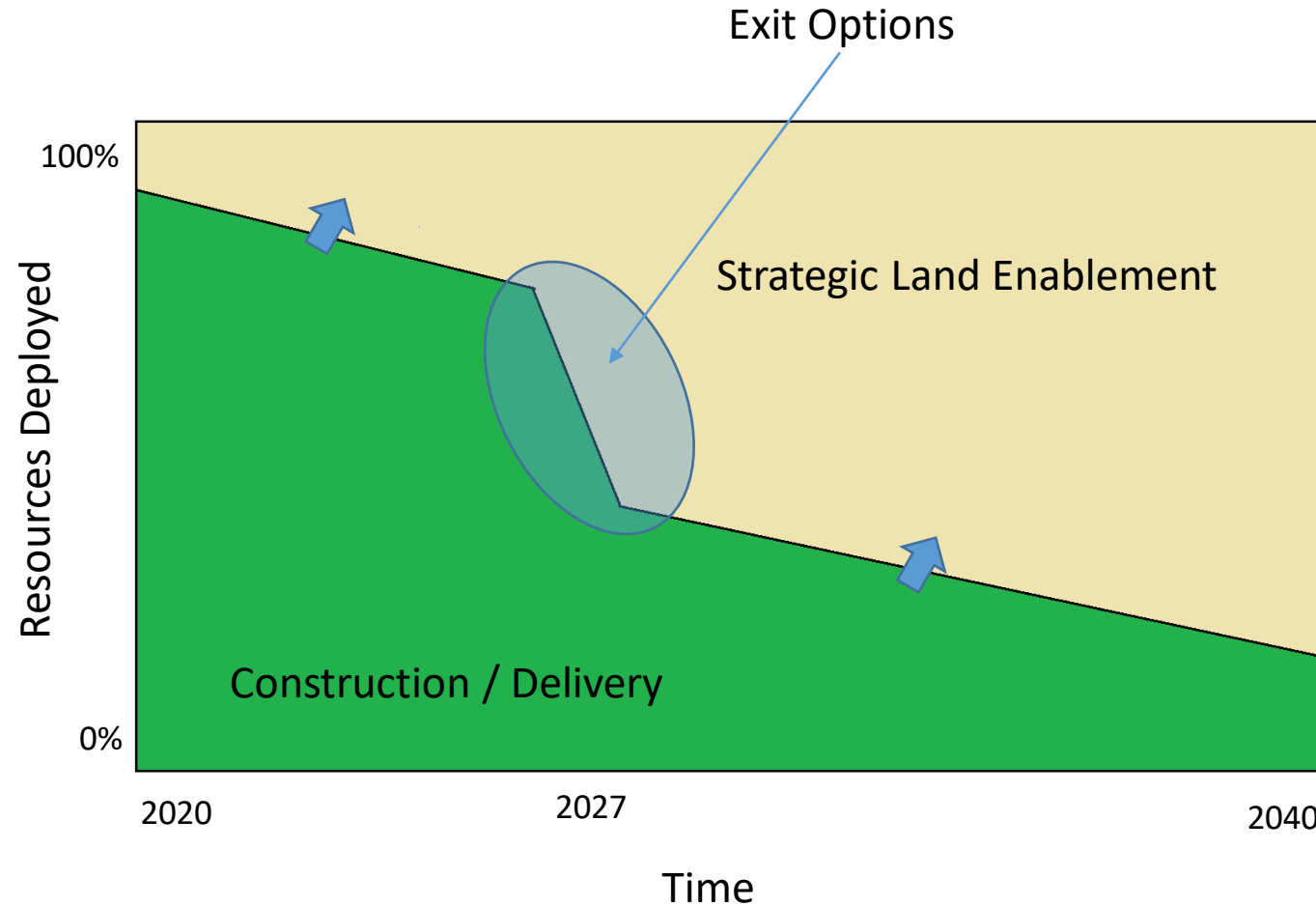




# *Current status and short / long term opportunities*

March 2020

# How to think about the LDA: Short-term delivery & Long-term impact





# Where we are to date

## Main Points:

LDA is fully operational

30+ staff by mid-year

Planning applications being lodged on a number of State sites

Innovations on affordable housing delivery – at scale

## Where we are to date

- LDA established in September 2018 by Statutory Instrument
- General Scheme of Bill published
- Pre-legislative scrutiny by JOC complete
- Independent Board of Directors
- €1.25bn funding to come from ISIF
- Growing staff base – 30+ by mid year (16 currently)
- Initial portfolio of 9 sites (4,000 homes) - working on pipeline to grow to 10,000 homes
- Numerous planning applications in preparation for lodging this year
- First cost rental scheme planning lodged – 597 homes (all social / affordable) in partnership with DLR CC

