

Case Studies

Augusta Markets

The Augusta Markets, an initiative of, and coordinated by Regional Development Australia Far North (RDAFN) is a bi-annual event held in Commercial Road (Main Street) of the city centre of Port Augusta. Two events were held in the financial year with the first one being 29th November 2014 and the second held on the 30th May 2015, both held on a Saturday trading hours of 9am to 2pm. The combined participation of the two events was very positive with a total of 228 businesses registered and 311 businesses participating on the day, attracting approximately 11,000 people. Local participation levels for both events was strong with an average of 70% of participating businesses normal trading location based in the RDAFN region and the majority being Port Augusta based.

The two events resulted in an approximate total of \$213,400, over and above normal Saturday trading as reported by businesses participating in the event. The total economic boost to the region is difficult to calculate, however a general multiplier effect of every dollar spent creates another four dollars would conclude an approximate total of \$853,600 injected into the economy of Port Augusta.

The original objective of the project was related to a CBD vibrancy program RDAFN was undertaking. The city of Port Augusta experienced significant growth in a short timeframe due to a “resources exploration boom” and in turn was hard hit with the fall in the economy and slowdown in the resources sector. The downturn had a significant effect with businesses struggling, increasing vacant empty shops in the main street, the streetscape was dated, and business confidence was low. Whilst RDAFN was providing business advisory services to struggling individual businesses, more needed to be done from a broader perspective. RDAFN took the lead in initiating a number of projects which would have an immediate effect and demonstrate what could be done with minimal resources and the Augusta Markets was one of these.

The original intent of the Augusta Markets was as follows;

- Create vibrancy in the main street with minimal resources and an immediate impact
- Businesses not normally located in the CBD would have the opportunity to trade from the CBD and perhaps some may consider permanently relocating filling some of the vacant shops
- Bring large numbers of people to Port Augusta to spend and boost the economy
- Providing an opportunity for home based hobby businesses to operate in a commercial market.

The project was well marketed because of its nature being an event which requires a marketing campaign. On average we put out three media releases per event, one notifying of the date and theme, a second release focused on what is new with the event and the third release is after the event regarding the participation levels and economic value raised.

RDAFN has been successful in gaining media sponsorship from the local business association and the local media outlets. This sponsorship provides for an advertisement on television running daily for at least five weeks running up to the event, a double page spread in the local paper prior to and following the event, slotted radio interviews leading up to the event and interviews on the day

broadcast along the main street. Adding to this RDAFN also widely promoted the event in neighbouring regional papers with editorial to accompany the advertisements as well as two interviews on the local news, one leading up to the event and one following.

Significant consultation is undertaken with this event, whilst RDAFN coordinates the events we utilise a “steering committee” with representatives from CBD retail business, market stall holders, Port Augusta City Council, the local business association and media. Part of the role of the steering committee is to review the feedback and consultation received and how ideas can be incorporated into the events. Immediately following the event feedback is sought from those participating with a focus on potential improvements (what worked, what didn’t) and information to assist in ascertaining its economic contribution. This year RDAFN also undertook consultations targeting all retailers in the CBD as traditional methods were not capturing them all.

It is unlikely that this project would have happened without RDAFN’s initiation and coordination. The coordination of the two events is a significant amount of work and RDAFN had a Project Officer dedicated to this on a .7 FTE basis. Added to this, on the days of the event the entire team at RDAFN (eight staff) attended from 7am to 3pm ensuring stall holders are correctly located, manning road closure barriers, assisting stall holders set up and pack up, minding stalls whilst the trader has a rest break, manning the RDAFN information stand and any other tasks as they arise. It is a significant amount of work and resources to do this. RDAFN has now co-ordinated five of these events and has been working with the Local Business Association to undertake the ongoing coordination. The challenge faced by the Business Association is that like many organisations of its type, its Board is voluntary based and has limited paid staff to be the “arms and legs”. Their Board Members are also mainly CBD retailers who are working in their business on the day so cannot do both. We will continue to work with the Business Association and any other appropriate bodies willing and resource appropriately to undertake the ongoing co-ordination of the event with assistance from RDAFN.

