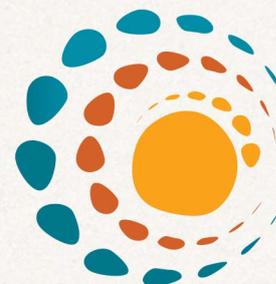


Housing Application, Allocation, Renewal and Use Policy



DEFINITIONS

Applicant	The employing business, Aboriginal corporation or government agency that is applying for access to Developing East Arnhem Limited (DEAL) housing
Tenant	The employing business, Aboriginal corporation or government agency that holds a tenancy agreement with DEAL over a DEAL property
Occupant	The person/s living in the DEAL property held by the Tenant, who holds a formal role with the Tenant's organisation (i.e. owner, director, employee) and where applicable, includes the spouse or partner of the Occupant.
Property Manager	DEAL's property management agent, East Arnhem Real Estate

PURPOSE OF THE POLICY

The purpose of this policy is to provide guidance on the terms of access to housing assets (houses and flats) held by DEAL. This includes guidance on the application, allocation and renewal process and use of DEAL properties once occupied.

CONTEXT AND POLICY OBJECTIVES

Context

DEAL was established in November 2014 by Rio Tinto and the Northern Territory Government as an independent, not-for-profit economic development organisation following the curtailment of the Rio Tinto alumina refinery. DEAL's vision is to see East Arnhem as a self-sustaining, resilient and prosperous region. As part of its establishment, Rio Tinto provided DEAL with 250 housing assets to support economic development in East Arnhem. As per the DEAL [Strategic Plan 2020-25](#), DEAL manages and maintains its housing in Nhulunbuy to create opportunities for new and local businesses.

Policy objectives

In managing these housing assets, DEAL is focussed on supporting ongoing economic and business growth by ensuring that businesses and organisations in the region have available, accessible and affordable housing for their staff. This policy provides an overview of how DEAL manages its housing stock through application, allocation, renewal and usage, to ensure that DEAL balances the need to encourage and support a healthy private housing market with the objective of sustaining the local population, and diversifying and growing the regional economy and local jobs.

APPLYING FOR DEAL HOUSING

Who can apply?

DEAL housing assets will be used to:

- Attract and encourage new and expanded economic activity; and
- Support the operation of existing business and service providers in the region

For this reason, rental application forms will only be accepted from an employing business, Aboriginal corporation or government agency. Applications by other business entities may be considered by exception. Applications by individuals are not considered.

Application forms

Applications for DEAL housing must be submitted on the DEAL Housing Application form available [here](#) or from our Property Manager.

Applicants will be required to provide a range of information including:

- The reason for requiring DEAL housing
- Occupant details
- How many properties are already occupied by the business or organisation
- Why the private rental market cannot meet the housing need
- The type of housing required

If the application is for a new business (less than 2 years old) or there are concerns about the Applicant's financial viability, current financials and cash flow projection may be requested to support the application. A letter from the Applicant's accountant may also be requested.

Application forms are then submitted to DEAL's Property Manager, who reviews the form and ensures all sections have been completed. If there is data missing from any of the required sections in the form, the Property Manager is to return the form to the Applicant and request they resubmit the form once completed. Applications will not be considered or approved until forms are completed in full.

Exceptions regarding full completion of forms will only be made where the employment position/s the application relates to are currently vacant and the specific Occupant details are unable to be provided at the time of application. Please note, completion of the full form will be required prior to a property being allocated.

ALLOCATING DEAL HOUSING

Approval of applications

Completed application forms are sent by the Property Manager to DEAL, who will then approve, reject or request further information. If the application is approved, the Applicant is entered onto the DEAL Housing Waitlist, along with the date of application and allocation score, as outlined below. DEAL has the sole discretion to approve or reject housing applications.

Allocation of rental properties

The purpose of DEAL's rental properties is to support economic development of the region. To support DEAL's decision-making and determining priority of allocation, DEAL scores each application with reference to a range of criteria. These criteria include:

- The employment type of the proposed Occupant
- The number of people per bedroom (maximising bedroom use)
- Whether the proposed Occupant is relocating to the region
- The requested lease duration
- The employment position of the proposed Occupant

The scores of the application will assist in prioritising allocation of properties, as well as maximising the use of our housing assets. Further information on each of the allocation criteria is below.

