

## The private planners (2)

THERE is a kind of developer for whom the ideal future suburb is one on dead-flat land devoid of trees.

This minimises the cost of putting up geometrical rows of similar-looking houses and providing required services. Bulldozing the natural tree cover doesn't matter from a sales point of view so long as there is a housing shortage.

However, some Australian development groups are trying to provide more than the bare minimum of services required by local authorities, and in the process to show some sense of social responsibility to the people who are actually going to be stuck in the developments.

One example of this is the Lend Lease project at Campbelltown on the fringes of Sydney where natural watercourses have been landscaped and power lines put underground (an investment in suburban amenity justified even in cost accountant terms by the positive effort needed to attract people as far out as Campbelltown).

A recently formed land development group headquartered in Melbourne is promising some interesting concepts in larger scale, more integrated development.

The group is Kaiser Aetna Jennings, announced in August this year as a partnership between A. V. Jennings (Australia) Ltd, a diversified Australian construction group, and the American Kaiser Aetna partnership.

Kaiser Aetna, in turn, is owned jointly by Kaiser Aluminum and Chemical of Oakland, California, and Aetna Life and Casualty of Hartford, Connecticut, US.

A. V. Jennings Industries (Australia) Ltd has a turnover of more than \$100 million a year, turning out about 4,500 residential units.

### Biggest project

Kaiser Aetna, which has a 50 per cent holding in Kaiser Aetna Jennings, has more than 120,000 acres in California, Oregon, Hawaii and Guam. Its biggest project in the US is the development of 90,000 acres between San Diego and Los Angeles with an industrial park, vineyards and orchards, a horse-breeding and training centre, residential and commercial development and extensive outdoor recreational facilities.

The essence of the Kaiser Aetna Jennings intentions appears to be to consolidate areas of land, prepare a development pattern and then sell the land for actual building.

"We would not be involved in building," says Don McLellan, a civil engineer, town planner and lawyer who has been named general manager of the project.

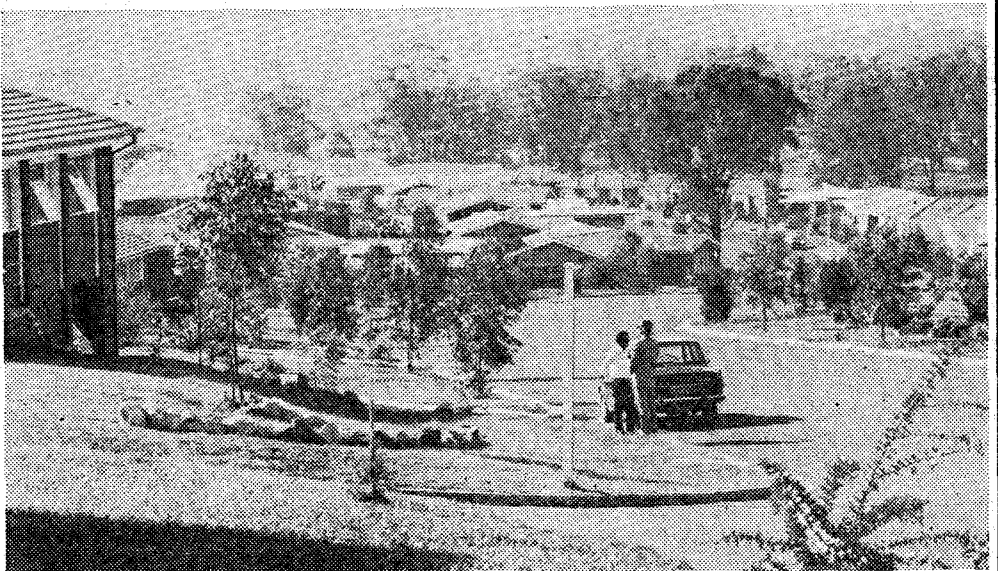
"What we are interested in above all is leaving something behind us; we want to be involved in well-planned developments."

"If we acquire a reputation for this, we hope we can be involved in larger developments in co-operation with State authorities. There is a reaction against piecemeal developments."

"The most important consideration is to get into large areas of land."

"We're hoping to be involved in major community developments; larger, longer term projects. We would be looking for projects involving several hundreds or even a thousand or so acres."

