



**SUBMISSION TO THE
PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS**

**DEVELOPMENT OF OFF-BASE HOUSING FOR DEFENCE
AT
ADAMSTOWN, NEWCASTLE, NSW**

2nd January 2003

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IDENTIFICATION OF THE NEED

1 OBJECTIVES

- 1.1 In this submission, the Defence Housing Authority (DHA) seeks approval from the Parliamentary Standing Committee on Public Works (PWC) to proceed with a major residential development at Adamstown, in Newcastle, NSW.
- 1.2 The project objective is to provide 72 modern off-base residences in a staged construction program, with the first house to be available for occupation in January 2004, to meet the operational needs of the Australian Defence Force (ADF) and the requirements of the Department of Defence.

2 THE NEED

- 2.1 The main Defence establishment in Newcastle is RAAF Base Williamstown.
- 2.2 The most recent review of the Defence Housing Forecast (DHF) for Newcastle anticipates further growth in the Defence requirement over the next three years to a total of 892 in FY 2005-06. This partially reflects requirements associated with the continuing build-up to accommodate the AEW&C aircraft whose purchase was announced in the Government's Defence White Paper "*Defence 2000 - Our Future Defence Force*"¹
- 2.3 As at 1 July 2002, DHA actively managed a total of 720 Newcastle properties, approximately 87% of the Defence requirement in the area. Of these, 123 (15%) were owned by DHA, the other 597 (72%) being leased. The Rental Allowance (RA) requirement of 13% to make up the numbers required by Defence is well outside the Corporate Plan Objective, agreed with Defence, to work to reduce RA to a maximum of 5% of local requirements².
- 2.4 A further consideration in this area is that some 325 DHA leases will expire over the next two years. It is therefore vital for cost-effective, flexible provisioning that additional owned stock be acquired, and that the proportion of managed stock to Rental Allowance provisioning be increased.
- 2.5 DHA's Capital Program covering FY 2001/02 to 2003/04 notes that taking into account the Defence housing requirement, the Authority's Corporate Plan, the national and regional marketing analyses, the stock situation, and the broad

¹ "8.46 Second, we will proceed now to acquire four Airborne Early Warning and Control (AEW&C) aircraft, with the possibility of acquiring a further three aircraft later in the decade. The AEW&C will make a major contribution to many aspects of air combat capability, significantly multiplying the combat power of the upgraded F/A-18 fleet. They will improve command and control, improve capacity for air defence of surface ships, and enhance our strike capability. The aircraft are planned to start entering service around 2006."

² DHA Corporate Plan 2002/03 to 2004/05, page 19.

consideration of provisioning options, a significant construction program should be undertaken in Newcastle.

	02-03	03-04	04-05
TOTAL DEFENCE REQUIREMENT	839	850	877
New Capital Investment Program³	73	100	60

Table 1: DHA Residential Construction Requirements for Newcastle

3 OPTIONS CONSIDERED

- 3.1** DHA satisfies Defence accommodation requirements by a mixture of delivery methods:
- (a) construction off-base with a view to retaining the properties or selling them with a lease attached;
 - (b) construction on-base to accord with Defence operational or policy requirements and/or if such construction is the most cost-effective for all concerned;
 - (c) direct purchase with a view to retaining the properties or selling them with a lease attached; and
 - (d) direct leases from the private rental market.
- 3.2** In locations where there is a high level of Defence demand, constructed housing delivered through bulk procurement contracts is the most effective provisioning option because plans can be geared to Defence requirements.

4 DESCRIPTION OF THE PROPOSAL

- 4.1** The project involves developing a residential site previously part of an Army training depot in Adamstown. The site is presently vacant.
- 4.2** DHA surveys undertaken with Defence personnel based in the Hunter region have shown a clear preference for detached dwellings, with townhouses being their second choice and apartments least preferred. Taking these preferences into account, planning has been based on 72 allotments, 60 of which would be suitable for detached houses (500m² to 600m² lots) and 12 townhouse lots of ≈ 260m². The new residences will provide a range of floor plans and amenities that will be fully compliant with the current Defence community standards.
- 4.3** Infrastructure works involving supply of roads, water, sewerage, storm water disposal, establishment of electricity supply and telephone services will be

³ Includes provision for spot purchases and utilizing various owned blocks in small/medium projects as well as major developments.

undertaken to current Newcastle City Council Standards (see paragraph 13 below).

