



**Australian Government**

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**Department of Industry  
Tourism and Resources**

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**Proposed Fitout of New Leased Premises in  
Civic ACT**

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**Statement of Evidence and Supporting Drawings for  
Presentation to the Parliamentary Standing  
Committee on Public Works**

**December 2004**

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# 1. IDENTIFICATION OF THE NEED

## 1 Objectives

- 1.1.1 The Department of Industry Tourism and Resources (DITR) has a role in increasing prosperity for all Australians through internationally competitive and sustainable business.
- 1.1.2 The work of the Department can be described under six categories:
- Innovation
  - Investment Attraction
  - Building Competitive Australian Industry
  - Resources, Energy and the Environment
  - Tourism
  - Small Business
- 1.1.3 DITR provides analysis and policy advice to the Government, delivers programs and provides specific assistance in the form of grants, bounties and concessions.
- 1.1.4 DITR's customers are people involved in:
- Business, including business associations and individual businesses;
  - Research and innovation; and
  - Organisations representing community interests.
- 1.1.5 The organisation's central office in Canberra is currently spread across four office buildings in Allara Street in the City. The buildings are inefficient, difficult to secure and are generally of a poor standard. DITR is seeking to consolidate into one purpose designed facility in Binara Street Civic.

1.1.6 DITR's current accommodation has significant deficiencies in terms of services, security and general standard of accommodation. While the current premises represented good value for money at the start of the current leases eight years ago, in their current state the buildings are no longer suitable for continued occupation by the Department over the longer term.

1.1.7 This proposal provides DITR with a number of advantages including:

- Enhances the operational efficiency and cohesiveness of the department's operations.
- Provides more flexibility and the ability to manage 'churn' with less cost and time.
- Reduces environmental impact.
- Provides improved facilities for staff.
- Improves security by having a single building with limited access points.
- Increases space efficiency.
- Improves access and facilities for visitors.

## **1.2 Historical Background**

1.2.1 DITR has occupied buildings in Allara Street since 1987 with the most recent occupation (20 Allara Street) in 1996.

1.2.2 The current leases have been in place since 1996 and all expire in 2006. There are no provisions written into the leases to extend the occupation beyond 2006.

1.2.3 The 23,353 m<sup>2</sup> net lettable area (NLA) of office space in the four Allara Street buildings is summarised below:

<b>Building</b>	<b>Area under lease</b>	<b>Average floor size</b>	<b>Lease Expiry Date</b>	<b>Approx age of building at end of current lease</b>
20 Allara St	8,936 m <sup>2</sup>	830 m <sup>2</sup>	31 December 2006	30 years
40 Allara St	1,183 m <sup>2</sup>	1,183 m <sup>2</sup>	30 June 2006	30 years
33 Allara St	9,193 m <sup>2</sup>	1,300 m <sup>2</sup>	31 December 2006	22 years
51 Allara St	4,041 m <sup>2</sup>	2,000 m <sup>2</sup>	31 December 2006	22 years

1.2.4 The current rents range from \$280 per m<sup>2</sup> per annum to \$310 per m<sup>2</sup> per annum. While the leases on 20, 33 and 51 Allara Streets expire on 31 December 2006, the lease on 40 Allara Street expires six months earlier. The need to extend the lease on 40 Allara Street so that it also runs until 31 December 2006 is being investigated.

1.2.5 In mid 2003 DITR began developing a strategy to meet its accommodation needs for the 15 year period following the expiry of the existing leases in 2006.

### **1.3 New Proposal**

1.3.1 In late January 2004, DITR advertised seeking Expressions of Interest (EOI) for the provision of leased accommodation. The main requirements in the EOI were:

- Net lettable area - 21,500m<sup>2</sup> plus basement.
- Term – 15 years.
- Location – Civic or Barton.
- Standard – A grade.
- Car parking – 250 in the same building with suitable access to convenient parking for other staff.
- Critical timing – Occupation with fitout complete by November 2006 (ie. before the current leases expire).

1.3.2 Nine responses were received. Following an assessment of the EOIs, six were shortlisted to proceed to the second stage. They were located as follows:

- Binara Street Civic (next to the current Allara Street buildings)
- Genge Street Civic
- Marcus Clarke Street Civic (three proposals)
- Allara Street Civic (refurbished current premises)

1.3.3 The Department of Finance and Administration (Finance) is considering divestment options for the York Park North site in Barton. They had previously discussed with DITR the possibility of DITR entering into a pre-commitment to lease a building which could be constructed for the Department on the site. Finance were asked to provide further details on that proposal as part of the second stage of the site selection process.

1.3.4 DITR received seven responses to the Stage 2 invitation, including a proposal from Finance. An evaluation of the responses against the selection criteria resulted in the preferred site being selected.

1.3.5 The selected site in Binara Street is near DITR's current building at 20 Allara Street and was used as a surface level carpark. The site is owned by Caliton Pty Ltd (a division of Consolidated Builders Limited) and Capital Property Corporation Pty Ltd. The development is being undertaken by Consolidated Builders Limited and Capital Property Corporation as co-owners.

1.3.6 Base building construction commenced in September 2004. The proposed building must be completed to enable occupation before the current leases expire on 31 December 2006. The lease will run for a period of 15 years and three months and DITR has the option to extend the lease by one further term of five years.

1.3.7 A pro-active approach to risk management has ensured that DITR commenced this process with sufficient time before the lease expiry to allow for any delays in delivery of the proposed building.

## 1.4 Need

- 1.4.1 The need for the proposed new facility was driven by the approaching expiry of the current leases in Allara Street. The current buildings are fragmented, have inefficient floor layouts, are difficult to secure and generally provide a low standard of accommodation with many of the building services reaching the end of their life.
- 1.4.2 Refurbishment of the existing buildings was considered and the owners of the three major tenancies were included in the selection process. However, the costs are comparable with a new building and there are many drawbacks with the refurbished buildings. The greater efficiencies offered by a purpose designed, single office building will enable DITR to achieve a cost effective accommodation solution that better suits its operational requirements.

## 1.5 Options Considered

- 1.5.1 The three basic options considered by DITR were:
1. **Do Nothing Option** (Existing Accommodation – Extend Leases for 2 Years or 10 years, no refurbishment).
  2. **Do Minimum Option** (Existing Accommodation – extend leases for 10 – 15 years with refurbishment). A five year extension with refurbishment had been considered. However, given the cost and disruption associated with refurbishment, to make it worthwhile, a ten or 15 year extension of the leases is considered more feasible.
  3. **Preferred Option** (New accommodation, one building, long term lease). This option is preferred as it will enable DITR to achieve operational efficiencies in addition to providing an effective property solution.

The advantages and disadvantages of the various options are summarised below:

### **1.5.2 DO NOTHING OPTION**

#### **Extension of Existing Leases for 2 or 10 Years (no refurbishment).**

- **Advantages**

- Least cost
- Buys some time but it is unlikely that the accommodation situation will be any different at the end of the period compared to now.

- **Disadvantages**

- 20 & 40 Allara Street will continue to provide a low standard of accommodation.
- 20 Allara Street building systems have low reliability.
- Continuing fragmentation of the department across four buildings and resulting inefficiencies.
- Inefficient floor layout and sizes.
- Lower standard security measures in multi-tenanted buildings.
- Continued inequity in the size of offices and workstations.
- Does not address child care issues.
- Continued unsatisfactory lift performance (long waiting times and frequent breakdowns) in 20 Allara Street.
- The existing building services would be well beyond their serviceable life for the 10 year extension and critical services including air-conditioning, lifts and safety systems would have deteriorated to well below acceptable standards.
- Uncertainty whether the landlords would agree to a two year lease extension.



