

### 1 PURPOSE

To provide the principles to be applied for the provision of appropriate assistance to help existing business to expand and attract new businesses to the Burnie region.

### 2 OBJECTIVE

The Burnie City Council is committed to securing industry and business development to assist the economic and employment growth of the Burnie region, and is willing to provide financial incentives and other assistance after taking into account the revenue and employment potential for the Burnie Community from such activities.

### 3 SCOPE

This policy applies to expansion of an existing industry or business in the area and includes supporting new industries and businesses.

### 4 POLICY

Assistance may be provided to assist in the expansion of an existing industry or business, or a new industry and business development, where that expansion or new development is deemed by Council to be of importance to the economic development and growth in the Burnie region.

#### 4.1 Levels of Assistance

There are four (4) levels of assistance which may be offered. These are:

##### **Level A**

Direct access to the Director Community and Economic Development who will:

- Coordinate all information requests including:
  - a. demographic and statistical data
  - b. infrastructure and technical services information
  - c. planning information
  - d. help to identify options for the developers consideration
  - e. identify key local stakeholders
- Facilitate meetings with:
  - a. Key Council representatives and staff
  - b. Key State and Federal government department staff
  - c. Key utility provider staff
  - d. Employment agencies
- Arrange pre-lodgement meetings with relevant Council officers
- Provide regional and site-specific maps and plans within Council resources

Where possible this information will also be made available on the Burnie City Council website.

**Level B**

The provision of assistance as outlined in A above, and may also include:

- Advocacy to government agencies for financial contribution for infrastructure
- Assistance with/facilitation of community consultation processes if appropriate
- Seeking funding assistance from government agencies with the provision of professional services relating to utility and infrastructure

**Level C**

The provision of assistance as outlined in A and B above, and also consideration of the provision of financial assistance such as:

- Various initial Council fees and charges
- Various rates and charges for a specified period

**Level D**

The provision of assistance as outlined in A, B and C above, and of any additional assistance may be considered on a case by case basis on its merits for exceptional projects.

The level of assistance provided is dependent on how any new project meets the *Project Benefit Assessment Criteria*.

In providing assistance Council will take into account how the business development meets the objectives of Council's Economic Development Plan.

In providing assistance, every endeavour is to be made to secure the best possible outcome and the longest term obtainable for the operation of the industry or business development, with the objective of ensuring a positive outcome is achieved in exchange for the Council's contribution of assistance.

Notwithstanding the Project Benefit Assessment Criteria, Council will decide at its discretion the level of assistance to be offered to any new project.

## **4.2 Budget Allocation**

All requests for Council assistance under this policy will be treated on a case by case basis and be subject to Council's budget at the time of the request.

## **4.3 Procedure**

The business shall submit a written application to Council through the General Manager.

To assist Council in assessing the benefits of any proposed development, the *Project Benefit Assessment Criteria* shall be used.

To be considered for assistance an applicant must be a "preferred business" which leads to considerable community benefits.

A preferred business is a business which must demonstrate to Council that it:

- Is a large employer or has the potential to expand employer (at least five new full time employees)
- Has a strong supply base or economic links in the local area
- Competes in external (intrastate, interstate, international) markets
- Is financially sound
- Has a demonstrated long-term commitment to the region
- Is environmentally sustainable
- Contributes to the social, economic and environmental needs of the area

In recognition of Burnie's role as a service centre to the larger region, and the importance of a vibrant retail sector to general community confidence, Council will also consider assisting the attraction and expansion of retail businesses with a particular emphasis on initiatives which strengthen or complement the Burnie Central Business District.

Council also recognises the importance of aged and disability services to the Burnie community. Council will consider requests from organisations expanding services in these areas.

The level of assistance able to be offered is dependent on how any new project meets the *Project Benefit Assessment Criteria*. Any business considered eligible for the receipt of assistance may be required to enter into a contract with Council which will commit the business to agreed conditions relating to the community benefit to be derived.

All submissions must include audited Financial Statements for the previous two full financial years.

Generally, Council will disclose any special development assistance provided to a business after negotiations have concluded and Council has made its final decision.

However, where the developer has submitted a written request that information relating to development assistance remain confidential due to reasons relating to "Commercial in Confidence", a special resolution of Council is required to withhold such information. The written request must contain the reasons why Council should withhold the details of assistance.

#### **4.4 Project Benefit Assessment Criteria**

The objective of establishing such Criteria is to provide guidance for Council to assess in a methodical manner, the perceived level of social, economic and environmental benefit that a new development will bring to the Burnie region.

