



# OUTLOOK REPORT 2024-25



# **LAND DEVELOPMENT**

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C O R P O R A T I O N

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*The Land Development Corporation Outlook 2024-25 Report has been prepared to share an overview of the forward looking activities expected to comprise LDC's activities over the short to near term period.*

<b>ABBREVIATION</b>	<b>DEFINITION</b>
BCR	Benefit Cost Ratio
BLA	Bulk Liquids Area
DCMC	Department of the Chief Minister and Cabinet
DHDP	Darwin Harbour Development Plan
DIPL	Department of Infrastructure, Planning and Logistics
DTFHC	Department of Territory Families, Housing and Community
DV	Development Zoned
EOI	Expression of Interest
GBD	Government Business Division
GST	Goods and Services Tax
HV	High Voltage
KPI	Key Performance Indicators
LDC	Land Development Corporation
MASDP	Middle Arm Sustainable Development Precinct
MIP	Marine Industry Park
NTG	Northern Territory Government
NTPS	Northern Territory Public Sector
PPP	Proponent Project Proposal
PWC	Power Water Corporation
RMC	Regional Maintenance Centre
RMP	Regional Maintenance Provider
RPT	Rail Passenger Terminal
WACC	Weighted Average Cost of Capital

## BACKGROUND

The *LDC Outlook 2024-25* report presents a consolidated forward looking report of the Land Development Corporation's (LDC) financial position as incorporated in the Northern Territory Government's 2024-25 Budget, along with the outlook for LDC's staff; land estates; Reconciliation Action Plan; and Strategic Plan.

LDC was established in 2003 by the Northern Territory Government (NTG) with the passage of the *Land Development Corporation Act (2003)* (the *LDC Act*) as a statutory corporation to develop and manage land for use by new and existing industries in the Territory and associated activities and for related purposes.

The *LDC Act* requires LDC to operate in a commercial manner and LDC is subject to the Territory's Competitive Neutrality Policy which requires that significant government business activities should not enjoy a net competitive advantages over their private sector competitors simply by virtue of public sector ownership.

The *LDC Act* provides that LDC is an Agency for the purposes of the *Public Sector Employment and Management Act (1993)* and the *Financial Management Act (1995)*.

In addition to the transfer of land from the former Trade Development Zone Authority, the *LDC Act* provides for the transfer of Crown land under the *Crown Lands Act (1992)*. Crown land when transferred or otherwise acquired becomes part of Governments' equity in LDC. Government earns a return of this land as it is developed and it generates taxes and dividends.

In 2009 the *LDC Act* was amended to broaden LDC's functions to include residential and associated commercial and community facilities. The amendments also introduced powers for LDC to:

- undertake development on land owned by other entities within the Northern Territory
- enter into partnerships and joint ventures with the Treasurer's approval
- borrow money, again with the Treasurer's approval.

From 1 July 2011, LDC was declared a Government Business Division (GBD) under the *Financial Management Act (1995)*. From this date onwards, LDC:

- no longer received appropriation funding from the budget
- funds activities from retained earnings and borrowings
- inherited debt from Northern Territory Treasury Corporation
- commenced payment of taxes such as:
  - the Northern Territory Tax Equivalent Regime calculated at 30% of profit
  - payroll tax
  - council rates and equivalent payments in unincorporated areas
  - GST to the Australian Taxation Office.
- commenced payment of dividends at the rate of 50% of after tax profit.

LDC is supported by an Advisory Board, comprising senior Government officials and chaired by the Commissioner for Major Projects. The Advisory Board helps guide LDC in its decision making processes.

The *LDC Act* requires LDC to: present financial reports to the Minister for Major Projects; provide financial information to the Treasurer as requested; and to present an annual report to the Minister for Major Projects on the operations of LDC.

## EXECUTIVE SUMMARY

*LDC Outlook 2024-25* presents a forward looking view of expectations, opportunities and constraints faced by LDC for the coming year and beyond. This view reflects a current understanding of proponents which will change over time, LDC's financial position and summarises staffing issues. The outlook for each of LDC's land estates is discussed, along with consideration of a number of strategic issues. Finally the status of LDC's Reconciliation Action Plan and Strategic Plan are presented.

## FINANCE AND STAFFING

The Budget anticipates LDC recording a deficit in 2024-25 of \$380,000, following a revised surplus estimate for 2023-24 of \$1,807,000. The outcome for 2023-24 was bolstered by the completion of development on two Darwin Business Park lots which resulted in these transactions being recognised during that year. By contrast, the 2024-25 deficit incorporates an anticipated one-off remediation expenditure at Hidden Valley.

The capital works program includes some substantial projects:

- Marine Industry Park, Precinct 1 – this will support the Ship Lift and Defence's Regional Maintenance Centre (RMC) (North)
- Holtze Industrial Estate Stage 2 – this will turn off serviced land to meet demand and also improve traffic conditions on Thorngate Road
- 26 freehold terrace house lots at Fannie Bay
- Wishart Estate Stage 2 – this second phase of work will connect the new lots to Wishart Road.

To support LDC in the delivery of these projects and to ensure that LDC maintains an appropriate cash balance, a new loan is expected to be drawn down during the year.

LDC continues to be challenged in filling Project Team positions and anticipates having 18 of 20 funded positions filled at the start of 2024-25. Innovative recruitment pathways are being considered to fill persistently challenging positions.

## INDUSTRIAL ESTATES

Following the completion of a major logistics facility in Dawson Street for Centurion and a new cold store facility for Bidfoods, the Darwin Business Park will see work proceed on a new glass manufacturing and distribution facility for Northern Trade Solutions.

Negotiations are progressing with proponents regarding a new multi-customer, multi-modal Logistics Hub at East Arm, incorporating a new rail spur, to the south of the Berrimah Freight Terminal. In addition LDC continues to work with Aurizon regarding its longer-term interest in expanding to the north of the Berrimah Freight Terminal.

Delays in completing Crowley's Bulk Fuel Facility are expected to be resolved during the year with the facility now expected to be completed before the end of 2024.

The Marine Industry Park, Precinct 1 will see work commence on at least 10 lots adjacent to the Ship Lift to provide a home for the emerging marine maintenance industry, including Defence's RMC (North).

LDC continues to work with industry and Defence regarding development of Stages 2 and 3 of the Marine Industry Park, including to accommodate Army's Littoral Manoeuvre Vessels.

At the Middle Arm Sustainable Development Precinct (MASDP), LDC continued to work with Investment Territory and the Department of Infrastructure, Planning and Logistics (DIPL) to deliver on this project. LDC currently has active "do not deal" agreements with two sustainable energy proponents. LDC has a further Interim Agreement with SunCable regarding a site for battery storage.

LDC is also in active discussion with a number of other sustainable energy and critical mineral proponents regarding developments in the MASDP.

At Holtze, LDC is well progressed with a number of proponents seeking to secure land at this industrial estate. LDC is also working with a local Indigenous owned training provider to establish a proposed common use training facility for the civil construction industry at Holtze.

## RESIDENTIAL ESTATES

Zuccoli Village residential estate currently has 56 lots available or soon to be available for purchase with demand remaining slow due to interest rate uncertainty. This follows the completion of 42 lots in 2023-24. Early works is expected to take place in 2024-25 on delivering three final stages, capable of realising 124 lots over the following two years.

Kilgariff Estate in Alice Springs currently has 67 lots available, following the completion of an additional 36 lots during 2024-25. Take-up of lots remains slow, again due to interest rate uncertainty. However, a further consideration in Alice Springs is the shortage of residential builders and labour.

At Fannie Bay, LDC proposes a Specific Use Zone to allow the development of 26 freehold terrace house lots. Dwelling on these lots are anticipated to incorporate improved thermal comfort and energy efficient designs. LDC is exploring options to partner with a private building partner to undertake the subdivision of the site and construction of the built form.

## STRATEGIC ISSUES

LDC continues to monitor its hurdle rate of return in response to interest rate changes and will continue to comply with all aspects of the Territory's Competitive Neutrality Policy.

Future opportunities to develop residential land across the Territory remains a focus for LDC. They include:

- infill and greenfield opportunities in the Darwin Region
- Kilgariff Stage 3, where significant planning is required
- Katherine which has strong demand related to defence and energy projects
- Tennant Creek and other small regional localities where residential land is in short supply but industry demand associated with development of the Beetaloo gas fields and solar and wind energy capture in the Barkly are expected to substantially increase demand in coming years.

Common use facilities provide the opportunity for economy wide efficiencies and benefits by avoiding over investment and provide for the efficient allocation of resources. LDC currently operates common use facilities at the Marine Industry Park and Hidden Valley. In 2024-25, LDC proposes to convert existing office accommodation in Export Drive into a common use office facility as a prelude to the development of an East Arm Innovation Hub. This will incorporate a number of other LDC sites at East Arm to provide common-use facilities and services for a range of industry users.

## CORPORATE ISSUES

In the past year LDC has successfully launched its "Reflect" Reconciliation Action Plan and in 2024-25 will continue on its reconciliation pathway.

LDC has also adopted a new five year strategic plan which sets out LDC's purpose, strategic priorities and objectives to define LDC's vision for the future and identify organisational goals.

## LDC BUDGET

As a Northern Territory Government agency, LDC's budget is presented in the Territory's 2024-25 budget papers.

This presentation of LDC's budget is different in two ways:

- The Operating Statement, Financial Position and Cash Flow Statement; and
- The Capital Works Program

## OPERATING STATEMENT

	2023-24 Revised \$000	2024-25 Budget \$000
<b>INCOME</b>		
Grants and subsidies revenue		
Capital	-	977
Community service obligations	247	-
Sales of goods and services	17 438	11 418
Interest revenue	812	464
Rent and dividends	3 514	3 584
Other revenue	1 351	597
<b>TOTAL INCOME</b>	<b>23 362</b>	<b>17 040</b>
<b>EXPENSES</b>		
Employee expenses	3 000	3 060
Administrative expenses		
Purchases of goods and services	12 821	11 144
Repairs and maintenance	500	500
Depreciation and amortisation	803	666
Other administrative expenses	943	942
Grants and subsidies expenses		
Capital	1 866	-
Interest expenses	847	1 108
<b>TOTAL EXPENSES</b>	<b>20 780</b>	<b>17 420</b>
<b>SURPLUS/(DEFICIT) BEFORE INCOME TAX</b>	<b>2 582</b>	<b>(380)</b>
Income tax expense	775	-
<b>NET SURPLUS/(DEFICIT)</b>	<b>1 807</b>	<b>(380)</b>



## BALANCE SHEET

	2023-24 Revised \$000	2024-25 Budget \$000
<b>ASSETS</b>		
Cash and deposits	16 097	5 985
Receivables	585	585
Prepayments	1 747	1 747
Inventories	137 016	149 311
Property, plant and equipment	14 902	14 236
Other Assets	302	296
<b>TOTAL ASSETS</b>	<b>170 649</b>	<b>172 160</b>
<b>LIABILITIES</b>		
Deposits held	895	895
Creditors and accruals	5 323	1 865
Borrowings and advances	16 604	29 383
Provisions	2 001	322
Other liabilities	16 789	11 038
<b>TOTAL LIABILITIES</b>	<b>41 612</b>	<b>43 503</b>
<b>NET ASSETS</b>	<b>129 037</b>	<b>128 657</b>
<b>EQUITY</b>		
Capital		
Opening balance	54 339	54 339
Reserves	1 550	1 550
Accumulated funds		
Opening balance	72 245	73 148
Current year surplus/(deficit)	1 807	(380)
Dividends paid/payable	(904)	-
<b>TOTAL EQUITY</b>	<b>129 037</b>	<b>128 657</b>

## CASH FLOW STATEMENT

	2023-24 Revised \$000	2024-25 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating receipts		
Grants and subsidies received		
Capital	-	977
Community service obligations	247	-
Receipts from sales of goods and services	19 817	9 848
Interest received	812	464
<b>Total operating receipts</b>	<b>20 876</b>	<b>11 289</b>
Operating payments		
Payments to employees	3 000	3 060
Payments for goods and services	23 344	28 519
Interest paid	854	928
Income tax paid	1 107	775
<b>Total operating payments</b>	<b>28 305</b>	<b>33 282</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(7 429)</b>	<b>(21 993)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investing receipts		
Finance lease received	6	6
<b>Total investing receipts</b>	<b>6</b>	<b>6</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>6</b>	<b>6</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Financing receipts		
Proceeds of borrowings	-	13 000
<b>Total financing receipts</b>	<b>-</b>	<b>13 000</b>
Financing payments		
Finance Lease payments	327	221
Dividends paid	1 291	904
<b>Total financing payments</b>	<b>1 618</b>	<b>1 125</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(1 618)</b>	<b>11 875</b>
Net increase/(decrease) in cash held	(9 041)	(10 112)
Cash at beginning of financial year	25 138	16 097
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>16 097</b>	<b>5 985</b>

## CAPITAL WORKS PROGRAM

	2023-24 Estimated Expenditure \$000	2024-25 Estimated Expenditure \$000
TOTAL CAPITAL WORKS *	12 520	32 844

\* LDC's Capital works program includes the following projects: Kilgariff Stage 2A; Kilgariff Stage 2B; Middle Arm Sustainable Development Precinct; Marine Industry Park – Precinct 1; Marine Industry Park – Precinct 2; Wishart Estate – Stage 2; Fannie Bay and Holtze Industrial Estate - Stage 2.

