

AUSTRALIAN CAPITAL TERRITORY
LAND (PLANNING AND ENVIRONMENT) ACT 1991
DETERMINATION OF CONDITIONS
INSTRUMENT NO. 87 OF 2001

Under subsection 171A(2) of the *Land (Planning and Environment) Act 1991* (the Land Act) I REVOKE instrument No 88 of 2000 made under that subsection, and DETERMINE:

- i) the maximum term; and
- ii) the conditions subject to which;

the Executive shall grant a further rural lease in accordance with subsection 171A(1).

Interpretation

In this instrument:

“Territory owned improvement” means any improvements on the land to which subparagraph 173(1A)(a)(i) or (ii) applies at the date of surrender of the existing lease.

“land management agreement” means an agreement under section 186C of the Land Act.

The conditions under which the Executive shall grant a further rural lease are:

- a) The maximum term of a further lease of land shall not exceed the maximum term for a lease of that land as specified in the Maximum Rural Lease Term Plan set out in Schedule 1;
- b) The further lease shall be a lease for rural purposes and shall limit the number of dwellings on the land to existing *approved* dwellings;

- c) A further lease shall not be granted for a term of 21 years or more unless:
- (i) For a lease other than those identified by the legend in Schedule 3, the lessee has paid to the Territory an amount determined in accordance with the relevant formula in Schedule 2; and
 - (ii) For a lease of land identified by the legend in Schedule 3 the lessee has paid to the Territory an amount determined in accordance with Schedule 4;
 - (iii) The lessee purchases all Territory owned improvements (except timber treatment) for the amount determined by the Territory.
- d) Where a further lease specified in paragraph c) is to be granted, the lessee must nominate how the amounts determined under paragraph c)(i), c)(ii) and c)(iii) will be paid. The amounts determined may be paid out as either:
- (i) a lump sum; or
 - (ii) in quarterly instalments in advance over a period of 30 years at a fixed interest rate of 8% per annum on reducing balances; or
 - (iii) a partial lump sum discharge of the values determined in accordance with paragraphs c)(i), c)(ii) and c)(iii), together with quarterly instalments on the remaining balance over 30 years at a fixed interest rate of 8% interest per annum on reducing balances.
- e) A further lease shall not be granted until any discharge amount determined in accordance with section 186E of the Land Act has been paid for the existing lease;
- f) Where the further lease is for a lease term less than 21 years, the rent payable for the further lease shall be determined in accordance with the relevant formula in Schedule 5, and shall apply from the date of commencement of the further lease;
- g) Subject to h), a further lease shall not be granted unless a Land Management Agreement, approved by the Minister, has been signed by the lessee;
- h) Paragraph g) does not apply to a lease of land identified by hatching in Schedule 6;
- i) If a further lease includes the land that lies within an *area designated as Public Land*, or within an area set out in Schedule 1 as having a maximum lease term of 20 years, the further lease will be granted subject to a provision allowing for the withdrawal of all or part of that land by the Territory.

j) If a further lease includes:

- (i) land which is identified as having high conservation values and is/will be subject to the preparation of an Action Plan under the *Nature Conservation Act 1980*, or an Action Plan has been prepared or approved which identifies this land for reservation; and/or
- (ii) land which has been identified as potentially being required for future public purposes

the further lease may be granted subject to a provision relating to the withdrawal of all or part of that land by the Territory;

k) A further lease shall not be granted until all monies, other than rent, due under the existing lease has been paid;

l) The Territory will not purchase timber treatment from lessees who currently own it.

Dated this 24 day of April 2001

Brendan Smyth MLA
Minister for Urban Services

LAND VALUE PAYOUT FORMULAE FOR RURAL LEASES

Definitions

“DSE” means Dry Sheep Equivalent

“ha” means hectares

“Value” means a value determined by the Territory

Formula 1

For areas greater than 16 hectares (ha) inclusive of the right for a principal residence:

>16 ha to 80 ha	\$190 per DSE less 15% for ACT factors = \$162/DSE
> 80 to 600 ha	\$160 per DSE less 15% for ACT factors = \$136/DSE
> 600 To 1000 ha	\$150 per DSE less 15% for ACT factors = \$128/DSE
>1000 ha	\$130 per DSE less 15% for ACT factors = \$110/DSE

- i) where there is no right to a residence, the scheduled values be reduced by 7.5%
- ii) for the second and each additional dwelling, an additional amount of \$16,615 per site is charged.

