

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

REPORT

relating to the

HOUSING DEVELOPMENTS BY THE DEFENCE HOUSING AUTHORITY
AT LAVERTON AND MACLEOD, VICTORIA
AND BULLSBROOK, WESTERN AUSTRALIA

(Second Report of 1990)

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS

(Twenty-ninth Committee)

Mr Colin Hollis MP (Chairman)
Mr Percival Clarence Millar MP (Vice-Chairman)

Senate

House of Representatives

Senator Bryant Robert Burns	Mr George Gear MP
Senator John Robert Devereux	Mr Robert George Halverson OBE MP
Senator Dr Glenister Sheil	Mr John Graham Mountford MP
	Mr William Leonard Taylor MP *

* Appointed on 29.9.88 following resignation of
Mr Maxwell Arthur Burr MP

Inquiry Staff: Mr Peter Roberts (Secretary)
 Mrs Denise Denahy (Assistant Secretary)
 Ms Helen Hutchins (Secretarial Support)

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS

(Thirtieth Committee)

Mr Colin Hollis MP (Chairman)

Mr William Leonard Taylor MP (Vice-Chairman)

Senate

Senator Bryant Robert Burns
Senator John Robert Devereux
Senator Dr Glenister Sheil

House of Representatives

Mr Ewen Colin Cameron MP
Mr Lloyd Reginald O'Neil MP
Mr Russell Neville Gorman MP
Mr Bruce Craig Scott MP

Mr Peter Roberts (Secretary)

EXTRACT FROM THE VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES

NO. 155 DATED WEDNESDAY, 29 NOVEMBER 1989

- 21 PUBLIC WORKS COMMITTEE - REFERENCE OF WORK - HOUSING DEVELOPMENTS BY THE DEFENCE HOUSING AUTHORITY AT LAVERTON AND MACLEOD, VICTORIA, AND BULLSBROOK, WA:
Mr West (Minister for Administrative Services), pursuant to notice, moved - That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Housing developments by the Defence Housing Authority at Laverton and Macleod, Vic., and Bullsbrook, WA.

Mr West presented plans in connection with the proposed work.

Debate ensued.

Question - put and passed.

EXTRACT FROM THE VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES

NO. 4 DATED MONDAY, 14 MAY 1990

- 14 PUBLIC WORKS COMMITTEE - REFERENCE OF WORK - HOUSING DEVELOPMENTS BY THE DEFENCE HOUSING AUTHORITY AT LAVERTON AND MACLEOD, VIC., AND BULLSBROOK, WA:
Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved - That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Housing Developments by the Defence Housing Authority at Laverton and MacLeod, Vic., and Bullsbrook, WA.

Mr Beddall presented plans in connection with the proposed work.

Debate ensued.

Question - put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

HOUSING DEVELOPMENTS BY THE DEFENCE HOUSING AUTHORITY AT LAVERTON AND MACLEOD, VICTORIA AND BULLSBROOK, WESTERN AUSTRALIA

By resolution on 29 November 1989 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposal for housing developments by the Defence Housing Authority at Laverton and Macleod, Victoria and Bullsbrook, Western Australia. However, with the dissolution of the House of Representatives on the 19 February 1990, the reference lapsed and the previous Committee was unable to present its report, although it had completed its investigation.

Following the re-appointment of the Parliamentary Standing Committee on Public Works by the 36th Parliament, the project was again referred to it by the House of Representatives on 14 May 1990. The present Committee, empowered by Section 24 of the *Public Works Committee Act 1969* agreed to consider the evidence placed before the previous Committee. The report which follows is based on an investigation conducted by the previous Committee and the evidence which it considered. The report has been endorsed by the present Committee.

THE REFERENCE

1. This proposal by the Defence Housing Authority (DHA) is to construct housing developments at Laverton and Macleod in Melbourne and Bullsbrook in Perth (see Appendix B). The 50 hectare Macleod site will produce up to 450 dwellings of which approximately half will be retained by DHA. The Laverton site of 32.5 hectares will yield approximately 350 housing allotments

whilst the 20 hectare site at Bullsbrook is expected to provide up to 180 house lots. DHA proposes to retain at least 100 developed blocks at both Laverton and Bullsbrook.

THE COMMITTEE'S INVESTIGATION

2. The Committee received a written submission from DHA and conducted a public hearing at Heidelberg, Victoria on 9 February 1990. Prior to the public hearing the Committee inspected the Laverton and Macleod sites and existing Defence housing at Laverton, Macleod and adjacent to the Watsonia Army Base. At the public hearing the Committee also took evidence from the following groups:

- . City of Heidelberg
- . Concerned Residents for Preservation
of Simpson Barracks Open Space
- . Lower Plenty Pony Club
- . Yallambie Community Association
- . Macleod Progress Association
- . Mr R Ashworth, private citizen
- . Warringal Conservation Society.

3. The Committee also received documentation relating to the proposal. This is listed below and will be included in the Minutes of Evidence:

- . letter dated 17 January 1990 from the Australian Heritage Commission
- . letter dated 11 January 1990 from the Water Authority of Western Australia
- . letter dated 12 January 1990 from the Shire of Swan
- . letter dated 23 January 1990 from the Shire of Eltham

- . letter dated January 1990 from J & K J Viksne
 - . letter dated 26 January 1990 from Mr W G Roberts
 - . letter dated 26 January 1990 from P & L Casbolt
 - . Defence Housing Authority environment reports for Macleod, Laverton and Bullsbrook
 - . a submission dated 9 February 1990 from Mr R Ashworth
 - . two reports on electromagnetic emissions from Simpson Barracks dated August 1988 and March 1989.
4. A list of witnesses who appeared at the public hearing is at Appendix A.
5. The Committee's proceedings will be published as Minutes of Evidence.

BACKGROUND

Role of Defence Housing Authority (DHA)

6. DHA was established by the Commonwealth Government as a Statutory Authority in January 1988. Its aim is to provide Defence personnel and their families with housing consistent with community standards and which will contribute positively to their quality of life.
7. The functions and powers of DHA include:
- . purchasing, developing and disposing of land and houses
 - . renting, managing and controlling land and houses
 - . determining and collecting market rents for housing from the Department of Defence.

8. DHA has a portfolio of approximately 23 000 houses and a current housing investment program in excess of \$100m per annum. DHA is required to act in a commercial manner and relies substantially on the services of the private sector for project design, management and construction. A small head office is located in Canberra. DHA is in the process of establishing a nationwide network of Housing Management Centres (HMCs) from which it will conduct its day-to-day business. The HMCs will deal directly with tenants and contractors, with the aim of improving the quality and cost effectiveness of repair and maintenance programs, as well as overseeing smaller capital works programs.

9. An essential aim of DHA is to pursue a much broader range of housing options than the traditional "design and construct" approach. Options presently being utilised by DHA include the spot purchase of existing houses, the acquisition of standard project homes, and leasing as well as the traditional construction on Commonwealth land. It has also entered into a number of joint venture arrangements with private firms to subdivide land and construct houses on DHA's land. The pursuit of this broader range of options will produce improved efficiency, increased housing choice and better location of housing.

Recent Government Initiatives

10. On the formation of DHA, the Commonwealth allocated responsibility for managing approximately 23 000 houses. Of these DHA owns approximately 9 000 houses valued at approximately \$800m, which are debt free and which form the major assets of DHA. They represent the Commonwealth's equity contribution to DHA. DHA receives the bulk of its funds in the form of market rent. The Commonwealth makes additional financial contributions in the form of interest bearing loan funds, which, together with

DHA's funds enable it to undertake an extensive capital expenditure program to improve the quality of the housing stock. In 1986 the Commonwealth Government gave a commitment that over the ensuing decade, not less than \$750m would be directed to a capital expenditure program for Defence housing.

