



Smart Cities Plan

# TOWNSVILLE

## City Deal



Australian Government



Queensland Government



# ACKNOWLEDGEMENTS

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We would like to thank Townsville City Council and the Townsville community for their enthusiasm and contribution toward the development of Australia's first City Deal. We will ensure that our governments work cooperatively to support your vision for Townsville's future.

In particular, we thank the members of the Townsville Stakeholder Advisory Group:

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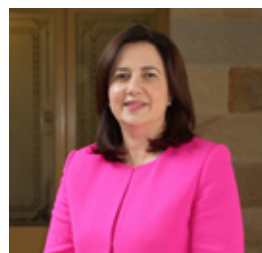
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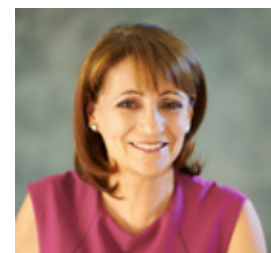
- The Hon Angus Taylor MP, Assistant Minister for Cities and Digital Transformation
- The Hon Jackie Trad MP, Deputy Premier of Queensland, Minister for Infrastructure, Local Government and Planning, and Minister for Trade and Investment



The Hon Malcolm Turnbull MP  
Prime Minister of Australia



The Hon Annastacia  
Palaszczuk MP  
Premier of Queensland  
and Minister for the Arts



Cr Jenny Hill  
Mayor of the  
City of Townsville

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# AUSTRALIA'S FIRST

## City Deal

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The Townsville City Deal is a 15 year commitment between the Commonwealth of Australia (the Commonwealth), the State of Queensland (the Queensland Government) and the Townsville City Council for a collective program of planning, reform and investment in Townsville. The commitments made under this City Deal are consistent with the Memorandum of Understanding between the Commonwealth and Queensland Governments to establish and implement City Deals, which was agreed on 10 November 2016.

The Townsville City Deal is providing a new approach for all levels of government to work together to plan and deliver transformative outcomes for Townsville and its residents. For the first time in Australia, there will be a city-level shared vision for Townsville.

The first stage in this new approach has seen Townsville City Council working with the Queensland Government and the Commonwealth to identify the strategic framework, key commitments and future opportunities to be progressed and delivered under the Townsville City Deal.

The next phase of this collaborative approach will see the three levels of government working with local stakeholders to finalise the implementation plan for the Townsville City Deal. The implementation plan, to be completed by end of March 2017, will be a blueprint to realise the commitments and future opportunities under the Townsville City Deal.

Through the City Deal, governments will work with the private sector to promote Townsville's advantages by revitalising the city and Waterfront Priority Development Area (PDA), growing the Townsville Port, and attracting investment to the State Development Area (SDA).

Priority projects will support economic growth, deliver major infrastructure, create new and sustainable jobs, and enhance the liveability of the city.

Our efforts under the Townsville City Deal will build industry and workforce development opportunities, better connect people and places, and improve export and freight efficiency. This will provide a more attractive environment for investment in the City and the broader region and boost the capabilities of Townsville's competitive industries.

The Townsville City Deal will be underpinned by a smarter approach to investment. Smarter investment will see us partner with the private sector to deliver more infrastructure and better outcomes for the community. We will increase transparency of investment priorities and provide greater certainty to business.

### Purpose of the City Deal

The Smart Cities Plan was released in April 2016 by the Prime Minister, the Hon Malcolm Turnbull MP, and the Assistant Minister for Cities, the Hon Angus Taylor MP. The Smart Cities Plan sets out the Commonwealth's vision for Australia's cities, and its plan for maximising their potential through smart investment, smart policy and smart technology.

City Deals are the key mechanism identified in the Smart Cities Plan to develop collective plans for economic growth and commit to actions, investment, reforms and governance needed to implement them. City Deals are based on a concept implemented initially in the United Kingdom but have been adapted to best suit cities in Australia, taking into account our different system of government.

For further information visit: [cities.dpmc.gov.au](http://cities.dpmc.gov.au)

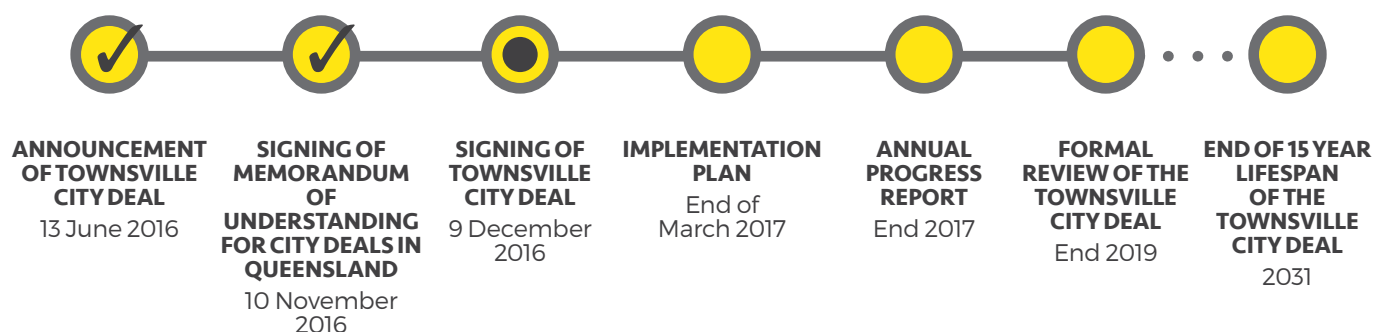


City Deals are collective plans for economic growth and they commit to actions, investments, reforms and governance needed to implement them.



City Deal – Townsville

### Timeline – Townsville City Deal





# VISION

## for Townsville

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The Townsville City Deal will deliver a prosperous economic future for Townsville. It will position Townsville as a vibrant, liveable, innovative city in Northern Australia.

Townsville is the largest city in Northern Australia with a population of more than 190,000 people. It is projected to grow by around 42,500 people over the next decade and is critical to driving economic development in Australia's north. Townsville plays a major role as a resource and agricultural export hub for Australia, given its proximity to Asia. The city is connected to national and global markets through its major transport facilities — the Port of Townsville and Townsville Airport — and is currently a freight and logistics gateway for international companies. Townsville's large Defence presence provides significant industry investment and employment opportunities. The geographical location of Townsville in the unique dry northern tropics provides lifestyle benefits, as well as research innovation and commercialisation opportunities.

