

Getting Prepared – Upcoming Integrated Land Release and Funding Opportunity for Community Housing and Affordable Rental

We are preparing to issue an integrated land release and funding opportunity in late 2024. This will include releasing two sites for community housing, as well as other options for financial assistance from the Affordable Housing Project Fund. The Affordable Housing Project Fund aims to grow the supply of affordable rental properties in Canberra and strengthen the community housing sector.

The two sites which will be released by the Suburban Land Agency (SLA) are Block 4 Section 23 in Moncrieff and Block 4 Section 235 in Gungahlin.

This document aims to assist interested parties prepare ahead of the official launch of the process.

Who can participate?

- Only registered Community Housing Providers will be eligible to purchase these two sites from SLA. More information about registration as a Community Housing Provider is available at: https://nrsch.gov.au/providers/registration.html.
- Ahead of the process opening, consider which entity will be the Respondent. Will it be a single company, or do you need to form a consortium or a Special Purpose Vehicle?
- Respondents with their own sites will need to include the Crown Lessee either as the primary Respondent or as part of a consortium.
- Respondents which are Aboriginal Community-Controlled Organisations (ACCOs) or include 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, for example through existing ACT service delivery or ACT based governance arrangements.
- Respondents will need to demonstrate experience in constructing built form, as well as managing residential properties. Think about this in deciding which entity will be the Respondent – does your company have the experience on its own?
- Respondents will need to demonstrate how they will manage affordable rental homes.

What are the costs involved and how will you finance this?

- Ahead of the process opening, consider all the costs involved in developing and operating affordable rental housing. These could include, but are not limited to:
 - Land acquisition costs;
 - Consultancy costs such as planning, design, engineering, architecture and landscape architecture;
 - Approval fees;

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- Construction costs, including materials, labour, project management, site fencing, and site security; and
- Operational costs, including maintenance, staffing, support services, tenancy management services, administrative services, IT systems and equipment.
- Further information is available on the ACT Government's planning website: https://www.planning.act.gov.au/home
- Consider your financial position and ability to finance these costs. While some funding will
 be available from the Affordable Housing Project Fund, this will not cover all of the costs
 associated with your project. Think about:
 - O How much financial assistance will you seek from the Affordable Housing Project Fund? This may include upfront or ongoing financial assistance (such as in the form of availability payments) or a combination of both. This will only be available if you are including affordable rental dwellings, so if you are thinking about other uses, you will need to consider other financing sources as well.
 - Do you have a financier or accountant who will be able to verify and provide advice about your financial capacity?
 - What other sources of financing do you have consider loans, cash reserves, equity, support from other organisations or other grants processes?
 - Have you collated evidence of your financing? This could be letters of commitment or support, or other statements which demonstrate this.
 - The Australian Government is also seeking to support affordable and social housing through the Housing Australia Future Fund (HAFF) and National Housing Infrastructure Facility (NHIF). Contact <u>Housing Australia</u> to find out more.

What approvals and advice will you need?

- The process will only be open for around two months, so ahead of this consider what approval steps you might need to undertake. This could include:
 - Board or internal governance approvals;
 - o Financial approvals, including through banks or other financial institutions; and
 - Approvals associated with setting up a consortium or Special Purpose Vehicle, such as registration (see the Australian Securities and Investments Commission for more details: https://asic.gov.au/for-business/registering-a-company/steps-to-register-a-company/)
- You will need to make sure you have considered all the information about the process and had the opportunity to seek professional and expert advice. This could include:
 - Legal advice, including in relation to the structure of the Respondent and reviewing draft contract documents;

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- Financial and accounting advice, to help you structure your financing and provide evidence to support your Response;
- Planning and design advice, particularly if you are interested in purchasing land from SLA, as you will need to indicate some details about what you propose to develop; and
- Advice on best practice management approaches for tenancy and property management.

Familiarise yourself with the blocks

- If you are interested in purchasing the Gungahlin or Moncrieff sites from SLA, it is a good idea to familiarise yourself with the blocks and the planning requirements. Some resources you might consider reviewing include (but are not limited to) the following.
 - ACTmapi you can use the maps on this page to understand Territory Plan details, bushfire and flood risk, and other key features.
 - o The Territory Plan 2023 including:
 - the Gungahlin District Policy (particularly page 9, point 7A for Block 4 Section 235 Gungahlin and page 11, points 17 and 17A for Block 4 Section 23 Moncrieff)
 - the Community Facility Zones Policy
 - The Gungahlin District Strategy
 - o The Planning (Community Facility Zones) Technical Specifications 2024
- Further site details, including analysis about development opportunities will be available when the sites are released for sale.

How to keep informed?

Keep an eye on this website, which will be updated with more information as we get closer to the official launch of the process.

You can also contact:

- <u>communityhousing@act.gov.au</u> if you have any specific questions about SLA's community housing land offerings.
- <u>CMTEDDBuildtoRent@act.gov.au</u> if you have any specific questions about funding opportunities.
- The <u>Gateway team</u> on 02 6205 2888 for all enquiries relating to ACT planning.
- Amanda Savle at the <u>Badji Aboriginal and Torres Strait Islander Business Support Program</u> on <u>amanda@coolamonadvisors.com.au</u> or <u>02 6189 077</u>4.

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