## BUDGET SUMMARY

Following on from a revised surplus for 2023-24 of \$1,807,000, the budget anticipates that LDC will incur a deficit for 2024-25 of \$380,000. This is largely due to a one off expense at Hidden Valley to remediate asbestos contamination.

The Capital Works Program continues to include a substantial increase in works with an expanded program of works for the Marine Industry Park – Precinct 1, the development of Stage 2 of the Wishart Estate, development of the Waratah Crescent residential project at Fannie Bay and development of Holtze Industrial Estate Stage 2 project.

To finance this increase in capital works, LDC has sought for the first time in its history to increase borrowings to borrow a further \$13 million in 2024-25.

## KEY PERFORMANCE INDICATORS

LDC Key Performance Indicators (KPI) are reported in Budget Paper 3.

LDC also developed a number of supplementary KPIs which are reported below but not in BP3.

The Supplementary KPIs shown below are for *Development ready lots created* for both the Residential and Industrial Output Groups.

Development ready lots are lots which have received all planning and regulatory approvals and are ready for construction. They are a precursor to the final delivery of lots and were referenced in Dick Guit's *Bringing Land to Market* report.

<b>Residential development</b>			
<b>Objective:</b> Provide affordable, innovative and appropriate residential property solutions through the development and delivery of a range of residential projects.			
<b>Activities:</b> Development and sale of residential land at the Palmerston suburb of Zuccoli, the Alice Springs suburb of Kilgariff and the Darwin suburb of Fannie Bay.			
	2023-24 Target	2023-24 Estimate	2024-25 Target
Jobs created to deliver new residential titled lots	38	42	14
Development ready residential lots created	78	78	0
New residential lots created	78	42	36

For 2023-24, while development ready residential lots created was exactly on target, being 42 lots in Zuccoli and 36 lots in Kilgariff for a total of 78, the Kilgariff lots were not titled due to insufficient demand from the market. As a result there was a shortfall of 36 new residential lots created in 2023-24 from previously forecast.

Regarding 2024-25, no new development ready industrial lots are expected to be created in 2024-25. This reflects the fact that there is sufficient supply of lots in both markets to meet

demand. Regarding Jobs created to deliver new residential lots, early works are proceeding in 2024-25 to enable the delivery of 124 lots in the final three stages on Zuccoli from 2025-26. The 36 new residential lots created are the 36 Kilgariff lots which were not titled in the previous year.

**Industrial development**

**Objective:** Ensure the availability, development and management of strategic industrial land.

**Activities:** Development, sale and leasing of industrial land at Middle Arm Sustainable Development Precinct, Wishart Estate; Tiwi Islands; Holtze Industrial Estate and at East Arm, comprising Darwin Business Park, Bulk Liquids Area and Marine Industry Park.

	2023-24 Target	2023-24 Estimate	2024-25 Target
Jobs created to deliver new industrial titled lots	15	18	46
Development ready industrial lots created	2	2	2
New industrial lots created	2	2	2
Industrial leases managed	17	16	15
Industrial licences managed	15	14	14
Lease and licence rent collected on time	≥ 85%	81%	≥ 85%

For 2023-24, industrial development KPI outcomes were all closely aligned to targets. Similarly, targets for 2024-25 are in line with outcomes for 2023-24, with the exception of the jobs created measure. In 2024-25 jobs will be created in early construction work for the Marine Industry Park, Precinct 1, although lots are not expected to be development ready or titled until 2025-26.



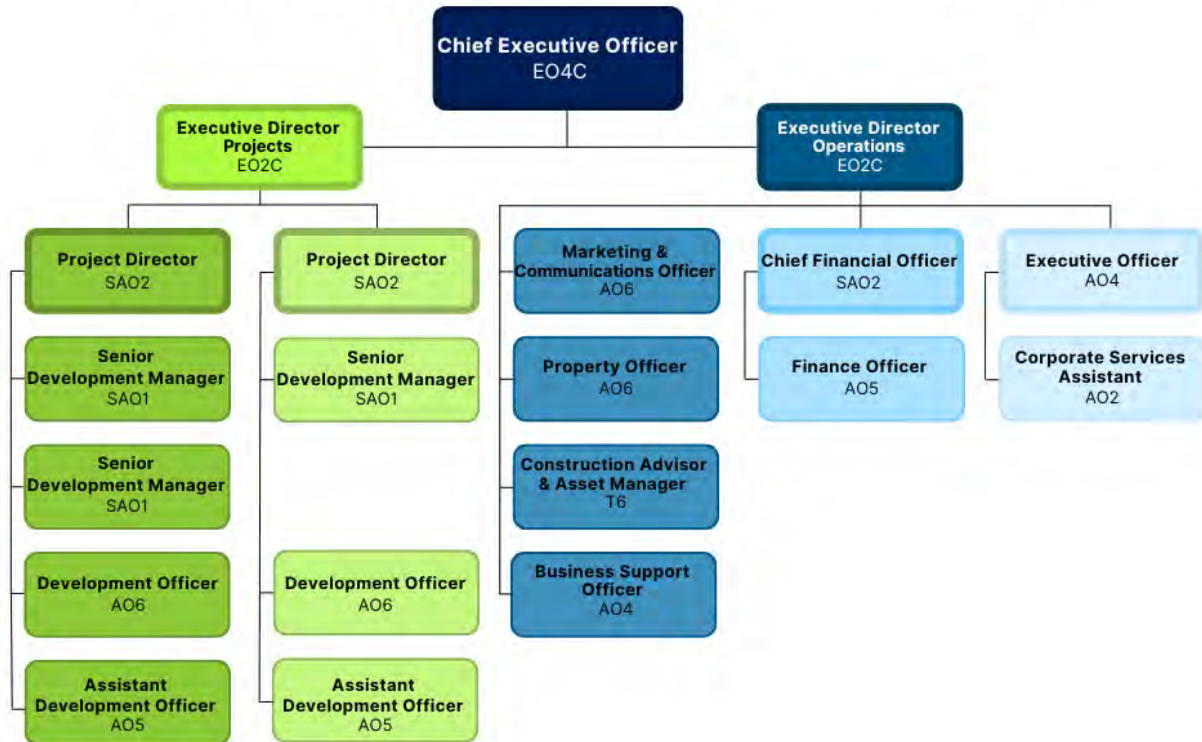
Darwin Waterfront, NTG image

# STAFFING

The *LDC Act* states that “In addition to employees employed under the *Public Sector Employment and Management Act 1993 (PSEMA)*, the Corporation may, on the terms and conditions it considers appropriate, employ any other persons it considers necessary for the purposes of the Corporation”.

Despite this broader power to employ staff, LDC currently exclusively employs staff in accordance with the provisions of PSEMA. All LDC staff are therefore subject to the same terms and conditions as other Northern Territory Public Sector (NTPS) employees.

## LAND DEVELOPMENT CORPORATION ORGANISATIONAL CHART



Over the past year LDC staff have been organised on two groups: Projects and Operations, each headed by an Executive Director. This approach, in a small Agency like LDC, helps achieve efficiencies by breaking down silos and encouraging a team approach.

LDC expects to undertake new recruitment processes with a view to securing suitable candidates to fill the current vacancies. Filling these roles supports LDC’s continued activities across the organisation, and will assist in planning activities required for future year’s delivery programs.

## LAND ESTATE

LDC's land estate has largely been achieved via Crown Land transfers under Section 27 of the *LDC Act*. These transfers occurred at the commencement of LDC with the transfer of the East Arm land holdings of the former Trade Development Zone Authority. These were followed by other land at East Arm and adjacent areas such as Wishart, Berrimah West and Hidden Valley. Later transfers comprised Middle Arm, Holtze and Zuccoli.

Residential land at Kilgariff Stages 1 and 2 have been acquired via Crown Lease Term, while land at Waratah Crescent Fannie Bay was purchased from Crown at a market valuation.

All land acquisitions, whether gifted or purchased, effectively represent a portion of Government's equity in LDC.



# DARWIN BUSINESS PARK



## LAND SNAPSHOT

**Acquisition Date:** 2003

**Land Area:** 200 hectares (20.5 hectares of LDC-owned land)

**Development Ready Parcels:** 17 serviced, developed parcels

**Target Use:** Operations supporting the oil, gas, marine, rail, trade and logistic industries.

**Land Allocation Policies:** Land subject to development lease, convertible to free-hold sale or long term lease. Strategic land parcels in proximity to enabling infrastructure (i.e. rail front lots) are typically long-term leasehold.

## BACKGROUND

The Darwin Business Park is a strategically positioned 200-hectare industrial estate nestled within Darwin's East Arm precinct. Ideally situated for seamless connectivity, the park boasts immediate adjacency to the railway line and the Marine Industry Park, while also offering convenient access to the East Arm Wharf.

Established in 2003, the Darwin Business Park is managed by LDC, having successfully transitioned from the former Trade Development Zone Authority. The estate caters to a diverse range of business needs by providing a plethora of land tenure options. Historically, rail-front land has been secured through long-term leases, while other areas are available for freehold purchase, contingent upon development leases that guarantee the execution of designated development plans.

Today, the Darwin Business Park flourishes as a vibrant hub for over 74 businesses, with a particularly strong presence in the transport, logistics, marine, and oil and gas sectors. Several prominent developments serve as anchors for the estate, including:

- INPEX Offshore Supply Base operated by Toll
- Qube's Darwin Supply Base servicing Santos' offshore requirements
- Shell's Prelude Onshore Supply Base
- Northline's logistics facility

This synergy of established businesses and adaptable land options solidifies the Darwin Business Park's position as a premier destination for companies seeking a strategic location within Darwin's robust industrial landscape.

## PROPONENT INTEREST

LDC continues to engage with a number of proponents across the logistics, processing and manufacturing industries. It is expected that should activation of those projects result, additional facilities will be realised in the coming period.

Darwin Business Park is currently experiencing high demand for land. Over recent years, one proponent has had an exclusive interest over multiple parcels (7), with a number of commercial land sales decreasing the remaining available land parcels. This has resulted in remaining available land becoming limited. To address this, LDC is proactively designing and seeking approvals for the adjoining Marine Industry Park – Precinct 2.

