



Sunshine Coast Investment Survey 2014

Prepared for Sunshine Coast Business Council

– November 2014

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Executive Summary

The first Sunshine Coast Business Council Investment Market Survey was released in February 2013 to test the investment market's perception of the Sunshine Coast as an investment location, its success in investment attraction and how it was viewed as a region in which to do business. The survey was undertaken as part of a combined industry response to the new planning scheme and was not released to the wider public. It is now available on the SCBC website.

In this 2014 Investment Market Survey, we have trebled the number of investor participants and covered regional, national and industry investors, and doubled the number of question areas to provide greater insights. The survey was conducted by face-to-face and phone interviews and targeted the key investment sectors for the Sunshine Coast region - Property, Tourism and Infrastructure, as well as Agribusiness and Manufacturing.

The key messages from the 2014 survey are:

- The successful investment attraction regions recognize that in order to attract inward investment they need to understand and relate to the criteria investors use to make regional investment decisions.
- There were nine (9) investment criteria identified by the investor respondents. Financial Return and Market Depth ranked as the top two criteria for the three geographic investor categories.
- Investors look for regions exhibiting strong population growth and good infrastructure. Advantages of investing in regions included less competition and generally high growth potential. Disadvantages included higher risk levels due to less diversified markets and greater market volatility. The ability to cluster assets was also important to investors with diversified asset portfolios looking to gain synergistic benefits from having more than one asset in a region.
- A new component of the 2014 survey explored which **regions investors had historically experienced the most success in over the past 10 years**. Results were spread across 28 Australian and International locations. Sunshine Coast was the top ranking region, most nominated as being a successful investment location. This was off the back of having the largest health project in Australia which has significantly raised the investment profile of the Sunshine Coast. Sunshine Coast Council is acknowledged as having played a strong role in facilitating and supporting this development. *It should be noted, this result was likely influenced by the higher proportion of regional investors in the survey.*
- Sunshine Coast also ranked top when investors were asked to identify the **Australian regional locations they felt were most favourable for investment currently, and in the near future**. Drivers identified by respondents as influencing their ranking pointed to the development in hospital infrastructure, population growth, airport expansion, and increased tourism. *This result is in stark contrast to the 2013 survey when Sunshine Coast did not rank at all and may be influenced by the slightly higher proportion of regional investors, some who only invest on the Sunshine Coast.*
- **Investment interest in the Sunshine Coast** has increased substantially since the 2013 survey. 78% of participants in the 2014 survey indicated that they would invest in the Sunshine Coast in the future compared to around 50% in the 2013 survey. Investment intentions for the Sunshine Coast were greatest for Local (existing) with 91% indicating they would invest in the Sunshine Coast in the future.
- The ageing population was noted as both a positive and a negative factor for supporting investment, depending on the sector. Aged Care investors considered it a positive whereas Retail investors as a potential negative. Other positive investment factors on the Sunshine coast included the ability to purchase assets at below market price and the natural amenity of the region.

- Consistent with the 2013 survey, the governance structure and development approval processes were identified as negative factors in relation to supporting future investment. *We believe this is an opportunity for the Sunshine Coast. It is an area that can, and should, be turned to an advantage and would thereby further strengthen the positive results in the other investment facilitation areas.*
- Other negative factors identified were concerns around the depth of the market, provision of key infrastructure, reliance on tourism and a perception that the local community did not support development.
- There was a high level of awareness of the major public sector infrastructure projects but less awareness of the private sector developments. Projects that were under construction generally registered greater interest than those that were in the early planning phases.
- The Kawana Hospital and Health Precinct was identified as the project likely to attract the most investment on the Coast. This was consistent with views on the significant role the Sunshine Coast University Hospital (Public and Private) project had played in raising the investment profile of the Sunshine Coast.
- Sunshine Coast's **investment facilitation performance** remains mixed. In this area the three lowest rated factors related to the Sunshine Coast Council's planning and development approval systems: Workable and current planning scheme; Experienced, skilled and motivated planning team; and Timeliness and responsiveness in decision making.
- When asked what Sunshine Coast Council could do to improve its investment facilitation the following was noted:
 - **Better Council delivery** – this point included providing an equitable playing field between the private and public sector; competitive infrastructure charges; and greater certainty and timeliness in the planning approval process.
 - **Better promotion of the region** – there was a common view that Council could do more in promoting the region in terms of investment opportunities with suggestions such as: current investors being used as advocates for growth; increased national advertising; ensuring the right markets are targeted; ensuring a consistent message is conveyed; ensuring key existing investors are retained; and communicating investment initiatives to broader markets. It was generally acknowledged that things are improving but that more needs to be done.
 - **Being a stronger advocate for growth** - participants want to see Council become a stronger advocate for growth, the view being that if you want employment and vibrant communities you need growth. This also related to managing the vocal community groups who advocated against development. The work of the Mayor in this regard was noted but there was a feeling he is not appropriately supported by Council staff.
 - **Clearer vision** – there was a clear message that the Planning Scheme needs to be better aligned with the Regional Economic Development Strategy. There is support for REDS and the new Planning Scheme but some questioned its interpretation and implementation by the planning team.
- When considering **high performing investment facilitation** regions, the Sunshine Coast made the top five (equal with Cairns) on the back of the Kawana Hospital and Health precinct and the successful marketing campaigns promoting Noosa. However the 19 percentage points difference between top and fifth position would suggest there is opportunity for improvement.
- Participants were asked **which local government made it easiest to do business in their jurisdictions**. Ipswich was identified as leading in this area followed by Brisbane, Moreton Bay and the Gold Coast. Examples of what regions do to make it easier to do business in their regions included:

- Access to the key decision makers
 - Being outcome focused
 - Driving the process
 - Employing the right team of people including those with private sector experience.
- The Sunshine Coast did not rank in the top seven regions in this area.

The 2014 Sunshine Coast Investment Survey has highlighted that the Sunshine Coast has strong investment prospects. This is largely on the back of the impact of the investment in the Sunshine Coast University Hospitals, potential for strong population growth, improved tourism market conditions, and a positive Economic Development vision. Whilst the region has been identified as being an attractive location for investment, it is not seen as a strong facilitator of investment. Council appears to be making progress in this area with its international trade missions, export mentor programs, and Business Gateway initiative and these initiatives probably need more time to see real results.

The strong positive from this 2014 survey is that the position of the Sunshine Coast appears to be on the rise.

1 Introduction

1.1 BACKGROUND AND PURPOSE

In January 2013 the Sunshine Coast Business Council (SCBC) commissioned an investment survey to better understand the strengths and weaknesses of the Sunshine Coast region as an investment location and its ability to attract investment. Of specific interest was the investment criteria for different forms of investment and how the region performs against these criteria in comparison to other regions in competing for investment.

The results of this survey, released in February 2013, provided valuable insights to inform investment attraction activities for the Sunshine Coast region. Almost two years on, the SCBC has commissioned another investment survey for the Sunshine Coast. Taking on board feedback from the 2013 survey, SCBC extended both the survey topics and number of participants. The 2014 survey involved thirty (30) organisations covering local, national, and international perspectives.

