

## Investment Attraction Policy

### Head of Power

*Local Government Act 2009*  
*Local Government Regulation 2012*

### Related Legislation

*Planning Act 2016*  
Planning Regulation 2017

*Economic Development Act 2012*  
Economic Development Regulation 2013

### Objective

The objective of this Policy is to support a progressive economy that is more resilient to fluctuations in the economic cycle and less dependent on population driven industries. Through the policy, Council will be better placed to attract private sector investment projects that will stimulate and diversify the economy of the Moreton Bay Region, act as a mechanism to support economic growth, generate the creation of new jobs and investment and encourage existing businesses to expand.

### Definitions

**Agent** means a person or third-party entity acting on behalf of a business.

**Application** means a formal request for assistance as part of this investment attraction policy.

**Business** means an organisation or enterprising entity (including joint ventures or subsidiaries thereof) engaged in commercial, industrial, or professional activities with an active Australian Business Number.

**Capital investment** means investment in hard assets and human resources.

**CEO** means Chief Executive Officer.

**CEDO** means the Chief Economic Development Officer.

**Contestable** means an application in which the business is actively considering locations outside of the Moreton Bay Local Government Area (LGA).

**Council** means Moreton Bay Regional Council.

**Ineligible Costs** means any costs incurred or committed prior to an application being approved.

**Incentive** means something that influences someone to act. In the context of this Policy, incentives are provided under the Moreton Bay Investment Incentive Scheme (MBIIS) to support investment or reinvestment in priority sectors/industries identified through the *Moreton Bay Regional Economic Development Strategy 2020-2041*.

**Priority sectors/industries** means the sectors/industries identified by Council in the *Moreton Bay Regional Economic Development Strategy 2020-2041*. These sectors are nominated as the primary focus support through the Moreton Bay Investment Incentive Scheme.

**Reinvestment** means capital investment and job creation by companies which already have a physical presence within the Moreton Bay Region.

**Sectors** means parts of the economy grouped together by output and producing the same, or substantially similar, goods or services.

### **Application**

This Policy applies to any existing business or any new business to the Moreton Bay Region, or agents thereof, that have informed Council in writing of their intention to expand their operations into the Moreton Bay Region with the purpose of growing priority sectors of the economy and creating new employment opportunities.

This policy does not apply where a business is threatened by closure or downsizing due to market factors or other reasons. Furthermore, it does not apply to marginal and/or speculative development where there are no formal commitments from any end users, or new or expanding businesses that are servicing population growth in a local area.

Investment attraction incentives will not be provided retrospectively, and any costs incurred or committed prior to receiving approval will be ineligible costs.

### **Policy Statement**

Investment attraction is a key target area of Moreton Bay Regional Council's, *Regional Economic Development Strategy 2020-2041* and its 'Bigger, Bolder, Brighter' economic goals. Council supports economic growth through rates and charges concessions in accordance with sections 120(1)(d), 122(1)(a) and 122(3) of the Local Government Regulation 2012.

#### **Investment Attraction Incentives**

Council's support for new investment may include financial and non-financial incentives for eligible businesses and eligible proposals under the Moreton Bay Investment Incentive Scheme (MBIIS). The CEO can negotiate, approve and finalise contractual arrangements involving financial and non-financial incentives subject to relevant legislative requirements, up to and including \$500,000 under the MBIIS. Any assistance above this figure must be considered by Council.

The MBIIS provides guidelines and an application process. The MBIIS supports investment or reinvestment in priority sectors identified in the *Moreton Bay Region Regional Economic Development Strategy 2020-2041*. The MBIIS may comprise a mix of financial and non-financial incentives. Financial incentives under the MBIIS may only be considered for an approved investment where that investment meets the following minimum thresholds:

- The investment will provide employment during the operation of the business for 25 or more full-time equivalent employees; or
- The investment will involve in excess of \$10 million capital expenditure.

Where an application under the MBIIS does not meet the minimum thresholds nominated above, the application may only be approved where the investment meets other strategic criteria, such as:

- Provide a major opportunity to enhance the Region's investment/business reputation;
- Fill a critical gap in the supply-chain for a priority sector of the economy; and/or
- Provide a broader economic and social value for a specific location.

Any consideration will be provided in accordance with the minimum requirements/criteria and will be subject to the availability of adequate funds within Council's budget. Nothing herein shall imply or suggest that the Council is under obligation to provide any incentive to any applicant. All applicants shall be considered on a case-by-case basis. Council and its officers are subject to the *Right to Information Act 2009 (Qld)*.

### **Guiding principles**

The involvement of Council in investment attraction activities is at all times a discretionary activity of Council and will be based on a case by case assessment of whether there will be economic gain for the community and the region as a whole.

