

REFURBISHMENT OF STAFF APARTMENTS AUSTRALIAN EMBASSY COMPLEX TOKYO, JAPAN

STATEMENT OF EVIDENCE FOR PRESENTATION TO THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS



OVERSEAS PROPERTY OFFICE DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

JUNE 2007

TABLE of CONTENTS

IDENTIFICATION OF THE NEED		page
1.	Objectives	3
2.	Background	3
3.	Need for proposed refurbishment	4
4.	Construction phasing	4
5.	Cost	5
6.	Description of proposal	5
7.	Environmental impact assessments	5
8.	Heritage considerations	5
9.	Organisations consulted	5
10.	Revenue derived from the project	6
TECHNICAL	INFORMATION	
11.	Location	6
12.	Scope of work	6
13.	Site selection and site description	8
14.	Zonings and approvals	8
15.	Land acquisition	8
16.	Codes and standards	8
17.	Planning and design concepts	8
	Architecture	8
	Structure	8
	Materials and finishes	8
	Mechanical services	8
	Hydraulic services	9
	Electrical services	9
	Communications	9
	Lift services	9
	Landscaping	9
	Civil works	9
	Operation, maintenance and warranties	9

18.	Acoustics	9
19.	Energy conservation measures and targets	10
20.	Master planning and site planning	10
21.	Provision for people with disabilities	10
22.	Child care	10
23.	Fire protection and security	10
	Fire protection	10
	Security (physical and electronic)	10
24.	Occupational health and safety	10
25.	Authorities consulted	11
26.	Local impact	11
27.	Project cost estimates	11
28.	Project delivery system	11
29.	Construction program	11
30.	Associated sketch design drawings and plans	12

IDENTIFICATION OF THE NEED

1. Objectives

- 1.1 The Department of Foreign Affairs and Trade (DFAT) seeks approval from the Parliamentary Standing Committee on Public Works (PWC) to proceed with the refurbishment of 43 staff apartments in the Australian Embassy complex in Tokyo. The refurbishment will ensure compliance with current OH&S regulations, continued acceptable standards of amenity for residents and ongoing viability of the asset as a source of income generation. The works will be in accordance with proposals developed by the Overseas Property Office (OPO) of the Department of Foreign Affairs and Trade.
- 1.2 Under the Administrative Arrangements Order of 26 November 2001, DFAT is responsible for "overseas property management, including, acquisition, ownership, and disposal of real property". This activity is undertaken by the Department's Overseas Property Office, which manages the overseas estate and will be funding the refurbishment works.

2. Background

- 2.1. The Embassy complex comprises the chancery, the Head of Mission residence, and 43 staff apartments occupying eight apartment blocks (four on each side of the chancery building, emanating as two L shaped wings). Each accommodation wing is linked at ground floor level and shares a common basement incorporating car parking, storage and plant facilities. The apartments are serviced by lifts in each wing. A recreational block with tennis court, squash court, bar and lounge, indoor swimming pool, basketball court and barbecue area, is located adjacent to the apartments.
- 2.2 The apartments are a mix of two, three and four bedroom configurations ranging in size from 83 square metres to 253 square metres.
- 2.3 The building was designed in the 1980s and construction was completed in 1990. The building fully complied with both the local and Australian building codes of the period, but it no longer fully meets current standards. The remaining useful life of the complex, subject to completion of mid-life refurbishment works and ongoing maintenance programs, is at least 35 years.
- 2.4 In June 2006, United Process Solutions (UPS) the Strategic Alliance Partner under contract to DFAT engaged the services of Denton Corker Marshall Architecture and Urban Design to undertake a full scoping study for refurbishment of the 43 apartments in the residential buildings, including a current condition assessment for each apartment, budget cost estimates and delivery strategies.
- 2.5 OPO has reviewed the report and finalised the proposed scope of work, staging approach and delivery strategy. A prototype apartment number 421 has been refurbished to evaluate the finishes, test feasibility assumptions, assess unknown factors, ascertain the time and cost of the works, identify

likely problems and solutions and establish a quality benchmark for all apartments.

