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## Oscar Traynor Road-Housing Land Initiative proposal

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Following an extensive Public Procurement process the proposal from the Preferred Bidder (Glenveagh Living) was submitted to City Councillors at its monthly meeting in November 2020.

The proposal involved the construction of 853 residential units together with associated infrastructural works, commercial units and open spaces. The residential aspect of the plan consisted of 253 Social, 172 Affordable Purchase and 428 private homes - a mix of 50% private, 30% social and 20% affordable Purchase.

At that time the Glenveagh plan had been progressed to a very advanced stage insofar that a Planning Application could be ready within six months and a contractor on site within 12 months.

To move the project to Planning, it required a Section 183 approval from Councillors to transfer the land to Glenveagh to facilitate this progress. However, this Section 183 proposal was rejected by Councillors and therefore the project could not proceed and all planning/design work etc. was halted.

Councillors decided to refer the issue to a Working Group from the Housing Strategic Committee (SPC) with a view to formulating an alternative plan for the site. This working Group drafted a new proposal that was later approved by the full group of Councillors at the March 2021 City Council meeting. Key elements of this new proposal were:

- a) That *'Dublin City Council takes the lead in all aspects of the development, particularly the design and planning application processes. This does not preclude co-operation and collaboration with external private professionals, including the tendering of specific aspects of the development process. Nor does it preclude Dublin City Council from engaging private contractors to carry out some of the work required to realise this development'*. (Alternative Oscar Traynor Road Plan Report No. 70/2021)
- b) *an alternative tenure mix as follows:*
  - *Social Housing: 40%*
  - *Cost/Affordable Rental: 40%*
  - *Affordable Purchase 20%*
- c) *Referral of proposal to the Department of Housing, Local Government and Heritage.*

The initial response from the Department of Housing was that, if no element of work currently carried out to date on the development of the site was to be incorporated into the realisation of the new proposal, a detailed economic and financial appraisal consistent with the National Public Spending Code would be required.

This would involve the procurement of relevant specialist consultants to complete a number of studies including Design Feasibility, Suitability Assessment Report (SAR) and a Preliminary Business Plan to meet with Department requirements in order to secure necessary approvals. Following this, Dublin City Council would advance the appointment of design, planning and procurement team/s to develop a new design for the site, prepare the details required for a Planning Application and complete the procurement process for the work required to develop and build the development.

Based on the current Emmet Road (St Michael's) project (see schedule of likely timelines), it is estimated that it would take at least five years before the new project would be progressed to a ready to build stage given the requirement to secure Department of Housing and Department of Public Expenditure approval for the development, procure professional services, agree detailed design, prepare for planning, submit for planning permission and tendering process for building of the development.

The Emmet Road (St Michael's) project, that is being developed directly by Dublin City Council (Mix of Cost Rental and Social) where there has been strong political and community support, was officially launched for implementation in July 2018 but the necessary Planning Application will not be ready until December 2021 at best, with construction beginning in 2024 at best.

The following table gives an indication of the estimated timeline for the various elements and processes that would be involved in a new plan for the Oscar Traynor Road site:

<b>Oscar Traynor Road: Programme Timeline Estimate</b>		
<b>Action</b>	<b>Duration</b>	<b>Date</b>
<b>SAR (Suitability Assessment Review)</b>		
Consultant Appointment	4 weeks	Sept. 21
Complete Report (DHLGH Stage 1)	8 weeks	Nov. 21
<b>DHLGH Stage 1 Submission</b>		
Review, referral to DPER, approval to Appoint Design Team	8 weeks	Jan. 22
<b>DT Procurement</b>		
Tender Documentation for DT services in 2 Stage Restricted Procurement Procedure	12 weeks	April. 22
Stage 1 SAQ	8 weeks	June 22
EOI Returns & Assessment	12 weeks	Sept. 22
Notification Period	3 weeks	Oct. 22
Stage 2 Tender	8 weeks	Dec. 22
Tender Return & Assessment	10 weeks	March 23
Notification Period	3 weeks	April 23
DT Appointment	8 weeks	June 23
<b>Design Development</b>		
Design to planning	48 weeks	June 24
Consultation throughout Design Stage	12 weeks	Sept. 24
<b>DHLGH Stage 2 Submission</b>		
Review and Approval to proceed to Planning	8 weeks	Nov. 24
<b>Planning</b>		
Part 8 Process	26 weeks	May 25
<b>DHLGH Stage 2 Submission</b>		
Review and Approval to proceed to Tender	8 weeks	July 25

