

Land acquisition and disposal policy

Policy No. 7610.100.E.R

1 Purpose

This policy establishes clear processes for the acquisition of land, referred to as real property, including conditions for taking control over Crown Land or other open space, and the disposal of land.

The purpose of this policy is to provide City of Darwin with a documented reference to guide its decision-making process when acquiring or disposing of land, which adopts the following principles:

- probity
- statutory compliance
- commercial maximisation, flexibility and confidentiality
- transparency of process
- achievement of specific City of Darwin policy outcomes.

2 Scope

This policy deals with all land acquisitions and disposals by City of Darwin, as defined in the *Local Government Act 2019* (NT) (the Act) and applies to all contracts relating to land acquisition or disposal.

This policy does not extend to the disposal of public roads or any interests in public roads, such as permits, as these matters are dealt with in accordance with the specific provisions of the Act and any other relevant legislation.

This policy does not deal with disposal of walkways, which is covered by City of Darwin's Walkway Management Policy.

3 Policy statement

Any recommendation to sell or dispose of land must be approved by Council (or delegate) prior to sale or disposal.

The sale and disposal of land must be in accordance with sound contracting principles as per *Guideline 4: Assets* established under the *Local Government Act 2019* (NT) and must be conducted in a fair, accountable and transparent matter that is capable of withstanding public scrutiny.

Consideration must be given to the principles of land lifecycle management, which relate to acquisition and disposal.

Council endorsement is required for any land acquisition or disposal activity that does not align with the policy statement.

3.1 Land acquisition

City of Darwin will only accept responsibility for land which meets the following guidelines:

Crown land

Acquisition of Crown Land will be subject to City of Darwin satisfaction. Any assets associated with this land must also be to City of Darwin’s satisfaction.

City of Darwin will accept no responsibility until the land is properly vested to City of Darwin with freehold title.

Private subdivisions

Private developers will be required to develop the land to a standard approved by City of Darwin under the general conditions and conditions precedent issued in relation to City of Darwin Development Permit’s issued by the Northern Territory Government.

City of Darwin will accept no responsibility until the land is vested to City of Darwin with freehold title.

Ovals, sporting, recreational and community facilities

Where ovals, sporting, recreational and community facilities are to be managed and maintained by City of Darwin, the funding, development and maintenance responsibility costs will be subject to a formal agreement between City of Darwin and other stakeholders.

Private land

Private entities, from time to time, may gift land to the City of Darwin that could have assets that City of Darwin that may take ownership of. Providing the assets and land are to Councils satisfaction, there is no financial consideration and there is no debt or mortgage on the land.

3.2 Disposal of land

City of Darwin will dispose of land in an open market format to ensure due probity of process, optimal financial return and minimal risk, in line with city of Darwin’s strategic goals.

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However, one of Council’s roles of participating in the marketplace via land ownership is to facilitate desired goals and objectives to ensure the growth and prosperity of the City, which if left to the private marketplace alone, may not be achievable. This may encompass a range of opportunities for City of Darwin’s involvement, such as site amalgamations with adjoining owners and facilitation of key projects, where property disposal activities based on an open market approach and due probity process alone may not achieve such objectives.

The circumstances which give rise to an alternative process include:

- where the total cost of the public sale process will exceed the expected community benefit, such as where the land is worth \$1,000 and the cost to market the land is \$5,000
- where there is only one identifiable purchaser, including where a site is not large enough for development in its own right and is surrounded by public roads on all sides other than the adjoining owner
- where City of Darwin is bound by a contractual obligation such as to a tenant with a first right of refusal
- disposal to adjoining owners or persons with an option over adjoining land where City of Darwin land is required as part of a larger scheme of development
- disposal of land to the NT Government to facilitate a strategic project
- disposal of land to a government or utility authority for the purpose of infrastructure provision
- where a public marketing process which has been undertaken in accordance with this Policy has failed to achieve the desired outcome
- disposal of land for consolidation with adjoining private land to form a larger site ‘where the sale of the land to the adjoining landowner facilitates City of Darwin’s strategic objectives
- in response to a proposal which is for community benefit and demonstrated to deliver against strategic goals of City of Darwin. This exclusion aims to allow City of Darwin to respond to an approach for the development of a unique project. Any such proposal must comprise a concept plan and description of the project and clear demonstration of the achievement of specific policy and strategic goals and objectives of City of Darwin.

4 Definitions

Authorised Officer is a person appointed by Council for the purposes of enforcement of the Local Government Act and associated legislation.

Land is all real property, being land and all things attached to the land so as to become part of it.

As a more specific reference for the purpose of this policy, land is defined as:

- any building or structure on or improved to land
- land covered by water and, in such a case, the overlying water
- air rights
- a strata lot pursuant to relevant strata legislation
- a legal estate or interest in, or right in respect of land.

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Statutory Context the *Local Government Act 2019* (NT) vests power in the Council to “deal with or dispose of” property of which the Council is the owner subject to the Minister’s Guidelines.

3 Legislative references

Local Government Act 2019 (NT)

4 Procedures / related documents

7730.100.E.R Walkway Management Policy

5 Responsibility / application

The implementation and maintenance of this policy is the responsibility of the General Manager Innovation. This policy will be reviewed every four (4) years or as necessary.

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