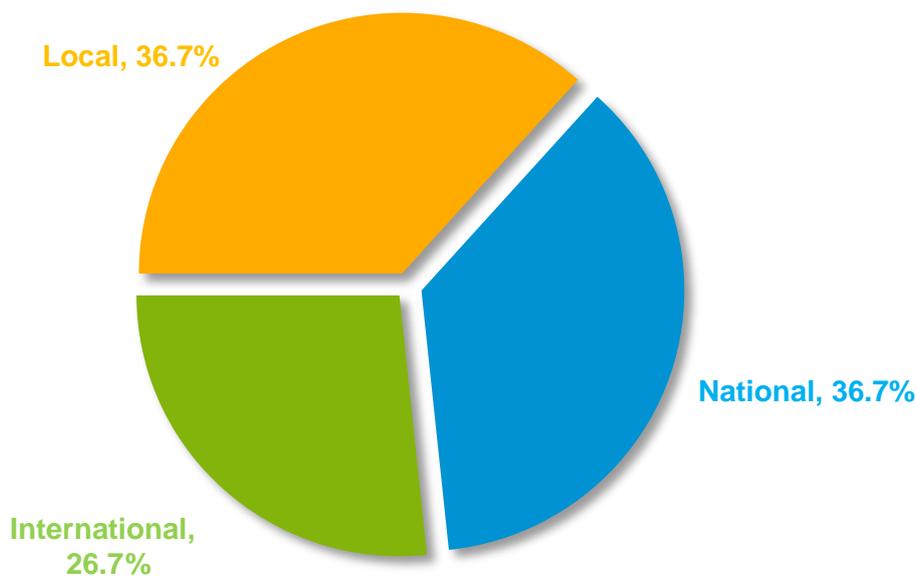
1.2 SURVEY APPROACH

The 2014 survey adopted the same approach as the first survey in that it undertook one-on-one interviews in order to gain detailed perspectives. This involved face to face and telephone interviews with senior personnel in organisations with investment experience or potential investment interest in the Sunshine Coast region. This involved interviews with Chief Executives, Managing Directors, Regional Directors, and Business owners to discuss detailed views on a range of investment issues and considerations. Seventy five (75) organisations were identified as appropriate survey participants; fifty two (52) organisations were contacted; and thirty (30) organisations participated. The participants in the survey represent substantial existing investment in the Sunshine Coast and other parts of Australia, and internationally.

Both qualitative and quantitative information was sought from participants and the results presented in this report reflect this. We point out that survey results and comments reflect participants' opinions and not necessarily the views of the entire investment market.

1.3 PARTICIPANT PROFILE

In conjunction with the SCBC a survey participant profile was generated that was intended to reflect the major investment sectors on the Sunshine Coast whilst also covering investors that had local, national, and international interests and perspectives. This was monitored through the participant identification, targeting, and surveying stages. Whilst it was not possible to balance the participants equally across the target sectors and geographies, an acceptable balance was achieved to provide appropriate perspectives across sectors and geographies.



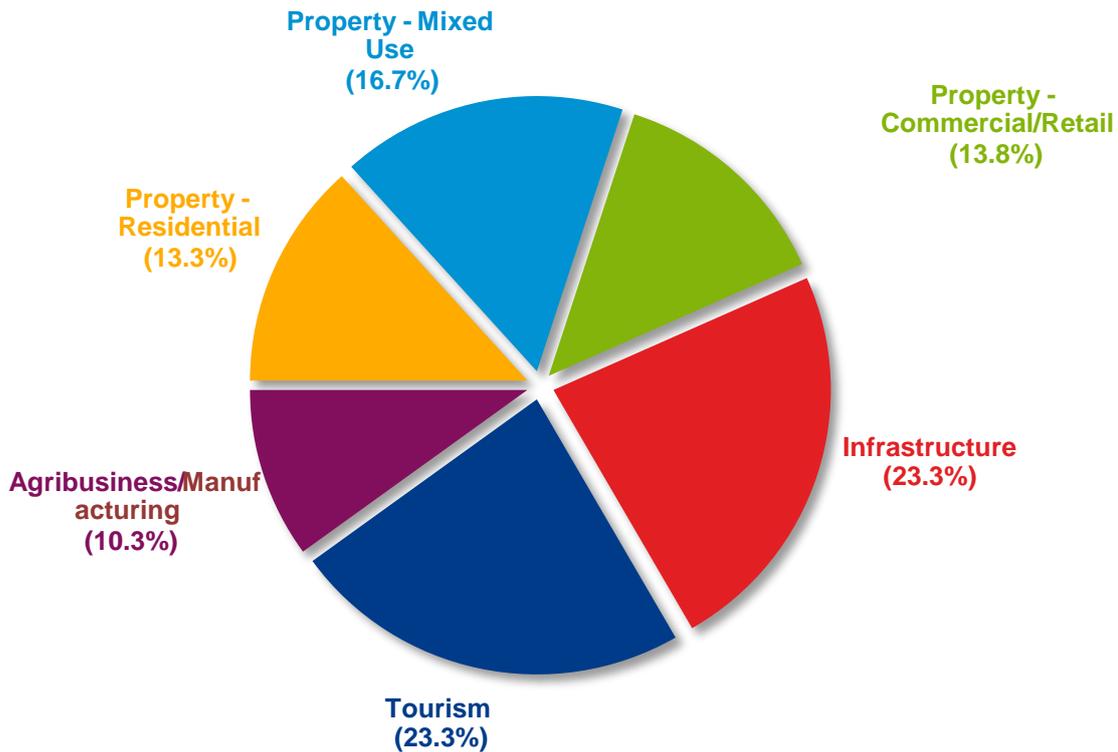
Source: Sunshine Coast Investment Survey 2014; Urbis

As demonstrated in Chart 1.1, the survey incorporated a relative balance of local, national, and international investors with a moderately higher proportion of local investors (36.7%), and national investors (36.7%), compared to international investors (26.7%). This reflected the greater ease in contacting local investors and higher level of interest. International investors were understandably harder to encourage to participate due to a lower level of interest in the region.

1.4 INVESTMENT SECTORS

The major investment sectors for the Sunshine Coast region tend to be in Property, Tourism, and Infrastructure. These formed the key target sectors for the survey along with Agribusiness and Manufacturing. Property investors were split into Residential, Commercial/Retail, and Mixed Use sectors reflecting the balance of property investor respondents. Agribusiness organisations were a key target for the survey due to the emphasis on this sector in the Sunshine Coast Economic Development Strategy. The limited number of respondents in this sector saw this combined with Manufacturing. This was considered appropriate as in many instances Agribusiness organisations represent a sub-set of the Manufacturing sector.

Chart 1.2 shows the sectoral profile of survey respondents: the Tourism sector (23.3%) and Infrastructure (23.3%) were the two most highly represented sectors, followed by Mixed Use Property (16.7%). Infrastructure covered both social infrastructure and economic infrastructure including hospitals, schools, aged care facilities, child care, energy, and telecommunication assets.



Source: Sunshine Coast Investment Survey; Urbis

The sectoral profile of respondents represented virtually the same sectors as those used in the 2013 survey with minor variations around how some of the 2013 sectors were categorised in this survey. This included the expansion of the Hotels sector to include tourist attractions and hotel/resort developers which has been re-labelled as Tourism. The Infrastructure sector was expanded to include health related infrastructure and thus absorbed the previous Health sector category from the 2013 survey. Finally the 2013 Business sector was renamed Agribusiness and Manufacturing to more clearly reflect the organisations in this sector.