The Port Augusta City Council is very supportive of the event and provides in-kind assistance via the steering committee as well as on the day with the road closures. An appropriate representative from the Council to provide a testimonial if required would be Mayor Sam Johnson.

The Augusta Markets events project has been very successful and is now considered and relied upon by the retail traders of Port Augusta as their biggest income for the year. Some of the key outcomes are as follows;

- Assisted in raising the profile of RDAFN, the City Council as well as the business association.
- It attracted an approximate influx of 11,000 people to the CBD.
- Injected just over \$850,000 into the economy of Port Augusta in two days.
- Lifted the vibrancy of the CBD and the confidence levels of businesses.
- Increase retail business takings by \$231,400.
- Seen the creation of 21 new home based hobby participants.

Sundrop Farms

RDAFN commenced working with Saumweber Holdings, a property business headquartered in Germany with an agricultural arm based in London, England in July 2009. Saumweber Holdings contacted a local real estate agent who referred them onto RDAFN. Saumweber Holdings had recently invested in a horticultural greenhouse technology, which only used seawater and sunlight to produce high-quality fruit and vegetables, year-round. After an initial exploratory trip of Australia and after having done more in-depth research they identified Port Augusta as an ideal location for their project.

RDAFN followed up the lead and that was the beginning of Sundrop Farms. The facilitation role RDAFN played in this project was crucial. Effectively RDAFN acted as their arms and legs on the ground in Australia as they were based in London. RDAFN collected base information around their needs as follows;

- Approximately 25 hectares (15 ha of greenhouses, 10 additional ha for cold storage, packaging, office, and workshop).
- Flat/level site
- Close proximity to the ocean (we need to be able to run a pipe into the ocean, or be constructing a well on/near the shore, or have access to an already existent seawater pipe, in order to draw seawater).
- Minimal height difference between sea level and the site, in order to minimize seawater pumping costs
- Zoning for horticulture and greenhouses
- Access to some running water and electricity for startup phase would be ideal

Following, RDAFN facilitated a delegation from Saumweber Holdings to Port Augusta including arranging meetings with potential land holders willing to sell both private and through an agent. Arranged meeting with Council, transport and freight companies, state government agencies from approvals and requirements point of view. This first week was key and at the end of that week and upon their return to London they were armed with all the information they needed to put the project to their Board for approval. They did and they got it, and within two months they had purchased the land and were well underway with the approvals process.

RDAFN continued working the Saumweber Holdings in the development of the Seawater Green Houses pilot project. RDAFN provided guidance on approvals and legislation in Australia, assisted with an application for grant funding and facilitated meetings with key state government agencies.

RDAFN's assistance in this project greatly assisted in its realization, we made the decision to locate in Port Augusta and journey easy for them. As a London based proponent with limited contacts in Australia, RDAFN guided and advised them through the process. By providing the local intelligence and connections for their two million dollar project RDAFN was able to facilitate \$650,000 spend with businesses in Port Augusta and \$700,000 spend in the SA economy in the development of their pilot plant. If the pilot was successful then they were keen to expand by 20 fold.

RDAFN has continued working with the Seawater Green House project through its pilot phases. In 2012 after the successful completion of the pilot phase Seawater Greenhouse was set for expansion and became Sundrop Farms. RDAFN continued working with Sundrop Farms on the expansion of their facilities.

On the 4th of December 2014, Sundrop Farms announced a \$150,000,000 expansion creating a 20-hectare greenhouse facility which will produce more than 15,000 tons of vegetables annually for markets across Australia. Part of this announcement was the signing of a ten year contract with Coles Supermarkets for the supply of tomatoes. The expansion commenced in February 2015 and is nearing

completion, it has seen the creation of 100 jobs at Port Augusta in the construction stage and will create approximately 200 farm jobs in peak periods once the facility is fully operational.

Sundrop Farms is now known as a leader in sustainable horticulture for the arid world; growing high-value crops using seawater and sunlight. They are the only company in the world with the technology and know-how to develop and operate greenhouses in locations that have little or no access to arable land, fresh water sources, or grid energy. They have created a proprietary food production system which grows high-quality produce year-round in greenhouses that use the abundant and renewable resources of sunlight and seawater.

