



HO - 04 - 20

REQUEST FOR EXPRESSION OF  
INTEREST

---

**FORMATION OF A JOINT VENTURE WITH THE  
DEFENCE HOUSING AUTHORITY TO DEVELOP  
LAND AT LEE POINT IN DARWIN**

---

*April 2004*

## DISCLAIMER

Each respondent, by lodging an Expression of Interest in response to this document, will be deemed to acknowledge and accept that in respect of the information set out in this Request for Expressions of Interest and any other information (“the Information”) provided at any time to the respondent by the Defence Housing Authority (DHA):

- (a) it is aware that the Information is not guaranteed with respect to accuracy or completeness and that DHA accepts no responsibility for the Information or any interpretation or reliance placed on the Information;
- (b) it is aware that neither the Defence Housing Authority nor any of its employees, officers or agents is liable for loss of any kind including damages, costs, interests, loss of profits or special loss or damage arising from any inaccuracy or incompleteness in the Information;
- (c) it has made its own independent evaluation of the suitability of the Information for the purpose of submitting its Expression of Interest prior to using the Information; and
- (d) no representation or warranty (express or implied) has been made by the Defence Housing Authority (or anyone on its behalf) to the respondent that:
  - the information is suitable for the purpose of submitting its Expression of Interest; or
  - reasonable care has been taken in preparing the Information.

Respondents must carefully and thoroughly consider and check the Information and are requested to notify DHA in writing of any errors, ambiguities, discrepancies, inconsistencies or omissions in the Information. DHA shall not be liable for any such error, ambiguity, discrepancy, inconsistency or omission.

# CONTENTS

<b>1</b>	<b>BACKGROUND.....</b>	<b>1</b>
<b>2</b>	<b>GENERAL SCOPE OF WORK .....</b>	<b>2</b>
<b>3</b>	<b>PROJECT OBJECTIVE .....</b>	<b>2</b>
<b>4</b>	<b>PURPOSE OF THIS DOCUMENT .....</b>	<b>2</b>
<b>5</b>	<b>DHA’S RIGHTS .....</b>	<b>3</b>
<b>6</b>	<b>INTELLECTUAL PROPERTY RIGHTS.....</b>	<b>3</b>
<b>7</b>	<b>EVALUATION CRITERIA .....</b>	<b>3</b>
<b>8</b>	<b>HOW TO RESPOND TO THIS INVITATION.....</b>	<b>4</b>
<b>9</b>	<b>ADDENDA TO EOI.....</b>	<b>5</b>
<b>10</b>	<b>NOTE TO RESPONDENTS .....</b>	<b>5</b>
<b>11</b>	<b>ANNEX A: THE LAND - REGISTERED PLAN .....</b>	<b>7</b>
<b>12</b>	<b>ANNEX B: RESPONSE FORM AND DECLARATION.....</b>	<b>8</b>
<b>13</b>	<b>ANNEX C: INFORMATION REQUIREMENTS.....</b>	<b>9</b>

# REQUEST FOR EXPRESSIONS OF INTEREST

Expressions of interest are invited from suitably experienced and financially sound companies or consortia to enter into a joint venture with the Defence Housing Authority (DHA) to undertake all work necessary to convert some 77 hectares of undeveloped land in Darwin into fully serviced allotments for sale on a commercial basis.

Enquiries regarding this invitation should be directed to:

*Richard Bear (General Manager Development & Sales)*  
Telephone: (02) 6217 8535                      Mobile: 0421 041 003  
Fax: (02) 6217 8535                              e-mail: [richard.bear@dha.gov.au](mailto:richard.bear@dha.gov.au)

## 1 BACKGROUND

DHA exists mainly to provide adequate and suitable housing for members of the Australian Defence Force (ADF) and their families. DHA operates Australia-wide through a network of regional Housing Management Centres which are responsible for providing community standard housing for Defence families within their region.

In December 2003, DHA purchased englobo land at Lee Point in Darwin that had formerly belonged to the Department of Defence. Development arrangements are the subject of a memorandum of understanding (MOU) with the Northern Territory Government (NTG) that commits NTG to assist DHA to achieve rezoning, subdivision and development in accordance with certain principles. The MOU accepts that DHA might enter into a joint venture arrangement with a private partner to undertake the initial development, which is expected to deliver between six hundred and fifty and nine hundred fully serviced allotments. DHA would expect the joint venture to satisfy the Authority's strategic need for at least 300 blocks – positioned throughout the development – and to sell the remainder of the serviced allotments into the Darwin housing market. DHA would therefore expect the joint venture to optimise commercial viability of the project within local planning requirements.

