

CONFIDENTIALCABINET DECISIONNO. 453

Submission No.: WITHOUT SUBMISSION

Title: REPORT BY PANEL ON CASINOS IN THE  
NORTHERN TERRITORY

Cabinet considered the paper put forward by the panel and made the following decisions in respect of the recommendations contained therein -

- (a) Provisional approval for the selection of The Federal Hotels Ltd. for the proposed casinos in Darwin and Alice Springs. The decision is subject to a check of the financial resources of IPEC and subject to the following conditions.
- (b) That the casinos be constructed and in operation within 18 months.
- (c) That no poker machines be allowed within the foreseeable future.
- (d) Final agreement cannot be entered into until the legislation is completed.
- (e) A letter is to be carefully drafted to the unsuccessful candidates but no disclosure of the successful candidate is to occur at present.
- (f) There shall be no interim press release.
- (g) Likely sites in Darwin were considered and the Myilly Point site was preferred. This site may involve the sale to the company of several departmental houses and this needs to be discussed with the Federal Government in the first instance and if there is no objection from this area, it then needs to be cleared with the Darwin City Council.
- (h) The Barrett Street site in Alice Springs is acceptable but the operators are to be informed that the Northern Territory Government would be unwilling to provide a bridge across the Todd or other access at that part of the river and this would become the responsibility of the operators.

.../2

*T.C. Lovegrove*  
(T.C. LOVEGROVE),  
Acting Secretary to Cabinet.  
9.10.78

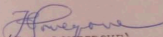
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2.

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- (1) The panel is to arrange discussions with the successful applicant to cover the decisions above and in those discussions it should be indicated that the purchase of the Myilly Point site would involve finance in the order of \$1m. However, final Valuer General's advice has not yet been obtained.

  
(T.C. LOVEGROVE),  
Acting Secretary to Cabinet.  
9.10.78

CONFIDENTIAL

CONFIDENTIALCABINET MEETINGDate: MONDAY, 9.10.78Place: COMMITTEE ROOM7.30 P.M. BUSINESS LISTDARWIN

MEETING NO. 57

Item No.	Title	Sub- mission No.	Cabinet Member Responsible
1	REPORT BY PANEL ON CASINOS IN THE NORTHERN TERRITORY	W/S	Mr. Perron

STRICTLY CONFIDENTIAL

# CASINO REPORT

9 OCTOBER 1978

## C O N T E N T S

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INTRODUCTORY STATEMENT

The following report reflects an objective assessment of the final applicants for the development of Casino/Hotel complexes in Darwin and Alice Springs.

The assessments have been carried out by the Casino Panel comprised of:

Barry Davis (representing the proposed Racing and  
Gaming Commission)

Otto Alder (Treasury)

Graham Nicholson (Crown Law Department)

The Panel wishes to state that, despite the urgency of the report, all due care has been taken to ensure the accuracy of its findings and recommendations.



B T DAVIS

(Chairman)

SYNOPSIS

From the original list of eighteen applicants, seven were chosen by the Panel as being eligible at the time, for inclusion in the final list. They were:

1. Federal Hotels Ltd
2. Consortium consisting of
  - 2.1 Travelodge Australia Ltd
  - 2.2 Milatos Holdings (Darwin)
  - 2.3 Victoria Sporting Holdings (U.K.)
3. Telford Property Fund Ltd
4. Darwin Club  
in conjunction with Genting Berhad of Kuala Lumpur
5. Shannon & Russo  
in conjunction with Mr Yip Hon of Macau
6. Darwin Investment Inc  
(previously known as International Marketing and Management)
7. Casan Co Ltd of Iran

Final applicants were advised accordingly on 21 August 1978 to update their submissions and were given a list of criteria including a number of Cabinet directives.

Interviews were then conducted in Darwin between 24 September and 4 October.

Prior to the interviews, Casan Coy Ltd withdrew due to internal problems in Iran

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During and following the interviews and prior to the Panels' assessment, the following applicants withdrew:

1. Darwin Investments Inc due to loss of financial backing and internal directorship wrangles.
2. Shannon & Russo due to insufficient detailed information.
3. Darwin Club due to withdrawal of their financial backers, Genting Berhad

Note: Whilst the Darwin Club itself has not withdrawn, the Panel were unable to consider their application for the reasons stated.

It should be recorded that whilst the Panel did not assess the application, it was impressed by the quantity and quality of the Darwin Club/Genting Berhad submission.

With the withdrawal of the four applicants, (all with overseas interests) the Panel were left to assess:

1. Federal Hotels
2. Travelodge Aust Ltd
3. Telford Property Fund Ltd

Assessments were made on the following basis:

- \* Site (location and extent)
- \* Type and style of development
- \* Style of Casino operations
- \* Financial structures and liquidity to undertake the project.

The credentials of all applicants have been checked with Police authorities, Interpol and other sources. Some reports are still outstanding but are not considered to be critical at this stage.

The Panel has had discussions with Mr Ross Fountain of the Town Planning Board and visited a number of likely sites in both Darwin and Alice Springs before coming up with its findings and recommendations.

It should be stated that during the interviews, of 4 - 4½ hours duration, all applicants were given every opportunity to fully present their submissions and the Panel for its own part, asked searching questions especially in establishing the applicants' credentials. The replies are a matter of confidential record.

In conclusion the Panel is disappointed to some extent with the withdrawal of over half the final list of applicants, especially where certain overseas involvement and/or expertise could have been critical in the final analysis. why?

