



Affordable Rental – Land and Funding Opportunity

Information Session – 27 November 2024



Acknowledgement of Country

What is the opportunity?

- *Request for Expressions of Interest for Land for Community Housing and Request for Proposals for Financial Assistance for Affordable Rental – ‘the Request’*
- Opportunity to buy blocks of land from SLA in Gungahlin and/or Moncrieff for community housing
- Opportunity to seek financial assistance for acquiring, developing and operating affordable rental – either on SLA blocks or on own sites
- This information session is to help potential Respondents understand more about the process

Supporting Community and
Affordable Housing in Canberra



Agenda



Presentation – 30 minutes

- About the session
- Growing affordable rental
- Aboriginal Community-Controlled Organisations (ACCOs)
- About the land – Gungahlin and Moncrieff
- Yield analysis
- Sales process
- Own Sites
- Financial Assistance
- How the Request works

Q&A – 15 minutes

About the session



- This session is being recorded.
- Please use chat option to ask questions.
- Mics and cameras will remain off for the attendees during session.
- Details available afterwards.

Growing Affordable Rental

Affordable Housing

Project Fund

Why are we running this process ?



- ACT Housing Strategy – growing supply of Affordable Rental Dwellings in the ACT, support CHPs, and support ACCOs that are also CHPs
- ILRP 2024-25 to 2028-29 includes the sites briefed today
- Committed to the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028 and the National Agreement on Closing the Gap
- Aligns with the Wellbeing Framework
- \$80 million Affordable Housing Project Fund

Affordable Housing Project Fund

- Established in 2023-24
- Intended to grow supply of affordable rental properties
- 6 projects for around 280 affordable rental homes supported so far
- Increased to \$80 million in 2024-25 Budget
- Election commitment to increase further to \$100 million
- Integrating Affordable Housing Project Fund with land releases for community housing



Australian Capital Territory

Budget 2024-25

Housing Budget Statement



Aboriginal Community- Controlled Organisations Concierge Service

Housing ACCO Concierge Service



- Respondents which are Aboriginal Community-Controlled Organisations (ACCOs) or a consortium led by an ACCO will be weighted favourably.
- ACCOs must meet the National Agreement on Closing the Gap Clause 44 definition as well as demonstrating they operate/provide service delivery in the ACT or surrounding regions.
- Aboriginal Service Development (ASD) Branch will be a key contact for ACCOs and support them to participate in this land and funding opportunity. This includes:
 - access business development services through the Badji program; and
 - facilitating information requests from ACCOs through appropriate channels, in accordance with probity principles.

About the land

Gungahlin and
Moncrieff



Gungahlin



- Block 4 Section 235
- **Site size** – 2,895 m²
- The site is community facility zoned.
- Gungahlin region has now become home to nearly 50,000 residents.
- Close to the Gungahlin Town Centre and the future Gungahlin Town Centre East Development.



Moncrieff



- Block 4 Section 23
- **Site size** – 4,524 m²
- The site is a community facility zoned.
- Across the road from the future Moncrieff Group Centre
- Charming village-style suburb is now home to around 2,200 dwellings and is nestled between picturesque natural surroundings and urban conveniences.

Yield Analysis

Yield analysis overview



Two yield analysis exercises have been undertaken for both sites:

- **Analysis 1** – Indicative yield Study - Fitzpatrick Planning Services
 - High Yield Analysis – pushing design innovations
 - **smaller units / min setbacks /higher footprint / 6-storeys / less carparking /basement carparking**
 - **Geotechnical reports note underground carparking doable but expensive**
- **Analysis 2** – Concept and Design Planning- Collins Pennington Architects
 - Low Yield Analysis – adhering to technical specifications
 - **larger adaptable dwellings / podium parking / 6m setbacks / 4 & 6-storeys**