THE NEED

Commonwealth-State Housing Agreement (Servicemen) {CSHA(S)}

11. DHA controls approximately 14 000 CSHA(S) houses. Title to these houses is vested in the States but DHA has, in effect, a perpetual lease over these dwellings for as long as they are required for Defence personnel.

12. This agreement is currently being renegotiated and the Commonwealth's offer to each State is that the Commonwealth (through DHA) will return houses to the States to the value of half the total CSHA(S) stock and there will be an equal sharing of the outstanding debt. This is to occur over a five year period.

13. The States will be free to use these houses for public housing. In return the States will be required to transfer title of the remaining houses to DHA. Western Australia and Victoria have agreed to this offer. The terms of the renegotiation will require DHA to undertake a major program to replace houses that are transferred to the States.

14. In May 1989 the Government, in addition to the earlier \$750m commitment, gave its approval for DHA to lease approximately 2 000 houses and borrow up to \$250m from the financial markets for Defence housing purposes.

Temporary Rental Allowance (TRA)

15. Since 1 November 1989 DHA has progressively replaced housing previously provided by TRA. TRA is paid to Service personnel to enable them to rent a house in the private market when a suitable DHA controlled house is not available.

16. The Government has decided to vary its existing policy and allow DHA to increase the number of houses it provides. This will consequently reduce the number of Service families who are required to find a house in the private market and use the allowance.

17. DHA will partly meet this additional requirement by leasing the additional housing required direct from the private rental market and from Service families who are home owners and who are leaving their homes on a posting. The bulk of the additional requirement will be met by a large scale leasing arrangement with major financial institutions where these institutions would buy dwellings nominated by DHA for on-leasing back to it. Creation of such an arrangement will reduce the administrative burden of leasing a large number of houses from many landlords and would enable a consistent approach to repairs and maintenance to be followed.

18. DHA believes that the implementation of these new arrangements can be expected to result in it leasing approximately 4 500 houses over the next five years throughout Australia.

Housing Shortage

19. The total impact of the CSHA(S) renegotiation and the TRA initiative means that DHA will need to acquire over 6 000 houses in the next five years and lease a further 6 000 houses in the

same period. DHA's total housing program over the 10 year period will be in excess of \$1.8 billion. The three projects subject to this referral will contribute to meeting this task.

Defence Housing Requirements and Options in Melbourne and Perth

20. In DHA's current Five Year Housing Program (FYHP) it is planned to acquire or lease approximately 1 940 additional houses in Melbourne and 1 000 additional houses in Perth. In order to supply the additional houses, DHA intends to adopt a range of delivery mechanisms including:

- . spot purchase of existing houses
- . acquisition of large numbers of standard project homes
- . various leasing arrangements
- . construction of single or groups of houses
- . construction and acquisition of medium density housing
- . larger scale land and housing developments either by DHA itself or in conjunction with private developers.

21. During February 1989, the Commonwealth indicated to the State Premiers that it intended to offer for sale a number of large parcels of surplus Commonwealth land for housing. The Commonwealth also agreed to offer to sell properties based upon market valuations to DHA where it had expressed an interest.

22. High costs, and the scarcity of available land and housing in Melbourne, means that many Defence personnel currently spend excessive and unreasonable time travelling to and from work each day. The Melbourne sites at Laverton and Macleod are within reasonable distance of the inner city and Defence establishments.

23. The development of the site at Bullsbrook will allow DHA to progressively move RAAF personnel from the former CSHA(S) housing to new project homes at Chittering Road and to sell off surplus housing on the private market. This has the benefit of

introducing greater private home ownership in Bullsbrook and at the same time, provide community standard project homes, integrated with civilian housing, for RAAF families at the Chittering Road site. Similarly, the developments at Laverton and Macleod will provide project homes to replace a substantial number of the monocrete houses at Broadmeadows and the poor housing at North Laverton. The development of the Point Cook Road site will allow these North Laverton houses, which DHA will acquire as a result of CSHA(S) re-negotiations, to be sold to the private sector.

Committee's Conclusion

24. The Committee agrees that a need exists to acquire additional suitable housing for Defence personnel at Laverton and Macleod, Victoria and Bullsbrook, Western Australia.

THE PROPOSAL

25. It is proposed to construct housing developments at Laverton and Macleod near Melbourne and at Bullsbrook near Perth. The Laverton site was purchased at residential market valuation as part of the Commonwealth's land divestment strategy while negotiations are continuing for the acquisition of Commonwealth land at Macleod in Lower Plenty Road, Victoria. Land has been purchased fronting Chittering Road at Bullsbrook in Western Australia. It is proposed that each site be developed for integrated Defence and civilian housing over the next three to four years.

26. DHA advised the Committee that it believes that these housing sites are generally well located to public transport and commercial, recreational and educational facilities. As well as providing improved Defence housing in Melbourne and Perth, housing on each site is to be sold on the private market to

assist in alleviating the current housing shortage in line with Commonwealth and State Governments' housing goals, particularly in Melbourne.

Development Options

27. It is proposed that the Laverton and Macleod projects will be developed under joint venture arrangements with the private sector. The Bullsbrook project will be undertaken by private sector contractors with DHA as the manager.

Joint Venture Arrangements

28. The Board of DHA has decided that in order to spread available capital and to secure private sector expertise, that where appropriate, projects should be developed under joint venture arrangements with private developers.

29. The Statutory obligations to be fulfilled by DHA before it is permitted to participate in joint ventures are defined in the *Defence Housing Authority Act 1987*. In summary, these are that the written approval of the Minister for Defence Science and Personnel is required, and that a statement be laid before the two Houses of Parliament advising of the joint venture arrangement.

30. DHA has carefully prepared a set of criteria to be used in the selection of a joint venture partner. These are that the partner must:

- . have a demonstrable track record in the development of large, high quality, mixed density housing estates
- . have the financial capacity to participate successfully in the joint venture

- . have the expertise to ensure the subsequent participation of a wide variety of home builders
- . have the resources to enter into suitable arrangements for sharing capital costs, decision making, risks and profits.

31. All joint ventures entered into by DHA will aim to achieve an "Internal Rate of Return" (IRR) which falls within the industry norm (25% to 33%). The final IRR will be negotiated according to the economic circumstances, industry prospects prevailing at the time and the degree of risk minimisation provided by DHA as a consequence of its commitment to retain a certain number of the developed blocks of land and/or houses. The value of DHA owned land contributed to the joint venture will be determined so as to achieve the target IRR for the project. This process will ensure an appropriate share of return for DHA and its joint venture partners.

MACLEOD

The Site

32. The Watsonia Army establishment (Simpson Barracks) is situated approximately 19 km north-east of the Melbourne Central Business District and covers approximately 180 hectares. The Army base itself has a major role in the military communications network and existing facilities include a large satellite tracking dish and several radio communications antennae. Almost 50 hectares of this area is being purchased by DHA to be developed as a residential subdivision. The proposed "L" shaped site has frontage to Lower Plenty Road to the south and the Army barracks to the north. To the west is a subdivision built to house Defence personnel under the CSHA(S) Agreement. Land has been developed adjoining the site in the south-west corner as a housing estate by the Victorian Ministry of Housing and

Construction and is occupied by Defence personnel. Land abutting the south-east corner is occupied by the Australian Radiation Laboratory (refer Appendix B).

33. It is proposed that the site be developed for approximately 450 dwellings for both civilian and Defence families. Planning for the site allows for a mix of densities averaging 600m² per allotment. Approximately 50% of the dwellings will be for Defence families and these will be dispersed throughout the development.