A number of organisations participated in both the 2013 and 2014 surveys whilst there were a significant number of organisations new to the survey due to the expanded participant group. Whilst the representation of organisations in each category is generally similar, there are a few differences in the proportional representation across some of the 2014 sectors. In comparison to the 2013 survey, there are higher proportions of Property- Mixed Use and Tourism; lower proportions of Agribusiness/Manufacturing (Business) and Property-Commercial/Retail; and relatively similar proportions of Property-Residential and Infrastructure (Infrastructure, Health).

2 Investment Criteria

Successful investment attraction regions recognise that understanding the criteria investors use to make their investment decisions is of critical importance to being able to attract inward investment. They do this by aligning their regional strengths with target organisations investment criteria and proactively engaging with these organisations to ensure their key investment needs are met. Respondents were asked an open ended question on what were their most important investment decision making criteria. Responses were grouped into common categories, consequently there are some differences in categories between the 2014 survey and the previous survey.

2.1 CHANGES IN INVESTMENT CRITERIA

The results from the 2014 survey confirmed the general range of factors participant organisations use to make their investment decisions. The 2013 investment survey identified seven (7) criteria which has been increased to nine (9) in this survey. There are also differences in naming of criteria which makes a YOY comparison difficult. Table 2.1 sets out the criteria and ranking for this survey in comparison to the 2013 survey, with Financial Return and Market Depth the most important investment criteria in 2014. Those criteria highlighted in green represent increases in significance from the 2013 survey and those highlighted in red represent decreases in significance.

In the 2013 study the Strength of the Local Economy was identified as the most significant criteria. This incorporated a number of factors which have been segmented for the 2014 survey including Market Depth, Population, and Demographics. When these factors are combined for the 2014 results, this criteria has retained its high level of significance. Notably Financial Return has become a more significant investment decision making criteria. This is reflective of the increased proportion of international organisations in the 2014 survey who identified Financial Return as their most important investment decision making criteria. It could also be reflective of improved economic times where investors have increased their requirements and expectations for financial returns.

This is somewhat consistent with the notable drop in the Strength of Underlying Cashflow (Economic Growth) which is likely to signal an increased confidence in the underlying drivers in the local regional economy.

Investment Criteria

INVESTMENT CRITERIA

TABLE 2.1

CRITERIA	% 2014	CRITERIA	% 2013
Financial Return	– 27%	– Investment Rate of Return	– 22%
Market Depth (24%)	– 34%	– Strength of Local Economy	– 34%
Population (5%)			
Demographics (5%)			
Location	– 13%	– Local Amenity	– 2%
Regulatory Environment	– 9%	– Local Government	– 10%

		Environment	
Economic Growth	– 7%	– Strength of Underlying Cashflow	– 15%
Asset Specific	– 7%	– Internal Strategic Fit	– 4%
Infrastructure	– 4%	– Infrastructure	– 8%
Total	– 100%	–	– 95%

Source: Sunshine Coast Investment Survey, 2014

Interestingly Infrastructure has dropped slightly in terms of its importance in investment decision making. This possibly reflects the catch up in infrastructure investment that many parts of Australia have been undertaking over the past few years. This may favour investment in the Sunshine Coast as though it has a number of potential infrastructure investments planned, many of these are yet to secure funding.

From an industry sector perspective the Regulatory Environment was significantly more important for Mixed Use property investors and Infrastructure investors. For the Tourism sector Market Depth was considered slightly more important than Financial Return. For the Agribusiness and Manufacturing sectors population including access to labour was considered almost as important as Financial Return and Market Depth.

2.2 UNDERSTANDING INVESTMENT CRITERIA

There were a variety of aspects that respondents referenced when they identified their key investment criteria. Investment criteria priorities also varied across the different Investor locations (Local, National, and International). The most significant criteria were Financial Return, Market Depth, Location, and the Regulatory Environment.

Financial Return – Responses covered a range of factors when identifying Financial Return as a key investment decision making criteria. This included a variety of financial metrics such as Internal Rate of Return, investment yield, return on capital, investment hurdle rates, and a perspective on the risk return balance of the investment. Other factors identified in this criteria included loan serviceability; project feasibility; the ability to buy below market price; and the price of the asset and its relative affordability. For some respondents there was a threshold size of investment that they would not go below, which is an important consideration for regional locations such as the Sunshine Coast.

The target rates of return varied more by investor type than by sector or geography. Developer investors sought higher returns on capital or IRRs of 20-30%. Institutional investors were comfortable with lower rates of return, generally requiring a 6% margin above CPI and in the range of 10%-14%. In most instances this did not change for regional locations, though in some instances investors sought a slight premium to cover a perceived higher risk in investing in regional locations.

This criteria was listed as Investment Rate of Return in the 2013 survey.

Market Depth – This was the second most significant investment decision criteria and generally related to the demand and supply position in the market. Respondents indicated they look for markets that have relatively benign cycles which tend to be larger markets. Considerations for this decision making criteria include the ability to secure tenants; sustainability of rents; global recognition; competitor activity; stability of cash flows; and investment security.

Location – factors around the location of the investment were the third most important investment decision making criteria. This included the geographic location of the investment and how this fitted into the organisation’s portfolio of investments; site specific attributes such as position, amenity; access to markets; and infrastructure serviceability. This was identified as Local Amenity in the 2013 report.

Regulatory Environment – this factor was the fourth most important investment decision making criteria and included considerations on taxes and charges; stability of the political environment; confidence and certainty in the planning system; and the ability to secure approvals in a timely fashion.

Other factors that were identified as being considered in the investment decision making process were the Economic Growth of the area the asset is located in; factors specific to the actual asset such as its age, future saleability, brand strength, and type of land use.

Investment criteria prioritisation varied in relation to the different investor markets (Local vs National vs International) as presented in Table 2.2 below. Green highlighted criteria indicate a higher representation than the Total for that criteria and red represent a lower representation.

Criteria Importance by Investor geography

TABLE 2.2

RANKING	CRITERIA	TOTAL	LOCAL	NATIONAL	INTERNATIONAL
– 1	Financial Return	– 29%	– 28%	– 22%	– 34%
– 2	Market Depth	– 26%	– 26%	– 23%	– 24%
– 3	Location	– 13%	– 17%	– 11%	– 0%
– 4	Regulatory Environment	– 9%	– 8%	– 6%	– 15%
– 5	Economic Growth	– 8%	– 5%	– 8%	– 9%
– 6	Asset Specific	– 7%	– 3%	– 11%	– 7%
– 7	Population	– 6%	– 5%	– 3%	– 9%
– 8	Demographics	– 5%	– 0%	– 13%	– 0%
– 9	Infrastructure	– 5%	– 8%	– 3%	– 1%

Source: Sunshine Coast Investment Survey, 2014

All investors, regardless of geography, placed greatest emphasis on the top two criteria. The main differences in rankings were:

- **Local investors** placed a greater emphasis on Location and a lesser emphasis on Economic Growth, Demographics, and Asset Specific factors due to their greater knowledge of these factors and risks associated with these

- **National investors** rated Demographics and Asset Specific factors as more important than the broader respondent group. This appeared to be driven by their broader investment context and need to compare investments in one region against those in other regions
- **International investors** placed a higher importance on the Regulatory Environment and Population than the overall respondent group due to their appreciation of how Regulatory Environments vary across jurisdictions and how influential this can be. Population is also recognised as a relatively comparable driver of investment internationally compared to other factors that have a greater local influence and context.