The attached Appendices indicate the Panel's assessments in relation to sites and developments in Darwin and Alice Springs.

SUMMARY OF FINDINGS1. APPLICANTS

That of the three applicants assessed in detail, the descending order of preference at this stage is:

1.1 Darwin

1.1.1 Federal Hotels

1.1.2 Travelodge Consortium

1.1.3 Telford Property

1.2 Alice Springs

1.2.1 Federal Hotels

1.2.2 Telford Property

2. SITES2.1 Darwin

2.1.1 Whilst two of the applicants are proposing existing sites, only one is prepared to consider alternatives.

2.1.2 One applicant would require a new site.

2.1.3 Panel has assessed a number of sites and the two most favoured are -

Myilly Point

Old Fannie Bay Golf Course

Note: There may be complications with the Myilly Point site which will require further investigation.

2.1.4 The site offering the best scope for expansion is the old Fannie Bay Golf Course, whilst Myilly Point is the most impressive.

2.2 Alice Springs

2.2.1 Applicants have proposed sites, two within the central business district and one on the fringe of the town.

2.2.2 The Panel has assessed the sites and does not favour the ones in the central business area.

2.2.3 The Barrett Drive site (Federal Hotel) is suitable, however Panel has identified vacant Crown Land in Larapinta Drive which may be more suitable.

3. STYLE OF DEVELOPMENT

3.1 Darwin

3.1.1 Federal Hotels proposal for an interim Casino at the Don Hotel is not favoured by the Panel.

3.1.2 The choice in Darwin is between the modification of existing hotels in two cases and a substantial new hotel development.

3.1.3 In the Panel's view the only development which approaches a major tourist drawcard is that of Federal Hotel.

3.2 Alice Springs

3.2.1 One applicant proposed a new hotel and another the upgrading of an existing hotel, both in the inner

city area. The third applicant proposes a broad acre development on the fringe of town. The Panel favours the latter.

- 3.2.2 Travelodge has no firm commitment to a new hotel whilst Telford propose to proceed in any event with the upgrading of the Alice Springs Hotel site subject to successful purchase negotiations.

4. CASINO EXPERTISE

4.1 Only two of the applicants have demonstrated Casino expertise.

4.1.1 Federal Hotel (Wrest Point)

4.1.2 Travelodge (Victoria Sporting Holdings U.K.)

5. POKER MACHINES

5.1 Two of the applicants (Federal and Travelodge) indicated quite strongly that the project would be marginal and require reassessment without them.

5.2 Federal indicated that Alice Springs would not be viable without Poker Machines and that this could jeopardise their involvement in Darwin also.

5.3 Panel feels that without Poker Machines, we would be looking at a much more modest style of development, and accordingly Panel supports their introduction in the Casino alone.

6. TIMING

6.1 All applicants could be operational in Darwin within 12 months. In the case of Federal this would be an interim

development at the Don Hotel which is not supported by the Panel.

- 6.2 The major development by Federal would take up to 3 years in Darwin and 2 years in Alice Springs.
- 6.3 Timing for Travelodge in Alice Springs is indefinite and for Telford it could be within 12 months of purchase.

## 7. MANAGEMENT

### 7.1 Structure

In the case of both Travelodge and Telford, separate Companies will rent the space from the existing hotels.

Federal Hotels would form a new subsidiary company to own and manage the development.

### 7.2 Beneficial Interests

7.2.1 The Travelodge consortium comprises Travelodge, Milatos Holdings and Victoria Sporting Holdings of the United Kingdom, with equal shares. The ultimate beneficial interest in Travelodge is expected to change, with the parent company, Southern Pacific Properties being substantially owned by Saudi Arabian dominated companies.

7.2.2 Telford Property Fund is a private Sydney based company beneficially owned by Mr Smith's family company and associates. Some details of associated interests have yet to be provided. The Telford International Hotel is owned by the Telford Income and Property Trust, a registered unit trust company with predominately Australian investors.

7.2.3 Federal Hotels is a company within the IPEC Group which has 97% Australian equity.

7.3 Credentials

7.3.1 Federal Hotels - checked and considered clear.

7.3.2 Travelodge Consortium

7.3.2.1 Travelodge group (under existing ownership) checked and considered clear. No check has yet been made on the potential owners.

7.3.2.2 Milatos Holdings - checked and considered clear.

7.3.2.3 Victoria Sporting Holdings - no independent checks to date.

7.3.3 Telford Property Fund - checked and found clear. The Panel points out however, that certain interests in the Smith family company have yet to be checked.

7.4 Financial Capacity

7.4.1 Federal Hotels : satisfactory.

7.4.2 Travelodge Consortium : satisfactory.

7.4.3 Telford Property Funds : property development is satisfactory. Management company funding not yet explained.

RECOMMENDATIONS

It is recommended:

1. That the Panel be given guidance as to the suitability of, and preference for, the following sites
    - 1.1 Darwin
      - 1.1.1 Myilly Point
      - 1.1.2 Old Fannie Bay Golf Course
      - 1.1.3 Others
    - 1.2 Alice Springs
      - 1.2.1 Barrett Drive
      - 1.2.2 Larapinta Drive
      - 1.2.3 Others
  2. That the Treasurer instigate discussions with Local Council, Town Planning Board and other Groups, on relevant matters including siting.
  3. That Poker Machines be approved of in Casino premises.
  4. That the Panel be authorised to enter into detailed negotiations with Federal Hotels forthwith, having particular regard to;
    - 4.1 Siting
    - 4.2 Contribution towards acquisitions, relocations, access and services
    - 4.3 Fees and taxes
    - 4.4 Bond requirements
    - 4.5 Leasing arrangements
    - 4.6 Poker machines
- and report to the Treasurer within 4 weeks



2.

