

Frankston City Economic Development Strategy

2016 – 2022



opportunity » growth » lifestyle



Frankston City Economic Development Strategy 2016-2022

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1.0 Economic Vision

Frankston City is the preferred place to live, learn, work, visit and invest based on a local economy that is sustainable, innovative and inclusive.

2.0 Economic Development Strategy principles

The Economic Development Strategy is underpinned by four principles:

Sustainable Economy

A Sustainable Economy provides long-term employment opportunities in resilient and agile industries that are environmentally sustainable, whilst providing flexible education systems that upskill the labour force for future employment opportunities.

Innovative Economy

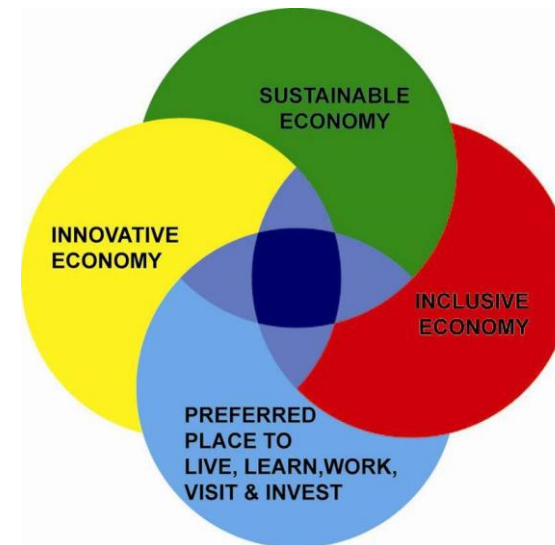
An Innovative Economy has the business, workforce and technological capacity to adapt to structural shifts; with a focus on generating knowledge-based business activity.

Inclusive Economy

An Inclusive Economy provides opportunities for all segments of the community to participate in work, training and career development; with well integrated local supply chains, transport linkages and telecommunications infrastructure that connects people and business.

Preferred Place to live, learn, work, visit and invest

Preferred Place combines the unique coastal, rural and bushland environments of Frankston City with high quality urban environments, jobs, services and visitor attractions; and provides a supportive and attractive business investment environment.



3.0 Background to Economic Development Strategy 2016-2022

The Frankston City Economic Development Strategy 2016–2022 (EDS) was adopted by Council on 7 December 2015. This strategy has been put together following two major assessments:

- A review of the priorities outlined in the previous EDS, which was adopted by Council in 2011
- A full economic environment scan, which was undertaken in 2015

EDS 2011 was the first strategy of its kind for Frankston City since the mid-1990s and provided a wide ranging 63 point action plan. Key findings from the EDS 2011 review and the economic environment scan have been used to develop clear and concise economic development objectives for Frankston City for the period of 2016–2022.

This strategy provides a whole of Council framework for approaching economic development, with an emphasis on the role of Council's Economic Development Unit.

Contained in this document are the following high level *Primary Outcomes* which aim to grow the municipal economy by driving sustainable job creation and building a resilient local labour force:

EDS 2016-2022 Priorities:

1. World class Frankston station precinct with diverse employment opportunities
2. Knowledge-based local economy generating professional employment opportunities
3. Vibrant and resilient small/micro business community
4. New and rejuvenated employment precincts
5. Favourable investment conditions
6. Delivery of the Frankston Health and Education Precinct
7. Education attainment and employment
8. Tourism and Visitation in Frankston City
9. Major economic infrastructure and an expanded Port of Hastings

3.1 Community Building Outcomes Framework

The Community Building Outcomes Framework (below) is a tool developed by Council to assist with its statutory health and wellbeing planning, service planning and investment priorities. The priorities within this strategy are in line with the Community Building Outcomes Framework. The Framework is made up of the following seven long term outcomes (referred to as 'tertiary outcomes'), which are considered to be the foundations of a sustainable community: Sustainable Economy; Learning Community; Safe Community; Healthy Community; Sustainable Environment; Stronger Families; and Community Strength. The achievement of these tertiary outcomes will

facilitate sustainable communities where families and individuals are empowered to improve their outcomes and sustain good health and wellbeing into the long term. For local communities to achieve these tertiary outcomes investment is required in proactive ventures, early intervention and prevention programs to ensure the 'building blocks' are in place to get there. These building blocks are referred to as 'secondary outcomes' (see diagram below). The secondary outcomes most relevant to this strategy fall under sustainable economy and learning community (highlighted in yellow). Each secondary outcome then has a series of primary outcomes. The priorities outlined in this strategy are primary outcomes (see section 7).

