

# Australian Capital Territory Concessional leases

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# ACT Planning Strategy – Strategy 8

- Land is our most critical resource and we must manage it wisely
- Some small clubs are struggling financially and are exploring opportunities to retain a presence and reduce reliance on gaming
- Often they occupy premium sites that, subject to investigation, may be suitable for other uses



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# History - Leases granted:



- Since early last century under several different pieces of legislation, eg *Leases (Special Purposes) Act 1925* or the *Leases Act 1918*, *Churches Lands Leases Act 1924*
- For less than market value
- To community groups and organisations that applied for land and met the relevant criteria



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# Objectives - to encourage:

- People to move to Canberra to live and work during the early growth of the National Capital
- Social interaction
- Religious organisations to develop their principal site in the National Capital
- Associations to relocate their Head Offices



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# Recipients



## Examples:

- Churches
- Ethnic clubs
- Sporting clubs
- Incorporated associations
- Age care providers
- Religious organisations
- Community associations



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# Granted – by direct sale:



- With Executive approval, usually Cabinet
- Must meet criteria (s112 – community organisations, *Planning and Development Regulation 2008*)
- Minister for the Environment and Sustainable Development must report details of all concessional leases granted by direct sale to the Assembly (s242(2), *Planning and Development Act 2007*)
- Details accessible at:

[http://www.economicdevelopment.act.gov.au/land/direct\\_sales/recent\\_direct\\_sales](http://www.economicdevelopment.act.gov.au/land/direct_sales/recent_direct_sales)



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# Legislation

- Land (Planning and Environment) Act 1991 – No legislative process – Ministerial decision
- ACT Planning and Development Act 2007 – DA required and EIS was triggered
- In 2009-10 – major review of concessional leases
- The Planning and Development (*Concessional leases*) Amendment Act 2010 effective on 7 October 2010
- These changes made it easier to identify a concessional lease
- February, 2011 – EIS Trigger removed
- December 2012 – Act amended to require community consultation Pre-DA lodgement



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# Transfers

- Concessional leases have restrictions on the transfer assignment, subletting or parting with possession of the lease
- This may be in the lease or a requirement of the legislation
- Approval for the transaction is required
- Must be to a person who could be granted the lease
- Leases cannot be acquired except for a public purpose; and
- Lessees cannot be required to surrender their lease
- The Government cannot insist a lease be developed in a particular manner not required by the lease



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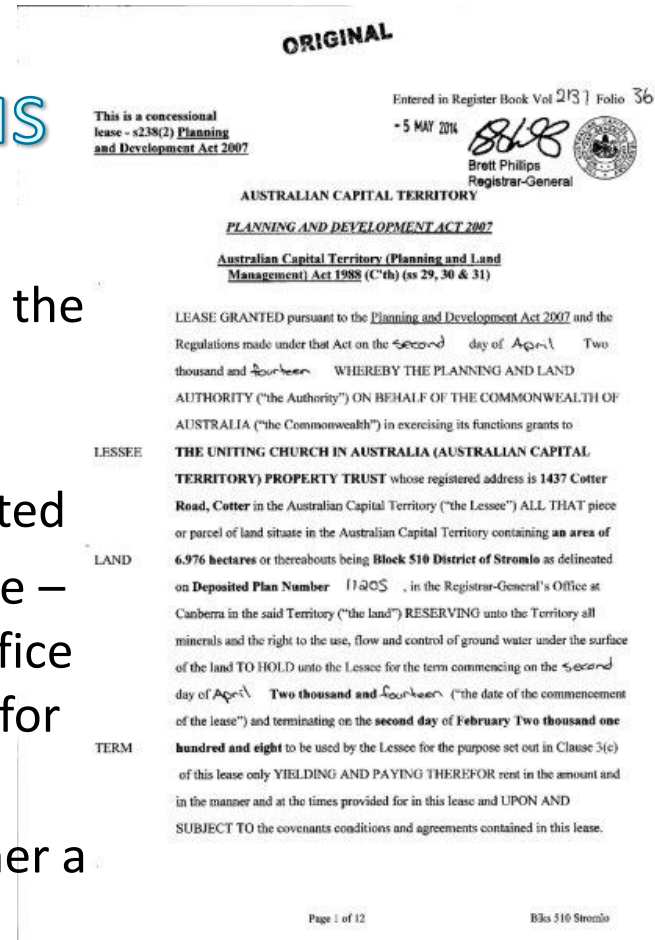
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# Identifying concessional status

