

Key Contractual Principles – Expression of Interest Riverland – Development Partnerships - Long Term Government Lease Commitments and Infrastructure Contributions



- The Urban Renewal Authority ABN 86 832 349 553 (**Renewal SA**) has issued an Expression of Interest entitled “Expression of Interest Riverland – Development Partnerships - Long Term Government Lease Commitments and Infrastructure Contributions” (**EOI**), seeking a developer with developable land in Berri and/or Renmark (Land) to create allotments and construct dwellings to lease to the State Government on the Land (GEH Dwellings) and (if applicable) to create other fully serviced allotments on the Land in addition to the GEH Lots (Additional Lots).
- These Key Contractual Principles (KCPs) form part of the EOI issued by Renewal SA.
- These KCPs set out the key contractual principles and risk allocation required by Renewal SA for the formal legal contractual arrangements to be entered into between Renewal SA and the respondent to this EOI who is evaluated by Renewal SA under the EOI to be the successful developer (Successful Developer) to construct and lease GEH Dwellings and (if applicable) create Additional Lots.
- Renewal SA expects full acceptance and compliance with each KCP. Applications that offer shorter delivery timeframes will be considered favourably in accordance with the Evaluation Criteria.
- The form of the legal contractual arrangements entered into by Renewal SA and the Successful Developer will be determined based on the Successful Developer’s submission and will incorporate:
 - the principles set out in these KCPs; and
 - the responses received to the EOI from the Successful Developer (to the extent such responses are accepted by Renewal SA).
- These KCPs are to be read in conjunction with the rest of the EOI.
- Terms defined in the EOI have the same meaning in these KCPs (unless specifically defined in these KCPs).

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Title	Description
1. Parties	The Urban Renewal Authority ABN 86 832 349 553 (Renewal SA), the Minister for Infrastructure and Transport acting through the Department for Infrastructure and Transport (GEH) and the Successful Developer will be parties to the legal contractual arrangements.
2. Transaction Documents	The form of the legal contractual arrangements to be entered into by Renewal SA and the Successful Developer will be determined based on the Successful Developer's submission. It is envisaged that a Development Deed will be entered into between Renewal SA and the Successful Developer which will include an attached form of Government Employee Residential Program Lease Agreement that the Successful Developer and GEH will enter into with respect to each GEH Dwelling (Deed).
3. Delivery of GEH Housing	The Successful Developer will: 3.1.create up to 10 Certificates of Title of between 500 and 1,000 square meters each in size, within 24 months of execution of the Deed (GEH Lots). Allotments between 500 and 750 square meters are preferred. 3.2.connect each GEH Lot to services and construct the necessary infrastructure (including for water, wastewater, electricity, broadband, stormwater, retaining, landscaping, fencing, and vehicular access) within 24 months of execution of the Deed. 3.3.within 24 months of execution of the Deed, complete construction of 1 residential house on each GEH Lot, which will be a mixture of 5 x 3- and 5 x 4-bedroom residential houses agreed by Renewal SA and the Successful Developer (GEH Dwellings). 3.4.construct each GEH Dwelling in accordance with: a. the <i>South Australian Planning and Design Code</i> and applicable legislation b. the <i>National Construction Code</i> and applicable Australian Standards c. the <i>Regional Housing Guideline</i> set out in Appendix D of the EOI; d. the <i>Issue for Construction</i> design documentation, as approved by Renewal SA and the Successful Developer; e. any concept plans, including site plans, floor plans and elevations submitted by the Successful Developer and endorsed by Renewal SA as part of this EOI (GEH Endorsed Plans); and

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	f. detailed designs approved by GEH at stages to be agreed by the parties prior to execution of the Deed. Examples of such stages include: i. Site plan – configuration of dwelling on site, hardscape, softscape; ii. Elevations – faced and roof finishes, eave depths, landscaping; iii. Floor plan – floor layouts, furniture set out; iv. Services plan / layout – service connections, equipment and plant locations; v. Joinery – joinery layout/ shop drawings; and vi. Finishes schedule – finish selections. 3.5. during construction, monthly Project Control Group (PCG) meetings will be held. PCG meetings must include discussion of works undertaken on site, including (without limitation) construction progress, operations, quality assurance, work health and safety, risk and compliance management, and stakeholder engagement.
4. Leases to GEH	Upon completion of each GEH Dwelling, the Successful Developer will lease each GEH Dwelling to GEH on the following terms: 4.1 The lease will be on the terms contained in the Government Employee Residential Program Lease Agreement attached to this EOI. 4.2 The lease will commence upon completion of the GEH Dwelling and, subject to (4.3) below, continue for an initial term of 10 years with one right of renewal of 5 years. 4.3 If the Successful Developer does not complete the GEH Dwelling within 24 months of execution of the Deed, the initial term of the lease for the GEH Dwellings will be reduced by the period of the delay. 4.4 The commencing rent will be market rent determined by an independent valuer appointed by GEH or Renewal SA. 4.5 The GEH Dwelling may be sold by the Successful Developer during the term of the lease provided the lease remains in place when the new owner becomes the lessor. The State Government (including GEH) is not obliged to lease any GEH Dwellings that are not complete within 36 months of execution of the Deed.

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5. Infrastructure Contributions	If the Successful Developer has been successful in receiving an additional financial contribution (Contribution) towards the delivery of civil infrastructure for Additional Lots: 5.1. The Successful Developer will be required to, within 30 months of execution of the Deed, create individual Certificates of Title for the Additional Lots and connect each Additional Lot to services and construct the necessary civil infrastructure (including but not limited to, water, wastewater, electricity, broadband, stormwater, softscaping, hardscaping, fencing and vehicular access); a. The amount of the Contribution will be determined by the Evaluation Panel, but will not be more than \$50,000 per Additional Lot; 5.2. The amount of the total Contribution will be determined by the Evaluation Panel, but will not be more than \$1,000,000 (GST excl.) and 50% of the total cost of the civil infrastructure for the Additional Lots. 5.3. The Contribution will be paid by Renewal SA to the Successful Developer once both: a. the Additional Lots have been created and the civil infrastructure is complete in accordance with (5.1) above to Renewal SA's reasonable satisfaction; and b. the GEH Dwellings are complete and have been leased to GEH. 5.4. The terms on which the Contribution will be paid will be set out in the Transaction Documents.