

## **Review of Achievement of Purposes of the LDA Act (Section 9): 1<sup>st</sup> Report**

### **Background to the Report**

As required by the Land Development Agency Act Section 9 (“the Act”), on behalf of the Land Development Agency (the “Agency”), this report sets out the progress made by the Agency towards achieving the purposes of the Act (the “Report”). The purposes of the Act are set out in Section 2 of the Act.

This is the first such Report and the LDA will issue subsequent Reports every five years or as required by the Minister for Housing, Local Government and Heritage (the “Minister”) from time to time, in line with the requirements of the Act.

This Report sets out the progress made by the Agency since its incorporation on 20<sup>th</sup> December 2021 and its commencement of operations on 31<sup>st</sup> March 2022 upon the transfer of the activities from the previous body established in 2018 and now dissolved.

### **Achievement of Purposes of the Act – General Overview**

2023 has been an important year for the Agency and this positive momentum will continue into the years ahead. To the end of 2023, the Agency has delivered over 1,000 new homes. This represents the commencement of a strong pipeline of delivery which is due to ramp up significantly.

In 2024, we will have around 5,000 additional homes delivered or under construction. In line with the 5-year Business Plan provided to you, this trajectory has positioned us to target the delivery of 14,000 homes by the end of 2028 since inception, with an ongoing run rate of at least 2,000 homes a year from then on.

The delivery to date and the target to the end of 2028 is based on the two primary delivery streams that the Agency is managing, which are:

- **Direct Delivery** on State sourced and other lands in the control of the Agency; and
- Delivery through partnerships with private sector house builders, through a programme known as ‘**Project Tosaigh**’.

This delivery is outlined in more detail below. It is subject to ongoing funding being made available.

In addition, as required by the Act, the Agency has delivered two major land management tools for the State:

- a **Register of Relevant Public Lands**, which was published on 1 December 2022; and
- a **Report on Relevant Public Land**, which is the first ever comprehensive assessment of land owned by state bodies. It has assessed the suitability of such lands for housing delivery. The Report on Relevant Public Land was sent for consideration by Government in March 2023.

## **1. Direct Delivery**

Direct delivery by the LDA comprises the appointment of builders to build homes on lands acquired from the State or market sources. These housing developments, the design of which is generally overseen by the LDA, are also put through the planning process by the Agency.

This activity is a core purpose of the LDA and it contributes towards the achievement of the majority of the purposes under the Act.

Using this delivery stream, the LDA has made considerable progress. The Agency is on track to be one of, if not the largest housing producers in Ireland within the timeframe of its 2024-2028 business plan.

At present, our direct delivery pipeline involves over 10,000 homes with developments at various stages from design to nearing completion with more being added as new lands become available or are acquired by us. We have made major progress in bringing schemes through planning and around 6,000 of these homes now have planning permission.

Our housing pipeline will continue to be added to in 2024 and this allows us to project the direct delivery of around 6,000 homes in the years to the end of 2028, representing about 40% of our overall delivery in this period.

The LDA's first direct delivery homes are nearing completion and will be made available in Shanganagh in Dublin in 2024. Construction is also underway at the site of the former St Kevin's Hospital in Cork City, where we are building more than 260 homes, and Devoy Barracks in Naas in Kildare, where work has begun on 219 homes. Further directly controlled sites will be under construction in 2024, and this number will grow as new sites are ready for construction.

## **2. Project Tosaigh - Partnership Delivery**

Project Tosaigh is our second major delivery channel and involves the LDA partnering with house builders to ensure the delivery of stalled or unviable housing developments and then making the homes available through cost rental or affordable purchase schemes. This delivery mechanism is critical to keep industry output going at a time when private 'build-to-rent' schemes have fallen away and developers are experiencing difficulties accessing finance.

This delivery channel addresses a number of the LDA's purposes under the Act that cannot be solely addressed by the development of public lands alone, most particularly Sections 2(a) and 2(p) which mandate the taking of urgent measures to increase the supply of social and affordable housing and establishing mechanisms between public and private bodies to develop public and private lands.

