

Ginninderry JV Background

The Ginninderry Joint Venture project reflects a set of sustainability objectives encapsulated by the vision *“Creating a Sustainable Community of International Significance in the Capital Region”*

The Joint Venture is the outcome of a unique concept agreed between the ACT Government and the Riverview Group, part of the Corkhill family, both substantial land owners in the West Belconnen District. As the Corkhill family are owners of freehold grazing land adjoining the West Belconnen area in the ACT, the combined potential of the land holding in a joint venture could make a large contribution to the future housing and community needs of Canberra in a single master planned development.

Rezoning of the ACT land was approved by the Commonwealth and Territory Governments in 2016 following comprehensive scientific research and extensive community consultation. With the addition of the Corkhill land in NSW, the Ginninderry development footprint has more than doubled compared with reliance on the ACT land alone.

The development will cross the ACT border at West Belconnen onto adjoining land in NSW. The first of its kind involving the ACT Government, the cross-border project requires consideration of several zoning and planning issues to ensure the new community’s success. The project has substantial benefits for both parties, as well as future residents of Ginninderry and the broader Capital Region community. The current planning proposals will see four suburbs (three in the ACT and one in NSW) being built with different characteristics and benefits, creating a diverse neighbourhood for residents. Eventually, over the next 30-40 years, these new suburbs will house potentially 30,000 new residents in up to 11,500 dwellings.

This major enterprise has been projected to create around 4,000 jobs* and will provide a third of the ACT’s land supply (in addition to Gungahlin and Molonglo) to meet projected housing requirements over coming decades.

* West Belconnen Development Employment and Economic Resilience Green Star Report 11 March 2014: <http://ginninderry.com/wp-content/uploads/2016/08/Urbis.-2014b-Employment-analysis.pdf>

Why did the Ginninderry JV project make sense?

It is the planning logic that provides the impetus for the project. As the population of the ACT grows, there will be demand on existing areas of the city to provide housing accommodation. The land at West Belconnen provides new opportunities for some of this growth to occur, and the JV provides a means for this growth to be delivered.

The statutory planning document for the ACT (the Territory Plan) has sought to maintain a buffer of land between ACT suburbs and the NSW border. This limited the extent to which the Territory could continue development of new residential land in the District of Belconnen.

The Joint Venture, with the addition of the Riverview land in NSW, more than doubled the Ginninderry development footprint compared with reliance on ACT land alone – an additional 477 hectares or 5320 dwellings. This reflects not only the NSW land (3260 dwellings) but the ability, given the inclusion of the NSW land, to build houses in the ACT right up to the border (2060 dwellings) rather than leaving a buffer and only developing 3080 dwellings.



How has the Joint Venture Allocation Been Determined?

In consideration of each party's interest in developing the ACT and NSW land and working jointly to achieve aligned objectives for the development, it was agreed that the equity each party had in their own land would form the basis for an equivalent share of a joint venture.

Based on the land contribution and the projected financial outcome, a ratio of 60:40 was agreed as representative of each party's share of the project. This split was as a result of a rigorous assessment of the proposal by central Government agencies all of which led to the ACT Government endorsement of the project in May 2016. The rigour of these processes ensures that the governance and probity under which the project operates are following best practice for this type of venture.

It is noted that the Corkhill family, in surrendering its ACT grazing leases which were not due to expire until 2103, received compensation at rural land values only.

What happens if NSW isn't rezoned for development?

The terms of the JV provide that, if the rezoning fails, the Territory retains control over the NSW land adjoining the border and the Territory then hold the rights to any future outcome available on the land, having developed the abutting land in the ACT.

This approach to protecting the Territory's interest, should there be an issue with rezoning NSW land, not only provides a sound financial basis for agreeing to a joint venture but also provides considerable incentive for Riverview when seeking agreement with the NSW Government to have the land in NSW rezoned.

In the event the rezoning of NSW does fail, the JV project would continue on a 60:40 basis but would revert to a much reduced area of 508 ha, all within the ACT. Notwithstanding this being an extreme scenario, the Territory would still have 60% of a 508 ha project, equivalent to 305 ha, which is more than the original, base case scenario of nearly 300 ha (without the Joint Venture).