- The lessee may apply for a decision about whether the lease is concessional
- All interested parties must be notified of the application, there is a fee and the process is legislated
- If the lease is determined to be a concessional lease – Notice of that decision must be lodged with the Office of Regulatory Services and will appear on the Title for the lease
- The planning and land authority may decide whether a lease is concessional on its own initiative
- Decisions are reviewable

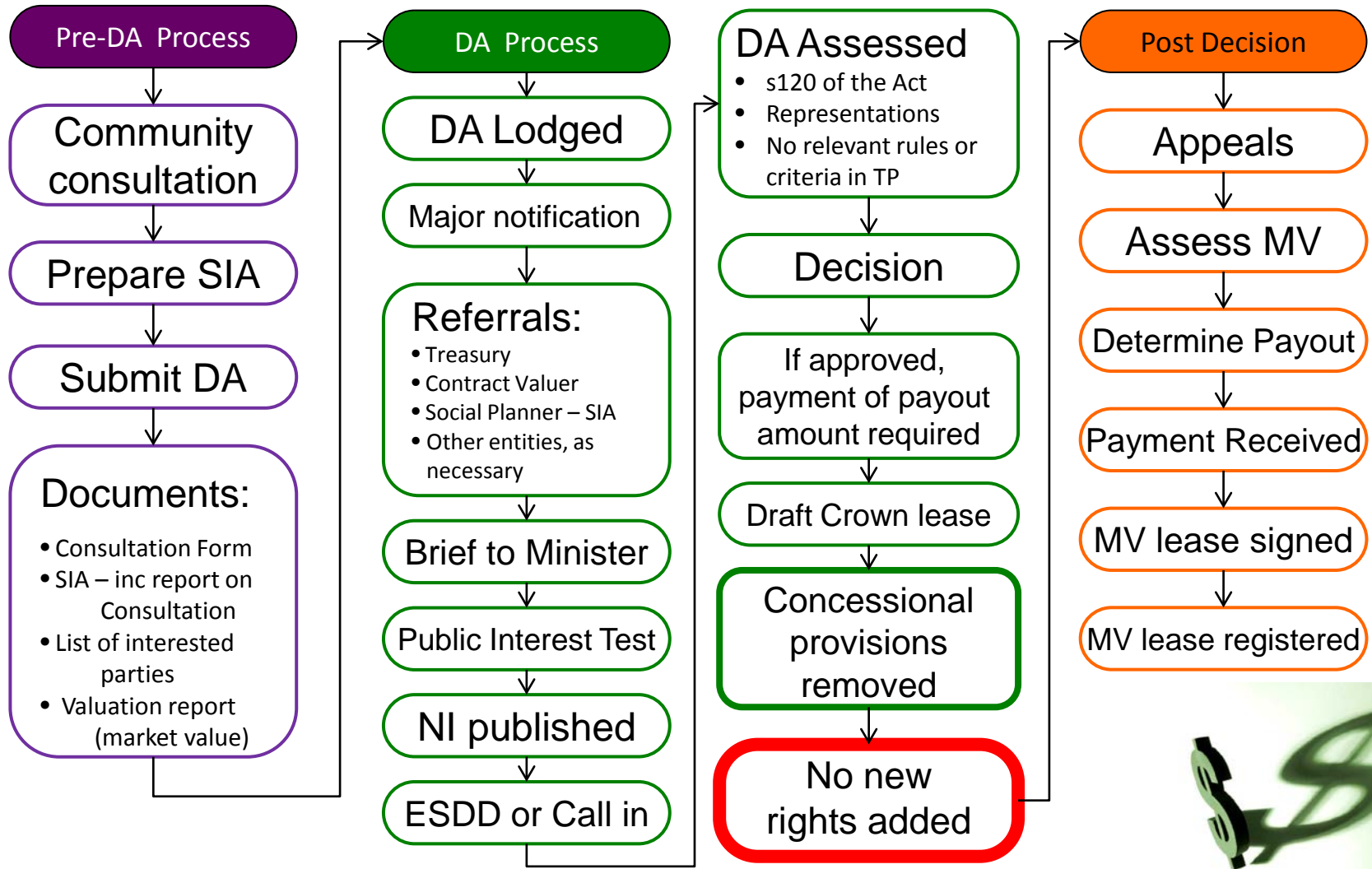


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# Deconcessionalisation



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# Changing rights in a lease