Without this State intervention, many of the housing developments currently controlled by the private sector, particularly apartment developments, would not otherwise be delivered. Project Tosaigh also expedites overall LDA delivery while our direct delivery stream is ramped up.

Through this initiative, we are now targeting the delivery of 8,000 homes over the course of 2024-2028 with a firm pipeline of at least 2,500 already delivered, contracted or in advanced negotiations. About 1,000 of these have been built by the end of 2023.

**Appendix 1** of this report sets out how the LDA has made significant progress towards achieving the specific purposes as set out in the Act, along with highlighting further opportunities to enhance progress in the months and years ahead. In further appendices, more detailed information is provided on the many housing delivery projects being advanced by the LDA.

**Land Development Agency**

**29<sup>th</sup> March 2024**

## Appendix 1: Achievement of Purposes of the Act – Specifically reconciled to Section 2 of the LDA Act

The following schedule sets out how the LDA has made progress regarding progress towards achieving the purposes of the Act:

<b><i>Purpose of the Act (Grouped for similar characteristics)</i></b>	<b><i>Review Observations and Comments</i></b>
<p>(a) To enable urgent measures to be taken to increase the supply of housing in the State and in particular affordable and social housing</p> <p>(e) to develop and regenerate relevant public land for the purposes of the delivery of housing</p> <p>(f) to combat the long-term housing shortage and to increase access to housing in the State</p> <p>(l) to assist in the development of a sufficient supply of housing available for rent and purchase in the State at an affordable price</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• Commenced a strong pipeline of housing delivery through the LDA’s two main delivery streams;</li> <li>• Expedited delivery quicker than would be possible from State lands by utilising lands under the control of the private sector through ‘Project Tosaigh’;</li> <li>• Accessed land, obtained planning permissions and commenced construction on various State-owned lands for the delivery of affordable and social housing;</li> <li>• Acquired land in the market for the delivery of affordable and social housing;</li> <li>• Central delivery partner to the State for the main affordable housing tenure, Cost Rental;</li> <li>• Made homes available at affordable levels to purchasers, with more in due to be delivered in the years ahead;</li> <li>• Entered commercial transactions with private sector house builders for the delivery of affordable and social housing.</li> </ul>
<p>(b) to ensure that public land which is not being utilised or is under-utilised is made available for housing in the State</p> <p>(j) to correct any imbalance between the supply of housing and demand for it through the use of available relevant public land, not required for other purposes, for the purpose of housing</p> <p>(k) to support the consolidation and provision of publicly owned land for development and to expedite the most efficient use of such land</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• Published the first ever detailed assessment of land owned by State bodies (i.e. the Report) and assessed its suitability for housing delivery;</li> <li>• Engaged with and challenged all state landowners with a view to obtaining access to land for the delivery of housing;</li> <li>• Entered commercial arrangements with state land owning bodies to obtain planning permissions and construction starts on public lands.</li> <li>• Consolidated multiple State land ownerships through the creation and publication of masterplans for large-scale strategic areas;</li> </ul> <p><u>Impediments to progress:</u></p> <ul style="list-style-type: none"> <li>• It should be noted that the LDA has no powers to compel landowning bodies to transfer lands to the LDA. The Minister may, subject to certain conditions, transfer land by order from certain State bodies, generally non-commercial bodies which are outlined in Schedule 1 of the LDA Act.</li> </ul>