Formula 2

For leases of 16 hectares or less without the right for a residence, exclusive of Pialligo and other leases in land use categories other than “broadacre” and “rural”, be:

$$\text{\$235/DSE less 15 \% for ACT factors} = \text{\$200/DSE}$$

Formula 3

For leases of 16 hectares or less with a right to one residence (adjusted for ACT factors), exclusive of Pialligo and other leases in land use categories other than “broadacre” and “rural”:

1. up to 8 hectares \$2,500 per annum capitalised at 6% over 99 years less 15%
\$37,400
2. 8 to 16 hectares \$3,000 per annum capitalised at 6% over 99 years less 15%
\$42,400
 - i) for the second and each additional dwelling, an amount of \$16,615 per site.

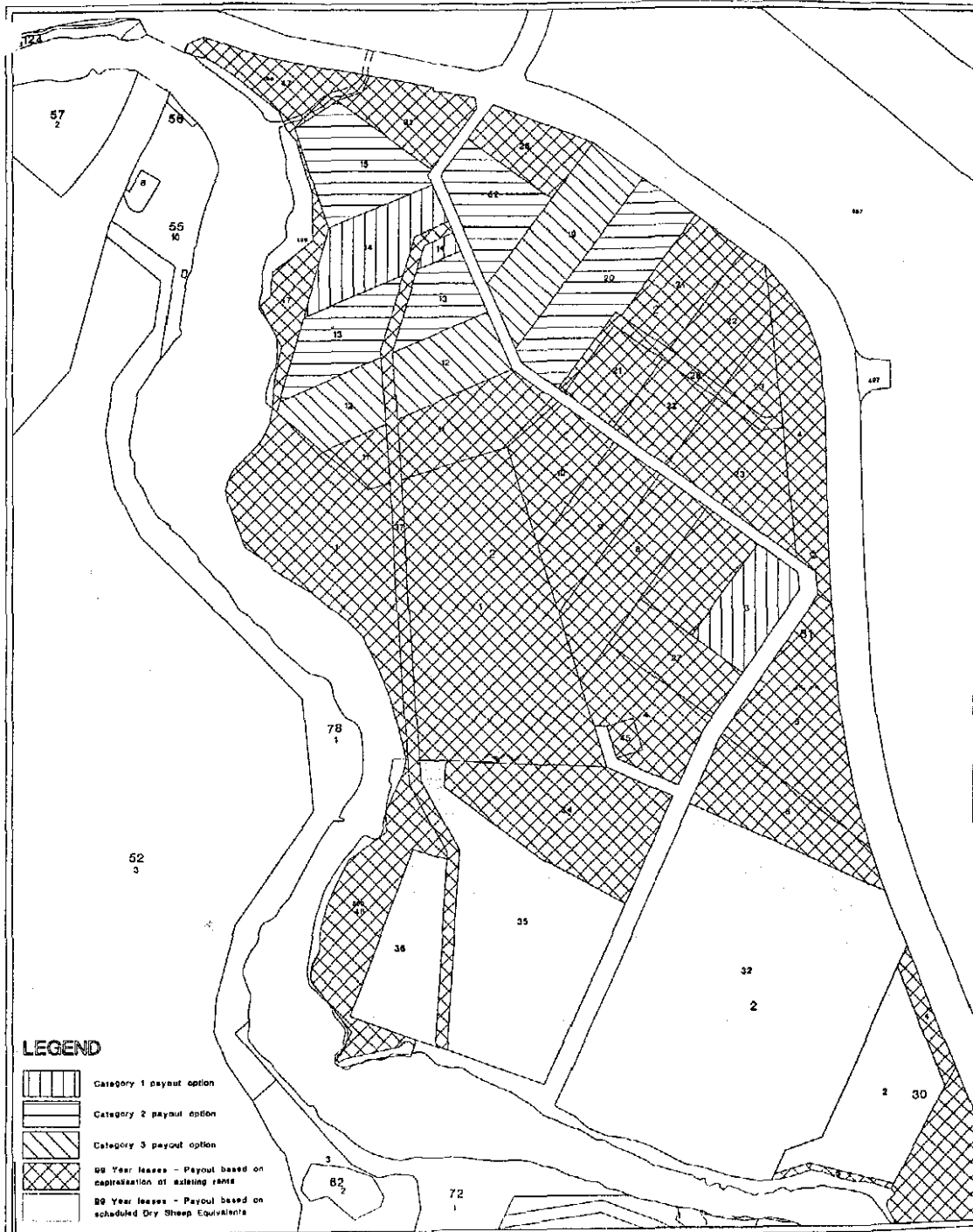
Formula 4

For leases under 16 hectares not within a 'rural' or 'broadacre' designation under the Territory Plan, the existing rent capitalised over 99 years at 6% less a 15% deduction for ACT factors.