### **1.5.3 DO MINIMUM OPTION**

#### **Extension of Existing Leases for 10 or 15 Years with Refurbishment**

- **Advantages**
  - Less cost than a new building, but only marginally.
  - Would improve the standard of accommodation to some extent.
- **Disadvantages**
  - Significant disruption for staff and DITR operations over a two year period while the buildings are being refurbished.
  - Additional cost for staging space while the buildings are refurbished or dead rent on areas being refurbished.
  - Continued fragmentation of DITR across the buildings with continued operating inefficiencies and increased travel time for staff between the various parts of the Department.
  - Inefficiencies inherent in small floor sizes and existing fitout in the buildings remain.
  - Unsatisfactory security arrangements in the four multi-tenanted buildings remain.
  - Lift performance/waiting times in 20 Allara Street would still not be satisfactory.

### **1.5.4 PREFERRED OPTION**

#### **Lease on New Building (15 years through a pre-commitment lease process)**

- **Advantages**
  - Meets all DITR's building requirements.
  - A single building enhances cohesiveness and reduces travel time across the organisation.
  - A single building with discrete tenancy areas will meet the Commonwealth security requirements.
  - Modern office accommodation in a new commercial building.
  - Improved accommodation effectiveness through the opportunity to rationalise the provision of meeting rooms and on-floor storage.
  - Reliable building systems.

- Meets current Building Code of Australia requirements.
- Base building floor layouts and sizes designed specifically to meet DITR requirements.
- Increased space efficiency and reduced overall space requirement.
- Flexible, modular fit-out with reduced ongoing churn costs.
- Provides an opportunity to address childcare.
- Reduced environmental impact.
- More efficient facilities management (single landlord and managing agent).

The new building option will result in only a net marginal increase in costs compared to the refurbishment option. Although the cost per square metre is slightly higher, the more efficient floor layouts in a new building means that a lesser area needs to be leased, leading to only a small net increase in costs.

## **1.6 Reasons for Adopting the Proposed Course of Action**

- 1.6.1 Even though the ‘Do Nothing’ options have the lowest cost, extending the current leases without refurbishment are not acceptable solutions. The condition of at least two of the buildings is very poor and after a further period without any remedial work the fitout and building services such as air-conditioning, lifts and safety systems would have deteriorated to well below acceptable standards. The accommodation would be below B grade, OH&S requirements would not be met and the workplace would be highly inefficient.
- 1.6.2 The ‘Do Minimum’ (refurbishment) option goes part of the way in meeting DITR’s requirements. However, as all the buildings are multi-tenanted, it also leaves unresolved the limited security measures available to DITR, continues the fragmentation of DITR across multiple sites and the various operational and financial inefficiencies that causes. Refurbishment would involve a two year construction program staged around staff and DITR would still be left with an accommodation solution that has significant shortfalls.

- 1.6.3 The 'preferred' (new building) option has only a marginally higher cost and this cost is more than off-set by reduced operating costs. It is the only one that meets all of DITR's accommodation requirements. In a number of important aspects it provides a much higher standard of accommodation and avoids a long period of disruption for staff during the refurbishment period. Overall, the increased efficiency of a new building provides the best value for money accommodation outcome for DITR.

## **1.7 Description of the Proposal**

- 1.7.1 DITR has entered into a pre-commitment agreement to lease a new building on completion. The building is being constructed in Binara Street in the eastern part of Civic, close to DITR's current accommodation in Allara Street. The site is bounded by City Walk, Binara Street (an extension of Allara Street), Akuna Street and the existing twin tower building known as 38 Akuna Street. It is close to the Canberra Centre shopping mall, food outlets, the Crowne Plaza Hotel, Glebe Park, fitness centres and other office buildings occupied by Government tenants.
- 1.7.2 The ACT Planning and Land Management Authority has granted Development Approval for the building. The building will abut the existing twin tower building known as 38 Akuna Street. The existing green space planted with Casuarina trees that runs between the proposed building and the edge of City Walk will be retained. Environment ACT gave approval for the removal of 11 of the 61 Casuarinas on the site to enhance the use of the area.
- 1.7.3 The proposed building will provide approximately 21,750 m<sup>2</sup> net lettable office space and consist of the following:
- A small basement containing about 650 m<sup>2</sup> of storage space, back-up power equipment for the computer centre, showers, change rooms, building services and storage for bicycles.

- A ground floor incorporating the main entrance lobby off Binara Street, a conference centre, reception/security facilities, Child Care Centre, two retail outlets (one a café), loading dock and a mail centre. Access to the car parking and goods delivery is off Akuna Street.
- Three levels of above ground parking with space for 261 cars (including four parking spaces for people with a disability) and 25 motor bikes.
- Six levels of office accommodation of about 2,500 m<sup>2</sup> NLA each incorporating two central cores each containing toilets, communication facilities and other services.
- Three smaller top level office floors of about 2,000m<sup>2</sup> NLA each.
- An additional optional floor may be constructed. The decision to construct the optional floor would be made by February 2005.

DITR will occupy the whole building except for the two retail outlets.

1.7.4 The proposal has provision for approximately 1,350 workstations and offices which allows for expansion and flexibility in the workplace. Staff facilities will include an amenities room, parenting rooms, carer's room, first aid rooms, break-out areas and a prayer room.

1.7.5 Site, location and floor plans are attached.

1.7.6 The fitout works will be integrated with the construction of the base building. The fitout sketch plans are being produced by a design consultant. On completion, those plans will be handed over to the base building design team to prepare the detailed documentation jointly with the base building documentation. Construction of the base building and fitout will be done concurrently with DITR paying for the fitout components.

1.7.7 The fitout works to be undertaken include:

- Integration of services into the base building works including electrical, air-conditioning, ventilation, lighting control, data, communications, security, fire and hydraulic services.
- Office accommodation including partitioning to form individual offices, meeting rooms, reception areas, utility and store rooms, training rooms, break out areas, rooms to house IT and communications equipment and staff facilities.
- Workstations including desks, screens and provision for personal storage.
- Loose furniture – existing furniture will be used where it is in good condition.

1.7.8 DITR developed a Base Building Brief and all the essential items have been met by the developer. The fitout will be designed to cost estimates provided by DITR's Quantity Surveyor, Haralambous Dowse and Associates.

## **1.8 Environmental Impact Assessment**

1.8.1 A Preliminary Assessment for the site was prepared in 1997 in accordance with the ACT Land (Planning and Environment) Act 1991. That assessment examined the environmental impact of a development on the site including the physical, human and non-human biological environment and heritage issues. An updated Preliminary Assessment is not required by the ACT Planning Authority for the current proposal. As there have been no significant changes in conditions on and surrounding the site since 1997, the 1997 assessment is still considered relevant. In addition, a High Quality Sustainable Development (HQSD) Response report was prepared in May 2004 in accordance with ACT planning requirements. That report also addresses the environmental impact of the proposal.

1.8.2 The Preliminary Assessment notes that:

- “The site is not in its natural state and the majority is currently covered by an asphalt car park comprising 78 spaces. Along the City walk side of the site stands a grove of Casuarina trees that were planted in the period 1970 - 1972.” The majority of those trees will be retained as part of the proposed development and the basement is designed to protect the roots of the trees. The basement is only one level deep and is outside the line of the natural batter of the zone of the tree root systems (refer attached basement plan). Additional trees will be planted on the site. Most of the Casuarinas have been assessed as having 30 to 40 years remaining life.
- “The site is predominantly covered by an asphalt car park which does not support any life species. There are some planted trees and grass.” The proposal incorporates significant landscaping of the non-built part of the site which will significantly enhance the aesthetics and non-human biological environment of the area.

1.8.3 Development of the site will:

- have no significant adverse impact on the natural or human environment,
- provide an attractive and effective method for upgrading and completion of the southern end of City Walk,
- encourage improved utilization of existing public facilities and transport infrastructure,
- make better use of existing engineering services including water, sewerage and storm water in the area, and
- have a positive effect on the local economy both during construction and during long term operations.