5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 DHA commissioned an environmental investigation of the geotechnical parameters of the site by Coffey Geosciences Pty Ltd. The investigation included sampling at the site and testing of soils for potential contamination. No evidence of past potentially contaminating activity on the site was discovered other than limited importation of fill, use of the site as a rifle range, and general workshop activities. The investigation concluded that contamination at the site was not considered to present a risk of adverse environmental impacts, and the site was considered to be suitable for residential development.
- 5.2 Flora and fauna survey of the development site was also conducted by Wild Thing Pty Ltd to judge whether there was any likelihood of the proposed development having any significant effect on the habitat of threatened species of flora and fauna, and to fulfill other requirements of the *Environmental Planning and Assessment Act 1979* and the *Threatened Species Conservation Act 1995*.
- 5.3 The site is not affected by any Vegetation Protection Order. The site was found to support two vegetation communities, being Open Grassland and remnant patches of overgrown Landscaped Woodland within the northern portion of the site and scattered across the cleared areas of grassland.
- 5.4 One threatened specie of flora (Magenta Lillypilly, readily available in nurseries) was identified within the landscaped area, but this appears to have been planted rather than forming part of a local population.
- 5.5 Two threatened species of fauna were recorded on or over the site during the assessment, the Grey-headed Flying-fox and the Large Bentwing-bat. However, given the small size of the potential habitat, the disturbed nature of the site, and the generalist foraging and hunting requirements of these two bat species, the consultants considered it was unlikely that the proposed development would adversely impact on any viable local populations.

TECHNICAL INFORMATION

6 LOCATION

- 6.1 Adamstown is approximately 7 kilometres south west of the Newcastle CBD. A site location map is attached (Supplementary Information, Item 1), together with an aerial view of the site (Supplementary Information, Item 2).
- 6.2 The site is close to schools, local services and amenities. Bus and train services are safely accessible by pedestrians from all proposed allotments.

7 LAND OWNERSHIP

- 7.1 The land is owned by DHA, having been purchased from the Department of Defence for a commercial price in March 2002.

8 SITE DESCRIPTION

- 8.1 The site is identified as Lot 101 DP 1037972, 321 Bruncker Road, Adamstown, NSW, and is located on the eastern side of Bruncker Road. The land was rezoned by the Newcastle City Council as Residential in February 2000.
- 8.2 The site is bound by Bruncker Road to the West, operational Army land to the South, Merewether Golf Course and residential land to the East and St Columba's Catholic Primary School to the North. The site is roughly rectangular in plan and occupies an area of approximately 5.25 hectares.
- 8.3 Until 1996, the land was used for Army Reserve training and contained various buildings and hardstand areas. The user reserve units were relocated to a new training depot south of the development site in 1996. The land is currently unused, five detached dwellings formerly used to house Defence personnel having been removed from the site.
- 8.4 The site slopes generally from north-west to south-east, first gently and then moderately. The south-eastern corner of the land is low-lying and receives run-off from land to the south as well as from the site itself.
- 8.5 The site is contained within the Newcastle City Council area of planning control and zoned as Residential-2(a) under Newcastle Local Environment Plan 1987 (Amendment No 121) in gazette notice dated 25 February 2000. The Residential zoning permits housing in all forms subject to Council's consent.

9 SCOPE OF WORK

- 9.1 **Urban design principles.** The site slopes from the north-east corner towards the south-west with potential for panoramic views over the adjoining Merewether Golf Course and beyond. Seventy-two individual lots/residences are proposed (Supplementary Information, Items 3 and 4). Of these, sixty lots are planned to host four-bedroom detached dwellings and twelve are intended for three-bedroom townhouses. The proposed subdivision is planned to orientate lots so as to optimize views.
- 9.2 **Roads.** The development is planned around one main internal road with two entrances off Bruncker Road, and two connecting roads within the site. There are no 'through' roads, hence motor vehicle traffic within the area will be minimized, contributing to a safe and comfortable living environment. Streets within the development will be orientated along the contours of the land to limit the need for cut and fill, and the street layout will minimize the percentage of carriageway.

- 9.3 Services.** Storm water drainage, communications, sewerage reticulation, gas and electrical services are discussed in paragraph 13 below.
- 9.4 Amenity provision.** Between the development and the golf course, a landscaped open area and buffer zone is proposed to include provision for stormwater filtration and re-direction to existing golf course dam, for re-use by Golf Course irrigation system. Pedestrian access and links will be provided throughout the site.
- 9.5 Housing types.** A selection of typical house plans have been prepared for town-planning purposes and are attached (Supplementary Information, Item 5) together with examples of the resultant streetscapes that could form the character of the Adamstown development .

10 HERITAGE CONSIDERATIONS

- 10.1 Australian Museum Business Services (AMBS)** was commissioned by DHA to undertake a heritage assessment of the site to address any potential Aboriginal and non-Aboriginal heritage issues.
- 10.2 Aboriginal Heritage Assessment.** Database searches revealed that no Aboriginal sites were recorded within or in the vicinity of the Bruncker Road site and no Aboriginal sites were located during a site inspection undertaken by an AMBS archaeologist and a representative of the Awabakal Local Aboriginal Land Council.
- 10.3 Non-Aboriginal Heritage Assessment.** A separate desktop assessment by *Heritage Concepts*, followed by a site survey, found that there were no places or items of non-aboriginal cultural significance within the site area, and none had ever been registered. The study concluded that there were no significant historic heritage constraints to the proposal for redevelopment of site.