Development Costs

34. The expected average value per allotment is \$60 000 - \$70 000 (a total of \$12 - \$14m for 200 sites). The average house construction cost for DHA is estimated at between \$95 000 - \$100 000 (a total of \$19 - \$20m). The total land/house package average cost for a three bedroom house for DHA on the proposed development will be approximately \$155 000 - \$170 000. If DHA acquires 200 dwellings the total cost will be in the order of \$31-\$34m (June 1989 prices).

35. The proposed development cost of house/land packages for this project compares favourably with the current cost to DHA of existing spot purchase housing in the middle distant suburbs of Melbourne.

Development Proposal

36. It was originally intended that the Macleod development would be carried out by DHA with the help of consultants rather than entering into a joint venture arrangement. However at its March 1990 meeting, the Board of DHA reviewed progress on the project and passed a resolution directing that the development be carried out as a joint venture with an appropriate commercial firm.

Development Considerations (Planning Controls)

37. Planning Controls for the Macleod land are covered by the Melbourne and Metropolitan Planning Scheme (MMPS). The site is zoned Public Purposes Reserve (1) Commonwealth Government. The responsible Authority is the City of Heidelberg. DHA has had discussions with the Council to ensure that the planning for this development is consistent with DHA's and Heidelberg Council's overall objectives.

38. Any proposal to sell houses on the private market will require the land to be rezoned. DHA and its consultants have been negotiating for the necessary rezoning and development approval with the City of Heidelberg and a rezoning submission has been submitted to Council. Council advised the Committee that an amendment to the Heidelberg Planning Scheme was placed on public exhibition until 24 February 1990. Council requested that the public hearing be deferred until the public exhibition process had concluded and it had had sufficient time to deliberate on the Planning Scheme amendment. The Committee, however, rejected this request as, under section 17(1) of the *Public Works Committee Act 1969* it is required to report on public works to Parliament "as expeditiously as is practicable".

39. As over 50 submissions were received from community groups and residents, Council resolved on 5 February 1990 to convene a working session with community groups and DHA. Discussions are presently continuing amongst these groups.

Environmental Considerations

40. DHA commissioned consultants Perrott Lyon Mathieson Pty Ltd to undertake an environmental assessment of the Macleod site to ensure that environmental requirements have been accommodated. This has led to the alteration of the development plan to retain

an area of river red gums which are regarded as worthy of conservation.

41. There are approximately 90 maturing river red gums aged between 25 and 50 years. The gums attract the local bird population and serve as an important upper canopy corridor and habitat zone. Three ancient red gum specimens of 150 + years are growing just outside the site. The Warringal Conservation Society advised the Committee that although the red gums are in a degraded state, the overstorey is still intact thus providing the potential for natural re-vegetation.

42. The Society informed the Committee that significant birdlife exists on the proposed site. Many of these bird species, the Society claimed, would be unable to cope with residential development even though the overstorey would be retained. These species include the Goshawk, the Australian Hobby (a falcon) and the Bronzewing Pigeon. The Western Broad Nosed bat, a significant species, has been recorded in the Cresswell Forest in Macleod. The Society expressed the view that sufficient research has not been undertaken to fully gauge the effects of this proposal. The Society stressed the importance of Yallambie Creek and Banyule Creek as important minor wildlife corridors and suggested that housing be kept away from these areas. DHA agreed that although a landscape assessment had been undertaken there had been no biological assessment. However DHA stated that any reference to birdlife in its environmental statement was based on information actually obtained from the Society. Since the public hearing DHA has consulted with the Warringal Conservation Society. DHA has advised the Committee that it will continue to have further discussions with the Society and other groups over environmental issues.

43. A total of 11.4 hectares is to be set aside for public open space. This represents approximately 23% of the total site area, well in excess of that required by the Local Government Act, and

due principally to the regard for the retention of river red gums, the protection of areas considered to provide valuable habitats and a strong desire to create a high quality residential environment. Following the development of the estate the open space reserves will be transferred to the City of Heidelberg, which will thereafter be responsible for their future care and maintenance.

44. It is also proposed to provide a number of smaller reserves to establish a network of pedestrian walkaways and bicycle paths. These will maximise accessibility while at the same time providing safe alternative routes for pedestrians and cyclists in a system separate from the road network.

45. The central open space area contains a lake which will introduce a landscaped water feature as a focal point. The lake will also provide an important role for drainage of the area.

Micro-waves

46. Concern was expressed over the possibility of radiation exposure due to electro-magnetic emissions at Simpson Barracks. Defence advised that there is a need for satellite tracking and radio communication equipment installed at Simpson Barracks to be isolated from outside electrical interference and vice versa. *The Report on Electro-Magnetic Emissions from Simpson Barracks of 7 March 1989 by Dr J D Hunter of the CSIRO indicated that the low emission levels will not pose a problem to residents of the proposed development. The report concluded:*

"The safety margins measured are sufficiently large that it is reasonable to conclude that no radiation hazard exists anywhere on or above the estate due to emissions from these antennas ... The amount of increase in exposure level with simultaneous emissions from multiple sources

depends on the number of sources activated, and the antenna locations. Under the operational regulations noted above, simultaneous emissions will have an insignificant effect on the safety margins.

... Electromagnetic emissions from the other radiating systems ... will not cause Exposure Levels on or above the estate to exceed the Exposure Limits for non-occupational (24 hour per day) public exposure as specified in Australian Standard AS 2772 - 1985".

47. The report further recommended that an investigation into the exposure level caused by the 10 metre Whip antenna No. 21 is warranted if it is to become operational as an emitter in its present location.

State Electricity Commission

48. High voltage overhead transmission lines run in an easement diagonally across the north-east corner of the site. A report was prepared in August 1989 on measurements of the electric and magnetic fields generated by these transmission lines. The report, prepared by Dr Vic Morgan, documented measurements of both the electric and magnetic field distributions and projected electromagnetic fields based on maximum projected power flows for the year 2000. The report concluded that the measured values are well below the safe limits recommended in various international guidelines.

The Australian Radiation Laboratory

49. This facility is located adjacent to the south-east corner of the site. The following advice has been received by DHA following discussions with the laboratory:

"No radiation hazard, radioactive contamination of the external environment or breach of Government Safety Regulations has been recorded during the occupancy of the premises by the Australian Radiation Laboratory. It is extremely unlikely, due to the nature of the work carried out at the Laboratory and the safety features incorporated in its design and operation, that any breaches of safety regulations and standards could occur."

Security Fencing

50. For security and safety reasons security fencing will be erected between the estate and the barracks.

Defence Force School of Music

51. The School, which is adjacent to the northern boundary is compatible with the proposed residential development. The Committee was assured that the future residents would not be disturbed by noise pollution from the school. DHA advised the Committee of the future possibility of extending the parade ground facilities.

Lower Plenty Pony Club

52. For approximately 25 years the Lower Plenty Pony Club has used the proposed site for horse-riding activities as well as agistment. An annual rental of approximately \$7 000 has been paid by the club. DHA believes that there is no alternative to terminating this peppercorn lease. However, DHA expressed its willingness to discuss with the club the possibility of a new lease arrangement to permit continued occupancy of part of the land to the extent permitted by the development timetable.

53. The Committee was advised that negotiations are presently taking place between DHA and Army concerning the possibility of a small area of Army land being made available to the pony club. However, the club stressed that a minimum of 8 hectares would be required for it to exist on a limited basis. DHA has also offered \$200 000 to the pony club to assist in relocation and for the provision of future facilities.

Landscaping

54. The whole of the estate including the streets and open space reserve is to be landscaped in accordance with a landscape master plan approved by the City of Heidelberg. Where land is sold for private development the terms of the sale will require landscaping to be carried out by the purchaser/developer in accordance with the approved landscape master plans for all garden areas and streets. The landscaping of all public areas will be completed by DHA prior to their transfer to the Council for future care and maintenance.