- 1.8.4 In addition, the proposed building will partially enclose and protect the existing open courtyard of the adjacent building known as 38 Akuna Street. That space is currently very windy and exposed and this proposal may encourage the owners of the adjacent building to enhance the courtyard and make it more usable.
- 1.8.5 The DITR Base Building Brief details specific environmental management requirements.

## **1.9 Heritage Considerations**

- 1.9.1 The Preliminary Assessment notes that the site has been thoroughly disturbed. “There are no known Aboriginal heritage values associated with the site nor is there reasonable likelihood of finding aboriginal stone artefacts.”

“As the site is currently largely covered by an asphalt car park, plus trees planted in the 1970’s, it has no known European heritage value.”

## **1.10 Governance**

### **1.10.1 Steering Committee**

The Project Steering Committee comprises senior executives in DITR. The Committee is responsible for overseeing the project including overall strategic direction, goal setting, priority setting and making recommendations to the DITR Executive on executive decision making.

### **1.10.2 Probity**

Probity advice and probity audit services for the project are provided by the legal firm, Mallesons Stephen Jaques.

## 1.11 Consultation

1.11.1 DITR has consulted with the following external bodies:

- The Chief Minister's Department (Business ACT) in the ACT Government regarding availability of development sites in Civic and the impact of the proposal on Civic.
- The ACT Planning and Land Authority (ACTPLA), the Chief of Staff of the Acting Minister for Planning and the ACT Leader of the Opposition regarding planning approval.
- The Land Development Agency regarding sale of land in Civic and DITR's EOI process.
- The Australian Greenhouse Office on environmental input to the design briefing and lease.
- The Property Council of Australia – ACT Division regarding the impact of the proposal on Civic.
- Australian Taxation Office – major tenant in the adjoining building, 38 Akuna Street, regarding impact on occupants.
- The ACT Office of Child Care regarding the design and operation of the proposed child care facility.
- The Department of Employment and Workplace Relations regarding the National Code of Practice for the Construction Industry.



- 1.11.2 The main mechanism for internal consultation is the Post 2006 Accommodation Project Consultative Forum. The Forum provides an avenue for all staff to raise, or seek clarification about, matters affecting the project. Its aim is to achieve a high level of awareness and acceptance of the project and to maintain trust and cooperation between the Workplace Relations Committee (WRC), staff in general and the various divisions in DITR to the mutual benefit of all parts of the organisation. The WRC has two representatives on the Forum and each of the twelve divisions has one representative. The Forum meets monthly and as required. The project team also consults with the Child Care Staff Group on matters affecting the design of the Child Care Centre.
- 1.11.3 A brief on the project is provided at each Workplace Relations Committee meeting. The Workplace Relations Committee includes representatives of the employee associations.
- 1.11.4 Other methods of communication and consultation include:
- Articles in DITR's intranet based newsletter *Communiqué*.
  - An intranet site.
  - All staff emails.
  - Electronic staff surveys.
  - Staff briefings.
- 1.11.5 No significant concerns have been raised by staff to date. Issues have mainly focussed on the availability of child care and other facilities.
- 1.11.6 As the project progresses, the following additional measures to involve staff are proposed:
- Setting up trial work areas with different options of workstation configurations for comment by staff.
  - Displays showing proposed building and internal design.
  - Presentation of proposed colours and finishes.

- ‘Welcome to’ publication to inform staff about the features of the new accommodation.
- Site tours.

## **1.12 Revenue Derived from the Project**

1.12.1 Savings in property operating expenses will be realised by collocating into one purpose designed building.

1.12.2 An incentive in the form of a cash contribution and a rent free period of three months during the move in period was negotiated with the developer. The developer has requested that the actual amount be treated as commercial-in-confidence.

## **2. TECHNICAL INFORMATION**

### **2.1 Location**

2.1.1 The proposed building is located in Civic East ACT with its main entrance facing Binara Street and back entrance facing Akuna Street. City Walk is on one side of the building and the existing building known as 38 Akuna Street is on the other side.

### **2.2 Scope of Works**

2.2.1 DITR will lease the whole building, except for two retail shops on the ground floor, and have the fitout constructed to its specifications.

2.2.2 The fitout works include integration of services into the base building works. These works include:

- Electrical installations in the tenant areas include tenant switchboards, reticulation and outlets to each workpoint and within each office, meeting room, training room etc. Filtered and backed-up power supplies to the central computer installations will also be provided. Computer facility power equipment may be relocated from the existing Allara Street installation.
- Supplementary air-conditioning in those rooms with higher than normal cooling and ventilation requirements including larger meeting rooms, training rooms, computer rooms and the amenities room.
- A lighting control system to reduce energy consumption in tenant areas including the ability to automatically turn off lights in unoccupied rooms and to provide reduced lighting levels when appropriate, such as reduced lighting

levels for access purposes after hours. Some additional lighting will be provided as required in partitioned rooms.

- Data cabling throughout the tenant areas including phone and computer outlets at each workpoint. The cabling infrastructure will be designed to cater for future capabilities. 'Wireless' communications are being investigated for part of the computer network.
- Security works including door hardware and electronic access control at the main entrance, other entrances, exits, vehicle access points and internal areas with higher than normal security needs.
- Supplementation of the base building fire services where required as a result of the fitout works to ensure compliance with relevant codes. These services include additional exit lights, fire detection and sprinkler supplementation as necessary. A Very Early Smoke Detection Apparatus (VESDA) will be installed in the computer room.
- Most hydraulic services are provided as part of the base building including toilets and showers. Hydraulic services in the fitout include sinks in the tea making facilities, additional fixtures in the child care facility, sink in the first aid rooms and a washing facility in the prayer room.

### 2.2.3 Office accommodation includes:

- Partitions to form individual offices, meeting rooms, reception areas, utility and store rooms, training rooms, break out areas, IT and communications equipment rooms and staff facilities. DITR is investigating the use of demountable partitions to reduce the long-term cost of changes in office configurations. The internal areas will generally be based on an 8m<sup>2</sup> module. Workstation sizes will be based on the 8m<sup>2</sup> planning module, with 16m<sup>2</sup> for standard offices and 24m<sup>2</sup> for Senior Executive Service (SES) Band 1 offices. These planning provisions are similar to the current

arrangements and are suitable for the tasks carried out in the respective work areas. Staff in open plan areas will have access to quiet spaces for concentrated work.

- Joinery items such as the main reception counter, credenza units in meeting rooms, a servery in the amenities room and display units. Some existing joinery in good condition will be relocated from the current buildings to reduce costs.
- Workstations including desks and provision for personal storage. Screens in the workstation areas will define groups of workpoints and carry the data and power cables.
- Blinds or other treatment on internal glass panels.
- Tenant signage including external signs with the department's name, directional signage and statutory signage.
- Appropriate higher standard finishes including selected timbers from renewable plantations, glass, bright metal finishes and plasterboard ceilings in selected areas, such as reception points and visitor areas.
- Raised flooring in computer facilities.
- New loose furniture will be provided where the existing is not suitable.

## **2.3 Staff Facilities**

2.3.1 Staff facilities provided as part of the fitout include:

- An amenities room.
- Two first aid rooms.
- Two parents rooms (for breastfeeding, bottle feeding or use of a breast pump).

- A prayer room.
- A carers room to allow staff to meet temporary carer responsibilities while carrying on with their duties.
- Kitchen facilities and tea making stations.
- Bike parking

2.3.2 The base building also includes showers (eight male, eight female including accessible shower facilities) and change and locker rooms for staff use.

## **2.4 Site Selection**

2.4.1 The site was selected following a two stage process:

- Expressions of Interest were called by public invitation in the press and Government web sites.
- Shortlisted proponents were invited to submit more detailed offers including commercial terms.