DHA will require Parliamentary clearance and Ministerial approval to engage in a joint venture. The first and most critical step in the process is to ascertain market interest in joint venturing with DHA in such an arrangement.

DHA is seeking to limit both the calendar time and the resources expended in reaching a decision and selecting a JV partner. It is intended to request formal proposals from a maximum of four respondents to this request for expressions of interest (EoI request) adjudged fully capable of performing the development task with comparatively least risk to achievement of project objectives. The shortlisting process will be based on comparative evaluation of responses against the criteria in paragraph 7 below.

Formal proposals for formation of the joint venture will be invited only if Governmental and Parliamentary approval is obtained.

## **2 GENERAL SCOPE OF WORK**

The land purchased by DHA last year is located on the fringe of the northern suburbs of Darwin, with Wanguri to the South, Tiwi and the Royal Darwin Hospital to the West, Defence land to the North, and Lee Point Road plus Defence land to the East. The land is presently the subject of a subdivision application which will separate out the area occupied by the Tracy Village Social and Sports Club for transfer to the NTG (this was a condition of the sale). The attached survey plan S2003/171 (Annex A) shows the Tracy Village land as Lot 9775. After the subdivision is completed, the land remaining under DHA ownership and proposed to be developed by the joint venture will be Lot 9774 and (possibly) Lot 9779 as shown at Attachment A.

A site analysis report prepared by Connell Wagner Pty Ltd can be made available to Respondents upon written request.

DHA will be obtaining the necessary rezoning approval to enable residential development on the site.

Finance proposed for the joint venture will need to be non-recourse since DHA will retain unencumbered ownership of the land until individual lots (or groups thereof) are sold.

Commencement of the joint venture and its development work cannot yet be determined, but Respondent comment is invited as to the required start date if the first 75 Defence residences at Lee Point are to be available for occupation by December 2005.

## **3 PROJECT OBJECTIVE**

DHA has two basic project objectives:

- (a) to develop the Lee Point property in a way that optimises value for money consistent with ecologically sustainable development and community safety and with densities acceptable to relevant planning authorities; and
- (b) to enable achievement of the provisioning schedule dictated by Defence requirements, including by delivery of at least 300 lots selected by DHA to provide Defence residences in the Lee Point area of Darwin.

## **4 PURPOSE OF THIS DOCUMENT**

The purpose of this EoI request is to:

- (a) formally advise the market of the project and the services that DHA seeks to have delivered;
- (b) communicate to the market the evaluation criteria and procedures that will be followed to derive a shortlist of (Respondents) who might then be invited to submit a proposal for a joint venture; and

- (c) confirm the level of market interest in the project and obtain expressions of interest in the project from the Respondents so that a short list of capable entities can be compiled for the next stage.

## **5 DHA'S RIGHTS**

DHA reserves the right, in its sole discretion, at any time to:

- (a) vary the scope of the project;
- (b) alter or amend this EoI request and/or the process outlined in it upon giving recipients of the request reasonable written notice of such alteration or amendment;
- (c) suspend or terminate this EoI request or the process outlined in it;
- (d) accept or reject any late response received;
- (e) accept or reject any response whether or not it complies with this EoI request;
- (f) require additional information or clarification from any Respondent or anyone else, or provide additional information or clarification;
- (g) call for new expressions of interest.

## **6 INTELLECTUAL PROPERTY RIGHTS**

Such intellectual property rights as may exist in a response will remain the property of the Respondent.

The Respondent licenses the Authority, its officers, employees, agents and advisers to copy, adapt, modify, disclose or do anything else necessary (in the Authority's sole discretion) to all material (including that which contains intellectual property rights of the Respondent or any other person) contained in the response for:

- (a) evaluating/clarifying the response;
- (b) evaluating any subsequent proposal;
- (c) negotiating any resultant agreement with the Tenderer; and
- (d) anything else related to this EoI request process, including for audit purposes or reporting purposes.

## **7 EVALUATION CRITERIA**

Responses to this invitation should specifically address all of the following criteria, against which responses will be evaluated, including by independent consultants employed by DHA:

1. **Experience:** *the extent to which a Respondent can demonstrate that it is an established and stable business with relevant experience in successfully completing large development projects, including profitable sales of completed lots:*
2. **Innovation and partnering:** *the extent to which a Respondent can demonstrate its capacity for development innovation and originality, and its understanding of, and affinity for, operating transparently and effectively as a member of a joint venture or similar partnering arrangement.*
3. **Personnel:** *the extent to which a Respondent can demonstrate that its management team and employees have the necessary competencies, experience, continuity and flexibility to undertake significant development projects, including in the Northern Territory;*
4. **Financial strength:** *the extent to which a Respondent can demonstrate that its financial strength, capital commitments, borrowing arrangements, profitability and contingency funding arrangements are adequate to finance the capital contribution and operational funding requirements of the proposed joint venture.*

Details of the information required against each criterion from the Respondents in order to evaluate their claims is contained in Annex C.