5. That in the event of no finality being reached in negotiations with Federal Hotels within 4 weeks, further applications be called for. ↗
6. That the interim Don Hotel development proposed by Federal be rejected. ✕
7. That other applicants be advised by the Treasurer, that on the basis of their present submissions, they have not been successful.
8. That, if it is desired to make an interim press release, it state that the submission of one applicant, namely Federal Hotels, is favoured for both Darwin and Alice Springs, but that finality depends on the success of further negotiations

FEDERAL HOTELSITE - DARWIN1. MAIN SITE

Myilly Point

2. SIZE PROPOSED

Approximately 6 - 8½ acres

3. ALTERNATIVE SITE

Still negotiable

4. PANEL ASSESSMENT4.1 Points For

- 4.1.1 Reasonable proximity to both city and suburban areas
- 4.1.2 Scenic views and approaches
- 4.1.3 Reasonable distances from churches and schools
- 4.1.4 High flat site with water frontage

4.2 Points Against

- 4.2.1 Cost of improving access and extending site to size of area required
- 4.2.2 Proximity to residential area
- 4.2.3 Main area is a park vested as a public reserve in the City Corporation

- 4.2.4 Relocation of existing buildings
- 4.2.5 Lack of sewerage facilities
- 4.2.6 Proximity to Hospital
- 4.2.7 Limited area for ancillary facilities and/or expansion

5. GENERAL

A cost feasibility would have to be undertaken to assess full implications regarding this site.

This would have to be taken into consideration with any subsequent negotiations with Federal Hotels.

The confidentiality of enquiries in this regard could create undue problems.

6. SUMMARY

Subject to the total ramifications of the site, the Panel feels that it offers one of the best potential sites in Darwin, especially from a scenic point of view.

FEDERAL HOTEL

DEVELOPMENT - DARWIN

1. DESCRIPTION

A completely new development of multiple type construction to international standards incorporating

1.1 High rise main accommodation block including

1.1.1 72 double rooms

1.1.2 12 suites

1.1.3 Top floor restaurant

1.2 A separate but adjacent building incorporating

1.2.1 Public Casino

1.2.2 Private gaming room

1.2.3 Cabaret facilities

1.2.4 Convention facilities

1.2.5 Restaurant and Bars

The above is being proposed as a 1st stage development.

Provision has been made for a further stage of Hotel accommodation to the extent of

36 double rooms and  
6 suites

2. TIME FRAME FOR DEVELOPMENT

3 years

3. COSTS

Stage 1 )  
Stage 2 ) \$9,000,000

(Subject to clarification with company)

NOTE: Federals have proposed an interim Casino development in the Don Hotel which will be operational within six months and would cease operations when the main development was completed.

Conversion costs \$500,000.

4. PANEL ASSESSMENT

- 4.1 Realistic Hotel occupancy levels considering state of current Darwin Hotel accommodation
- 4.2 Federals are proven Hoteliers with experience in Casino management
- 4.3 Development appears to satisfy the condition of being a major tourist drawcard
- 4.4 Gaming areas appear to be adequate
- 4.5 Additional tourist type facilities on the site are limited
- 4.6 No firm plans to engage in off site tourist development except to become involved when the market dictates.

5. GENERAL COMMENTS

Whilst Don Hotel interim proposal is less than satisfactory because of the location and the limited nature of its operations, rejection may impact the major development proposal.

Federals ability to react to the market with extensions/modifications of facilities has been demonstrated by its Wrest Point operations.

The Panel feels that the Wrest Point Casino concept is not necessarily what is required in Darwin, however, it is convinced that Federals would adapt their operations to the type of tourist market potential the Territory would attract.

6. SUMMARY

The major proposal is considered by the Panel to be more than adequate given a suitable site for the development.

FEDERAL HOTEL

SITE - ALICE SPRINGS

1. MAIN SITE

2 blocks in Barrett Drive (owned by Federal).

2. SIZE PROPOSED

20 acres.

3. ALTERNATIVE SITE

1. Todd River site adjacent to new bridge (option on land to 15/10)

2. Larapinta Drive - Crown Land between Highway and Range.

4. PANEL ASSESSMENT

4.1 Points For

4.1.1 Close proximity to township

4.1.2 Scenic backdrop

4.1.3 Adequate room for expansion

4.1.4 Level site

4.1.5 Adjacent to golf course

4.2 Points Against

4.2.1 No current adequate access to site

4.2.2 In a proposed future residential area

5. GENERAL

Chairman of Town Planning Board has indicated his opposition to this site.

Alternative site (1) is not considered acceptable for reasons of size, proximity to town and subject to inundation.

Alternate site (2) is uncommitted Crown Land and allows for greater expansion of facilities and is more attractive and minimal extension of services only would be required.

Whilst this site is not visible from township, yet is in close proximity to the town, and access from airport would bypass the town. Federals would consider this site as a possible alternative.

6. SUMMARY

Panel feels that Federal's proposed site in Barrett Drive would be suitable if Town Planning objections can be overcome, otherwise alternative site (2) is a favoured attractive alternative.