11 ZONING AND APPROVALS

- 11.1** The Newcastle City Council (NCC) has resolved that it will not consider a Development Application for the land until a Development Control Plan has been adopted by Council that provides for adequate and useable open space. DHA is currently working with the NCC to prepare an acceptable Development Control Plan while and, in parallel, preparing a compliant Development Application.
- 11.2** The NCC Urban Strategy for Newcastle indicates the residential development density it requires in certain areas. The DHA site is not designated with a development density under the NCC Urban Strategy because the Strategy was released prior to the site's rezoning.

12 SITE DEVELOPMENT CONSIDERATIONS

- 12.1** The main site development considerations apart from services (see paragraph 13 below) are access and drainage.

- 12.2 Access.** Bruncker Road is classified as a main road (MR No 604) by the RTA and acts as a sub-arterial road with acceptable peak hour flows between 500 and 2000 vehicles per hour. The road is presently operating within its capacity.
- 12.3** To provide an adequate level of exit and access during peak hours, a roundabout is proposed for the entry to the development opposite Rifle Street, with a normal T intersection at the other entry point. Delays for road users will be minimized and capacity for future growth provided.
- 12.4 Hydrology and Drainage.** To accord with NCC requirements for Stormwater management on development sites, post-development runoff from the site for all storm durations must be controlled so as not to exceed the pre-development values for corresponding events. NCC preference is for stormwater generated from the proposed development to be collected by a pit and pipe drainage network and treated/filtered near the eastern site boundary. Treated stormwater is to be conveyed by a pipe to the Merewether Golf Course water storage dam for subsequent irrigation reuse.

13 SERVICES

- 13.1 Water.** There is no existing reticulation within the site area of potential future use. However, the site appears to be capable of supply by a 250mm supply main in Bruncker Road. The Hunter Water Corporation have indicated that the existing water supply network has sufficient capacity to serve the proposed development.
- 13.2 Electricity.** Energy Australia has advised that:
- (a) the development would be served by underground reticulation connected to the existing 11kV assets in the area;
 - (b) an 11kV extension to a new kiosk substation would be required for low voltage reticulation; and
 - (c) the existing network would be capable of sustaining the additional load and no additional upgrades would be required.
- 13.3 Gas.** AGL has a 50mm underground main running along Bruncker Road and preliminary discussions with Agility, the local supplier, indicate that the existing supply network can provide adequate gas services to the proposed development.
- 13.4 Sewerage.** There are two existing 150mm sewer lines on the site that appear to have served the previous development. Hunter Water Corporation have indicated that the existing sewer system has sufficient capacity to serve the proposed development.
- 13.5 Stormwater.** There is no existing usable stormwater drainage within the site area, but see paragraph 12.4 above.

13.6 Telecommunications. Telstra have indicated that they will endeavor to supply necessary telecommunications to the proposed development, including all design and planning prior to construction. Should the existing capacity be less than required for the development, Telstra have advised that the required upgrades would be provided at their own cost. However, the area appears to be well supplied by a fibre optic backbone in Brunner Road.

There are no cable services in this area. Optus and Powertel have no assets in the vicinity.

14 CODES AND STANDARDS

14.1 Works carried out as part of this project will be carried out in accordance with all statutory rules and regulations including the current Building Code of Australia (BCA) and New South Wales laws.

14.2 The design will satisfy relevant Newcastle City Council standards and requirements with regard to road width, physical infrastructure and waste management.

15 ENERGY CONSERVATION

15.1 Energy conservation will be a prime design consideration. All houses will be required to provide optimal passive solar performance and achieve a minimum of 4-star energy rating in accordance with government policy.

16 LANDSCAPING

16.1 Basic landscaping, protection and trimming of existing trees will be included. Some additional general landscaping will be provided as contextual elements complimenting the proposed 'lot' landscaping and streetscaping.

17 CONSTRUCTION PROGRAM

17.1 The construction program will be contracted on a fixed price basis to selected Tenderers who will have previously responded to an invitation to express interest.

17.2 Subject to PWC and DHA Board approval, the construction program is planned to commence in June 2003. Delivery of all completed dwellings is expected to occur by September 2004.

PROJECT PLANNING

18 PROJECT FEASIBILITY

- 18.1** A financial analysis confirms that overall the construction project is feasible within a budget of \$21.600 million (GST included) or an average of \$300,000 per house.
- 18.2** The DHA Board is satisfied that the proposed development as described in this submission is an appropriate, timely and cost effective way to partially meet the housing needs of ADF personnel and their families in Newcastle. This should be confirmed from the project estimates by competitive tender from pre-qualified builders.