This foresight will allow for an accelerated transition to construction if industry demonstrates a need for additional land parcels. The decision to proceed with additional land development is predicated on commercial negotiations presently underway. Should a commitment to secure those parcels occur, then this would support LDC proceeding with development of Precinct 2 over the forward years.

## OUTLOOK FOR 2024-25

LDC is currently engaged in master-planning a portion of land for a proposed new mineral processing facility at Darwin Business Park. The project timeline targets a Final Investment Decision by late 2026, with land potentially available for development in late 2027. LDC is also engaging with the proponent for a shorter-term project on a smaller, adjoining parcel of ~1 to 2 hectares. This initial phase aims for construction to commence in early 2025 however a commitment to proceed is not expected until late 2024.

The Darwin Business Park continues to be a strategic hub for industry with the recent completion and upcoming arrival of several significant facilities:

- Centurion has cemented its presence in the park with a brand new \$50 million road transport logistics facility on Dawson Street, constructed by local business Sunbuild. Spanning across 5 hectares, this impressive facility became operational in early 2024 and offers a comprehensive suite of services including port services, heavy haulage and linehaul transport, warehousing, and refrigerated freight.
- BidFoods Australia has also joined the park's growing tenant list. Their new facility on O'Sullivan Circuit, completed recently, occupies a 1.43-hectare parcel. This state-of-the-art facility boasts a centralized low-charge ammonia system for temperature-controlled areas, promoting energy efficiency. Additionally, it includes an ambient warehouse section and utility areas.
- Northern Trade Solutions is poised to add to the park's diverse offerings with the construction of their new glass manufacturing and distribution facility on a 0.98-hectare parcel on O'Sullivan Circuit. Construction is well underway with completion anticipated in early 2025.

## 2025-26 AND BEYOND

LDC is exploring the activation of a multi-user East Arm Innovation Hub (refer New Opportunities in the Common User Facilities section of this document).





*Bidfood's new facility, Darwin Business Park*



*Centurion's new facility, Darwin Business Park*

## BULK LIQUIDS AREA

### LAND SNAPSHOT

**Acquisition Date:** 2003  
**Land Area:** 14.4 hectares  
**Development Ready Parcels:** one 2-hectare parcel available  
**Target Use:** Fuel and Bulk Liquids Storage.  
**Land Allocation Policies:** Long-term leasehold.



### BACKGROUND

The Bulk Liquids Area (BLA) is a strategically positioned 14.4 hectare precinct within East Arm, Darwin. Bounded by Berrimah Road, Vopak facilities, the railway line, and the Darwin Business Park, this area offers exceptional connectivity for bulk liquid storage and transportation.

Currently, the BLA features the temporary Rail Passenger Terminal (RPT), the ongoing construction of a Bulk Fuel Facility by Crowley Solutions, and an additional 2 hectare parcel for potential fuel and bulk liquids storage.

The area's strategic value stems from its direct connection to the East Arm Wharf bulk liquids transfer facility via a dedicated fuel pipe rack, alongside excellent access to both rail and road networks. This connectivity streamlines the efficient import, export, and distribution of bulk liquids.

The temporary Rail Passenger Terminal is subject to a Ministerial Direction under Section 8(1) of the *LDC Act*. This direction mandates the Land Development Corporation to lease the site at no cost to the rail operator Great Southern Rail. This directive is for a term of no more than 5 years commencing on 1 August 2023 with the associated lease agreement with the operator set to expire on June 30th, 2026 with a one year extension option.

### PROPONENT INTEREST

LDC continues to engage in discussions with proponents on interest in establishing facilities within the BLA. In addition, relocation of the RPT from Section 5673 would provide opportunity to welcome additional proponents to the BLA.

### CONSIDERATIONS

Over recent years, LDC has received enquiries from a number of proponents interested to establish on land in this precinct. However, the location of the current RPT is impeding further expansion of the BLA. Further activation of the BLA is hindered by the current terminal and the potential sensitive land use restraints it would impose on additional tank storage, as well as potential undesirable perceptions of a passenger rail service disembarking in a heavy industrial area.

LDC has liaised with DIPL on its planning for a new permanent RPT. DIPL has advised that planning activities are underway.

### OUTLOOK FOR 2024-25

Construction of Crowley Solutions' Bulk Fuel Facility is progressing, with an expected completion date before end of 2024. Once complete, this facility will boast a massive 300-megalitre storage capacity across its 11 storage tanks.

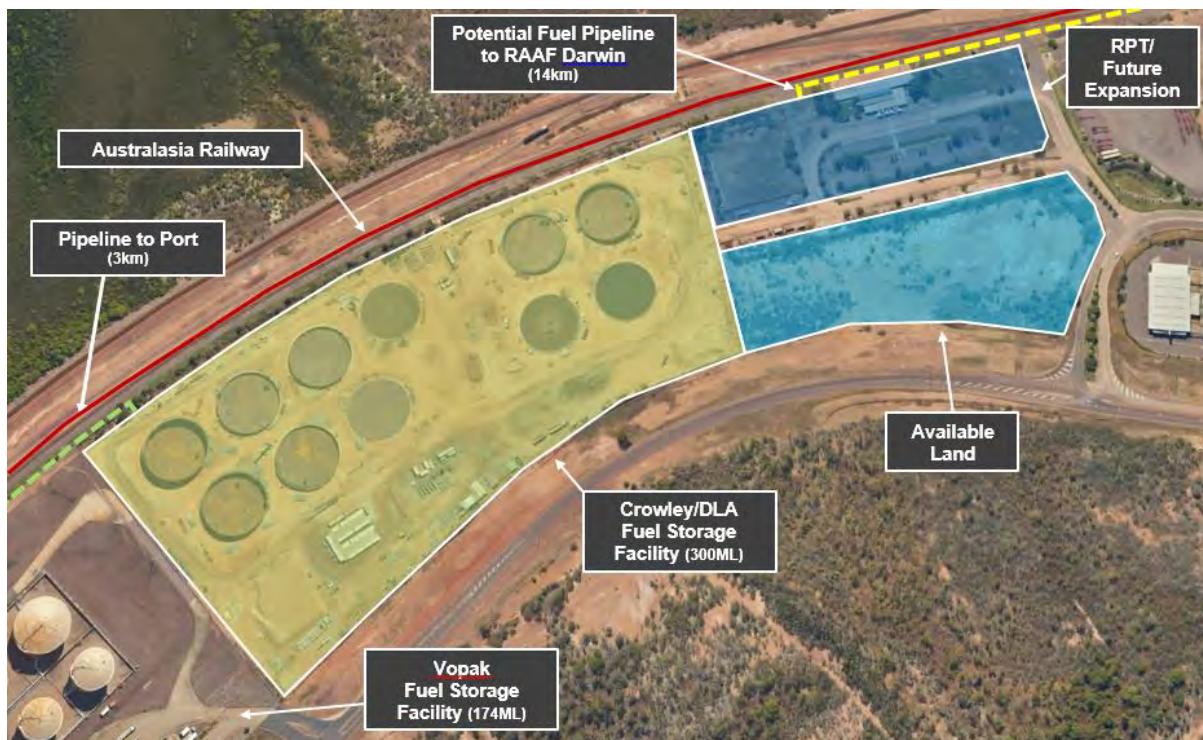
Following a new Ministerial Direction issued by the Minister for Major Projects, the Ghan passenger train will continue to utilize the temporary Rail Passenger Terminal within the BLA on a rent-free basis for an additional three years.

Despite the temporary terminal's presence, the land it occupies remains strategically important. Its immediate proximity to the railway makes it an ideal location for future developments related to fuel storage or other bulk liquid logistics facilities.

## 2025-26 AND BEYOND

The Defence Strategic Review identified additional fuel storage and partnerships with fuel suppliers as a key item for building resilience and readiness for Australia and its allies. LDC will continue to plan and work with proponents to facilitate strategic development within the BLA.

LDC has discussed with proponents the potential to construct a pipeline to Darwin Airport to meet both defence and civilian needs. LDC has also engaged with DIPL on potential pipeline routing to the airport, with the optimal route considered to traverse along the rail corridor, which can be accommodated within planning for Aurizon's rail expansion footprint. Continued engagement will be required given constraints in locating the pipeline within the Berrimah Road services corridor. Efficient delivery of fuel to Katherine is also a consideration and the BLA's adjacency to the railway is seen as a positive to remove fuel transfer from the Stuart Highway, or to provide a second option.



# MARINE INDUSTRY PARK



## LAND SNAPSHOT

**Acquisition Date:** 2010-11

**Land Area:** 150 hectares

**Development Ready Parcels:** 5 parcels available

**Target Use:** Marine maintenance activities to support the Darwin Ship Lift (Precinct 1), strategic industrial land to supplement the Darwin Business Park (Precinct 2) and potential port support, coastal barge and fishing fleet marinas (Precinct 3).

**Land Allocation Policies:** Long term leasehold for large strategic or direct water access parcels (eg. closest to the Ship Lift). Development lease convertible to free-hold for smaller and less strategic sites.

## BACKGROUND

The Marine Industry Park (MIP) is a partially developed area at East Arm covering approximately 150 Hectares and extending for about 2.5 kilometres from the Darwin Ship Lift site in the west to Hudson Creek in the east.

Precinct 1 of the MIP adjoins the Darwin Ship Lift site. LDC has established the 9 hectare Common User Facility (CUF) which features secure hardstand and an all tide barge ramp. Both the hard stand and barge ramp are available for short or long term logistics, storage or fabrication uses. Under a Deed of Agreement with the Department of Defence, Defence is entitled to use the ramp and 2 hectares of hardstand for up to 60 days each year.

Detailed design to create 10 serviced lots within Precinct 1 is in the final stages. The establishment of large vessel maintenance workshops and supporting businesses on serviced lots is an essential component to fulfil the economic activity and job creation opportunities expected to be enabled by the Ship Lift project.

Precinct 2 of the MIP is located to the north-east of Precinct 1. LDC has completed a number of preliminary studies and obtained a Development permit for the subdivision of Stage 1 which consists of 9 lots over 14 hectares. Detailed design of the lots has progressed to 80%.



During 2023-24, LDC completed the Strategic Business Case for Precincts 2 & 3 of the Marine Industry Park. This provided a Concept Master Plan for the MIP.

## PROPONENT INTEREST

**Precinct 1:** Norship has long-term exclusivity over Lot 2 which has been in place for many years in anticipation of the Ship Lift project being delivered. A registration of interest process was conducted in 2022 which coincided with the Regional Maintenance Provider (RMP) North submission process undertaken by Defence. A number of local and interstate businesses responded to a registration of interest process.

**Precinct 2:** LDC has been working with Aerospace Amphibious Industries (AAI) throughout 2023 on a site location for its proposed Flying Boat Manufacturing, Refurbishment and Testing Facility at East Arm. While a range of locations were considered across Darwin, one particular site at East Arm is preferred due to its connection to the water. This provides the ability for AAI to undertake testing on its aircraft, with take-off and landing to occur within the Darwin Harbour area.

The site comprises an area of approximately 4.2 hectares of LDC-owned land (being Section 6110 and part-Section 7146). While consolidation of multiple titles is required, the site is serviced and can be activated by the proponent in a short timeframe.

AAI is proposing to obtain access to the water across Crown land to the south. To help achieve this, DIPL and LDC are in the process of transferring a portion of Crown land to LDC's ownership. LDC accepted a letter of offer from DIPL for this parcel in December 2023 and is presently progressing a subdivision process to consolidate that parcel within LDC's land holdings to effect the transfer to LDC.

