by allowing access to staff to provide pre-lodgement services free of charge and a 25% reduction in development application fees in relation to certain types of developments that are completed and the use commences within two (2) years of the date of the approval taking effect or developments that are located within existing buildings. The applicant must demonstrate that there has been significant capital investment in the Cassowary Coast region and local businesses and licenced tradespeople have been engaged to undertake the associated building work (where applicable).

It is recognised that the process of obtaining development approvals can be complex. Council is committed to facilitating development that meets the requirements of this scheme. Council's facilitation includes;

- Access to Council officers to provide advice on eligibility and incentives that may be available under this scheme;
- Access to Council planning officers to provide advice in preparing development applications;
- Pre-lodgement meetings with all relevant Council officers free of any charges; and
- Assistance with identifying and facilitating contact with the State and Federal Government agencies.

Central Highlands Regional Council – Regional Economic Development Incentives (REDI)

REDI applies to new facilities and structures, and for the expansion or modernisation of existing facilities.

Incentives could be in the form of (but are not limited to):

- Rates remission (new and established businesses).
- Reduction or elimination of fees and charges (charged back to the business unit).
- Time schedule for payment of fees and charges.
- Joint marketing or promotions packages.

All REDI applications are considered on a case-by-case basis.

Approved REDI packages are granted in either lump sum, paid by instalments, or can be tied to a project or development goals.

REDI - primary assessment criteria

To be eligible for consideration of a REDI package you must demonstrate that the proposal meets seven primary assessment criteria:

- Provide significant net economic and community benefit to the Central Highlands' region equivalent to a minimum of five times the dollar value amount of the incentive applied.
- Have a minimum capital investment of \$500,000. Or in the case of a 'start-up', a minimum of three full-time equivalent jobs created. These must be genuine 'new' jobs, not transported or a relocated workforce.
- Project is contestable—the company is, or has been, and can provide evidence of, consideration of other locations and the proposal would not otherwise happen in the Central Highlands' region.
- Demonstrated commercial viability in the absence of any financial assistance through a fully costed business or project plan.
- Is a current operational business of more than two years and either has, or can obtain, an Australian Business Number (ABN). Or, if the business is a start-up of less than two years, proof of additional grant funding from a dedicated start-up program, or other financial support that will satisfy operational costs during the first two years.
- The project does not cause significant detriment to, or be in substitution for, existing businesses in the region.
- The business activity must commence operation within 12 months of approval of the REDI package.