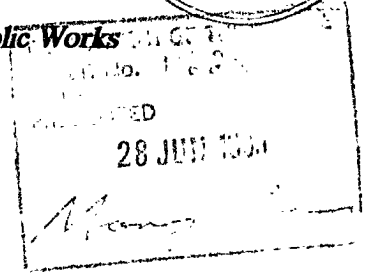


Parliamentary Standing Committee on Public Works



REPORT

relating to the proposed

JOINT VENTURE DEVELOPMENT WITH DELFIN PROPERTY GROUP OF THE WILLOWS, TOWNSVILLE, FOR DEFENCE HOUSING

(Seventeenth Report of 1995)

The Parliament of the Commonwealth of Australia
Parliamentary Standing Committee on Public Works

Report relating

to the proposed

**Joint venture development with Delfin
Property Group of the Willows,
Townsville, for defence housing**

(Seventeenth Report of 1995)

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

(Thirty-First Committee)

Mr Colin Hollis MP (Chair)
Senator Paul Henry Calvert (Vice-Chair)

Senate

House of Representatives

Senator Bryant Robert Burns	Mr John Neil Andrew MP
Senator Shayne Michael Murphy*	Mr Raymond Allen Braithwaite MP
	Mr Russell Neville Gorman MP
	Mr Robert George Halverson OBE MP
	Hon. Benjamin Charles Humphreys MP

*Replaced Senator John Devereux on 10 February 1995

SECTIONAL COMMITTEE ON THE PROPOSED JOINT VENTURE DEVELOPMENT
WITH DELFIN PROPERTY GROUP OF THE WILLOWS, TOWNSVILLE, FOR
DEFENCE HOUSING

The Hon. Benjamin Charles Humphreys MP (Temporary Chair)
Mr Raymond Allen Braithwaite MP (Vice-Chair)
Mr Russell Neville Gorman MP

Committee Secretary:	Peter Roberts
Inquiry Secretary:	Michael Fetter
Secretarial Support:	Mahesh Wijeratne

EXTRACT FROM THE
VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES

No. 129 dated Thursday, 9 March 1995

3 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE –
REFERENCE OF WORK – JOINT VENTURE DEVELOPMENT WITH
DELFIN PROPERTY GROUP OF THE WILLOWS, TOWNSVILLE,
FOR DEFENCE HOUSING

Mrs Crosio (Parliamentary Secretary to the Minister for Social Security), for Mr Walker (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: Joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing.

Question – put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

JOINT VENTURE DEVELOPMENT WITH
DELFIN PROPERTY GROUP OF
THE WILLOWS, TOWNSVILLE, FOR DEFENCE HOUSING

On 9 March 1995 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report to Parliament the proposed joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing.

THE REFERENCE

1. There is a need to provide adequate housing for service families posted to Townsville for which the Defence Housing Authority (DHA) is responsible. Originally DHA formed a joint venture with Delfin Property Group to tender for a parcel of land at Douglas in Townsville. The tender was unsuccessful. Soon after, on behalf of the joint venture, DHA successfully negotiated the acquisition of 107ha of land at Kirwan, known as the Willows. This land was available for sale by the receivers of the Kern Corporation.

2. With the approval of the Public Works Committee the joint venture has proceeded with the development of a portion of the land on the eastern side of the main stormwater drain and now seeks approval to proceed with development of the balance of the land. It is proposed that DHA acquire approximately 25% of the lots from the joint venture at a reasonable discount and construct new houses for service families, specifically designed for the local climate.

3. When referred to the Committee, the estimated cost of the development of the land was \$37m. As the project is a joint venture, the contribution by DHA to development and broad acre land acquisition will be half of the total of \$42.6m, namely \$21.3m (see paragraph 35).

THE COMMITTEE'S INVESTIGATION

4. A Sectional Committee comprising Mr Humphreys (Temporary Chair), Mr Braithwaite (Vice-Chair) and Mr Gorman was appointed on 27 April 1995 to undertake the inquiry.

5. The Sectional Committee received a submission and drawings from DHA and took evidence from representatives of DHA, the Department of Defence and Delfin Property Group Ltd at a public hearing held at Thuringowa on 3 May 1995.

6. The Sectional Committee also received written submissions and took evidence from the following:

- ☐ Thuringowa City Council
- ☐ Tenants Consultative Group.

7. Written submissions were also received from the following organisations:

- ☐ Commonwealth Fire Board
- ☐ Childcare at Work
- ☐ Royal Australian Institute of Architects
- ☐ Australian Nature Conservation Agency
- ☐ Australian Heritage Commission
- ☐ Environment Protection Agency.

8. Prior to the public hearing the Sectional Committee inspected the site of the proposed housing development and a representative sample of older and newer DHA houses in Townsville.

9. A further private meeting with representatives of the DHA was held in Canberra on 26 June.

10. A list of witnesses who appeared at the public hearing is at Appendix A. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

DHA charter

11. DHA was established by Parliament in 1988 by the *Defence Housing Authority Act 1987*. DHA has translated its statutory functions to:

provide Defence personnel and their families with good housing consistent with community standards and which will contribute positively to their quality of life. In achieving this mission DHA shall meet Defence operational needs, follow sound commercial principles and be a responsive and innovative organisation.

North Queensland operations and housing stock

12. DHA operations in North Queensland are managed by a Housing Management Centre (HMC) in Townsville and by a District Office in Cairns. The HMC is responsible for managing DHA housing in North Queensland.