3 Advantages and Disadvantages of Regional Investment

Survey respondents identified both advantages and disadvantages from investing in regional locations. In some instances these represent two sides of the same coin. For example some investors saw the benefit of investing in a smaller market as having less competition (Advantage as shown in Table 3.1 below) whilst other investors saw a smaller market as having higher risk levels from being less diversified and subject to greater market highs and lows (Disadvantage).

The strong growth potential of regional locations was considered an important advantage for regional investment. This does not apply to all regions, only those regarded as having high growth prospects and these would be regarded as being in the minority across Australian regions. Here investors are looking for strong population growth prospects that will flow into market growth for their particular market of interest.

There was a disadvantage to this aspect in that regional locations are often regarded to have larger cyclical swings. They can be viewed as more volatile, less economically diversified, less liquid, and there was a need to “get in and out quickly”. It was noted that regions are often the “last ones to go up and the first ones to go down”.

Investing in Regional Locations

ADVANTAGES AND DISADVANTAGES

TABLE 3.1

RANKING	ADVANTAGES	% OF RESPONDENTS	DISADVANTAGES	% OF RESPONDENTS
– 1	Less Competition	19%	Smaller Market	32%
– 2	Strong Growth Potential	16%	Higher Risk	40%
– 3	Higher Return Potential	13%	Lower Returns	4%
– 4	Greater Value Opportunities	13%		
– 5	Regional Promotional Support	13%		
– 6	Local Community Support	13%		
– 7	Lower Costs	9%	Lower levels of Infrastructure	16%
– 8	Part of Investment Strategy	6%	Asset Size Threshold	8%
	Total	100%		100%

Source: Sunshine Coast Investment Survey, 2014, Urbis

Generally investors considered regions as locations where they could potentially achieve higher returns, which were needed to balance the higher risks associated with investing in regions. There was a counter view to this where one (1) investor felt returns from regions were lower, based on a comparison with their international project experience.

On one hand investors identified a number of cost advantages to investing in regions including cheaper land, rent, labour, and general business operating costs. The counter to this was that specialised labour costs can be higher if they need to be imported into the region; and that freight costs can be higher due to the greater distance to export markets. Associated with this was the point that transport infrastructure was generally of a lower standard and scale than metropolitan markets and this added to operating costs and was a disincentive to attracting investment (Refer to Lower Costs and Lower levels of Transport infrastructure in Table 3.1).

Regions were also viewed as often playing an important role in an organisation's investment strategy from an overall portfolio perspective. There is a scale perspective here in that a region still needs to meet the threshold asset scale requirements. Regional locations can be viewed as a hedge against metropolitan markets. They also play important roles in asset networks where they play a connecting and/or complimentary role to larger metropolitan markets. This is important when metropolitan customers travel to regions and look for familiar brands.

The ability to cluster assets was also important where an investor with a diversified asset portfolio gained synergistic benefits from having more than one asset in a region. There is an opportunity for the Sunshine Coast to take advantage of this insight where it has single asset investments from national or international investors who may be looking to gain investment clustering benefits.

Other advantages to investing in regions were the ability to identify greater value opportunities than in many metropolitan markets. This related to the ability to identify investments opportunities when the market was low and sell when the market was high. There was a view that it was easier to follow regional markets than larger metropolitan markets. The support provided by the local government and regional promotional organisations (tourism, marketing, investment attraction) was also seen as an advantage for regional investment. Whilst some major metropolitan areas provide these services they are often spread across much larger markets.

Finally, the ability to gain community support through closer connections and investment in community infrastructure and services is seen as a particular advantage for organisations investing in regional locations. This is realised through providing local businesses with supply opportunities in the investment and also through the provision of an asset that often is overdue in the region.

4 Regional Investment Success

A new component of the 2014 survey explored which regions investors had historically (over the past 10 years) had the most success in. Results were spread across 28 Australian and International locations.

Notably, the Sunshine Coast edged Townsville as the region most nominated as being a successful investment location. These regions were followed by the Gold Coast, Cairns/Far North Queensland, and New Zealand. Whilst this reflected responses predominantly from the Local investor group (including some investors who only have investments on the Sunshine Coast) it was still a strong result for the Sunshine Coast.

“The Sunshine Coast is on the ‘top of the list’ as a region we know will continue to perform” – National Infrastructure Investor.

There are a number of factors that were identified by respondents that have influenced this strong performance by the Sunshine Coast. The major driver behind this appears to be the development of the Sunshine Coast University Hospital (Public and Private) precinct. As the largest health project in Australia this has significantly raised the investment profile of the Sunshine Coast. Sunshine Coast Council is regarded as having played a strong role in facilitating and supporting this development. This has been a major project for Council and one that it appears to have grown with in terms of developing its investment facilitation skills. It presents as a strong example of being “open for business” and one which Council can capitalise on. Subsequently there is an opportunity to use this project as a benchmark and guide for Council for future investment attraction and facilitation on the Coast.

The improved local economy (including increasing dwelling sales and approval levels) has also been a key factor behind the region’s investment success rating. Other factors influencing this result have been the increasing profile of a number of major planned investments such as the expansion of the Sunshine Coast Airport, development of Caloundra South, and talk around the Light Rail project investigations.

The Sunshine Coast was rated the most successful investment region by Local investors but did not register as a successful region for National investors and was rated equal fourth by International investors (Table 4.1). On this basis more can, and needs to be done in investment attraction and facilitation and promotion of the regional economy nationally and internationally. There is also a need to address some negative responses in regard to participant’s investment success on the Sunshine Coast as reflected in the following comment:

“The Sunshine Coast has been our least successful regional investment location” – International Property Investor.

Table 4.1 identifies differences between how Local, National, and International investors rated their successful investment locations. The green highlighted boxes indicate where a geographic investor group has rated the location above its overall average (Total) rating. Dark green indicates a significantly higher rating. Red boxes indicate the opposite. That is where a geographic investor group has rated the location below the overall average. Orange boxes indicate an approximately equivalent rating by the geographic investor group with the overall average.

The most successful locations identified by the National investors were New Zealand and Townsville along with regional NSW and regional Victoria, principally in the large regional cities and towns such as Wollongong, Bendigo, Wagga Wagga, Geelong, and the Tweed region. New Zealand had been successful for a number of investors due to the ability to leverage Australian brands and the limited market competition for their products. Success in Townsville had been in the residential and retail property sectors and been driven by strong population and economic growth.

International investors identified the broad South East Asia region as being their most successful investment location, specifically Singapore, Hong Kong, and China. Here investors recognised the stability of markets such as Hong Kong and Singapore and the rapid growth in China.

Successful Regional Investment Locations

REGIONAL, NATIONAL AND INTERNATIONAL

TABLE 4.1

RANKING	REGION	TOTAL - % OF RESPONSES	LOCAL	NATIONAL	INTERNATIONAL
– 1	Sunshine Coast	10.3%	20.8%	-	5.9%
– 2	Townsville	8.6%	8.3%	11.8%	5.9%
– =3	Gold Coast	6.9%	12.5%	-	5.9%
– =3	Cairns/FNQ	6.9%	12.5%	-	5.9%
– =3	New Zealand	6.9%	-	17.6%	-
– =6	Mackay	5.2%	12.5%	-	-
– =6	Sydney	5.2%	-	5.9%	11.8%
– =8	Singapore, SE Asia	6.9%	-	5.9%	17.6%
– =8	Other Queensland Regions	6.9%	12.5%	-	-
– =8	NSW Regions	6.9%	-	17.6%	5.9%
– =8	Victorian Regions	6.9%	-	17.6%	5.9%
– =12	China, Hong Kong	5.2%	-	-	17.6%
– =12	Other Brisbane	5.2%	12.5%	-	-
– =12	Australia	5.2%	-	11.8%	5.9%
– =15	WA Regions	3.4%	4.2%	-	5.9%
– =15	California, USA	3.4%	4.2%	5.9%	-
	Total	100%	100%	100%	100%

Source: Sunshine Coast Investment Survey, 2014

All successful international investment locations represented regions with significantly large populations and markets. The exception was New Zealand where the Australian brand name and familiarity with the culture were identified as drivers underpinning successful investment.