19 COMMUNITY CONSULTATION

- 19.1** Discussions have been undertaken with the President of the Merewether Golf Course which adjoins the site to the east. The Club has no objections to the development and is working with DHA to capture stormwater runoff from the developed site to augment the water supply available to the golf club for irrigation purposes.
- 19.2** Discussions have also been held with St Columba's Catholic primary school, which adjoins the site to the north. Agreement has been reached with diocesan authorities to provide pedestrian access to the site through church land from Lockyer Street, with the footpath and perimeter fencing provided by DHA.
- 19.3** Formal Public Notification to the community has been undertaken in accord with Newcastle City Council guidelines. Two meetings were held with members of the public on 16 September 2002. and on 28th October 2002 No substantive issues were raised.

20 OTHER ORGANISATIONS /AUTHORITIES CONSULTED

- 20.1** Meetings have been held with **Newcastle City Council** which supports the development. Discussions continue. Road access requirements have also been discussed with the NCC and will be finally determined after the DCP process is completed.
- 20.2** The **Hunter Water Corporation** has been consulted on the supply of water and sewerage facilities for the development.
- 20.3** The **Awabakal Local Aboriginal Land Council** has been consulted on matters of aboriginal heritage.
- 20.4** **Telstra** has been consulted on the supply of telecommunications to the proposed development.

- 20.5** **AGL** has been consulted through the local supplier, **Agility**, re the provision of gas services to the proposed development.
- 20.6** **Energy Australia** has been consulted re the supply of electricity to the development.
- 20.7** **Australian Greenhouse Office** has been consulted re. energy rating compliance requirements for housing design component of the development.
- 20.7** The development is welcomed by the Base Commander, RAAF Base Williamtown.

21 PROJECT PLAN

21.1 Based on an aim of having progressive delivery of first new residences starting in January 2004, and the remaining by September 2004, significant milestones needing to be achieved are shown below. No circumstances are anticipated at this time that would make the nominated target dates unachievable.

- (a) November 2002 - obtain PWC referral;
- (b) February 2003 – DCP adopted by Newcastle City Council
- (c) March 2003 – obtain PWC & Parliamentary approval;
- (d) April 2003 – obtain final DHA Board approval;
- (e) May 2002 – Integrated Development Application approved by NCC
- (f) June 2003 – award civil works tender and begin civil works;
- (g) August 2003 – award construction contract and begin construction;
- (h) January 2004 – commence completion and allocation of the first residences;
- (i) September 2004 – complete, accept and allocate remaining residences.

22 PROJECT ESTIMATES

22.1 To derive expected project cost, an experienced quantity surveyor, J.M Still and Associates, has prepared construction estimates based on the preliminary town planning concept of 60 detached houses and 12 townhouses.

22.2 Project estimates are based on delivery via competitive lump sum tender by suitably experienced and structured developers from the domestic sector of the local construction industry. The estimated cost of the proposal is \$21.600 million (incl. GST). This includes construction costs, civil works, headworks charges, contingency and professional fees. A breakdown of cost will be provided separately to the Committee as Commercial-in-Confidence material.

23 FINANCING ISSUES

- 23.1** Funding for the proposal will be sourced by DHA from any or all of the sale of surplus housing stock, the public sale of development houses, funds realised from the sale and leaseback scheme, application of surplus operating capital, or debt financing.

24 PROJECT MANAGEMENT

- 24.1** The project will be managed by DHA in consultation with expert civil engineering and building contractors.

LOCAL IMPACTS

25 ECONOMIC EFFECTS

- 25.1** Australian manufactured building products will receive preferential treatment in the selection of construction materials and finishes.
- 25.2** The proposed project will have a positive effect on the local economy during the construction period, not only through persons working directly on the site but also through the many others off-site who will be supplying material, plant and equipment.

26 COMMUNITY EFFECTS

- 26.1** Community impact is low. The site has been used for residential purposes previously, and is located within an established residential area of the city quite close to the CBD.

