



POLICY GUIDELINES – SALE OR GRANT OF GOVERNMENT LAND

1. Crown land, land held as an estate in fee simple in the name of the Territory, buildings and other real property owned by the Government or its agencies is referred to as real property in this policy.
2. The Department of Lands, Planning and the Environment is the sole Northern Territory Government agency responsible for the sale of real property.
3. The sale of real property shall be in accordance with the laws of the Northern Territory and their stated purposes. The *Crown Lands Act* is the primary piece of enabling legislation.
4. A public competitive process is the usual method for the sale of real property for commercial, residential or agricultural purposes.
5. The public competitive process can be by:
 - auction (most common method);
 - inviting applications (expressions of interest);
 - tender; or
 - ballot.

The Minister may select the most appropriate means after having regard to the particular circumstances.

6. Notwithstanding the above, the Minister may sell real property by direct sale for commercial development, but only if:
 - suitable land is not available on the private market or suitable land cannot readily be made available for normal competitive release by the Government; or
 - the proposed development is site specific, and:
 - the proposed development is of a scale or of a nature which would make it of strategic economic and/or social benefit to the Northern Territory; or
 - the proposed development demonstrates initiative by providing a new and worthwhile facility in the area concerned; and/or
 - the real property is for consolidation with adjoining private land to form a larger development site.

7. An applicant for a direct sale of *real property* for commercial development may apply to the Minister for an option over the land whilst carrying out a feasibility study into the proposed development.

The option fee shall be a percentage of the current market value of the land and shall be determined by the Minister on the advice of the Valuer-General. The fee shall be payable by the applicant for each year of the term of the option and the fee is non-refundable.

8. *Real property* sold by either public competition or direct sale for commercial purposes shall be sold at a purchase price as determined by the Minister having regard to the current market value as assessed by the Valuer-General.
9. The title of *real property* released for the purposes of achieving a particular commercial development by public competition or direct sale shall be a Crown lease for the term of the proposed development period, convertible to freehold or a Crown lease in perpetuity on satisfactory completion of the proposed development.
10. Before any offer for the sale of *real property* for a particular development the Minister must be satisfied that:
 - the applicant has the necessary financial and other relevant resources, including expertise, to complete the proposed development within a reasonable period (consideration may be given to staged development within a proposed time frame);
 - the proposed development is of a scale appropriate to the particular site;
 - the proposed development is in accordance with land use planning principles and the Northern Territory Planning Scheme;
 - in the case of subdivisions for new suburbs, adequate provision has been made for land to be returned for open space, infrastructure, community facilities and public housing;
 - the implications of native title have been sufficiently addressed; and
 - matters relating to the impact on the environment have been addressed.
11. The Minister may make a direct grant of *real property* for community purposes.
12. The title to *real property* subject to a grant for community purposes at no cost shall be a Crown lease for the term of the proposed development period, convertible to a Crown lease in perpetuity. The holder of such a Crown lease can convert to freehold title on payment of the current market value of the land.
13. Applications will not be accepted for a direct sale or land grant for community purposes over land that the Government proposes to release by a public competitive process or has particularly set aside for future purposes.
14. Before any offer of direct sale is made for *real property*, the Minister shall be satisfied that any appropriate public notice and opportunity for public comment has been given.

15. Unless there are confidential matters that need to be respected, the relevant Local Government Authority shall be given an opportunity to comment on an application.
16. If a particular application has merit but does not comply with this policy the Minister shall refer it to Cabinet for determination.

WHERE TO GET ADDITIONAL INFORMATION:

From the nearest regional office of the Department of Lands, Planning and the Environment:

Darwin

1st Floor, Arnhemica House, 16 Parap Rd, Parap

Ph: (08) 8999 6886

Katherine

1st Floor, Government Centre, First Street, Katherine

Ph: (08) 8973 8922

Alice Springs

Ground Floor, Green Well Building, 50 Bath Street, Alice Springs

Ph: (08) 8951 9243