In the interim, the proponent continues to progress planning for its project and LDC looks forward to realisation of the project in coming years.

## CONSIDERATIONS

There is no reticulated sewer system for the Ship Lift and the MIP. LDC has been working with Power Water Corporation (PWC) on the introduction of a new low pressure sewer system to negate the need for deep gravity sewer lines and very deep sewer pump stations.

The targeted marine maintenance activities are expected to have significantly higher density of workers compared to traditional logistics uses located within Darwin Business Park.

The Ship Lift team are leading the design and procurement of high voltage (HV) feeders to supplement electricity supply to both the Ship Lift and Precinct 1 of the MIP.

## OUTLOOK FOR 2024-25

During 2024-25 LDC has the following projects:

1. Development of MIP Serviced Lots (10 industrial lots) with the proposed release of a subdivision construction tender in mid-2024.

The subdivision tender package will include the core works being 10 subdivided lots comprising Lot 0 and Lots 2-10 with three separable portions, being:

- Sewer headworks – including sewer pump station and modifications to the existing sewer rising main within Berrimah Road reserve
- Bulk earthworks and rock protection to Lots 11 to 14 (smaller lots between 3500 to 4400m<sup>2</sup> to the north)
- Bulk earthworks and rock protection to Lot 1 (2.4 hectare north of the CUF).

2. LDC is reviewing the lot layout for Precinct 2 with a view to considering optimal layout configuration to best meet market demand.

3. Further investigations / refinement of the Concept Master Plan for Precinct 3 will be subject to the outcomes of the Darwin Harbour Development Plan (DHDP). This study may assist in identifying alternative locations for the berthing of deep draft harbour support vessels, such as tugs.

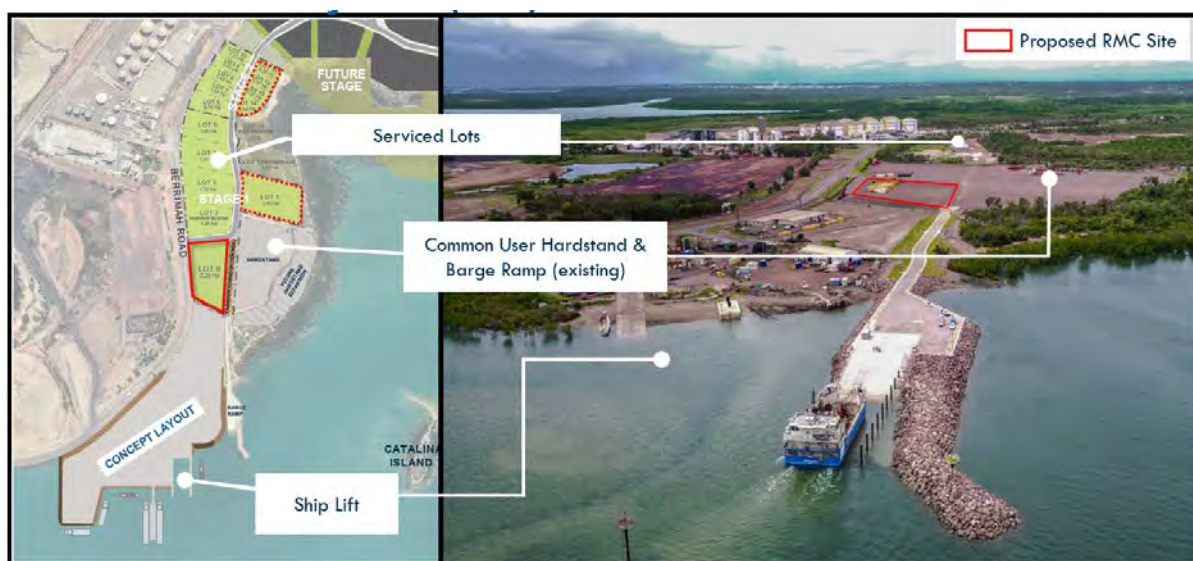
Further rationalisation of Precinct 3 costs will be dependent on undertaking additional engineering investigations to refine the rock protection and dredge cost inputs. This work may improve the BCR for the Stage 2 Strategic Business Case.

The provision of the Strategic Business Case and Concept Master Plan is considered to meet Recommendation MR1 of the Territory Economic Reconstruction Commission report which stated that:

*The Maritime Industry Development Plan should include:*

- *as an immediate priority, a master plan for the Marine Industry Park to support marketing to local, national and international businesses*

Precinct 1 layout with the proposed RMC site (Lot 0) outlined in red and separable bulk earthworks portions outlined in red-dash.



## 2025-26 AND BEYOND

MIP Served Lots will be turned off to meet demand with first titles for Lot 0 and Lot 2 expected to be available in early 2025-26 with an additional 8 lots to follow.

Under-road conduits will be installed to facilitate the future servicing of the common user area. Service reticulation works will be subject to a future business case assessment process.

Subject to the outcomes of the DHDP, potential refinement of the Strategic Business Case to improve the BCR and evaluation of where the MIP sits in relation to other Territory major project priorities, a further Budget Proposal for Detailed Business Case funding in 2025-26 may be warranted.

Progression of the Detailed Business Case and Master Plan will inform the staged development of future marine infrastructure including capital and operating funding models. It is intended that implementation of the MIP Master Plan will:

- provide an environment for the clustering of marine services
- improve the capability, capacity and competitiveness of local and new marine industries
- provide an opportunity for industrial marine activities to relocate from Frances Bay.

The relocation of industrial marine activities from inner Darwin such as vessel maintenance, coastal barge operations, tug berths and port services will free up space in Frances Bay and Kitchener Bay for more recreational, tourism and white boat uses. This provides the opportunity for further urban renewal / mixed use development, similar to the Darwin Waterfront.

It is anticipated that new common use infrastructure such as an industrial marina, barge ramps, vessel berths, wharf frontage and additional hardstand will be required at East Arm to facilitate the relocation of industry over time. East Arm provides protected waters and a central location to accommodate tugs, pilot and work boats servicing the proposed new wharves at the Middle Arm Sustainable Development Precinct.

## MIDDLE ARM



### LAND SNAPSHOT

**Acquisition Date:** 2008

**Land Area:** 1,100 hectares

**Development Ready Parcels:** 3 serviced parcels, in addition to broader the MASDP undeveloped sites (requiring development) per the MASDP masterplan concept.

**Target Use:** Renewable energy, hydrogen production, carbon capture storage, critical minerals processing and manufacturing.

**Land Allocation Policies:** Long-term leasehold.

### BACKGROUND

The MASDP is a Whole of Government project led by DIPL, comprising an area of ~1,500 Ha. LDC is a partner in the project and has current ownership of Kittyhawk Estate (~300 hectares), Spitfire Estates (~300 hectares) and an additional ~545 hectares covering the Product Corridor and other land parcels.

The Northern Territory Government is working with industry and the Australian Government to transform the MASDP into a globally competitive, sustainable precinct with a focus on low emission energy production; renewable hydrogen; carbon capture, utilisation and storage; critical minerals processing; and support industries.

Middle Arm is already home to the Santos Darwin LNG and INPEX Ichthys LNG facilities.

In late 2022, a whole of Government *Land Allocation Framework* was endorsed by Government to ensure strategic land allocation alignment with the MASDP plan.

The framework will lead robust evaluations considering the strategic and economic benefits anticipated and contributions to maximising integration and collaboration. Proponents submit a Proponent Project Proposal (PPP), to enable an across-Government assessment panel to consider land allocation requests and project readiness for an allocation.

On 5 September 2023, the Senate referred an inquiry into the Middle Arm Industrial Precinct to the Senate Environment and Communications References Committee for inquiry and report. LDC worked with the MASDP Steering Committee to provide a single whole of government response to the inquiry. The public hearing of the Senate inquiry into the MASDP occurred in Darwin on 10th and 11th April 2024 with LDC providing support. The Senate committee's report is due 13 August 2024.



## PROPONENT INTEREST

To date, no formal allocations have occurred. In June 2023, LDC provided three proponents with commitments 'not to deal' on three land parcels respectively:

- Fortescue: for green hydrogen production
- Total Eren: for green hydrogen production
- Avenir: for a lithium ferro-phosphate (LFP) battery cathode manufacturing.

In addition, Tivan is proposing a critical minerals (vanadium) processing facility and Tamboran is considering an LNG facility utilising gas from the Beetaloo Sub-basin. Those two proponents have been issued 'do not deal' letters on north and south parcels of Wirraway Estate in the MASDP respectively. These letters were issued by the Minister for Infrastructure, Planning and Logistics as the appropriate delegate for land owned by the Crown.

More recent changes have seen the 'not to deal' commitment held by Fortescue come to an end. However, the conclusion allows for LDC to engage with other proponents on their proposed projects, with new 'not to deal' commitments expected to be issued over the coming months.

Further, LDC has been in discussions with several proponents to provide land for their development needs. The majority of these proponents have requested to remain confidential, however a general description of business types and proposed activities is provided below:

- Energy processing (various feedstocks and sources)
- Ammonia processing
- Copper and cobalt processing
- Vanadium oxides processing
- Methanol and blue ammonia manufacturing
- Gas condensate to fuel processing
- Helium production
- Renewable methane
- Production of blue and green hydrogen
- Urea production and power generation
- Carbon capture and storage pipeline.

In addition, LDC has been engaging with SunCable on a 10 hectare site neighbouring the Weddell Power Station. SunCable are proposing to construct a battery storage facility, connecting to the adjacent Darwin-Katherine Interconnected System (DKIS), being the main power infrastructure to service the Darwin-Katherine region's electricity network. LDC will continue to engage with SunCable on activation of the site. If activated, this facility would also enable SunCable to provide renewable energy to MASDP proponents for their activities, consistent with key strategic objectives for the precinct and Government's net-zero goals.

## CONSIDERATIONS

Portions of the region are subject to environmental constraints. These constraints include the presence of Typhonium and the black footed tree rat.

These issues are being addressed as part of the Strategic Environmental Assessment process currently underway for the MASDP.

## OUTLOOK FOR 2024-25

LDC will continue to work with proponents on their project planning activities with further extensions expected, subject to proponent progress and momentum occurring. LDC will also continue to engage across Government, consistent with the *Land Allocation Framework* to provide a cohesive and consistent land allocation approach for the MASDP.

In addition, LDC will continue to work with SunCable on activation of a battery storage site (as noted earlier).

## 2025-26 AND BEYOND

LDC will continue to work across Government to support planning, development and activation of the MASDP. This will include engagement with proponents, and formal land allocations in coming years.



*MASDP – Kittyhawk Estate*

## HOLTZE

### LAND SNAPSHOT

**Acquisition Date:** 2008

**Land Area:** 53 hectares (50 hectares remaining for future development)

**Development Ready Parcels:** nil parcels available

**Target Use:** Defence support and civil operators.

**Land Allocation Policies:** Land subject to development lease, convertible to freehold sale or long term leasehold



### BACKGROUND

Holtze Industrial Estate has approximately 53 hectares of Development (DV) zoned land available for development. The estate was formerly known as the Defence Support Hub due to its strategic location and proximity to Robertson Barracks and was established to provide industry support to prime and subcontractors for Defence's requirements. With decisions from Defence to keep servicing of their assets within the Barracks, the estate is no longer only for business who service Defence and LDC has broadened the strategic use of the Holtze.

Stage 1 of Holtze Industrial Estate was developed and titled in 2013. It comprised four lots that have been purchased or leased by the following entities;

- RGM Maintenance currently lease a purpose built facility (owned and managed by LDC) to maintain heavy vehicles including Bushmaster Protected Mobility Vehicle for Army.
- Apex Steel currently leases a privately owned warehouse facility to distribute steel building products.
- Ioannou Contracting, a local civil engineering and construction company is currently establishing a new base for their operations on the remaining two lots.