Gungahlin yield analysis



Analysis #1 – Indicative yield calculations – Fitzpatrick Planning Services

Scenario 1 and 2

01 | 60 - 100 units

Analysis #2 – Concept & design planning – Collins Pennington Architects

Scenario 1

01 | 25 - 27 units

Scenario 2

01 | 38 - 40 units

Moncrieff yield analysis



Analysis #1 – Indicative yield calculations – Fitzpatrick Planning Services

Scenario 1

01 | 110 – 129 units

Scenario 2

01 | 105 - 174 units

Analysis #2 – Concept & design planning – Collins Pennington Architects

Scenario 1

01 | 38 – 40 units

Scenario 2

01 | 63 – 65 units

Sales Process

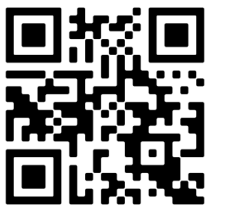
Buying the Blocks



- The prices for the Blocks are:
 - Block 4 Section 235 Gungahlin: \$2,470,000.00 (including GST)
 - Block 4 Section 23 Moncrieff: \$3,050,000.00 (including GST)
- Prices are not negotiable
- Successful Respondents will be able to choose to enter an Option Deed or proceed straight away to Contract for Sale
- Option Deed – nominal \$1 consideration, expires 12 months after execution, gives Respondent right to exercise the option later
- Contract for Sale – includes entering into Project Delivery Deed which also has sustainability requirements
- Specimen documents included

Own Sites

Own Sites



- Respondents can also seek Financial Assistance for their Own Sites
- Must either:
 - include the Crown Lessee or
 - demonstrate an exclusive right to purchase the site
- Minimum number of affordable rental dwellings
- Must not have existing requirements for affordable, community or public housing



Financial Assistance

Financial Assistance



- Respondents can request different forms and amounts of Financial Assistance in Response Form:
 - No Financial Assistance
 - Upfront Financial Assistance (e.g. monetary assistance to support purchase or construction)
 - Upfront Financial Assistance (Lease Variation Charge assistance)
 - Ongoing Financial Assistance (e.g. subsidy grant to cover gap between market and affordable rent)
 - Ongoing Financial Assistance (scheduled or availability payment)
 - LVC deferral
- For support to buy Moncrieff and/or Gungahlin:
 - ACCOs (that are also a CHP or leading a consortium where a CHP will buy the land): 100% of price
 - Others: 50% of price
- Must demonstrate Minimum Number of Affordable Rental Dwellings (10 dwellings and 15% of overall development dwellings)
- Evaluation will be based on net present value per Affordable Rental Dwelling
- Other uses will be excluded and are not eligible for Financial Assistance from the Affordable Housing Project Fund
- Will be required to enter into a Deed of Grant (specimen included)

All Respondents – Please identify the amount and type of Financial Assistance you are requesting from the Territory (select all that apply):

- No Financial Assistance
- Upfront Financial Assistance (direct monetary assistance prior to commencement of the Affordable Rental Dwellings):
 - o Estimated dollar amount in 2024-25 dollars: [Click or tap here to enter text.](#)
 - o Purpose (such as acquiring the Blocks or Own Site): [Click or tap here to enter text.](#)
 - o Please specify if a grant payment or other type of assistance: [Click or tap here to enter text.](#)
- Upfront Financial Assistance (Lease Variation Charge (LVC) assistance, noting an amount will be calculated to inform the Financial Assistance):
 - o Percent of LVC liability for residential dwellings (such as 100% or 50%): [Click or tap here to enter text.%](#)
 - o You will need to provide a Valuation Report (no more than 12 months old) prepared by an independent valuer. Valuation Report attached: Choose an item.
- Ongoing Financial Assistance (subsidy grants to cover the gap between market rent and affordable rent):
 - o Per cent of the gap between 74.9 per cent of market rent and affordable rent (such as 100% or 50%): [Click or tap here to enter text.%](#)
 - o Estimate of the weekly rent for the relevant bedroom type in 2024-25 prices: [Click or tap here to enter text.](#)
- Ongoing Financial Assistance (scheduled or availability payments, recurring annually to cover operational costs):
 - o Indexation rate: [Click or tap here to enter text.](#)
 - o Estimated dollar amount in 2024-25 dollars: [Click or tap here to enter text.](#)
- Lease Variation Charge deferral (interest free until Certificate of Occupancy and Use – the opportunity cost of not applying interest will be costed into your Response): Choose an item.

All Respondents – detail any assumptions, inclusions or exclusions relevant to the above financial information here (including any other elements of your Response which are not Affordable Rental Dwellings – including but not limited to social housing, crisis accommodation or other uses – as these will not be eligible for Financial Assistance from the Affordable Housing Project Fund and will be excluded from the Cost Estimate calculations. Respondents can seek funding from other sources for these uses, such as loans, grants or other ACT Government or Commonwealth Government programs):

[Click or tap here to enter text.](#)

The Request

How it works

Who can participate?



