

REPORTS THROUGH THE GENERAL MANAGER

REPORTS FROM THE DIRECTOR COMMUNITY AND NATURAL RESOURCES

a25 [CNR-CM] Department of Sustainability, Environment, Water, Population and Communities - Call for Applications: Building Better Regional Cities Program. EQ2011-171 Expressions of Interest from Interested Parties for the Creation of Affordable Housing in Tweed Heads

ORIGIN:

Community and Cultural Services

SUMMARY OF REPORT:

Local councils in regional centres across Australia are being invited to apply for Federal Government funding to support more affordable housing in their communities. Applications for funding under the Building Better Regional Cities Program close at 4pm on Friday 18 November 2011. In anticipation of the funding round, Council sought Expressions of Interest from 'Interested Parties for the Creation of Affordable Housing in Tweed Heads'. The EOI was open from 20 August 2011 to 7 September 2011 with seventeen (17) responses received.

This report recommends Council select a preferred housing provider as the first step in progressing the feasibility of entering into a joint venture to secure a grant under the Building Better Regional Cities Program.

RECOMMENDATION:

That:-

1. Council selects Horizon Housing Company as the preferred partner to lodge an application under the Building Better Regional Cities Grant program and commences discussion with this organisation to determine the scope and form of a proposal.
2. The ATTACHMENT be treated as CONFIDENTIAL in accordance with Section 10A(2)(c) of the Local Government Act 1993 because it contains information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business. Accordingly, disclosure of the information is not in the public interest.

REPORT:

The Building Better Regional Cities (BBRC) Draft application guidelines were released in June 2011. At the Council Meeting of 21 June 2011, Council resolved the following:

1. *Council seeks expressions of interest from private companies and incorporated not for profit bodies to enter into a consortium arrangement with Council to develop an eligible project and make application to the Australian Government for program funding.*
2. *A workshop to be held on the Building Better Regional Cities Program.*

An Expression of Interest for 'Interested Parties for the Creation of Affordable Housing in Tweed Heads' (EQ 2011-171) was invited from 20 August 2011 to 7 September 2011, with seventeen responses being received. Table A summarises submissions from landholders, government and non-government housing providers. Detailed information is contained within the Confidential Attachment to this report. Table B lists other submissions received that for the purpose of this report were not reviewed in detail.

The BBRC round has now opened and applications are due by 18 November 2011. Up to \$15million (GST Excl) will be provided for infrastructure in each successful regional city. The objectives of the program are to invest in local infrastructure projects that support an increase in the number of homes/dwellings for sale and rent that are affordable for working families on ordinary incomes. Funding must be used for infrastructure that supports new infill and greenfield housing developments located within Eligible Regional Cities, of which Tweed Heads is a nominated city within the guidelines. The types of infrastructure that can be funded under the BBRC Program include:

- Connecting or trunk infrastructure such as water and sewerage headworks, upgrades or extensions to drains and sewers (including the augmentation or replacement of existing infrastructure, where this is needed to support infill or greenfield housing developments), and connecting roads and bridges; and
- Community infrastructure such as parklands and open space; pedestrian and cycle paths; community centres, and recreation facilities.

Successful applications will need to address the following assessment criteria:

- Criterion 1: Economic Growth and Housing Need
- Criterion 2: Planning and Approvals
- Criterion 3: Value for Money and Affordability
- Criterion 4: Good Urban Design, Sustainability and Accessibility
- Criterion 5: Capacity and Compliance

Application guidelines state that:

- Applications that do not achieve a high assessment rating against Criterion 1 may not be further assessed; and
 - Applications that are assessed as not adequately meeting any of criteria 2-5 may not be further assessed.
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The submission that is assessed as the most appropriate is from the Horizon Housing Company. This organisation has a strong financial and community housing background and proven capability of provision of affordable housing in South East Queensland. It is the intention of Council Officers that the partner organisation provide the major lead in the submission and proposal and the Horizon Housing Company has a proven track record in this regard.

Table A	
Item No	Respondent Name
Landholder	
1	Mark Dawson
2	Zinkhol Pty Ltd (Majeed Tabrizi)
3	Graded Investments & Developments (Derek Edgar)
4	Global Care/Hutchinson Builders
Government Housing Provider	
5	Housing NSW
Non-Government Housing Providers	
6	On-Track Community Programs Ltd
7	Horizon Housing Company (formerly Gold Coast Housing Company)
8	North Coast Community Housing

Item No	Table B
Project Managers	
1	Capital Insight
Architects/Designers	
2	Tropo Architects
3	Workable Living Housing Design
4	Lightwave Architectural
Builders- design and construct proposals	
5	Image Designer Homes (Glen Spargo) [includes architect]
6	Oscar Design and Construction (includes a team to design, construct, market and sell affordable accommodation solutions suitable for a variety of market sectors)
7	Garrison Group (includes a team to design, construct, market and sell affordable accommodation solutions suitable for a variety of market sectors)
8	Integrity New Homes (includes a team to design, construct, market and sell affordable accommodation solutions suitable for a variety of market sectors)
Civil Construction	
9	Greenview Developments (South East Excavations)

LEGAL/RESOURCE/FINANCIAL IMPLICATIONS:

Given the scale of the project, Council would need to develop a legal framework that mitigated Council's commercial and legal risks.

Initial discussions with the Division of Local Government has indicated that any arrangements facilitated by Council and made between the non-government housing providers and prospective developers would not place Council into the position of needing to apply the requirements of the Public Private Partnership (PPP) guidelines. If Council were to progress the application and be successful, and/or enter into contracts with the non-Government Housing providers or developers, a more detailed approach to PPP will be needed.

POLICY IMPLICATIONS:

Nil.

UNDER SEPARATE COVER/FURTHER INFORMATION:

To view any "non confidential" attachments listed below, access the meetings link on Council's website www.tweed.nsw.gov.au (from 8.00pm Wednesday the week before the meeting) or visit Council's offices at Tweed Heads or Murwillumbah (from 8.00am Thursday the week before the meeting) or Council's libraries (from 10.00am Thursday the week of the meeting).

Confidential Attachment - Supplementary Confidential Information - [CNR-CM] Department of Sustainability, Environment, Water, Population and Communities - Call for Applications: Building Better Regional Cities Program. EQ2011-171 Expressions of Interest from Interested Parties for the Creation of Affordable Housing in Tweed Heads - ECM 49535673.