Traffic

55. Various groups expressed concern over traffic issues including the siting of the entrance to the estate opposite Grantham Road and the increase in traffic congestion. However, DHA advised that points of ingress and egress have been limited in number and have been located in places designated following consultation with Council and the Main Roads Authority. The Committee was advised that the existing main roads will be widened allowing for acceleration and deceleration lanes which will allow traffic to enter and exit in relative safety.

Servicing

56. The Melbourne Metropolitan Board of Works (MMBW) has advised that it can provide water to the site. The present capacity of the drainage system for the central catchment area is inadequate and requires either upgrading of outfall drains or the construction of a retarding basin on site. DHA advised the Committee that the latter could be attractively integrated into the landscape proposal and is the favoured option of both Council and DHA. Comparative cost studies indicate that the retarding basin option is the most cost effective solution.

57. The existing sewer lines at the boundaries of the site have sufficient capacity to service the development. Electricity will be reticulated to lots after relocation works are undertaken in Crew Street. All power to allotments will be underground. Gas and telephone service will be reticulated to all allotments free of charge.

Socio-Economic Considerations

58. The Macleod site is located adjacent to a fully developed suburb where a full range of community facilities are available. The area has an ageing population trend. The introduction of a new residential estate, particularly one in which 50% are young Defence families, will assist in restoring a balance between young and aged persons in the local community.

59. DHA has formed a Macleod Housing Project Committee (MHPC) for this project consisting of members of local Army units, 2nd Military district, Australian Defence Force information and liaison service, Family liaison officer, District Support Unit and tenants and spouses of Army housing. The MHPC's monthly meetings enable DHA to inform local units, their commanders, and tenants and spouses of progress in respect of the project.

60. The MHPC has been involved in discussion on:

- . estate design
- . integration of military and civilian families in the estate, road design plans and safety aspects
- . landscaping
- . house designs
- . community facilities.

61. Members of the group have participated in discussions and meetings with the Heidelberg Council regarding plans for the estate.

62. Local business will benefit positively through the increased demand for goods and services boosted by at least an additional 400 households within local trade areas adding to the potential pool of disposal income to be attracted.

63. By close liaison through the MHPC and with the City of Heidelberg, DHA hopes to encourage the provision of community facilities identified as being of high priority. It is expected that there may be a need for a community meeting hall and a child minding facility in the area.

64. Simpson Barracks is surrounded by an established road network and the site has major frontage to Lower Plenty Road. Watsonia and Macleod railway stations are within a short driving distance. The southern part of the site is well serviced by the metropolitan bus system. Local bus services are available to the regional shopping centres, schools and other employment centres and community facilities. Bus services connect with rail services to the city.

Consultation

65. DHA and its consultants have involved Commonwealth, State and Local Government Authorities in the proposed development of this site. The Commonwealth Departments and relevant Authorities consulted were:

- . Department of Arts, Sport, the Environment, Tourism & Territories
- . Department of Defence
- . Australian Regular Army
- . Road Construction Authority
- . Department of Finance
- . Department of Administrative Services (Australian Construction Services, and Australian Property Group)
- . Australian Radiation Laboratories.

66. State Government authorities and instrumentalities which have been consulted include the SEC, Gas and Fuel Corporation, MMBW and Ministry of Education. Heidelberg City Council has been consulted and kept informed of the development proposals. Discussions have been held with the Housing Industry Association and local real estate firms.

67. DHA has also consulted with the National Consultative Group of Service Spouses together with local spouse representatives and community groups.

Development Plan

68. DHA has commissioned consultants to prepare a Development Plan for the site.

69. Key objectives of the Development Plan are:

- . integration of civilian and Defence housing
- . an economic use of the land and efficiency in overall costs
- . extensive use of the private sector
- . a high standard of residential amenity
- . the provision of approximately 200 houses for Defence within the project
- . the provision of a mixture of detached and medium density housing
- . compatibility with the operational requirements of Army at Simpson Barracks
- . flexibility regarding housing choice by Defence personnel.

70. The plan provides for:

- . planning compatible with the surrounding environment
- . subdivisional development that is cognisant of requirements for services, privacy, safety, topography, views etc.
- . provision of active and passive public open space

- . variety in housing choice - although the predominant form is conventional detached housing
- . community facilities and commercial opportunities
- . separation of pedestrian and vehicular circulation
- . an overall mandatory landscape master plan including retention of important indigenous landscape
- . a hierarchy of roads based on generated traffic flows.

Construction Program

71. Because the land is divided into three separate drainage catchments, it is not practical for development to be implemented in one single stage. Construction will commence at the west and progress towards the north-east.

72. The Macleod project represents a significant financial commitment for DHA. The application for rezoning was submitted to Council in October 1989. It is expected that the rezoning will take about six months to be approved. The tendering and construction process would commence as soon as the rezoning is approved. Based upon these timings, the first houses would be completed approximately 14 months after Council approval. The total project should be completed in three to four years following this approval.

LAVERTON

Site Description

73. In June 1989 DHA purchased from the Commonwealth, approximately 32.5 hectares of land at Point Cook Road, Laverton. The land is adjacent to an existing urban development (Seabrook Estate) to the north with Cheetham Salt Works (which is now closed) abutting the site to the south and east. The site is ideally situated between Laverton and Point Cook Air Force Bases and was previously used for a RAAF Transmitting Station (refer Appendix B). Structures which exist on the site include a transmitter building, mess hut, outside toilet, SEC substation, flammable store, power house and a married quarters with garden shed. These will be demolished.

74. Approximately 2 100 Service personnel are employed on the two RAAF Bases for which DHA presently provides 962 houses. This housing consists of 248 owned by DHA and 714 provided under the CSHA(S). As a result of the CSHA(S) re-negotiations, a considerable number of the latter houses will need to be replaced. This development provides an ideal opportunity to do this.

75. It is planned that the Laverton site will be developed under joint venture arrangements with a private sector developer and will provide a mix of housing densities, although detached housing is likely to predominate. DHA will arrange for private sector builders to construct project homes for Defence families on approximately 100 blocks of land. The balance of the land will be sold to the private sector.

Defence Housing Authority Objectives

76. DHA's paramount objectives for this site are as follow:

- . to develop approximately 350 residential allotments to provide a mix of conventional detached and some medium density housing in an attractive well planned environment
- . to complete the development and sale of all allotments within three years
- . to ensure the new development is well integrated with the existing housing developments in the locality
- . to obtain sufficient residential allotments to satisfy the requirements:
 - . that 100 of the total dwellings in the development will be for Defence families
 - . that Defence housing will be integrated with private housing such that no section or area of the development can be readily identified as Defence housing
 - . to provide a choice of housing types for Defence families, consistent with community standards and requirements for Defence housing families
- . to develop the land in a manner which is consistent with State and Commonwealth objectives for housing choice and affordability

- . to provide and effect the systematic development and release of land in a manner conducive to economic staging of works in line with market conditions
- . to ensure a consistent quality of landscaping and streetscape development which will be complementary to the existing facilities in the locality
- . to ensure the total development is in sympathy with the environmental features of the area
- . to give ample scope for a range of approved builders to be engaged on the development.

Development Costs

77. The average value of residential allotments at Laverton is expected to be about \$43 000 (note that this includes the potential for profit, 50% of which will accrue to DHA). The anticipated average dwelling construction costs for Defence housing is \$95 000 resulting in a total estimated cost for 100 DHA houses of \$9.5m (June 1989 prices). The total cost for 100 DHA houses is estimated to be approximately \$14m.

Joint Venture Development

78. DHA proposes to enter into a joint venture arrangement with a private sector developer to develop the site as a residential subdivision and construct houses on the serviced land.

79. DHA may permit the developer to construct a number of houses on the 100 blocks which it will retain under the proposed joint venture arrangement. These will be project homes with the addition of extra facilities required by Defence families.