FEDERAL HOTELDEVELOPMENT - ALICE SPRINGS1. BRIEF DESCRIPTION

In its first stage to construct 4 separate but inter-connected accommodation modules (single storey) each containing 16 double units and 2 suites (total 64 x 8), a swimming pool, dining and function room and public Casino facilities.

A second stage to be built when demand indicates incorporating an amphitheatre, cabaret and dining facilities, squash courts and gymnasium, tennis courts and further accommodation when required.

2. TIME FRAME FOR DEVELOPMENT

Stage 1 - 2 years

Stage 2 - No commitment

3. COSTS

Stage 1 - \$5,145,000

Stage 2 - To be revised in light of additions to Stage 1.

4. PANEL ASSESSMENT

4.1 Good initial investment proposal given the size of Alice Springs and the current market

4.2 Aesthetically pleasing

4.3 Adequate scope for extensions and additional tourist facilities.

5. SUMMARY

Whilst the Hotel accommodation may appear to be modest the Panel

accepts the point that the proposal has realistically been adapted to the needs of the town, whilst allowing sufficient scope for further development if and when the need arises.

The Panel favours this style of development.

TRAVELODGE HOTEL

SITE - DARWIN

1. MAIN SITE

Existing site on Esplanade with future expansion through to Mitchell Street.

2. SIZE PROPOSED

2 Acres.

3. ALTERNATIVE SITE

Nil.

4. PANEL ASSESSMENT

4.1 Points For

- 4.1.1 Scenic near water frontage views for high rise development
- 4.1.2 Proximity to other Hotels
- 4.1.3 Adjacent to proposed Performing Arts Centre
- 4.1.4 No acquisition or other costs to Government
- 4.1.5 Minimal environmental problems
- 4.1.5 Minimal zoning problems

4.2 Points Against

- 4.2.1 Located on the outer perimeter of the central business area

4.2.2 Limited future potential for development

4.2.3 Possible traffic congestion and parking problems.

5. GENERAL

There is not likely to be as many problems with this site as there would be with others.

Travelodge would not consider alternative site for Casino development.

6. SUMMARY

Panel feels that the site is not large enough for a major development and is restrictive for future development of ancillary facilities.

TRAVELODGE HOTEL

DEVELOPMENT - DARWIN

1. BRIEF DESCRIPTION

- 1.1 As a first stage to modify and extend slightly the first floor of the existing Travelodge Hotel as a Casino
  
- 1.2 Then when and if the market reacts to build a substantial Hotel complex adjoining the existing site and incorporating
  - 1.2.1 100 double rooms
  - 1.2.2 Additional Casino facilities
  - 1.2.3 Shopping facilities
  - 1.2.4 Conference/Convention facilities
  - 1.2.5 Basement car parking
  - 1.2.6 Recreation facilities

2. TIME FRAME FOR DEVELOPMENT

Stage 1 - within 6 months

Stage 2 - no commitment

3. COSTS

Stage 1 - \$1,000,000

Stage 2 - \$5,000,000

4. PANEL ASSESSMENT

- 4.1 Existing Hotel accommodation considered to be already substantial

4.2 Proven Hoteliers with Casino management expertise  
(Victoria Sporting Holdings - U.K.)

4.3 Casino development in 1st stage is modest

4.4 No firm commitment to stage 2

4.5 Consortium claims a commitment to other tourist/sporting  
facilities through Milatos Holdings involvement

5. SUMMARY

Given the proposed guidelines, the Panel feels that this submission does not meet the criteria required for a 1st stage development, nor do they see the proposal as a major tourist drawcard.

TRAVELODGE HOTEL

SITE - ALICE SPRINGS

1. MAIN SITE

Corner of Leichardt and Gregory Terraces.

2. SIZE PROPOSED

Approximately 1 - 1½ acres.

3. ALTERNATIVE SITE

Possible purchase of one of three city Hotel sites.

3.1 Stuart Arms

3.2 Territorian

3.3 Alice Springs

3.4 Riverside

4. SUMMARY

No firm submission at this stage. Panel does not favour the proposed site, however applicant would consider Panel's recommendation of Larapinta Drive.

TRAVELODGE HOTEL

DEVELOPMENT - ALICE SPRINGS

1. BRIEF DESCRIPTION

A concept of an inner city two storey Hotel with 70 rooms plus a service module including a Casino and pool in an enclosed courtyard, has been proposed with no firm commitment.

The applicant indicated it would consider an alternate broad acre development.

2. SUMMARY

The applicant is not firmly committed to any development in Alice Springs at this stage.



TELFORD PROPERTY

SITE - DARWIN

1. MAIN SITE

Existing Hotel site with land acquisition for future expansion.

2. SIZE PROPOSED

2 - 3 acres

3. ALTERNATIVE SITE

Not recommended but may consider an alternative - negotiable.

4. PANEL ASSESSMENT

4.1 Points For

4.1.1 Scenic views from high ground site.

4.1.2 Adjoins public open space.

4.1.3 No acquisition or other costs to Government.

4.1.4 Minimal environmental and zoning problems.

4.1.5 Attractive access up Gardens Road.

4.2 Points Against

4.2.1 Delapidated commercial premises on one side.

4.2.2 Limited room for expansion and parking.

4.2.3 Likely to cause traffic problems.

5. GENERAL

Backdrop from the Hotel is considered unattractive and must detract from any development as a tourist drawcard.