Townsville's economy has transitioned over recent years towards a service based economy. This has been driven by a combination of falling manufacturing employment and rising employment in the services industries. The services sector is the fastest growing employment sector in Townsville.

As Townsville's economy transitions, the city is well placed to take advantage of its potential as an export hub for Australia by preparing its workforce for new service industry jobs and attracting investment in growing and emerging sectors such as digital and data-driven businesses. Townsville's diversified economy provides a comparative advantage for future economic growth. Townsville is a highly entrepreneurial city with more than 1,600 new firms registered in the Townsville region in 2014, the second highest number of business entries within Queensland in that year.

The Port of Townsville is a major driver of economic growth in Northern Australia. As Australia's largest exporter of copper, zinc, lead and sugar, the Port is well placed to take advantage of emerging opportunities in these sectors.

The Townsville City Deal will improve the lives of Townsville residents through job creation, including for Indigenous people, investment in local infrastructure, a revitalised urban centre, and a more vibrant and liveable city.

The Townsville City Deal will drive economic growth, unlocking potential for the region and encouraging business and industry development to help Townsville become:

- the economic gateway to Asia and Northern Australia
- a global leader in tropical and marine research and innovation
- a prosperous and highly-liveable city for residents and visitors.

This will be achieved through the:

- creation of sustainable jobs to support a transitioning community and economy, including boosting indigenous employment opportunities
- delivery of catalytic infrastructure to drive private sector investment, support existing and emerging economies, and sustainable jobs
- delivery of new transit, entertainment and cultural facilities that enhance amenity and lifestyle.

These outcomes will be supported by new governance frameworks that integrate the three levels of government, community and industry.

Townsville plays a key role in the North Queensland economy. While the City Deal is focused primarily on Townsville, activity under the City Deal is expected to have a broader regional benefit.





Townsville is critical to driving economic development in Australia's north.







# OBJECTIVES

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The City Deal framework has been designed to transform Townsville and drive economic growth.

Over 15 years the Townsville City Deal will:

- revitalise development, particularly in the city and Waterfront PDA
- activate industry and export growth
- support long term growth of local businesses
- enhance liveability
- improve planning, coordination and governance.

The objectives of the Townsville City Deal will be delivered through a range of initiatives — including commitments to be delivered over the short-term and further collaboration on key projects. This combination of investment in major infrastructure assets and non-infrastructure programs will improve the productivity of the economy over the short and long-term.

Commitments are grouped under six initiatives, developed by the Townsville community. These themes represent the city's strategy for redirecting growth, highlighting Townsville's natural advantages and creating sustainable jobs and investment.





## The initiatives are:



Capital of  
North Queensland



Industry Powerhouse  
for the North



Innovative and  
Connected City



Defence Hub



Port City



Enabling  
Infrastructure

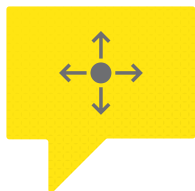


# FRAMEWORK

## of the Deal

Vision	Grow the economy of Townsville by supporting the city to be, by 2030: <ul style="list-style-type: none"> <li>the economic gateway to Asia and Northern Australia;</li> <li>a prosperous and lifestyle rich city for its community and visitors</li> <li>a global leader in tropical and marine research and innovation</li> </ul>					
Objectives	1. Revitalise Townsville, particularly the CBD and Waterfront PDA areas 2. Activate industry and export growth 3. Support long term growth of local businesses 4. Enhance liveability 5. Improve planning, coordination and governance					
Initiatives	Capital of North Queensland	Innovative and Connected City	Port City	Industry Powerhouse for the North	Defence Hub	Enabling Infrastructure
Commitments	North Queensland Stadium	Development Corporation for Townsville	Channel capacity upgrade	Townsville eastern access rail corridor (TEARC)	Defence industry consultation	Townsville water security, supply and use strategy
	Townsville entertainment and convention centre	Health and knowledge development strategy		Townsville Industrial Development Board		Managing energy cost and boost energy productivity
	International education and training destination	Public transport solutions		Acceleration of the State Development Area (SDA)		
	CRC for Developing Northern Australia	Smart City Strategy		Woodstock intersection upgrade		
Future Opportunities	Townsville workforce development plan	Smart solutions for Townsville city and suburbs	Port expansion	Maximise export opportunities	Defence investment pipeline	Review and deliver preferred water supply solutions
		Urban renewal and revitalisation		Supply chain prioritisation		Renewable energy innovation
Governance	Local partnerships for better Governance					





# MONITORING

## Progress

The Townsville City Deal has been developed to reposition the region's economy for sustainable growth. Over the next 15 years, we will monitor success through indicators to measure employment, economic activity and amenity. These outcomes will provide an indication

of the health of the Townsville economy and where investments may need to be tailored to reflect emerging economic trends. This ongoing assessment will be complemented by the short term evaluation of project delivery in line with the City Deal implementation plan.

Economic Indicator		Townsville Baseline
1	Gross regional product (GRP)	<b>\$57,194 per capita</b> The Townsville baseline compares to \$58,059 per capita for Queensland in 2014/15 <sup>1</sup> . Growth in Townsville over the past 12 months (-0.6%) has been slower than the state average (2.8%)
2	Jobs	<b>99,700 employed residents</b> There are 9,900 fewer jobs in Townsville in 2016 than there were over the previous 12 months <sup>2</sup>
3	Unemployment rate	<b>9.2% (Townsville), Youth (16.1%), Indigenous (17.2%)</b> The Townsville baseline compares to a state average of 6.0% (unemployment); 13.1% (youth) <sup>3</sup> and 18.1% (Indigenous) <sup>4</sup>
4	New private investment into Townsville	<b>\$600,408 million</b> The value of approvals to September 2016 is lower than the four year average to September 2016 (\$695,489 million) <sup>5</sup>
5	Export through the Port of Townsville	<b>9.2M tonnes</b> The Townsville baseline compares with average annual throughput over the ten years to 2014/15 at 10.4M tonnes <sup>6</sup>
6	Community perceptions of amenity	<b>3.34 out of 5 (in 2015)</b> The community's average satisfaction rating on infrastructure has been steadily increasing over the past five years (from 3.12 in 2011, to 3.19 in 2013) <sup>7</sup>
7	Tourism industry investment and attraction	<b>Overnight visitors: 1,047,000, Tourism expenditure: \$955 million</b> Although overnight visitors remains the same, tourism expenditure is higher than nine year average to 2014/15 (\$836 million) <sup>8</sup>