<p>(m) to increase the supply of housing while maintaining balanced land use</p>	<ul style="list-style-type: none"> <li>• Further, the LDA is not empowered to negotiate on the price paid for land to state bodies, which is set through the LDA Act at existing use values. This puts the commercial mandate of certain state bodies and their board in conflict with the LDA's mandate and results in a stalemate in certain situations.</li> <li>• The Government may consider a combination of increased CPO powers for the LDA in relation to state owned lands and flexibility to negotiate with land owning bodies on pricing to consider genuine costs of state bodies including costs related to relocating existing operations.</li> <li>• This would likely result in more housing development on state lands and more expeditious access to state lands.</li> </ul>
<p>(c) to counteract segregation in housing between persons of different social background (n) to facilitate measures designed to achieve socially integrated housing</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has obtained planning consents and commenced construction on housing projects in locations which hitherto were dominated by higher income households;</li> <li>• The LDA is required to deliver 100% affordable and social homes in Dublin and Cork, its two largest markets. It is delivering a number of schemes to this composition;</li> <li>• The LDA has ensured a mix of affordable for sale, cost rental and social homes at its projects.</li> </ul> <p><u>Impediments to progress:</u></p> <ul style="list-style-type: none"> <li>• Flexibility on cost rental allocation to include apartment sharing where appropriate.</li> </ul>
<p>(d) to enable the sustainable development of new and regenerated communities well-served by schools, infrastructure that promotes and facilitates cycling or walking, public transport and public amenities</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA's projects are located close to transport infrastructure and community facilities;</li> <li>• The LDA incorporates amenity and facilities such as play areas, crèches, shops and open amenity space in its projects.</li> </ul>
<p>(g) to address deficiencies in the housing market and to alleviate the shortage of land available for housing in circumstances where that market is experiencing a systemic housing shortage</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has intervened in apartment delivery where private sector investment has ceased by entering commercial arrangements with house builders to provide such apartments as social and affordable homes;</li> <li>• The LDA has acquired dormant land with planning consents and is in the process of appointing building contractors to develop homes on said land;</li> <li>• The LDA has released land to building contractors and developers for the purposes of delivering affordable and social housing.</li> </ul>

	<p><u>Impediments to progress:</u></p> <ul style="list-style-type: none"> <li>• The LDA could be specifically mandated to acquire large scale housing development land in the market subject to value for money being achieved, particularly at times where there is a softening in land prices.</li> </ul>
(h) to address the demand for housing arising from population growth and demographic change,	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA is focusing on apartments which tend to be for smaller household sizes. This is in line with population growth and demographic changes. It also counters the current unnaturally large average household size.</li> <li>• General points above and below.</li> </ul>
(i) to promote best practice in housing development, including best environmental practice, innovative construction methods and climate adaptive housing including in complex development sites,	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has supported innovative construction methods such as offsite concrete panels, timber framed housing and other forms of innovative construction methods;</li> <li>• The LDA has developed Europe’s largest passive house project (Shanganagh in South Dublin);</li> <li>• The LDA has standardized its apartment designs, resulting in greater cost and energy efficiency;</li> <li>• The LDA has developed its own sustainability strategy which will be a market leading approach towards sustainable development.</li> </ul>

<p>(o) to assist local authorities in the performance of their functions relating to housing by enabling provision of services to them by the Agency</p> <p>(q) to establish a Land Development Agency to ensure that, in the performance of functions conferred on the Agency— (i) economies of scale and efficiencies are achieved through a single entity providing services such as the preparation of masterplans and design and project management, and (ii) opportunities can be taken for efficient development of contiguous tracts of relevant public land</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has entered multiple housing development partnerships with local authorities to develop housing on local authority owned land.</li> <li>• The LDA actively promotes and markets its services to local authorities through structured engagements.</li> <li>• The LDA is involved in a number of large-scale strategic area regeneration projects in partnership with local authorities.</li> </ul>
<p>(p) to establish appropriate mechanisms and collaborative structures between public and private bodies to develop relevant public land, land owned by the Agency and land that is privately owned that is identified as suitable for the strategic and timely delivery of housing</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has established a housebuilding partnership framework with private sector house builders known as ‘Project Tosaigh’, which facilitates private bodies developing public land and private land being delivered as affordable and social housing. This is a unique and large-scale project.</li> </ul>
<p>(r) to enable the Agency to engage in commercial activities consistent with this Act, including by generating funding required to enable it to perform its functions, in order to achieve the purposes specified in this section</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA has been sufficiently funded by its Ministerial shareholders for the performance of its functions to date;</li> <li>• The LDA has had no borrowing requirement to date in light of the equity funding provided by Ministerial shareholders and conditions in debt markets.</li> </ul> <p><u>Impediments to progress:</u></p> <ul style="list-style-type: none"> <li>• The LDA’s current business plan for 2024-2028 is not fully funded. An increased capital allocation to the LDA could help ensure the delivery of the business plan.</li> </ul>