- Any company can be a Respondent by lodging a Response Form.
- You can form a consortium or new company for the Request.
- Those wishing to buy Gungahlin and/or Moncrieff and/or seek Financial Assistance for these – the entity buying the land *must* be a Community Housing Provider.
- If interested in buying both blocks, two separate Response Forms must be completed.
- CHPs must be registered through the NRSCH.
- If you already have your Own Site – the current Crown Lessee must be included either as the sole Respondent or as part of a consortium OR you must demonstrate an exclusive right to purchase.
- If submitting for multiple Own Sites, separate Response Forms must be completed for each site.

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Response Form

- This Response Form is for the Request for Expressions of Interest for Land for Community Housing and Proposals for Financial Assistance for Affordable Rental (the Request).
- References in this Response Form to 'we', 'us' and 'our' refer to the Territory and SLA. References to 'you', 'your' and 'yours' refer to the Respondent.
- This Response Form should be read in conjunction with the Request. Terms and definitions in this Response Form are defined in the Request.

Checklist

In submitting this Response Form, the Respondent has completed the following:

- Warranty
- Signature Page
- Section 1 – Respondent Details
- Section 2 – Land Nomination
- Section 3 – Affordable Rental Details
- Section 4 – Planning Details:
 - Optional – if seeking to purchase a Block, preliminary plans are attached.
 - If you have your Own Site, but are not the current Crown Lessee, evidence demonstrating you have exclusive rights to purchase is attached.
 - If you have your Own Site, depending on the status of design and construction – either your Crown Lease, approved Development Application, copy of your Development Application or your proposed site plans and feasibility are attached.
- Section 5 – Financial Feasibility
 - A Financial Feasibility Letter is attached.
 - Optional – additional supporting attachments of no more than five A4 pages are attached.
 - If you have your Own Site, supporting evidence of your construction or renovation costs are attached.
 - If you are requesting Lease Variation Charge assistance, a Valuation Report is attached.
- Section 6 – Built Form Construction Experience
 - Optional – other examples of no more than three A4 pages are attached.
- Section 7 – Proposed Timeline
 - Optional – more detailed timeline of no more than two A3 pages is attached.
- Section 8 – Property Management Experience
 - Optional – other examples of no more than three A4 pages are attached.
- Section 9 – Intended Property and Tenancy Management Processes
 - For Respondents that don't include a Community Housing Provider – either a copy of an agreement engaging a Community Housing Provider or a copy of an agreement engaging another organisation is attached.
 - Optional – more details of systems and protocols of no more than three A4 pages are attached.
- Section 10 – Wellbeing Impact



Timeframes and questions



- Released 7 November 2024
- Last day for asking questions: 5.00pm AEDT 10 January 2025
- Closing Date and Time: 2.00pm AEDT 21 January 2025
- Evaluation: 21 January – March 2025
- Notification and Negotiation: March – June 2025
- Questions to be submitted in writing to communityhousing@act.gov.au
- ACCO Concierge Service will submit questions via this process
- Answers and addenda will be made available online and via email

Evaluation



- Threshold Assessment Criteria:
 - **Land Nomination** – express interest in either Gungahlin or Moncrieff, or tell us the details of your Own Site
 - **Affordable Rental Details** – tell us the number of Affordable Rental Dwellings and Development Dwellings
 - **Planning Details** – tell us about what you plan to do on Gungahlin or Moncrieff, or give us details about your Own Site
 - **Financial Feasibility** – letter from financier/accountant
 - **Built Form Construction Experience** – examples and referees

Evaluation



Weighted Assessment Criteria:

- **Financial Response** – based on net present value per Affordable Rental Dwelling, weighted 35%
- **ACCO** – ACCO or ACCO-led consortia weighted 15%
- **Proposed Timeline** – projects delivered by 2025-26 favoured most, followed by 2029-30, weighted 10%
- **Property Management Experience** – experience in managing properties, CHPs considered most highly, and direct experience of operating, leasing & maintaining more highly, weighted 10%
- **Intended Property and Tenancy Management Processes** – systems and protocols, ensuring eligible tenants and privacy, CHPs considered most highly, weighted 10%
- **Wellbeing Impact** – impact on community wellbeing, considering multiple groups, climate change and future generations, positive impact across multiple groups considered most highly, weighted 20%

Next Steps



1. Read the Guide and Request document, and attachments.
2. Download and read the Response Form
3. Contact the experts
4. Complete, sign and upload the Response Form on the [Suburban Land Agency website](#)
5. Upload any supporting documents.
6. Responses to be lodged by **2pm, 21 January 2025** .

Questions & Answers

Submitted in advance or via
chat function



Thank you.