| Tertiary Outcomes | | | | | | |
|--------------------|-------------------------------------|---------------------------------|--|--------------------------------------|--|---------------------------------------|
| Secondary Outcomes | Safe Community | Community Strength | Healthy Community | Stronger Families | Sustainable Environment | Learning Community |
| | Sustainable Community | Sustainable Community | Sustainable Community | Sustainable Community | Sustainable Community | Sustainable Community |
| | Legal compliance | Community resilience | Behaviour led primary health | Resilient families | Managed threats (emergency management) | Diverse economy |
| | Safe behaviours | Volunteerism | Active community | Active ageing | Resource use and waste reduction | Supply chains |
| | Safe design (public realm) | Vibrant Community | Accessible medical facilities and services | Positive transition to adulthood | Open spaces and biodiversity | Viable investment |
| | Accessible Community infrastructure | Social inclusion and engagement | Health literacy | Positive early childhood development | Food security | Skilled workforce pool |
| | Essential services | Affordable / Housing mix | Nutrition and hygiene | Respectful relationships | Clean air and water | Transport and business infrastructure |
| | | | | | | |

4.0 The Frankston City economy – a snapshot

Frankston City's economy has grown steadily since the EDS 2011. This has been evidenced by job growth of 8.4 per cent contributing to a total of 36,631 jobs in the municipality and Gross Regional Product growth of 11.1 per cent, totalling \$4.87 billion. This growth has been largely driven by micro and small business, with an additional 90 businesses employing five or more staff since EDS 2011.

Despite most economic indicators trending in the right direction, there is significant work to be done to achieve a standard of living that is in line with standards across Greater Melbourne.

Frankston now has 0.29 jobs per resident (job to population ratio); one of only two municipalities in the Melbourne south east region that is trending upward (up by 0.03 since EDS 2011). However, this is still well below the Greater Melbourne average of 0.39 jobs per resident.

Along with employment creation (particularly white collar), Frankston City's labour force is a key area that requires attention. With low levels of education attainment (only 11.9 per cent have bachelor or higher qualification, compared with 23.6 per cent across Greater Melbourne) the municipal labour force struggles to compete for employment.

This is particularly the case in the rapidly growing Health sector, which requires a range of qualifications and skills. The most recent data suggests that 56 per cent (3,949 employees) of people employed in Health in Frankston City reside in other municipalities. Despite a growing job to population ratio in Frankston City, unemployment continues to trend upward - now at a 15-year high of 8.3 per cent.



4.1 Key Economic Indicators

Figures accurate at the time of adoption of this strategy (7/12/2015):

| Indicator | Measure | Change/Comparison | Trend since EDS 2011 (positive/negative) | Long-term outlook |
|---|---------|-----------------------|---|--|
| Employment Indicators | | | | |
| Jobs per resident (ratio) | 0.29 | ↑0.03 since EDS 2011 | ✓ | Significant job creation is required to increase this ratio to a sustainable level |
| Jobs in Frankston City | 36,631 | ↑3,075 since EDS 2011 | ✓ | Significant investment is required to stimulate a sustainable quantity of local employment |
| Unemployment | 7.8% | ↑0.7% since EDS 2011 | ✗ | Significant work is required to make the municipal labour force more competitive |
| % of jobs in Frankston City occupied by residents | 51.7% | ↓2.1% since EDS 2011 | ✗ | Significant work is required to make the municipal labour force more competitive |

| | | | | |
|---|------------------|-------------------------|---|---|
| Job growth in Health | 7,023 jobs | ↑1,353 since EDS 2011 | ✓ | Positive outlook, with opportunities to leverage this growth |
| Job growth in Carrum Downs industrial precinct | 5,946 jobs | ↑1,583 since EDS 2011 | ✓ | Employment land nearly at development capacity. Limited growth prospects in the long-term under current conditions. |
| Employment land indicators | | | | |
| Number of major private planning approvals in the city centre | 6 since EDS 2011 | Number constructed: 1/6 | ✓ | Positive outlook as market conditions continue to mature |
| Vacancy Rate in the Frankston city centre | 14.3% | Ideal rate is 5-8% | ✗ | Positive outlook as development drives demand for retail and hospitality |
| % of undeveloped employment zoned land in the municipality | <5% | >15% as at EDS 2011 | ✓ | Limited growth opportunities. Employment land is almost fully developed |

| Business sentiment | | | | |
|---|---------------|---|---|--|
| % of businesses forecast revenue growth in the next 12 months | 79% (2014/15) | ↑6% since 2013/14 | ✓ | Positive outlook. Small business continues to indicate positive sentiment |
| % of businesses that plan to employ in the next 12-24 months | 64% | ↓5% since 2013/14 | ✓ | Positive outlook. Small business continues to indicate positive sentiment |
| Education indicators | | | | |
| Residents qualified with bachelor degree or higher | 11.9% | 23.6% average across Metropolitan Melbourne | ✗ | Significant work is required to make the municipal labour force more competitive |

5.0 Key economic development successes since 2011

Attracting significant government investment

- Attracting South East Water – will create up to 1,149 jobs and generate up to \$247 million of gross revenue per annum
- Attracting over \$300 million of government and agency funding for projects in and around the Frankston city centre since 2011

Key metric: Victorian/Australian Government and agency funding allocated or spent in and around the Frankston city centre = \$319.7 million since EDS 2011.