80. The joint venture partner will be required to have proven capacity and performance and in particular:

- . an ability to manage the overall project from the conceptual state to sales of lots registered at the Titles Office
- . a demonstrated understanding of principles of the residential development provisions and Werribee Council's forward planning views for this sub-region
- . an understanding of the present development east of Skeleton Creek and the marketing profile already established
- . a sufficient level of financial resources and economic viability.

Development Considerations

81. The land is currently reserved for "Commonwealth Purposes" under the Werribee Council Planning Scheme and rezoning of the property may be required. A planning permit for subdivision approval has been lodged with the City of Werribee. The land is part of the area under consideration in the Ministry of Planning and Environment's study of the Werribee Corridor. The Ministry is currently considering four options for the future development of the Corridor, all of which propose zones other than residential. DHA has submitted an objection to the study as presently exhibited. DHA's consultants are currently holding discussions with the Victorian Ministry of Planning and Environment and the Werribee Council regarding planning approval for the site.

Environmental Considerations

82. DHA engaged consultants Kinhill Engineers Pty Ltd to provide advice on environmental considerations which it should address in accordance with State legislation. The site has not been identified as being significant for nature conservation purposes. The vegetation of the site has been substantially modified and the tree and shrub layers have been removed. The existing grassland is a combination of native grasses and introduced pasture species. However, the nearby Skeleton Creek and Point Cook Metropolitan Park have been identified for nature conservation purposes. Point Cook Metropolitan Park, located two kilometres to the east and one kilometre south of the site, is of international significance for migratory bird habitat. It has state botanical significance for rare and restricted species and saltmarsh communities and has regional significance for legless lizards and snakes.

Servicing

83. The existing water supply at the western boundary to the site may require upgrading and costings for the project allow for this. A sewer service currently exists to nearby housing estates and is soon to be extended by development of the next stage of the Seabrook Estate to the northern boundary of the site. There is no drainage outfall for the site. Development will require stormwater to be piped underground to Skeleton Creek to the north-east of the site and costings allow for this. The Committee queried the possibility of future flooding on this flat site. DHA advised that the site itself had never been subject to flooding, with the maximum recorded flood line in the immediate area being 4.5 metres Australian Height Datum. The site is therefore above the maximum recorded flood level. An existing gas main of sufficient capacity terminates at the northern boundary (Seabrook Drive). Reticulation to all lots by the Gas Authority will be free of charge. The State Electricity

Commission has advised that it can provide electricity to the development. Telecom will extend telephone services to house lots free of charge.

Socio-Economic Considerations

84. The site is located in a strong growth area to the south-west of Melbourne adjacent to new and increasing residential, commercial, recreational and industrial developments. The population trend is toward young families in the lower to middle income groupings.

85. The main Melbourne-Geelong rail link passes through Aircraft and Laverton stations which are 2-3 km from the site. The Princes Freeway, linking Melbourne to Geelong and the Bellarine Peninsula, is within 1.5 km. Currently there are no bus services to the site.

Consultations

86. DHA has consulted and involved various Commonwealth, State and local government authorities in the development of this proposal. The following have been consulted:

- . Department of Defence
- . Royal Australian Air Force
- . Telecom
- . Department of Administrative Services (Australian Construction Services and Australian Property Group)
- . Victorian Ministry of Planning and Environment
- . State Electricity Commission
- . Gas & Fuel Corporation
- . Melbourne Metropolitan Board of Works
- . Werribee City Council
- . Historic Buildings Council
- . Victorian Archaeological Survey

- . Ministry of Education
- . Australian Heritage Commission
- . V/Line - State Transport Authority
- . RAAF Base Williams.

87. DHA has also consulted with the National Consultative Group of Service Spouses together with local spouse/tenant representatives.

Development Plan

88. DHA has commissioned planning consultants to prepare a development plan for the Laverton site. This development plan has similar objectives to the development plan for the Macleod site which are listed at paragraphs 70 & 71.

Construction Program

89. DHA is currently holding discussions with a number of developers regarding the development of the Laverton site. Discussions held with potential joint venture partners would be expected to lead to the preparation of a heads of agreement to establish a joint venture mechanism for the design, development and marketing of the land.

90. Development approval for this site will be required from Council and concept plans for the project were lodged with Council in January 1990. Presuming these plans will be approved within a six month time-frame, work can commence on the area to fully service the lots for sale. Rezoning may take about six months and civil engineering works could commence by late 1990. It is anticipated that the first lots will be available by late 1990. The entire project is planned to be completed within three years following Council approval.

BULLSBROOK

The Site

91. DHA has purchased 20 hectares of undeveloped land fronting Chittering Road, immediately east of the existing Bullsbrook township and close to the RAAF Base Pearce in Western Australia. The site is approximately 40 km north-west of the Perth Central Business District (CBD) (refer Appendix B). The site remains substantially vegetated with approximately 30% of the total land area cleared for grazing and 10% comprising an abandoned orchard. There are no dwellings or improvements presently on site. The northern, eastern and southern boundaries of the site abut large rural holdings which have been cleared for grazing activities. The north-western edge follows the rear boundary of a series of residential properties along Chittering Road. The land will be subdivided into 180 house lots, 100 of which will be retained by DHA with the balance to be sold on the private market.

92. Development of the 20 hectare site is expected to yield a total of 180 house lots. Of these, 100 will be retained for Defence families and 80 will be sold on the open market. Approximately one third of the land is currently zoned residential and rezoning for the balance is expected to be approved.

93. Adjacent to the site at Bullsbrook is a former CSHA(S) estate, where most of the houses are currently occupied by Defence families. Early in 1989 DHA purchased these houses from the Western Australian Government. Of these 167 houses, approximately 130 are considered by DHA to be below an acceptable standard for Defence families and are progressively being sold to the private sector in an effort to reduce the present imbalance between private home ownership and DHA ownership in the area.

94. DHA manages approximately 1 400 houses in Western Australia of which approximately 270 are currently provided under the CSHA(S). Of the latter it is expected that approximately 40 will be returned to the State over the next few years. In addition, 330 Service families are presently being housed under TRA arrangements. As a result of these decisions DHA will have a requirement for 1 000 additional houses over the coming five year period. At the conclusion of the project at Bullsbrook 100 new houses and 40 existing houses will be available to house Defence families in the Bullsbrook area.

Development Costs

95. DHA has chosen to develop the Bullsbrook housing development from its own resources because of its small scale, the smaller nature of the Bullsbrook housing market and the percentage of sites available for the private sector housing market. The expected average value of developed sites is \$22 000 - \$25 000 with the cost for 100 sites being between \$2.2 - \$2.5m. The average cost of constructing a house at Bullsbrook for DHA is estimated at between \$80 000 and \$90 000 per house. The total cost of the project for 100 houses and land packages would be between \$10 - \$11.5m. DHA will manage the Bullsbrook development using private contractors. The surplus developed lots will be sold on the private market.

Planning Controls

96. The design of the new subdivision has been undertaken with the full support and assistance of the Swan Shire. Part of the site is currently zoned residential whilst the remainder is zoned rural. A request to have the total site zoned residential is currently with the local authority.

Environmental Considerations

97. The development of the site for residential purposes is consistent with future land-use growth objectives supported by the Shire of Swan and described in the Bullsbrook Structure Plan 1981. All necessary residential land-use control mechanisms will be included in the Town Planning Scheme prior to any subdivision occurring, ensuring all land-use practices are compatible with other surrounding uses, and create no adverse environmental impacts.

98. Town Planning Scheme provisions will ensure that traditional residential development standards are applied in the development guaranteeing harmonious visual integration with the balance of the townsite. 2.6 hectares of public open space in the centre of the development together with a 3000m² open space including numerous large trees will complement the developments visual amenity.