To this extent it could be improved by the proposed acquisitions.

Being on the outer perimeter of the central business district it is still close enough to other Hotels and facilities.

6. SUMMARY

Panel feels that the site is not as appealing as others if it is to house a major tourist drawcard development.

TELFORD PROPERTY

DEVELOPMENT - DARWIN

1. BRIEF DESCRIPTION

- 1.1 To modify and extend the existing Hotel to incorporate
  - 1.1.1 3 split level public Casino rooms
  - 1.1.2 2 private gaming rooms
  - 1.1.3 Cabaret facilities.
- 1.2 In addition, consideration may be given to the erection of a Club House on the nearby Public Golf Course.
- 1.3 Possible future expansion on land to be acquired should circumstances dictate.

2. TIME FRAME FOR DEVELOPMENT

12 months.

3. COST

\$1,600,000.

4. PANEL ASSESSMENT

- 4.1 Development could not be looked upon as a main tourist drawcard.
- 4.2 Limited additional tourist facilities.
- 4.3 Proven Hotel management but applicant has no Casino expertise.
- 4.4 Architecturally unsatisfactory for a Casino operation.

5. SUMMARY

The Panel feels that whilst the submission was sincere the Casino proposal did not come up to the standard required for Darwin.

TELFORD PROPERTY

SITE - ALICE SPRINGS

1. MAIN SITE

Alice Springs Hotel, corner Hartley Street and Gregory Terrace.

2. SIZE PROPOSED

Approximately 1½ acres.

3. ALTERNATIVE SITE

Not submitted but may consider an alternative.

4. PANEL ASSESSMENT

4.1 Points For

4.1.1 Would improve a delapidated area of town.

4.1.2 Minimal environmental and zoning problems.

4.2 Points Against

4.2.1 In the heart of the central business area.

4.2.2 Parking facilities may be limited.

4.2.3 Minimal scope for expansion.

4.2.4 May cause some traffic congestion

5. GENERAL

Site is still subject to successful purchase by applicant (currently being negotiated).

Applicant intends to proceed with Hotel/other development irrespective of Casino licence success.

6. SUMMARY

Panel has serious reservations as to the suitability of this site especially being in the heart of the central business area.

TELFORD PROPERTY

DEVELOPMENT - ALICE SPRINGS

1. BRIEF DESCRIPTION

1.1 A one time development upgrading an existing Hotel to a period atmosphere and incorporating

1.1.1 Tavern.

1.1.2 Bistro (indoor and outdoor)

1.1.3 Speciality shops (18)

1.1.4 Accommodation (83 suites)

1.1.5 Restaurant and Bars

1.1.6 Public and Private Gaming Rooms

1.1.7 Swimming pool

2. TIME FRAME FOR DEVELOPMENT

12 months.

3. COSTS

\$1,100,000 including acquisition.

4. PANEL ASSESSMENT

4.1 An attractive modest inner city development

4.2 Considered more of an attraction to local residents

4.3 Not considered a major tourist drawcard.

5. SUMMARY

Whilst Panel feels this is a worthwhile project for Alice Springs (minus Casino), it has reservations as to whether it would be a major tourist drawcard.



CRITERIA FOR CASINO DEVELOPMENT IN DARWIN AND ALICE SPRINGS  
(GIVEN TO ALL FINAL APPLICANTS)

1. SITING REQUIREMENTS

When determining the actual sites, the Government, whilst not necessarily meaning to restrict applicants, will be giving serious consideration to the following aspects.

- 1.1 Their proximity to schools, churches, residential areas, and other hotels/organisations.
- 1.2 Public convenience in gaining access to the sites.
- 1.3 Road access to the sites so as not to allow for traffic hazards and/or congestion.
- 1.4 Noise levels created by increased traffic.
- 1.5 Whilst not favoured, the siting of a Casino within the central business area of Darwin is not ruled out.

2. DEVELOPMENT REQUIREMENTS

- 2.1 Both Casino/Hotel complexes are to be constructed to International standards and are to be looked upon as a main tourist drawcard.
- 2.2 Both complexes should be prominent features in the towns and also be aesthetically pleasing.
- 2.3 Considerations may be given for a staged development providing the Government is satisfied that adequate development has been completed before a Casino licence is issued.
- 2.4 The Casino could be either of single or multiple type construction.

- 2.5 The Government does not favour the modification of an existing building for a Casino or a development which proposes an early Casino opening, with the balance of the project being built later.
- 2.6 With respect to Alice Springs the development is to be of a low profile to comply with Town Planning requirements.
- 2.7 Adequate parking facilities are to be provided.
- 2.8 The Government expects Convention facilities to be provided in the development.
- 2.9 Whilst no minimum number of beds in either Darwin or Alice Springs will be stipulated, the Government expects the Casino to be accompanied by substantial Hotel development.
- 2.10 Staff accommodation should be provided for.
- 2.11 Apart from Restaurants, Dining Rooms, Bars and Entertainment facilities, consideration should be given to providing:
- 2.11.1 Shopping complexes.
- 2.11.2 Swimming pool/s.
- 2.11.3 Saunas.
- 2.11.4 Other leisure facilities as may be found desirable by the developer.
- 2.12 In the Casinos, provision should be made for:
- 2.12.1 A minimum of one, to a maximum of say 2, main gaming rooms (allowance for possible extension at a later stage is required).