<sup>1</sup> Townsville Economic Development Scorecard, using data from AEC (2016) (Townsville City Council)

<sup>2</sup> Labour Force Survey – ABS 6291.0.55.001 (Australian Bureau of Statistics)

<sup>3</sup> Labour Force Region Analysis (Australian Government Department of Employment)

<sup>4</sup> Regional Profiles – Indigenous Profile (Queensland Government Statistician's Office)

<sup>5</sup> Value of residential and non-residential building approvals, 12 months (Australian Bureau of Statistics)

<sup>6</sup> Townsville Port Throughput (Port of Townsville Limited)

<sup>7</sup> Townsville City Council biennial Community Survey (Townsville City Council)

<sup>8</sup> Tourism Research Australia, Regional Tourism Supply Profile (Northern Region)



# SUMMARY

## of Commitments

The following commitments will help deliver the objectives of the Townsville City Deal.

			Indicators of Progress						
Project	Action	Delivery	1	2	3	4	5	6	7
North Queensland Stadium	Deliver the North Queensland Stadium by early 2020.	2017-2020	✓	✓	✓	✓		✓	✓
Townsville Entertainment and Convention Centre	Refine the business case, identify all available financing and funding options by 30 June 2017 and work with potential partners on the delivery of the entertainment centre and broader precinct.	2020-2022	✓	✓	✓	✓		✓	✓
International education and training destination	Develop Townsville's global reputation as a world-class destination for education, edu-tourism, training and research.	2017-2020	✓	✓	✓				✓
Cooperative Research Centre (CRC) for Developing Northern Australia	Establish an early funding round through the Cooperative Research Centre for developing Northern Australia in Townsville, create a northern cities and regions work-stream and work with local stakeholders to select a location for its headquarters.	2017-ongoing				✓			
Development Corporation for Townsville	Establish the Townsville Development Corporation.	2017-ongoing				✓	✓		✓
Health and knowledge development strategy	Investigate opportunities to co-locate health and knowledge employment hubs including a private hospital and sport science precinct with residential accommodation and public transport routes in key locations across the city.	2017-ongoing	✓	✓	✓	✓			✓
Public transport solutions	Investigate demand responsive and innovative public transport initiatives that enhances liveability and accessibility.	2017-ongoing						✓	✓



			Indicators of Progress						
Project	Action	Delivery	1	2	3	4	5	6	7
Smart City Strategy	Plan, conduct and implement a Smart City Strategy, including develop a city dashboard to report on goals and targets.	2017-2018				✓		✓	
Port channel capacity upgrade	Complete the business case for consideration by shareholding ministers.	June 2017	✓	✓	✓	✓	✓		
Townsville Eastern Access Rail Corridor (TEARC)	Deliver the TEARC business case, and consider innovative funding and financing options associated with the acceleration of the Townsville SDA and the future expansion of the Port of Townsville.	2016-2017	✓	✓	✓	✓	✓		
Townsville Industrial Development Board (TIDB)	Establish the Townsville Industrial Development Board to lead investment attraction, market engagement and coordinate case management for potential investors including working to secure priority industrial sites to attract freight and port-related businesses and services to Townsville's industrial areas, including the SDA. Further consideration will be given to the final role and function of the TIDB, including its role in the negotiated acquisition of land together with other measures to unlock priority industrial sites during City Deal implementation.	March 2017-ongoing				✓	✓		
Acceleration of the State Development Area (SDA)	Develop a business case for the acceleration of the SDA in consultation with the Townsville Industrial Development Board.	2017-2018	✓	✓	✓	✓	✓		
Woodstock intersection upgrade	Investigate the upgrade to the Woodstock-Giru Road/Flinders Highway intersection to enable access to, and the development of the Woodstock industrial and export estate. Consider ongoing business case, feasibility and master planning being progressed by Townsville City Council to detail the rationale for investment.	2017-2018	✓	✓	✓	✓	✓		
Defence industry consultation	Strengthen formal consultation between representatives of the Department of Defence, Defence Industries Queensland, and a new Townsville Defence Liaison Officer.	2017-ongoing	✓	✓	✓	✓			
Townsville water security, supply and use strategy	Establish a taskforce involving three levels of government to develop a strategic approach to Townsville's urban water security, review water service standards and pricing, and implement water efficiency programs.	2017-2018				✓	✓	✓	
Managing energy costs and boost energy productivity	Develop and implement a tailored energy program across the city to reduce energy consumption by 30 June 2017.	2017-2020		✓	✓	✓		✓	