2.4.2 The proposals were assessed against the selection criteria and the Binara Street site was selected as representing the best value for money for DITR

## **2.5 Site Description**

2.5.1 The total area of the land is 4,380m<sup>2</sup>. It mainly consisted of an open asphalt car park with an unoccupied area comprising a stand of Casuarina trees between the car park and City Walk.

## **2.6 Zoning and Approvals**

2.6.1 Planning on this particular land is the responsibility of the ACT Government. The proposal is consistent with the ACT Territory Plan. The site is located in Civic Precinct A1 which has a land use policy allowing office, retail and child care facilities. The height of the proposed structure does not exceed the maximum for the precinct which is 617m above the Australian Height Datum.

2.6.2 The developer has lodged a Development Application and High Quality Sustainable Development (HQSD) documentation with the ACT Planning and Land Authority (ACTPLA) and has obtained approval to proceed with the development. Meetings have been held between DITR, the developer and ACTPLA. The proposal is consistent with ACTPLA's requirements.

## **2.7 Land Acquisition**

2.7.1 The land was acquired by Caliton Pty Ltd in late 2003 following a public auction process by the ACT Government. Capital Property Corporation purchased a 50% interest in the land from Caliton Pty Ltd as joint developer in June 2004.

## **2.8 Codes and Standards**

2.8.1 The fitout will comply with all relevant requirements of the Building Code of Australia (BCA), ACT Planning and Land Management and Australian Standards. The design also takes into account current proposals to amend the BCA to better align the Code with the Disability Discrimination Act and the Commonwealth Disability Strategy.

## **2.9 Planning and Design Concepts**

**2.9.1 Materials and Finishes.** Materials and finishes used in the fitout will be selected for appearance, durability, functionality and ease of maintenance and cleaning while providing a pleasant environment for staff to work. Typical materials and finishes will include plasterboard painted with washable paint, fabric panels on screens and feature walls, feature colours on selected painted walls and plasterboard feature ceilings. Selected use of timber finishes and quality metal hardware as well as tinted and colourback glass/perspex will be used in moderation to enhance the overall image of the office environment.

**2.9.2 Mechanical Services.** A chilled water and heating water loop system is to be provided to enable supplementary cooling to be provided in areas with higher than normal heat loads such as larger meeting rooms, training rooms and

computer rooms. Additional outdoor ventilation will be provided in the ground floor conference centre and on each floor. The cooling towers will be designed to prevent the growth and spread of Legionella bacteria. The lease requires the landlord to report to the tenant every month on the quality of the cooling tower water, including the results of laboratory tests.

**2.9.3 Hydraulic Services.** Sewer stacks and access to water will be provided to enable tenant facilities such as additional sinks to be connected to the base building hydraulic services.

**2.9.4 Electrical Services.** The total electrical load for the building will be designed to cater for both the base building and tenant requirements. The electrical system will allow DITR to obtain bulk metered power and will include spare capacity for future tenant requirements.

**2.9.5 Security and Data Cabling.** The building will be designed to ensure tenant cabling requirements for electronic security, computer networks and phone connections can be met. Ducts will be provided into the building and from floor to floor. In specified locations, conduits with draw wires will be installed in concrete slabs and masonry walls to enable tenant equipment to be installed.

## **2.10 Acoustics**

2.10.1 The building design incorporates measures to reduce noise in the work environment including double glazed external windows, acoustic ceiling tiles, fabric panelling and carpeted floors. Attention will also be paid to air-conditioning detailing to reduce noise from moving air and mechanical plant.

2.10.2 Acoustic performance criteria will be incorporated into the fitout brief to ensure adequate noise insulation between offices, meeting rooms, training rooms and other work areas.



## **2.11 Energy Conservation Measures and Targets**

2.11.1 The building brief specifies compliance with current government policy. The policy as set out in “Measures for Improving Energy Efficiency in Commonwealth Operations” (issued April 1998, Department of Primary Industries and Energy), requires that all newly constructed Commonwealth occupied buildings must comply with a minimum energy performance standard. Initially this is the 1994 Building Owners and Managers Association (BOMA) Energy Guidelines, which sets energy consumption design targets for office buildings in Canberra.

2.11.2 The following measures are specified in the building brief to minimise energy usage and operating costs without a reduction in accommodation standards:

- The building is required to equal or exceed the Australian Building Greenhouse Rating (ABGR) of 4 stars.
- The Building Management System will monitor and control lighting, mechanical services, energy, lifts and water supply.
- Embedded energy of building materials to be identified and considered in selection of the materials.
- Thermal conductivity of the façade to be minimised and suspended slabs are to be insulated.
- Double glazing is to be provided.
- Fluorescent lighting is to have electronic ballasts and triphosphor tubes.
- Lighting is to be controlled by an electronic system to reduce energy use, especially in unoccupied areas and out-of-hours.

- Access to natural light to be maximised while avoiding direct sun penetration into the building.
- Facilities such as bicycle storage, showers, change rooms and lockers are to be provided to encourage staff to ride or walk to work.
- Electrical meters will be installed on each switchboard to enable the performance of each component of the building to be monitored.
- The above ground car park will be naturally ventilated, significantly reducing the need for mechanical exhaust that would be required in an underground car park.

2.11.3 DITR is developing a Waste Management Plan and facilities will be provided to allow the segregation of waste into recyclable and landfill components in recognition of the ACT Government's No Waste by 2010 program. During construction, building waste will be sorted for recycling into plasterboard, metal, glass, concrete and bricks. Industrial waste products will be used in on-grade concrete slabs.

2.11.4 Low emission paints, sealants and adhesives will be used in the construction of the building.

2.11.5 DITR is replacing its existing computer monitors with flat screen LCD monitors that use significantly less power and give off less heat. This places a significantly lower heat load on the airconditioning system with resultant lower energy costs.

2.11.6 Water usage reduction measures to be provided in the building design include:

- Rain water collection and re-use.
- Dual flush cisterns for all toilets.

- Flow restriction devices to be fitted to all fixtures.
- All fixtures to achieve a AAA rating under the Australian Standard NP64.
- Water-free urinals.
- Water leak alarms.
- Water meters will be installed on the main water consuming building components to enable usage to be monitored.
- Measures will be adopted in the landscaped areas to increase infiltration of rainwater into the soil and reduce runoff.

2.11.7 The lessor's responsibility for ongoing environmental management of the building is specified in the lease.

## **2.12 Master Planning and Site Planning**

2.12.1 The total area of the land is 4,380m<sup>2</sup> and the building will occupy about 3,000m<sup>2</sup>, leaving a green zone where the Casuarina trees are located between the building and City Walk.

2.12.2 There are existing dual 1,200mm stormwater drains located under the western side of City Walk which serve the upstream portions of City Walk. A 300mm drain serves the site and will provide a connection point for the proposed development.

2.12.3 Water supply mains exist on the northern, southern and western boundaries of the site with adequate capacity for fire fighting and other water supply requirements on the site.

2.12.4 An existing 150mm sewer main is located on the southern boundary of the site and major electrical cables run along the northern boundary on the side of Akuna Street. A further electrical cable is located on the western boundary. Communication cables are located on the northern and western boundaries.

2.12.5 The eastern area of Civic currently has excess parking capacity. While parking near to the site is close to capacity, there is spare capacity in existing

parking facilities in the Canberra Centre, City Hill East and Constitution Avenue car parks.

- 2.12.6 The 78 car spaces on the site that were available for public pay parking were lost as a result of the development. 261 car bays will be provided for DITR senior staff in the proposed building. DITR has estimated from a staff survey that an additional 575 car spaces are used on a typical day by DITR staff in the area. However, there are typically about 1,200 vacant car spaces in carparks within 500m of the site.
- 2.12.7 Civic is well serviced by public transport and access to several services routed via London Circuit are within easy walking distance. The city interchange is 400m from the site.
- 2.12.8 A traffic consultant's report prepared in May 2004 indicates that the impact of the development on traffic in the vicinity will be marginal and the intersections in the area will continue to operate below saturation levels.
- 2.12.9 A consultant's report dated May 2004 concluded that there will be "no adverse wind impacts. Wind conditions in the various outdoor areas of the site will be acceptable for their intended use."
- 2.12.10 The HQSD report indicates that the building will have little impact on overshadowing in the area with only a partial increase in shading of City Walk in the early part of the morning and shading of the 38 Akuna Street plaza in the afternoon. The child care outdoor area is in the northern part of the site to maximise access to sunlight. The trees provide protection from the summer sun. The winter sun, which is lower in the sky, penetrates under the canopy of the trees, particularly in the afternoons.