13. The total stock of DHA houses in the region is 2040, distributed as follows:

- ☐ In Townsville - 1807

DHA described some of these as being of 'good quality', located close to community facilities and perceived by Service tenants as meeting community standards.

- ☐ In Cairns - 233

14. Of this total, 1364 were constructed by the Commonwealth or DHA, 254 have been spot purchased and 422 are leased.

THE NEED

Condition of housing

15. DHA submitted that of the 1807 houses available in Townsville (March 1995 figures), 833 are classified as being substandard. Accordingly, the DHA is embarking on a program over the next three years of upgrading, disposal and replacement. This program involves:

- 524 to be upgraded
- 309 to be disposed of and replaced.

Demand for Defence housing in Townsville

16. The demand for Defence housing in Townsville is expected to increase in the longer term. DHA advised the following projections for the years 1994/95 to 1998/99:

<i>Year</i>	<i>Requirement</i>	<i>Increase</i>
94/95	1724	-
95/96	1724	-
96/97	1724	-
97/98	1844	120
98/99	2151	307

17. DHA advised the Committee that the spot purchase market in Townsville is limited and believes there is a requirement to obtain land suitable for new construction to satisfy the demand.

Housing inventory development strategy

18. DHA has developed a five year housing development plan which is designed to provide additional housing, upgrade existing houses and dispose of stocks considered to be unsuitable for upgrading. The disposal program

is 309 houses, with the balance of 524 to be upgraded. The Sectional Committee examined a number of houses which had been upgraded. Details of the houses and their refurbishment and upgrading costs are:

- 8 Bancroft street, Aitkenvale - \$44 967 of improvements - \$10 400 of maintenance and \$34 567 of new works. With the improvements on the house the valuation went from \$112 000 to \$150 000. Rental went up from \$175.00 to \$200.00 per week.
- 18 Redhead Drive, Aitkenvale - \$33 953 - \$9958 maintenance and \$23 995 of new works. Pre-improvement valuation \$127 000, post improvement \$145 000
- 50 Blaxland Crescent, Vincent - total cost \$54 219 - \$16 148 maintenance and \$38 071 for new works. With the improvements on the house the valuation went from \$95 500 to \$127 000. Market rent went from \$160.00 to \$185.00 per week.

19. The refurbishment program was described by DHA as a 'controlled disposal program'. The rationale to upgrade rather than replace the existing substandard houses was based on the inability of the market to absorb large numbers of houses in any one year. Factors which determine if individual houses should be upgraded or disposed of include their location within the general community, the neighbourhood and amenities and if any upgrading would enhance the general neighbourhood.

20. The proposed refurbishment program will be extensive and costly. The Committee has some concerns about over capitalisation which could result from extensive refurbishment of older houses. It is clear that the cost of repairs and refurbishment are not commensurate with new valuations. The Committee was assured by DHA that the program will be referred to it in the near future.

21. Over the next four years the leases on DHA houses in Townsville will expire and decisions will need to be made if they are to be renewed.

Committee's Conclusion

22. There is a need to provide additional houses in Townsville as a consequence of the substandard condition of a significant number of Defence Housing Authority houses, the Authority's disposal program and planned relocations of Defence personnel to the Townsville area from southern states.

THE PROPOSAL

Briefing

23. In May 1994 the DHA advised the Committee of its intention to purchase a parcel of land in Townsville known as the Willows for \$5.6m which would yield 761 lots.

24. Portions of the land had been the subject of staged development and sale for some years by Kern Corporation and following its bankruptcy, by the receiver, acting on behalf of the Commonwealth Bank, the owner.

25. In order to continue with the momentum of development DHA advised the Committee of its wish to continue with phased development in joint venture with a private developer (Delfin). The Minister for Defence Science and Personnel (the Hon Gary Punch MP) approved the joint venture on 6 June 1994.

26. On 16 June 1994 the DHA subsequently requested the Committee's agreement with the proposed development of the Willows being declared a 'repetitive work' as provided by subsection 18(8A) of the *Public Works Committee Act 1969*.

27. Before considering the matter further, the Committee Chair (Mr Colin Hollis MP) undertook an inspection of the property on 21 June 1994.

28. On 28 June 1994 the DHA met with the Committee and explained in more detail the basis of the request.

29. The Committee did not agree to the proposed work being declared a repetitive work but agreed to the continuation of work on the eastern side of the drain. The Committee believed that this approval was justified on the

grounds that any momentum lost by suspending development whilst awaiting the wider proposal on the western side of the drain being considered by the Committee would be to the DHA's commercial detriment.

Joint venture

30. The terms of the joint venture entered into between the DHA and Delfin is that DHA would purchase the property and the two parties would jointly fund development costs, with Delfin undertaking the development. Initially, to get the project underway, Delfin would spend the equivalent of the purchase price. Once a balance is achieved the joint venture partners would fund further development on a dollar for dollar basis. The agreement also provides that the DHA would purchase one third of the developed lots at a discount with the remainder being sold on the open market. Revenue from land sales would flow to both parties.

31. The Sectional Committee questioned the DHA about two matters concerning the joint venture. First, the reason for entering into a joint venture agreement with a private developer, and secondly the criteria used in selecting Delfin.

32. The DHA advised the Sectional Committee that joint venture partnerships have proven to be successful in other housing developments, for example in Palmerston, Rockingham, Laverton Leichhardt and Ipswich. It is DHA policy to embark on joint ventures when a major project is involved and there will be a large take-up from the private sector. One advantage of entering into joint venture partnerships is that any risks are shared with a party from the private sector. Another advantage is that the DHA does not need to employ staff with development, marketing and architectural expertise to administer any large development.