27 HOUSING MARKET EFFECTS

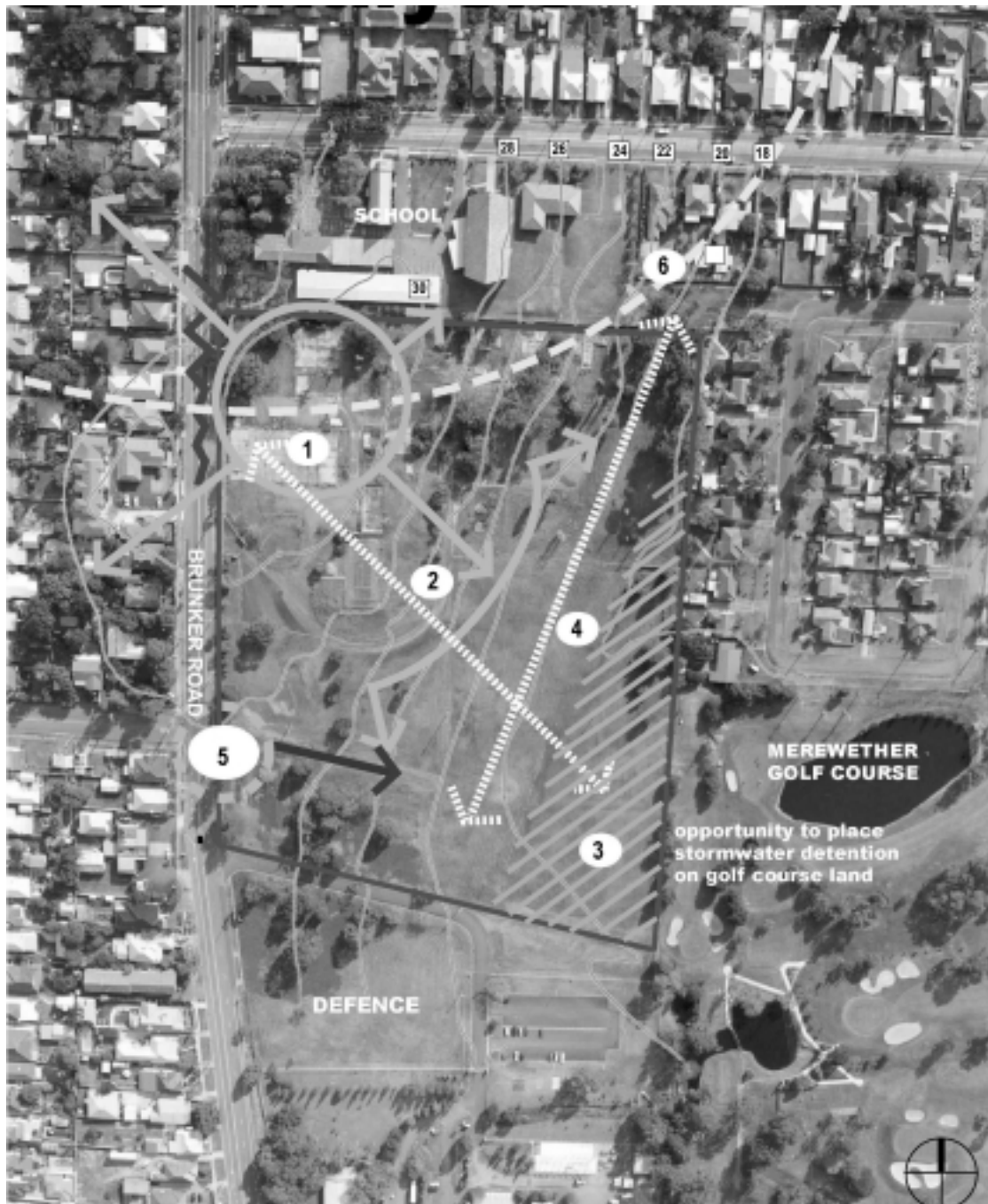
- 27.1** In the Newcastle housing market, construction of 72 new dwellings is not expected to affect either the sale or rental markets for residential accommodation.