2.12.2 Private gaming rooms.

2.12.3 Facilities for Gaming Commission control staff.

2.12.4 Security facilities.

2.13 Applicants should be able to demonstrate experience in hotel management.

3. OPERATION REQUIREMENTS (CASINO)

3.1 Whilst no maximum limit will necessarily be placed on Casino opening hours there should be no less than 12 hours per day. Extension of hours will be negotiable with the Gaming Commission.

3.2 No poker machines will be permitted initially, however, the matter will be held under continual review.

3.3 No tipping allowed.

3.4 No credit allowed.

3.5 Casino licences will not be issued until a satisfactory completion of the development has been carried out under the terms of the agreement to be drawn up.

3.6 Types of games to be allowed in the Casino will be subject to Ministerial approval.

3.7 Upper and lower table limits will be determined by Casino management.

3.8 Casino operations will be subject to Gaming Commission requirements.

3.9 Provision is to be made for closed circuit television for security purposes.

3.10 Gaming Commission approval shall be required in respect of the number of tables/games to be operated.

3.11 Whilst not critical at this stage, the likely source of Casino management expertise should be provided.

4. FINANCIAL REQUIREMENTS

4.1 Applicants are to provide the following:

Liquidity

4.1.1 Latest audited financial statements.

4.1.2 Proof of financial resources to undertake development.

4.1.3 Agreement, if successful, of entering into a bond of up to 25% of unexpended capital investment, adjusted quarterly.

4.1.4 Details of related companies.

4.2 Financial Projections

4.2.1 Capital and revenue over construction period.

4.2.2 Notional budgets, for first year of operation (Hotel v. Casino).

4.3 Financial Management

4.3.1 Agreement to Hotel and Casino financial records, including bank accounts, to be maintained separately.

4.3.2 Agreement to compliance with laid down audit and accounting procedures, once established.

4.4 External Factors

4.4.1 Proof of financial requirements in respect of overseas financing.

4.4.2 Local Australian equity arrangements.

4.4.3 Levels of opportunity for N T investment in development and/or operations.

4.4.4 Indication of proposed investment (if any) in other N T tourist development.

4.5 Taxes

4.5.1 Agreement to the payment of a monthly licence fee (to be determined).

4.5.2 Agreement to the payment of a tax to be determined on the basis of not more than 27½% of gross profit (this amount is negotiable).

4.5.3 Agreement to remission of tax on a monthly basis.

5. SUNDRY

Agreement to the compliance of a Casino Company Control Act incorporating, amongst other aspects:

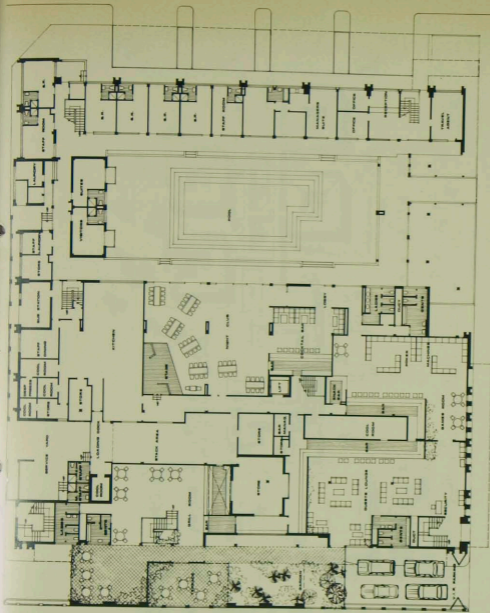
5.1 Registration of beneficial and/or other interests.

5.2 Approval of any changes in above.

5.3 Endorsement of changes in directorship.

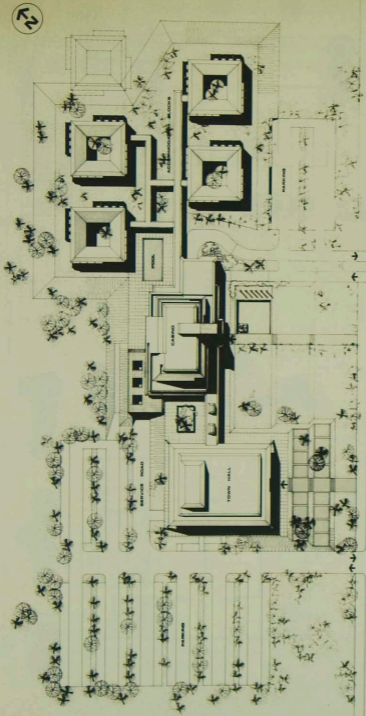
5.4 Approval of mortgage over property.