## **2.13 Provisions for People with Disabilities**

2.13.1 The building brief requires access for people with disabilities to all areas of the office in accordance with the Building Code of Australia (BCA) and relevant Australian Standards, including AS1428.

2.13.2 The following will be provided:

- One self contained unisex accessible toilet per floor.
- Ambulant toilets in alternate toilet blocks.
- Accessible shower facilities.
- All lifts to be accessible and provide facilities in accordance with AS1735.12.
- Accessible parking.

2.13.3 Lifts, access-ways, doorways and accessible toilets and showers will be sized to conform with the BCA.

## **2.14 Heritage Issues**

2.14.1 The Preliminary Assessment notes that the site has been thoroughly disturbed. “There are no known Aboriginal heritage values associated with the site nor is there reasonable likelihood of finding aboriginal stone artefacts.”

“As the site is currently largely covered by an asphalt car park, plus trees planted in the 1970’s, it has no known European heritage value.”

## **2.15 Child Care Provisions**

2.15.1 DITR included the requirement for a child care facility in the brief for the proposed building. A staff survey was used to help determine the appropriate size of the facility (74 places). The child care facility is proposed in accordance with the ACT Centre Based Children’s Services guidelines. The facility would have approximately 800m<sup>2</sup> of internal space consisting of play, dining, craft/painting and sleeping areas, staff and administration rooms, storage, laundry and nappy change rooms. About 600m<sup>2</sup> of external space is

proposed including a play area in part of the area where the Casuarina trees are located.

2.15.2 The centre would be located on the ground floor with convenient separate access for dropping off and picking up children without the need to cross roads. The centre will have separate airconditioning and security measures will be implemented to prevent access from the centre into the secure parts of the building and to prevent unaccompanied children from leaving.

2.15.3 While the childcare centre will be fitted out as part of the integrated fitout of the overall building, it is proposed that a commercial operator will be contracted to manage and operate the facility on behalf of DITR. DITR staff will be given first preference for placements in the facility and will have access to salary sacrifice arrangements for payment of fees. The facility will also be available for the children of other Government workers in the area and the public.

## **2.16 Fire Protection and Security Measures**

2.16.1 The building brief requires provision of fire services in accordance with BCA and local Fire Brigade Authority requirements, including:

- Fire detection and suppression systems.
- Smoke hazard management system.
- Battery operated self contained emergency lights and exit signs connected to a computerised automatic testing system. Coverage is to include toilets, plant rooms and switch rooms, the office area and car park.

2.16.2 All staff are provided with security passes which will interface with electronic proximity card readers at specified locations at the perimeter of the premises to control access. Electronic access control points include:

- Vehicle and push bike access to the parking areas.
- Loading dock and after-hours access doors.
- Electronic turnstiles between the main foyer and the lifts and stairs.

2.16.3 External doors, including emergency exit doors will be electronically monitored.

2.16.4 Internal areas with higher than normal security requirements will also have proximity card readers installed at the entrance doors to restrict access to authorised staff only.

2.16.5 A security desk will be located in the foyer and staff will be required to sign-in and escort visitors. Meeting rooms will be provided on the ground floor to enable staff to meet with visitors without the need to enter the secure part of the building.

## **2.17 Occupational Health and Safety**

2.17.1 DITR will engage specialist consultants to assist in the selection of internal furniture and fittings including adjustable desks, shelving, work tables and compactus units to ensure they are suitable for a wide range of staff to use safely and with minimised risk of injury.

2.17.2 The design, materials and finishes used in the furniture and fitout construction will take into account OH&S aspects and avoid sharp edges, furniture legs which cause obstructions and highly reflective surfaces.

- 2.17.3 Lighting and window treatments are specified to reduce glare and provide the appropriate lighting levels for the task.

## **2.18 Landscaping**

- 2.18.1 The owner of the site has an obligation under the development conditions to enhance the area next to City Walk where the Casuarina trees are located. Proposals include timber decking, paving and additional trees and shrubs.

## **2.19 Consultation with Relevant Authorities**

- 2.19.1 DITR will obtain building approval for the fitout through the ACT Building Controller when the design is sufficiently advanced.
- 2.19.2 Meetings with officials of the ACT Planning and Land Authority have established the design principles that will meet their requirements for enhancing the site and improve the appearance and general amenity of the area. Those measures include links with other nearby buildings and urban spaces and access to and through the site.

## **2.20 Impact on the Local Community**

- 2.20.1 Consultation with the ACT Government has indicated that the proposal will have a positive impact on the local community. Currently, the land is underutilised and the additional office space is consistent with the Government's aim of increasing the amount of employment in the city and stimulating business activity. The land that will remain vacant on the site will be landscaped to improve public amenity in the area.
- 2.20.2 Existing occupancy rates for office buildings in Civic are very high which provides little opportunity for existing lower grade buildings to become vacant and enable them to be refurbished. Currently, about 70% of office space in Canberra is B or C grade and the ACT Government is keen for the quality of office space to be improved. This proposal will free up space to allow the refurbishment of existing buildings.



2.20.3 Studies conducted as part of the previous Preliminary Assessment and recent HQSD processes have shown that traffic flows will not be significantly impacted and there is sufficient parking and public transport to cater for the increase in the inner city working population.

2.20.4 Existing infrastructure services including power, communications, sewerage, gas and water supplies are well developed and can easily cope with the increased demand.

## **2.21 Project Costs**

2.21.1 The budget for the fitout is \$19.4m (excluding GST) and includes contingency, project management, design documentation and escalation. The estimate assumes integrated fitout. The estimate is also based on re-use of existing furniture, joinery items and equipment that is in good condition. This significantly reduces the funds needed for fitout.

2.21.2 This budget has been prepared with assistance from the property consultants, Property Concept and Management Pty Ltd. Project consultants, including the Tenant Advocate (Haralambous Dowse and Associates) and the involvement of a Quantity Surveyor will provide assurances on maintaining costs within budget during the project.

## **2.22 Project Delivery System**

2.22.1 DITR expects to engage the developer to prepare the detailed design documentation and construct the fitout concurrently with the base building. This work will be undertaken on a cost-plus basis, with DITR paying actual tendered prices for goods and services received and the developer charging a percentage fee for management of the works.

2.22.2 An integrated fitout is expected to provide DITR with the following benefits:

- Costs would be expected to be less because the fitout related work will be done at the same time as the base building work and hence there is less need for re-work in modifying the base building to accommodate the fitout after the base building is completed.
- Time will be saved because DITR does not have to wait until the base building is completed before the fitout work commences.
- Coordination is easier because the same project team manages all aspects of the work, including work for the developer and DITR. There are fewer over-laps in responsibilities and less potential for disputes over matters such as interference.
- There is less duplication of resources with one team of design, supervision and management personnel for both aspects of the work.

2.22.3 DITR will engage its own Project Manager and Quantity Surveyor to ensure its interests are protected throughout the process.