3. The need for the proposed refurbishment

- 3.1 The apartments are now 17 years old. They have been well maintained, but routine wear and tear associated with residential occupation has taken a toll on surfaces, fixtures and fittings, particularly with respect to kitchens, bathroom and laundry fittings and fixtures, joinery and hardware, and general architectural finishes. Internal surfaces and fittings have degraded to the stage where they are at the end of their useful life, with tenants and parent agencies expressing increasing dissatisfaction with the overall ageing condition of the apartments. In particular, the apartments present a poor image for embassy representation.
- 3.2 Bench and fixture heights throughout the apartments were based on Japanese standards, requiring redesign to accommodate Australian requirements for occupant comfort. Services access doors off corridors require fire rating so that the shaft is fully isolated from apartment spaces. Drainage in bathrooms is inadequate and all bathrooms and laundries require new floor wastes and new floor tiles to ensure proper drainage. Stairs require re-treading and handrails in stair wells need to be upgraded to meet current standards. Better sound-proofing between apartments is required.
- 3.3 The Asbestos Management Plan provided by Robson Laboratories for United Group recommends the removal of asbestos from bathrooms and terrace balcony under-surfaces throughout the apartment blocks.
- 3.4 Power and data reticulation, electrical and fire detection infrastructure, engineering services access and air reticulation all require upgrading. OH&S concerns, particularly with respect to fire, electrical and ventilation, need to be addressed.
- 3.5 Since the construction of the apartment complex, the typical configuration of staff numbers per apartment has changed significantly. The refurbishment will amalgamate some of the apartments to meet new requirements (see scope of works below).

4. Construction phasing

4.1 Several options were considered for phasing the refurbishment project. The option chosen was to undertake a full refurbishment of all apartments two blocks at a time, which would involve working on a maximum of 13 apartments in each stage of construction (see isometric diagram – paragraph 30). Each stage would encompass all refurbishment, OH&S and compliance works. It was concluded that this option would provide the most effective economies of scale and consistency of finish and materials. It would mean the least disruption to tenants, including through minimizing noise and providing the shortest time frame overall for completion of the project.

5. Cost

- 5.1 The projected out-turn cost of the project is \$22 million. This proposed capital expenditure represents a good investment with respect to the current \$258.25 million value of the asset (at June 2006). The project will have no impact on rental returns as the works are driven from an asset maintenance and life cycle perspective. It provides the best financial return in terms of the Net Present Value (NVP) cost and the highest Internal Rate of Return (IRR).
- 5.2 The refurbishment time frame has a cost benefit by minimizing the off-site costs associated with housing staff in alternative accommodation in the expensive housing market in Tokyo.

6. Description of proposal

- The proposal is to undertake internal refurbishment of the 43 apartments in the residential building including the amalgamation of some apartments, and to ensure OH&S and other compliance issues are met. A detailed description of the works involved is included in the technical section of this submission.
- 6.2 The works will be undertaken on a rolling program, two blocks at a time. This approach offers the most viable economies of scale in the construction phase while minimizing disturbance to the occupants of the complex.
- 6.3 In order to ensure that all architectural and building engineering services issues are clearly identified and documented it was decided to undertake the refurbishment of one apartment as a prototype. The completed prototype will provide the quality model for the specification, documentation, construction methodology and finishes, including acceptance by the residents, required for the apartments.

7. Environmental impact assessments

7.1 An environmental impact assessment is not required by local authorities.

8. Heritage considerations

8.1 There are no known heritage considerations associated with the refurbishment works.

9. Organisations consulted

- 9.1 Discussions and presentations of the development have been held with:
 - Department of Foreign Affairs and Trade
 - Department of Defence
 - Department of Immigration and Ethnic Affairs
 - Department of Treasury
 - Department of Industry Tourism and Resources
 - Department of Education Science and Training
 - Austrade

- Post Property Committee
- Post Residents Advisory Committee
- Family Liaison Officer (FLO);

10. Revenue derived from the project

10.1 The works proposed in this project are necessary to maintain rent revenue currently received on these apartments by ensuring that the standards of residential accommodation compare favourably with other accommodation in the local market.

TECHNICAL INFORMATION

11. Location

11.1 The Embassy complex is located at Mita 2-1-14 Minato-ku Tokyo 108-8361.
JAPAN

12. Scope of work

General works on all apartments

- 12.1 The refurbishment will upgrade to current standards the mechanical, electrical, data and plumbing services throughout the apartments. In addition, the amenity of the apartments will be enhanced by refurbishing surface finishes, including painting throughout, joinery, visible architectural fixtures and fittings. Bathrooms, laundries and kitchens will be fully refitted, including replacement of fixed appliances. Specific works comprise the following.
- 12.1.1 Checking and essential replacement and upgrade of existing electrical wiring and fittings.
- 12.1.2 Replacement of lighting throughout.
- 12.1.3 Installation of new telephone, data and television wiring and fittings, providing flexible reticulation of outlets to all major rooms.
- 12.1.4 Upgrading fire detection and alarm equipment to meet current standards.
- 12.1.5 Installation of building code compliant fire escape systems.
- 12.1.6 Upgrading all plumbing services to meet current Australian and local building standards.
- 12.1.7 Upgrading air conditioning to meet new Japanese building code requirements.