33. The Sectional Committee questioned DHA about the success of existing developments involving joint venture partnerships. DHA advised that Wattle Grove at Holsworthy has been very successful. The development at Palmerston has created considerable public interest. Property sales at Leichhardt and Ipswich are not proceeding at the expected rates.

34. On the question of the selection of Delfin as the joint venture partner, DHA advised the selection was based on the basis of the necessary skills and capacity. DHA was unable to find a developer with the necessary size, reputation and background in Townsville. The selection was non-

competitive, but DHA pointed out Delfin had been involved in other DHA projects as a joint venture partner. DHA had for a number of years examined development options in Townsville and were involved in an alliance with Delfin in bidding for land at the subdivision of Douglas, which comprised 245ha. This bid was unsuccessful; the successful bidder had already acquired large tracts of land in Townsville. DHA believed that in order to maintain some control over the prices of wholesale land, it would be prudent to continue with the partnership with Delfin and explore other possibilities.

Cost

35. When referred to the Committee the estimated cost of the proposed joint venture development was \$37m while land acquisition cost was \$5.6m, a total of \$42.6m. Being a joint venture DHA is responsible for 50% of the broad acre development costs - a total of \$21.3m. The cost of the acquisition of allotments and the construction of 200 houses amounts to \$38 517 800, giving a total cost to DHA of \$59 817 800.

THE SITE

36. The site comprises three lots with a total area of 107ha which forms part of a large residential estate known as the Willows in the town of Kirwan. DHA advised that the site has a development application approved by Thuringowa City Council. The plan is to provide up to 1093 blocks from the 107ha. At the time of the public hearing a new Kirwan Development Control Plan was on public exhibition, including a development control plan for the western precinct of the Willows.

37. The site is bounded to the north by previously grazed lands, to the east by the main drain and existing residential areas, to the south by the carpark of the Cowboys Football Stadium and to the West by the Willows Club.

38. Access to the site is from Golflinks Drive via Herveys Range Road and Morindo Drive which are all sealed.

39. The land is flat and substantial drainage has been provided. A large open drain cuts through the property in a north-south direction. Spoil from previous engineering earthworks has been stockpiled along the western bank of the drain. The site was part of the Bohle River floodplain and the drain

was provided to enable the land to be developed for housing. On the western side of the western precinct there will be a requirement to fill land to half a metre above the 100 year flood level.

40. The Sectional Committee questioned DHA if any contamination or pollution existed on the site. DHA advised that as far as investigations had determined, there was no contamination.

Development strategy

41. It is proposed that the ultimate development will create a neighbourhood of about 3 300 people. The final extent of the neighbourhood depends on the final lot mix adopted and the yield which is achieved. Regional and district facilities will be provided by the surrounding existing community infrastructure. The community plan will include the provision of local area facilities. It also provides for passive open space.

Development design

42. The proposed development will provide a choice of allotments. It is intended to provide quality housing through a detailed building covenant system which will be administered by the developers. DHA believes the benefits for the residents include:

- ☐ a landscaped environment
- ☐ a requirement that all homes are built within a reasonable time
- ☐ a high standard of home design and construction
- ☐ a retention policy
- ☐ the siting of homes to maximise the benefits of prevailing breezes

43. The Sectional Committee was advised that the covenants to be applied to the development will be similar to other DHA housing developments such as Palmerston, NT. The objective of building covenants is to ensure that design and construction standards are consistent and appropriate, which will be of a high quality. Owners are expected to comply with covenants in terms of the appearance of houses, the extent of the building envelope, and

setbacks. The joint venture will manage conformity with covenants in cooperation with Thuringowa Council.

Community plan

44. DHA advised that design of a preliminary community plan which states the likely requirements for community facilities within the development had commenced. The plan provides a strategy for the development of community facilities for the development.

45. DHA advised that the final community plan will retain the flexibility to be responsive to changing community needs, interests and aspirations which include:

- ☐ demographic variations
- ☐ financial considerations
- ☐ marketing benefits
- ☐ community input
- ☐ government and non-government sector involvement.

46. The central area will include water features, barbecue and picnic areas. The Willows golf course adjoins the site and DHA believes this will enable the development to benefit from the open visual linkages with the central parkland focus of the development.

DEVELOPMENT AND EXISTING INFRASTRUCTURE

Engineering

47. Stormwater runoff from the site will be dealt with in accordance with Thuringowa Council policy on piped drainage and overland flow. The use of open drains and overland flow paths will be avoided where possible.

48. There will be underground power reticulation. The location of electricity transformers will ensure they have minimal streetscape impact. Reticulated gas will be provided.

Road system

49. The site is adjacent to existing residential developments and has good access to main arterial roads to the city and suburbs.

50. The joint venture will obtain approval for roads systems within the development. The sub-division will be the subject of normal planning processes and the road system will comply with state and local government requirements.

Block sizes

51. At the public hearing there was considerable discussion about the sizes of blocks to be provided by the development and the basis upon which they would be allocated to DHA.

52. The Committee was advised at the briefing in June 1994 that the site on the western side of the drain would yield about 761 lots. However, at the public hearing the Sectional Committee was advised that a review had indicated that the development could yield up to 1093 lots. This increase is attributed to the inclusion of courtyard lots.

