

Estimates Committee 2004
Questions Taken On Notice

(22/06/2004 to 01/10/2004)

Date: 24/06/2004

Output: 1.0 Land Planning,
Development and
Management

Sub Output: 1.1 Land Information
Infrastructure

Subject: MOU Defence Housing

From: Mr Denis Gabriel BURKE to Dr Christopher BURNS
Minister for Lands and Planning

Question: **7-1**
Could the minister provide the details of the MOU that is in place with
Defence Housing and also confirm that that MOU is not binding?

Answer:
Answered On: 24/06/2004

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Memorandum of Understanding

in relation to Lee Point Road Project,
Darwin

Defence Housing Authority (DHA)
Northern Territory Government (NTG)

MinterEllison

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Memorandum of Understanding

in relation to Lee Point Road Project, Darwin

Details	3
Objective and scope	4
1. Defined terms and interpretation	4
2. Purpose	4
3. Co-operation	4
4. DHA's requirements	5
4.1 Development	5
4.2 Re-zoning and Development Approval	5
4.3 Master Plan	5
4.4 Local Industry Participation Plan	5
4.5 Native title	5
4.6 Services	5
5. NTG's requirements	6
5.1 Tracy Village - Plan of Subdivision	6
5.2 Density and Defence/community mix	6
5.3 Design	6
6. Intellectual Property	6
7. No partnership	7
Signing page	8

Details

Date

Parties

Name **Defence Housing Authority**
Short form name **DHA**
Notice details Address 2 Brisbane Avenue, Barton, ACT 2600
Facsimile 02 6217 8500
Attention: Richard Bear

Name **Northern Territory Government**
Short form name **NTG**
Notice details Address 8th Floor, Cavenagh House, 38 Cavenagh Street, Darwin, NT 0800
Facsimile 08 8999 7178
Attention: Karen Christopher

Background

- A The Commonwealth of Australia (**Commonwealth**) is the owner of land described as Lot 9736 in the Town of Nightcliff from survey plan(s) L2001/071 registered as Volume 656 Folio 667 at Lee Point Road, Lee Point in the Northern Territory of Australia (**Lot 9736**).
- B Lot 9736 includes land that is currently occupied by the Tracy Village Sports Facility and which is intended to become Lot 9775 as shown on survey plan S2003/171 after subdivision (**Tracy Village**).
- C By letter dated 24 March, 2003, NTG confirmed that it had relinquished the option to purchase Lot 9736 granted to it by the Commonwealth on the basis that DHA and NTG enter into this Memorandum of Understanding (**MOU**) regarding the development of Lot 9736 excluding Tracy Village (**Property**).
- D On 30 September 2003 the Commonwealth through the Department of Defence indicated its intention to offer Lot 9736 for sale to the DHA. The Department of Defence and the DHA are currently negotiating a contract of sale for DHA to purchase Lot 9736 from the Commonwealth.
- E At the same time as the sale of Lot 9736 to DHA, it is intended that DHA will sell Tracy Village to NTG for nominal consideration.
- F This non-binding MOU sets out the parties' commitment to the development of the property in mutual co-operation.

Objective and scope

1. Defined terms and interpretation

In this document:

Legislative Requirements means all laws in force in the Northern Territory from time to time.

Planning Scheme means the Northern Territory Planning Scheme in force from time to time pursuant to the Planning Act (NT).

2. Purpose

This MOU outlines how DHA and NTG intend to cooperate and work together in good faith to facilitate and achieve:

- (a) DHA's acquisition of Lot 9736 from the Commonwealth;
 - (b) subdivision of Lot 9736 and transfer of Tracy Village from DHA to NTG;
 - (c) appropriate rezoning of the Property for the purposes of the development of the Property as contemplated by this MOU;
 - (d) incorporation of the development criteria referenced in the letter of 24 March 2003 and which NTG intends to incorporate in the Planning Scheme; and
 - (e) early design and development of the Property by DHA and any private sector participant(s) for residential, commercial, recreational and other uses;
- (together, the **Project**).

3. Co-operation

The parties recognise the contribution of Australian Defence Force members and their families to the community life of the Northern Territory. The NTG will work with DHA to facilitate the provision of public services to the Project, including public transport services and relevant community facilities and services.

It is agreed that:

- (a) the parties will work together in good faith in relation to the Project in accordance with this MOU;
- (b) the parties will establish a project committee that will be responsible for co-ordinating the Project (**Project Committee**);
- (c) the parties will appoint two representatives each as members of the Project Committee;
- (d) the Project Committee will meet regularly as required to plan and develop the Project, including identifying and seeking input from third parties who may need to be involved in the Project, including but not limited to Darwin City Council;
- (e) the parties will use their best endeavours to keep each other informed, through their Project Committee representatives, of all information that is or may be relevant to the Project; and

- (f) this MOU is not intended to create binding legal relations between the parties.