Creating conditions for investment in the Frankston city centre

- The introduction of Priority Planning and Invest Frankston has contributed to three major private planning approvals in late 2014 – 6 Davey Street, 38 Playne Street and Clyde Street Mall.

Key metric: Number of major private planning approvals in the city centre, ↑six since EDS 2011 (three approvals in 2014 alone).



South East Water's new Frankston headquarters were constructed in 2014-15

Growth of the Carrum Downs industrial precinct

- The Carrum Downs industrial precinct has grown to become one of the largest and most progressive industrial nodes in Melbourne's south east. The precinct is the economic centre of Frankston City, generating \$2.8 billion per annum, up from \$2 billion in 2011.

Key metric: Number of jobs in the Carrum Downs industrial precinct = 5,946, ↑1,583 since EDS 2011.

Growth in the health sector

- Enormous growth in the Health sector and Council advocacy has led to Frankston being designated a health and education precinct by the State Government. Work has now commenced on land use strategy for a precinct adjacent to Frankston Hospital, Frankston Private and Monash University. Chisholm Frankston is also undergoing a major upgrade which will see it expand its Health and Community Services course delivery over the next five years.

Key metric: Health is the fastest growing and largest employing industry in Frankston in Frankston City = 7,023 jobs, ↑1,353 since EDS 2011.

Growing micro and small business

- 98 per cent of businesses in Frankston City employ less than 20 people. It is critical that Council's Economic Development services are geared toward the needs of micro and small business. Council has successfully incubated and grown micro/small business across the municipality by delivering a suite of economic development services, which have been independently ranked as the fourth best in Australia (behind only the Cities of Melbourne, Sydney and Gold Coast).



Oncology hospital Frankston Private will undergo a \$35 million expansion in 2016



The \$81 million Frankston Hospital stage 3 expansion opened in 2015

Growing micro and small business (cont.)

Branded *Build Your Business*, these services include: Small Business Grants Program, Small Business Mentoring Service, Online Business Directory, Frankston TV, Splash Card, Job Matching Service, Buy Local, FMP Business Breakfast Series and FMP Business Awards.

Council's most recent Annual Business Survey (2014/2015) indicates that:

- Businesses participating in Council programs are four per cent more likely to employ new staff in future
- Businesses participating in Council programs are 3.8 per cent more likely to report increased revenue in future
- Participation in Council run and affiliated programs is averaging over 1,000 per annum

Key metrics:

- Number of businesses employing between five and 199 people = 1,125, ↑ 90 since EDS 2011.

- Number of jobs generated via the Small Business Grants Program, since it commenced in 2012-13 = 71 jobs at 10 businesses at the conclusion of the 2013-14 program. The cost to Council per job created by the program is \$1,859. The gross revenue generated in the local economy per job created is \$254,914.



2013-14 Small Business Grant recipients with then Mayor Cr Darrel Taylor

6.0 Key economic development drivers that require attention

Diversifying the local tertiary education offer

- The provision of an accessible and diverse tertiary education offer is a significant issue in Frankston City, particularly at university level. Levels of education attainment in Frankston City continue to be significantly lower than the Greater Melbourne average. Council has a significant role to play in advocating to tertiary education providers, particularly Monash University and Chisholm, to better service community needs.

Key Metric:

- Bachelor or higher education attainment compared with Greater Melbourne. Frankston City: 11.9 per cent (↑2.5% since EDS 2011), Greater Melbourne: 23.6 per cent (↑4% since 2011).

- Number of students residing in Frankston City that attend Monash University Peninsula campus = 559 out of 3,900 (including students residing on-campus)

Linking education and industry

- There is a discrepancy between the tertiary courses offered and the needs of local industry, particularly in the health sector. There are significant opportunities for local students to gain qualifications in these fields, which would increase their chances of gaining local employment. Linking industry and education also breeds entrepreneurship, research and development and grows local capabilities. The recently announced upgrade of Chisholm Frankston to include a Health and Community Services Centre and Advanced Manufacturing hub is a step in the right direction, however, more work needs to be done.
- Council has a role to play in connecting students to career pathways in growth industries (such as health), via advocacy, programs and strategic marketing.

Key Metric: Percentage of jobs in Frankston City occupied by residents = 52 per cent

Regional collaboration

- Melbourne's south east Councils have not been able to advocate to other levels of government with the same level of success as other regions in Victoria (such as G21 and Lead West). Regional collaboration via commerce and industry is a gap for Melbourne's south east which needs to be addressed. The delivery of the expanded Port of Hastings, electrification of the Frankston Train Line to Baxter and rollout of National Broadband Network in commercial nodes are all key regional projects that require strong advocacy.

