

 Central Highlands Regional Council	CENTRAL HIGHLANDS REGIONAL COUNCIL POLICY:	
	TITLE: Regional Economic Development Incentive (REDI)	POLICY REF NO: CHRCP: 0013

1.0 Policy Purpose

- 1.1 The purpose of this policy is to implement a policy approach to attracting high quality economic development in all parts of the region. Furthermore, the purpose of the Regional Economic Development Incentive (REDI) policy is to practically demonstrate that the Central Highlands Regional Council is committed to the ongoing attraction of business investment in the region that improves the quality of life for its citizens.
- 1.2 The scope of the REDI policy is specifically designed to capture and evaluate applications for development incentives through a criteria-based process that includes:
 - 1.2.1 amount of direct capital investment in the region
 - 1.2.2 new jobs created.
- 1.3 Importantly, the detailed criteria (below) encourages applications to be flexible in their approach and does not eliminate any new or existing legitimate business entity from applying.
- 1.4 Insofar as the Council's objectives are generally served by the enhancement and expansion of the local economy, the Council will, on a case by case basis, give consideration to providing development incentive packages as stimulation for economic development in the region.

2.0 Policy Statement

- 2.1 The core criteria for the application of any financial incentive is that the business successfully demonstrate a significant net economic benefit to the Central Highlands Region that delivers capital investment and/or genuine ongoing job creation. Typically, the incentive will apply for those industries recognised as key propulsive sectors or target industries as defined within the Central Highlands Economic Master Plan September 2017.
- 2.2 More specifically, in determining the suitability of applying any potential Regional Economic Development Incentives, the following guidelines and key eligibility criteria must be met. Assessments are to be completed initially by the Manager Planning and Environment and supported by General Manager Communities with a report presented to Council recommending support or refusal of applications based on the criteria.

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2.3 Nothing in the policy shall imply or suggest that the Council is under any obligation to provide any incentive to any applicant unless it meets the criteria for approval.

3.0 Guidelines

3.1 Development Incentive packages apply to both facilities and structures for:

- 3.1.1 New business;
- 3.1.2 Expansion to existing business
- 3.1.3 Residential development in Central Highlands townships other than Emerald, Blackwater and Capella.

3.2 Development incentive packages may be applied in a lump sum, paid in instalments or may be linked to project milestones or development goals.

3.3 Development incentive packages will not be ordinarily considered for projects which would be developed without such incentives unless it can be demonstrated that higher development standards or other development and community goals will be achieved through the use of the incentive.

3.4 Development incentive applications for developments which have already commenced operation will only be accepted if:

- 3.4.1 It legally commenced operations within the last 12 months (and was not previously operating illegally) and
- 3.4.2 The applicant can demonstrate that receipt of the incentive will result in an additional community or economic benefit that would not otherwise be achievable.

3.5 Any consideration will be provided in accordance with Council's adopted local laws, policies, procedures and minimum requirements and will be subject to the availability of adequate funds within Council's adopted and or revised budget.

4.0 Minimum Requirements:

The project shall:

- 4.1 Be consistent with Council's vision, mission and values.
- 4.2 Be in accordance with Council's planning scheme.
- 4.3 Have no significant negative environmental impacts on the community or other environmental standards (e.g. pollution, hazardous waste or noise).

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5.0 Primary Criteria

5.1 The project provides a significant net economic and community benefit to the Central Highlands Region equivalent to a minimum of five (5) times the dollar value amount of the incentive applied;

The project provides:

5.1.1 a minimum capital investment of \$500,000; or,

5.1.2 in the interest of a 'start-up' a minimum of three (3) Full Time Equivalent (FTE) jobs created; or,

5.1.3 for existing businesses, a significant expansion of Full Time Equivalent (FTE) jobs; where,

5.1.4 for 5.1.2 and 5.1.3 above, the jobs are genuine 'new' jobs, not transported or relocated workforce;

5.2 Project is contestable, i.e. the company is or has been (and can provide evidence) of consideration of other locations and would not otherwise be situated within the Central Highlands Region if the incentive was not available;

5.3 Be a current operational business of more than two years and either have, or can obtain an Australian Business Number (ABN), or

5.3.1 to encourage and support start-up businesses who have been in operation for less than two years, these businesses must have acquired additional grant funding from a dedicated start-up program or demonstrated other financial support structures which will satisfy operational costs during the first two years;

5.4 The project does not cause significant detriment to, and/or be in substitution for, existing businesses in the region; and

5.5 The business activity can commence operation within two years or less of the date of the REDI approval.

6.0 Secondary Criteria

(Additional conditions to be considered when reviewing applications)

6.1 Opportunities to reduce the carbon footprint; and

6.2 Demonstrated commercial viability of the activity in the absence of any financial assistance through a fully costed business/project plan.

