

COMHAIRLE CATHRACH BHAILE ÁTHA CLIATH



Miontuairiscí Chruinniú Speisialta a tionóladh ar 25 Samhain 2019 i Seomra na Comhairle, Halla na Cathrach, Sráid an Dáma ag 6.15 i.n. I Láthair an tArdmheara Paul McAuliffe sa chathaoir

**Comhairleoir:**

Chris Andrews  
Christy Burke  
Hazel Chu  
Caroline Conroy  
Joe Costello  
Daithí De Róiste  
Daithí Doolan  
Mary Fitzpatrick  
Anthony Flynn  
James Geoghegan  
Deirdre Heney  
Neasa Hourigan  
John Lyons  
Ray McAdam  
Seamás McGrattan  
Sophie Nicoulaud  
Colm O'Rourke  
Michael Pidgeon  
Patricia Roe  
Michael Watters

**Comhairleoir:**

Racheal Batten  
Danny Byrne  
Anthony Connaghan  
Deirdre Conroy  
Patrick Costello  
Tara Deacy  
Pat Dunne  
Declan Flanagan  
Mannix Flynn  
Alison Gilliland  
Jane Horgan-Jones  
Vincent Jackson  
Micheal Mac Donncha  
Paul McAuliffe  
Rebecca Moynihan  
Naoise Ó Muiri  
Larry O'Toole  
Noeleen Reilly  
Marie Sherlock

**Comhairleoir:**

Tom Brabazon  
Mary Callaghan  
Keith Connolly  
Donna Cooney  
Hazel de Nortúin  
Kevin Donoghue  
Anne Feeney  
Terence Flanagan  
Gary Gannon  
Lawrence Hemmings  
Janet Horner  
Dermot Lacey  
Tina MacVeigh  
Paddy McCartan  
Criona Ní Dhálaigh  
Damian O'Farrell  
Cieran Perry  
Nial Ring  
Catherine Stocker

**Oifigigh**

Paul Bruton  
Fitzpatrick  
Brendan Kenny

Dave Dinnigan  
Owen P. Keegan  
Kathy Quinn

Ruth Dowling  
Yvonne Kelly  
Deirdre Ní Raghallaigh

1 Motion Requesting the convening of a Special Meeting of the City Council:

Pursuant to Standing Orders and Local Government Legislation the following Members of Dublin City Council request the Lord Mayor to convene a special meeting of the City Council to discuss the urgent matter of O'Devaney Gardens.

Councillor Michéal MacDonncha, Councillor Janice Boylan, Councillor Séamas McGrattan, Councillor Daithí Doolan, Councillor Pat Dunne, Councillor Anthony Connaghan, Councillor Larry O'Toole, Councillor Chris Andrews, Councillor Criona Ni Dhálaigh.

The Assistant Chief Executive, Brendan Kenny circulated a further report on the redevelopment of lands at O'Devaney Gardens, Dublin 7 (attached as Appendix A).

A discussion on O'Devaney Gardens followed with Councillors from all parties contributing. It was noted that a motion to rescind Report No. 332/2019 will be on the December agenda for discussion and decision.

The meeting concluded at 9.30 p.m.

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**LORD MAYOR**

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**MEETINGS ADMINISTRATOR**



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### Further Report on the Re-development of lands at O' Devaney Gardens, Dublin 7.

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A proposal to dispose of Title to Land which was formerly the site of the O'Devaney Gardens apartment complex was approved by City Councillors at the November Council Meeting.

This disposal as outlined in report No. 332/2019 was consistent with the overall approval for the re-development given by City Councillors in January 2017. It was also consistent with the extensive public procurement process that was undertaken by management over a two and half year period (see also report no. 332/2019).

The approved disposal was based on a housing tenure mix of 50% private, 30% social, 20% affordable Purchase and this approval will follow through onto the Development Agreement to be signed by Dublin City Council and the Developer.

The 50% private units will be owned by the Developer and the ultimate sale of these units is solely a matter for the Developer.

Following on from the necessary approval given by Councillors at the November meeting we immediately began intensive discussions with the Developer which included legal advisors from both sides. **These discussions have gone very well and we expect that the Development Agreement could be ready for signing by both parties within two weeks.** After signing the Development Agreement the Developer will have six months to apply for Planning Permission to An Bord Pleanála, this planning process will take 4-6 months and if successful the Developer will then begin construction straight away.

Prior to the November meeting of the Council the Developer, (Bartra) indicated that they were prepared to reserve a significant number of their private units for sale to an Approved Housing Body nominated by Dublin City Council for the development of a cost rental scheme. The Acting Law Agent in Dublin City Council and the independent legal firm who have been part of the Procurement Governance Structure are fully satisfied that the arrangement proposed by Bartra has no legal implications for the process. It does not affect the Section 183 disposal nor will it be part of the Development Agreement but we do acknowledge the commitment from Bartra and we will work hard all the parties involved to make it work.

We are currently preparing a suitable brief which will be used to seek expressions of interest from Approved Housing Bodies and we expect to be in a position to do this within the next two weeks.

This may also provide an opportunity for the successful Approved Housing Body or Bodies to manage other parts of the development or indeed to have a key role in the future management of the entire new residential development at O'Devaney Gardens.

In the context of recent commentary around this hugely important project for the City I wish to clarify the full implications of the Section 183 disposal not being approved;

- The Re-Development Proposal for O'Devaney Gardens would have to be abandoned totally undoing a Public Procurement Process which has been ongoing since January 2017. It would more than likely lead to a similar abandonment of the Oscar Traynor Road Project.
- There is no Plan B, therefore, we would be right back to the "drawing board".
- While, of course there are alternative ways of developing a site like this we could not rush into another plan without full political and financial certainty. Serious consideration would have to be given to transferring the land in question to the newly established Land Development Agency who I understand are talking to the Department of Defence in relation to adjacent land at St. Bricin's Hospital.