99. No rare or endangered species of flora or fauna or unique faunal habitats are known to exist on the site. The extensive area of public open space will ensure that a significant amount of native vegetation is preserved. Sprays used on the orchard present no danger to human occupation of the site. However, Council should ensure any poultry kept on the lots is penned.

Servicing

100. Currently power and water services are being extended to the site and the relevant authorities will be able to provide full services for the proposed subdivision. These services will be extended to the site at a cost to be shared by the various statutory authorities and DHA. The cost to DHA for the provision of these services has been allowed for in the estimates.

Amenities

101. The Bullsbrook townsite is serviced by a small shopping centre, a sporting and social club. A large variety of shops and a commercial complex are located at the Midland Regional Centre, 20 km from Bullsbrook. Bullsbrook is connected by a regular bus service to the Midland Regional Centre.

102. Both primary and secondary state schools are located adjacent to the proposed development, with private schools available at Midland. Investigations into community facilities such as child-care at Bullsbrook, suggest that existing facilities are sufficient to cater for the expected increase in population.

Consultations

103. DHA has consulted with State and local government authorities to ensure that the required infrastructure will be available. All sites in the proposed subdivision will be fully serviced. DHA and its consultants have held discussions with local Service personnel to ensure that they have been fully informed on the project. A public meeting has also been held at Bullsbrook to display planning proposals for the site. A Bullsbrook housing project group has been formed to assist DHA with planning of the proposed development. The group consists of members of DHA, RAAF Pearce, RAAF Wives Association, RAAF tenants and spouses and members of the Bullsbrook community. The group has discussed the proposed subdivisional plan as well as the proposal to integrate service and civilian families into the estate.

Development Plan

104. It is anticipated that construction will commence in the second half of 1990 with the first houses being occupied in the first half of 1991.

Committee's Recommendations & Conclusions

105. The Committee agrees that the proposed housing developments will assist the Defence Housing Authority in its responsibility of providing Service families with appropriate housing in an acceptable social environment in Victoria and Western Australia.

106. The Committee acknowledges that environmental safeguards and standards must be adopted by the Defence Housing Authority in the proposed developments.

107. The Committee recommends that consultations continue between the Defence Housing Authority and relevant environmental and interested groups concerned with these projects.

COST ESTIMATE

108. DHA advised the Committee that the proposed cost of the housing developments when referred to the Committee in November 1989 was:

	\$m
Macleod	68
Laverton	56
Bullsbrook	21
TOTAL:	<u>145</u>

Committee's Recommendation

109. The Committee recommends the Defence Housing Authority proceed with housing developments at Laverton and Macleod in Victoria and Bullsbrook in Western Australia at an estimated cost of \$145m.

CONCLUSIONS AND RECOMMENDATIONS

110. The conclusions and recommendations of the Committee are set out below with the paragraph in the report to which each refers:

	Paragraph
1. The Committee agrees that a need exists to acquire additional suitable housing for Defence personnel at Laverton and Macleod, Victoria and Bullsbrook, Western Australia.	24
2. The Committee agrees that the proposed housing developments will assist the Defence Housing Authority in its responsibility of providing Service families with appropriate housing in an acceptable social environment in Victoria and Western Australia.	105
3. The Committee acknowledges that environmental safeguards and standards must be adopted by the Defence Housing Authority in the proposed developments.	106
4. The Committee recommends that consultations continue between the Defence Housing Authority and relevant environmental and interested groups concerned with these projects.	107

5. The Committee recommends the Defence Housing Authority proceed with housing developments at Laverton and Macleod in Victoria and Bullsbrook in Western Australia at an estimated cost of \$145m.

109



Colin Hollis

Chairman

14 May 1990

APPENDIX A

LIST OF WITNESSES

ASHWORTH, Mr Richard Clive, 5 Corandirk Place, Yallambie, VIC 3085

ASHWORTH, Mrs Rita, 5 Corandirk Place, Yallambie, VIC 3085

BRYANT, Mr Gordon Munro, Representative, Concerned Residents for Preservation of Simpson Barracks Open Space, Bannockburn Road, Lower Plenty, VIC 3093

BYNON, Mr Geoffrey David, Manager, Defence Housing Authority Management Centre, C/- Irwin Barracks, Karrakatta, WA 6010

CASHMORE, Mr John, President, Lower Plenty Pony Club, Lower Plenty Road, Lower Plenty, VIC 3093

DEMETRIS, Mr Alec, Vice President, Yallambie Community Association, 7 Corandirk Place, Yallambie, VIC 3085

GRAHAM, Mr John Edward, Chairman, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT 2600

GREGORY, Mr Raymond Joseph, Representative, Concerned Residents for Preservation of Simpson Barracks Open Space, 3 Westmere Place, View Bank, VIC 3084

GROSZ, Mrs Petra, Acting Chairperson, Werribee Tenant Consultation Group, 12 Hickory Street, Werribee, VIC 3030

GURNEY, Mrs Pamela Ruth, Chairperson, Macleod Housing Project Committee, 2 Amanda Court, Macleod, VIC 3085

HARDMAN, Mr Max Rodney, Director, Meldrum Burrows and Partners, 464 Collins Street, Melbourne, VIC 3000

JOHNSON, Mr Harold Reginald, President, Macleod Progress Association, 74 Strathallan Road, Macleod, VIC 3085

KIRKBY-JONES, Mr William James, Managing Director, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT 2600

LARKINS, Mrs Meryl, Committee Member, Lower Plenty Pony Club, Lower Plenty Road, Lower Plenty, VIC 3093

MURFET, Dr Robert Kingsley, Project Manager, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT 2600

PARAS, Mr George John, Committee Member, Warringal Conservation Society Inc., PO Box 64, Rosanna, VIC 3084

REEVES, Mr Michael David, Environmental Planner, Kinhill Engineers Pty Ltd, PO Box 246, Kippax, ACT 2615

ROBERTS, Mr William Grant, Committee Member, Lower Plenty Pony Club, Lower Plenty Road, Lower Plenty, VIC 3093

RYAN, Mr Matthew John, Manager, Town Planning and Building Services, City of Heidelberg, Civic Centre, Upper Heidelberg Road, Ivanhoe, VIC 3079

SLATTERY, Mr Leo Thomas, Representative, Concerned Residents for Preservation of Simpson Barracks Open Space, 3 Clovelly Court, View Bank, VIC 3084

TEMPLAR, Mr Rod, General Manager, Operations, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT 2600