- 12.1.8 Complete kitchen and laundry refurbishment including new joinery and new fixed appliances including ovens, range hoods and gas cook tops.
- 12.1.9 Refurbishment of bathrooms and toilets including new fittings and fixtures, retiling, and repairs to plumbing installations.

Specific works on some apartments

- 12.2 Laundries in many of the apartments open on to corridors and stair landings and require renovation to prevent carpet damage through flooding, and to improve utility and aesthetic appearance. In response to the Embassy's request to improve room layouts, the opportunity will be taken to consolidate wet areas, conceal exposed laundries, and rework internal walls in some apartments.
- 12.3 In five apartments on level 5, living/dining rooms back on to the bedrooms of adjacent apartments and require additional acoustic linings to alleviate noise transfer between apartments.
- 12.4 Six existing two-bedroom apartments in Blocks D, E and G lack sufficient natural light, and have too few bedrooms for tenant needs. They are consequently difficult to lease, and will be re-designed to create three new units all with four bedrooms and good terrace access off living areas. The amalgamation and re-design of these units is expected to improve appeal, functionality and rental potential.
- 12.5 Apartments 212 and 311 will be combined with apartments 222 and 321 respectively to create larger two-storey units with flexible entry opportunities of terrace, lower and upper landings. Apartments 410 and 411 will be amalgamated to create a broad spacious single level apartment. This will require structural modification including demolition of party walls to accommodate open floor space for the single level apartment and work to accommodate new stair access for the two-storey conversions.
- 12.6 In the case of two three-bedroom level 5 apartments (252 and 351) use will be made of existing dining room void spaces to introduce an additional bedroom or study, converting these units to four bedrooms.
- 12.7 Apartments 410 and 411 are expected to be used for furniture storage and contractor's site office during start-up and throughout most of the construction. On-site contractor storage is planned to occupy lane 4 on Embassy premises see gate 4 entry on isometric diagram attached (para 30).
- 12.8 It is expected that contractor-supplied furniture will be stored on site, in a secure designated area of the basement. Occupants' furniture and personal effects will be relocated to temporary accommodation.

13. Site selection and site description

13.1 The works will be carried out at the existing Australian Embassy compound.

14. Zoning and approvals

14.1 The works will be carried out in accordance with the requirements of the Tokyo Municipal Authorities.

15. Land acquisition

15.1 The property is owned by the Commonwealth of Australia.

16. Codes and standards

- 16.1 The work will conform wherever possible to current Japanese Building Regulations and relevant Building Code of Australia (BCA) requirements. Some exceptions may be unavoidable because of the age and architectural status of the building.
- 16.2 All new work will be designed and constructed to comply with current OH&S regulations.

17. Planning and design concepts

Architecture

17.1 There will be no change to the architectural form of the complex or the apartments as a result of the refurbishment works. The selection of materials and colour schemes will accord with the original architectural intent.

Structure

17.2 The building is in sound structural condition.

Materials and finishes

- 17.3 Materials, fixtures and fittings will be selected to present a high quality of finish and will be durable with minimum maintenance. All new materials will comply with all relevant OH&S and statutory codes.
- 17.4 Wet areas will be finished with ceramic tiles to walls and slip resistant vitrified tiles to floors.

Mechanical services

17.5 Mechanical services equipment and materials will be selected with qualities for long life, maximum efficiency and low maintenance.

17.6 The local regulations require 24 hour positive air flow through the apartments and the air conditioning will be upgraded to meet the local requirements.

Hydraulic services

17.7 Fixtures and fittings will be upgraded to improve hydraulic services.

Electrical services

- 17.8 The scope of the refurbishment will include:
 - (i) Replacement of electrical wiring and fittings where possible.
 - (ii) Provision of new low energy lighting fixtures.

Communications

17.9 The scope of the refurbishment will include new telephone, data and television wiring and fixtures distributed throughout each apartment to provide flexibility and as far as possible future proofing.