# SUMMARY

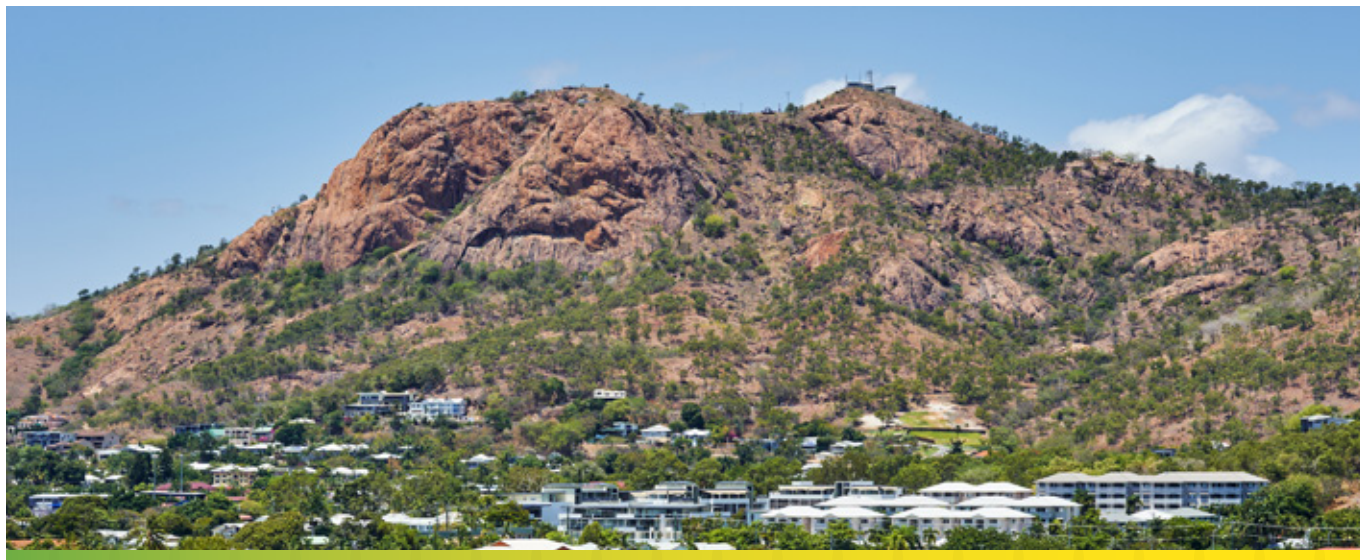
## of Future Opportunities

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The Commonwealth, the Queensland Government and the Townsville City Council are exploring a number of joint future initiatives that will help to deliver the vision for Townsville outlined in the City Deal.

Project	Action
Townsville workforce development plan	Investigate the future demand and skill requirements of existing and emerging Townsville industries, identify opportunities to leverage government investment and work with key partners to implement.
Smart solutions for Townsville City and Suburbs	Work collaboratively with local business, innovators and community leaders to develop proposals to leverage existing funding programs to utilise open data and fast-track innovative technology solutions; leverage digital infrastructure to improve the social and economic opportunities for Townsville; and unlock the economic potential for local innovation (known and unknown) or research, business, innovators and community leaders to sell services domestically and globally.
Urban renewal and revitalisation	Redevelop Government land and explore opportunities to partner with the residential development sector to deliver a range and mix of social and affordable housing types (for rental and purchase) across the city to improve the social and economic participation opportunities in Townsville.
Port expansion	Consider the wider economic benefit of future expansion of the Port, and investigate innovative funding and financing opportunities, subject to relevant business case.
Maximise export opportunities	Investigate the need for specialised facilities in Townsville to enable export of fresh produce to meet emerging markets in Asia.





Project	Action
Supply chain prioritisation	Investigate and review major regional supply chain infrastructure proposals to inform a freight infrastructure investment program for the region.
Defence investment pipeline	Engage local businesses early on the pipeline of Defence proposals including F-35A Joint Strike Fighter capital facilities project (from 2016–2026), P-8a Poseidon Maritime and Response capital facilities project (2016–26) and enhanced weapons and explosive ordnance facilities at Townsville (from 2016–26), the development of Townsville Field Training Area under the Australia-Singapore Comprehensive Strategic Partnership, and redevelopment of RAAF Base Townsville.
Review and deliver preferred water supply solutions	Consider future funding and implementation for priority water supply solutions to promote long term water security.
Renewable energy innovation	<p>Establish Townsville as a leader in renewable energy innovation, technology and investment to increase energy resilience and provide capacity for future growth and investment.</p> <p>Consider strategies to manage energy usage and cost for large industry in Townsville in line with the Council of Australian Government's Energy Council review of the National Energy Market in early 2017.</p>

The City Deal involves governments working with employers, investors, educators and entrepreneurs to deliver a shared vision for Townsville's economic future.











# CAPITAL OF

## North Queensland

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Townsville is recognised as one of the primary activity centres for northern Queensland and northern Australia. The unique advantages of the city and region will be utilised to grow domestic and international visitors, which in turn will provide greater economic opportunities. The city and region will be a place where people want to live, work, and will successfully attract and keep the most talented workers.

The Capital of North Queensland initiative has been designed to:

- increase the number of people visiting and playing in the wider city and Waterfront PDA precincts
- retain the working population and develop new labour skills
- reduce unemployment by aligning labour force skills to key industries
- boost opportunities for Indigenous workers and businesses
- establish the city as an events destination, enabling it to host nationally-significant sporting and cultural activities.



Townsville will be a place where people want to live and work, and will successfully attract and keep the most talented workers.

Commitments	
<b>North Queensland Stadium</b>	<p>Deliver the North Queensland Stadium by early 2020, including the construction of relevant infrastructure and upgrades to public spaces.</p> <p>This project will catalyse the revitalisation of the Townsville central business district and Waterfront PDA, ensure jobs growth and skills development in the construction, services, tourism, retail, commercial and hospitality industries, and deliver high quality public spaces and support urban regeneration.</p>
<b>Townsville Entertainment and Convention Centre</b>	<p>Refine the business case for the entertainment and convention centre and identify all available financing and funding options by 30 June 2017.</p> <p>Boost opportunities for Indigenous workers and businesses.</p> <p>We will commence site planning for the facility, and work with potential partners to deliver the centre and broader precinct.</p> <p>The delivery of the project will reinforce the Townsville CBD and PDA as an attractive destination, leverage additional short-term accommodation, entertainment, retail and leisure-based investment, promote tourism and events attraction and create additional jobs and skills in the service industry.</p>
<b>Cooperative Research Centre for Developing Northern Australia</b>	<p>Work with the board of the CRC for Developing Northern Australia to establish an early funding round for projects, create a work stream focused on strengthening the role of our northern cities and regions as global leaders in agriculture, food and tropical health and gateways to the Asian economy and work with stakeholders to identify a location for its headquarters in Townsville.</p>
<b>International education and training destination</b>	<p>Develop Townsville's global reputation as a world-class destination for education, edu-tourism, training and research.</p>
Future Opportunities	
<b>Townsville workforce development plan</b>	<p>Investigate the future demand and skill requirements of existing and emerging Townsville industries, identify opportunities to leverage government investment and work with key partners to implement.</p>





# INNOVATIVE and Connected City

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Townsville will attract new employment and diversify its economy by building on natural advantages, embracing digital solutions, using the sharing economy and developing an appropriately skilled workforce. By adopting the benefits of the digital economy and taking up alternative business models, traditional and new industries will prosper. Improved collaboration between entrepreneurs, industry, educational institutions and government will contribute to this economic growth. Over 58,000 premises in Townsville already have access to next-generation broadband services through the Commonwealth Government's investment in the National Broadband Network. This provides an enabler for greater digital engagement and sustained economic growth.