53. DHA indicated that a substantial amount of medium density accommodation has been constructed in Townsville in the form of units, closer to the city centre. It is proposed to include courtyard lots in the development. Demand for these lots has been greater than that for traditional lots. It is believed that demand is largely price driven. The Sectional Committee was assured that no more than 20% of the total development will comprise courtyard lots.

54. Traditional suburban blocks will be 650m² and courtyard lots will be 450m². These sizes will accord with the tropical designs for both type of dwelling adopted by the DHA.

55. The size of housing blocks and the issue of privacy has also been raised by the Committee in its report on the proposed Golf Course Estate development, Palmerston, NT (Committee's Sixteenth Report of 1995) and the Committee has recommended that the DHA consider increasing the sizes of the blocks in that development.

Committee's Recommendation

56. The Defence Housing Authority should consider increasing the size of its housing blocks so that more privacy is afforded to occupants and advise the Committee of the size of the blocks intended for the Willows development.

Demand for blocks

57. The Sectional Committee questioned DHA and Delfin about the expected take-up of blocks from the private sector. Delfin indicated that the annual projected take-up is 200 lots of which about one-third will be purchased by the DHA and the remainder of 140 being available for private purchase. The Delfin projections are based on a 3% growth rate and the 140 blocks will amount to about 16% of the market for blocks.

Allocation of blocks

58. DHA advised that it would not accept any blocks below 500m² unless they are convinced that it is in their best interest to do so. A decision on this would not be taken without broad consultation with the Tenants Consultative Group (TCG). A management committee of the joint venture will determine the allocation of lots.

Community facilities

59. Investigations and surveys were undertaken to assess the adequacy of existing community infrastructure and services in the adjoining areas. An assessment of the potential of infrastructure and services to adequately cater for the new population was made. In summary, the key findings of the survey work are:

- Education - a number schools within reasonable proximity to the site:
 - . three State primary schools (Kirwan, Weir, Cranbrook)
 - . three State secondary schools (Kirwan, Thuringowa, Heatley)

- . two Catholic schools (Ryan community school and Ignatious Park College)

- . Townsville grammar school (which is seeking approval to develop a primary school at Douglas).

- Retail - the Willows shopping town is located on Thuringowa Drive and is being extended. A range of minor shopping and commercial facilities are located on Thuringowa Drive. DHA indicated a likelihood that neighbourhood or convenience level shopping facilities may be required within the development.
- Childcare - a number of childcare and daycare facilities are located in surrounding areas. Many of these facilities are at capacity or are approaching it. The population and age profile of the development suggest that there is likely to be a need for additional facilities. DHA recognises the need for community child care facilities and proposes to set aside land for this. Conversion of the display home into a childcare centre is currently under consideration by the Council.
- Recreation facilities - a number of recreation facilities are located in close proximity to the development. These include:

- . Willows golf course
- . Cowboys rugby league stadium
- . Brothers Leagues club
- . Willows sport centre
- . Townsville and district junior rugby league
- . Thuringowa city library.

DHA believes there is little open space provided for passive use, with sporting clubs dominating use of any open space areas. Accordingly the development will include a major park with water features and barbecue facilities.

- Health facilities - the development will have access to medical facilities situated at Kirwan; these are:
 - . Kirwan hospital for women

- . Mater private hospital in Pimlico
 - . Parkhaven private hospital
 - . Townsville general hospital
 - . private medical practitioners, including dentists and a dental hospital.
- Public transport - the site is serviced by the Thuringowa Bus Service which provides transport to the Willows shopping centre, Aitkenvale and the city. The Mayor of Thuringowa advised the Sectional Committee that the current system requires improvement. This is being addressed by the provision of a privately-owned public transport system which will commence shortly. The Committee believes DHA should encourage the Thuringowa Council and State Government authorities to provide improved public transport to service the area.

HOUSING DESIGNS

Tropical housing

60. DHA has commenced a process to develop housing designs appropriate to the tropics and a range of groups was involved in a seminar held in conjunction with the Queensland Department of Housing, Local Government and Planning. These groups included:

- spouses
- architects
- builders
- academics
- state government housing officials
- local and Canberra-based services.

61. The process culminated in the development of the DHA tropical design portfolio. These designs will form the basis of the housing

development. DHA believes the designs will provide attractive and functional homes for Defence personnel living in Townsville.

62. The Sectional Committee questioned DHA about the basis for the need to engage architects to design houses for construction in Townsville when considerable funds had already been spent on designing houses for tropical conditions in Darwin.

63. The decision to proceed with architect-designed houses was driven by criticisms by tenants of the type of housing designs available. Housing developments were described as paying little attention to community facilities. The designs themselves were criticised as being nothing more than duplicates of housing available in southern states, with little regard for local climatic conditions. For these reasons DHA held the seminar. The result of the seminar was translated into a policy which recognises that there is a need for architectural designs more appropriate for the climate to be provided. Thus, a set of 13 designs has been adopted and another 10 are under review. The policy also recognises that properly designed houses for the climate are more expensive than the alternatives. For example, the designs provide overhangs, flow-through ventilation, louvres and verandahs.

64. The Sectional Committee pointed out to DHA that a great number of tropical houses had already been provided in Darwin and suggested that instead of commissioning new designs for Townsville, the Darwin designs could be readily adopted. DHA advised that six local architects and an architect based in Darwin were involved in the designs. DHA considered it preferable to work with local architects who have a knowledge of the Townsville climate and structural requirements; these are substantially less than in Darwin. The question of ownership of designs also arose. In Darwin, the designs are owned by builders and DHA pays a royalty on each design which is duplicated.