There are no development ready parcels available for sale within Holtze Industrial Estate.

Since 2021, LDC has received proponent interest for land at Holtze with a number of recent enquires from civil contracting operations looking for additional land. Holtze Industrial Estate is in an attractive location for civil contractors due to its proximity to number of projects planned in the region for Defence, infrastructure and housing.

### PROPONENT INTEREST

LDC is discussing land availability within Holtze with following a handful of proponents, including a civil contracting business, and a prospective user of the proposed "SandPit" training facility (in addition to leasing land at the facility for its long-term base and civil operation training).

### CONSIDERATIONS

Significant portions of the southern region are subject to environmental constraints. Further ecological studies are necessary to definitively determine the extent of these constraints.

### OUTLOOK FOR 2024-25

In light of civil proponent interest, the Land Development Corporation (LDC) is revising the Stage 2 pre-feasibility analysis to incorporate their specific site requirements. This revised analysis will inform the development of a Masterplan encompassing the entire estate, considering future stages and potential land use limitations. LDC will then proceed with detailed design and any necessary supplementary studies to pave the way for construction. Assuming a positive business case and sufficient sales commitments are secured, LDC aims

to commence construction of the Holtze Industrial Estate Stage 2 subdivision during the 2024 dry season. This development will unlock opportunities for private investors to construct their own facilities within the estate.

LDC is investigating activating the "Sandpit" training facility within the Holtze Industrial Estate. This facility would offer hands-on training for civil and mining industries using "bunded areas" replicating real job sites, with potential to expand to Defence, equipment suppliers, and retailers for training, testing, and development. Classrooms and amenities would support theory alongside practical training. While commercial viability is under evaluation, LDC sees potential for developing a skilled local workforce, fostering industry collaboration, and driving economic growth. Construction could be completed concurrently with Stage 2 subdivision works if a strong business case emerges.

## 2025-26 AND BEYOND

Following the completion of Stage 2 construction, further development at Holtze will be a data-driven and commitment dependent decision. LDC will closely monitor market demand, and future stages will only be undertaken when a clear need arises, with a potential timeframe of 5-10 years.



Holtze Industrial Estate

# WISHART

## LAND SNAPSHOT

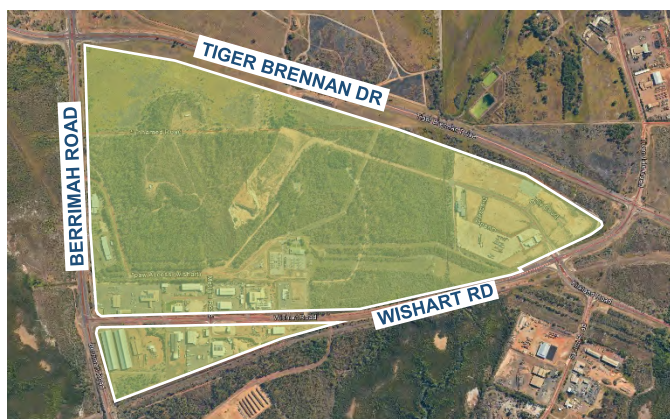
**Acquisition Date:** 2004 & 2011

**Land Area:** 90 hectares

**Development Ready Parcels:** three parcels available (two serviced and developed and a further lot in construction)

**Target Use:** Trucking, Transport, Technology & Data Centres

**Land Allocation Policies:** Land subject to development lease, convertible to freehold sale or long term leasehold.



## BACKGROUND

Wishart is a 90 hectare industrial estate situated between Darwin and Palmerston. It is strategically located to key heavy vehicle transport routes, rail, sea and air transport nodes.

Truck Central opened in 2019 as the first stage of Wishart. It is a 16 hectare, 25 lot subdivision, situated on the corner of Tiger Brennan Drive and Wishart Road. LDC partnered with Ostojic Group to deliver the estate, leveraging their resources to fund construction works and utilising their civil contracting and heavy transport experience. To date, over \$60M has been invested in Truck Central including;

- A BP fuel station, restaurant, driver rest/fatigue management facilities
- A 3.2 hectare concrete road train assembly area
- A vehicle inspection facility, the world's first to accommodate triple road trains
- A new facility by Ezyquip Hire who specialise in quality plant and equipment hire
- A new facility by J&T Auto Electrics who specialise in auto electrics and air-conditioning for trucks and heavy machinery
- A new facility for Top End Diesel to provide parts and accessories for heavy duty vehicles
- An additional property under construction for a tyre facility.

Wishart Estate has been identified as an ideal location for establishment of data centres, due to its proximity to major power infrastructure, availability of large sized sites and potential data cable connection points.

LDC's Wishart masterplan calls for the acquisition of a number of neighbouring land parcels to create a consolidated englobo site. In the past year LDC purchased Section 2207 from PWC and acquired a former road reserve from the Territory, as part of the broader Wishart Estate development planning. Acquisition of other remnant parcels from various landowners would be required into the future.

## PROPONENT INTEREST

In 2021, LDC entered into sales agreement with a proponent for a 3.71 hectare site in Stage 2 of Wishart. The estate is under construction with titles expected mid-2024. It is anticipated that the proponent will target operation commencement by 2027.

There has also been interest from projects such as Tiger Brennan Drive Overpass Project, Ship Lift and the Aurizon rail expansion to secure fill material from the quarry established within Wishart as it is close to their developments. Selling the fill material generates income and prepares the land for future development and LDC will continue to engage on those enquiries in the future.

## CONSIDERATIONS

The BOM facility on a large parcel of land (Section 3085) hinders Wishart Estate's full development potential. While the facility itself occupies a small area, its presence restricts development plans for the surrounding 17 hectares. LDC has been discussing land acquisition with the BOM, but finding a new location and funding for a new radar facility are challenges that need to be addressed.

## OUTLOOK FOR 2024-25

The construction of Wishart Stage 2, comprising parcels of 3.7 hectares and 1.9 hectares will be finalised with completion in June 2024. Access to the parcels in the short term will be via an access track linking to Distribution Drive within Truck Central until the new intersection with Wishart Road is constructed.

## 2025-26 AND BEYOND

Due to closure of Berrimah Road for Tiger Brennan Drive Overpass Project upgrades and detour of traffic to the Port via Wishart Rd, construction of the new Wishart Stage 2 subdivision intersection will be delayed until Berrimah Road re-opens. It is planned that the intersection will be constructed in the dry season of 2025.

Further development of Wishart, starting with Stage 3 to the north of Stage 2 and directly to the west of Truck Central, will be considered as demand emerges.



*Wishart Stage 2 – Lot A & Lot B, Wishart Estate*

## HIDDEN VALLEY

### LAND SNAPSHOT

**Acquisition Date:** 2011

**Land Area:** 219.1 hectares

**Development Ready Parcels:** nil.

**Target Use:** Strategic industrial uses (not yet determined)

**Land Allocation Policies:** Not yet determined



### BACKGROUND

Hidden Valley Section 6210 has approximately 219 hectares of waterfront land. It adjoins the Hidden Valley Motor Sports Complex and is accessible from Tiger Brennan Drive. It is multi-zoned for strategic industry and future development with areas of conservation.

The southern portion of the site offers a common user storage facility, with the remainder of the site undeveloped greenfield. Some areas were used as temporary petroleum hydrocarbon remediation site for the Darwin Waterfront Development project. Asbestos contaminated soils have also been found and an asbestos remediation exercise is currently being undertaken. The preferred remediation strategy is for the asbestos impacted soil and waste to be consolidated and isolated on site via an engineered containment cell. The location provides sufficient containment capacity for the expected volumes.

Long term plans for the site are not yet determined.

Northern Territory Government masterplans for the area show future road links for heavy vehicles from Hidden Valley to East Arm via Berrimah West.

### CONSIDERATIONS

Some areas of the site contain asbestos and other contamination. Investigations are ongoing to assess cleaning up the site. The presence of these contaminants may restrict the amount of usable land or the types of projects.

### OUTLOOK FOR 2024-25

LDC has recently engaged AGON Environmental services to be the lead environmental consultant for the asbestos remediation project and Environmental Earth Sciences International as the independent contaminated land auditor. The environmental consultant is working through the site investigation to determine the detailed design requirements for the containment cell.

### 2025-26 AND BEYOND

No development activity is planned for Hidden Valley in the near term.

LDC will continue to work with Power and Water Corporation regarding the possible relocation of the current bio-solids facility from East Arm to Hidden Valley, which will free up land on Muramats Road for development.

## BERRIMAH WEST

### LAND SNAPSHOT

**Acquisition Date:** 2004

**Land Area:** 125.6 hectares

**Development Ready Parcels:** nil parcels available

**Target Use:** undefined large scale projects.

**Land Allocation Policies:** Land subject to development lease, convertible to freehold sale or long term leasehold.



### BACKGROUND

The Berrimah West land parcel (Section 6082) encompasses 125.6 hectares adjacent to Berrimah Road. A significant portion of the site is situated within the intertidal area of the upper reaches of Blesers Creek making traditional industrial development unviable.

The AustalAsia Rail Corporation facility borders the southern boundary of the Berrimah West parcel. Aurizon has expressed plans to expand their Berrimah Terminal at the rail facility to accommodate increased freight handling.

Furthermore, the ongoing construction of the Tiger Brennan Drive Overpass Project directly neighbours the land parcel. New drainage outfalls are planned for the project's northern section, potentially impacting that portion of the Berrimah West site.

### PROPONENT INTEREST

Discussions are ongoing between LDC and Aurizon regarding land acquisition for a new access road leading from the signalised intersection of Berrimah Road and Wishart Road to Aurizon's planned rail expansion project to the south.

### CONSIDERATIONS

Despite its sizeable area of 125.6 hectares, the Berrimah West land parcel (Section 6082) presents significant constraints for development. A substantial portion is within the intertidal / mangrove areas of Blesers Creek and this limits the viable developable area to roughly 51 hectares of land above the high tide level. Furthermore, the undeveloped greenfield site is encumbered by various easements for electrical, water and sewer infrastructure, including high-voltage transmission lines and towers. These factors, compounded by the low-lying nature of the land requiring substantial landfill, translate to high construction costs, favouring large-scale projects with significant capital investment.

### OUTLOOK FOR 2024-25

LDC expect to continue discussions with Aurizon about their proposed expansion plans of the existing Berrimah Terminal and the connectivity to the Darwin Business Park and Berrimah West areas.

LDC expect to further develop the masterplan of the Berrimah West site with consideration of proximity to the rail and to Hidden Valley. LDC may undertake preliminary studies on the site but we do not expect to proceed with any significant design works considering our current land availability at neighbouring Wishart Estate.

### 2025-26 AND BEYOND

No development is planned by LDC for Berrimah West in the short to medium term due to the high costs of traditional industrial development. However, the right project could trigger development.





*Berrimah West on the left of Berrimah Rd*

# ZUCCOLI



## LAND SNAPSHOT

**Acquisition Date:** 2010

**Land Area:** 97 hectares (14 hectares remaining for future development)

**Development Ready Parcels:** 57 lots available for purchase

**Target Use:** Residential

**Land Allocation Policies:** Freehold (land for off-the-plan sale via Urbex's sales office).

## BACKGROUND

LDC along with development partner Urbex is delivering Stage 1 of Zuccoli – Zuccoli Village.

During 2010, LDC was provided freehold title over 97 hectares of Crown land, via an equity transfer. Following a competitive process, LDC entered into a delivery partnership arrangement with Urbex via a Development Agreement executed in March 2011. Urbex is a subsidiary of the BMD Group.

BMD is a national group of companies providing engineering, construction and land development services. BMD was originally established in Queensland and has been operating in the NT for over 20 years.