Townsville will take a citizen-centric approach to smart community planning. Rather than focussing on the technology, we will focus on the use of data and the digital experience to: broaden and stimulate the economy; provide better, more responsive services; and drive urban renewal. Communities in Australia have begun to increasingly use data to enable their community vision and to better inform the decisions of councils, major employers, community groups and citizens.

The data, will enable informed decisions by Townsville about which projects will have the greatest community impact, and allow Townsville to optimise services and provide valuable information to the community. It can also be used to ensure that scarce resources, like water and electricity can be used where they are needed and saved when they are not. That data is also allowing communities to set ambitious goals and continually determine if they are on track to being met. Townsville will have a city dashboard to increase transparency and allow the community and businesses to understand the motivations of their city and assist in achieving them.

The Innovative and Connected City initiative has been designed to:

- allow greater customer engagement of public and active transport connectivity particularly between social and economic activity centres
- re-establish the CBD as the primary activity centre of the city
- digitally activate the CBD as the legitimate business centre and visitor destination of the city
- increase the number of people living and working in the wider city and Waterfront PDA areas
- develop Townsville's competitive research advantage as a leading innovator in tropical living, including key fields such as architectural design, energy management, bio-fuels, aquaculture and tropical disease.



Townsville will attract new employment and diversify its economy by building on natural advantages, embracing digital solutions and developing an appropriately skilled workforce.

Commitments	
<b>Development Corporation for Townsville</b>	<p>Establish a Development Corporation to negotiate acquisition and development of land to lead the revitalisation of Townsville.</p> <p>The Development Corporation will encourage property and infrastructure investment, ensure ongoing engagement with industry and private sectors to attract investment and help create an attractive urban environment, supported by high quality open spaces.</p>
<b>Health and knowledge development strategy</b>	<p>The Queensland Government and Townsville City Council will work with key stakeholders to deliver development that supports the health and knowledge sectors of the Townsville economy. The project will focus upon strategic smart precincts across the city, including the key anchors of the CBD and James Cook University's Douglas Campus. These key locations will be supported by digital connectivity, smart technology, public transport and housing choice, and will capitalise upon opportunities offered by the North Queensland Stadium and a potential sports science facility, new private hospitals, and health tourism.</p>
<b>Smart City Strategy</b>	<p>Townsville will plan, conduct and implement a Smart City Strategy to maximise the use of digital connectivity to provide greater public value for services, improved service delivery, and stronger economic conditions for local employment.</p> <p>Townsville will be a flagship for a modern digital city and Local Government in Australia.</p> <p>Townsville will provide a city dashboard to encourage deep community engagement through transparency and accountability. It will openly share targets, goals and current reporting such as service delivery, air quality, business investments and jobs being created.</p>
<b>Public transport solutions</b>	<p>Investigate demand responsive innovative public transport initiatives that increase liveability and accessibility.</p>
Future Opportunities	
<b>Smart solutions for Townsville City and Suburbs</b>	<p>Work collaboratively with local business, innovators and community leaders to develop proposals to leverage existing funding programs to utilise open data and fast-track innovative technology solutions; leverage digital infrastructure to improve the social and economic opportunities for Townsville; and unlock the economic potential for local innovation (known and unknown) or research, business, innovators and community leaders to sell services domestically and globally.</p>
<b>Urban renewal and revitalisation</b>	<p>Redevelop Government land and explore opportunities to partner with the residential development sector to deliver a range and mix of social and affordable housing types (for rental and purchase) across the city to improve social and economic participation opportunities in Townsville.</p>



# PORT CITY

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Townsville will attract employment opportunities and diversify its economy by capitalising on its coastal location, with significant economic activity being generated from port industries. The growth in port industries will be supported by investment in infrastructure. The Port of Townsville is a key import and export gateway to service freight demand across northern Queensland.

The Port City initiative has been designed to:

- improve coordination and efficiency of transport and logistics activities particularly between the Port of Townsville, national freight rail and major road networks
- coordinate major infrastructure projects
- diversify the local and regional economy to improve economic resilience.

## Commitments

### Port channel capacity upgrade

We will work with the Port of Townsville Limited to finalise the Business Case, which should clearly outline the direct and indirect benefits of widening the existing navigational channels, with a goal to ensuring growth of trade and maximising the efficiency of existing port infrastructure. Finalisation of the Business Case will also require an articulation of the impact of international shipping trends on the sustainability of the Port of Townsville, and how the channel capacity upgrade could contribute to improving the efficiency of freight movement in and out of North Queensland. The final port channel capacity upgrade business case will be considered by shareholding Ministers and Building Queensland by June 2017.

## Future Opportunities

### Port expansion

Consider the wider economic benefit of future expansion of the Port, and investigate innovative funding and finance opportunities, subject to relevant business cases.





The Port of Townsville is a key import and export gateway to service freight demand across northern Queensland.







# INDUSTRY POWERHOUSE

## for the North

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Establish Townsville as the preferred location in north Queensland for the establishment of industrial development of regional, state and national significance. The area will efficiently use port, road, rail and related infrastructure, and coordinate infrastructure projects to enable long term economic benefits.

The Industry Powerhouse for the North initiative has been designed to:

- leverage the location and advantages of the SDA to attract and retain heavy industry employers
- expand freight capacity to strengthen Townsville's role as a key trade gateway.



Townsville will be the preferred location in north Queensland for the establishment of industrial development of regional, state and national significance.