Key Metric: The delivery of new state and/or national infrastructure projects in Melbourne's south east.

Strategic land use planning to be more geared towards economic development outcomes in the city centre

- The rejuvenation of the Frankston city centre through private development has the potential to be restricted due to poor strategic land use planning. Issues such as access, zoning, height controls and building setbacks need to be considered with a view to enabling development.

Key Metric: The number of major private developments constructed in the Frankston city centre = one (Peninsula on the Bay), since EDS 2011

Council processes can be more geared towards economic development outcomes

- There are opportunities for Council to be more 'investment ready' by having an economic development consideration within statutory and other processes. An example of this is *Priority Planning*, which is intended to incentivise development in the Frankston city centre by fast-tracking the town planning process. There is also an economic development focus contained in the procurement process via the Buy Local program. Other areas that could have an economic development consideration include: the Rating Strategy (to have mechanisms to incentivise investment), post-planning approvals (endorsement of plans) and strategic planning projects (structure plans, land use strategies, parking precinct plans etc.).

Key metric: Average processing times for commercial/industrial planning applications (pre-and post-permit being issued)

Identifying new employment opportunities via strategic land use planning

- Less than 10 per cent of the Carrum Downs industrial precinct remains as greenfield development land. This is the last greenfield employment land in Frankston City. Council needs to identify new opportunities to create employment in Frankston City, with a view to increasing the ratio of jobs per resident. This can be achieved by identifying new precincts and rejuvenating ageing stock in existing areas zoned for employment uses. Employment forecasts indicate that the city centre alone will not have capacity accommodate the future employment requirements for Frankston City and the greater region.

Key Metric: The ratio of jobs per resident in Frankston City = 0.29 job to every one resident, ↑0.03 since EDS 2011

Transitioning to a knowledge-based local economy

- Business Services (made up of Property Services, Finance and Insurance Services and Administrative and Support Services) has been a stagnant sector since EDS 2011. Frankston City is falling behind metropolitan Melbourne when it comes to employment in Business Services. This sector is particularly important as it offers white-collar employment opportunities locally.

- There are also significant opportunities to support social enterprises.
- Professional, Scientific and Technical Services growth was slightly higher than Business Services, but still well short of the Victorian average.

Key metrics:

- Employment growth in Business Services in Frankston City = 31 jobs (1.5 per cent) since EDS 2011, compared with an increase of 15 per cent across Victoria.

- Employment growth in Professional, Scientific and Technical Services = 205 jobs (13.5 per cent) since EDS 2011, compared with an increase of 22.1 per cent across Victoria.



The rapidly expanding Carrum Downs Industrial Precinct is nearly fully developed

6.1 Risks associated with not delivering the high priorities outlined in this strategy

The priorities outlined in this strategy (page 17) are designed to address:

- 15-year high unemployment
- Significant labour force inefficiencies
- Transitioning to a knowledge-based economy at an unsustainable pace
- Lack of regional economic development infrastructure investment
- Poor access to education and low levels of education attainment
- Diminishing availability of employment land in Frankston City
- Unfavourable investment conditions

Each of the issues outlined above have a direct influence on quality of life for Frankston City residents. If nothing is done to address these issues, it is likely that there will be increased direct and indirect costs to Council (and other levels of government) for resident welfare and other associated services.

If Council does not take action by implementing the high priorities outlined in this strategy, there is an inherent risk that the city will experience an escalation in crime and family violence, homelessness, drug and alcohol abuse and inter-generational disadvantage.

The priorities outlined in section 7 are in line with the Community Building Outcomes Framework (described in section 3.1). This is reflected in the 'secondary and tertiary outcomes' column. The priorities within this strategy are presented as 'primary outcomes'.

7.0 Priorities 2016–2022

| Priority (Primary Outcome) | Secondary and tertiary outcomes | Tactics | Method | Delivery | Target | Timeframe |
|--|---|---|------------------------|--|---|-----------|
| 1. World class Frankston station precinct with diverse employment opportunities | Tertiary Outcome: Sustainable Economy Secondary Outcome: Transport and business infrastructure | 1.1 Leverage the Frankston station precinct upgrades to generate significant government and private investment 1.2 Investigate ways that government can stimulate investment in the Frankston station precinct through its own activities | Advocacy | Councillors, EMT, Economic Development, Strategic Planning | - Minimum of \$600 million private investment in and around the Frankston Station Precinct | By 2025 |
| | | | Investment | Councillors, EMT | | |
| 2. Knowledge-based local economy generating professional employment opportunities | Tertiary Outcome: Learning Community Secondary Outcome: Fostered Entrepreneurship | 2.1 Introduce programs and build on existing initiatives that position Frankston City as a start-up/entrepreneurs hub, including: - major start-up event - co-working spaces - entrepreneurs network - boosted incentive schemes - marketing campaigns - strategic partnerships | Program Implementation | Economic Development | - Increase employment in Public Administration, Business, Professional, Scientific and Technical Services by 900 (currently 5,417 jobs) Sources: - Value of private construction in the Frankston Station Precinct - Census of Population and Housing (date TBC) | By 2022 |