Employee type

Priority will be given to applications for full-time employees, and those employed on a permanent or long-term basis.

In the case of housing applications for casual, part-time or contract employees, expected hours of work per week will need to be disclosed. There is a minimum requirement of 20 hours per week of work per individual employee (excluding approved leave within reason) for applications to be accepted.

Number of people per bedroom

This is aimed at ensuring effective utilisation of the properties and aligns more closely with the allocation policies of other organisations such as the Northern Territory Government. Where DEAL does not feel an application represents best use of a property (i.e. bedroom use is not being maximised and will not support providing the best housing fit to the largest number of businesses) DEAL may request the Applicant reconsider the type or size of dwelling they are applying for.

Relocating to the region

Priority will be given to new people moving to the region to support population growth. This is critical to economic growth and expanding skill sets, attracting people to region and encouraging businesses to do this by being able to offer housing in a timely manner.

Lease duration

Preference is given to longer term tenancy as it generally reflects long term employees and provides greater stability for rental income and use of housing for DEAL.

Employment position

Priority will be given to executive/specialist positions where housing utilisation may not be as high but will assist in attracting and retaining high quality executives/specialists.

Ability to allocate outside of allocation priority rating

DEAL maintains the discretion to allocate properties outside of this allocation priority rating system where there is a significant need or overriding reason. This is at the discretion of the CEO to determine whether it is appropriate to use this discretion and reasons will be clearly documented.

Housing waitlist status update

The Property Manager must contact all Applicants who are listed on the housing waitlist register, at a minimum once every three months, to provide any update or information as to their status on the waitlist and general expectation on the period prior to allocation.

Entering the tenancy agreement

Once an Applicant is allocated a property, the Property Manager will offer the Applicant to enter into a tenancy agreement over the property. At the time of allocation, the Applicant will be advised of the address of the property and the date it will become available. Should the Applicant accept the property, the agreement will be entered and keys handed over. Should the Applicant decline the property, the Applicant will be returned to the waitlist. Depending on the reason for declining the property, the Applicant may remain at the top of the waitlist or be reprioritised.

LEASE RENEWALS

Tenants are required to apply for a lease renewal of an existing lease through DEAL's Lease Renewal Application form available [here](#). Where an Applicant is applying for a lease renewal and the Occupant of the property is not the same as when the property was originally allocated to the Applicant, DEAL will utilise the allocation rating system to determine whether the allocated property is still fit for purpose and meets DEAL's needs in relation to best utilisation of its assets.

DEAL may ask Applicants to consider whether they would change properties if the property they have does not, in DEAL's view, represent best use of that asset. Incentives may be offered to support uptake of this.

DEAL requests that Applicants take such requests seriously. DEAL's primary objective is to provide housing to as many businesses as possible to ensure all businesses have the opportunity to grow and employ more staff. DEAL requires the support of businesses to achieve this goal as it is mutually beneficial.

As with new applications, DEAL will approve and reject lease renewals. Where a lease renewal is rejected, the Tenant will be given sufficient notice to vacate the premises.

LEASE TRANSFERS BETWEEN ENTITIES

DEAL may, in limited circumstances, consider Tenants to transfer existing leases to another business entity. For this to be considered, a lease transfer form must be completed and submitted to the Property Manager. These forms are available from the Property Manager.

Lease transfer requests will be approved or rejected at DEAL's sole discretion. The primary purpose of a lease transfer is to support the existing Occupant of the DEAL property to remain in that property even though their employing entity may have changed. Transfers in other circumstances where the existing Occupant will not remain in the property may be considered in extenuating circumstances.

As a guide only, the following examples outline the types of circumstances in which DEAL would consider permitting a lease transfer to another business entity:

- Where a Tenant changes their existing business structure resulting in the creation of a new business entity.
- Where a business is transferred to new ownership or restructured in such a way that results in an ABN change.
- The Occupant residing in the property gains employment with another business entity in the region, their new employer requests to take on the lease, and the current Tenant no longer requires the property.