Lift services

17.10 No work is required or will be undertaken on the existing lifts.

Landscaping

17.11 There are no landscaping works associated with this refurbishment.

Civil works

17.12 There are no civil works associated with this refurbishment.

Operation, maintenance and warranties

- 17.13 Operation and maintenance manuals in English and Japanese for all equipment installed as part of the refurbishment will be provided by the Works Contractor. The manuals will contain equipment data, supplier identification, specifications, recommended maintenance procedures and manufacturers manuals. As-built services and architectural drawings will be incorporated into the Final Construction Completion Report.
- 17.14 Warranties will be provided in the name of the Commonwealth of Australia.

18. Acoustics

18.1 Generally, dry wall linings are proposed to one side of existing walls to make up required STC ratings to current BCA standards or higher. Bedroom walls adjacent to lifts, family or living rooms within apartments will also be treated.

19. Energy conservation measures and targets

19.1 The refurbishment includes measures which will minimize energy consumption including installation of new low energy light fixtures

20. Master planning and site planning

20.1 The project master planning has been conducted by way of consultation with all project stakeholders, analysis of refurbishment options, refurbishment of a prototype apartment and the preparation of cost estimates.

21. Provisions for people with disabilities

21.1 No changes are required to disabled access to the apartments.

22. Child care

22.1 There are no child care provisions applicable to this project.

23. Fire protection and security

Fire protection

- 23.1 The common areas of the building and the apartments are equipped with smoke/heat detectors and fire alarms reporting to a central alarm panel located in the chancery on level 1.
- 23.2 Because Japanese fire regulations are more onerous than those of Australian codes, the Embassy was designed to comply with Japanese requirements. At the time of original occupancy, a balcony escape harness or cable system installation was required to comply with Japanese regulations. A similar system will be reinstated that will meet current Tokyo fire authority compliance requirements.

Security (physical and electronic)

23.3 Child-proof locks will be installed to balcony doors where required. A new intercom/ gate /door entry system will be provided.

24. Occupational health and safety

- 24.1 Compliance with occupational health and safety issues are of high importance to the Commonwealth. In accordance with the Occupational Health and Safety Act (Commonwealth Employment) 1991, considerable attention in respect of compliance will be given to this aspect during the detailed planning of the project.
- 24.2 Japanese Occupational, Health Safety and Rehabilitation practices will be implemented and enforced during the course of the construction works.

25. Authorities consulted

25.1 A building surveyor with knowledge of the local Tokyo building and construction context will be required to confirm compliance with Australian and Japanese regulations during the design stage.

26. Local impact

- 26.1 It is recognized that occupants of adjacent buildings may be disturbed by noise and construction activities throughout the course of the project, although such disturbance will be kept to a minimum. Measures will be implemented including strictly controlled working hours, sequencing and staging of the works, and timing of construction material deliveries in order to minimize the impact of these disruptions. Access to the site will be through gate 4 see isometric diagram attached (paragraph 30).
- 26.2 Building engineering services will be maintained to the apartments throughout the course of the construction.
- 26.3 Appropriate protection will be provided to the lifts, corridors and other areas during construction, including through provision of appropriate danger signs and barriers.

27. Project cost estimates

- 27.1 The out-turn cost estimate of the proposed works is \$22 million, based on current prices and exchange rates. This estimate includes construction and other related elements such as consultants' fees, project management, and supervision and travel expenses.
- 27.2 Japanese Government Consumption Tax at 5.0 % has been included.

28. Project delivery system

- 28.1 Following an analysis of local delivery methods, a traditional project delivery method of detailed design, documentation, construction tendering and contracting on a lump sum basis has been selected as appropriate for this project. This represents the best value for money for the Commonwealth, and allows DFAT, as the building owner, to fully control all the project delivery stages.
- 28.2 A single construction contract will be awarded for the refurbishment works. Tenders will be called from a selected shortlist of pre-qualified Japanese and/or international based contractors.

29. Construction program

29.1 The contract documentation and tendering will be completed in the first quarter of 2008, followed by commencement of works, which will be

undertaken in four stages over a 24 month period. Practical completion is scheduled for 2010, with final completion at the end of the defects liability period in 2011.

30. Associated sketch design drawings and plans

- 30.1 The following attachments illustrate the proposal:
 - Location map
 - Isometric diagram

LOCATION MAP

AUSTRALIAN EMBASSY TOKYO