65. The Sectional Committee also raised with DHA why it is proposed to provide a mixture of high-set and low-set houses. The Sectional Committee was advised by DHA, Defence and the TCG that this decision was made on the basis of consultations which indicated that many tenants posted to Townsville from southern states prefer low-set houses.

Features

66. Features of the housing to be provided by DHA include:

- ☐ site orientation to capture maximum ventilation
- ☐ design concepts to permit maximum cross-flow ventilation - including louvre windows
- ☐ cyclone proof construction
- ☐ insulated roofs
- ☐ overhangs to shade walls and windows
- ☐ high ceilings
- ☐ carports and lockable storage
- ☐ good quality landscaping.

Floor areas

67. House designs will provide for a range of floor areas from 115m² to 145m² for a three bedroom house, with an additional allowance for four bedroom houses.

Committee's Recommendation

68. The Defence Housing Authority should retain ownership of any plans commissioned from local architects and engage tropical design experts from James Cook University to review any designs before they are accepted.

Solar hot water heaters

69. During the past five years the Committee has devoted considerable attention to the energy efficiency of projects referred to it, including DHA houses. The DHA has been most reluctant to accept the Committee's recommendations that its houses should be provided with solar hot water heaters, especially in areas of Queensland.

70. In Darwin, solar hot water heaters are provided because it is the community standard. However, solar hot water heaters are not provided in Townsville because the DHA does not regard them as the community standard. This line of reasoning has been reflected in other DHA projects, the most recent being the housing development at Canungra. In that particular instance, one reason for their non-inclusion was that the area was subjected to hail storms. Other reasons included high maintenance costs and the selective installation of heaters in new houses providing an implied rental subsidy to tenants.

71. The DHA indicated it is obliged to provide community standard housing and believes that solar hot water heaters have yet to be community standard Australia-wide. This attitude is a reflection of Board policy. DHA indicated however that a paper on this question is being prepared for consideration by the DHA Board. Avenues for some form of subsidisation arrangement are being explored.

72. The Committee believes the stance taken by the DHA Board is at variance with the Government's policy to nationally reduce greenhouse gas emissions. The reasons for not proposing to install solar hot water heaters in Townsville are out of touch with national interest considerations.

73. Some figures, contained in Government announcements concerning the *EnergyCard* initiative to encourage private householders to purchase solar hot water systems demonstrate the magnitude of the extent of greenhouse gas emissions attributable to electric hot water heaters. The Department of Primary Industries and Energy estimates that by replacing an electric water heater with a solar hot water system prevents about two tonnes of carbon dioxide from entering the atmosphere each year.

74. The Northern Territory has the highest domestic usage of solar hot water heaters whilst Queensland is at par with Victoria and NSW.

75. Current estimates suggest there are 250 000 solar hot water heaters already installed in Australia. It is difficult to determine what community standards are with so many installed and strong growth expected as a consequence of Commonwealth and State government initiatives. Community standards are dynamic and the Committee believes DHA should not be reactive. Clearly there is a need for the DHA stance to be more in keeping with its stated mission which includes:

...DHA shall meet Defence operational needs, follow sound commercial principles and be a responsive and *innovative* organisation (italics added).

76. Furthermore, the other reasons advanced - the implied rental subsidy to tenants and maintenance problems are equally specious. Measures to ensure equity is maintained are not beyond the competence of managers, maintenance problems not beyond the competence of design engineers, and operation of solar hot water heaters not beyond the competence of tenants to overcome.

Committee's Recommendations

77. Defence Housing Authority houses in the Willows estate should be provided with solar hot water heaters.

78. The joint venture should consider the inclusion in the covenants a requirement to provide solar hot water heaters in houses on the blocks offered for private sale.

CONSULTATION

Tenants

79. The DHA indicated that consultation had taken place with service command structures and tenants during the development of the proposal. Consultation with tenants takes place at monthly meetings of the Tenants Consultative Group at which proposed housing developments are discussed.

Council

80. The Mayor of Thuringowa advised the Sectional Committee that the Council welcomed the development and the joint venture will produce a new model for residential development. Council supports the concept of integrating Defence personnel within the wider community.

ENVIRONMENT AND HERITAGE

Flora

81. The Australian Nature Conservation Agency suggested that more extensive biological surveys of remaining natural vegetation should be undertaken on the site in view of the possibility of the occurrence of endangered or vulnerable plant species. DHA indicated that additional vegetation identification will be undertaken prior to the commencement of design. It is proposed that should any significant species be located within sustainable habitat locations, they will be retained within the open space networks on the site.

Soil

82. The Environment Protection Agency (EPA) suggested that an investigation by a soil scientist should be undertaken to ascertain the presence of acid sulphates. When oxidised, these substances could produce sulphuric acids which could kill fish in the proposed water feature or in wetlands downstream. This suggestion was accepted by DHA.

83. Other suggestions from the EPA concerning the need for DHA to consult with local Aboriginal land councils and the use of recycled materials were noted by DHA.

Heritage

84. The Australian Heritage Commission suggested that heritage resource surveys should be conducted prior to development to ensure that cultural sites of significance are not inadvertently disturbed. DHA indicated these surveys will be undertaken and any discoveries uncovered will be reported to state authorities.

Committee's Recommendations

85. Before any siteworks commence on the western side of the drain, a comprehensive resource inventory should be undertaken, including vegetation, soils and the presence and location of any cultural sites of significance and measures designed to protect endangered or rare species and cultural sites found on the site should be implemented.