<b>Contract Tender</b>		
Works Contract Tender Documentation (2 Stage Restricted Procurement Procedure)	Assuming advanced during Planning Stage	
Tender review and approval to proceed to notification on ETenders (Procurement)	8 weeks	Sept. 25
Stage 1 SAQ	8 weeks	Nov. 25
SAQ Returns & Assessment	14 weeks	March 26
Notification period	3 weeks	April 26
Stage 2 Tender	8 weeks	June 26
Stage 2 Tender Returns and Assessments (tender report)	8 weeks	Aug. 26
Notification Period	3 weeks	Sept. 26
<b>DHLGH Stage 4 Submission</b>		
Review of tender and Approval to proceed to Contractor appointment	8 weeks	Nov. 26

***An alternative approach based on current tender:***

An alternative to a return to the drawing board approach was to engage with Glenveagh within the parameters of the current tender process to realise the tenure mix of: 40% Social Housing; 40% Cost/Affordable rental, and 20% Affordable Purchase, and as proposed in the alternative plan and to ensure Dublin City Council had a leading role in realising the development. It has been established that Glenveagh is still interested in carrying out the development in line with their successful bid and is willing to sell a further 10% of the private homes to Dublin City Council so as to increase the percentage of social homes from 30% to 40%.

Glenveagh is also prepared to sell the remaining 40% of the private homes to an Approved Housing Body for the provision of Cost Rental housing. The remaining 20% of the Homes would continue to be sold to eligible buyers for Affordable Purchase.

This negotiation will achieve the tenure mix of 40% Social, 40% Cost/Affordable Rental and 20% Affordable Purchase homes as required by the alternative plan and will legally respect the parameters of the original tender process. It will also allow Dublin City Council to take advantage of the Government's recently increased level of subvention (serviced site fund) for affordable homes from 50k to up to 100k in urban areas of the country and allow greater affordability on the site (See table below).

***November 2020 estimated purchase prices for affordable homes were:***

<b>OSCAR TRAYNOR ROAD AFFORDABLE PURCHASE PRICE RANGE PER UNIT</b>		
<b>SIZE</b>	<b>PRICE RANGE *</b>	<b>NO. OF HOMES</b>
<b>1 BED</b>	<b>230,000 – 260,000</b>	<b>51</b>
<b>2 BED</b>	<b>250,000 - 300,000</b>	<b>87</b>
<b>3 BED</b>	<b>270,000 – 320,000</b>	<b>34</b>
<b>TOTAL</b>		<b>172</b>

**October 2021 (updated price range with increased site subvention of 100k per unit)**

<b>OSCAR TRAYNOR ROAD AFFORDABLE PURCHASE PRICE RANGE PER UNIT</b>		
<b>SIZE</b>	<b>PRICE RANGE *</b>	<b>NO. OF HOMES</b>
<b>1 BED</b>	<b>204,000 – 238,000</b>	<b>51</b>
<b>2 BED</b>	<b>227,000 - 284,000</b>	<b>87</b>
<b>3 BED</b>	<b>250,000 – 306,000</b>	<b>34</b>
<b>TOTAL</b>		<b>172</b>

Negotiating a sale of 40% of the private units to an Approved Housing Body **will allow an AHB to take advantage of the Cost Rental Equity Loan Scheme (CREL)**

Exploratory discussions with an AHB indicate the following estimated monthly rents are realisable:

- **1 bed studio**                      **€940**
- **1 bed apartment**              **€1,275**
- **2 bed apartment**              **€1,500**

***Realising other elements of the alternative plan from the current tender:***

Glenveagh has committed to working closely with Dublin City Council on the Planning Application process and has given a commitment/guarantee that the Planning Application to be submitted will not exceed the heights and densities as presented in the successful tender. This close collaboration will continue through all aspects of the development of this site until the development is completely finished.