4. DHA's requirements

4.1 Development

It is agreed that:

- (a) DHA and NTG will proceed with the Project in accordance with the terms of this MOU;
- (b) subject to DHA obtaining relevant approvals, DHA will invite expressions of interest from, and intends to enter into some form of joint venture relationship with, one or more private sector participants to develop the Property;
- (c) DHA will consult with NTG on the planning and development aspects of the Project and the aspects requiring the assistance and support of NTG; which assistance and support will include any joint venture partner selected by DHA; and
- (d) the principles outlined in the development criteria attached to the letter of 24 March, 2003 will form the basis of the urban design process.

4.2 Re-zoning and Development Approval

It is agreed that the Planning Scheme and Planning Act will apply to the Project and NTG will use all reasonable endeavours to facilitate any relevant applications for re-zoning and development approvals required in and about the development of the Property and the completion of the Project.

4.3 Master Plan

DHA will seek expressions of interest from and appoint urban planners to prepare an urban master plan for the purposes of the Project. The plan will be submitted for endorsement to the Project Committee prior to lodgment of re-zoning and development applications.

4.4 Local Industry Participation Plan

The parties will jointly prepare and agree a local industry participation plan to apply to the Project having regard to the Northern Territory Local Industry Participation Policy.

4.5 Native title

The parties acknowledge that there is a current native title claim over the Property however, by letter dated 3 April 2002, the Northern Territory Department of Justice advised that native title has been extinguished in relation to Lot 9736.

4.6 Services

- (a) DHA will carry out at its own cost all necessary external linkages to, and internal distribution networks within, the Property for the provision of water supply, sewerage, power, stormwater drainage and roadworks (**Headworks**).
- (b) NTG will use all reasonable endeavours to facilitate DHA to carry out the Headworks in a timely manner for the Project.

5. NTG's requirements

5.1 Tracy Village - Plan of Subdivision

It is agreed that:

- (a) a plan of subdivision for Lot 9736 numbered S2003/171 has been prepared to subdivide Tracy Village from Lot 9736. It is intended that a contract for the on-sale of Tracy Village to NTG (subject to subdivision) will be entered into by DHA and NTG at the same time as the contract between the Commonwealth of Australia and DHA for the acquisition of Lot 9736; and
- (b) the parties will provide such assistance to each other as may be reasonably required in the preparation, approval and registration of the plan of subdivision and for the transfer of Tracy Village to NTG at no cost to DHA.

5.2 Density and Defence/community mix

The dwelling density in the Property will be consistent with a quality living environment appropriate to the tropics. The intention is to develop sufficient dwellings to accommodate Defence personnel needs with the balance being available for sale to the general public. The Project Committee will address density and defence/community mix as the extent of available dwelling sites will be identified in subsequent studies.

5.3 Design

The design of the Project will:

- (a) be consistent with Crime Prevention Through Environmental Design principles;
- (b) enable safe, efficient and effective public transport services to be provided to all appropriate parts of the Property;
- (c) provide for an allotment size for each dwelling that enables energy-efficient siting of dwellings;
- (d) allow reasonably adequate internal accessibility for pedestrians and cyclists;
- (e) provide community and commercial facilities consistent with a residential community;
- (f) try to maximise community safety and provide for adequate crime prevention measures, which may include but are not limited to, lighting, fencing and securities services;
- (g) make effective use of communal open space, including attractive, safe street-scaping and landscaping; and
- (h) allow for safe, efficient and easy access between the Property and the Royal Darwin Hospital.

6. Intellectual Property

Any intellectual property created by a party as a consequence of this MOU will be owned by that party, and any intellectual property created by the parties jointly as a consequence of this MOU will be owned jointly. Each party grants a royalty-free, irrevocable licence to use any intellectual property created as a consequence of this MOU owned by that party to the other party for use in the Project.

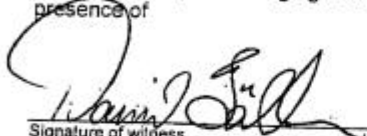
7. No partnership

Nothing in this MOU or any associated circumstances gives rise to any relationship of joint venture, agency, partnership or employer and employee between DHA and NTG. Neither party has the right to assume or create obligations of any kind, express or implied, in the name of or on behalf of the other party.

Signing page

EXECUTED as an agreement

Signed by the DEFENCE HOUSING
AUTHORITY by its Managing Director in the
presence of


Signature of witness

DAVID TOLLNER MP (Solomon)
Name of witness (print)

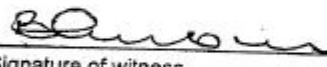
Signature of officer


Name of officer (print)


Office held

Managing Director

Executed by the Honourable
KONSTANTINE VATSKALIS MLA Minister
for Lands and Planning in the presence of:


Signature of witness

BARRY CHAMBERS
Name of witness


Signature