Respondents who do not provide all requested information may be considered non-conforming.

DHA may obtain independent reports of a Respondent's financial and legal standing and use the results of those enquiries in the evaluation process. DHA undertakes to treat such reports with the same degree of security as afforded to the information and documents tendered in response to this EoI request.

## 8 HOW TO RESPOND TO THIS INVITATION

Respondents who are interested in joining DHA in this joint venture are required to complete fully and return the Response Form and Declaration at Annex B and provide all the information listed in Annex C.

Lodgement of responses to this EoI will be evidence of the Respondent's agreement to comply, during any contract that may subsequently be awarded, with the Commonwealth Government's National Code of Practice for the Construction Industry ("National Code") and the Industry Guidelines for the Industrial Relations and Occupational Health and Safety Components of the National Code ("Industry Guidelines"), which can be found at [www.workplace.gov.au](http://www.workplace.gov.au)

Responses are to be lodged, by mail or by hand, in the Tender Box located behind the reception desk at the Defence Housing Authority, 26 Brisbane Avenue, Barton, ACT 2600. The closing time for lodgement of responses is 4 pm AEST on Friday 21<sup>st</sup> May 2004.

Responses not lodged in the above tender box by the Closing Time may not be accepted. A late response will only be admitted to the evaluation process at the absolute discretion of DHA. DHA may consider factors such as, without limitation:

- (a) whether the late response is likely to have given the Respondent an opportunity to obtain some unfair advantage from late submission;
- (b) how late the response is, the reasons for the lateness and any evidence available to support the reasons;
- (c) whether the response was mishandled by DHA, an official postal service or a reputable delivery service; and
- (d) any evidence of unfair or improper practices by the Respondent.

## **9 ADDENDA TO EoI**

DHA reserves the right to issue addenda to this EoI at any time.

The issue of addenda will be published in the same way as this EoI was published.

Any addenda that are issued will form part of this EoI.

## **10 NOTE TO RESPONDENTS**

In responding to this invitation, the Respondent is deemed to have accepted all of the conditions set out herein.

DHA owns and may retain possession of all documents submitted in response to the Request for Expression of Interest.

DHA reserves the right to seek clarification in relation to any ambiguity and uncertainty from all or any of the Respondents in relation to their responses.

DHA reserves the right to circulate questions and the answers thereto to all other Respondents without disclosing the sources of the questions or revealing the substance of the proposed expression of interest.

Subject to the above, all information submitted by a Respondent will be treated as confidential to the Defence Housing Authority and its consultants.

In no circumstances will DHA be liable for any cost, expense, loss, claim or damage arising out of a Respondent's participation in this EoI process, or any subsequent request for tender or proposal.

The issue of this EoI or the submission of a response does not give rise to any commitment or legal relationship between DHA and a Respondent.

From the expressions of interest received, it is intended that a short list of potential joint venture participants will be selected to receive an invitation to submit a proposal, and that selection decision is at the absolute discretion of DHA.



Respondents will be notified of the outcome of the expression of interest process as soon as practicable after evaluation is complete.



## ANNEX B: RESPONSE FORM AND DECLARATION

<b>Respondent's Name:</b>	
<b>Australian Business Number (A.B.N.)</b>	<b>DUNS Number:</b>
<b>Date when Business Commenced Operation:</b>	
<b>Business Address/Addresses:</b> <div style="border-bottom: 1px solid black; height: 15px; margin: 5px 0;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin: 5px 0;"></div>	
<b>Postal Address:</b> <div style="border-bottom: 1px solid black; height: 15px; margin: 5px 0;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin: 5px 0;"></div>	
<b>Telephone Number(s):</b>	
<b>Facsimile Number:</b>	<b>e-mail address:</b>

### DECLARATION BY RESPONDENT

<p>I have noted and accept all the conditions contained in this Request for Expressions of Interest including the Disclaimer concerning the Information therein.</p> <p>I am interested in joining in a joint venture with the Defence Housing Authority to develop the Lee Point in Darwin. I declare that the particulars shown herein are true and correct in every detail and all required information has been supplied.</p>	
Date:	
Signed for the Respondent by:	
In the Officer Bearer capacity of:	
Name ( <i>IN BLOCK LETTERS</i> ):	