# Current activity



- Broad spread of projects, concentrated in Dublin currently
- Design teams appointed on most sites – planning applications being lodged through the year
- Targeting construction starts early 2021 – commencing contractor procurement strategy now
- Numerous other State lands in discussions to add to site portfolio
- 4,000 homes in initial portfolio - pipeline in discussions to grow to 10,000

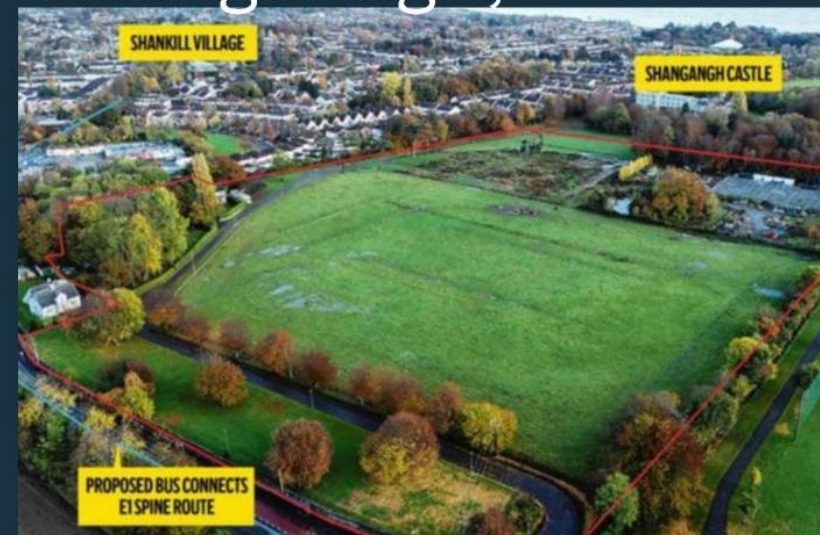
## Diverse Developments

### Colbert Station, Limerick



- Transformative for City Centre
- 50 Hectares (approx)
- Walkable residential, retail, leisure and office space
- Located in City Centre
- Economic and spatial development

### Shanganagh, Dublin



- Traditional development
- 597 Homes
- creche, a gym, a shop and café
- 1,200 bicycle places
- 306 cost rental homes
- 200 social housing homes
- 91 affordable purchase homes
- Planning lodged January 2020



# Affordable homes through LDA – A near-term opportunity

## Main Points:

- Game-changing opportunity to target delivery of thousands of cost / affordable rental homes within a 5-7 year period
- Construction starts in the near term
- Economic model well developed
- Can launch vehicle imminently

# LARGE SCALE OPPORTUNITY TO DELIVER

Project		Overall Capacity	Current S/A requirement	Cost Rental Units (potential - est.)	Estimated Capex €m
<b>Initial Portfolio</b>					
Initial Portfolio	1	Hackettown Skerries	250	TBC	250
	2	Cork (St. Kevins)	250	100	250
	4	Castlelands, Ballbriggan	1,000	TBC	300
	5	CMH Dundrum	1,350	540	1,350
	6	Devoy Barracks, Naas	248	TBC	248
	7	Meath Hospital, D 8	90	36	90
	8	Columb Barracks, Mullingar	300	120	90
	9	Shanaghagh, Shankill (DLR Site)	597	597	305
	10	Dyke Road (GCC site)	250	TBC	83
			<b>4,335</b>		<b>2,965</b>
<b>Attainable Pipeline</b>					
Secondary Pipeline	11		800	TBC	500
	12		450	TBC	450
	13		378	TBC	378
	14		2,000	TBC	750
	15		1,200	TBC	600
	16		800	TBC	800
	17		400	TBC	400
	18		2,000	TBC	2,000
	19		500	TBC	500
		<b>8,528</b>		<b>6,378</b>	
<b>Total Portfolio + Pipeline</b>					<b>9,343</b>
20	Assume further 700 units can be secured				700
<b>Revised Total</b>					<b>10,043</b>