National Stronger Regions Assistance

A Key opportunity for funding major infrastructure project in the Far North region of South Australia has been the National Stronger Regions Program formally known as the Regional Development Australia Fund.

Previously this region has been successful in receiving \$15,601,356 through this Australian Government program which has funded the following major projects in the region;

- APY Art Centres 2030 (\$2,8414,084 RDAF)
- Energizing The Flinders - A green energy infrastructure project for The Flinders (\$914,672 RDAF)
- Coober Pedy's 'Water for Growth Project' (\$910,000 RDAF)
- Northern Region Affordable Housing Initiative (\$5,000,000 RDAF)
- Far North Regional Community/ Sports Hub – Port Augusta (\$5,000,000 RDAF)
- Port Augusta Airport Terminal Upgrade (\$435,600 RDAF)
- Major Refurbishment of the Quorn and Districts War Memorial Swimming Pool (\$500,000 RDAF)

The National Stronger Regions (NSRF) introduced in 2014 effectively replaced the RDAF and RDAFN continued to work with regional bodies submitting applications. RDAFN publicised this funding through our monthly E-newsletter. We met individually with the five Councils in our Region and targeted businesses we had been working with to ensure they were aware of the funding and to discuss projects which could be submitted, offering our assistance with the process.

We were aware of three projects from our region submitting an application to round 1 of the NSRF, which unfortunately were not successful. Proponents informed us that the feedback they received from the Department stated they were eligible; however they were not successful for other reasons relating to their application and how they “sold” the project.

In light of this, RDAFN engaged Strategic Insight to facilitate to workshops to help organisations in our region to prepare high quality competitive grant applications for Round 2 of the NSRF. The workshop was aimed at informing grant applicants on the essential requirements of the grant process, the supporting documentation that is required to be prepared with the submission and insight into how their project can be presented such that it strongly aligns with the grant provider’s objectives and resonates with the grant application assessor.

RDAFN engaged Strategic Insight to deliver one workshop focused on the NSRF, mentoring sessions and a broader grant application improver workshop.

The NSRD information Session concentrating on the following;

- A background to the grant provider (DIRD) and the NSRF program
- RDA Far North’s role in the program
- The Round Two application process and eligibility criteria
- The assessment criteria and scorecard system
- Examples of what could constitute as an eligible project
- A run through of frequently asked questions
- Some grant application preparation tips

The Mentoring sessions focused on applicants who were unsuccessful in round 1 and those considering an application to round 2. The focus of these individual mentoring sessions was as follows;

- Assessment and feedback on application and strategy for individual organisations seeking guidance on preparing or strengthening their submission

- A top level discussion focusing on the supporting documentation and how the project is being presented and aligned to the grant criteria
- An assessment and verbal feedback on strengthening the value and appeal of the project to the grant provider and addressing critical grant criteria

The Grant Application Improvement Workshop provided an introduction to grant application preparation techniques with the following focus;

- How to get your project noticed – The Pitch
- Understanding the Grant Lifecycle
- Awareness of the assessment & scorecard systems
- Searching and building partnerships with grant providers
- Plan to succeed (grant preparation tools)
- The Concept Skeleton – a short form business case

The workshops had good levels of participation with 20 people attending and three proponents took the opportunity of the individual mentoring sessions. Two of the three participating in the individual mentoring session were unsuccessful in round 1. Following on from the session one decided not to submit to round 2 as they need to undertake more preparation and submit to round three. The other confident in what they had learnt in the mentoring session has submitted an application to round 2.

RDAFN Project Officers attended the workshops and as agreed by the two applicants they attended the individual mentoring session with the proponent. This enabled Project Officers to provide significant assistance to the applicant in the preparation and also provided much needed support and backup to the applicant.

Our aim in undertaking these workshops were to strengthen the general quality and competitiveness of submissions from the region. The results have been positive to date in the increased number of contacts from potential project proponents, the assistance with preparation of applications and the positive feedback received from those attending. At this stage we are unaware of the outcomes of the applications to Round 2 as we are awaiting the announcement of successful applicants. It was also clear from the feedback that these sessions were very worthwhile and we received requests to roll out more. RDAFN will roll more of these workshops and mentoring sessions out into the region targeting specific funding programs as they arise.