Report No. 305 /2019 Report of the Assistant Chief Executive



With reference to the Proposed Redevelopment of O'Devaney Gardens, Arbour Hill, Dublin 7.

The former O'Devaney Gardens social housing complex has been demolished and is to be redeveloped for a predominantly mixed tenure residential development. The site is designated as a Strategic Development and Regeneration Area "SDRA 11" and zoned Z14 (to seek the social, economic and physical development and/or rejuvenation of an area with mixed use of which residential and "Z6" would be the predominant uses) in the Dublin City Development Plan 2016 – 2022.

The Housing Land Initiative Project Team invited submissions from Economic Operators through a procurement process to redevelop O'Devaney Gardens. The procurement process involved a number of stages: Stage 1 – Prequalification Questionnaire, Stage 2 - Competitive Dialogue and Stage 3 - Invitation to Submit Final Tender. Six candidates were prequalified and invited to participate in the Competitive Dialogue stage. Three parties participated in the Competitive Dialogue meeting and ultimately Dublin City Council issued two Economic Operators with Invitations to Submit Final Tenders. The final submissions were evaluated by the Housing Land Initiative Evaluation Team and their recommendation was accepted by the Housing Land Initiative Project Board.

Bartra Property Residential Holdings Limited has been selected as the most economically advantageous tender based on the specified award criteria for the competition.

Bartra Property Residential Holdings Ltd has submitted the following proposal (subject to planning permission):

	Residential Units: Public Open Space:	768 Units Central Public Park c. 6,800sq.m. Local Park with Playground c. 825sq.m. Pocket Park c. 200sq.m.
D.	Commercial Units Amenity	4 Units varying between 164sq.m. to 238sq.m. 2 Units ranging between 148sq.m.and 222sq.m.
	Community Use Crèche	1 Unit 233sq.m. 1 Unit 365sq.m.
		linking North Circular Road with Montpelier Park.

Accordingly it is proposed to recommend acceptance of the tender submitted by Bartra Property Residential Holdings Ltd subject to the following terms and conditions:

1. The site is shown outlined in red on Map Index No. SM-2017-0259 and has a site area of approx. 5.14 hectares.

- 2. That the project will be developed in accordance with the Final Tender documentation submitted and subject to planning permission.
- 3. That the successful tenderer will execute a Development Agreement and Licence to Build.
- 4. That the Licence to Build shall be for a duration of 4 years from the grant of planning permission with an option to extend at Dublin City Council's discretion.
- 5. That the Consideration payable by the successful tenderer shall be the sum of €7,000,000 (seven million euro), payable as follows:
 - i. 25% on the execution of the development agreement.
 - ii. 25% within ten working days of the date of the grant of the Planning Permission.
 - iii. The balance shall be payable eighteen months from the date on which the successful tenderer was permitted to enter onto the site for the purpose of commencing the development or the date of the substantial completion of the second tranche of social housing units whichever is the earlier.
- 6. That the successful tenderer is required to develop the site to return a specified tenure mix, providing 30% Social Units, 20% Affordable Purchase Units, 50% Developer Units. Dublin City Council has developed 56 social housing units known as Phase 1A (outside of the red line on the attached map) on the former O'Devaney Gardens site, the 56 units will be included in the total number of units delivered as part of the project and consequently shall be included in the 30% social housing allocation.
- 7. The successful tenderer shall provide a Development Bond for each phase of the development which shall be 12.5% of the value of the phase(s) under construction prior to commencement of the work(s).
- 8. That the successful tenderer will prepare a Planning Application in consultation with Dublin City Council Project Team, the Planning Application must not substantially or materially change from the successful tenderers Final Tender submission or Dublin City Council's works requirements as part of the Invitation to Submit Final Tender.
- 9. That the successful tenderer shall within six months of signing the Development Agreement and subject to the approval of Dublin City Council's Project Team to the Planning Application, submit the Planning Application to the appropriate Planning Authority and use all reasonable endeavours to secure planning permission as soon as practicable.

In the event that planning permission has not been obtained within 3 years of the date on which the Development Agreement was signed (the Longstop date), then the Development Agreement will cease and the consideration paid will be refunded without interest.

All costs associated with the making of the planning application shall be the responsibility of the successful tenderer.

- 10. That the successful tenderer will commence work on the project site within four weeks of the date of grant of planning permission.
- 11. That Dublin City Council will pay the successful tenderer the cost for the delivery of 30% of the units for social housing purposes, the units will be completed to the

standard specified in the Invitation to Submit Final Tender documentation and the cost as per the Final Tender submitted and subject to the units having been completed to the satisfaction of the City Architect.

- 12. That Dublin City Council will nominate qualifying purchasers for the affordable housing units. The Council retains the right to nominate successive nominees, and in the event that the sale is not capable of being completed within an agreed timeframe, the Council will acquire the units at the affordable price as per the Final Tender.
- 13. The successful tenderer shall be responsible for compliance with the Multi Unit Development Act 2011.
- 14. That Dublin City Council will transfer title to the successful tenderer on a phased basis (to be agreed) subject to the successful tenderer having made all payments required at the date and the development has been completed to the satisfaction of the City Architect.
- 15. That Dublin City Council reserves the right to re-enter on the site and resume possession thereof together with any building or structures erected thereon should the successful tenderer fail to commence or complete the development within the specified timeframe or in the event of the successful tenderer's bankruptcy or insolvency, save in the case of a Financial Institution which has entered into a mortgage agreement with the successful tenderer for the purposes of financing the development of the site.
- 16. That the successful tenderer shall be responsible for fully insuring the property and shall indemnify the Council against any and all claims. The successful tenderer shall take out and produce Public Liability Insurance in the sum of €6,500,000 (six million, five hundred thousand euro) and Employer Liability Insurance in the sum of €13,000,000 (thirteen million euro) for any single event and the policy shall indemnify Dublin City Council in name against all liability as owner of the property.
- 17. That the Development Agreement/Building Licence is non-assignable or transferable to any other party, save in the case of a financial institution which has entered into a mortgage with the successful tenderer of the purposes of financing the development, which mortgage must be approved by the City Council in writing and must have been entered into specifically for the purpose of financing the successful tenderer to undertake the development of the property.
- 18. That the successful tenderer will agree to the inclusion of a Social Employment Clause in the Development Agreement.
- 19. That any dates/time frames outlined above may be extended by the Executive Manager at his absolute discretion and all notices must be given in writing.
- 20. That both parties will be responsible for their respective fees in the transaction.
- 21. That each party shall be responsible for their own VAT, Stamp Duty or other costs arising.

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

The disposal shall be subject to any such covenants and conditions as the Law Agent in her discretion shall stipulate.

The site to be disposed of was acquired from Richardson Estate and Brinkley Estate. Vested in DCC by Land Registry Cert on 17.2.1982. Parcel of land on east boundary & Shop Tenancies acquired under the O'Devaney Gardens Area Compulsory Purchase (Housing & Development) Order 2006.

This proposal was submitted for noting by the Central Area Committee at its meeting on the 10th September 2019.

This report is submitted in accordance with the requirements of Section 183 of the Local Government Act, 2001.

Resolution to be adopted

"That Dublin City Council notes the contents of this report and assents to the proposal outlined therein".

Dated this the 25th day of September 2019.

<u>Richard Shakespeare</u> Assistant Chief Executive