TERMS AND CONDITIONS OF DEAL PROPERTY TENANCIES

Background on some of the key terms and conditions of accessing DEAL housing are outlined in this section.

Rent

Rent for DEAL assets was initially set based on an independent valuation issued in August 2014. In 2019, DEAL reviewed its rental rates, and a moderate increase was implemented. From 1 October 2019, all new tenancy agreements entered and all lease renewals will be subject to the new 2019 rental rates. DEAL reserves the right to review rental rates as required. The valuation remains the right of DEAL.

Tenants of DEAL properties are prohibited from charging Occupants an amount greater than what the Tenant pays for the property.

Maintenance

Tenants are to keep properties maintained to a reasonable standard. DEAL is responsible for all maintenance and costs associated with maintaining the properties outside of standard Tenant responsibilities.

A DEAL Housing Guide is available for all Occupants and Tenants which contains a maintenance reporting checklist to help with identification of maintenance requirements. Tenants and Occupants must report maintenance requirements to the Property Manager if they are identified.

Not to be used as primary place of business

Tenants and Occupants of DEAL assets are not permitted to use DEAL properties as a primary place of business. This includes storage of vehicles, equipment and other business-related items in or on land surrounding the DEAL property. Tenants and Occupants are permitted to have a reasonable number of commercial vehicles present at the property provided their primary purpose is for the transport of the Occupants to and from work, and not for the purpose of storage.

DEAL may, in limited circumstances, consider permitting a Tenant or an Occupant to utilise a property for business purposes. DEAL's prior written approval may or may not be given in DEAL's absolute sole discretion, and with or without conditions. This policy provides a guide only to the criteria that may be met in order for DEAL to consider permitting a Tenant and/or an Occupant to operate a business from a property. It is not an exhaustive list and DEAL may, in its absolute discretion, decide that other factors will be taken in to account when making a decision to permit a business to be operated from a property.

As a guide only, the following criteria will be taken into account by DEAL when determining whether to permit a business to operate from a property:

- The size of the business and the actual activities that will be undertaken in connection with the business being operated from the property.
- The reasons put forward by the Tenant or the Occupant for wanting to operate a business from a property.
- The impact on DEAL's reputation within the community.
- Whether the business activity is related to the business being run by the Tenant at the time the Tenant applied for DEAL housing.
- Whether the business will be the primary income source of the Tenant or the Occupant (i.e. does it represent less than 50% of the annual household income).
- Whether the business activity will unduly impact on existing businesses operating in Nhulunbuy.
- Where the business activity will include an exchange of goods and services from the property, the number of people visiting the property at any one time will be limited to a maximum of two people.
- Whether persons other than the Tenant or Occupant of the property will undertake employment related activities at the property.
- The potential negative impact on neighbouring properties, roads and infrastructure.
- Whether it is a legitimate business (for example, can demonstrate contracts or operation in the region, and can provide a business plan and cash flow):
- If the business will be in direct competition with a business that is already operating from a commercial premise in the region.
- The activity meets Nhulunbuy Corporation's home trading and/or mobile trading requirements.
- The activity adds amenity or liveability in some way to the town.

Given the likely impact on neighbouring properties and unless a Tenant or an Occupant can provide evidence to the contrary, the following types of businesses will not be permitted to be operated from a property:

- any trade or contractors including cleaning, electrical, building, painting, plumbing and grounds maintenance;
- food preparation and production (including food vans) where the property is the point of sale;
- retail where the property is used as the point of sale;
- transport such as hire car, taxis, air charters or bus services;
- equipment hire; and
- any other business determined by DEAL, in its absolute discretion, to be inappropriate.

Deed of consent

Where DEAL approves a Tenant and/or Occupant to operate a business from a property, the parties will be required to enter into a deed of consent, the form of which will be provided by DEAL, once relevant approvals from Nhulunbuy Corporation have been presented

Tenancy agreement

For all other terms and conditions of DEAL property tenancy, please refer to the tenancy agreement.

MANAGEMENT OF DEAL PROPERTIES

DEAL contracts its property and tenancy management to East Arnhem Real Estate. In the first instance, all enquiries related to accessing and living in DEAL properties should be directed to:

Phone: 08 8987 2209

Email: pm@eare.com.au