New investment and reinvestment will only be proactively sought where economic value is created. It will not be sought where it may erode value to the region, for example by creating competition with existing local business except where such competition is likely to occur regardless of the investor's location within Australia.

Resources will not be directed to growth dependent investment, circumstances where the investment is based on a unique competitive advantage for the region and/or where it is likely that such investment would occur without Council intervention.

Council will only apply resources to attract investment or reinvestment where this is considered to have sufficient strategic merit to warrant intervention and where it is considered that without that intervention, the investment would not occur in the region.

To be eligible, applicants must submit a business case meeting the eligibility requirements below.

### **Eligibility Requirements**

To be eligible under the policy, an applicant must:

- Hold a current Australian Business Number (ABN) or Australian Company Number (ACN);
- Demonstrate the proposed activity is categorised in one of the priority sectors;
- Demonstrate the proposed business investment/reinvestment will result in 25 or more full-time equivalent employees or involve in excess of \$10 million of capital expenditure or meets other strategic criteria;
- Proven capability and experience to carry out the proposed activity. This includes, but is not limited to, technical, managerial and financial obligations;
- Demonstrate the proposed activity must not cause significant detriment to, and/or be a substitute for, existing business in the Moreton Bay Region; and
- Demonstrate the proposed activity would not compromise national and international obligations for Queensland and Australia.

### **Applicants are not eligible if:**

- Proposals which can be more appropriately funded by another government program or the business is a government department or agency, government-owned corporation or regional development organisation;
- Proposals where the primary focus is population-based services such as retail or property development;
- Proposals are mainly focused on planning, pre-feasibility and feasibility work or marketing activities;
- Proposals are seeking working capital;
- Proposals generate excessive carbon/environmental emissions or is not consistent with the region's sustainability aspirations outlined in its Corporate Plan and adopted Strategies.

### **Governance**

All applications under the MBIIS will be considered by the Moreton Bay Investment Incentive Committee. The Committee is Chaired by the Chief Economic Development Officer and also comprises the Director of Finance and Corporate Services and the Chief Legal Counsel. The Committee will make recommendations to the CEO or Council depending on the incentive assistance sought. The Committee will report quarterly to Council on any applications made to Council and the result of those applications.

The provision of financial assistance under the MBIIS for successful applicants will be governed by a contractual agreement. The contractual agreement may include milestones and deliverables that are commensurate with the business case originally provided as a part of the application process. The contractual agreement may also include provisions to recover or retain incentives in the event of non-compliance by the applicant with the terms of the contractual agreement.

### **Commercial-in-Confidence**

All applications and requests will be treated as commercial-in-confidence in accordance with Sections 122(1)(a) and 254J of the Local Government Regulations 2012.

### **Application Process**

All applicants must apply in writing to the Council to be considered for investment attraction assistance under the MBIIS. Applications need to be submitted in Council's application form. Supplementary information can be sent in original form.

Council encourages businesses to meet with Council representatives prior to formally lodging an application. Applications can be submitted to Council at any time during the year.

### **Application Outcome**

Applications will be assessed in a timely manner and offers extended to businesses subject to CEO or Council approval. Successful applicants are required to comply with any terms and conditions associated with the investment attraction incentives provided by Council.

## **Related Documents**

This Policy complements and is to be implemented in conjunction with other Council policies, directives and relevant documents published by other agencies including, but not limited to:

- Corporate Plan 2017-2022;
- Regional Economic Development Strategy 2020-2041;
- Investment Attraction Directive 2022 (to be approved by CEO following adoption of the updated Policy);
- Procurement Policy 2150-006 (13 April 2022); and
- Council Rates and Charges - Financial Hardship Policy 2150-113 (31 March 2021).

## **Review and Evaluation**

This policy will be reviewed for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents every four years from adoption/revision.

The impact of this policy will be measured by the number of applications for investment attraction incentives, and from the capital expenditure and jobs and sector/industry supply-chain growth and flow-on benefits to the economy from the applications approved.

**Responsibility**

This Policy is to be:

- (1) implemented by the Trade and Investment Manager; and
- (2) reviewed and amended in accordance with the "Review Triggers" by the Chief Economic Development Officer.

<b>Policy: 2150-117</b>		<b>Official Version: 64282891 (previously A20371748)</b>	
<b>Document Control</b>			
<b>Version / Reviewed</b>	<b>Version Adoption (Council meeting / Minute Page) Reviewed (revision comment)</b>	<b>Date</b>	<b>Word version reference</b>
Version 1	General Meeting (MP. 20/1448)	5.8.2020	A20229703
Version 2	Administrative amendments only: <i>'Formatting and position titles'</i> <i>Approved by Chief Economic Development Officer</i>	19.10.2020	A20889395
Version 3	General Meeting (MP. 22/651-652)	4.5.2022	64193256