86. When housing plans are finalised and before construction commences at the Willows, the Defence Housing Authority should formally brief the Committee on the types and cost of houses it intends to construct and the sizes of the blocks to be provided.

87. The Committee recommends the proposed joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing should proceed at an estimated cost to the Defence Housing Authority of \$59.817 million, comprising development costs of \$21.3 million and land acquisition and house construction costs of \$38.517 million.

CONCLUSIONS AND RECOMMENDATIONS

88. The conclusions and recommendations of the Committee and the paragraphs in the report to which each refers are set out below:

	Paragraph
1. There is a need to provide additional houses in Townsville as a consequence of the substandard condition of a significant number of Defence Housing Authority houses, the Authority's disposal program and planned relocations of Defence personnel to the Townsville area from southern states.	22
2. The Defence Housing Authority should consider increasing the size of its housing blocks so that more privacy is afforded to occupants and advise the Committee of the size of the blocks intended for the Willows development.	56
3. The Defence Housing Authority should retain ownership of any plans commissioned from local architects and engage tropical design experts from James Cook University to review any designs before they are accepted.	68
4. Defence Housing Authority houses in the Willows estate should be provided with solar hot water heaters.	77
5. The joint venture should consider the inclusion in the covenants a requirement to provide solar hot water heaters in houses on the blocks offered for private sale.	78

6. Before any siteworks commence on the western side of the drain, a comprehensive resource inventory should be undertaken, including vegetation, soils and the presence and location of any cultural sites of significance and measures designed to protect endangered or rare species and cultural sites found on the site should be implemented.
7. When housing plans are finalised and before construction commences at the Willows, the Defence Housing Authority should formally brief the Committee on the types and cost of houses it intends to construct and the sizes of the blocks to be provided.
8. The Committee recommends the proposed joint venture development with Delfin Property Group of the Willows, Townsville, for defence housing should proceed at an estimated cost to the Defence Housing Authority of \$59.817 million, comprising development costs of \$21.3 million and land acquisition and house construction costs of \$38.517 million.

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WITNESSES

CARLSSON, Mr Allan Karl, Project Manager, North Queensland, Delfin Property Group Ltd, Level 8, 15 Lake Street, Cairns, Qld.

DAVID, Mr Edwin Joel Sherring, General Manager, Operations, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT.


DONALD, Mrs Carol Anne, Secretary, Townsville Tenant Consultative Group, 63-65 Bamford Lane, Kirwan, Qld.

McDONALD, Mr Joseph Noel, Manager, Service Housing Authority, Base Administrative Support Centre, Department of Defence, Lavarack Barracks, Townsville, Qld.

QUILL, Mr Stephen Anthony, General Manager, Capital Projects, Defence Housing Authority, 2 Brisbane Avenue, Barton, ACT.

TYRELL, Councillor Lesley Ronald Horton, Mayor of Thuringowa, Thuringowa City Council, 86 Thuringowa Drive, Thuringowa Central, Qld

ZARAZA, Mr Jan Joseph, Regional Manager, North Queensland, Defence Housing Authority, 63-65 Bamford Lane, Kirwan, Qld.