**Initial Portfolio:**  
2,965 units / [redacted] cost

**Secondary Portfolio:**  
6,378 units / [redacted] cost

**Annual Funding Commitment from LDA 2021+ (assuming 50% gearing):**  
[redacted]

- Phased delivery across projects but capex requirements in the region of [redacted] per annum from 2021 onwards
- NB: Scale of affordable delivery on these sites is highly dependent on access to some local authority land and significant Government supports including [redacted] providing land access, funding and accepting a measured risk appetite on Government balance sheet impact

[redacted] = Removed so as not to disadvantage the State / LDA, e.g. includes lands for which access is not yet agreed, cost estimates, etc.





# The long-term 150,000 target

## Main Points:

Focus on delivery structures for strategic areas in our main cities

LDA value add: Opening up State land, provision of affordable housing and finance solutions

# Delivery Target in Context

*If 150,000 units delivered directly:*

- **8,333 units** per annum (18 years)
- **27% of annual average long-term supply** of 30,996 units p.a. or 40% of current supply levels
- **>€50bn development cost**, approximately 1.5x size of NAMA in investment terms (albeit over 20 years)
- **c.37x primary portfolio**
- **Reality:** LDA will require to open up multiple large-scale strategic areas – using State land where possible – on a consistent basis.
- **LDA ROLE:**
  - Drive and vision for the areas
  - Consolidate state and private land ownerships
  - Affordable housing solutions
  - Deployment of solutions for critical enabling works – e.g. infrastructure
  - Crowd in investment

# European learnings for the LDA

- European evidence that the State playing a leading role in land assembly results in significantly expedited delivery
- European models include the following features:
  - Designation of specific areas for delivery
  - Land-pooling through joint ventures
  - Finance infrastructure, servicing through land value
  - State should look to take share in land value uplift, where possible
  - Mobilise public land where possible
  - CPO powers act as inducement to cooperate
- Model can work in Ireland
  - State involvement in land delivery, post zoning and planning, missing in Ireland but present in Europe
  - It is required. Probability of private sector land assembly at scale, akin to say Adamstown, extremely unlikely in the current market
  - Cherrywood SDZ / Dublin Docklands SDZ best examples
- All subject to LDA's role
  - Formal mandate (development agency via P&D Act)
  - LDA Bill (master-planning)
  - Leadership / initiative