### CONTACT DETAILS

Contact for Further Information: (Name, Position, Phone and Fax numbers (including Mobile), and e-mail address)

## 13 ANNEX C: INFORMATION REQUIREMENTS

EVALUATION CRITERION	INFORMATION REQUIRED FROM RESPONDENTS
<p><b>1. The extent to which a respondent can demonstrate that it is an established and stable business with relevant experience in successfully completing large development projects, including profitable sales of completed lots.</b></p>	<p>Respondents are required to provide evidence of their legal identity either by providing a copy of an official document such as company registration and names of office bearers issued by the Australian Securities and Investments Commission or a statement confirming the legal identity signed by a practising solicitor. DHA does not contract with entities such as a business name, trust or firm trading under a trust arrangement.</p> <p>Respondents are to provide details of at least three major residential development projects completed within the last five years, including identification and explanation of variations between the estimated and completed project cost and any added value for money achieved on those projects.</p> <p>Respondents should provide material demonstrating their sensitivity to environmental issues and heritage preservation; their ability and experience in coordinating planning teams involving a range of professionals; and their aptitude in forming effective working relationships with local planning authorities and statutory bodies and approving authorities.</p> <p>Respondents are to nominate and provide contact details for at least three high level (senior management) referees who can verify or provide information from a client perspective regarding previous experience with the respondent's development work as to co-operation, quality, and overall performance including timely completion.</p> <p>Respondents should bring to notice any industry or professional association awards that support their claims to excellence.</p>
<p><b>2. The extent to which a respondent can demonstrate its innovative capacity for development innovation and originality, and its understanding of, and affinity for, operating transparently and effectively as a member of a joint venture or similar partnering arrangement.</b></p>	<p>Respondents should provide a list of all Directors, Partners, and Senior Executives, show their relevant experience and ownership interest, and indicate any relevant cross-directorships that could potentially either support or be in conflict with a joint venture relationship with DHA. Respondents should also provide a list of former directors/executives who have left in the past 12 months and their reasons for leaving.</p> <p>Respondents should provide details of their governance arrangements and risk management policies, including details of current and relevant insurance coverage. Policy details should include the type of policy, the name of the insurer, the amount of cover and the expiry date as a minimum.</p> <p>Respondents should provide examples (and referee details) of working in a non-adversarial and collaborative manner in a "partnering" arrangement, and indicate whether their financial systems would be appropriate for an "open book" approach, noting that the availability of information to Parliament, taxpayers and other stakeholders on the use of government resources must be maintained by and in respect to any joint venture established.</p> <p>Respondents should also provide:</p> <ul style="list-style-type: none"> <li>○ evidence of organisational commitment to innovation, including at least three examples of (relevant) process improvement introduced over the past three years; and</li> <li>○ a very broad outline approach to the Lee Point project emphasising innovative elements that might be applied not only to development but also to relationships with DHA, NTG planning authorities, and the Darwin housing market.</li> </ul>

EVALUATION CRITERION	INFORMATION REQUIRED FROM RESPONDENTS
<p><b>3. The extent to which a respondent can demonstrate that its management team and employees have the necessary competencies, experience, continuity and flexibility to undertake significant development projects.</b></p>	<p>Respondents should provide an organisation chart of management structure showing lines of responsibility.</p> <p>The qualifications and accomplishments of the Respondent's senior management should be noted along with a brief description of their career paths both inside and outside the company.</p> <p>Respondents should list senior staff prospectively to be involved in the joint venture, showing their qualifications and experience, including any membership of relevant professional associations, and providing details of current and anticipated project commitments.</p>
<p><b>4. The extent to which a respondent can demonstrate that its financial strength, capital commitments, borrowing arrangements, profitability and contingency funding arrangements are adequate to finance the capital contribution and operational funding requirements of the proposed joint venture.</b></p>	<p>Respondents are required to submit Financial Statements (Profit &amp; Loss Statement and Balance Sheet) plus audit reports (if audited) for the last three financial years - including notes to the financial accounts and revenue projections - for a formal financial assessment, which may be carried out by independent consultants employed by DHA.</p> <p>The financial information provided is to be in respect of the legal entity that is the respondent, but corporate relationships that may be relevant should be stated. When the respondent is a subsidiary, the information provided is to be in respect of the Subsidiary and not its Holding Company.</p> <p>Respondents must identify the nature and potential impact on its future operations of any significant current litigation that it is involved in, including investigation of possible fraud.</p>