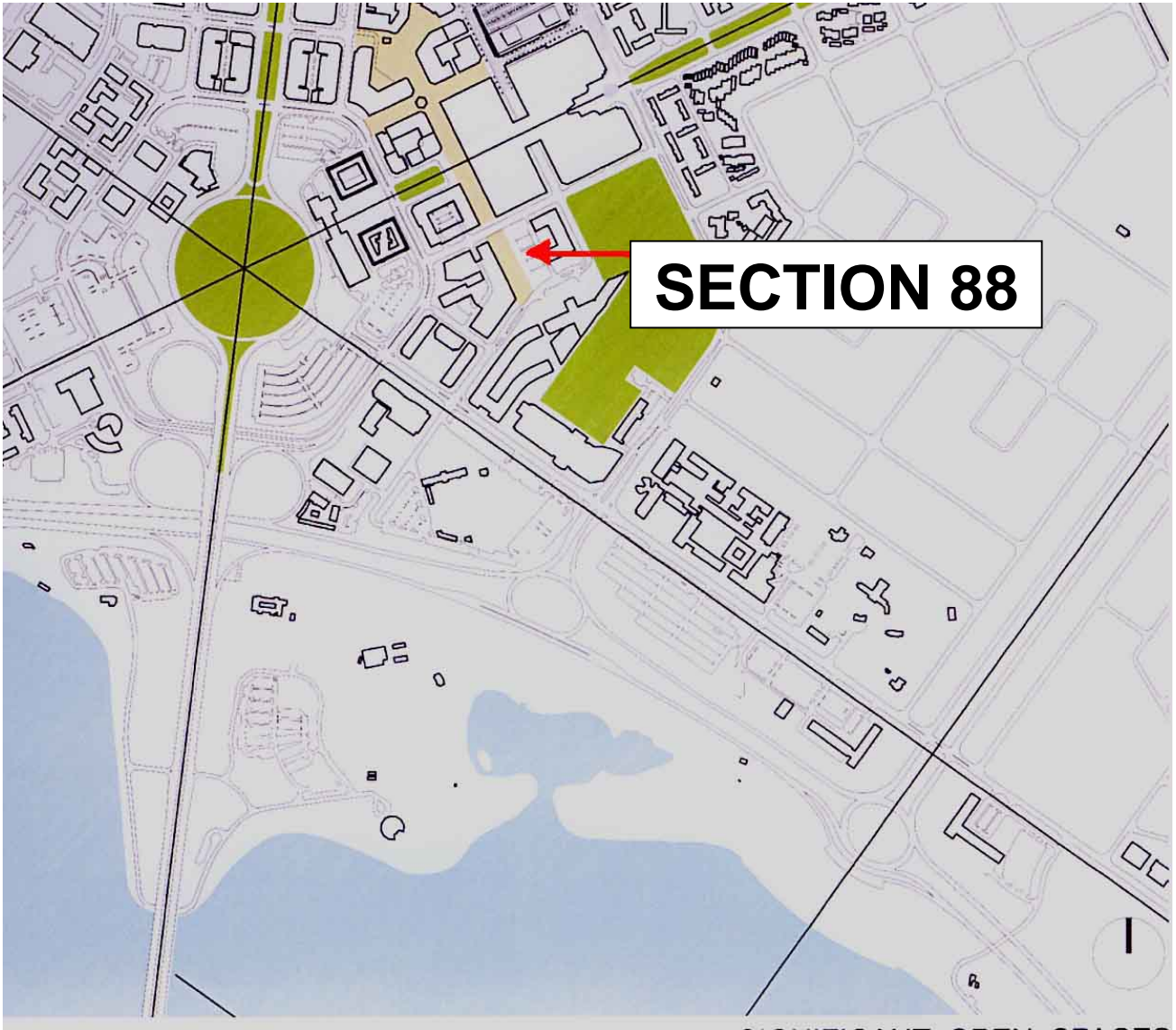
## **2.23 Construction Program**

2.23.1 Fitout will be undertaken concurrently with the base building construction and both are due for completion in late September 2006. This will enable the relocation from the existing buildings to the new premises to take place over a two to three month period if necessary. Project consultants have reviewed the construction program to ensure it is feasible and that there is appropriate contingency to cover time over-runs.

2.23.2 The brief for DITR's Project Manager places a high priority on monitoring the program to ensure that any potential program delay is identified at an early stage so that it doesn't impact on the completion date.