| Priority (Primary Outcome) | Secondary and tertiary outcomes | Tactics | Method | Delivery | Target | Timeframe |
|--|---|---|------------------------|--|---|-----------|
| 3. Vibrant and resilient small/micro business community | Tertiary Outcome: Sustainable Economy Secondary Outcome: Viable Investment | 3.1 Ongoing delivery and continuous improvement of the <i>Build Your Business</i> programs and services 3.2 Utilise a proactive Business Engagement Model as a basis to supporting local business | Program implementation | Economic Development | - Increase the number of businesses employing more than 5 people by 10% (currently 1,131) <small>Source: ABS Australian Business Register</small> | By 2022 |
| 4. New and rejuvenated employment precincts | Tertiary Outcome: Sustainable Economy Secondary Outcome: Transport and business infrastructure | 4.1 Undertake a Green Wedge Management Plan with a view to identifying marginal land that could have future employment uses 4.2 Undertake an industrial land use strategy with a view to rejuvenating ageing industrial stock and identifying future opportunities | Investment | Strategic Planning, Economic Development | - Increase the number of jobs in Frankston City to over 50,000 (currently 36,631) <small>Source: Census of Population and Housing (date TBC)</small> | By 2030 |

| Priority (Primary Outcome) | Secondary and tertiary outcomes | Tactics | Method | Delivery | Target | Timeframe |
|--|---|--|------------------------|--|---|-----------|
| 7. Education attainment and employment | Tertiary Outcome: Learning Community Secondary Outcome: Market required competencies | 7.1 Advocate to stakeholders to expand course offer to meet industry needs | Advocacy | Councillors, EMT, Economic Development | - Increase percentage of bachelor and higher qualified residents to over 15% (currently 11.9%) Source: Census of Population and Housing (date TBC) | By 2030 |
| | | 7.2 Implement programs and foster relationships that links students to tertiary courses that can lead to local employment outcomes | Program Implementation | Economic Development | | |
| 8. Tourism and Visitation in Frankston City | Tertiary Outcome: Sustainable Economy Secondary Outcome: Diverse Economy | 8.1 Implement the Frankston Destination Development Plan 8.2 Contribute to the implementation of the Mornington Peninsula Destination Management Plan | Program implementation | Tourism & Visitor Services | - Increase visitation by 15% Source: Mornington Peninsula Destination Management Plan – data supplied by Urban Melbourne | By 2022 |

| Priority (Primary Outcome) | Secondary and tertiary outcomes | Tactics | Method | Delivery | Target | Timeframe |
|--|---|--|----------|--|---|-----------|
| 9. Major economic infrastructure and an expanded Port of Hastings 9 | Tertiary Outcome: Sustainable Economy Secondary Outcome: Transport and business infrastructure | 9.1 Council has a role with regional partners to advocate for major infrastructure, including the expanded Port of Hastings. This is a transformational project that will deliver tens of thousands of jobs 9.2 Develop a regional voice for business in Melbourne's south east. Council can work with regional partners to form a regional advocacy group containing industry leaders, education institutions and government (similar to G21 or Lead West) | Advocacy | Councillors, EMT, Economic Development | - The delivery of the major infrastructure that drives economic development in Melbourne's south east | Ongoing |

7.1 Council investment to fund Economic Development Strategy 2016 – 2022

| Total Council investment to deliver EDS 2016-2022 priorities | Recurring annual investment based on 2016/17 financial year | Additional one-off investments to occur once from 2016 – 2021 |
|--|---|---|
| Total investment to fully fund priorities outlined in EDS 2016–2022 (inclusive of labour costs and projected income) | \$873,168 | \$450,000 |

8.0 Appendix – costings and activities for Economic Development Strategy 2016 – 2022

This section outlines the investment required to deliver each of the primary outcomes (priorities) listed in section 7.