- A DA is required - process is the same for all lease variations
- supported by a valuation report if the lease variation charge (LVC) is not codified
- new uses must be consistent with the Territory Plan/NCP
- pay **Lease Variation Charge** for the uplift in value
- Both DA and LVC (s277) decisions are reviewable (subject to the Act)
- if the lease is concessional, and the variation is not for a community use, LVC is assessed at 100%
- LVC can be remitted or waived at the Government's discretion



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# Time to talk



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- LDA is responsible for Direct Sales
- Last review of criteria for direct sales (inc community organisations) was in 2006/07
- Review is timely
- Government preparing to undertake public consultation on the policy for release of land to community organisations
- Details will be available on to the Time to Talk website:

<http://www.timetotalk.act.gov.au>

- CCC membership is encouraged to participate



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# Questions?



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# Examples

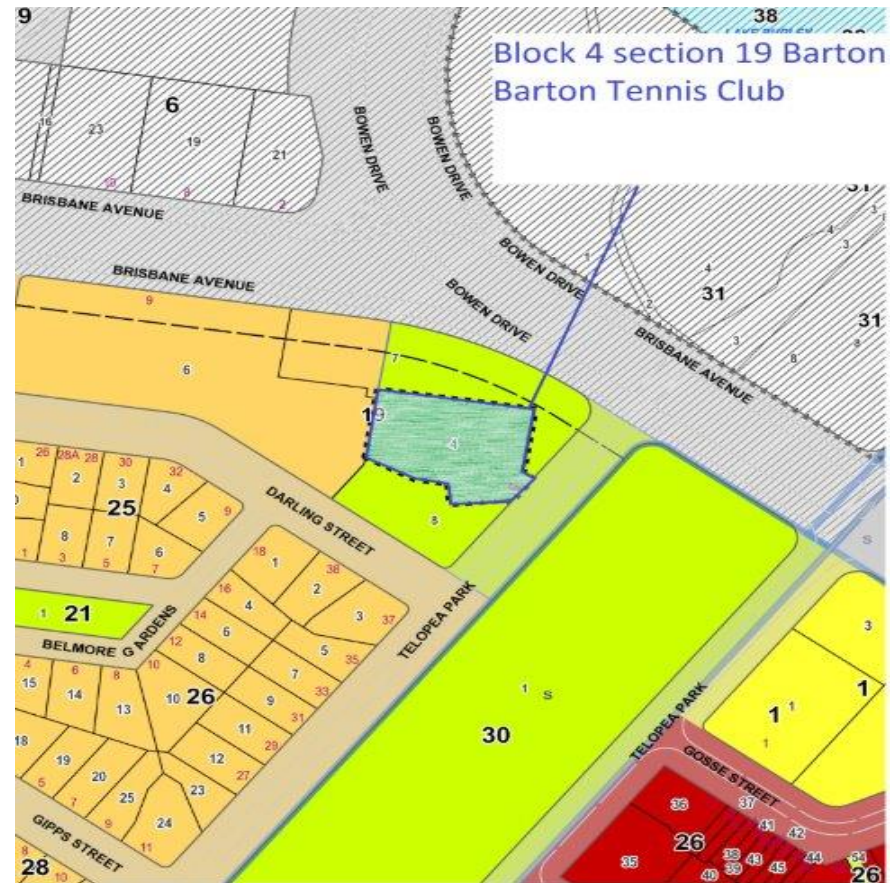


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# Barton Tennis Club



- Block 4 Section 19 Barton – Restricted Access Recreation – PRZ2 zone
- Community Tennis Clubs across the ACT are concessional rental leases



