

File no.		Date	16 August 2021
To	Cr Mark Jamieson, Cr Rick Baberowski, Cr Terry Landsberg, Cr Peter Cox, Cr Joe Natoli, Cr Winston Johnston, Cr Christian Dickson, Cr Ted Hungerford, Cr Jason O'Pray, Cr Maria Suarez, Cr David Law		
CC	Emma Thomas – Chief Executive Officer Debra Robinson – Director, Major Projects and Strategic Property Andrew Eves-Brown – Head of Economic Development Alex Lever-Shaw – Head of Trade and Investment		
From	Greg Laverty – Group Executive, Economic and Community Development		
Subject	Update – Sunshine Coast Investment Assistance Program (SCIAP) 1 July 2020 to 30 June 2021		

## PURPOSE

To provide information to the Mayor and Councillors on the achievements of Council under the Sunshine Coast Investment Assistance Program (SCIAP) as requested by Council's Chief Executive Officer.

## BACKGROUND

The Sunshine Coast Economic Resurgence Plan (SCERP) is a key element of the Sunshine Coast Council's economic stimulus package designed to re-energise the local economy as the Sunshine Coast seeks to respond and recover from the impacts of the novel coronavirus (COVID-19). SCERP was established with a taskforce of seven local business leaders on 1 July 2020.

SCIAP was initiated as a Tranche 3 incentive under SCERP to help stimulate local economic recovery by accelerating large "shovel-ready" development projects, to commence construction by 31 December 2021.

SCIAP incentives include one or all of the following, depending on the project:

1. 25% Development Application Fee Rebate (rebate paid once construction starts),
2. Staged payment and deferral of Infrastructure Charges (staging and deferral approved once the use commences)<sup>1</sup>,
3. Financial incentives under the Sunshine Coast Investment Incentive Scheme (SCIIS) and
4. Sunshine Coast Infill Development Incentive – for Caloundra / Nambour CBD developments.

The selection criteria for SCIAP was intentionally created to encourage larger projects with CAPEX of >\$5million and/or >50 jobs created in the construction phase.

## SCIAP Performance Summary (1 July 2020 – 30 June 2021)

By 31 March 2021, when SCIAP closed to new applications, Council had received 25 project applications which, should they all come to successful completion, will benefit the region by an

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<sup>1</sup> As recent development on the Sunshine Coast has been hampered through delays in sourcing building supplies, professional consultants, and tradespeople, qualifying SCIAP applicants have been granted an extension of the sunset clause on eligibility for Staged Payment of Infrastructure Charges from 31/12/21 to 30/06/22.

approximate value of \$540.58 million in direct investment and 1422 new ongoing jobs. To date, 23 of the applications are still progressing.

Economic modelling (using economy.id) shows these direct figures would drive a possible economic impact of \$1.74 billion and the creation of 5765 new jobs (both direct and indirect). In addition, the job creation opportunities will occur at different salary levels and across a range of industry sectors providing opportunities to Sunshine Coast residents, who come from a range of skill and/or education backgrounds.

SCIAP projects span seven (7) of Council's ten (10) divisional areas, meaning economic benefit and job creation opportunities may be realised across a wide geographic area within the region. Please note that some of these projects are currently subject to a Development Application/Assessment process.

In March 2021, the first SCIAP project to start construction was announced. This was a \$30 million residential apartment project by Vantage Homes. The development generated 195 construction jobs, requiring 32 different types of trades. This outcome was communicated mainly to the local building and development sector to drive confidence into the local market.

Going forward, it is intended that as each SCIAP project commences construction, it will be communicated to the market to build on this confidence and as a demonstration of Council's commitment to supporting the business community through this difficult time. In addition, only communicating outcomes when projects commence, will avoid a potential situation where a project may have been approved for construction but did not commence as intended. Thereby managing expectations in the community that may fail to materialise.

## **ISSUES**

The Business Response Champions Group (BRC) was created with participation of senior managers from across Council and chaired by the Director, Major Projects and Strategic Property, to provide the focus Council intended for this initiative. Council branches represented within the BRC included:

1. Development Services
2. Economic Development
3. Transport and Infrastructure Planning
4. Strategic Planning
5. Urban Growth
6. Major Projects and Strategic Property

Council's Economic Development Branch (Investment Attraction Unit) acted as secretariat to create and maintain all back-office systems, monitor and report progress. As such, the Branch has provided an end-to-end account management service from first point of contact for SCIAP enquiries. These consisted of initial assessment of SCIAP eligibility, facilitation of development support to clients throughout the development application process and finally the management all internal and external communications and media to promote the outcomes of SCIAP.

Due to a stronger than anticipated recovery in the local economy, SCIAP was closed to new applications on 31 March 2021. Applications submitted before this date and which met SCIAP guidelines are being supported by the Investment Facilitation Group (IFG). The IFG is an existing Council operational group (chaired by Economic Development Branch) which supports significant regional investment outcomes to deliver the Regional Economic Development Strategy 2013-2033. The transition from the BRC to the IFG reflects the move from receiving and considering applications for incentives, to now assisting such applications to meet the construction deadline. Eight Council branches are involved in the IFG and include:

1. Economic Development
2. Development Services (Planning Assessment and Engineering and Environment Assessment)
3. Strategic Planning
4. Urban Growth Projects
5. Transport and Infrastructure Planning
6. Strategic Property
7. Customer Response
8. Communications / Media

## **CONCLUSION**

SCIAP stands out as having delivered extra ordinary measurable results in a relatively short time frame. It is an exemplary use of Council resources, collaboration, and communication when the community needed it most. Importantly, the BRC Group and the process put in place to manage the large employment generating projects is now a tried-and-tested conduit within Council that can be deployed in the future with short notice as required. This might be for positive investment opportunities perhaps related to the 2032 Olympic Games bid and/or less positive situations, such as COVID-19 related lockdowns or similar.



**Greg Laverty**  
Group Executive  
Economic and Community Development