Item 1: Location Map



Figure 1: Site Locality Map

Item 2: Aerial View of the Site

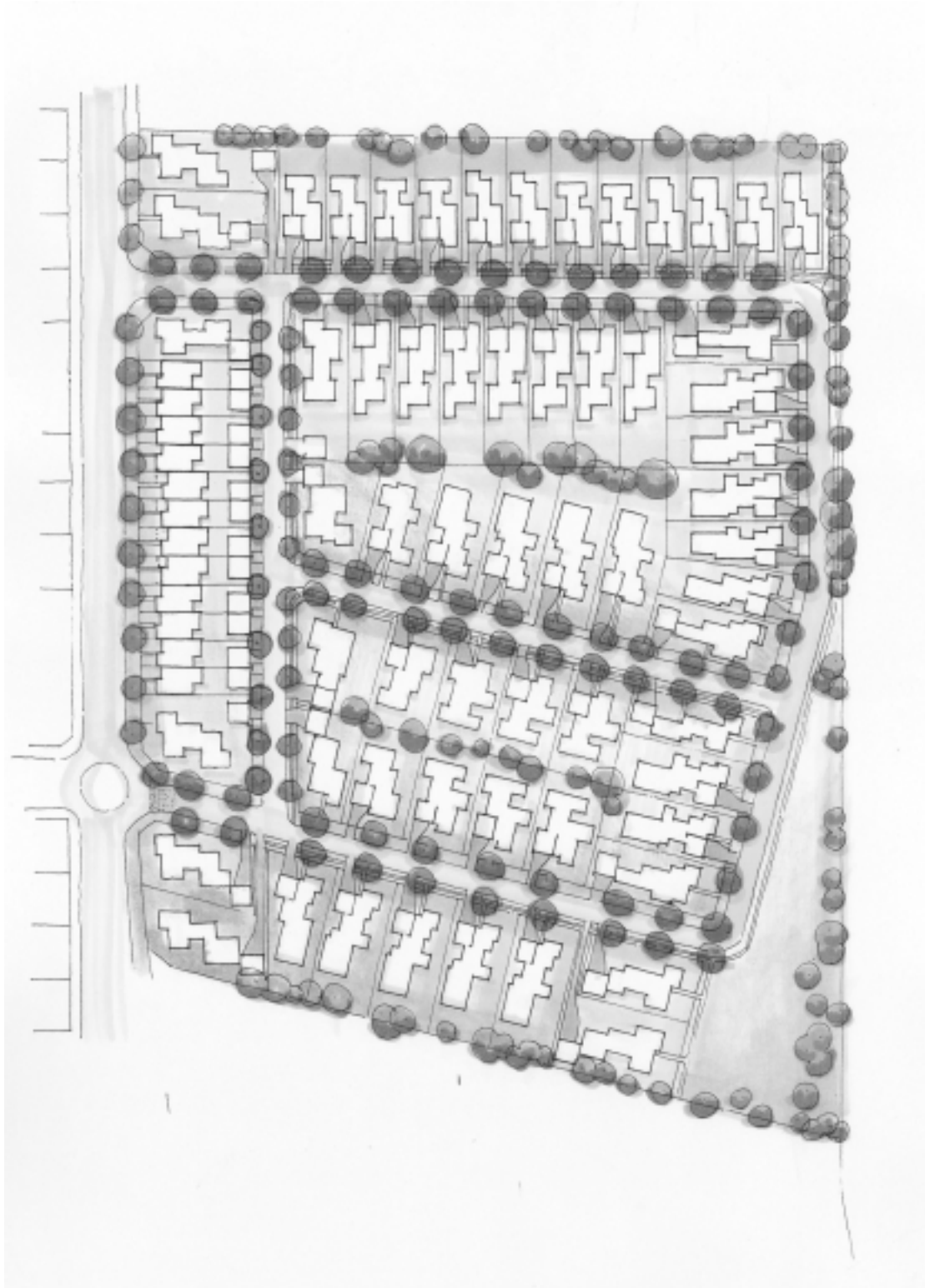


1. panoramic views from north/west corner of the site;
2. views over golf course and beyond;
3. landscaped buffer zone;
4. encourage pedestrian links through site;
5. principle site access;
6. 400m radius from intersection of Brunker Road and Glebe Road.