Zuccoli Village is expected to deliver 815 residential lots with over 628 lots sold. First settlements occurred in 2012-13 with an average sales rate at 53 settlements per annum. The sale rate is volatile given the small market and a construction driven economy with the settlements peaking at 102 in 2020-21 and falling to zero in 2021-22.

During 2022-23, 108 residential lots were titled across two phases (3.6 and 3.7). In August 2023, the Michael Ting Park was opened in Zuccoli Village providing a great community asset.

## CONSIDERATIONS

A subdivision and bulk earthworks Development Permit (DP) was issued in February 2024 for the remaining stages of Zuccoli Village (Phases 3.9 to 3.11).

The final stages of Zuccoli Village include a wide 4.5 hectare drainage corridor (formerly referred to as 'the Dambo') which is an integral component to the estate's drainage strategy. Due to the size and nature of this drainage corridor, finalising the handover to the City of Palmerston may be challenging.

## OUTLOOK FOR 2024-25

Phase 3.8 (42 lots) construction is complete with titles to issue shortly. There are 56 development ready lots available for sale comprising of 14 titled lots from Phases 3.6 and 3.7 and the yet to be titled 42 lots from Phase 3.8.

Subject to improved sales activity there is the potential to commence bulk earthworks to Phases 3.9 to 3.11 before the end of 2024. Demand for lots remains subject to market movements, understood to be primarily linked to affordability and interest rate uncertainty. As interest rates stabilise, demand is expected to recover somewhat.

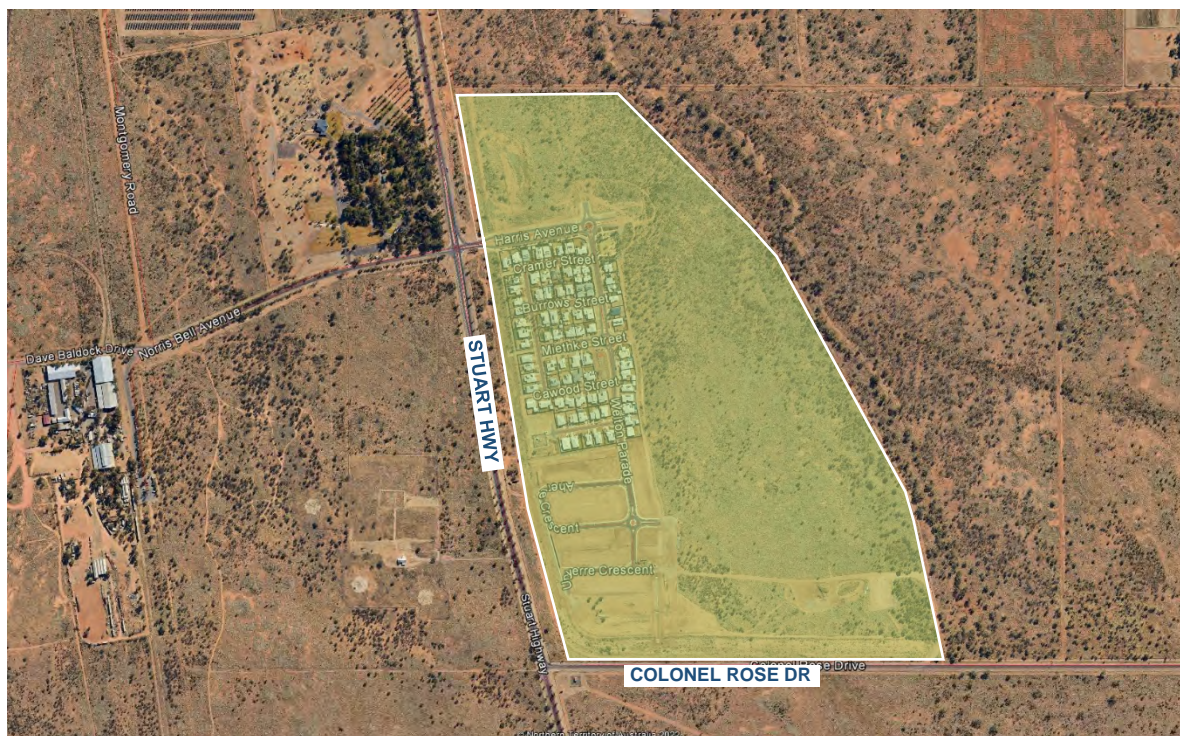
## OUTLOOK BEYOND 2025-26

Beyond Phase 3.9, there are two remaining construction phases in Zuccoli Village which will provide a further 84 lots (less than 2 years of supply).



*Phase 3.8 in final stage of construction – January 2024*

# KILGARIFF



## LAND SNAPSHOT

**Acquisition Date:** 2012 (Stage 1) and 2020 (Stage 2) via Crown lease terms

**Land Area:** 12 hectares (Stage 2) with no remaining land for subdivision

**Development Ready Parcels:** 67 lots

**Target Use:** Residential

**Land Allocation Policies:** Freehold (land for off-the-plan sale via LDC's engaged local real estate agent, Marion Burton Real Estate).

## BACKGROUND

Kilgariff Estate is a residential subdivision located south of The Gap in Alice Springs. LDC is the developer for Stages 1 and 2. Stage 1 comprised 80 lots and has sold out. Stage 2 consists of 88 lots and has been constructed in two phases – Stage 2A and Stage 2B.

Stage 2A was constructed over 2021-22 with 52 lots titled in August 2022. A new community park (Ankerre Park) within Stage 2A was handed over to Alice Springs Town Council in March 2023. The official park opening by the Chief Minister and Alice Springs Mayor occurred on 20 May 2023.

The trigger for construction of Stage 2B (36 lots) was pulled when 30 of the 52 lots within Stage 2A were under off the plan sale contracts. Titling of Stage 2A was subsequently delayed by 7 months due to a range of construction contractor issues. This coincided with the unprecedented run of interest rate rises which contributed to a number of contract recessions following the issue of titles in late August 2022.

There are 31 titled lots are available for sale. Construction of Stage 2B is complete with titles to be issued over the coming months. This brings the development ready stock to 67 lots.

Market demand for residential land has diminished with ongoing interest rate rises and limited builder availability.

## CONSIDERATIONS

The land is very flat with the southern portions of Kilgariff West subject to flooding. Accordingly, extensive filling is required to achieve flood immunity and achieve a suitable gradient for stormwater and sewer servicing.

## OUTLOOK FOR 2024-25

The NTG Regional Accelerated Housing Program (RAHP) did not drive demand for lots at Kilgariff as expected. Some 174 of proposed 180 dwellings to be delivered under the RAHP will be via a multi-level residential development adjoining the town centre. Blueprint Homes will develop 6 dwellings for the RAHP with 4 of the dwellings to be situated at Kilgariff.

LDC has been actively re-engaging with the local builders (via the Master Builders NT and the Department of Industry, Tourism and Trade) to better understand the issues. Some of the most significant factors appear to be:

- An abundance of remote housing work via Australian and Territory Government programs.
- Better returns from commercial and remote housing work with less complications.
- A lack of local trades

In an effort to assist prospective purchasers with local builder information, LDC maintains a builders page on its Kilgariff Estate website and welcomes interest from builders seeking promotion to prospective purchasers.

Given the above, LDC intends to run an Expression of Interest (EOI) process to encourage builders to take up new home construction opportunities at Kilgariff. It is expected this EOI process will occur early in FY2024-25.

The planning, design, approvals and construction timeframe to release a new subdivision development is approximately 2.5 to 3 years. To assist in maintaining a supply of affordable residential land to the Alice Springs housing market, LDC has expressed a willingness to be involved in the delivery of future stages of Kilgariff. While current sales rates are subdued, the market for new residential land within Alice Springs can be subject significant demand fluctuations.

The 10 year average take up of residential lots is 15 sales per annum (2014 to 2023). However, there were high demand years from 2015 to 2020. Over this six year period the average sales rate was 19 lots per annum with more than 20 lot sales occurring for four of the six years. In 2017 the Alice Spring market absorbed 24 new lots. Subject to the adopted high scenario take up rate, the remaining stock of 67 residential lots in Stage 2 could be absorbed within the following time frames:

Sales Rate per annum	Years of Supply
15	4.5
20	3.4

It is considered prudent to initiate master planning, statutory planning and preliminary design over future stages at the earliest opportunity. These aspects can take up to 2 years to finalise. At this point, a decision can be made to park the planning and design process (if there is adequate stock) or complete detailed design and undertake the construction tender process.

DIPL is in the process of finalising amendments to the Kilgariff Area Plan to accommodate the construction of sporting fields and facilities to the north of the estate.

## 2025-26 AND BEYOND

Stage 3 is anticipated to have an approximate yield of 270 lots. It is recommended to obtain the planning approvals for this area to allow development stages to be brought online as needed.

To streamline the delivery of future stages, LDC will investigate opportunities to partner with local civil contractors. The ability to leverage their local experience, network of subcontractors and understanding of local service authority requirements can significantly improve delivery outcomes compared to bringing in outside resources.

LDC is keen to work with DIPL to explore alternative fill sources for Stage 3 which also requires significant fill to mitigate flooding and achieve appropriate development levels. Stage 2 required the importation of substantial volumes of fill from local quarries. Considerable royalty, transport and maintenance costs (due to the material being highly erodible) have added to the cost of developing Stage 2.



*Drone image of Stage 2B foreground, 2A mid and Stage 1 looking north towards The Gap – January 2024*



*Ankerre Park opening, Kilgariff Estate*

## FANNIE BAY

### LAND SNAPSHOT

**Acquisition Date:** 2014

**Land Area:** 9150m<sup>2</sup>

**Development Ready Parcels:** 0 lots

**Target Use:** Residential

**Land Allocation Policies:** Freehold  
(land for off-the-plan sale at a future time).



### BACKGROUND

LDC purchased 7 Waratah Crescent Fannie Bay from the Territory Government in 2014 at market valuation. Prior to this Government had offered the then 1.46 hectare site for sale and development to the private sector, which did not progress.

A number of potential medium density residential developments concepts for the site have been investigated. However, these concepts have struggled to deliver a commercial return, which has delayed this project.

In early 2022, Southern Cross Care (SCC) entered a contract of sale for the purchase of 5,500m<sup>2</sup> of land in the northern most portion, adjoining its aged care facility. SCC has secured development permits for the subdivision / site amalgamation and built form development which comprises an additional 26 aged care beds.

LDC proposes to introduce a freehold terrace housing product on the remaining 9,150m<sup>2</sup> site. This will provide a new dwelling typology and increase housing options for Territorians. It is also proposed to work with the Darwin Living Lab participants (including CSIRO) to explore improved thermal comfort and energy efficient designs. These initiatives are consistent with recommendation PL3 of the Territory Economic Reconstruction Commission Report.

The current development concept yields 26 terrace housing lots and provides a marginal commercial return to LDC. This concept is considered the highest and best use for the site as the return is significantly better in comparison to the higher density options previously investigated. There are also substantial opportunities for housing market growth given the extensive pipeline of projects on the horizon.

LDC propose to seek a private building partner via a single stage EOI process to undertake the subdivision of the site and construction of the built form. This will allow for selection of a preferred building partner to advance subdivision and built form design and approvals (approximately 9 to 12 months). Over this period, LDC will continue to monitor the market and consider demand levels prior to making a decision to proceed with development.

The NT Planning Scheme does not cater for the intended development of freehold terrace housing. LDC proposes a new Specific Use Zone (effectively detailing site specific set of rules to address minimum lot size, setbacks and other requirements) and then the Development Consent Authority will assess the subdivision application against the new Specific Use Zone.

LDC's has approved funding in the 2023-24 Capital Works Program for subdivision of the site.