	<ul style="list-style-type: none"> <li>• Of the recent funding increase permitted by the amendment to the LDA Act, €1.25bn of this is to be sourced from ISIF, which is contingent on the disposal of a directed investment by ISIF. Up to an additional €1.25bn is permitted to be raised, by the performance of certain functions of the Agency and/or through affordable housing activities, however the specific sources of such funding have not yet been identified. The LDA will likely require confirmation of the entire increased equity funding permitted by the LDA Act within the next 12-18 months.</li> </ul>
<p>(s) to achieve the best possible social and economic return, consistent with the purposes of this Act, from the use of relevant public land under and in accordance with this Act.</p>	<p><u>Progress indicators:</u></p> <ul style="list-style-type: none"> <li>• The LDA delivers 100% social and affordable housing on its schemes in a business like and financially sustainable manner, generating a positive social and economic return for the state.</li> </ul> <p><u>Impediments to progress:</u></p> <ul style="list-style-type: none"> <li>• The Secure Tenancies Affordable Rental (STAR) scheme is critical to the sustainability of the LDA’s cost rental model. The current amount allocated for STAR is not sufficient to support the entire of the LDA’s business plan.</li> <li>• STAR allocation quantum effectively sets the cost rent at a discount to new open market rents rather than average market rents. Greater allocation of STAR per project could bring the cost rent lower and enhance affordability.</li> </ul>



## Appendix 2: State Lands Housing Projects being advanced by the LDA

Development Projects		Homes (est.)	Design / Pre-App	Lodge Planning	Planning Decision	Construction Start	First Homes Delivered
1	Shanganagh, Shankill, Co. Dublin	597	Completed	Completed	Completed	Completed	Q3 2024
2	St. Kevin's Hospital, Cork	265	Completed	Completed	Completed	Completed	Q2 2025
3	Devoy Barracks, Naas, Co. Kildare	219	Completed	Completed	Completed	Completed	Q2 2025
4	Hacketstown, Skerries, Co. Dublin	345	Completed	Completed	Completed	Q2 2024	TBC
5	Castlelands, Balbriggan, Co. Dublin	817	Completed	Completed	Completed	Q2 2024 (Infra works)	TBC
6	Dundrum CMH, Co. Dublin	852	Completed	Completed	Completed	TBC (JR)	TBC
7	St. Teresa's Gardens, Co. Dublin	543	Completed	Completed	Completed	TBC – est. 2024	TBC
8	Clongriffin – Initial Phase (5&6)	408	In Progress	Completed	Completed	TBC – est. 2024	TBC
9	Cherry Orchard, Co. Dublin	708	In Progress	Completed	TBC	TBC	TBC
10	Cromcastle, Coolock, Co. Dublin	143	In Progress	Completed	Completed	TBC – est. 2024	TBC
11	Dyke Road, Galway	200	In Progress	TBC	TBC	TBC	TBC
12	Digital Hub, Co. Dublin	550	In Progress	TBC	TBC	TBC	TBC
13	Kinsealy, Co. Dublin	185	In Progress	TBC	TBC	TBC	TBC
14	Bluebell, Co. Dublin	410	In Progress	TBC	TBC	TBC	TBC
15	ESB Wilton Cork	350	In Progress	TBC	TBC	TBC	TBC