Formula 5

The added land value for horse agistment and related activities is a sliding scale based on the percentage of a property's carrying capacity used for horses as follows:

1. If 0 to 20% of total equivalent carrying capacity are horses - apply +10% to primary production value
 2. > 20 to 50% of total equivalent carrying capacity are horses - apply +20% to primary production value
 3. > 50 to 100% of total equivalent carrying capacity are horses - apply +30% to primary production value
- i) for those leases of 16 hectares or less, with or without the right to a residence, the application of 30% to the DSE rate or capitalised site value as appropriate.
 - ii) the portion of the property used for primary production purposes will be calculated by applying the scheduled dry sheep area value.



LEGEND

-  Category 1 payout option
-  Category 2 payout option
-  Category 3 payout option
-  99 Year leases - Payout based on capitalisation of existing rents
-  99 Year leases - Payout based on scheduled Dry Sheep Equivalents

URBAN SERVICES
 Prepared by
 ACT LAND INFORMATION CENTRE
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PIALLIGO

RURAL RESIDENTIAL LEASES

0 100 200 300 400 500m


 ACT Government
 February 2000

SCHEDULE 4 TO DISALLOWABLE INSTRUMENT () OF 2000

The pay out value for all rural residential leases in Pialligo, irrespective of size, be based on existing rents capitalised over 99 years at 6%.

The leases listed in schedule 3 for pay out based on the scheduled Dry Sheep Equivalent, pay out their land value in accordance with the relevant formulae in Schedule 2.

Leases with wholly non-primary production commercial purposes or a combination of primary production and commercial purposes listed in Schedule 3, pay out their land value in accordance with the Categories identified in Schedule 3:

Category 1	\$97 750
Category 2	\$86 250
Category 3	\$80 500

Lessees who are required to complete a Land Management Agreement receive a 15% discount on the capitalised rental value.

SCHEDULE 5 TO DISALLOWABLE INSTRUMENT () OF 2000

LAND RENT FORMULAE FOR RURAL LEASES LESS THAN 21 YEARS

Definitions

“DSE” means dry sheep equivalent

“ha” means hectares

“Value” means a value determined by the Territory

Formula 1

For rural leases greater in area than 16 hectares inclusive of the right for a principal residence:

>16 ha to 80 ha	\$190 per DSE less 15% for ACT factors = \$162/DSE
> 80 to 600 ha	\$160 per DSE less 15% for ACT factors = \$136/DSE
> 600 to 1000 ha	\$150 per DSE less 15% for ACT factors = \$128/DSE
>1000 ha	\$130 per DSE less 15% for ACT factors = \$110/DSE

- i) where there is no right to a residence, the scheduled values be reduced by 7.5%

Formula 2

Rent for leases of greater than 16 hectares in size will be charged at 3 percent of the land values derived from the scheduled DSE values in Formula 1) with an additional 3 percent charged for the value of any government owned farm buildings and residences on the lease (exclusive of fencing, water and pasture improvements).

Formula 3

For leases of 16 hectares or less without the right for a residence, exclusive of Pialligo and other leases in land use categories other than “broadacre” and “rural”, be:

$$\text{\$235/DSE less 15 \% for ACT factors} = \text{\$200/DSE}$$

Formula 4

For leases of 16 hectares or less with a right to one residence (adjusted for ACT factors), exclusive of Pialligo and other leases in land use categories other than “broadacre” and “rural”:

- 1) up to 8 ha \$2,500 pa capitalised at 6% over 99 years less 15% = \$37,400
- 2) 8 to 16 ha \$3,000 pa capitalised at 6% over 99 years less 15% = \$42,400

- i) for the second and each additional dwelling, an amount of \$16,615 per site is charged (representing an annual rent of \$1,000 capitalised at 6% over 99 years)

Formula 5

For leases of 16 hectares or less:

- i) 3 percent of the land value derived from application of the scheduled DSE value in Formula 3, where there is no right to a residence;
- ii) 3 percent of the capitalised residential site values in Formula 4 where there is a right to a residence; and

an additional 3% of the value of any government owned farm buildings and residences (exclusive of fencing, water and pasture improvements).

Formula 6

The added land value for horse agistment and related activities is a sliding scale based on the percentage of a property's carrying capacity used for horses as follows:

If 0 to 20% of total equivalent carrying capacity are horses - apply +10% to primary production value
> 20 to 50% of total equivalent carrying capacity are horses - apply +20% to primary production value
> 50 to 100% of total equivalent carrying capacity are horses - apply +30% to primary production value

- (i) for those leases of 16 hectares or less, with or without the right to a residence, the application of 30% to the DSE rate or capitalised site value as appropriate.
- (ii) the portion of the property used for primary production purposes will be calculated by applying the scheduled dry sheep area value.

