

Memo to	Jayne Leahy, Head of Property and Community Facilities
Memo from	Sarah Newell, Senior Executive Officer, Housing Directorate
Subject	Disposal of Site at Thomondgate for mixed-tenure
Date	9th December 2021

1.0 INTRODUCTION

The purpose of this report is to outline:

- Process to date with Thomondgate site
- Intention to dispose of the Council's site by entering into a land disposal contract with Cluid/Whitebox on terms agreed with them and independently reviewed by the Council's retained valuer and legal advisor.

2.0 BACKGROUND

- The Council continues to roll out its housing construction programme with significant housing targets for both social and affordable housing under the new government policy 'Housing for All'.
- It is a policy of the Council to ensure that all new housing developments are stable and contribute to the creation of sustainable communities.
- It is also the policy of the Council to ensure that, as far as possible, all new developments over 25 units are mixed tenure (mixed income) so as to reduce the likelihood of social segregation. This policy has been endorsed at SPC level with a target requirement for 50% affordable housing, 30% social-rental housing and 20% private housing (including private rightsizing).
- The Housing Development Directorate (now Housing Directorate) of Limerick City and County Council issued an Expression of Interest to the AHB sector on e-tenders on the 4th November 2020 for the activation of three Council owned land-banks for mixed-tenure via a proposed land disposal contract at:

1. New Road, Thomondgate, Limerick city
2. Speakers Corner, Carey's Road, Limerick city
3. Coonagh (Ballygrennan) lands, Limerick city

- The above sites were chosen as they suited a diversification of tenure such as affordable and private downsizing, given the concentration of social-rental in the immediate and wider neighbourhood.
- The Housing Directorate were particularly interested in the AHB sector as at the time of the EOI they were the only entity in the State capable of delivering affordable cost rental homes.
- The Expression of Interest deadline was extended to 4pm on the 18th December 2020. An Evaluation Panel was convened on the 11th January 2021 and each submission was assessed. Following evaluation of submissions for the three sites, submissions were ranked in accordance with their total score under the assessment criteria that was included in the original Expression of Interest briefing document. The evaluation clearly showed a more advantageous submission from which the Evaluation Panel was able to base their recommendation. The winning consortium was Cluid Housing and Whitebox.

3.0 THOMONDGATE SITE

- The site at New Road, Thomondgate is a gap site measuring approximately 0.7 hectares located beside the river Shannon. The site is retaining approximately 0.3 hectares for a public biodiversity park to the river's edge that will remain in public ownership. The Council will have the benefit of Cluid Housing/Whitebox designing the park to planning after which the Council will be required to manage and maintain this park. Options will be explored for Government funding and other income streams to activate this park. The remainder of the site (0.416ha) is intended to be disposed to Cluid Housing/Whitebox for the development of mixed tenure housing. Please refer to Appendix 1 which outlines the proposed area for disposal in pink fill.

4.0 PROPOSALS

- Since February this year, Cluid Housing /Whitebox have developed a scheme in consultation with the Council through a steering group structure, which meets the Council's objectives set out in the EOI briefing document. The scheme has now been developed to a detailed planning application pack, which can progress to a Council led Planning Application to An Bord Pleanala. The reason it is going to An Bord Pleanala is triggered by the requirement to have a Natura Impact Assessment and Environmental Report given the site's location adjacent to the river Shannon Special Area of Conservation.
- The scheme components currently consists of:
 - 50% are affordable/Cost rental – 28 no units
 - 30% social rental for elderly – 16 no social rental units
 - 20% private downsizing – 11 no. private downsizing units
 - 1 Community Room
 - Biodiversity Park (0.3ha)

5.0 SPECIAL CONDITIONS

- The terms of the land disposal contract and offer to the Council is subject to a grant of planning permission and a Section 183 disposal process, which is a reserved function of the Council.

5.1 Financial

- The amount of capital receipt has been determined and agreed by way of an independent market valuation. The consideration is €250,000.

5.2 Timeframe to Sale Close of Land Disposal Contract

- The sale will close within one calendar month upon:
 - the receipt of grant of Planning Permission or
 - the conclusion of any Judicial Review proceedings on the Grant or
 - following a meeting of the Limerick City & County Council to consent pursuant to the provisions of Section 183 of The Local Government Act 2001 whichever is the later.

5.4 Buy Back condition – the Council's right to repurchase the site

- The Land Disposal contract will contain a buy back clause, which will allow the Council to buy back the Thomondgate site if the land is not redeveloped within a certain period.
- This clause has the aim of preventing land hoarding and protecting the interests of the Council.

- The price to be paid will be equivalent to:
 - the Market Value of the lands or the original sale price, whichever is the lower; and
 - the value of construction of any development or other matters on the portion of the lands being reacquired at the date of exercise the option as agreed between the parties or failing agreement to be determined by an independent quantity surveyor.

6.0 Next Steps and Indicative Timeframe

Elected Members were briefed on the outcome of the EOI process in February 2021 and the winning consortium. In addition, a presentation on the detail of the proposed plans for Thomondgate was given at the Local Electoral Area Briefing - North on the 2nd November 2021.

The next steps are as follows:

- Undertake a section 183 process subject to the conditions outlined above in section 5.0.
 - For noting at the Metropolitan Meeting: 20th December 2021
 - For approval at Full Council: 24th January 2022

7.0 PROPOSED RECOMMENDATION

- Proceed with the steps outlined in Section 6.0 of this report
- Enter into a Disposal Contract with Cluid Housing/Whitebox in relation to 0.416 hectares of land at New Road, Thomondgate. This is in pursuance of the Housing Directorate's mixed-tenure objectives.

APPENDIX 1: AREA PROPOSED FOR DISPOSAL (0.416 hectares)