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|--|--|---|----------|---------------------------|----------------------|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| 1. World class Frankston station precinct with diverse employment opportunities | 1.1 Leverage the Frankston Station Precinct upgrades to generate significant government and private investment | Private development facilitation | High | - (staff costs only) | - | - | ✓ | Recurring |
| | 1.2 Investigate ways that government can stimulate investment in the Frankston Station Precinct through its own activities | Development feasibilities on Council land | High | - (staff costs only) | - | ✓ | ✗ | One-off |
| 2. Knowledge-based local economy generating professional employment opportunities | 2.1 Introduce programs and build on existing initiatives that position Frankston City as a start-up / entrepreneurs hub | Feasibility to establish a co-working facility (co-working could be part of Frankston Station Precinct) | Medium | \$30,000 | - | ✓ | ✗ | One-off (2017/18) |
| | | Boost incentive schemes for start-ups (Small Business Grants Program) | High | \$132,000 | - | - | 50% | Recurring |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|---|---|--|----------|---|----------------------|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| | | Develop and implement the <i>Melbourne Start-Up Expo</i> to be held in Frankston | High | \$90,000 (potential for sponsorship to offset) | - | ✓ | ✗ | Recurring |
| 3. Vibrant and resilient small/micro business community | 3.1 Ongoing delivery and continuous improvement of the <i>Build Your Business</i> programs and services | Continue to deliver the <i>Build Your Business</i> program (inc. workshops, Buy Local, Splash Card, Small Business Mentoring, Business Directory, FMP Business Breakfast Series, Space Innovators) | High | \$48,000 | - | - | ✓ | Recurring |
| | | Ongoing support for the Frankston Business Network via sponsorship | High | \$3,500 | - | - | ✓ | Recurring |
| | 3.2 Utilise a proactive Business Engagement Model as a basis to supporting local business | Establish a customer relationship management system for business and investment interactions | High | Already budgeted (15/16) | - | - | ✓ | One-off (2015/16) |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|--|---|--|---------------|---------------------------|---|--------------------------------|------------------|------------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| 4. New and rejuvenated employment precincts | 4.1 Undertake a Green Wedge Management Plan with a view to identifying marginal land that could have future employment uses | Undertake study and establish policy (Strategic Planning) | High | - | \$300,000 (15/16 – 16/17 Strategic Planning) | - | ✓ | One-off (2015-2017) |
| | 4.2 Undertake an industrial land use strategy with a view to rejuvenating ageing industrial stock and identifying future opportunities | Undertake study and establish action plan | Medium | \$30,000 | - | - | ✗ | One-off (2018/19) |
| | | Undertake investment attraction campaign to promote rejuvenation of ageing precincts | Low | \$20,000 | - | - | ✗ | One-off (2019/20) |
| 5. Favourable investment conditions | 5.1 Consolidate and expand the Small Business Investment Program, with a view to positioning Frankston as a great place to start or relocate a business | Regulatory facilitation for small business | High | - (staff costs only) | - | - | ✓ | Recurring |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|-------------------------------|---|---|----------|---------------------------|----------------------|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| | 5.2 Conduct a full audit of Council processes / practices and provide recommendations to better align the organisation toward job creation and investment | Internal audit of organisation process | Medium | - (staff costs only) | - | - | ✓ | One-off (2016-2018) |
| | 5.3 Rejuvenate the Frankston city centre via ongoing investment attraction activities, strategic marketing campaigns and precinct activation programs that generate employment and promote outstanding design | Integrated marketing program (Invest Frankston) | High | \$40,000 | - | - | 50% | Recurring |
| | | Sponsor and present at development association conferences and events | Low | \$10,000 | - | - | ✗ | Recurring |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|--|--|--|----------|-----------------------------|--|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| 6. Delivery of the Frankston Health and Education Precinct (details of the precinct in appendices) | 6.1 Implement a land use policy, planning controls and a subsequent investment attraction campaign for the Frankston Health and Education Precinct | Policy and planning controls | High | - | \$10,000 (14-15 - 15/16 Strategic Planning) | - | ✓ | One-off (2014/15) |
| | | Targeted investment attraction campaign at health professionals and developers | Low | \$10,000 | - | - | ✗ | One-off (2016/17) |
| 7. Education attainment and employment | 7.1 Advocate to stakeholders to expand course offer to meet industry needs | Conduct study into current and future labour force needs, including qualification/skill requirements | High | Already budgeted (14/15) | - | ✓ | ✓ | One-off (2014/15) |
| | | Advocacy and facilitation | High | - (staff costs only) | - | - | ✓ | Recurring |
| | 7.2 Implement programs and foster relationships that links students to tertiary courses that can lead to local employment outcomes | Program delivery and promotion (w/ Monash University, Chisholm and secondary schools) | High | \$15,000 | - | ✓ | ✓ | Recurring |
| | | Annual careers and jobs expo, targeting secondary students | Low | \$20,000 | - | ✓ | ✓ | Recurring |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|--|---|--|-------------|---------------------------|--|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| 8. Tourism and Visitation in Frankston City | 8.1 Implement the Frankston Destination Development Plan | Implement the Frankston Destination Development Plan | High | - | \$80,000 (Tourism & Visitor Services) | - | ✓ | Recurring |
| | 8.2 Contribute to the implementation of the Mornington Peninsula Destination Management Plan | Implement the Mornington Peninsula Destination Management Plan | High | - | \$26,700 (Tourism & Visitor Services) | ✓ | ✓ | Recurring |
| 9. Major economic infrastructure and an expanded Port of Hastings | 9.1 Council has a role with regional partners to advocate for major infrastructure, including the expanded Port of Hastings. This is a transformational project that will deliver tens of thousands of jobs | Advocacy activities | High | - (staff costs only) | - | - | ✓ | Recurring |