THE DON · DARWIN 1



GROUND FLOOR

APRIL 1978



SITE A

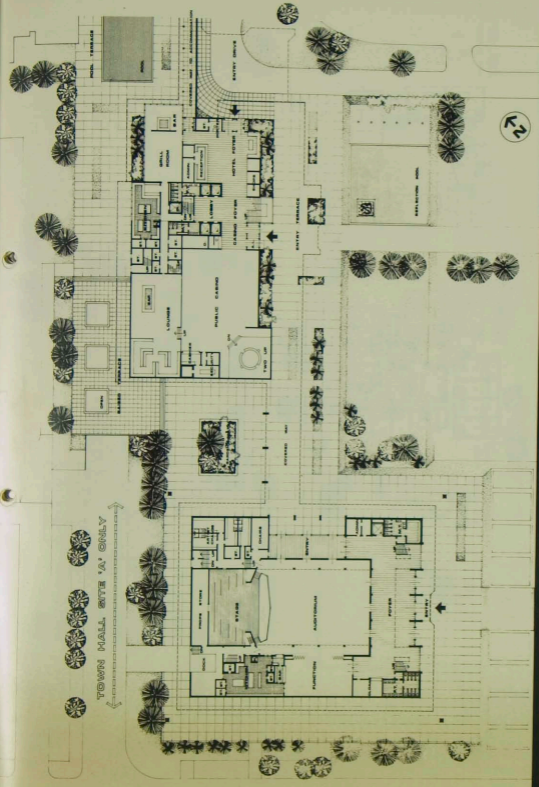


APRIL 1978

DARWIN 2

6

TOWN HALL SITE 'A' ONLY

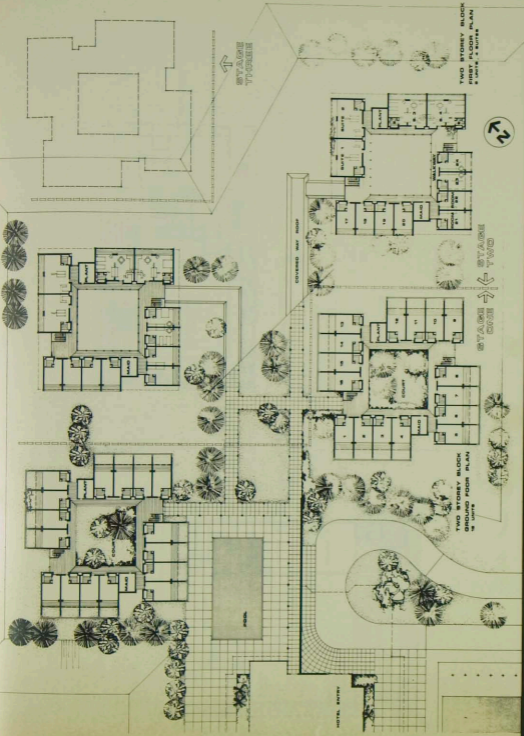


LEVEL 2

APRIL 1978

DARWIN 3





STAKE ONE  
↑

TWO STOREY BLOCK  
FIRST FLOOR PLAN  
8 UNITS, 3 SUITES



STAKE ONE → STAKE TWO  
←

TWO STOREY BLOCK  
BRUNING FLOOR PLAN  
12 UNITS

ACCOMMODATION BLOCKS SITE A  
APRIL 1978



DARWIN 4



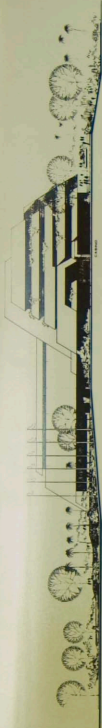








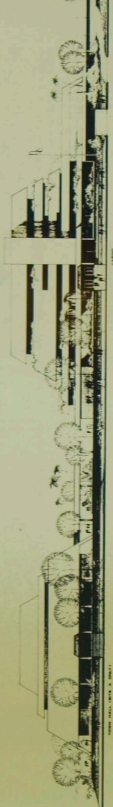




NORTH - EAST



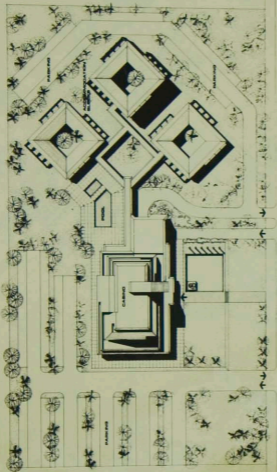
SOUTH - EAST



SOUTH - EAST

ELEVATIONS

APRIL 1978



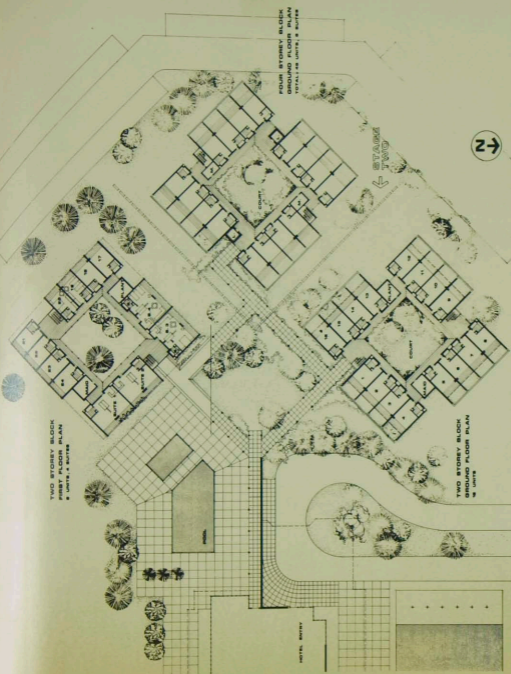
SITE B



APRIL 1979

DARWIN 11





TWO STOREY BLOCK  
FIRST FLOOR PLAN  
4 UNITS, 4 SUITES

FOUR STOREY BLOCK  
GROUND FLOOR PLAN  