Glenveagh is also committed to providing opportunities for employment and apprenticeships in the construction phase.

To realise other pertinent aspirations of the alternative plan Dublin City Council will:

- Formulate some once-off changes to the current Scheme of Letting Priorities to facilitate older single persons for the one-bed apartments.
- Ring-fence a specific number of homes for victims of domestic violence, and those with mental health disabilities by collaborating closely with Aoibhneas and HAIL. (Approved Housing Bodies)
- Ensure that there are a number of larger (4 Bed) homes for larger families from the Area B housing waiting lists.
- Ring-fence 50% of the cash contribution from Glenveagh (residual value of the site) for capital projects in the general area of the site as a Community Gain Initiative.

***Timeline for realisation of development using the current tender:***

Using the current tender to realise the key elements of the alternative plan will give the development of the site a considerable time advantage. The design and preparation work carried out to date by Glenveagh will afford a Planning Application to be made to Dublin City Council early in the New Year. If there is not an appeal on the decision construction could begin within 12 months. It is proposed therefore that the Section 183 Notice of Disposal be re-considered by City Councillors at this November 2021 meeting. The matter was discussed at the October meeting of the Housing SPC.

**David Dinnigan**

**A/Assistant Chief Executive**

**21<sup>st</sup> October 2021**

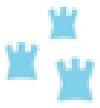




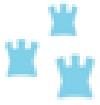
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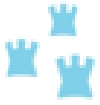
## Oscar Traynor Road Summary of Options



	<b>New Beginning Option</b>	<b>Glenveagh Option</b>
<b>Tenure Mix 40 / 40 / 20</b>	Fully Realised	Fully Realised
<b>Funding Model for DCC</b>	<p>Seek approval for 40% social housing element from DHLGH</p> <p>Seek loan for 40% cost/affordable rental from Housing Finance Agency – DHLGH approval and Councillor approval required</p> <p>Seek funding for affordable purchase element from DHLGH (AHF Scheme)</p> <p>Community facilities, Parks and opening of Naniken River: Source Grant funding from DHLGH for Community and Parks Facilities.</p> <p>Possible part funded under social housing funding, part funded by cost rental loan but included in rent calculation</p>	<p>Funding for 40% social housing element from DHLGH secured</p> <p>AHB currently negotiating purchase of 40% cost rental using CREL</p> <p>Funding for 20% affordable purchase element from DHLGH (development meets the requirements under AHF Scheme)</p> <p>Community facilities built and funded through Development Agreement; 750 Sq.M. Community Facilities use on long term licence to DCC.</p> <p>Additional uses of Retail, Café, Multi-Use/Dance Studio, Auditorium, Crèche totaling 1590 Sq.M. delivered under the Development Agreement</p> <p>Over 3 Ha. Parks, Play areas and opening of Naniken River all funded under the Development Agreement</p> <p>€14m Contribution to DCC (€7M to DCC Debt, €7M to Community gain projects in area, eg. Sport facilities)</p> <p>Glenveagh funding model based on tendered prices in 2020 bid</p>

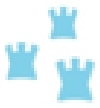


	<b>New Beginning Option</b>	<b>Glenveagh Option</b>
<b>Timeline to bring development to submission for planning permission stage</b>	<p>Up to Stage 1 DHLGH approval: 5 months: Q2 2022 (<i>Requirement for Detailed Financial and Economic Appraisal by Specialist Consultants in compliance with PSC</i>)</p> <p>From Stage 1 Approval up to Design Team Appointment: Approx. 16 months: Q3 2023</p> <p>Design Development Stage including consultation and DHLGH approval to proceed to planning: Approx. 17 months: Q1 2025</p> <p>Planning permission grant Approx. 6 months: Q3 2025*</p> <p><i>*Once the planning application is approved a separate procurement process to build out the development would be initiated – approx. 1</i></p>	<p>Planning Application: Q2 2022 (within 6 months of signing Development Agreement)</p> <p>Planning permission grant: Approx. Q4 2022</p>