Commitments	
<b>Townsville Eastern Access Rail Corridor (TEARC)</b>	<p>Deliver the business case for the TEARC. Identify innovative funding and financing opportunities, and the wider economic benefits associated with the acceleration of the Townsville SDA and future expansion of the Port of Townsville.</p> <p>The delivery of the project will enhance regional development and economic growth through industrial investment attraction, allow for the development of additional jobs growth and skills, support trade and investment through the Port of Townsville and broaden industry development through enhanced supply chain opportunities.</p>
<b>Townsville Industrial Development Board</b>	<p>Establish the Townsville Industrial Development Board to lead investment attraction, market engagement and coordinate case management for potential investors including working to secure priority industrial sites to attract freight and port-related businesses and services to Townsville's industrial areas, including the SDA. Further consideration will be given to the final role and function of the TIDB, including its role in the negotiated acquisition of land together with other measures to unlock priority industrial sites during City Deal implementation.</p> <p>The project will enhance regional development and economic growth, deliver new jobs and skills, support trade and investment through the Port of Townsville and allow for broader industry development through enhanced supply chain opportunities.</p>
<b>Acceleration of the State Development Area</b>	<p>In consultation with the Townsville Industrial Development Board, we will develop a business case for the acceleration of the SDA. This will build on existing work between the Queensland Government and Townsville City Council to identify opportunities to accelerate the SDA.</p>
<b>Woodstock intersection upgrade</b>	<p>Investigate the upgrade to the Woodstock-Giru Road/Flinders Highway intersection to enable access to, and development of, the Woodstock industrial and export estate. Consider the ongoing business case, feasibility and master planning being progressed by Townsville City Council to detail the rationale for investment.</p>
Future Opportunities	
<b>Maximise export opportunities</b>	<p>Investigate the need for specialised facilities in Townsville to enable export of fresh produce to meet emerging markets in Asia.</p>
<b>Supply chain prioritisation</b>	<p>Investigate and review major regional supply chain infrastructure proposals to inform a freight infrastructure investment program for the region.</p>





# DEFENCE HUB

Townsville is a defence city and will continue to be an important centre for defence capability. Major activities over the next decade provide opportunities to build local defence industry capability and expertise, including Australian and Singaporean investments into training area facilities; a central office for the Singaporean presence; a Townsville logistics hub; continued investment by Defence in Australia's northern military bases including RAAF Base Townsville; and a pipeline of projects including capital facilities for the F-35A Joint Strike Fighter and P-8a Poseidon Maritime and Response.

The Defence Hub initiative has been designed to:

- Strengthen engagement between the Australian Defence Forces Department of Defence, Defence Industries Queensland and Townsville City Council.
- Improve visibility for local businesses about defence industry investment in Townsville and encourage local business involvement.

## Commitments

### Defence industry consultation

We will strengthen formal consultation between representatives of the Department of Defence, Defence Industries Queensland and a new Townsville Defence Liaison Officer. Strengthened formal consultation will ensure that Queensland and Townsville City Council Defence Liaison Officer are able to closely engage and promote Defence industry opportunities to local industry.

The Townsville Defence Liaison Officer will also leverage existing support delivered by locally-based AusIndustry (supported by the Centre for Defence Industry Capability) and Queensland Government programs to build a diversified and sustainable local industry.

These consultative opportunities for local industry will promote greater jobs growth, job skilling for the local labour sector and long-term opportunities and support to local businesses.

## Future Opportunities

### Defence investment pipeline

Early local business engagement for the pipeline of Defence proposals including F-35A Joint Strike Fighter capital facilities project (from 2016–2026), P-8a Poseidon Maritime and Response capital facilities project (2016–26), enhanced weapons and explosive ordnance facilities at Townsville (from 2016–26), and the development of Townsville Field Training Area under the Australia-Singapore Comprehensive Strategic Partnership.

Undertake redevelopment of RAAF Base Townsville as foreshadowed in the Defence White Paper.

The City Deal will improve visibility for local businesses about defence industry investment in Townsville and encourage local business involvement.



City Deal – Townsville



Images courtesy of Department of Defence



# ENABLING Infrastructure

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Townsville will successfully accommodate growth now and into the future with a reliable and secure energy and water supply, and infrastructure networks and careful management and use of water and energy resources. The region needs access to price-competitive energy sources that meet the demand of current and future industries.

The Enabling Infrastructure initiative has been designed to:

- develop price competitive energy and water supply
- develop long term energy supply and security
- facilitate major infrastructure projects
- facilitate the growth of sustainable energy generation industries
- sustainably manage water and energy demand usage.





Townsville will successfully accommodate growth now and into the future with a secure energy and water supply.

Commitments	
Townsville water security, supply and use strategy	<p>Appoint an intergovernmental taskforce to investigate short, medium and long-term solutions to water security for Townsville considering investment in water supply infrastructure and management of demand. The Taskforce will build on existing studies and research to identify a series of preferred options to improve Townsville's water security. These will include options to improve the security of water supply and amend water service standards and pricing. This will be complemented by local water efficiency programs and new technologies that will support Townsville residents and businesses to save water.</p> <p>The approach will ensure a sustainable, secure long-term water supply for Townsville and increase the region's capacity to support future population and industry growth.</p>
Managing energy costs and boost energy productivity	<p>Deliver a program of energy efficiency measures to reduce peak energy demands across Townsville. This will be done through investigating opportunities to finance a range of sustainable energy and water efficiency measures. Potential measures could include upgrades of commercial buildings across the city, smart water solutions and a cooling district within the CBD. These investments will have potential to catalyse new jobs in smart water solutions, energy efficiency and renewable technologies while reducing energy demand. We will work together to reduce energy consumption.</p> <p>These projects will improve the quality and comfort of commercial building stock, improve energy resilience, increase trade and investment, and allow Townsville to become a leader in energy efficiency and renewable energies.</p>
Future Opportunities	
Review and deliver preferred water supply solutions	<p>Consider funding and implementation for priority water supply solutions to promote long term water security.</p> <p>Consider potential for all new investments to incorporate gravity-fed or renewably powered pumping options.</p>
Renewable energy innovation	<p>Establish Townsville as a leader in renewable energy innovation, technology and investment to increase energy resilience and provide capacity for future growth and investment.</p> <p>Consider strategies to manage energy usage and costs for large industry in Townsville in line with the Council of Australian Governments' Energy Council review of the National Energy Market in early 2017.</p>



# IMPLEMENTING

## the City Deal

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The Townsville City Deal brings together funding and other resources from all three levels of government, and will leverage involvement of the not for profit and private sectors.