Reference was made by some of the international investors of the success of Singapore as an investment location. It was noted that whilst the Singapore Government controlled the land, the development approval process was very transparent. Investors were prepared to trade off a smaller margin for a lower risk. One International investor indicated it would be worth “spending time reviewing the Singapore model”.

5 Preferred Investment Locations and Sectors

Participants were asked to identify the Australian regional locations they felt were most favourable for investment currently and in the near future. This question was asked in the 2013 study, however the results have changed somewhat in 2014 as shown in Table 5.1. The table shows which locations have increased (Green) as a favoured investment location and which locations have decreased (Red).

The Sunshine Coast performed well in this regard topping the list of preferred regional investment locations, ahead of the Gold Coast, and Ipswich. Whilst the question had focussed on regional locations for investment, the capital cities of Sydney, Brisbane, Melbourne and Perth were still identified as being favourable investment locations. Other regional locations to rate were Cairns/Far North Queensland, Parramatta, and Mackay.

Favoured Investment Locations

AUSTRALIAN REGIONS

TABLE 5.1

RANKING	REGION	INTEREST 2014	INTEREST 2013
– 1	Sunshine Coast	– 16%	– 0%
– 2	Gold Coast	– 10%	– 3%
– =3	Ipswich	– 8%	– 6%
– =3	Brisbane	– 8%	– N/A
– =3	Melbourne	– 8%	– N/A
– =3	Sydney	– 8%	– N/A
– 7	Cairns/FNQ	– 6%	– 0%
– =8	Parramatta	– 4%	– 0%
– =8	Perth	– 4%	– N/A
– =8	Mackay	– 4%	– 9%
– =11	Other QLD Regions	– 12%	– 45%
– =11	Other NSW Regions	– 4%	– 25%
– =11	Other Victorian Regions	– 2%	– 3%
– =11	Other WA Regions	– 2%	– 5%
Total		– 100%	– 96%

Source: Sunshine Coast Investment Survey, 2014

Of interest is the change in investment preference from the 2013 survey. Here the Sunshine Coast has performed particularly well, whereas it did not even rate in 2013. Its high rating is influenced by a more positive investment perspective from Local investors (36% rating it as a preferred investment location), National investors (20%), and International investors (25%). Drivers identified for this include the development in “hospital infrastructure”, “population growth”, “airport expansion”, and increased tourism.

Other areas to increase their preferred investment location rating include the Gold Coast, Ipswich, Cairns/Far North Queensland, and Parramatta. This is likely to reflect improved economic conditions in these locations, increased investment promotional activities and communications, and a number of high profile major projects, including significant infrastructure investment.

Areas that have declined as preferred locations for investment include the resource regions on the back of falling commodity prices and a slow down in coal production. This has significantly affected investment interest in Mackay, and the regional areas of Queensland, Western Australia, and NSW

Other areas that did not rate in this survey, but that had previously been favoured for investment in the 2013 survey, include Newcastle and the Hunter Region, Townsville, Geelong, the NSW Central Coast, and Wollongong.

Table 5.2 shows there are a broad range of sectors identified as being favourable for investment currently and in the near future. These ranged from property types to industry sectors. Retail property, principally Bulky Goods and Core Retail assets were considered the most favourable. This is a variation from the 2013 study where Bulky Goods retail did not feature, though Retail overall had been the most preferred investment sector. Industrial property was the other sector that was noted by more than one participant which reflected an increase in interest from the 2013 survey.

Sectoral Investment Interest

INVESTMENT SECTORS

TABLE 5.2

RANKING	SECTOR	INTEREST 2014	INTEREST 2013
1	Bulky Goods Retail	19%	22%
=2	Core Retail	13%	
=2	Industrial	13%	6%
4	Other	55%	72%
	Total	100%	100%

Source: Sunshine Coast Investment Survey, 2014

Notable omissions from the 2014 survey were the residential and the gas and mining sectors. The latter was expected due to the slow-down in the coal sector and move from construction to operation in the gas sector.

6 Attractiveness of the Sunshine Coast for Investment

Investment interest in the Sunshine Coast has increased substantially since the 2013 survey (Table 6.1). The majority of participants (78%) in the 2014 survey indicated that they would invest in the Sunshine Coast in the future compared to around 50% in the 2013 survey.

Future investment intentions for the Sunshine Coast were greatest for the Local (existing) investors who almost all (91%) said they would invest in the Sunshine Coast in the future.

National investors reflected the overall result with 78% indicating they would invest in the Sunshine Coast in the future. The International investors showed lower levels (57%) of interest in investing in the Sunshine Coast in the future.

Sunshine Coast Investor Interest

INTENTION TO INVEST

TABLE 6.1

INVESTOR TYPE	INTEREST
Local	
Yes	91%
No	9%
National	
Yes	78%
No	22%
International	
Yes	57%
No	43%
Total	
Yes	78%
No	22%

Source: Sunshine Coast Investment Survey, 2014

A significant proportion of respondents indicated that they felt the Sunshine Coast had strong investment potential. In this regard population growth was considered a beneficial asset for the region. Here the ageing population was noted both as a positive and negative factor for supporting investment depending on the sector (Age care saw this as a positive; Retail as a potential negative). Other positive investment factors identified included the ability to purchase assets at below market prices, and the natural amenity that the region can provide.

The governance structure and development approval process were identified as negative factors in relation to supporting future investment. There were other concerns around the depth of the market; provision of key infrastructure; reliance on tourism; and a perception that the local community did not support development. The latter was viewed to be influenced by a number of vocal minority groups.

7 Sunshine Coast Investment Opportunities

To test survey participant's interest in investing in the Sunshine Coast, participants were asked to prioritise investment funds against fourteen major investment opportunities on the Sunshine Coast (Table 7.1). These opportunities covered major infrastructure projects such as the expansion of the Sunshine Coast Airport, the Solar Farm, an Inter-regional Bus System, and the Entertainment, Convention, and Exhibition Centre, as well as major property projects such as the Maroochydore Principal Regional Activity Centre, Caloundra South, Palmview, and the Sunshine Coast Industrial Park.

Amongst the survey participants there was generally a high level of awareness of the major public sector infrastructure projects but less awareness of the private sector development projects. Similarly higher profile projects and projects that were under construction registered greater interest than those that were in early planning phases.

When it came to identifying which projects participants thought would attract the most investment there were clear thoughts on which projects were likely to be considered favourably by investors. The Kawana Health Precinct was identified as the project likely to attract the most investment on the Coast. This was consistent with views on the significant role the Sunshine Coast University Hospital (Public and Private) development had played in raising the investment profile of the Sunshine Coast –

“Investment on the Sunshine Coast is driven by hospital infrastructure and population growth” – Local Property Investor.