### Appendix 3: Project Tosaigh Housing Projects being advanced by the LDA

	Project / Location	County Council	Typology	Tenure	Status	Total Homes
1	Hansfield, Dublin	Fingal County Council	Apartment	Cost Rental	Contracted	247
2	Clonmore, Mallow, Cork	Cork County Council	Houses	Affordable Sale	Contracted	95
3	Kilbarry, Waterford	Waterford County Council	Houses	Affordable Sale	Contracted	92
4	Delgany, Wicklow	Wicklow County Council	Mix	Cost Rental	Contracted	142
5	Citywest, Dublin	South Dublin County Council	Houses	Cost Rental	Contracted	95
6	Citywest, Dublin	South Dublin County Council	Apartment	Cost Rental	Contracted	236
7	Citywest, Dublin	South Dublin County Council	Apartment	Social	Contracted	133
8	Leixlip, Co Kildare	Kildare County Council	Apartment	Cost Rental	Contracted	73
9	Castletroy, Limerick	Limerick City Council	Apartment	Cost Rental	Contract pending	81
10	Cookstown, Tallaght	South Dublin County Council	Apartment	Cost Rental	Contracted	204
11	Dun Óir, Kiltarnan	Dun Laoghaire Rathdown County Council	Apartment	Cost Rental	Contracted	86
12	Hollystown, Dublin	Fingal County Council	Houses	Cost Rental	Contracted	69
13	Navan, Co Meath	Meath County Council	Houses	Affordable Sale	Contracted	50
14	Adamstown, Lucan	South Dublin County Council	Apartments	Cost Rental	Contract pending	392
15	Parkside	Dublin City Council	Apartments	Cost Rental	Contract pending	204
16	Horgan's Quay	Cork City Council	Apartments	Cost Rental	Contract pending	302
	<b>TOTAL</b>					<b>2,501</b>

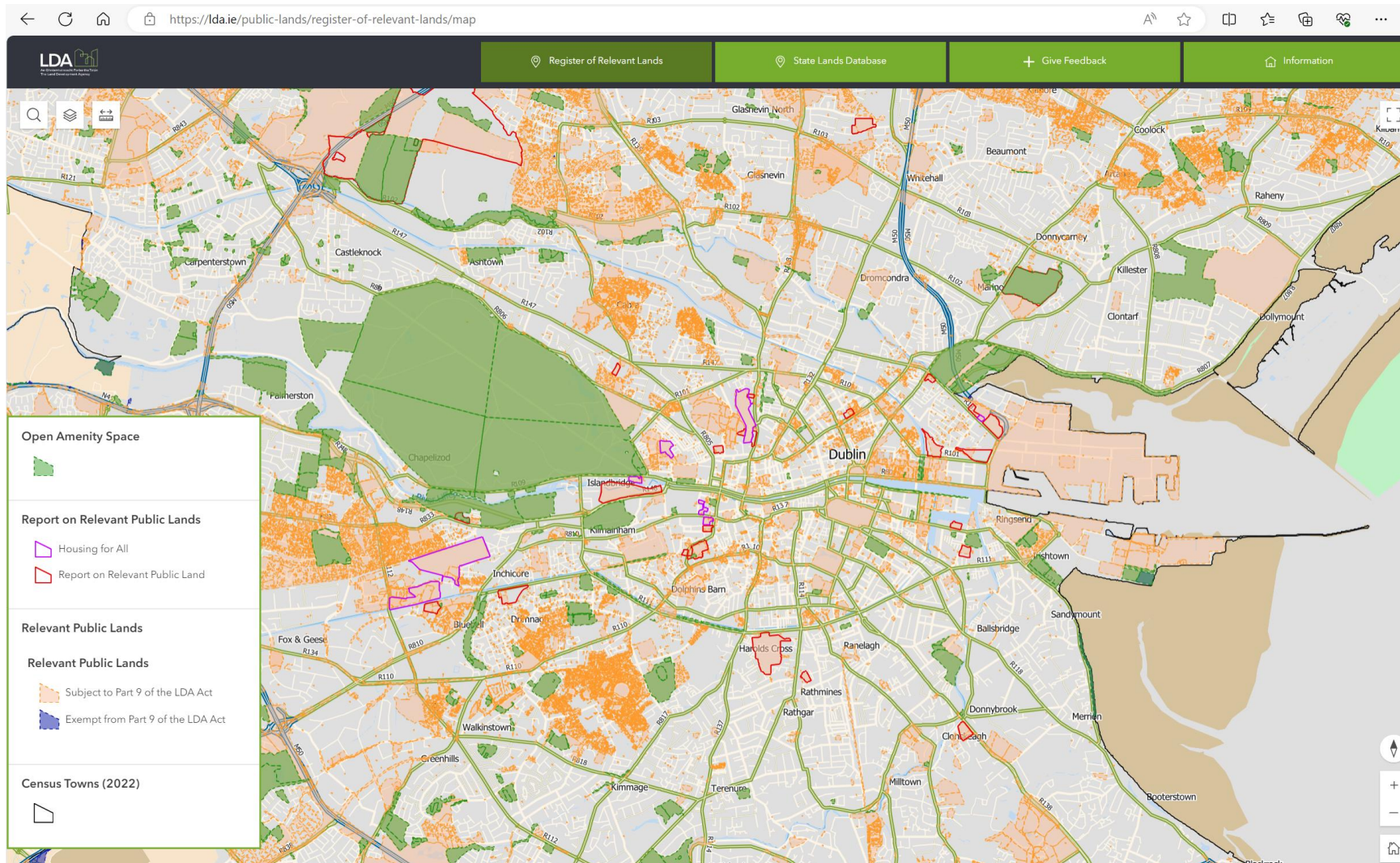
*Note: All projects commercially agreed. Some projects are subject to contract and minor variations to final numbers.*