The Townsville City Council, Queensland Government and Commonwealth Government each support the use of value capture to enable the private beneficiaries of public infrastructure to contribute to the cost of its delivery. We jointly commit to investigating ways that infrastructure investments under this City Deal can leverage financial contributions from beneficiaries.

Improving planning, coordination and governance across governments is a core objective of the Townsville City Deal. We will establish effective governance mechanisms to ensure that the City Deal can:

- be responsive to emerging community needs and economic trends
- continue to provide a forum for key negotiations around investment priorities for the region
- enable all levels of government to use a collaborative process to better coordinate policy.

Biannual local partnerships forums in March and September each year will bring together government and industry representatives to discuss the progress of the City Deal, as well as relevant local economic and social trends.

We will receive reports of progress on the City Deal on an annual basis. These annual check-ins will be complemented by a formal evaluation at the end of the first three years. At this time, we will reconsider priorities and next steps for the City Deal in line with the findings of the review.

While the City Deal will provide a framework to coordinate our efforts and make strategic, targeted decisions to benefit the city, the delivery of individual projects will be governed by arrangements appropriate to each case. Responsibilities and timeframes for delivery will be detailed in a separate implementation plan, to be developed by March 2017 that will be updated on a regular basis.

The three levels of Government will work together over the anticipated 15 year lifetime of the Townsville City Deal. Our initial focus will be to deliver the identified commitments and projects listed in the Deal from 2016–2021.

### Local Partnerships for Better Governance

We will establish a governance framework to support the City Deal implementation and future opportunities that draws together the three levels of government, private sector and industry to shape future policy, plans and strategies affecting the Townsville region.



Improving planning and coordination across governments is a core objective of the Townsville City Deal.

## DETAILED LIST of Commitments

The following table provides further detail on the role of each government in delivering each commitment.

Commitment	Commonwealth Government	Queensland Government	Townsville City Council
North Queensland Stadium	<ul style="list-style-type: none"> <li>• \$100m funding.</li> </ul>	<ul style="list-style-type: none"> <li>• \$140m funding.</li> <li>• Develop a master site plan, setting out potential land use, which includes the provision of a future Entertainment and Convention Centre.</li> <li>• Develop an Indigenous Employment Opportunities Plan for the construction stage.</li> <li>• Maximise local procurement opportunities and require alignment to the Queensland Charter for local Content.</li> <li>• 50% contribution for public access and facilities, as outlined in the stadium business case.</li> </ul>	<ul style="list-style-type: none"> <li>• Land for stadium and 200 space carpark, including transfer of freehold title to the state (or the state's nominee).</li> <li>• Construction of enabling infrastructure, including (under negotiation between Qld and Council).</li> <li>• Upgrade of public spaces, new access road, new Ross Creek footbridge crossing and boardwalk.</li> <li>• Mains services infrastructure.</li> <li>• 50% contribution for public access and facilities, as outlined in the stadium business case.</li> <li>• Waiving ongoing council rates and pedestal charges, and discounting ongoing water charges.</li> </ul>
Townsville Entertainment and Convention Centre	<ul style="list-style-type: none"> <li>• Support to refine business case.</li> <li>• Work with Queensland Government and Townsville City Council to explore all available financing and funding options by June 2017.</li> </ul>	<ul style="list-style-type: none"> <li>• Support to refine business case.</li> <li>• Master planning of stadium and entertainment centre precinct.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish taskforce to refine business case to maximise economic potential of entertainment and convention centre, and identify all available financing and funding options by 30 June 2017.</li> <li>• Land for Entertainment and Convention Centre.</li> </ul>
International education and training destination	<ul style="list-style-type: none"> <li>• Identify opportunities under the National Strategy for International Education 2025 to work with Queensland to strengthen Townsville's international education sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Funding by application as part of Trade and Investment Queensland's \$1.2 million fund to implement the International Education and Training Strategy.</li> </ul>	



Commitment	Commonwealth Government	Queensland Government	Townsville City Council
Cooperative Research Centre for Developing Northern Australia	<ul style="list-style-type: none"> <li>Collaborate with the board of the CRC to establish an early funding round through the Cooperative Research Centre for developing Northern Australia in Townsville, create a northern cities and regions work-stream and work with local stakeholders to select a location for its headquarters.</li> </ul>		<ul style="list-style-type: none"> <li>Collaborate with the board of the CRC for Developing Northern Australia to identify a location for its headquarters in Townsville.</li> </ul>
Development Corporation for Townsville			<ul style="list-style-type: none"> <li>Establish Development Corporation to lead investment and market research to attract developers and businesses.</li> <li>Initial operational funding for establishment of a Development Corporation for Townsville.</li> <li>Transfer of land to Development Corporation.</li> <li>Release strategy for the Waterfront PDA and CBD.</li> </ul>
Health and knowledge development strategy		<ul style="list-style-type: none"> <li>Lead strategic development of health and knowledge precincts and associated infrastructure in collaboration with Townsville City Council.</li> </ul>	<ul style="list-style-type: none"> <li>Facilitate strategic development of health and knowledge precincts and associated infrastructure in collaboration with Economic Development Queensland.</li> </ul>
Public transport solutions		<ul style="list-style-type: none"> <li>Commence investigations into innovative public transport and demand responsive trials by 2018 in consultation with Council.</li> </ul>	<ul style="list-style-type: none"> <li>Work with the State Government to analyse and determine appropriate routes and trials.</li> </ul>
Smart City Strategy			<ul style="list-style-type: none"> <li>Plan, conduct and implement a Smart City Strategy to maximise the use of digital connectivity.</li> <li>Develop a City Dashboard to drive community engagement through continuous reporting on targets and goals.</li> </ul>
Port channel capacity upgrade	<ul style="list-style-type: none"> <li>Work with the Port and the Queensland Government to finalise the environmental assessment and decision on approval of the Channel Capacity Upgrade.</li> </ul>	<ul style="list-style-type: none"> <li>Port of Townsville to complete business case for consideration by Shareholding Ministers and Building Queensland.</li> <li>Finalise EIS.</li> </ul>	<ul style="list-style-type: none"> <li>Work with the Port to minimise encroachment of residential and other sensitive development.</li> </ul>
Townsville Eastern Access Rail Corridor (TEARC)	<ul style="list-style-type: none"> <li>\$150 million funding, including \$3 million for TEARC Business Case.</li> </ul>	<ul style="list-style-type: none"> <li>\$3 million funding for TEARC Business Case.</li> </ul>	
Townsville Industrial Development Board (TIDB)		<ul style="list-style-type: none"> <li>Establish the TIDB to lead investment attraction, market engagement and coordinate case management for potential investors including working to secure priority industrial sites to attract freight and port-related businesses and services to Townsville's industrial areas, including the SDA. Further consideration will be given to the final role and function of the TIDB, including its role in the negotiated acquisition of land together with other measures to unlock priority industrial sites during City Deal implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Establish the TIDB to lead investment attraction, market engagement and coordinate case management for potential investors including working to secure priority industrial sites to attract freight and port-related businesses and services to Townsville's industrial areas, including the SDA. Further consideration will be given to the final role and function of the TIDB, including its role in the negotiated acquisition of land together with other measures to unlock priority industrial sites during City Deal implementation.</li> </ul>