**If we are to take on the project directly the following must be noted;**

- It would take 3 to 5 years at best to get to the stage the project is now at and it could be 10 years before completion. All the usual processes around planning (Bord Pleanala), design, infrastructure, cost benefit analysis, capital appraisal, cost spending code, consultation, public procurement for consultants and ultimately the procurement of a contractor would have to be exhaustively worked through.
- While the Government funds Social Housing it does not fund Affordable Housing (Purchase or Cost Rental) apart from the Site Services Fund (SSF) therefore there would be a significant challenge for Dublin City Council to sustain the level of borrowing required to fund such schemes. Unlike the current Bartra deal Dublin City Council would be carrying the full financial risk.
- This Development is not just about building another housing estate, there is a significant level of ancillary facilities such as parkland, play areas, community centre, crèche, retail outlets etc. as well as new roads and other necessary physical infrastructure all of which add to the overall cost. It should be noted that in other housing schemes currently being constructed by Dublin City Council that do not involve such ancillary facilities the unit costs are working out at between €350k and €370k. With this in mind and likely increasing construction costs it is very unlikely that a Dublin City Council direct development would achieve the level of affordability (€300k max for affordable purchase) that is part of the Bartra Agreement.
- The €7 million cash contribution from Bartra would not be achievable in a direct development by Dublin City Council, therefore, "the sunken costs" and any additional plans for community facilities would have to be added to construction costs which would further lessen the chance of getting affordability.

To change to a direct development model by Dublin City Council would clearly significantly delay the provision of much needed housing on this site and leave the site derelict for many more years. We are satisfied that it would not achieve better value for money or a better deal for tax payers and would not get a level of affordability any better than the current Bartra deal and to attempt this could result in a considerable reduction in standards and quality in comparison to the Bartra Deal.

*It is important to remind Councillors of the positives arising from the deal with Bartra and that the entire Procurement and Development Agreement Process was and is designed to get the best possible result for the City, both in terms of social, and in financial gain, using the leverage afforded by state owned lands:*

- The full O'Devaney Gardens site is being developed with 824 new homes in a quality sustainable mixed tenure scheme, including catering for those families whose incomes disqualify them from social housing, but who may wish to purchase a home in the area of their choice.
- We are achieving full development of the site without the associated risks (Financial & Planning) – The Developer carries these risks.
- Enhanced control over the development via the Competitive Dialogue and the Development Agreement, including input into heights, densities (also subject to Planning) along with restrictions on apartment typologies and tenure, i.e., no studio apartments, no shared accommodation, no student accommodation.
- There will be tenure neutrality across the three tenure types (no design difference between the social, private or affordable homes).
- Fixed prices for both the social and the affordable units over the period of the development which represents an equivalent cash value in the region of €19M.
- Although 50% of the built units will be sold by the developer at market prices, this only represents 22% of the land.
- The proposed new development is very high quality and very attractive in design terms.
- Commitment by DCC to develop Community/Cultural Campus at the northern section of the nearby Infirmary Road lands using funding from the 7 Million cash received from the Developer.
- Social Labour Clause which aspires to a minimum of 20% of the workers on site to be taken from the live register representing opportunities for local employment. Social Employment and Pay and Conditions Clauses will also be inserted in the Development Agreement between the Developer and DCC.

**The Developer will provide the following:**

- All the infrastructure, roads, footpaths, street lighting, drainage, landscaping, new public park, crèche, etc., which has an equivalent cash value in the region of €10M.
- Main Public Park- 6,800 Square Metres.
- Retail Facilities- 4 units varying between 164 and 238 Square Metres.
- Amenity- 2 units ranging between 148 and 222 Square Metres.
- Community Facility- 1 unit 233 Square Metres. This will be transferred at no cost to DCC.

- Playground- 825 Square Metres
- Multi Use Sports Area (MUGA).
- Crèche – 1 unit 365 Square Metres.
- Pocket park – 200 Square Metres.
- New connection road linking South Circular Road to Montpellier Park.
- Cycle-ways along Main Boulevard and through a “Green Cycle-Way” North /South. There is also provision for cycle friendly pathways along the north/south greenway.
- 192 additional social homes for DCC at a significant discount from market prices.
- 165 affordable homes at a significant discount from market prices.
- A Cash Payment of €7M from the developer to DCC which will offset sunken costs already incurred on this project e.g. demolition etc. as well as contributing to new community facilities in the general area.

*Dublin City Council is not giving away this land to a Private Developer nor are we selling the land, we are using this state land to lever all of the above for the benefit of citizens in Dublin city.*

There was a strong Governance Structure from the beginning of this project which oversaw all aspects of the procurement process and the soon to be signed development agreement that included all relevant expertise including officials from the National Development Finance Agency (NDFA) who were fully focussed on value for money, cost spending code, cost benefit analysis etc. This structure will remain in place to oversee the actual development of the site.

We believe that this hugely important project as agreed (Section 183) at the November Council meeting will deliver within a reasonable timescale a really top quality residential development with all the necessary ancillary facilities, and provide much needed housing for households on our waiting lists as well as affordable housing opportunities.

We are very much looking forward to working with Bartra and on getting construction moving as soon as possible

**Brendan Kenny**

**Deputy Chief Executive**