Projects will be scored against the following 12 criteria:

Criteria	Max Points	Comments/Examples
<b>1 Capital Investment</b>		
<\$1M	1	<i>A “preferred” business will significantly utilise local contractors, materials, and or goods and services in the establishment of their business in the municipality.</i>
>\$1M<\$10M	3	
>\$10M	5	
<b>2 Number of new employees</b>		
>5	1	<i>A “preferred” business will be a large employer or has the potential to be a large employer with at least five new full time employees.</i>
>10<15	2	
>15<20	3	
>20<30	4	
>30<40	5	
>40	6	
<b>3 Infrastructure add-on</b>		
<100k	1	<i>Will it enable more cost-effective services within the LGA?</i>
>100k<500k	2	<i>Will it result in improved energy supply?</i>
>500k<1Million	3	<i>Will it result in major transport</i>
>1Million	4	<i>Improvement?</i>
<b>4 Technology add-on</b>		
<100K	1	<i>Will the project attract and/or develop high-level technology-based business? (based on a \$ benefit of \$100K per new job)</i>
>100K<500K	2	
>500K	3	
<b>5 Industry add-on</b>		
<100K	1	<i>Does the business have a strong supply base or economic links in the local areas?</i>
>100K<500K	2	
>500K	3	<i>Will the project need (and feed) more support industries eg. transport, services, logistics, trades, raw material suppliers? (based on a \$ benefit of \$100K per new job)</i>
<b>6 Permanence</b>		
Yes	1	<i>Has the business established that it can compete with the outside market?</i>
Balanced	0	
No	-1	<i>Has the business established that it has a long-term commitment to the region?</i>
<b>7 Desirability</b>		
Yes	1	<i>Does the community want the project?</i>
Balanced	0	<i>Will it add to or detract from the lifestyle appeal of the LGA?</i>
No	-1	<i>Does the project complement local and regional economic development strategies?</i>
<b>8 Economic Impact</b>		
Positive	1	<i>Will the project provide reasonable remuneration levels for the community?</i>
Balanced	0	
Negative	-1	<i>Will the project contribute to value chains in the Burnie region?</i>

Criteria	Max Points	Comments/Examples
<b>9 Social Impact</b>		
Positive	1	<i>Will it provide high levels of skilled employment or greater numbers of unskilled jobs that encourage early school leaving?</i>
Balanced	0	
Negative	-1	<i>Does the company have a record of good corporate citizenship? Does the company plan to invest back into the community?</i>
<b>10 Environmental Impact</b>		
Positive	1	<i>Has the business established that it will be environmentally sustainable?</i>
Balanced	0	
Minor Impact	-1	<i>Consider the environmental impacts of water, waste, and energy.</i>
Major Impact	-2	<i>Consider the impact on current land use.</i>
<b>11 Existing Business Impact</b>		
Positive	-2	<i>Will the project impact on existing operators?</i>
Balanced	0	<i>Will the project "raise the bar" as far as the existing offer in the Burnie region?</i>
Negative	+2	<i>Is the project a strategic move on behalf of the proponent to curb the activities of existing operators? Will it provide opportunities for existing business enhancement?</i>
<b>12 Preferred Industry Category</b>		
		<i>The following are key sectors in the Burnie region as identified in regional economic development plans or other studies:</i>
	5	<i>Aged and Disability Services</i>
	5	<i>Education, Science and Research</i>
	5	<i>Food and Agriculture</i>
	5	<i>Forestry (and related products)</i>
	5	<i>Information and Communications Technology</i>
	5	<i>Knowledge Intensive Business Services</i>
	5	<i>Mining and/or Mineral processing</i>
	5	<i>Renewable Energy</i>
	5	<i>Specialist Manufacturing</i>
		<i>The following sectors are seen as important in meeting general community needs:</i>
	3	<i>Retail (which strengthens or complements the Burnie CBD)</i>

The resulting score is used to guide the level of assistance that may be provided under section 4.1 above.

Score	Level of Assistance
<10	Level A
10-17	Level B
18-25	Level C
>25	Level D

**5 LEGISLATION**

There is no identified legislative impact.

**6 RELATED DOCUMENTS**

Burnie Economic Development Plan

<b>Policy Endorsement</b>	
Responsibility:	It is the responsibility of the Director Community and Economic Development to implement this policy and review its content. It is the responsibility of the Governance Unit to maintain this policy in the Corporate Document Framework.
Minute Reference:	Item AO150-16
Council Meeting Date:	21 June 2016
Strategic Plan Reference:	Strategy 4.1.1 Support the growth of the Burnie economy through the principles of the Burnie Economic Development Strategy and the Settlement and Investment Strategy. Strategy 7.1.1 Formulate policy that is equitable, inclusive and responsive to current needs, and ensure decision-making is informed and accountable.
Previous Policies Replaced:	This policy replaces the previous policy <i>Assistance to Industry and Business</i> CP-CBS-SG-011, version 2.0 dated 13 Dec 2011 (Item AO366/11, 13 Dec 2011).
Date of Commencement:	22 June 2016
Publication of policy:	Members of the public may inspect this policy at the City Offices where copies can be obtained free of charge. Alternatively it can be accessed on Council's website ( <a href="http://www.burnie.net">www.burnie.net</a> )