

The Proposed Works

Objective

- 2.1 To provide fully serviced allotments at Lee Point sufficient to allow for construction of community-standard housing to satisfy Defence's accommodation requirements and to allow for an integrated community development by offering dwelling sites for public sale.¹

Need

- 2.2 Under its asset management plan, the DHA has identified the need to replace older dwellings in Darwin and to provide a wider range, in addition to increasing the overall number of dwellings.
- 2.3 The Defence housing requirement in Darwin is expected to increase from 1,766 at 30 June 2004 to 1,895 by 30 June 2007. Based on this requirement and market considerations, DHA believes that a significant construction program should be undertaken in Darwin.²
- 2.4 The strategic provisioning plan developed by DHA to meet Defence needs in Darwin includes the construction of some 300 residences at Lee Point,

1 Appendix C, Submission No. 1 from the Defence Housing Authority, paragraph 1.1

2 Appendix C, op cit, paragraph 2.2

with delivery spread over four to five years commencing in December 2005.³

Scope

- DHA's strategic provisioning plan for Darwin includes construction of at least 300 Defence residences at Lee Point, with delivery spread over five years from December 2005.⁴
- Works to be undertaken at the site will include:
 - installation of infrastructure and essential services including roads, drainage, water reticulation, sewerage, electricity, and telecommunications;⁵
 - landscaping;⁶ and
 - construction of approximately 725 dwellings

Project Delivery

- 2.5 The project will be managed as a joint venture between DHA and a private developer⁷
- 2.6 The project will be financed by DHA by any or all of the following means:
- sale of surplus housing stock;
 - public sale of development houses;
 - sale and leaseback scheme profits;
 - surplus operating capital; and/or
 - debt financing.⁸

3 Appendix C, op cit, paragraph 2.3

4 ibid

5 Appendix C, op cit, paragraphs 12.1 – 13.4

6 Appendix C, op cit, paragraph 16

7 Appendix C, op cit, paragraph 23.1

8 Appendix C, op cit, paragraph 22.1

Cost

2.7 The total estimated cost of the proposed project is \$41, 381,480. This cost includes:

- Goods and Services Tax;
- construction costs;
- civil works;
- headworks charges;
- contingency; and
- professional fees.⁹

⁹ Appendix C, op cit, paragraph 21.1

