

**To the Chairperson and Members of
the South East Area Committee**

With reference to the proposed grant of a lease of a property at 180-187 Townsend Street, Dublin 2 and the grant of a Building Licence at same address to the Peter McVerry Trust.

Approved Housing Bodies are a key part of the government's strategy and policy on the delivery, regeneration and management of social housing and as such, are key partners for Dublin City Council. It is therefore proposed to grant a lease for 31 years of the premises 180-187 Townsend Street, Dublin 2 to the Peter McVerry Trust (PMVT) - Map SM-2020-0345 refers. The PMVT proposes to regenerate the building and develop 20 units of 1 bed accommodation. The proposed accommodation will go towards the City Council's housing need in accordance with the Housing Allocations Scheme.

The Department of Housing, Local Government & Heritage has approved Stage 3 funding for this project under the Capital Assistance Scheme (CAS). One of the conditions of CAS funding is that a mortgage in the amount of the funding is placed as a charge on the property.

In granting a lease to PMVT the following should be noted:

1. Approved Housing Bodies are not for profit bodies that provide and manage social housing.
2. Approved Housing Bodies are subject to a number of regulatory regimes, including the Companies office, the Charity Regulator, the Housing Regulator and are accountable to their stakeholders. In this regard, a Regulation Office was established within the Housing Agency in 2014 with responsibility for regulating Approved Housing Bodies. The Regulation Office oversees the assessment of Approved Housing Bodies in respect of their financial viability, governance and management along with the compliance with the Regulatory Framework. The majority of Approved Housing Bodies are Companies Limited by Guarantee and are required to comply with legal obligations set out in the Companies Acts, 2014 making their annual accounts freely available for public inspection.
3. In addition to being registered charities, they are regulated by the Charities Regulator and details of an AHB's activities are available for inspection on the Charities Regulator's public register.
4. They are not free to manage their assets in any way they wish. They must use their assets in accordance with their charitable status and any surpluses generated must be applied back to benefit their charitable aims.
5. A restriction on title will be applied to ensure the continued use of the units as social housing.

6. There are financial implications if they fail to comply with their loan obligations to use their properties for social housing.
7. Should they cease to exist, in the first instance, they will seek to transfer their assets to another organisation with similar charitable aims or their assets will be transferred free of charge to Dublin City Council.

The Housing Department has reported that agreement has now been reached with PMVT, subject to the following terms and conditions:

1. The subject properties at 180 – 187 Townsend Street are shown outlined in red on the attached indicative map SM-2020-0345.
2. The Council shall grant a 31 year lease of the subject property under the terms of the Low Cost Sites Scheme, for the delivery of social housing.
3. The subject property will be leased with vacant possession.
4. Under the terms of the Lease and the Capital Assistance Scheme, the disposal price shall be the sum of €2,540 plus VAT (if applicable). This equates to €127 (one hundred and twenty seven euro) per residential unit.
5. The lease shall be granted to PMVT subject to a Building Covenant.
6. There is an inhibition on the title that the subject property can only be used for social housing purposes.
7. The Development is subject to planning permission issuing and all other necessary statutory approvals/regulations.
8. The development must be fully completed and made fit for occupation within 36 (thirty six) months from the date of the Section 183 approval by the City Council.
9. The Council shall have 100% nomination rights to all of the units.
10. Should the subject property cease to be used for social housing purposes at any stage, then the units will revert free of charge to Dublin City Council.
11. The PMVT shall not sell, assign, sublet or part with possession of the property or part thereof without obtaining the written consent of the City Council, with the exception of tenancy and licence agreements with tenants or licensees for supported housing.
12. The PMVT shall satisfy the Council that it has adequate public liability and employer's liability insurance and shall indemnify the City Council against any claims for compensation that may be made arising from its usage of the site. The current levels of insurance are €6.5 million public liability insurance and €13 million employer's liability insurance.
13. The PMVT shall insure the buildings during construction against fire and all other insurable risks with an approved insurance company and pay all necessary premiums. The insurance shall be in the joint names of the parties and will be for such an amount as will provide cover for full reinstatement values of so much of the buildings as is erect at any time together with a sum for professional fees and removal of debris charges.

14. All roads and footpaths works shall be completed to the written satisfaction of Dublin City Council.
15. Should PMVT not proceed with the development or complete the development within the agreed timeline that the benefit/ownership of the planning permission, design of the scheme and certification shall transfer, free of charge, to the City Council.
16. In the event of the PMVT going into bankruptcy or insolvency, Dublin City Council reserves the right to take possession of the site and all of the housing units (partially completed or otherwise) at no cost to the Council.
17. The PMVT shall be liable for the payment of VAT and/or Stamp Duty should any such payments arise from this disposal.
18. Each party shall be responsible for their own legal fees and professional fees. .

The time limits referred to for the performance of any of the requirements of the proposed agreement may be amended at the absolute discretion of the Executive Manager.

No agreement enforceable at law is created or intended to be created until an exchange of contracts has taken place.

Helen Mcnamara
Senior Executive Officer