## Appendix 4: Large-scale longer-term strategic areas being advanced by the LDA

Strategic Areas		Description	Potential Capacity	Status
1	Colbert Quarter, Limerick	An area covering 69 ha in the centre of Limerick City around the train station with mix of existing operational uses. Significant opportunity to regenerate strategically located and underutilised public land for housing, office/research, local scale retail and community uses.	ca. 2,800 homes	Spatial Framework approved. Governance to support implementation established. Site-wide Infrastructure Development and Delivery Plan (IDDP), together with Masterplan for HSE Lands developed. HSE lands advancing to design and planning application for c. 500 homes and Carey's Road for c. 300 homes.  <a href="http://www.colbertquarter.ie">www.colbertquarter.ie</a>
2	Digital Hub, Dublin 8	ca. 3.7 ha site in Dublin 8. Opportunity to transform this currently underutilised area into a residential-led mixed use development incorporating the adaptive re-use of heritage structures	ca. 550 homes	Draft Masterplan has been consulted on and finalised. Due diligence on DHDA lands for transfer is ongoing. Design team appointed to bring forward first planning applications.  <a href="http://www.peartreecrossing.ie">www.peartreecrossing.ie</a>
3	Sandy Road, Galway	ca. 8.6 ha site in Galway City with opportunity for housing and landscape-led, new and mixed-use urban community redevelopment	ca. 750 homes	Spatial Framework Masterplan public consultation now complete. Advancing towards first planning applications on site.  <a href="http://www.thesandyquarter.ie">www.thesandyquarter.ie</a>
4	Inchicore, Dublin 8	ca. 45 ha combined CIE, ESB and OPW lands. Complex area with ongoing operational requirements. Potential for transformative transport-oriented regeneration and scope as potential Urban Development Zone (UDZ).	TBC	Extensive technical due diligence and feasibility underway determining potential for the area, including contamination, assessment of heritage and ecological constraints together. Infrastructure and Planning Framework procurement underway.

## Appendix 5: Register of Relevant Public Lands

The Register of Relevant Lands is published on the LDA website, showing all Relevant Public Lands as per Section 50 of the LDA Act 2021, and where Part 9 legislation applies (the affordability requirements on Relevant Public Lands) to future residential development.



## Appendix 6: Report on Relevant Public Lands

- A Report on Relevant Public Land was submitted to Government in March 2023.
- The Report, which is the first-of-its-kind, is designed to serve as a strategic and on-going process to assess the potential of underutilised state-owned lands and to support building a pipeline of potential land for the provision of affordable housing into the future.
- This first report identifies 83 parcels of land and assesses them as having the potential to deliver up to 67,000 new affordable homes over the medium to long term. The Report is being considered by Government who have been engaging with the landowning bodies regarding lands identified.
- Work is underway on the remaining settlements over 10,000 population and on new settlements identified in Census 2022. Next report is due in March 2025.