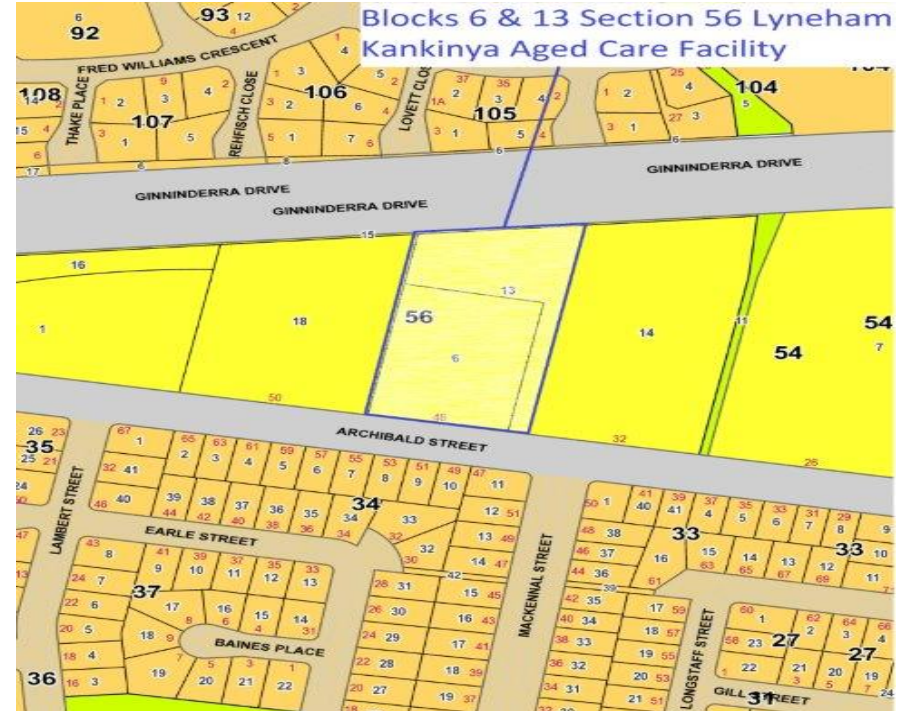
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# Kankinya Aged Care Facility



- Blocks 6 & 13 Section 56 Lyneham – Community Facility Zone - consolidation approved – Block 6 – market value lease – Block 13 – concessional lease – consolidated lease will be a partially concessional lease.

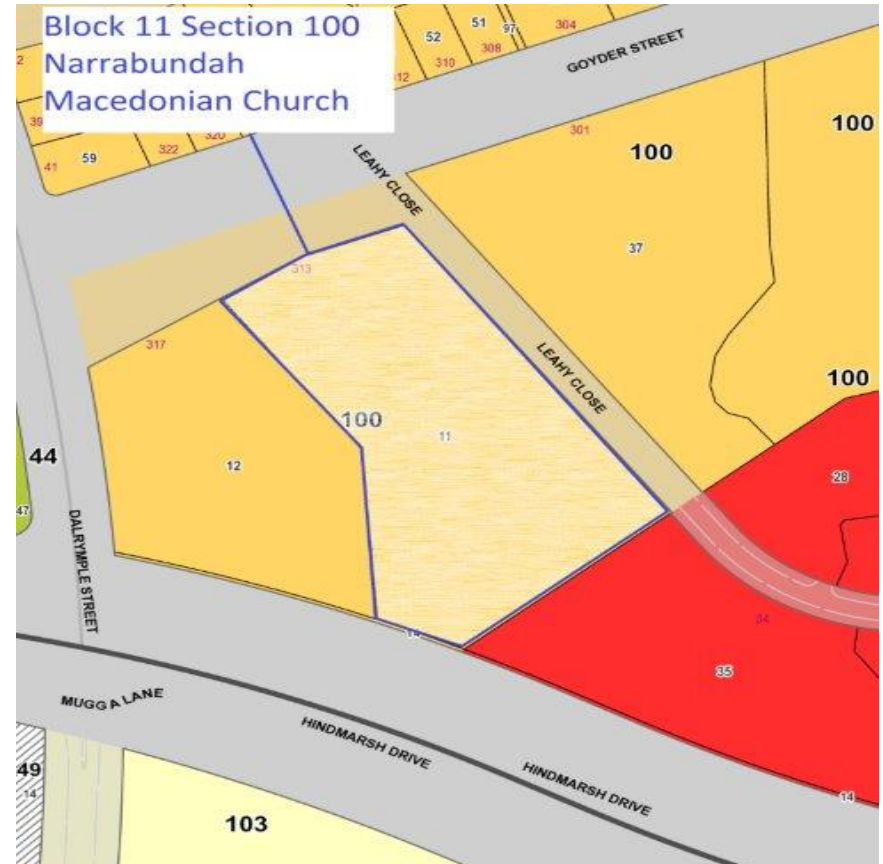


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# Macedonian Church



- Block 11 Section 100 Narrabundah - residential zone - RZ1 – DA approved for subdivision in 2007 – deconcessionalisation approved 2003 – paid 2008