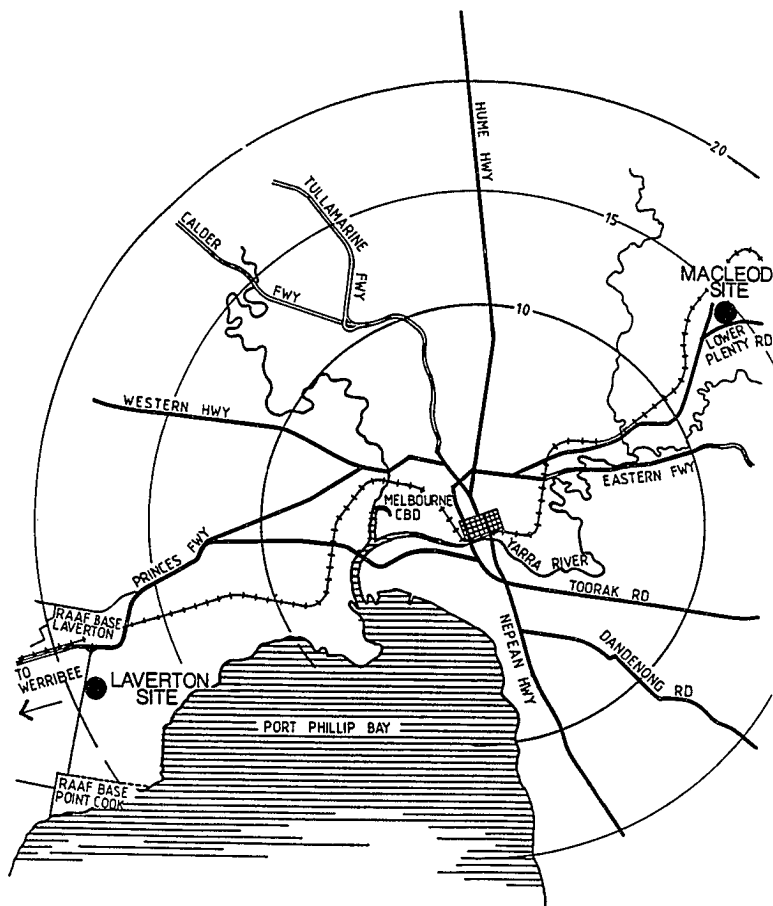
TUCKER, Mr Gregory Norman Norris, Defence Housing Authority, Greg Tucker Associated Pty Ltd, PO Box 66, Burnely, VIC 3121

WHITNEY, Mr David Grenfell, Director, Perrott Lyon Mathieson, 20 Fitzroy Street, St Kilda, VIC 3182

APPENDIX B

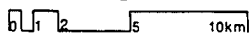
PROJECT DRAWINGS

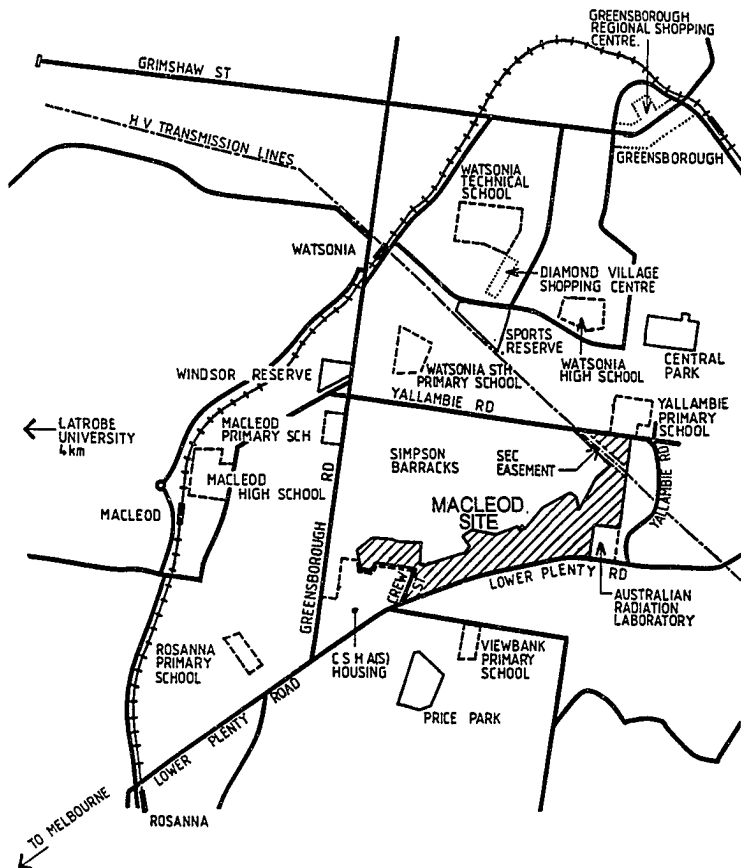
Location Plan - Melbourne development sites	B-2
Locality Plan - Macleod site	B-3
Site Plan - Macleod	B-4
Locality Plan - Laverton site	B-5
Location Plan - Perth development site	B-6
Locality Plan - Bullsbrook site	B-7
Site Plan - Bullsbrook	B-8



B2

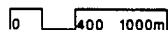
LOCATION PLAN MELBOURNE DEVELOPMENT SITES

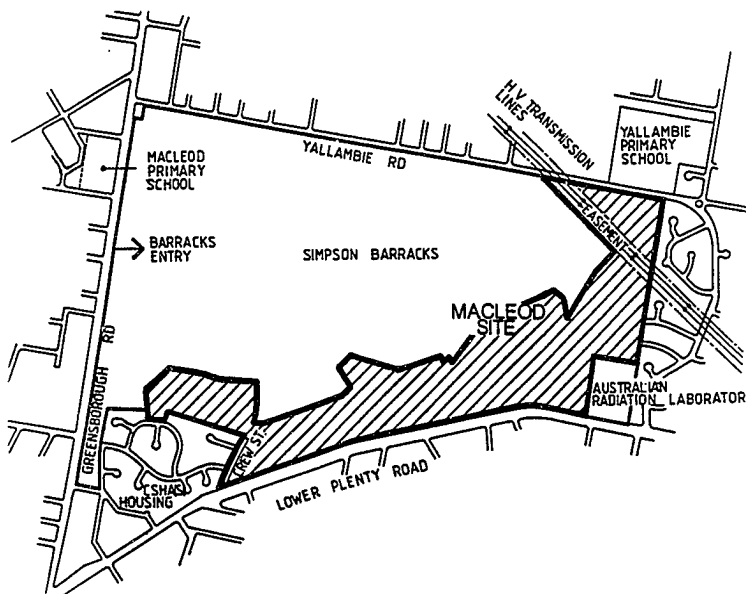




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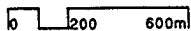
LOCALITY PLAN MACLEOD SITE