| Priority (Primary Outcome) | Tactics | Nature of activity | Priority | Investment | | | Currently funded | Recurring or one-off |
|-------------------------------|--|--|----------|---------------------------|--------------------------------------|--------------------------------|------------------|----------------------|
| | | | | Economic Development Unit | Other business units | Co-funding funding opportunity | | |
| | 9.2 Developing a regional voice for business in Melbourne's south east. Council can work with regional partners to form a regional advocacy group containing industry leaders, education institutions and government (similar to G21 or Lead West) | Facilitate the creation of an industry-led south east Melbourne regional advocacy body | High | - | \$5,000 (possible membership fee) | ✓ | ✓ | Recurring |

| | | | | |
|---|---------|-----------|----------------------|-----------|
| Labour costs to deliver priorities of EDS based on 2015/16 situation (Economic Development Unit) | 4.2 EFT | \$437,968 | ✓ | Recurring |
| Anticipated annual income (sponsorship for Melbourne Start-Up Expo and Build Your Business workshop fees and other income) | | \$35,000 | \$5,000 Currently | Recurring |

8.1 Forecasted Council investment to deliver EDS 2016-2022 priorities (Economic Development Unit only)

| TOTAL PER ANNUM INVESTMENT Priority levels: | 2015/16 (previous EDS) | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| High | \$634,614 | \$731,468 | \$744,607 | \$758,140 | \$772,079 | \$786,437 | \$801,225 |
| High + Mid | NA | \$731,468 | \$774,607 | \$788,140 | \$772,079 | \$786,437 | \$801,225 |
| High + Mid + Low | NA | \$761,468 | \$804,607 | \$818,140 | \$822,079 | \$816,437 | \$831,225 |

* incorporates all recurring and one-off projects to be undertaken by the Economic Development Unit and an estimated annual labour cost increase of 3% per annum

8.2 Rate income from commercial and industrial premises in Frankston City (2015/16)

| Rate type | Income 2015/16 |
|--|----------------------|
| Total commercial rate income | \$7,839,348 |
| Total industrial rate income | \$4,900,227 |
| TOTAL COMMERCIAL + INDUSTRIAL RATE INCOME 2015-16 | \$ 12,739,575 |

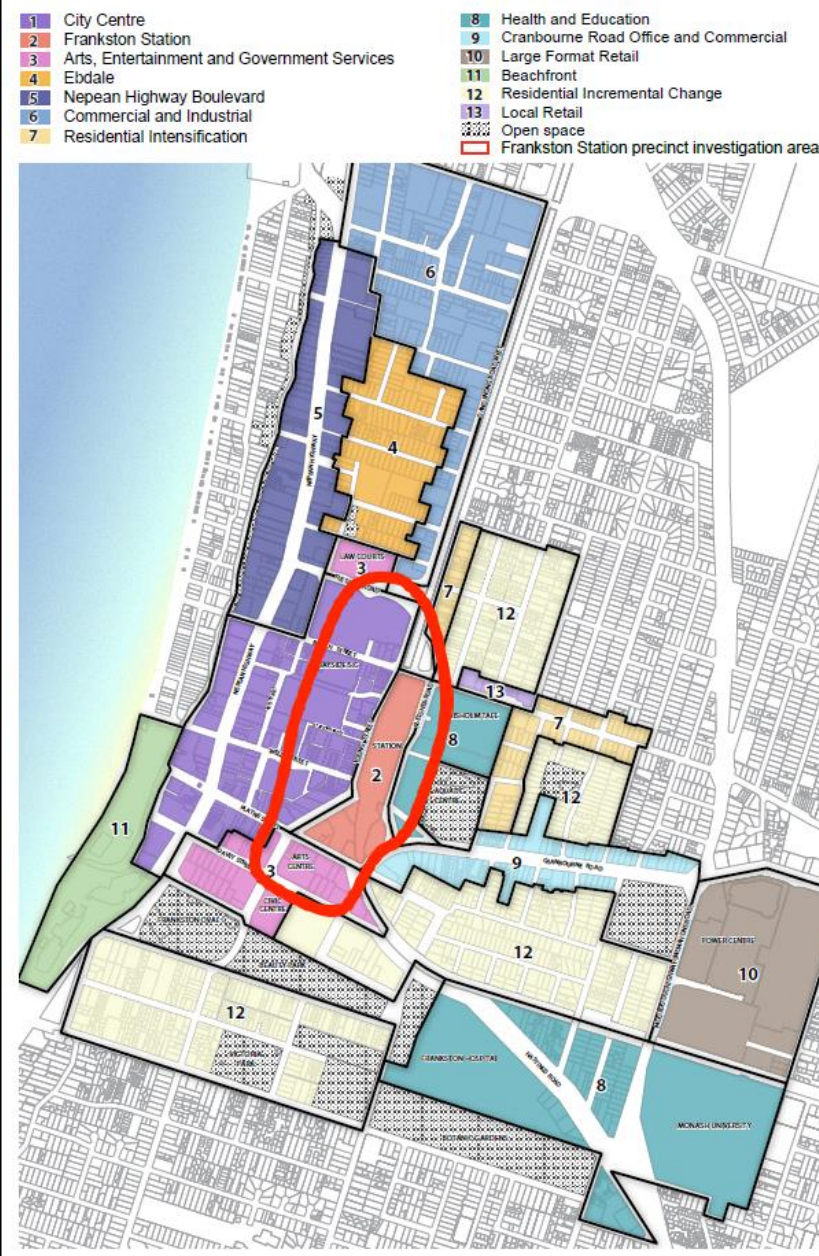
| Rate type | Income 2015/16 |
|--|---------------------|
| Differential commercial rate income | \$1,567,066 |
| Differential industrial rate income | \$979,547 |
| TOTAL COMMERCIAL + INDUSTRIAL DIFFERENTIAL RATE INCOME FOR 2015-16: | \$ 2,546,613 |