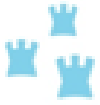


	<b>New Beginning Option</b>	<b>Glenveagh Option</b>
<b>Timeline to commencement of works on site</b>	Subject to Planning Construction Start Late 2026/Beginning 2027	Subject to planning Construction Start Beginning 2023
<b>Planning process</b>	<p>Given scale and size (+500 units) of the development proposal the planning route will be by application to ABP under Part 10 with EIA (Environmental Impact Assessment Report)</p> <p>Appeals route will be via Judicial Review</p> <p>Option: If a Masterplan is approved a series of smaller applications could be made to DCC under the Part 8 process (26 week process for each application). This would require relevant screening exercises for sub-threshold developments (Environmental Assessments including SEA, AA, SFA)</p> <p>Note: Caution advised with respect to potential challenge for deliberately splitting the project to avoid EIA.</p> <p>Also, the cumulative impacts of earlier phases will trigger EIA (and Part 10) requirements for later phases</p>	<p>Application to DCC under the new Large Scale Residential Development (LSRD) planning process.</p> <p>Appeal to An Bord Pleanála</p> <p><i>Update on Legislation: LSRD Bill 2021 was presented to the Joint Oireachtas Committee in Sept. Legislation is currently at drafting stage to be published in November. Enactment before end of the year.</i></p> <p><i>Timeframe:</i>  <i>Pre-App within 8 weeks of request</i>  <i>Planning Application LSRD Decision within 8 weeks</i>  <i>16 weeks (4 months)</i>  <i>Appeal – mandatory 16 week timeframe for decision if appealed</i></p>





	<b>New Beginning Option</b>	<b>Glenveagh Option</b>
<b>Affordability – cost rental</b>	<p>Cannot be determined at this stage – Emmet Rd. development is approximately €1,400 for a 2 bed.</p> <p>Final Costs are subject to tender prices.</p>	<p>Offers rents at min. 25% below current market rate – not affordable for all but affordable for many</p> <p>Studio €940 1 bed €1,275 2 bed €1,500</p>
<b>Affordability – purchase</b>	<p>Cannot be determined at this stage</p>	<p>1 bed €204,000 – €238,000 2 bed €227,000 -€284,000 3 bed €250,000 - €306,000 <i>Based on 2020 tender</i></p> <p>Above subsidised by €100,000 AHF Scheme with clawback of 26.5% of cost to purchaser plus subvention</p>
	<p><b>Note:</b> <i>Glenveagh Prices are fixed at 2020 tendered rates Construction inflation now at 8.30% (SCSI, Sept. 21) RCSI costs for 2 bed apartment €273,300 – 317,000 Ex. VAT, Jan. 21 (€295,983 – €343,311 based on inflation) DCC Costs (based on recent tenders): Aver. Cost per unit for apartment €391,418 Ex. VAT</i></p>	



	<b>New Beginning Option</b>	<b>Glenveagh Option</b>
<b>Disposal of land</b>	No disposal required*  <i>*It should be noted that funding of this Option may require partnering with an AHB or LDA. Meeting the requirements of third party funders and their modelling requirements may require site disposal.</i>	Disposal of land required – on a phased basis subject to terms of the Development Agreement (Developer having made all payments and completed earlier phases to satisfaction of DCC).  <i>This requirement for disposal is based on Developer’s funding model.</i>
<b>Requirement that affordable purchase units are offered under first refusal to DCC</b>	Cannot be achieved unless Affordable Housing legislation is changed	Cannot be achieved unless Affordable Housing legislation changed
<b>Building approach</b>	Phased  <i>Note: each individual phase will require relevant DHPLG stage gate approvals and will be subject to associated timelines (outlined earlier)</i>	Phased