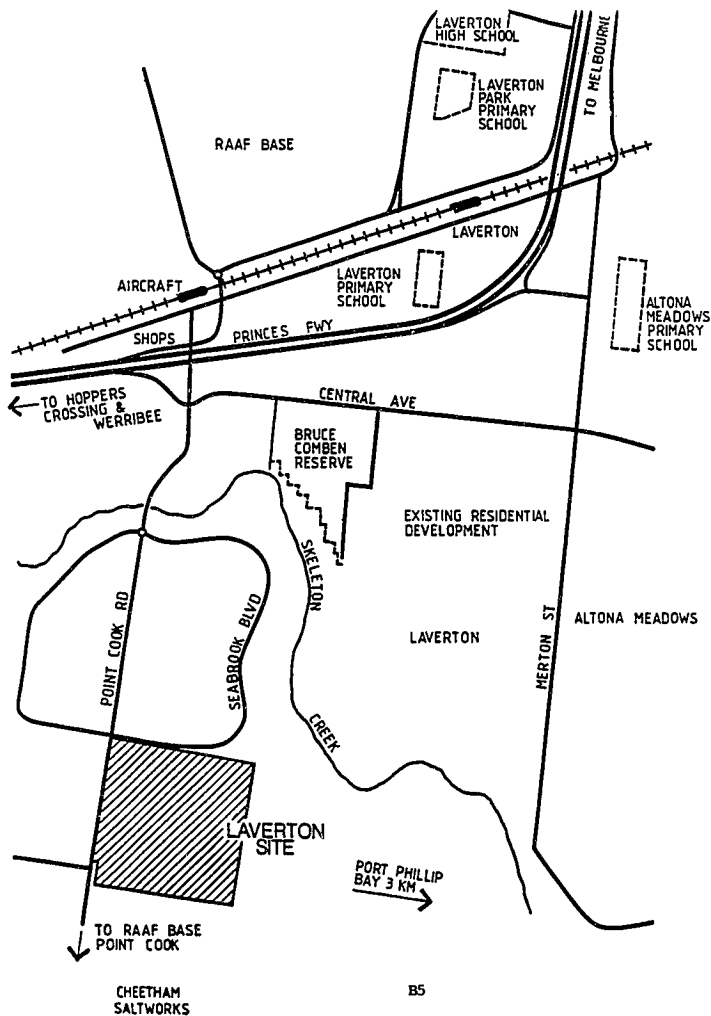




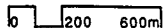
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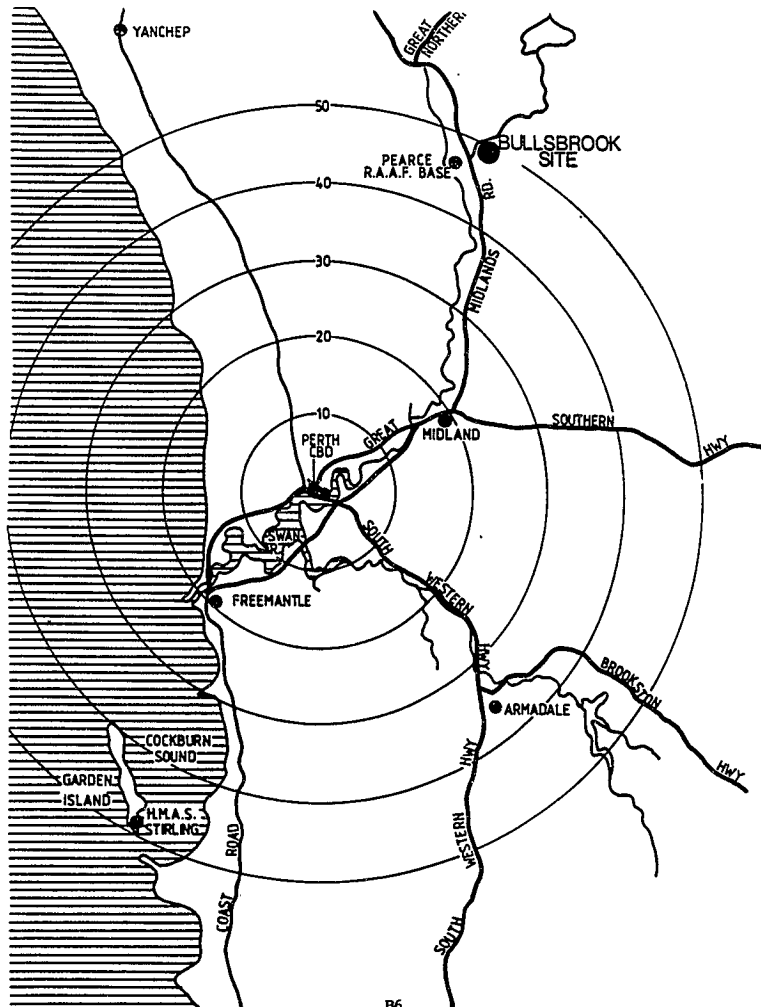
SITE PLAN MACLEOD





LOCALITY PLAN LAVERTON SITE

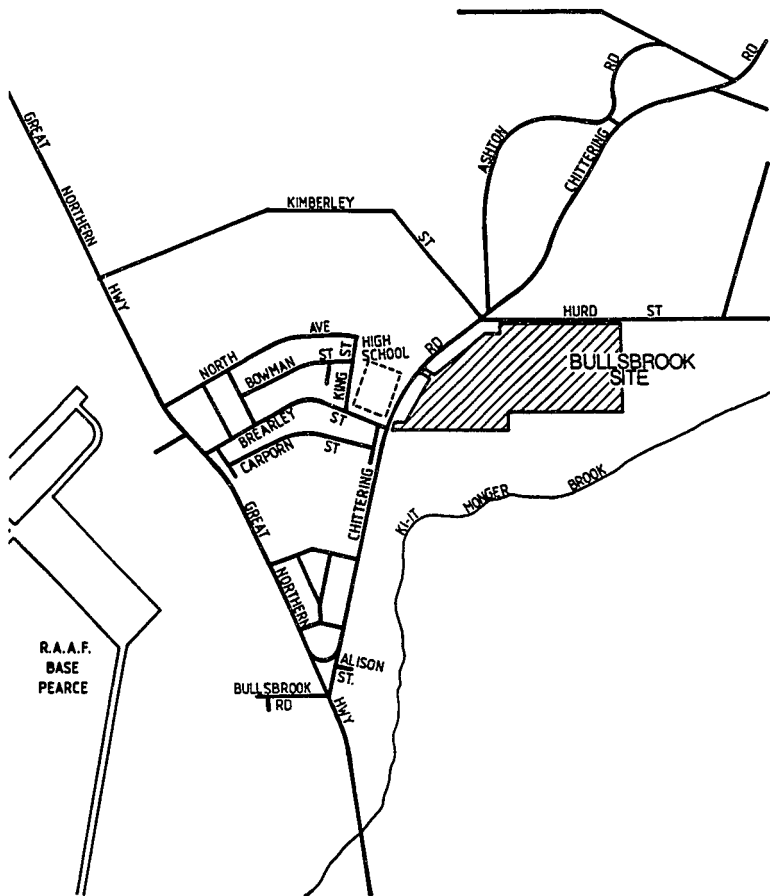




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LOCATION PLAN PERTH DEVELOPMENT SITE

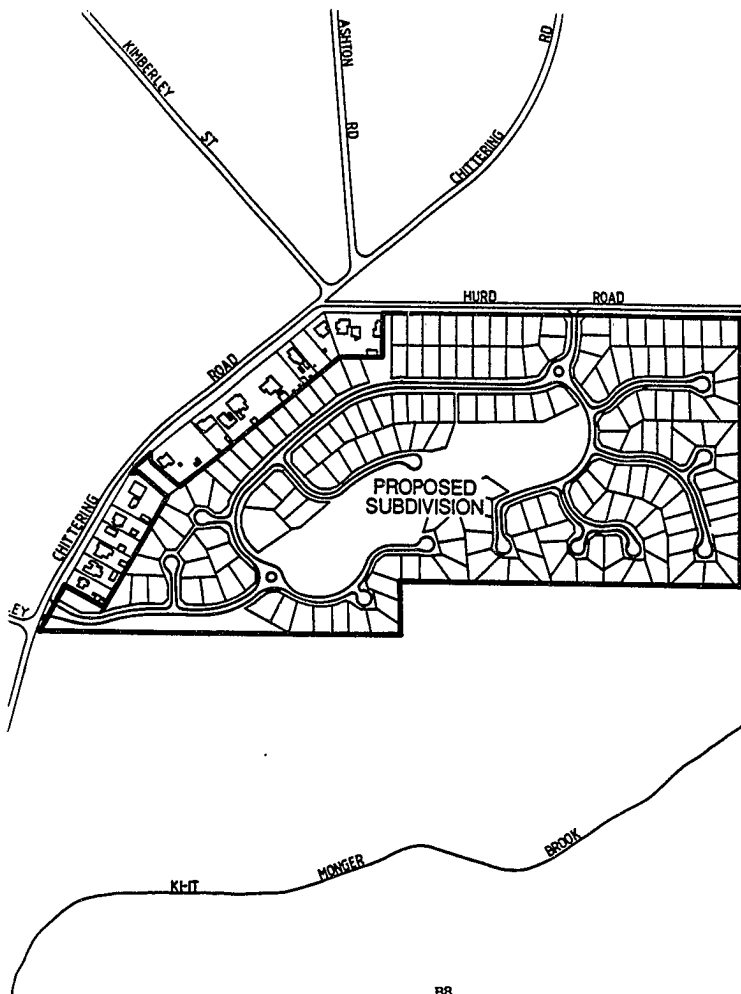
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LOCALITY PLAN BULLSBROOK SITE

0 100 250 500 1000m



**SITE PLAN
BULLSBROOK**

0 50 100 200m