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7.0 Incentives available for consideration:

- 7.1 Reduction or elimination of fees and charges (charged to relevant business unit)
- 7.2 Time schedule for payment of fees and charges
- 7.3 Joint marketing and promotional packages
- 7.4 The components of the incentives available will be at the discretion of the CHRC by negotiation with the applicant and relate specifically to the needs of the project and the benefit to the Central Highlands economy.
- 7.5 Incentives are not limited to these areas and the applicant may also apply for other specific incentives relative to each project to be considered by Council.
- 7.6 Incentives may also be available from other sources and levels of government and these may be considered with each application.

8.0 Key strategic industries:

- 8.1 Industries recognised as key propulsive sectors or target industries as defined within the Central Highlands Economic Master Plan September 2017
 - 8.1.1 Aged care
 - 8.1.2 Early childcare
 - 8.1.3 Research and development
 - 8.1.4 Manufacturing
 - 8.1.5 Tourism
 - 8.1.6 Value-adding agricultural production
 - 8.1.7 Professional and business services
 - 8.1.8 Residential Reconfiguration of a Lot applications in Central Highlands townships other than Emerald, Blackwater and Capella
 - 8.1.9 Residential Multiple Dwelling applications in Central Highlands townships other than Emerald, Blackwater and Capella .
- 8.2 The incentive offer covers key criteria for development that is for either a reconfiguration of a lot (residential subdivision) of subdivisions totalling 10 lots or multiple dwellings on the applicable site – such as duplexes and multiple dwellings between 3-20 units and could be capped subject to Council discretion.
- 8.3 An approved application under this policy for any business activity which falls within the listed key strategic industries will be eligible for a 100% waiver of associated Council development application fees, and up to a 70% reduction in levied

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infrastructure charges by way of refund upon commencement of operation.

8.4 An approved application for any business activity which does not fall within the listed key strategic industries may be eligible for up to 100% of the associated Council development application fees, and up to 40% reduction in levied infrastructure charges by way of refund upon commencement of operation.

9.0 Procedure for REDI Assessment

9.1 Application shall be made to Council on the approved application form and should also be accompanied by supporting information to assist in the assessment of the request.

9.2 The application must demonstrate compliance with the following components of the REDI policy:

9.2.1 Section 3.0 Guidelines

9.2.2 Section 4.0 Minimum requirements

9.2.3 Section 5.0 Primary Criteria

9.2.4 Section 6.0 Secondary Criteria.

9.3 To remove any doubt, an application may only be approved if it meets each of the requirements in sections 3.0 Guidelines, 4.0 Minimum Requirements, and 5.0 Primary Criteria. An application that also meets the criteria listed in section 6.0 Secondary Criteria will be viewed more favourably and be considered for the maximum incentive.

9.3 A report will be presented to Council with recommendations for approval or denial of a REDI package within 3 months of receipt of a properly made application to Council.

9.4 A properly made application includes the following components:

9.4.1 Completed application form

9.4.2 Supporting material which addresses each of the criteria specified in 9.2.

9.4.3 Development approval for the associated development.

10.0 Procedure for payment of REDI

10.1 Prior to requesting payment of the approved incentive the applicant must:

10.1.1 Complete all conditions of the associated development approval by the date specified on the REDI approval letter. Generally, this will be within two years or by the end of the second financial year following the date of the approval. A shorter timeframe may be specified based on budgetary concerns.

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10.1.2 Pay any infrastructure charges associated with the development (as stated on Infrastructure Charges Notice) in full, or if granted an approval for an infrastructure charges refund, pay the balance of the amount.

10.1.3 Request Council to inspect the development site and issue a Full Planning and Development Certificate (at no charge).

10.1.4 If any outstanding compliance issues are identified as part of the investigation for the Full Planning and Development Certificate, address these matters.

10.2 Once all tasks in 10.1 have been completed, the Applicant must submit a request for payment of the REDI incentive to Council. The request should be accompanied by a copy of the REDI approval letter and the Full Planning and Development Certificate.

10.3 The approved development must be carried out and completed prior to the relevant period and / or completion date lapsing as stipulated in the associated development approval and the REDI approval.

11.0 Definitions

11.1 **CEO** refers to the Chief Executive Officer

11.2 **Council** refers to Central Highlands Regional Council

11.3 **The Act** shall mean the *Local Government Act 2009* (as amended)

11.4 **The Regulation** shall mean the *Local Government Regulation 2012* (as amended)

11.5 **Development approval** shall mean a development approval or permit issued by council under the authority of the *Planning Act 2016* for development such as a material change of use of premises or reconfiguring a lot.

11.6 **REDI approval** shall mean an approval letter issued by the council stating that the applicant has been approved to receive a refund or rebate for fees associated with a development approval.

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Strategic Link	Central Highlands Regional Council Planning Scheme 2016 Central Highlands Economic Development Strategy Central Highlands Regional Council Corporate Plan 2017-2022 2020-2021 Operational Plan
Category	Planning and Development Business and Economy
Lead Business Unit	Planning and Environment
Public Consultation	Yes in alignment with Community Engagement Plan
Adoption Date	14 April 2021
Next Review Due	Annually
Document Number	1314266
Record Keeping	ECM, Vine and Council Website
Related Documents	Central Highlands Economic Master Plan September 2017

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