Early consultation on the Project has been undertaken with the LDC Advisory Board, DIPL, Department of the Chief Minister and Cabinet (DCMC), Master Builders NT, DTFHC, Venture Housing, Housing Industry Association, City of Darwin, Darwin Living Lab participants (including CSIRO), real estate agents and building industry participants. Generally all support the concept.

### CONSIDERATIONS

The eastern most part of the site is constrained by an odour buffer zone (being 700 metre radius) from the Ludmilla Waste Water Treatment Plant. PWC will strongly object to the development of any habitable rooms within the odour buffer. Approximately 50% of Lot 11 (455m<sup>2</sup>) and 100% of Lot 27 (737m<sup>2</sup>) are constrained.

The Specific Use Zone will acknowledge the odour buffer constraint and also the potential development opportunity for Lot 27 should the constraint no longer apply. This will facilitate the potential future development Lot 27 into three or four terrace home sites (subject to lot frontage and vehicle access requirements) in the future, if and when the Ludmilla plant is converted to a sewer pump station facility. In the interim, Lot 27 can be used for a sales office / carpark and thereafter fenced and landscaped. PWC does not have a program or any definite plans to change the use of the Ludmilla plant. There is also a 3 metre wide sewer easement within the western boundary of the site.

## OUTLOOK FOR 2024-25

LDC is preparing an EOI document to seek a building partner to refine the terrace house design and facilitate the final design and construction of the subdivision. The design refinement process with the preferred builder will inform the proposed concurrent application to establish a new Specific Use Zone for the site.

The preparation of a concurrent application is expected to take a number of months following the selection of a preferred building partner. Subject to the EOI process, the proposed concurrent application may commence exhibition in Q4 of 2024.

Subject to the outcomes of the EOI and rezoning process, LDC is targeting to commence subdivision and potentially terrace home construction works early in the 2025 dry season. It is envisaged that one or two display terrace homes will assist with market acceptance of this new typology.

## 2025-26 AND BEYOND

Subject to a robust Specific Use Zone, it is envisaged that construction of terrace homes will be a permitted use with the potential to be constructed independently (albeit, there will be construction cost savings when constructed in batches of 3 to 6). It is proposed to maintain one building partner for the whole development and stage the release of land to achieve sale price growth as the product is accepted by the market.

Ultimately, it is desirable for LDC to sell the land to a purchaser and that they enter into a separate construction contract with the building partner. This would allow individual purchasers to make built form progress payments to the builder and negate LDC and / or the builder funding the built form construction in advance, thereby reducing risk.



Subdivision Concept and Terrace House Layout





*Terrace House concepts, Fannie Bay*

# TIWI ISLANDS DEVELOPMENT FRAMEWORK AGREEMENT

In February 2015, the Land Development Corporation (LDC) entered into an agreement with the Tiwi Land Council and the Tiwi Aboriginal Land Trust to establish the Tiwi Development Framework Agreement.

The Agreement provides for LDC to lease land from traditional owners to be sub-leased to investors with the intent to create jobs and revenue for the Tiwi.

The only lease that has been negotiated over the years is a solar-farm site near Wurrumiyanga for Indigenous Essential Services in 2017.

## OUTLOOK FOR 2024-25 AND BEYOND

Ongoing dialogue with the Tiwi Land Council has identified the potential for a revision to LDC's involvement in the Agreement. The Tiwi Land Council has shared they have the suitable skills to engage with proponents directly, providing an opportunity for a revised role for LDC in the future.

This would support the Tiwi Land Council directly facilitating new lease transactions, with LDC providing consultancy-type support to support commercial realisation.

This would be a positive step for the Tiwi Land Council in undertaking land leases and achieving best outcomes for Tiwi Island stakeholders.

Discussions on revising the scope of LDC's involvement are ongoing with the potential to evolve during the next year ahead.



*Aerial view of the Wurrumiyanga Solar Infill and Energy Storage Pilot Project. Photo: 5B.*

# STRATEGIC ISSUES

## COMMERCIAL POLICIES

As stated earlier, the *LDC Act* requires LDC to act in a commercial manner and as a GBD, LDC is obliged to adhere to the Territory's Competitive Neutrality Policy. To meet these requirements LDC has created and adheres to a set of commercial policies. Key issues of these policies are discussed below.

### RATE OF RETURN

In keeping with commercial property industry practice, LDC's Commercial Management Policy includes application of a Target Rate and Hurdle Rate to guide investment decisions.

Preferably, investment decisions should achieve the Target Rate of Return to ensure that there is a return on investment. This is consistent with industry practice; provides an appropriate return to Government on equity; and ensures that LDC has sufficient capital to maintain ongoing operations and development activities.

The Hurdle Rate represents the minimum return on investment that LDC requires to proceed with a project. The Hurdle Rate is calculated as LDC's Weighted Average Cost of Capital (WACC), comprising risk and time value of money components.

LDC regularly undertakes reviews of its Hurdle Rate to consider material movements in any of the input factors.

### COMPETITIVE NEUTRALITY

In the interest of transparency, LDC now publishes a Competitive Neutrality Statement on its website and in its Annual Report. This helps inform interested parties of actions and measures in place to avoid LDC unfairly competing against private developers. Since this practice started in 2021, no complaints have occurred.

### COMMERCIAL TRANSACTIONS

LDC's enters property transactions as part of undertaking its core business activities. In accordance with its legislative requirements, LDC is required to act commercially in transactions. This includes pricing and commercial terms, particularly those that are negotiated and contractually agreed for a transaction.

LDC actively uses independent market valuations of all land that it sells, leases and licences. Valuations, obtained by an independent and registered valuer, will be undertaken on each industrial or commercial property each 12 month period. Residential properties are exempt from this requirement however should have regard to comparative sales evidence when pricing is considered. To allow for optimal outcomes, efficiencies and cost effectiveness, all properties within LDC's property portfolio which are available for sale or lease will receive a new valuation annually. For those properties which LDC offers for leasehold interest, both capital and rental valuations will be provided.

Properties to be created as part of a development project will receive a new valuation or appraisal during the feasibility stage of a project and also at the conclusion of each stage of the project (upon titling). Such valuations or appraisals may be internally undertaken having regard to recent market activity or information. This supports feasibility consideration pre-project commencement and also upon project delivery.

The list price for land must not be lower than valuation, determined from a valuation undertaken or comparative sales evidence. To ensure fairness across proponent transactions, and with a view to acting in accordance with commercial obligations, LDC does not transact with third parties for less than valuation.

In addition, LDC considers the risks associated with each commercial transaction and seeks to mitigate or minimise such risks through a range of measures, including milestones, security and bonds, and contractual levers. Such aspects are specific to each transaction to optimally address the unique circumstances of each. With a view to ensuring LDC's activities and

agreements are consistent with the requirement to act commercially, any commitments made by LDC will be considered within the context of the whole transaction, having respect to all other commercial aspects (including property valuations).



*Bulk Liquids Area, East Arm*

## FUTURE RESIDENTIAL

When the *LDC Act* was amended in 2009, LDC's functions were broadened to include the power to develop, own and sell residential land and dwellings.

LDC has used this power to develop affordable dwellings at Bellamack and to develop residential land in Alice Springs and Palmerston in circumstances where private sector developers were unable or unprepared to develop to meet market needs. LDC is also in the process of developing innovative small lot terrace house sites in Fannie Bay.

LDC has flexibility to partner with the private sector to influence positive development outcomes and facilitate the availability of development ready land. A further dimension to this opportunity would be to partner with an Indigenous delivery organisation or investment partner to help deliver improved Indigenous outcomes.

The *LDC Act* provides significant flexibility to partner with the private sector. Delivery Partnerships such as the Urbex arrangement for Zuccoli Village provide the following benefits:

- Appropriate allocation of risk
- Access to a wide range of expertise and national best practice
- Maximising use of private sector capital / resources
- Ongoing influence over the development to align with Government objectives.

In this regard, LDC is seeking opportunities to acquire new land holdings in the Darwin region to enable LDC to continue a role in delivering timely and appropriately priced residential land in Darwin.

The following opportunities have been identified where delivery by LDC offers benefits to the Territory, achieving housing outcomes that would not be achieved to the same extent if left to the private sector:

### 1. Delivery of Kilgariff Stage 3

- Over the past 10 years LDC has successfully delivered Stage 1 and Stage 2 of the Kilgariff Estate in Alice Springs.
- Civil construction work for the most recent stage 2B was delivered by a local civil contractor with limited experience in residential subdivisions. Nevertheless, this contractor was able to leverage their local experience to achieve outcomes on budget and in a timely manner. An outcome of this positive experience is that LDC is considering inviting local civil contractors to partner with LDC in delivering future stages of Kilgariff.
- With 31 lots available from Stage 2A and a further 36 lots in Stage 2B completed and to be titled in 2024-25, the need for further lots to be turned off in Alice Springs is perhaps 2 years away. This situation could change subject to progress of major projects in Central Australia, such as Arafura's Nolans Rare Earths Project. In any case, the prompt consideration of allocation of Stage 3 to LDC will allow for important planning and design matters to be progressed, as well as partnerships with local contractors to be explored and negotiated.

### 2. Katherine Residential Estate

- Demand for residential land in Katherine is expected to increase in response to demand linked to major project and Defence related economic development. LDC is well placed to supplement the existing delivery of residential land in Katherine by leveraging experience acquired in Darwin and Alice Springs. This would potentially diversify the land supply to the local market.

### 3. Tennant Creek and Small Regional Localities

- In Tennant Creek and other regional localities there is very limited private sector capacity to deliver land for housing but emerging needs related to renewed mining and new gas and sustainable energy projects across the Beetaloo and Barkly districts.

- Small regional localities such as Mataranka, Larrimah, Daly Waters and Elliott are expected to act as residential and service centres for Beetaloo gas production proponents such as Tamboran Resources and Empire Energy, as well as Barkly solar and hydrogen production proponents such as SunCable and Energy North.
- In Western Australia, the State Government has tackled a similar problem by using the Regional Land Booster program to have LDC's Western Australian equivalent, Development WA, deliver land in regional locations where private sector developers are not active but housing need is on the rise, especially in response to mining industry activity.
- In the 2023-24 Budget, Development WA was funded \$36.8 million to deliver 134 lots, encompassing land for affordable, social and Government worker housing.
- LDC could operate a similar program in the Territory, building on the experience of the Kilgariff Estate.
- In a similar way, industrial land can be turned-off in these locations using the same contractors to accommodate small business supporting both local communities and mining, gas and energy activity.

#### 4. Holtze/Kowandi

- The Holtze Land Company Pty Ltd (AKJ Developments and Halkitis Brothers Group) will develop Stage 1 of the Holtze/Kowandi residential land release.
- LDC is in a position to deliver future stages of Holtze/Kowandi.

#### 5. Urban Infill

- Redevelopment of often well located but underutilized NTG land could offer opportunities to deliver on Territory obligations and desired outcomes in the affordable housing and student residential market segments.
- In this regard, LDC has over the years examined sites such as the Goyder Road MVR site. The Goyder Road facility no longer offers vehicle testing and the remaining office activities can be accommodated in more suitable commercial premises. Another site is at Woolner where NT Fleet and PowerWater occupy highly valuable land well located for higher order uses such as residential and commercial.
- In other states, Government Land Organisations have direct access to surplus Government land on a priority acquisition basis. Adopting a similar mechanism for LDC would be a useful step in the right direction.



*Ankerre Park open day, local dancers organised by Lhere Artepe Aboriginal Corporation*

## COMMON USE FACILITIES

LDC has two existing common user facilities in operation, both managed by LDC with various sized areas available to industry to use for flexible time periods.

