

**HAWKESBURY CITY COUNCIL
GENERAL PURPOSE COMMITTEE**



Where People Make the Difference!

SUPPLEMENTARY BUSINESS PAPER

DATE OF MEETING: 1 November 1994

LOCATION: Council Chambers

TIME: 9:30am

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GENERAL PURPOSE COMMITTEE

Business Paper

Meeting Date: 1 November 1994

AGENDA

- **APOLOGIES.**
- **CONFIRMATION OF MINUTES.**
- **SECTION 1 - ENVIRONMENT.**
- **SECTION 2 - INFRASTRUCTURE. (NO REPORTS)**
- **SECTION 3 - ORGANISATION AND RESOURCES.**
- **NEXT MEETING.**

GENERAL PURPOSE COMMITTEE



SECTION 1 ENVIRONMENT

GENERAL PURPOSE COMMITTEE - ENVIRONMENT

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ITEM 86: HOBARTVILLE - DEFENCE HOUSING AUTHORITY
PROPERTIES

FILE NUMBER: GT150/003 PT02/GMA

REPORT:

The Defence Housing Authority owned around 400 properties in the Hobartville area that provided housing for Defence families associated with the Royal Australian Air Force Base at Richmond. With standards for Defence family housing improving, some of the older houses in the area were not suitable nor viable to upgrade and accordingly the Authority has been purchasing and developing in other locations. In the Hawkesbury area this has included Bligh Park and North Richmond.

The Council indicated that it sought to see one of the larger areas at Hobartville redeveloped as a medium density estate. This was the area on the north eastern side of Hobartville fronting Luttrell Street north of Smith Avenue and also fronting Cameron and East Market Streets and Day, Sardonic, Ducker, Harold, Reynolds, Sloper and Onus Avenues.

The Authority itself was keen to have this area redeveloped and engaged Consultants to assess the proposal. Their advice was that the proposal was non viable and this included the Authority maintaining up to 30% of the redeveloped properties at their standard. The Authority has a policy of integrating Defence families into the community and sees a 30% density as a maximum.

Following a number of discussions with the Authority, it advised early in 1993 that it would review its decision to sell its houses in Hobartville if the Council could confirm that the density could be significantly increased, that infrastructure was available to cater for the increased density and if such a redevelopment was commercially viable. The Authority is required by legislation to act on a commercial basis.

The Authority itself undertook a further feasibility and advised in June, 1993 that this confirmed its earlier advice that redevelopment, even if the existing housing numbers could be doubled, was not viable.

At the same time they pointed to their success in their redevelopment of Holsworthy and that at Hobartville they wished to :

1. Improve the road system to provide safer streets and a better road pattern for residents,
2. Improve parks and open spaces,
3. Improve streetscapes to provide a more pleasant environment for residents, and
4. Refurbish existing housing facades to the street front and increased landscaping to front yards, including fencing to further improve the streetscape.

There were a number of representations regarding the area's redevelopment to both State and Federal Governments specifically pointing out the Urban Consolidation/Better Cities' policies that both had expounded and indicated that Local Government was not pursuing.

The Federal Minister responsible for the Defence Housing Authority advised the Federal Member, Ms Maggie Deahm, in July 1993 at some length regarding her representations.

These included an indication that the Authority was not opposed to some appropriate redevelopment at Hobartville as long as it was financially viable and that research to date had shown that this was not the position. Further that should there be a formal proposal, the Authority was sceptical that the Water Board and the Council would ultimately agree to it proceeding.

Since that time there have been numerous discussions and negotiations, including a meeting with representatives from the Federal Offices of the Minister for Defence Support, Deputy Prime Minister's Office, Defence Housing Authority, NSW Department of Planning, Office of Ms Maggie Deahm, the Mayor and staff. On all occasions the Defence Housing Authority indicated that its research and evaluations have shown that Hobartville is not commercially viable to redevelop.

Council's staff have been negotiating with two groups to seek the area's redevelopment and undertaken a preliminary financial analysis. Quite clearly that analysis indicates that if the land is to be purchased in whole or part up front, redevelopment to occur with the appropriate holding charges for the initial cash applied to the project, then at the present time the area cannot be commercially redeveloped.

The basic reason for this position is that should the Authority spend some funds in upgrading the existing housing, then it can be sold on for a minimum figure of \$110,000. If the area is purchased for redevelopment, then a discount would be allowed for bulk purchase, say bringing the initial cost down to \$92,000. \$92,000 for a vacant block of land that requires redevelopment with the increased costs of that redevelopment (in the order of \$15,000 per lot), even with a 250% increase in density, would make it the dearest land in the Hawkesbury area by far.

The only way in which the area is seen suitable for redevelopment was if the development took place precinct by precinct and land costs paid out at the end of that time so that no holding charges applied. Given the Defence Housing Authority's legislation requiring them to act upon a commercial basis, this would require funding from other sources and all indications are this will not be forthcoming. Funding would need to be in terms of other approved programs such as Better Cities.

The Defence Housing Authority's staff have been extremely co-operative and patient in delaying sales of properties in the area of interest to the Council for redevelopment for some considerable time as well as reassessing their original analysis that the area could not be commercially redeveloped.

At a meeting with them at the end of last week it was indicated that the Council's staff could not assess a proposal to redevelop the area on a commercial basis that involved the acquisition and payment for properties earlier than when redevelopment took place. This has been confirmed by a Bank that has also made an analysis of the project's financial feasibility and it is also an indication of two Building organisations. Accordingly the Authority seeks approval to undertake the enhancement works in the area that involves traffic facilities to provide for safer streets, improvements to open space areas, streetscaping and refurbishment of existing homes. The only issue with their proposal was an objection to the placing of trees in the existing street pavement. This planting could be undertaken provided there was sufficient drainage around the planting and this connected to the main line drainage. While such tree planting can be carried out satisfactorily, in some areas the Hobartville location has roads with very flat grades and an underlying plastic clay, that with the introduction of moisture into the road pavement is likely to result in increased failures.

RECOMMENDATION:

That the Defence Housing Authority be thanked for the time and effort that they have spent in assisting to have the Hobartville area redeveloped for medium density housing. That their proposed traffic amenities, landscaping and other improvements be approved with works to be undertaken to the satisfaction of the Divisional Manager Engineering.

Council advise the relevant State and Federal Ministers that it is extremely unfortunate that whilst both Governments are advising Local Government of the need to promote Urban Consolidation and Better Cities, that a project such as the redevelopment of Hobartville cannot take place due to lack of support.

ATTACHMENTS:

There are no supporting documents for this report.

FN:ENB01LAX.G27

**** END OF ITEM 86 ****

GENERAL PURPOSE COMMITTEE



SECTION 3 ORGANISATION & RESOURCES

ITEM 34: WINDSOR FUNCTION CENTRE - FORMER LEASE WITH STUPSY PTY LTD

FILE NUMBER: GC283/45 Pt09/CSV

REPORT:

Reference is made to Item 31 of the Organisation and Resources Section of this Business Paper.

It is advised that further discussions were held with Mr & Mrs Harris last Friday and as a result of these discussions it appears that there is some conflict in their views as to the extent of the arrangement with the former Manager of the Centre and subsequently, Mr & Mrs Harris have agreed to meet the expenses for the rescheduled function.

RECOMMENDATION:

It is recommended that this information be received and noted and that no further action take place in this matter.

ATTACHMENTS:

There are no supporting documents for this report.

FN:OGB01LBX.C07

**** END OF ITEM 34 ****

**HAWKESBURY CITY COUNCIL
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END OF BUSINESS PAPER