Item 3: Site Configuration Plan

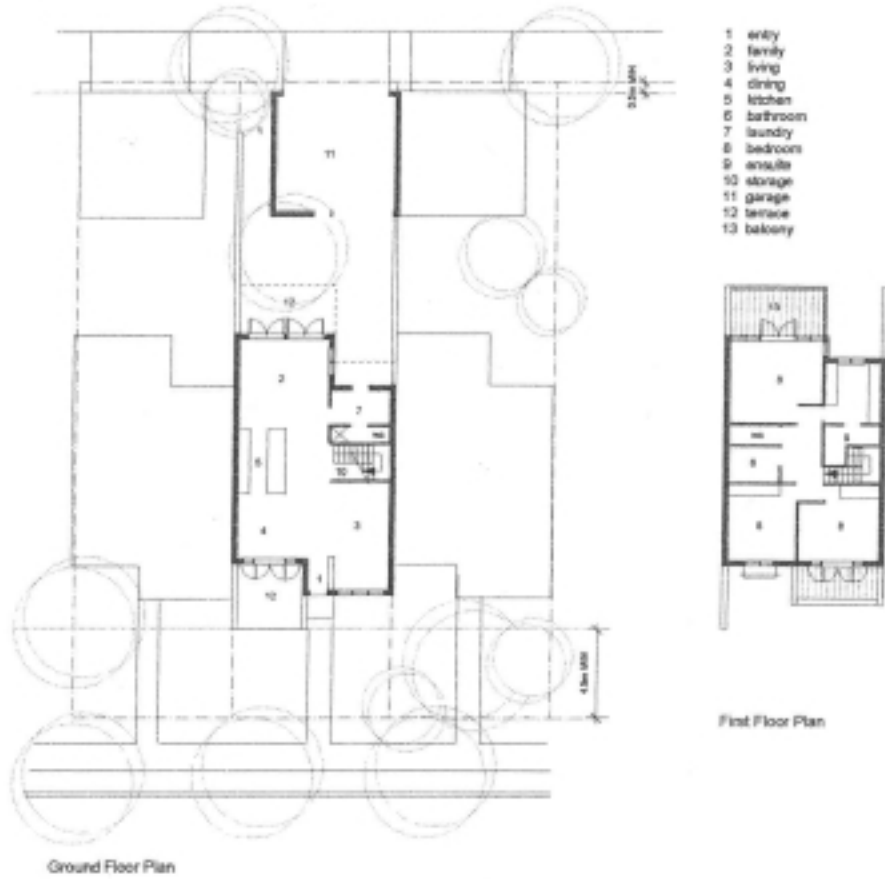


Item 4: Site Master Plan



Item 5: Typical House Plans

TOWNHOUSE – 2 STOREY (12 OFF)



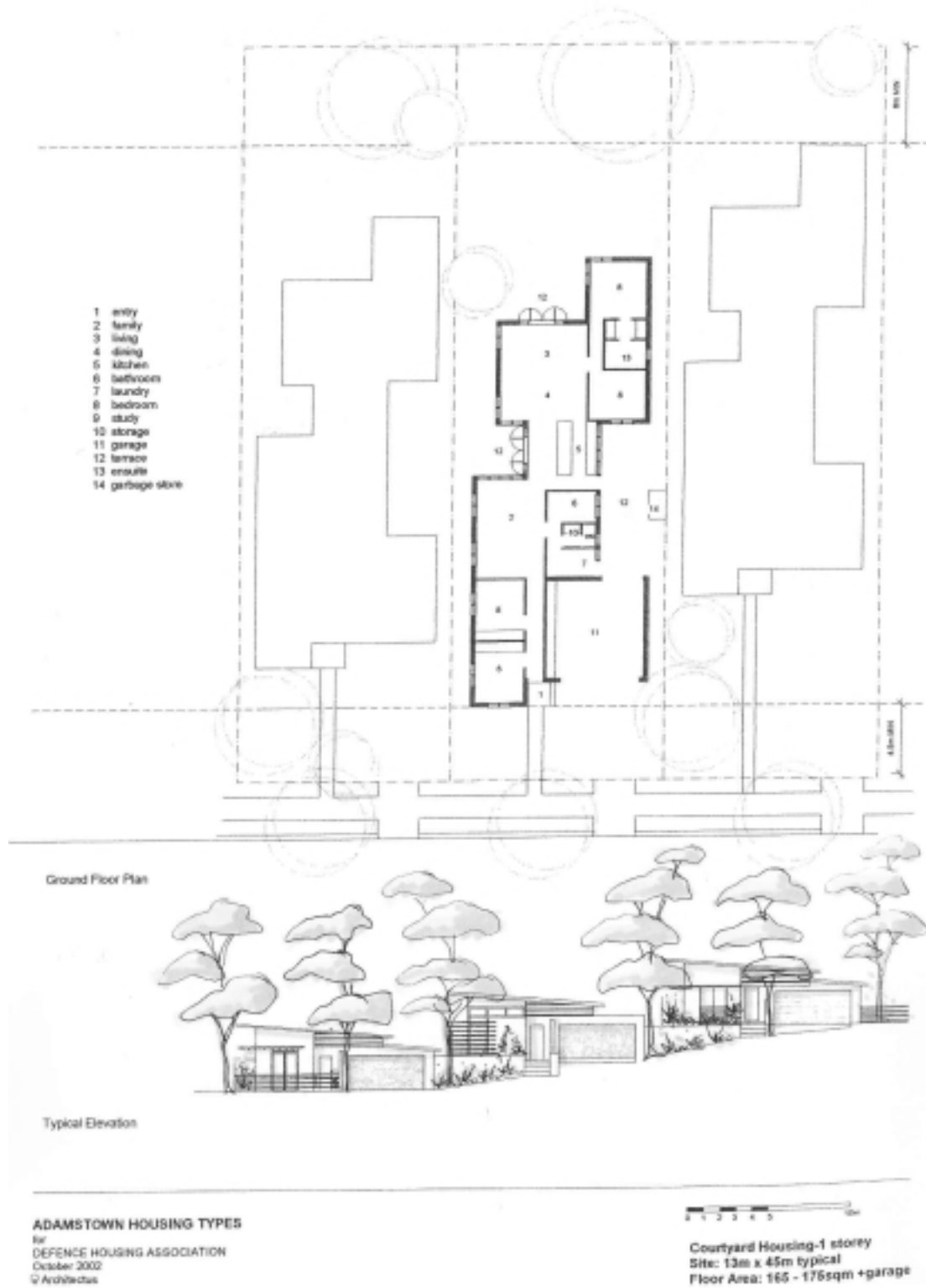
ADAMSTOWN HOUSING TYPES
for
DEFENCE HOUSING ASSOCIATION
October 2002
© Architectus