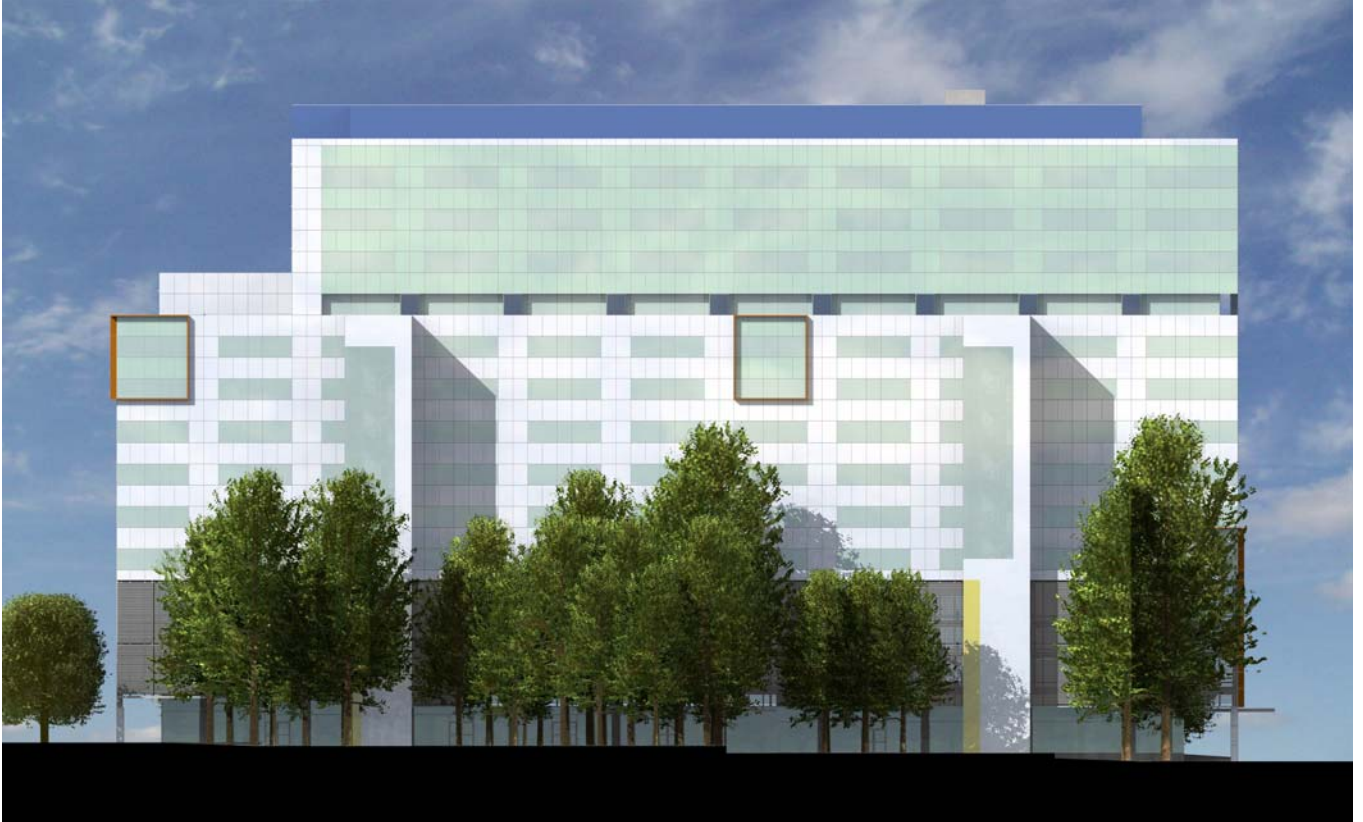
## **2.24 Sketch Designs**

2.24.1 Current site and sketch designs are attached.



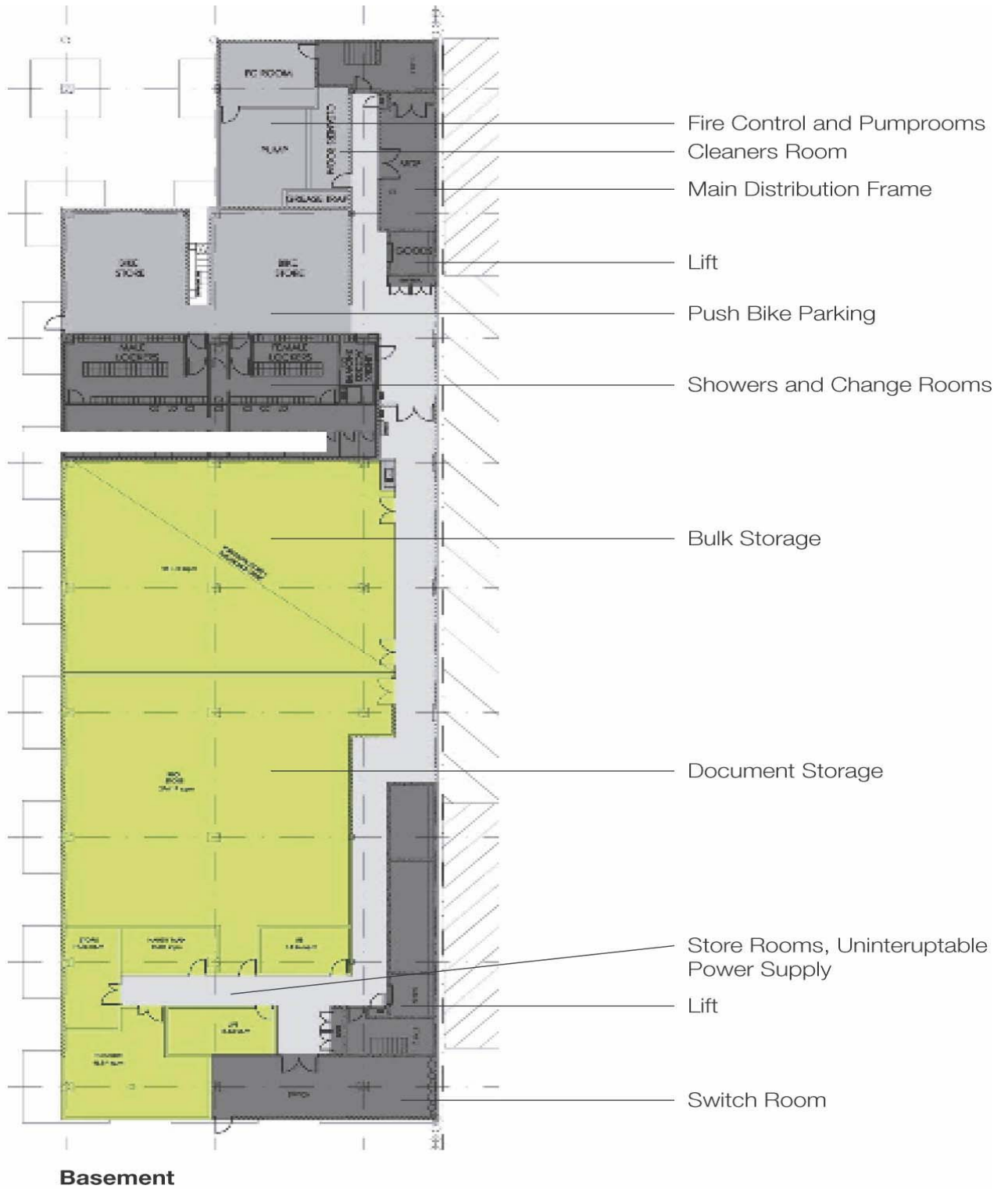
**Industry Tourism and Resources  
Leased Accommodation**

**SITE PLAN**



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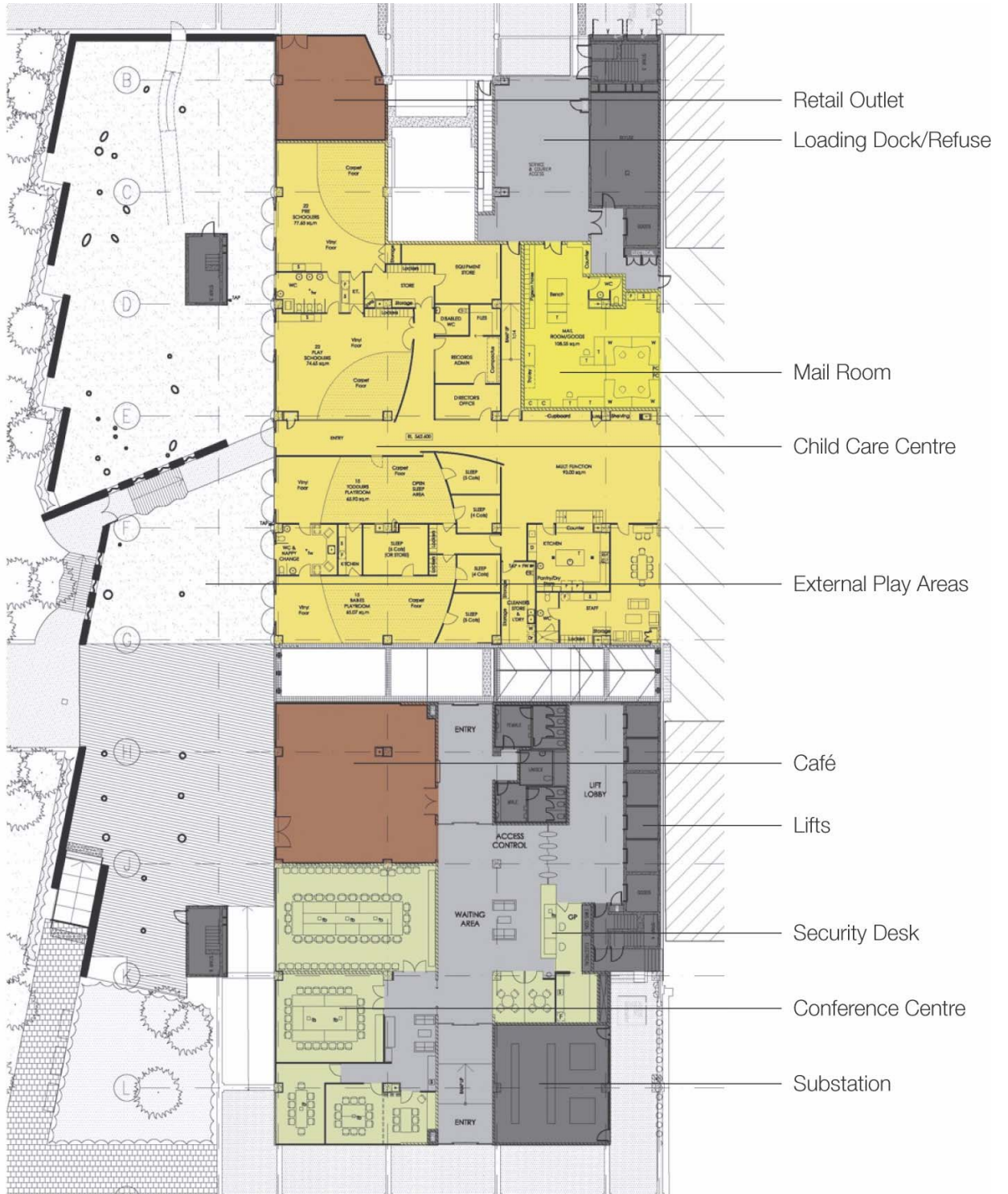
**WEST ELEVATION**