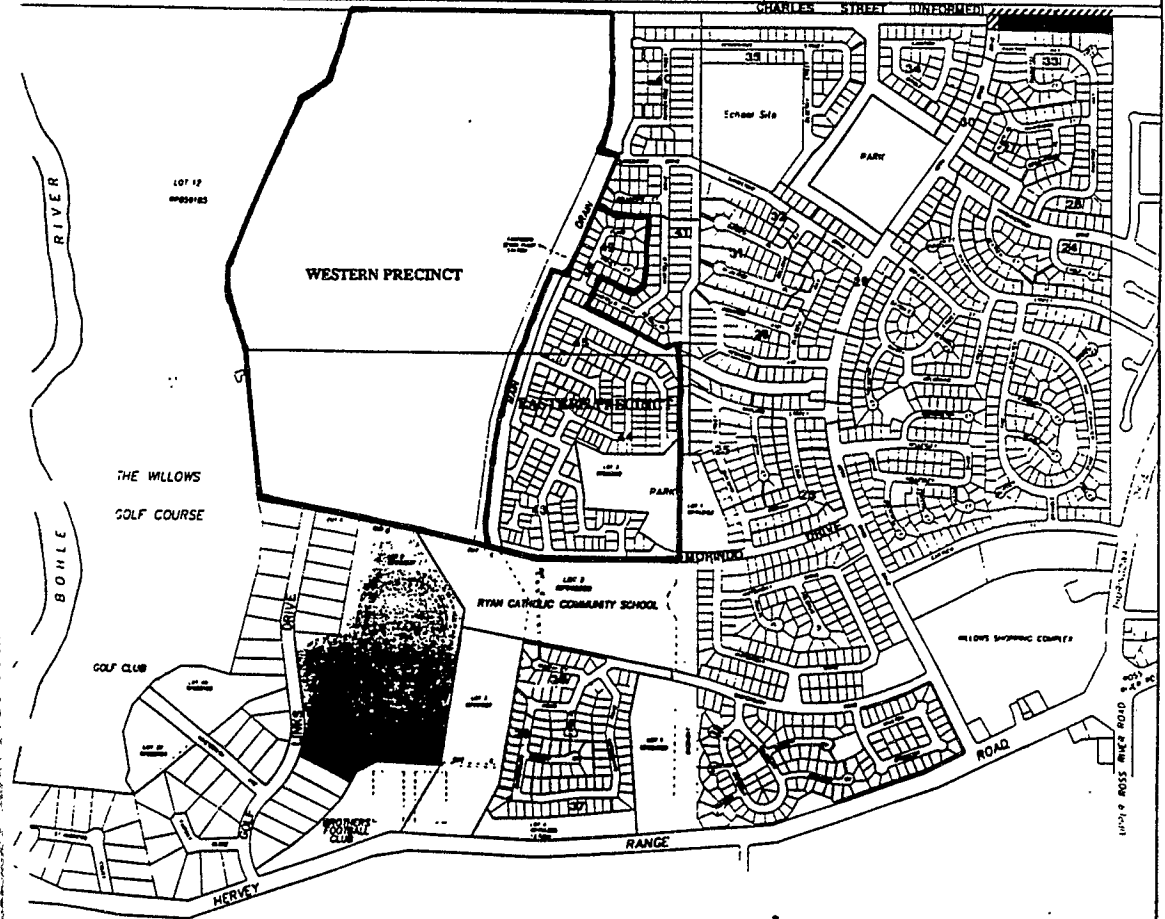
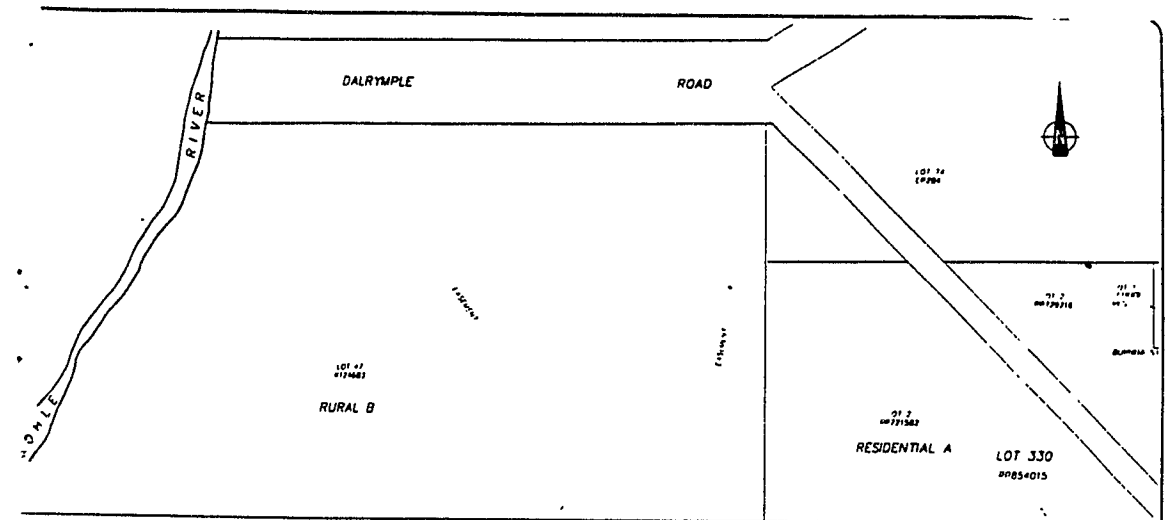