Townhouse - 2 storey
Site: 8m x 32 typical
Floor Area: 165sqm + garage

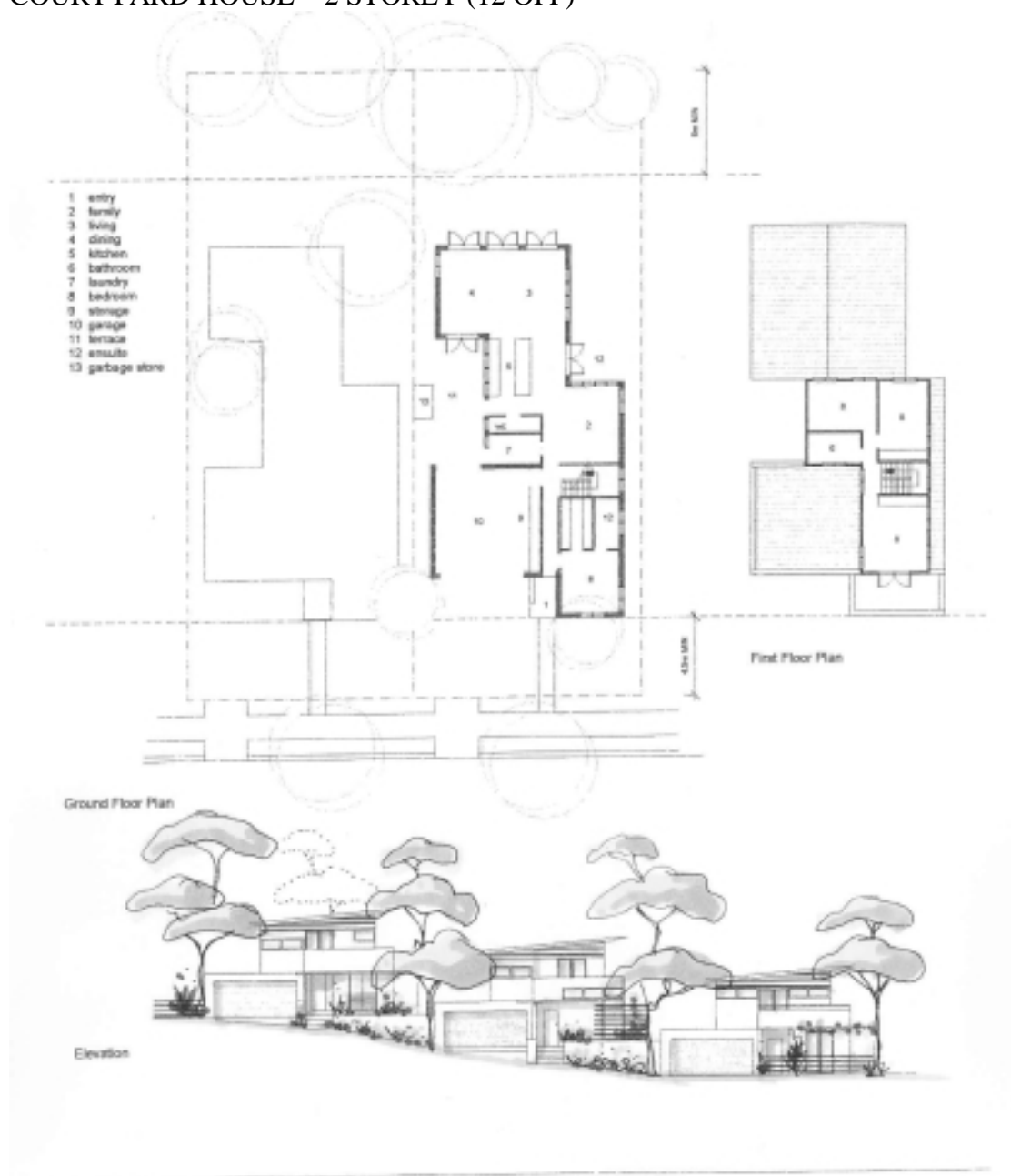
Item 5: Typical House Plans

COURTYARD HOUSE – 1 STOREY (50 OFF)



Item 5: Typical House Plans

COURTYARD HOUSE – 2 STOREY (12 OFF)



ADAMSTOWN HOUSING TYPES
for
DEFENCE HOUSING ASSOCIATION
October 2002
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Courtyard House - 2 storey
Site: 13m x 36m
Floor Area: 175sqm

Item 5: Typical House Plans

EXECUTIVE HOUSE – 1 STOREY (10 OFF)



Item 6: Vegetation Management