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**BASEMENT**

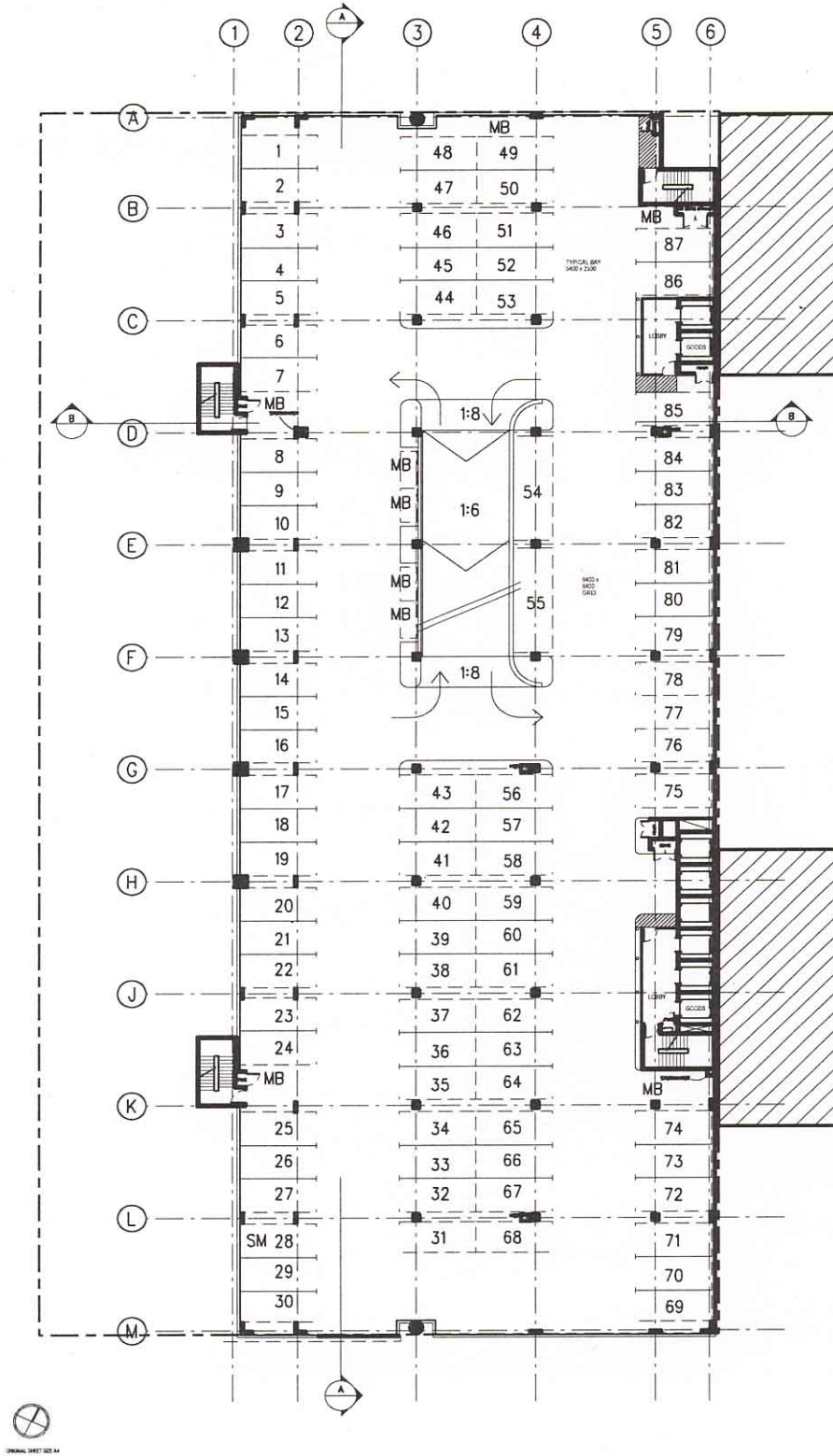




Ground Floor

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**GROUND FLOOR**

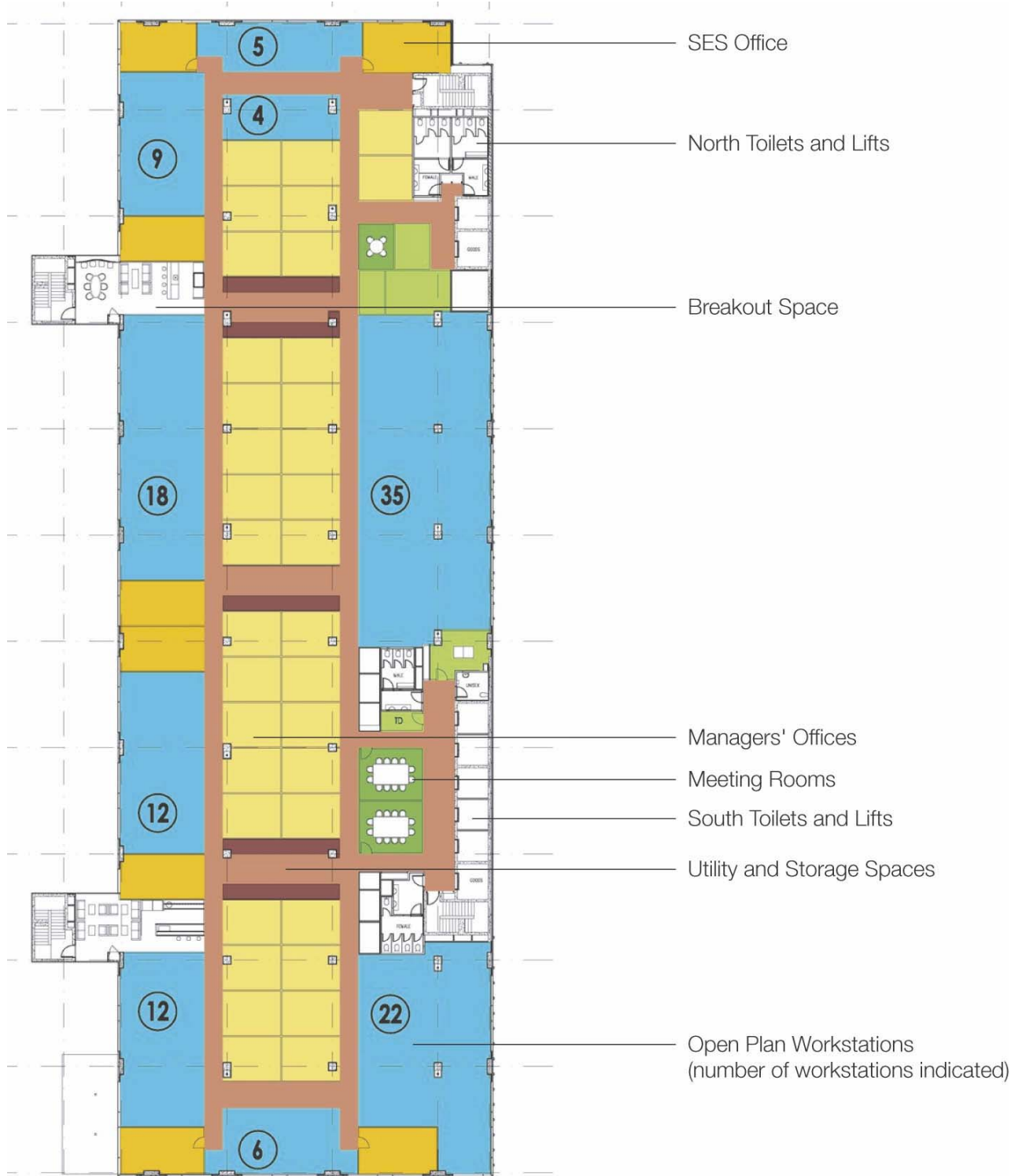


**Industry Tourism and Resources**

**Leased Accommodation**

**TYPICAL PARKING FLOOR**





Typical Larger Floor

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**TYPICAL FLOOR**