“Strong interest as the hospital is a huge economic driver and creates demand for services around it” – Local Tourism Investor.

“Area is attractive because of the significant infrastructure spend in the hospital sector” – Local Infrastructure Investor.

The Sunshine Coast Airport and Stockland's Caloundra South Project were also rated as having very high investment interest. The expansion of the Airport was seen as both raising the profile of the region and increasing visitation to the Coast. As a major infrastructure project it garnered the greatest interest from the National and International investors. Stockland's Caloundra South was recognised as the largest project on the Sunshine Coast and rated highly amongst Local and National investors.

Project's that sat in a second tier of investment interest included Stockland's Oceanside Project, and the Sunshine Coast Light Rail Project. The Oceanside project was seen to benefit from the proximity to the Sunshine Coast University Hospital.

The projects considered to attract the least amount of investment interest included: a Sunshine Coast Theme Park or Water Park; a Sunshine Coast Tourism Resort; the Inter-regional Bus System; the Solar Farm; and the Entertainment, Convention, and Exhibition Centre. The lower prioritisation of the last three projects is likely to be influenced by their need for government funding and in some cases their early position in the development phase.

There may be a need for Council to increase the profile of these projects in order to improve their investment opportunities when funding is required.

SUNSHINE COAST INVESTMENT OPPORTUNITY INTEREST

Kawana Health Precinct	28%
Sunshine Coast Airport Expansion	27%
Stockland's Caloundra South Project	25%
Sunshine Coast Light Rail Project	23%
Stockland's Oceanside Project	23%
Sunshine Coast Industrial Park	20%
Sunshine Coast Business and Technology Precinct	18%
Investa's Palmview Project	17%
Sunshine Coast Entertainment, Convention and Exhibition Centre	16%
Inter-regional Bus System	15%
Maroochydore Principal Activity Centre	15%
Sunshine Coast Tourism Resort	14%
Sunshine Coast Solar Farm	13%
Sunshine Coast Theme Park / Water Park	10%

LEGEND:	
25%+	Very High
20 - <25%	High
15 - <20%	Moderate
10 - <15%	Low To Moderate
0 - <10%	Low

Source: Sunshine Coast Investment Survey, 2014

8 Investment Facilitation on the Sunshine Coast

The Sunshine Coast has been identified by the survey participants as a region of interest for future investment. This on its own is not enough to secure the range of future investment opportunities open to the region. Competition for investment funds is fierce and regional locations need to work hard at investment facilitation to ensure they secure the investment opportunities that will drive the future prosperity of their region.

This was not an area that the Sunshine Coast performed well in the previous survey (2013). To ascertain how the Sunshine Coast was performing in regard to investment facilitation in 2014, survey participants were asked to rate the Sunshine Coast as a regional investment location in comparison to other Australian regions against ten investment facilitation factors.

These factors included the four core factors from the 2013 survey:

- Meets Investment criteria
- Effective access to Mayor and Councillors
- Timeliness and responsiveness in decision making
- Experience, skilled and motivated Planning team.

In addition to these factors six other factors considered important in facilitating inward investment were added:

- Access to Labour
- Ability to achieve target rate of investment return
- Transport infrastructure
- Strong regional leadership
- Inspiring Regional Strategy
- Workable and current Planning Scheme.

Participants were asked to rate the Sunshine Coast on a five point scale:

1. Very High
2. High
3. Moderate
4. Low to Moderate
5. Low.

The 2014 results indicate that the region has seen some improvement though there is still significant work required in a number of areas. As noted in Table 7.1 no factors were rated as Very High and only Access to Labour was rated as High. Here there was a particular reference to being able to access people with the right skills and at affordable wages. An advantage of the Coast was seen to be the affordability of labour costs.

A number of factors were rated as Moderate the highest of these being Meets Investment Criteria; Ability to Achieve Target Rate of Investment Return; and Effective access to the Mayor and City Councillors. Where a rating of 5 is Very High, the latter saw an improvement from the previous survey up from 2.6 to 3.

“The Sunshine Coast Mayor was keen to do business” – National Tourism Investor.

SUNSHINE COAST INVESTMENT FACILITATION PERFORMANCE

Access to labour	3.3
Meets Investment criteria	3.0
Ability to achieve target rate of investment return	3.0
Effective access to Mayor and Councillors	3.0
Transport infrastructure	2.6
Strong regional leadership	2.6
Inspiring Regional Strategy	2.5
Workable and current Planning Scheme	2.3
Experienced, skilled and motivated Planning team	2.0
Timeliness and responsiveness in decision making	2.0

LEGEND:	
	Very High
	High
	Moderate
	Low To Moderate
	Low

Source: Sunshine Coast Investment Survey, 2014

Strong Regional Leadership and Inspiring Regional Strategy were seen as being interlinked and were both rated as Moderate. When participants were rating these two factors they generally considered them in terms of the vision and strategic direction of the Sunshine Coast. The message came through from the participants that there was a lack of clarity on the strategic direction of the region including – “it is currently too vague” (Local Property Investor).

There were varying perceptions on the strength of Transport Infrastructure on the Coast as an investment facilitator. Overall it was rated as Moderate, however participant ratings varied from High down to Low. Generally the High ratings were from National or International investors who may not have direct experience with the Coast’s transport infrastructure. The Local Investors tended to rate Transport Infrastructure as Low indicating the external perception of the region’s transport infrastructure is better than the local perception.

The three lowest rated factors related to the Planning and Development Approval structure and systems within Local and State Government – Workable and Current Planning Scheme (Moderate); Experienced, Skilled and Motivated Planning Team (Low to Moderate); and Timeliness and Responsiveness in Decision Making (Low to Moderate).

These results indicate there is still an issue with the development approval process in relation to facilitating investment on the Sunshine Coast in comparison to competing regions. It is appropriate to note however that these results reflect some small improvements in ratings from the previous 2013 survey in relation to Experience, skilled and motivated Planning team (up to 2/5 from 1.4/5), and for Timeliness and responsiveness in decision making (up to 2/5 from 1.8/5). Despite these small improvements, this is clearly an area for focus for the Sunshine Coast should it wish to improve its investment facilitation in comparison to competing regions.

8.1 IMPROVING INVESTMENT FACILITATION ON THE SUNSHINE COAST

To gain insight into how the Sunshine Coast could improve its investment facilitation performance participants were asked if they could send a message to the Sunshine Coast Council on how best to improve its investment competitiveness, what would it be?

Four common themes came out of this question. These were:

(a) **Better Council Delivery – participants felt:**

- Council needed to improve the delivery of its policies including providing an equitable playing field between the public and private sector;
- Councillors and Council staff need to be better aligned;
- Specific strategies should be reflected in Council’s policies around facilitating desired development;
- Infrastructure charges can be excessive which is a disincentive to investment; and
- Greater certainty and timeliness was required in the planning approval process.

“There is a disconnect between Council’s vision and officer’s implementation. Eventually investors will go elsewhere” – Local Property Investor.

“Council to facilitate investment not try to drive it via the planning scheme” – Local Tourism Investor.

“Improve the Planning process generally and reduce upfront infrastructure charges – these are quite excessive in some places and are therefore stifling development” – Local Property Investor.

- ### (b) **Better Promotion** – There was a common view that Council could do more in promoting the region to investment. Here participants suggested getting existing investors to be regional advocates; increase advertising; ensure the right markets are targeted; ensure a consistent message is conveyed; ensure key existing investors are retained; and communicate investment initiatives to broader markets.

