

# Gunyangara Community Entity Township Lease

## Memorandum of Understanding

**Traditional owners of Gunyangara have reached a significant milestone in the negotiation of a community entity township lease by signing a Memorandum of Understanding (MoU) with the Commonwealth Government.**

A township lease helps to provide a strong foundation for building economic activity and intergenerational wealth in towns on Aboriginal land. It allows for long term subleases to be granted in commercial timeframes which can help to attract investment and it assists traditional owners and community members in obtaining a loan from a financial institution to buy a home or start a business.

### What is a community entity township lease?

**The proposed community entity township lease in Gunyangara is ground-breaking and will be the first of its kind.**

Township leases are typically held by the Executive Director of Township Leasing (EDTL), an independent statutory office holder who issues and manages subleases. The model being worked on in Gunyangara will allow a community entity to hold the township lease instead of the EDTL. This approach has been developed at the request of traditional owners, who have strong local organisations with business and development experience and want to strengthen local decision-making in their community. Gunyangara can provide a model for other communities who wish to administer a township lease in future, giving communities a new option when determining tenure arrangements that work best for them.

### What has been agreed in the MoU?

**The MoU is an agreement between the traditional owners of Gunyangara and the Commonwealth on the key features of a township lease. Without binding the traditional owners, the MoU sets the stage for future detailed discussions about a lease that works for the community.**

A number of key terms have been agreed in the MoU. These include:

- A lease term of 99 years, granted to a community entity owned and controlled by the traditional owners of Gunyangara.
- The community entity will be an Aboriginal corporation, will be representative of traditional owners and community residents, and will meet certain capacity requirements.
- The township lease will be able to be transferred to the EDTL if the community entity becomes unable to effectively hold and administer the lease or requests a transfer, and can be transferred back to the community entity when it regains capacity.
- The lease boundary will include the township and adjacent land, to provide for future economic development opportunities for traditional owners and the community.
- There will be an Advance Payment and an Economic Development Fund, for the benefit of traditional owners and to be used for projects that deliver long-term community benefits.
- The lease will support home ownership and future government investment in housing. Rent paid under the Housing Precinct Lease will be used to support better housing outcomes.

### What happens next?

Negotiations between the Commonwealth and traditional owners will continue. Community members and other Aboriginal people affected will be consulted about the lease and the Northern Land Council must obtain traditional owner consent before a final agreement can be signed.

Visit [www.dpmc.gov.au](http://www.dpmc.gov.au) for more information on Township Leasing