"Closer in to the city, where the population is denser, you might be able to put together



Sherwood Hills development at Campbelltown, NSW . . . Lend Lease have planted more than 7,000 trees there.

# A LONGER TERM APPROACH TO AREA DEVELOPMENT

The last of two articles by CHRISTOPHER JAY

50 acres for intensive development.

"For example, one property we've already acquired from Jennings is 26 acres just a few miles from the centre of Melbourne."

"In some of the larger projects we could have an equity of \$5 to \$10 million. We would commit the development of the land before we sell it."

"The actual cost of the raw land will always be a significant part of the cost when we sell."

"Most real estate people are salesmen where we're looking for professional developers."

"The 26 acres we have at Hawthorn in Melbourne we're hoping to develop as a nucleus for redevelopment; it's in the middle of a very densely developed area, alongside an existing shopping area."

"We would never leave the development of the land outside the organisation. The big advantage of operating in this land consolidation and project organisation field is that you're operating in an area where there is less competition, there's a potential for more effective co-ordination with public authorities, and there's more job satisfaction for the people we employ."

"We have several parcels of land already, mostly in Melbourne. Some properties may take 10 to 15 years to turn over, if you get a 1,000-acre development on the outskirts of Sydney or Melbourne."

"There would be some smaller, shorter-term developments to keep our profits up."

The modus operandi for Kaiser Aetna Jennings will be to keep a small, well-qualified group of people, not more than between 12 and 20 in the first four or five years, with use of outside consultants.

"We feel we're in a more flexible position in that we can pick and choose consultants, rather than be tied to an in-house capability which would turn out the same thing every time," comments Richard Holloway, a Stanford University MBA gradu-

ate who is the Kaiser Aetna contribution to the joint venture management.

"One of our strengths has to be the intelligent purchase of land. Because we will be involved in larger parcels, hopefully we'll be able to work more effectively with Government authorities."

"You have problems keeping up cash flow on the larger projects; obviously, being 50 per cent foreign owned, we have some problems."

"You'd have to be paying perhaps 20 per cent down and the balance over five years for land."

"But the fact that larger areas can be comprehensively planned is an advantage; you can have better location of facilities in relation to residential areas, and better planning of the overall road layout."

### Initial assets

The initial assets of the concern are stated at \$6 million in cash and properties.

The type of land development to be engaged in includes:—

- Comprehensively planned community developments involving residential, commercial, recreation development (recreation centres, caravan parks, tourist developments).

- Decentralised commercial developments involving office as well as retail complexes.

- Industrial estates.

- High intensity rural properties.

- Mining and industrial townships.

One project which has been announced is the development of a property in Springvale Road, Melbourne (adjoining A. V. Jennings Headquarters building) as a planned industrial estate.

George Clarke, managing director of multi-disciplinary planners Urban Systems Corporation, is emphatic on the need for a new approach to the making, interpretation and implementation of town planning policies. "Urbanisation is the major

world problem of the second half of the twentieth century, and the major Australian problem for the next 50 years, just as public health was the major world crisis of the second half of the nineteenth century."

"We're now moving into a post-industrial society in which urbanisation and conservation become the two elements that we have to learn to harness and control."

"Australia has never before had to face such large and complex problems of urbanisation and conservation; there's been a structural shift in the scale of the problem."

"Nobody is to be blamed for the current virtual breakdown in our abilities to shape our environment; in Australia it's the economic boom of the last 20 years that has caught our Governments and citizens by surprise."

"Our traditional methods of thinking about and attempting to shape the urban environment are totally inadequate, because our urban society is getting so large in scale, and so complex in its interrelationships that the only approach which is workable is a multi-disciplinary systems approach within the one team."

"Since we have a widespread lack of understanding of how delicate the relations between the different sub-systems of an urban system are, we get widespread confusion in our State and local government attempts to control development through existing procedures, and therefore we have citizens and policymakers and administrators suffering from considerable confusion."

The general upsurge in interest in town planning and urban problems among various private groups in Australian cities has been a noteworthy feature of 1970.

As Australia's population growth continues to funnel, almost exclusively, into the big cities, the numbers of seminars on the subject and the involvement of various private enterprise groups is likely to increase also.

Town planning, for many years the preserve of university departments and specialist journals, is moving into the public domain — with energetic assistance from the private planners.