“Send message to staff that Council is open for business” – National Property Investor.

“Advertise it more. The Health Hub needs to be advertised more. We were only aware of the opportunity through industry connections” - National Infrastructure Investor.”

- ### (c) **Advocate for Growth** – participants want to see Council become a stronger advocate for growth, the view being that if you want employment and vibrant communities, you need growth. Key points raised here were that there are vocal community groups that advocate against growth which is not the case in most competing regions; Council needs to facilitate necessary infrastructure to attract investment;

and the region needs to expand its industry base as it is vulnerable to the Tourism and Construction sectors.

“Focus on what we can do rather than what we can’t do. Be more positive” – International Tourism Investor.

“If you want a vibrant community you need growth, development, and employment” – National Tourism Investor.

- (d) **Clear Vision** – there was still seen to be a need for a clear, and simple strategy that represented the entire Coast. There was a clear message that the Planning Scheme needed to be aligned with the Economic Development Strategy (this was still felt not to be the case). This was identified specifically as an issue in the 2013 survey and indications are that this has not improved in these results. This was commented on particularly by a number of participants, including:

“Allow the regional economic development strategy to inform the planning scheme, not the other way around” – Local Tourism Investor.

“Ensure the planning scheme facilitates the objectives and goals of the economic development strategy” – International Property Investor.

“Encourage an investor led planning strategy rather than a planning led strategy to attract investors” – Local Property Developer.

8.2 HIGH PERFORMING REGIONAL INVESTMENT FACILITATORS

In investigating which regions are best at facilitating investment, the same regions from the previous study topped the list as reflected in Table 8.2. Those locations highlighted in Green indicate regions that have improved their rating from 2013 while those highlighted in Red have fallen away. Ipswich is regarded by the survey participants as the best regional local government authority for attracting investment in Australia. This is a position it has retained from the 2013 survey.

With regard to this leading position, Ipswich is seen as “genuinely” being open for business. Participants experience is that the approvals process is aligned with the investment attraction objectives including employment creation. The Gold Coast retained its high standing as a strong investment facilitation location. Initiatives such as the relaxation of infrastructure charges and investment in promotional advertising were seen as positive influences. Evidence was reflected in the securing of the Gold Coast Light Rail project, Commonwealth Games, and major hotel investment.

Brisbane was a new addition to the list, though not a regional location. Brisbane was seen as having a strong vision and area specific visions and development objectives. Also the work of Brisbane Marketing was seen as being particularly effective. The hosting of the recent Brisbane Global Café is a standout example of this.

Strongest Regions for Investment Facilitation

2014 VS 2013

TABLE 8.2

RANKING	REGION	% OF RESPONDENTS 2014	% OF RESPONDENTS 2013
– 1	Ipswich	24%	22%
– 2	Brisbane	18%	0%
– 3	Gold Coast	18%	15%
– 4	Toowoomba	8%	3.5%
– 5	Sunshine Coast	5.3%	3.5%
– 6	Cairns	5.3%	0%
	Gladstone	0%	11%
	Logan	0%	7%
	Rockhampton	0%	7%
	Total	78.6%	69%

Source: Sunshine Coast Investment Survey, 2014

The Sunshine Coast made the top five (equal with Cairns) on the back of the Kawana Hospital and Health Precinct and successful marketing campaigns promoting Noosa.

Locations that fell off the list in 2014 included the regional locations of Gladstone and Rockhampton, and Logan in southern Brisbane. Negative economic news has impacted Gladstone as have a number of social issues in Logan.

8.2.1 EASE OF DOING BUSINESS

Greater insight into local government authorities that have been successful in attracting investment were gained through investigation into the ease of doing business in these regions (Table 8.3). Participants were asked which local government authorities made it easiest to do business in their jurisdictions. Ipswich was identified as leading in this area followed by Brisbane, Moreton Bay and the Gold Coast. Other locations to make the top seven were Logan and Townsville, with Perth being the only non-Queensland location identified.

The Sunshine Coast was identified in a larger group of locations that were identified by 2.7% of participants (one participant), as a location where it is easy to do business.

Ease of Doing Business

ATTRACTING INWARD INVESTMENT

TABLE 8.3

RANKING	REGION	% OF RESPONDENTS
– 1	Ipswich	16.2%
– 2	Brisbane	10.8%
– 3	Moreton Bay	10.8%
– 4	Gold Coast	10.8%
– 5	Perth	5.4%
– 6	Logan	5.4%
– 7	Townsville	5.4%
	Total	64.8%

Source: Sunshine Coast Investment Survey, 2014

When questioned further, respondents identified access to the key decision makers, being outcome focussed, and driving the process as examples of what regions do that make business easy for investors. Employing the right team of people including those with private sector experience was seen as an important factor here.

“Paul Pisasale at Ipswich and Graham Quirk at Brisbane are good examples of this” - National Tourism Investor.

9 Key Messages and Conclusion

The 2014 Sunshine Coast Investment Survey has seen the performance of the Sunshine Coast improve in a number of areas in relation to investment attraction. There are, however, some areas where the region performs poorly in relation to regions competing for investment funds.

Survey participants identified the Sunshine Coast as their most successful investment location, ahead of Townsville, the Gold Coast, and Cairns. This was associated with a significant increase in its status as a preferred investment location and overall support (78% of participants) for future investment in the Sunshine Coast. Whilst the Sunshine Coast has improved its attractiveness to investment, there are a number of steps the Sunshine Coast Council can take to increase the region's share of investment in Australian regions.

9.1 KEY MESSAGES

The 2014 Sunshine Coast Investment Survey provides a number of important insights and messages for the Sunshine Coast in relation to how it can improve its investment facilitation performance and achieve its key economic development objectives. These are summarised below.

Regional Investment Strengths

The strong growth potential of regional locations was seen as an important advantage for regional investment. Investors are looking for high growth areas and the Sunshine Coast ticks this box. *The Sunshine Coast has the potential to have a growth advantage to attract investment but it needs to show it is supportive of growth.*

Areas where Council can assist in facilitating investment to the region include supporting regional promotional organisations, gaining community support for investment, and investment in community infrastructure and services. *These areas require specific focus from Council.*

Better Council Delivery

A range of factors were identified where respondents felt Council needed to improve the delivery of its policies to make the region more attractive to inward investment. This included providing an equitable playing field between the private and public sector; competitive infrastructure charges; and greater certainty and timeliness in the planning approval process.