Commitment	Commonwealth Government	Queensland Government	Townsville City Council
<b>Acceleration of the SDA</b>	<ul style="list-style-type: none"> <li>Work with Queensland Government and Townsville City Council to assess options for innovative financing and value capture, including wider economic benefits related to the rail corridor, port expansion and development within the SDA.</li> <li>The Commonwealth will allocate \$3 million to facilitate this work.</li> </ul>	<ul style="list-style-type: none"> <li>Develop a business case in consultation with the Townsville Industrial Development Board.</li> </ul>	<ul style="list-style-type: none"> <li>Assist with development of a business case.</li> </ul>
<b>Woodstock interchange upgrade</b>		<ul style="list-style-type: none"> <li>Investigate the upgrade to the Woodstock-Giru Road/Flinders Highway intersection in line with the findings of the master plan for the Woodstock Industrial and Export Estate.</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of master plan for Woodstock Industrial and Export Estate to inform consideration of intersection upgrade.</li> </ul>
<b>Defence industry consultation</b>	<ul style="list-style-type: none"> <li>The Department of Defence will strengthen formal consultation with Defence Industries Queensland, and a new Townsville City Council Defence Liaison Officer.</li> </ul>	<ul style="list-style-type: none"> <li>The Department of State Development through Defence Industries Queensland to work closely with the Townsville City Council Defence Liaison Officer to provide advice on defence industry engagement.</li> <li>Lead strategic planning in collaboration with the Department of Defence and the Townsville City Council's Defence Liaison Officer to develop a communications protocol.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a Defence Liaison Officer to promote Defence industry opportunities to local business.</li> </ul>
<b>Townsville water security, supply and use strategy</b>	<ul style="list-style-type: none"> <li>Appoint an intergovernmental taskforce to investigate short, medium and long-term solutions to water security for Townsville, considering investment in water supply infrastructure and management of demand. The Taskforce will identify a series of preferred options to improve Townsville's water security and provide an interim report to the Prime Minister and Premier of Queensland by 30 June 2017, with a final report to the Prime Minister and Premier of Queensland by 30 September 2018. The Commonwealth has made significant investment commitments to water infrastructure feasibility studies that will inform the work of the taskforce.</li> <li>The Clean Energy Finance Corporation (CEFC) will work with Townsville City Council and Queensland (including through establishing a local presence) to identify opportunities for energy efficiency, renewables and emissions reduction, projects in the Townsville area.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint an intergovernmental taskforce to investigate short, medium and long-term solutions to water security for Townsville, considering investment in water supply infrastructure and management of demand. The Taskforce will identify a series of preferred options to improve Townsville's water security and provide an interim report to the Prime Minister and Premier of Queensland by 30 June 2017, with a final report to the Prime Minister and Premier of Queensland by 30 September 2018.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint an intergovernmental taskforce to investigate short, medium and long-term solutions to water security for Townsville, considering investment in water supply infrastructure and management of demand. The Taskforce will identify a series of preferred options to improve Townsville's water security and provide an interim report to the Prime Minister and Premier of Queensland by 30 June 2017, with a final report to the Prime Minister and Premier of Queensland by 30 September 2018.</li> <li>Work with the CEFC to investigate financing opportunities to roll out water efficiency measures across the city, including smart metering.</li> </ul>
<b>Managing energy costs and boost energy productivity</b>	<ul style="list-style-type: none"> <li>The Clean Energy Finance Corporation (CEFC) will work with Townsville City Council and Queensland (including through establishing a local presence) to identify opportunities for energy efficiency, renewables and emissions reduction projects in the Townsville area.</li> <li>Potential funding for larger renewable energy projects through the Australian Renewable Energy Agency (ARENA).</li> </ul>	<ul style="list-style-type: none"> <li>Consider industry-led initiatives to reduce up front connection and peak demand costs.</li> </ul>	<ul style="list-style-type: none"> <li>Work with the CEFC to investigate financing opportunities to roll out commercial building energy upgrade program throughout the city.</li> <li>Investigate feasibility for a cooling district in the CBD.</li> </ul>



# SIGNATORIES

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Our signing confirms our joint commitment to achieve full implementation of this City Deal.

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The Hon Malcolm Turnbull MP  
**Prime Minister**  
Commonwealth of Australia  
9 December 2016

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The Hon Anastacia Palaszczuk MP  
**Premier of Queensland and Minister for the Arts**  
Queensland Government  
9 December 2016

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Cr Jenny Hill  
**Mayor of the City of Townsville**  
9 December 2016







Smart Cities Plan

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# TOWNSVILLE

City Deal



Smart Cities Plan

For more information visit:  
[cities.dpmc.gov.au](http://cities.dpmc.gov.au)