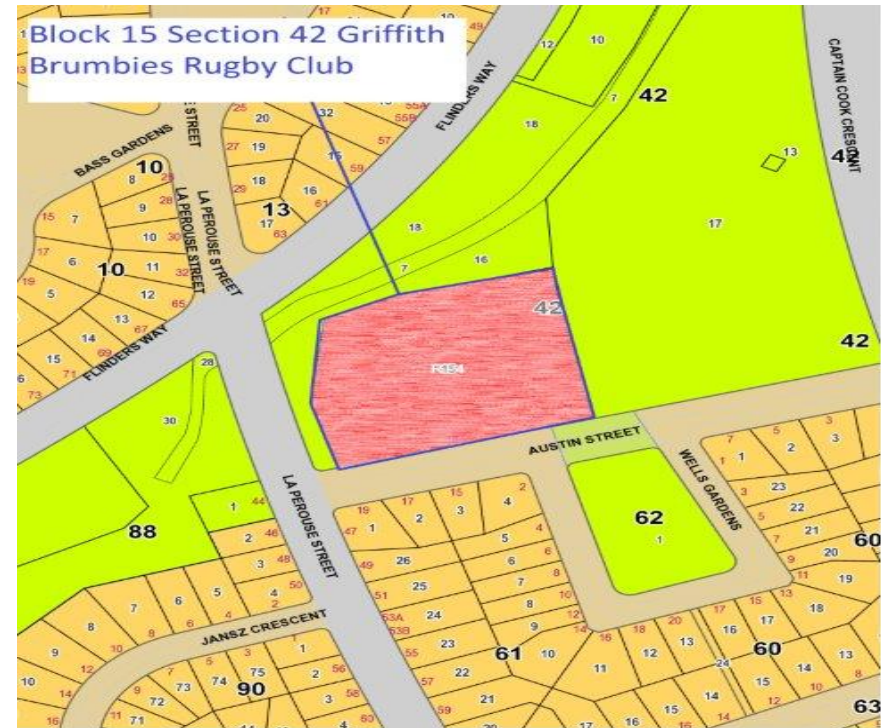
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# Former Brumbies Club



- Block 15 Section 42 Griffith – High Density Residential Zone – RZ5 – was partially concessional – has been deconcessionalised – DA approved for redevelopment for 131 units



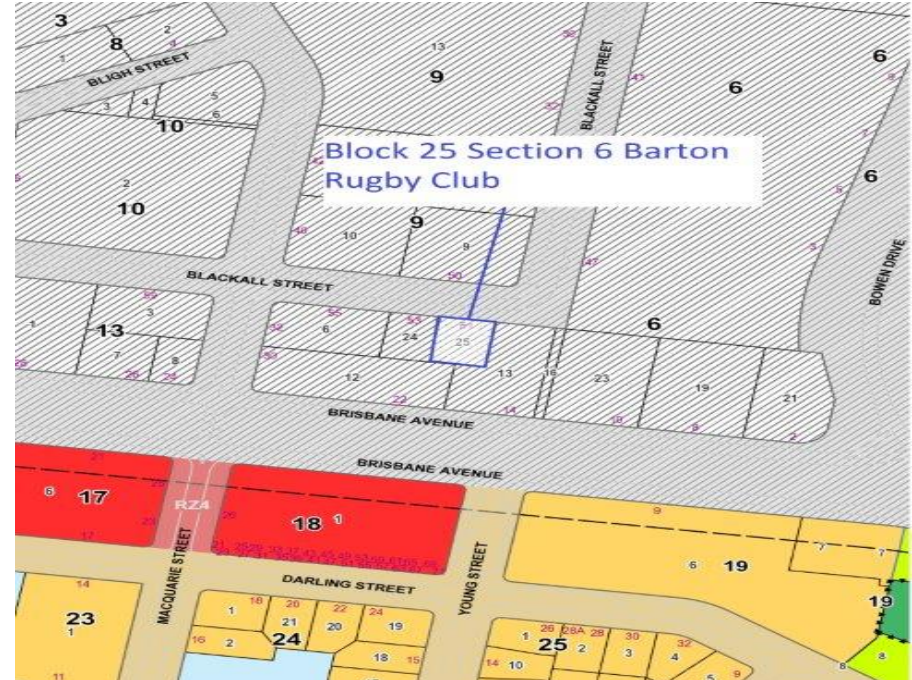
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# ACT Rugby Union Club - Barton



- **Block 25 Section 6 Barton** – Designated land – National Capital Plan applies – ESDD administers the Crown lease – applied for funding under the small clubs redevelopment support scheme



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