Promote the Region Better - Use Investment Success Stories

The Sunshine Coast edged Townsville as the region most nominated as being a successful investment location by survey participants. The major driver behind this is the development of the *Sunshine Coast University Hospital (Public and Private)*. As the largest health project in Australia this has significantly raised the investment profile of the Sunshine Coast. Council is regarded as having played a strong role in facilitating and supporting this development. This has been a major project for Council and one that it appears to have grown with in terms of developing its investment facilitation skills. *There is an opportunity to use this project as a benchmark and guide for Council for future investment attraction and facilitation on the Coast.*

Be a Stronger Advocate for Growth

Whilst Council is talking an "open for business" message, members of the investment community are questioning the genuineness of this. Investors are keen to see Council take a stronger position supporting growth including enunciating the role that growth plays in generating employment and creating vibrant communities. *The Mayor was acknowledged for his efforts in this area however Councillors appear to differ significantly in their position which is confusing the investment community.*

Provide a Clear and Consistent Vision

There was seen to be a need for a clear, and simple strategy that represented the entire Coast. A number of respondents felt that the Planning Scheme was not aligned with the Economic Development Strategy. Substantial work has been done by Sunshine Coast Council to bring these two key elements closer together however it appears that this is yet to be realised in practice. This is understandable given the new Planning Scheme has only been in place for a short period of time. The relatively low rating of Council's Planning Approval process indicates that there is a need for the "open for business" culture being consistently and strongly driven from Council's leadership to flow down to Council officers. *This appears to be one of the biggest issues highlighted in this survey that needs to be addressed by Sunshine Coast Council.*

Investment Clustering Benefits

Regions are seen as playing an important role in an organisation's investment strategy from an overall portfolio perspective. The ability to cluster assets is important as an investor with a diversified asset portfolio gains synergistic benefits from having more than one asset in a region. *There is an opportunity for the Sunshine Coast to take advantage of this insight where it has single asset investments from national or international investors who may be looking to gain investment clustering benefits.*

9.2 CONCLUSION

The 2014 Sunshine Coast Investment Survey has highlighted that the Sunshine Coast has strong investment prospects. This is on the back of the impact of the investment in the Sunshine Coast University Hospitals, potential for strong population growth, improved tourism market conditions, and a positive Economic Development vision. Whilst the region has been identified as being an attractive location for investment, it is not seen as a strong facilitator of investment. Council appears to be making progress in this area with its international trade missions, export mentor programs, and Business Gateway initiative, however more can be done as outlined in this report.

Disclaimer

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Appendix A

Investment Survey



SUNSHINE COAST INVESTOR SURVEY

Company: _____

Name: _____

Address: _____

Phone No: _____

Date: _____

Interviewer: _____

Questions

1. What are your main fields of investment?

2. Are you currently investing in Australia? Yes_____ No_____. If Yes:

a. In what sectors? _____

b. Why? _____

c. In what locations? _____

d. Why? _____

3. What are the key investment criteria you use when evaluating your investment decisions?

a. _____

b. _____

c. _____

d. _____

e. _____

4. How would you rate these criteria in terms of decision making influence?

a. _____

Very High		High		Medium		Medium Low		Low	
-----------	--	------	--	--------	--	------------	--	-----	--

b. _____

Very High		High		Medium		Medium Low		Low	
-----------	--	------	--	--------	--	------------	--	-----	--

c. _____

Very High		High		Medium		Medium Low		Low	
-----------	--	------	--	--------	--	------------	--	-----	--

d. _____

Very High		High		Medium		Medium Low		Low	
-----------	--	------	--	--------	--	------------	--	-----	--

a. _____

Very High		High		Medium		Medium Low		Low	
-----------	--	------	--	--------	--	------------	--	-----	--

5. How do these criteria vary

a. When making decisions outside of Australia

b. When making decisions in regional Australia? How do they vary and why?

6. What are your indicative targeted investment rates of return

a. For your core sector? _____

b. For your target regions? _____

7. Which regional locations (global and national) have you had most success over the last 10 years?

a. _____

b. _____

c. _____

d. _____

8. Which Australian regional locations and sectors do you consider most favourable for investment currently and in the near future?

a. _____

b. _____

c. _____

d. _____

9. What advantages and disadvantages do you see in investing in Australian regional locations?

Advantages _____

Disadvantages _____

10. What are your views on the Sunshine Coast Queensland, as an investment location?

a. What are these views based on?

11. Would you consider investing on the Sunshine Coast Queensland in the future?

a. If yes, where and in what types of sectors

Location	Sectors

b. If no, why not

12. Do you have an awareness of the Sunshine Coast regional investment opportunities currently in, or about to be in, the market? Yes _____ No _____

a. If yes, what investment opportunities suit the investment focus of your organisation?

- b. Are any of the identified Sunshine Coast regional investment opportunities of interest to your organisation?

Project	Project Awareness – Yes/No/Some	Reason for Interest
Sunshine Coast Airport Expansion		
Kawana Health Precinct		
Maroochydore Principal Activity Centre		
Sunshine Coast Light Rail Project		
Sunshine Coast Entertainment, Convention, and Exhibition Centre		
Sunshine Coast Business and Technology Precinct		
Sunshine Coast Solar Farm		
Inter-regional Bus System		
Sunshine Coast Industrial Park		

13. Are any of the identified private sector opportunities on the Sunshine Coast of interest to your company?

Project	Project Awareness – Yes/No/Some	Reason for Interest
Stockland's Oceanside Project		
Investa's Palmview Project		
Stockland's Caloundra South Project		
Sunshine Coast Theme Park/Water Park		

Sunshine Coast Tourism Resort		
-------------------------------	--	--

14. From your experience, which of these investment opportunities are likely to attract most investment to the Sunshine Coast?

Project	Proportion of Investment									
	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%
Sunshine Coast Airport Expansion										
Kawana Health Precinct										
Maroochydore Principal Activity Centre										
Sunshine Coast Light Rail Project										
Sunshine Coast Entertainment, Convention, and Exhibition Centre										
Sunshine Coast Business and Technology Precinct										
Sunshine Coast Solar Farm										
Inter-regional Bus System										
Sunshine Coast Industrial Park										
Stockland's Oceanside Project										
Investa's Palmview Project										
Stockland's Caloundra South Project										
Sunshine Coast Theme Park/Water Park										
Sunshine Coast Tourism Resort										
Other (Specify)										

15. How do you rate the Sunshine Coast as a regional investment location compared to other Australian regional locations – in terms of:

Location Factor	Rating				
	Very High	High	Moderate	Low to Moderate	Low
Meets investment criteria					
Ability to achieve target rate of investment return					
Transport infrastructure					
Access to labour					
Ease of doing business					
- Inspiring Regional Strategy					
- Workable and current Planning Scheme					
- Strong regional leadership					
- Effective access to Mayor and Councillors					
- Experienced, skilled and motivated Planning Team					
- Timeliness and responsiveness in decision making					

16. If you could send a clear message to the Sunshine Coast Region on how to improve its investment competitiveness, what would your message be?

17. In your experience, which regional Local Government Authorities have in Australia have best met your expectations in terms of 'ease of doing business'

- a. _____
- b. _____
- c. _____

d. _____

18. What are the areas of greatest influence that a Local Government Authority can have on your investment decision making?

a. _____

b. _____

c. _____

d. _____

19. What types of incentives have other investment locations/regions offered to attract your investment in the past?

a. _____

b. _____

c. _____

d. _____

20. If these incentives were not offered, would you have made a different investment decision? Why?

21. In your experience, which regional Local Government Authority in Australia has demonstrated the greatest influence in attracting investment in their region? Please give examples?

22. What type of information general (government or public sector documents, investment materials) do you consider when making investment decisions? How do you get this information?

Type of Material	How Sourced?

Sydney

Tower 2, Level 23, Darling Park
201 Sussex Street Sydney, NSW 2000
t +02 8233 9900
f +02 8233 9966

Brisbane

Level 7, 123 Albert Street
Brisbane, QLD 4000
t +07 3007 3800
f +07 3007 3811

Melbourne

Level 12, 120 Collins Street
Melbourne, VIC 3000
t +03 8663 4888
f +03 8663 4999

— **Perth**

Level 1, 55 St
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