## Example of how our approach can work



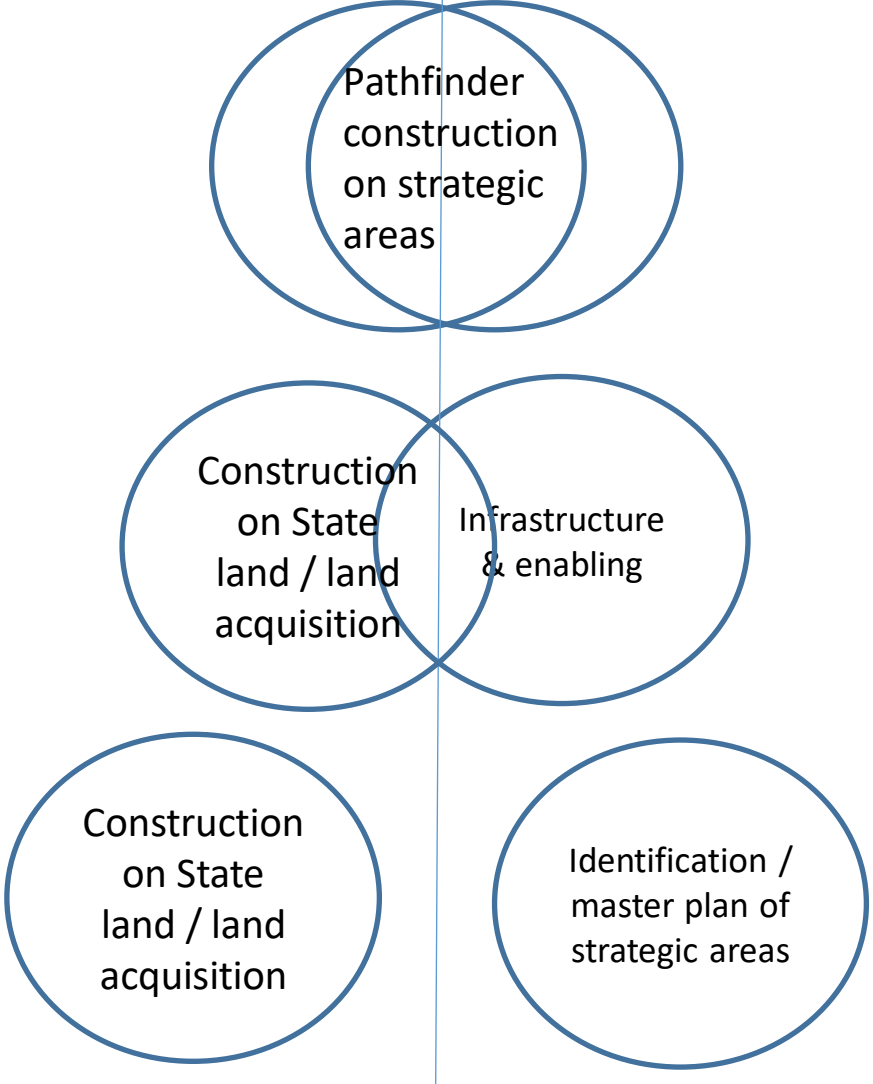
- LDA partnership with CIE/LCCCC/HSE
- Design review exercise live with marketing / implementation strategy to commence H2 2020
- Various other strategic area delivery plans possible:
  - Cork docklands (working with CCC on delivery plan)
  - Galway (GCC/ESB site)
  - Dublin sites in discussions

# How our activity might evolve



Development Funding /  
Capital Deployment

Strategic areas



**5+ Years:**  
Funding activity increasingly focussed on pathfinder ‘confidence bridging’ development on master-planned strategic areas as State land opportunities plateau

**3-5 Years:**  
Funding activity still focussed on delivering on State lands, but also on strategic area enablement

**0-3 Years:**  
Funding activity focussed on delivering on State lands, directly or through JV  
Strategic area activity focussed on identification and master-planning



# Summary

## LDA Mission

To make sustainable and compact development happen where and when it should be happening, through the economic and housing market cycles

Be a Disrupter of our Broken Land Market

Provide Better Housing Choices

STRATEGIC PILLARS

Activate State land for better uses

Acquire land in the right places at the right times

Become a Delivery Agency for large-scale strategic areas

Provide leadership for new affordable housing models

OBJECTIVES

High quality staff & expertise

Excellent Governance

Investment in research for evidence based decisions

STRATEGIC ENABLERS

# Key points

- LDA is established and fully operational (under S.I.)
- Significant early stage delivery potential - will also support long-term large-scale land area enablement

## *Near-term:*

- LDA is **uniquely positioned to catalyse and deliver new game-changing affordable homes options** to struggling mid-income people on State land. Why?
  1. **Access to land** for affordable housing from the State
  2. **Access to money** through its €1.25bn capital
- LDA could feasibly deliver a potential **10,000 cost/affordable rental homes** on State land in a 5-7 year period, if sufficient supports were received on finance and land access
- LDA could finance this efficiently from a combination of market and LDA sources
- The LDA can apply a **sustainable financial model** resilient to economic cycles and to crowd in other investment

## *Medium/Long-term:*

- Active land management: Active on a number of large-scale strategic areas to ensure long-term delivery – utilising State land
- Near-term delivery complementary to LDA's longer-term strategic area ambitions



*“Fixing markets isn’t enough. We have to actively shape and create them and tilt the playing field in the direction of the growth we want”*

Mariana Mazzucato