Colin Hollis MP
Chair

26 June 1995

APPENDIX B

PLANS

Site plan	B - 1
Community plan	B - 2
The Willows - structure plan	B - 3

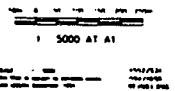


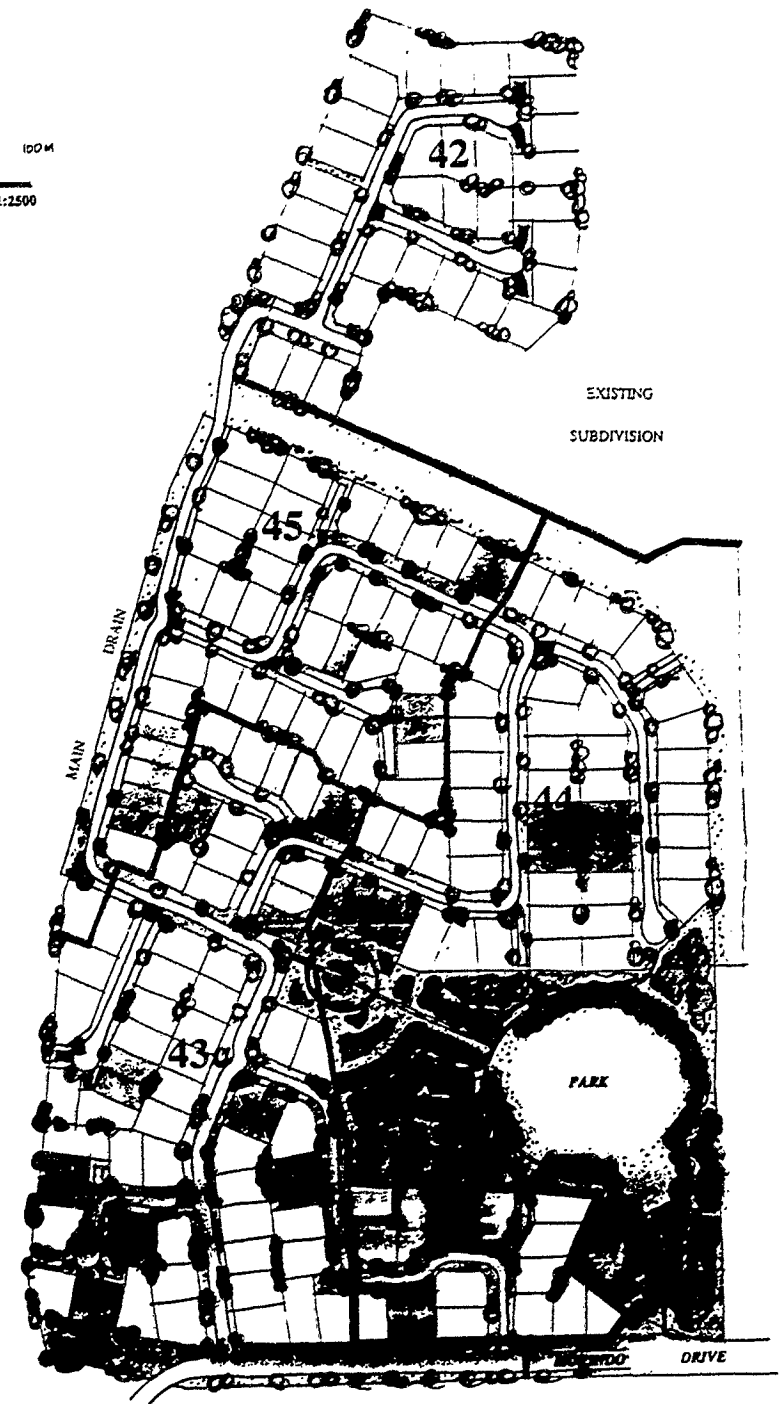
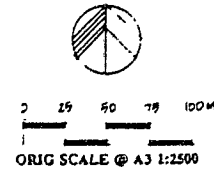
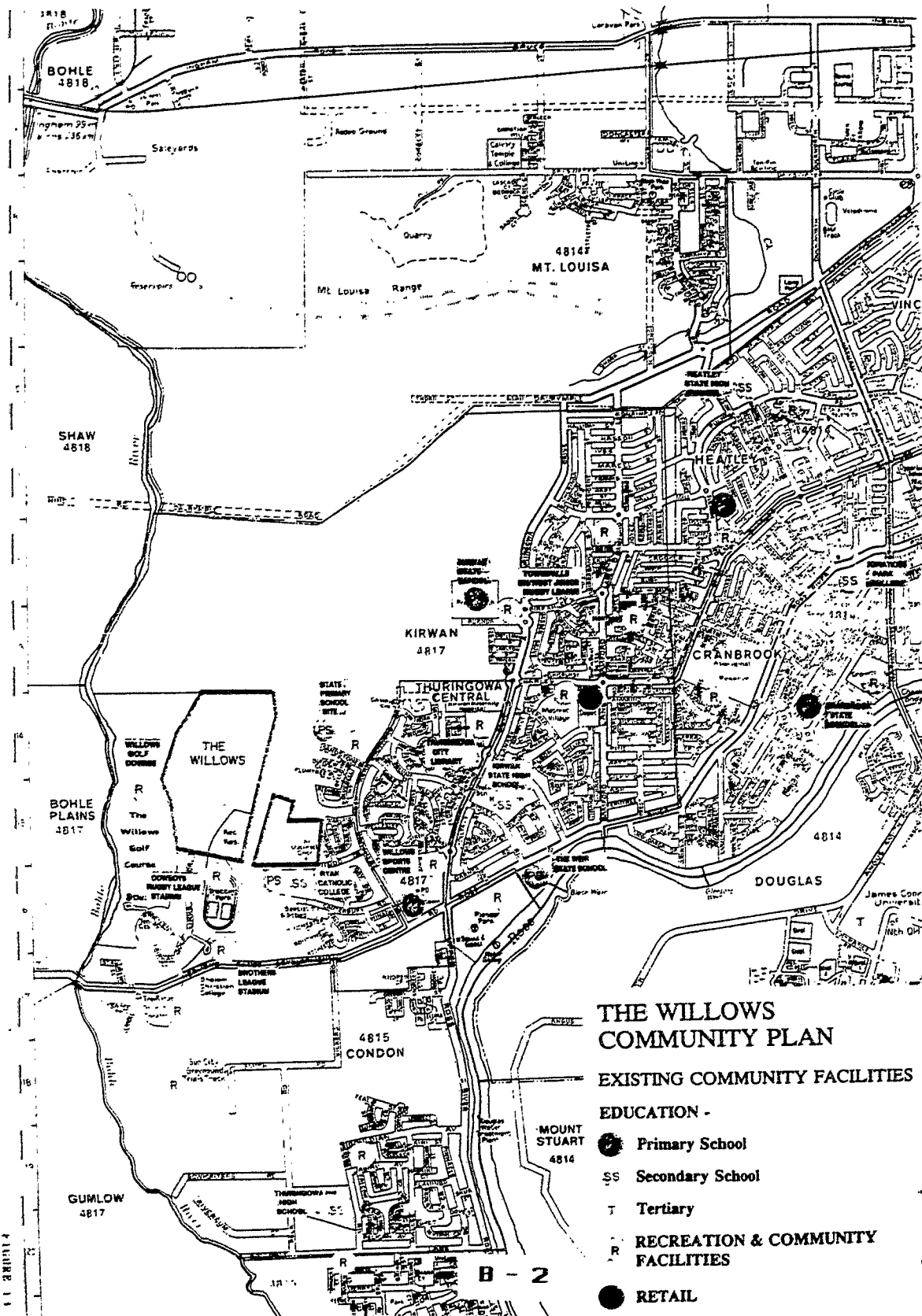
THE WILLOWS

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SITE PLAN

B - 1





B - 3

THE WILLOWS
EASTERN PRECINCT
Structure Plan