### COMMON USER FACILITY

The Common User Facility (CUF) in the Marine Industry Park is located adjacent to the Darwin Ship Lift site. The established CUF features 9 hectares of secure hardstand and an all tide barge ramp. The Facility is available for available for short or long term, offering a safe and secure area well suited for fabrication, assembly, commissioning, maintenance and repair activities as well as excellent load-in/load-out facilities via the Barge Ramp.

Under a Deed of Agreement with the Department of Defence, Defence is entitled to use the ramp and 2 hectares of hardstand for up to 60 days each year.

Over the year ahead, the Facility is expected to experience operational disruption with the undertaking of servicing works and upgrade to the hardstand area, as well as periods of the barge ramp being offline as a result of adjacent dredging activity undertaken for the Ship Lift construction works. LDC will continue to engage with both industry and Defence users to accommodate upcoming usage needs.

More recently, the Ship Lift design and construct contractor, Clough BMD JV, established site facilities on the south east corner of the hardstand area. These facilities will provide support to the main construction activities on the Darwin Ship Lift site.



### HIDDEN VALLEY RESERVE

The Reserve is currently utilised by several industry operators. More recently, the facility has seen testing of space related prototype equipment. In addition, the Reserve offers flexible spaces for seasonal and ongoing container storage of specialised materials.

The site is earmarked for future industrial subdivision and LDC continues to consider future planning for the area, subject to the anticipated demand by industry for industrial land.

### NEW OPPORTUNITIES

LDC is currently concept planning and investigating the commercial viability for two new facilities, both intended to service needs of industry:

#### 1. Innovation Hub

LDC has developed a proposal to deliver a multi-purpose, multi-user facility at East Arm to provide:

- incubator facilities for emerging businesses
- a training venue for East Arm businesses, including the maritime industry
- facilities for critical mineral pilot plants

The Hub would be located at East Arm, across a number of sites, with a Headquarters proposed at an existing LDC premises. This initiative aims to fill identified gaps in services and support the creation of new businesses, projects, and jobs in Darwin. The Hub will offer a range of options, including shared office space, meeting rooms, and

amenities for smaller ventures, alongside dedicated support sites for pilot plants and larger-scale activities. Looking beyond infrastructure, the Hub aspires to become a central meeting point for training, research, and business collaboration within East Arm. Potential areas of focus include supporting pilot plants in various industries, fostering an environment for innovative start-ups, and collaborating with educational and training providers. The Hub's location will capitalize on existing infrastructure and surrounding development, ensuring efficient operation.

LDC is presently considering how the existing building can be utilised as a co-working Hub by industry, including any modifications to the fitout and furnishings that may be required.

## 2. 'Sandpit'

In late 2023, LDC was approached by an 100% Indigenous owned local business who undertakes heavy plant and equipment training for civil, earthmoving and mining industries locally in Darwin. Seeking land at Holtze to establish a permanent home for their training facility, LDC suggested a more cost-effective option for a common user 'Sandpit' Training Facility on a 'pay as you use' basis which would be suitable for a variety of businesses.

It is envisaged that the 'Sandpit' Training Facility will include banded areas where heavy plant and machinery training programs can be undertaken replicating real site based activities for the civil and mining industries. There is also the opportunity for broader industry sectors, with potential use by mining companies, Defence and heavy equipment suppliers/retailers for training, testing and development activities. These facilities can be supported with classrooms and amenities for the theory based learning. It is proposed to incorporate the training facility on the southern portion of Holtze in a cleared area. This will provide some separation from new and existing business.

LDC has engaged with the Civil Contractors Federation who are supportive of the idea and they have committed to continued engagement with LDC as we progress the design and business model.

At this stage, it is unknown if the 'Sandpit' will be commercial to operate. However, LDC will progress investigating establishing this facility given its ability to develop skilled locals to work on our construction projects, provide a new hub for co-location of similar businesses, and create economic benefit by creating jobs.

Should this concept develop into a commercial business case, it could be constructed with the Holtze Industrial Estate Stage 2 subdivision works.



*Barge ramp and CUF, East Arm*



## DARWIN INDUSTRIAL LAND SUPPLY

The *Bringing Land to Market* report, was an independent review of the Land Development Processes, Land Under Development and Titled Land prepared by Mr Dick Guit OAM for the Northern Territory Government on 19 February 2022.

While the report primarily focussed on the supply of residential land it also touched on industrial and commercial land.

For the Greater Darwin Region, the report noted the following:

*There is an abundant amount of available industrial and commercial lots in Greater Darwin either through private holdings or through the Land Development Corporation holdings in East Arm*

*Land for strategic industrial (Zone DV) development outside of East Arm is constrained by a lack of enabling infrastructure, environmental constraints and native title. Future industrial developments are planned around future port and loading facilities in Middle Arm and Glyde Point, but the cost of resolving constraints and building infrastructure to support strategic industries is significant and will require support from the Commonwealth.*

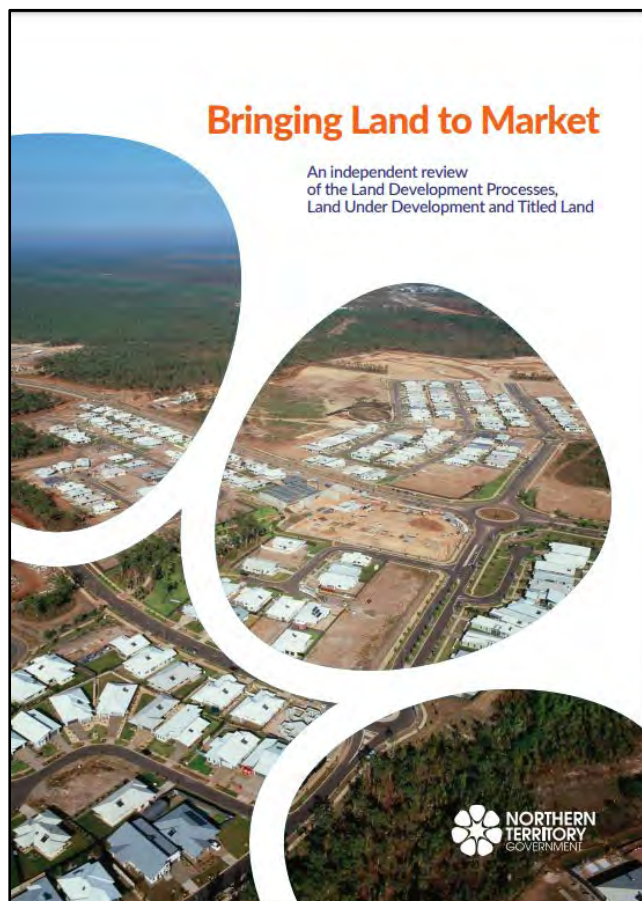
*Additional commercial land is being considered through the HESLUP to support population growth in Palmerston without negatively impacting on the commercial viability of existing activity centres.*

At East Arm it should be noted that private holdings focus on small lots (usually less than 0.5 Ha) while LDC focusses more on larger lots (usually 1 Ha or greater). LDC currently has 17 serviced lots available in the Darwin Business Park and three lots in the Marine Industry Park. Of these lots, 9 lots are under active consideration by end users and a further 2 lots under less advanced consideration. This take-up of lots is expected to see current LDC lots exhausted as early as 2028.

LDC's response to this is to prepare for the delivery of approximately 8 serviced lots in the Marine Industry Park, Precinct 2. In addition, LDC is ready to progress development of additional lots at the Holtze Industrial Estate and as needed at the Wishart Estate.

At Middle Arm, approximately 80 per cent of LDC and Crown land which is identified for development within the MASDP has been allocated to proponents under Do Not Deal agreements. While not all of these proponents can be certain to progress to development, other proponents are still to progress their projects. The strong initial take-up supports the case for further development of large scale lots to the south-east of Middle Arm. As noted in the *Bringing Land to Market* report "development ... is constrained by a lack of enabling infrastructure, environmental constraints and native title".

LDC has observed these challenges in developing land at a range of estates in the Darwin Region.



## RECONCILIATION ACTION PLAN

As we all know, Aboriginal and Torres Strait Islander people represent a significant proportion of the population in the Northern Territory. At LDC, we need to work with Aboriginal and Torres Strait people to develop and deliver our projects that are focused on improving the well-being and prosperity of all Territorians.

LDC released its “Reflect” Reconciliation Action Plan in September 2023, setting out our initial steps towards reconciliation. This plan sets out our initial steps towards reconciliation initiatives as we develop relationships and better understand the way forward.

At present, LDC utilizes the services of a range of Aboriginal businesses to deliver our projects across the Northern Territory. As part of our Reflect Reconciliation Action Plan, we have set a target to increase the use of Aboriginal businesses and create new employment opportunities for Aboriginal and Torres Strait Islander people in our projects.

We remain committed to the ongoing process of genuine reconciliation between Aboriginal and Torres Strait Island people and the wider Northern Territory community.



LDC has acquired the rights to use the above painting in our Reconciliation Action Plan.

*My Country* is a painting by Lanita Numina Napanangka, from Utopia. Lanita, as a part of a renowned group of female Utopia artists, draws on the rich tradition of shared ceremony and Dreaming stories that reflect a deep connection to land and its resources.

### OUTLOOK FOR 2024-25 AND BEYOND

It is anticipated that LDC will continue on its reconciliation pathway over the coming year, with the potential for its next RAP edition “Innovate”. While LDC’s first RAP edition “Reflect” aims to commence LDC’s reconciliation journey, an “Innovate” edition would see LDC gain a deeper understanding and establish new approaches to advance reconciliation and empower Aboriginal and Torres Strait Islander people.

# STRATEGIC PLAN

LDC's Strategic Plan for the period 1 July 2019 to 30 June 2024 recently expired. A new 5 year plan has been prepared and will be implemented from 1 July onwards, outlining LDC's renewed strategic priorities and focus streams.

The plan sets out LDC's purpose, strategic priorities and objectives to define LDC's vision for the future and identify organisational goals.

In implementing its new Strategic Plan for the period 2025-2029, LDC management engaged with staff and our Advisory Board to coordinate alignment with corporate objectives and LDC's legislative requirements.

LDC STRATEGIC PLAN 2024-2029			
<p><b>Our Purpose</b></p> <p>We develop strategic industrial land and residential communities to support Government's priorities for the economic growth and prosperity of the Territory.</p> <p><b>Our Strategic Directions</b></p> <ul style="list-style-type: none"> <li>• Delivery</li> <li>• Commerciality</li> <li>• Partnerships</li> </ul>	<p><b>Delivery</b></p> <p>We seek to ensure our work is an enabler for economic growth and delivers beneficial outcomes for industry and the Territory.</p> <p><b>Objective</b></p> <ul style="list-style-type: none"> <li>• <b>Ventures:</b> we investigate opportunities and model innovative development outcomes.</li> <li>• <b>Facilitative:</b> we aim to provide outcomes to support industry's needs and future growth with a considered approach to land use and planning.</li> </ul>	<p><b>Commerciality</b></p> <p>We act commercially, aiming to optimise our current operations and assets and provide a return to Government.</p> <p><b>Objective</b></p> <ul style="list-style-type: none"> <li>• <b>Skills:</b> we utilise the diverse capabilities of our team to deliver outcomes and operate efficiently.</li> <li>• <b>Portfolio:</b> we seek to expand our portfolio through new commercial service delivery.</li> </ul>	<p><b>Partnerships</b></p> <p>We partner with others, leveraging our unique position across the public and private sectors to deliver quality developments.</p> <p><b>Objective</b></p> <ul style="list-style-type: none"> <li>• <b>Collaboration:</b> we build relationships across government and partner with the private sector.</li> <li>• <b>Alignment:</b> as a GBD, we act consistently with Government's goals and priorities.</li> </ul>





*Bidfood's new facility, East Arm*

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