9.0 Appendix – Frankston Station Precinct (priority one)

The Frankston station precinct will be the subject of major public and private investment, with a \$63 million State Government commitment to revitalise the area. There are significant opportunities to leverage the government investment to stimulate private developments within the precinct. Council has a significant opportunity to shape the future of the precinct, with strategically located land holdings in key positions. This strategy outlines that Council and government should look to maximise the yield of the precinct redevelopment by exploring how its own activities can best stimulate private investment (priority one). The Frankston station precinct is outlined in red on the map.

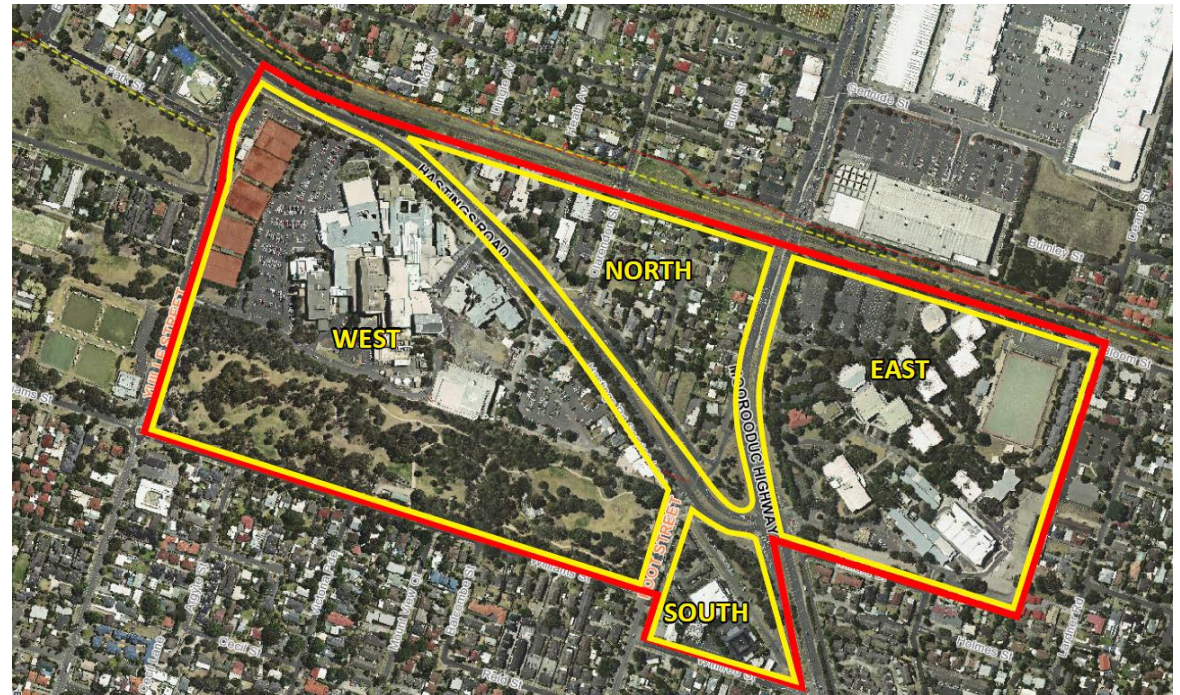


Figure 3 Frankston Station precinct



10.0 Appendix – Frankston Health and Education Precinct (priority five)

The Health and Education Precinct (priority five) refers to an area directly opposite Frankston Public Hospital, which has been earmarked for new planning controls that encourage medical, education and associated uses. The precinct is outlined below in the area marked 'North'. The area marked 'West' has Frankston Public Hospital and George Pentland Botanical Gardens; the area marked 'East' has Monash University Peninsula Campus; the area marked 'South' has Frankston Private Hospital.





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