

Mixed Tenure Housing Developments on Large Council Owned Sites

**Update to Council Meeting
14th October 2019**

July Council Meeting

- Overview of sites & indicative tenure mixes
- Commitment to update Members in October on:
 - Preparation of Clonburriss site for Part 8 proposal
 - Design & costing for Killinarden & Rathcoole (to examine affordability & suitability for joint venture)
 - Detailed design for Belgard Square North site
 - Establish market interest for Affordable Scheme
 - Confirm financial support from DHPLG

Clonburris (2,000+ Homes):

Phase 1—approx. 270 homes: Affordable (135) & Social (135)

Phase 1 Site Masterplan



Clonburris (Phase 1—approx. 270 homes):

Affordable (135) & Social (135)

- Masterplan including layout & typology being finalised
- Consultants engaged to bring design to Part 8
- NDFA assisting with costing model
- Provisional housing mix proposed as follows:

Type	Social	Affordable/ Private
1-Bed Home	24	0
2 Bed Home	55	47
3-Bed Home	35	80
4-Bed Home	21	8
Totals	135	135

Killinarden (500 homes):

Affordable (300), Social (100) & Private (100)



	MASTERPLAN BOUNDARY		EXISTING GREEN AREA		EXISTING/IMPROVED LANDSCAPE		PRIMARY/AVENUE FRONTAGE
	EXISTING URBAN BLOCK		ACTIVE OPEN SPACE		TREE LINE		PARK FRONTAGE
	NEW URBAN BLOCK		LOCAL PARK		WALKWAY/CYCLE ROUTE		SECONDARY FRONTAGE
	EXISTING BUILDING		URBAN SPACE		SUDS FEATURE		

Killinarden (500 homes):

Affordable (300), Social (100) & Private (100)

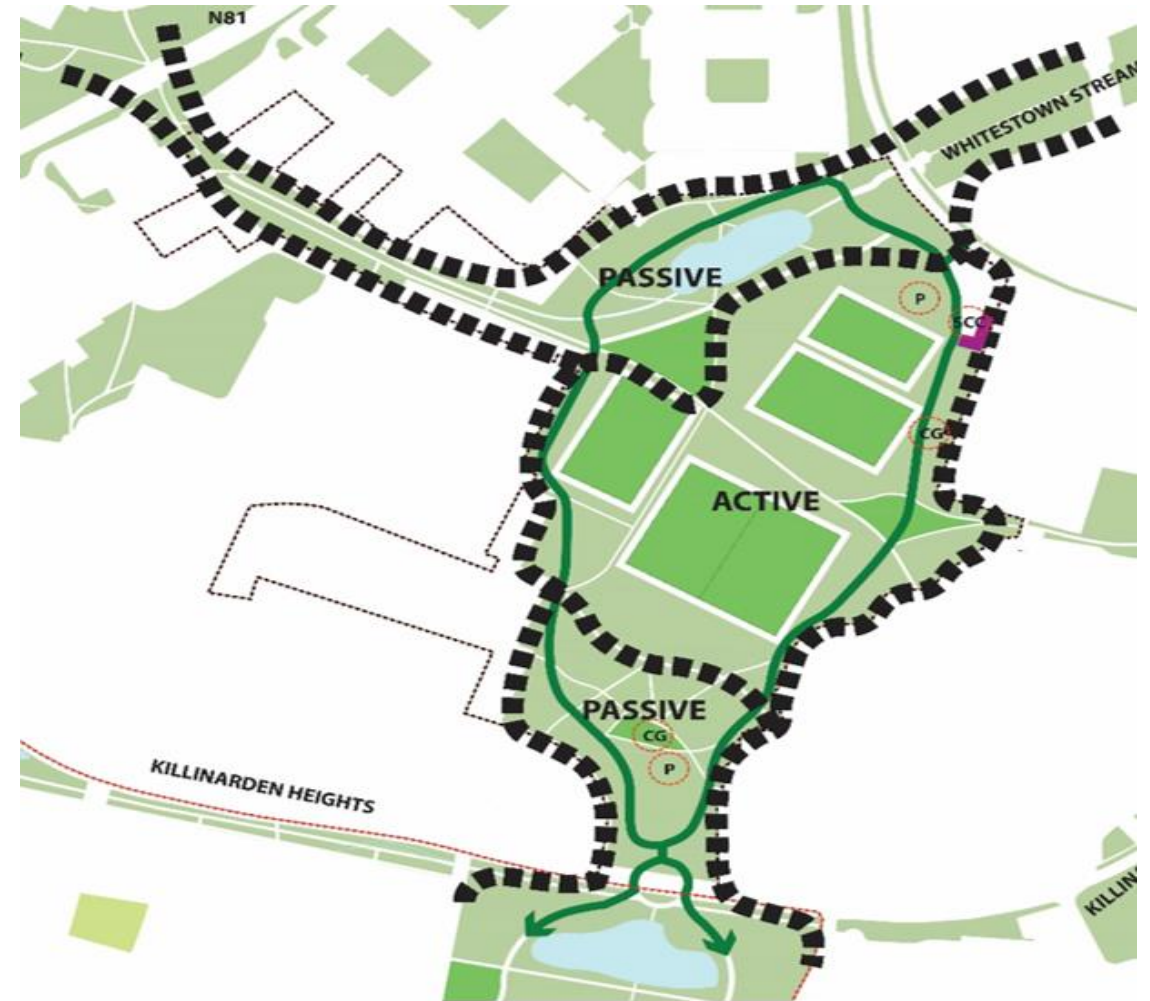
- Masterplan including layout and typology being finalised
- NDFA assisting with costing model
- Provisional housing mix proposed as follows:

Home Type	Social	Affordable/Private
1-Bed Home	20	0
2 Bed Home	40	120
3-Bed Home	30	275
4-Bed Home	10	5
Totals	100	400

Killinarden:

Community & Parkland Development

- Procurement of independent facilitator to lead consultation
- Consultation with local community, sporting and youth groups
- Provide nature places & passive/active, inter-generational facilities
- Scope for infill housing for downsizing & passive surveillance
- Commitment to provide new community facility between proposed housing & Elder Heath



Rathcoole (250 homes):

Affordable (100 homes), Social (100), Private (50)



Rathcoole (250 homes):

Affordable (100 homes), Social (100), Private (50)

- Provisional housing mix proposed as follows:

Home Type	Social	Affordable/Private
1-Bed Home	15	0
2 Bed Home	30	40
3-Bed Home	40	110
4-Bed Home	15	0
Totals	100	150

- DES examining school site / discussions with DCB on playing facilities / Library site being scoped–predicated on housing proposal.....
- Traffic & transport assessment & detailed ecological/environmental assessments being conducted
- NDFA assisting with costing model

Belgard North (140 apartments): Affordable Rental



Belgard North (140 apartments):

Affordable Rental

- Outline design comprising:

Type	Rental
Studio Apartment	12
1-bed Apartment	53
2 Bed-Apartment	75
Total	140

- Procurement commenced for design team
- Expression of interest for partner Approved Housing Body
- Access road commencing
- Adjacent projects progressing (innovation centre, amenity park, school etc.)

Affordable Homes Portal

- Portal launched on 26th September
- Expressions of interest sought to take market soundings
- Opportunity to express interest in each of three sites earmarked for delivery of Affordable Housing (Clonburris, Killinarden & Rathcoole)
- EOIs received to date:
- Clonburris:1,269/Killinarden:1,001/Rathcoole:1,347;

Serviced Sites Funding

- Applications to DHPLG for three sites at Clonburris, Killinarden & Rathcoole
- Provisional approval received in August for €18.4m in funding for infrastructure delivery:
 - Clonburris €6.2m
 - Killinarden €8.9m
 - Rathcoole €3.3m
- Provides opportunity for **€35k** approx. subsidy for 435 affordable homes

Options for Use of Housing Land

- Policy - social housing
 - Site selection guidelines 1997 – social housing 75 units stand alone
 - Sustainable communities guidelines 2007 – 20%
 - Social alone – underutilisation of sites or incremental use of many years
- Integrated developments – design and community considerations
 - Quality design – tenure blind – avoidance of stigmatisation.
 - Existing environment – community integration
 - Provision of associated community facilities , infrastructure etc
 - 40% kilcarbery when PPP site included

Why Mixed Tenure?

- National policy
- Integrated community , tenure blind , equality of opportunity.
- Can develop whole site as one.
- Gives us capacity to provide community facilities in tandem.
- Community can grow together organically.
- Fulfils our Housing mandate – common purpose – housing for all.
- Opportunity for some cost recovery for onward investment.
- % mix – a call on site by site basis.

Land Value – Cost Recovery !

- Traditional approach
 - Local authorities purchased land – allowed up to 7 years holding costs
 - Objective – build out site in 7 years
 - Size of site had to match ambition and sustainability considerations
 - Cost and availability of land makes this approach more difficult
- Our land bank
 - Sale or replacement €400k --€1m per acre
 - On social housing not recoverable
 - On affordable housing may be partially recoverable
 - On private housing recoverable
 - Kilcarbery – site value €38m

Affordable Housing – Cost Model Example

- 3-bed semi-detached house – open market value €330,000
- Cost of provision
 - Land Valuation €40,000
 - All-in Construction €214,000
 - Abnormal Costs €10,000
 - Design Fees €15,000
 - Finance Costs €15,000
 - Legal & Marketing €5,000
 - Development Levy €10,000
 - TOTAL Costs €309,000 - Viable? Yes Affordable?

Affordable Housing – Cost Model Example (cont.)

- 2-bed own-door apartment – market value €250,000
- Cost of provision
 - Land Valuation €40,000
 - All-in Construction €198,000
 - Abnormal Costs €10,000
 - Design Fees €15,000
 - Finance Costs €15,000
 - Legal & Marketing €5,000
 - Development Levy €10,000
 - TOTAL Costs €293,000 – Uviable if affordable

Determination of Affordable Price

- Understanding of costs
- Understanding of market value
- Understanding of borrowing capacity of applicants
- Understanding of national rules
- Contribution of serviced site fund
- Risk appetite – appetite to subsidise at local level
- Likely to vary site to site

Nature of Tender

- Important to attract significant developers/ builders with capacity
- Competitive variables
 - Value of land
 - Price of social housing to given design
 - Delivery of affordable units UP TO a given price ceiling
 - Social clauses
 - Design quality and Timeframe - Inflation built in
- Risk allocation
 - Provider – pricing , market , economy – planning maybe ?
 - Council – guarantee affordable purchasers and Social contract.

What Next

- Finalise preplanning studies
- Get best estimate of costs
- Proceed to planning where possible
- Determine affordable price points
- What is needed and outside our control
 - National regulations – form of transfer etc
 - Income and other criteria
 - Clawback decision
 - Extent of subsidy – local or national decision.