TOTAL 8 UNITS, 8 SUITES

TWO STOREY BLOCK  
GROUND FLOOR PLAN  
16 UNITS



STAKE TWO

HOTEL ENTRY

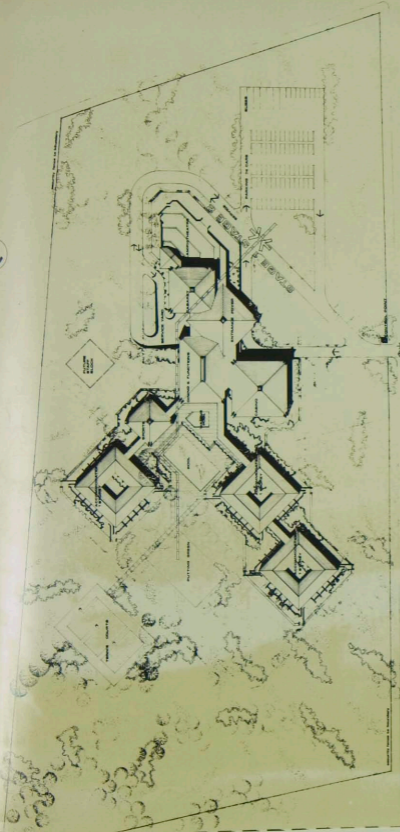
ACCOMMODATION BLOCKS SITE B  
APRIL 1978

DARWIN 12





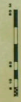
3  
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SITE PLAN A



ALICE SPRINGS 2



FN



STAGE 1

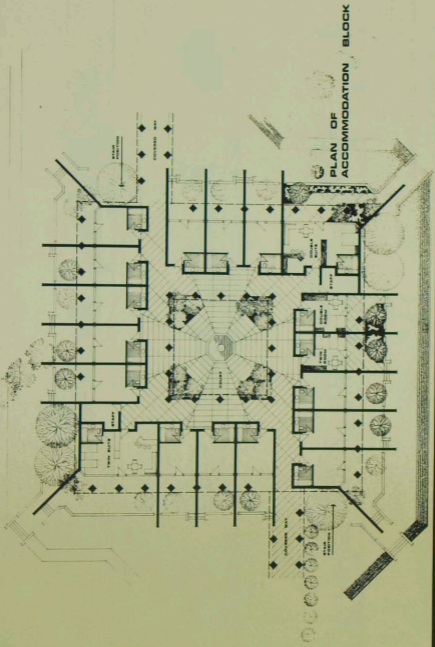
STAGE 1  
STAGE 2

PLAN OF MAIN CORE



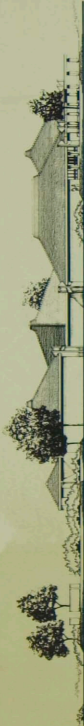


ELEVATION

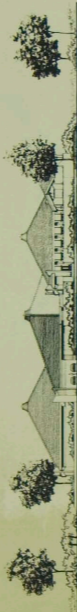




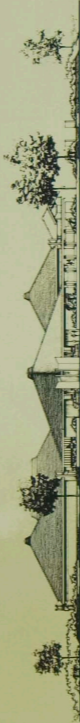
NORTH ELEVATION



EAST ELEVATION



SOUTH ELEVATION

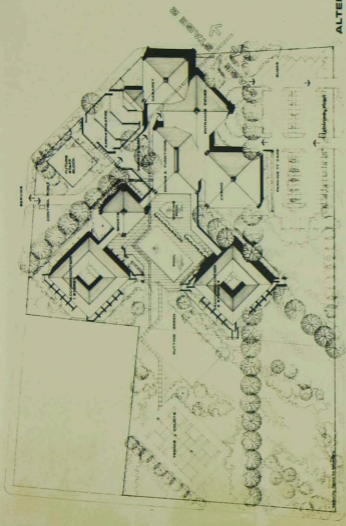


WEST ELEVATION

ELEVATIONS OF MAIN CORE



2



ALTERNATIVE SITE PLAN



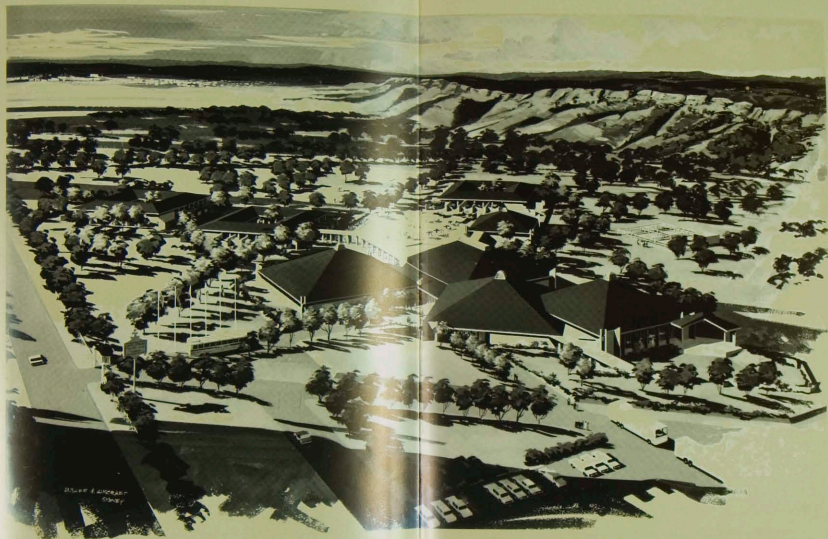


**DARWIN**





**DARWIN**



**ALICE SPRINGS**