

Queensland Community Housing Investment Pipeline (Q-CHIP)

Market Invitation



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Acronyms

СНР	Community Housing Provider
DP	Detailed Proposal
EOI	Expression of Interest
NRSCH	National Regulatory System for Community Housing
Q-CHIP	Queensland Community Housing Investment Pipeline
QHIP	Queensland Housing Investment Pipeline
QSRSCH	Queensland State Regulatory System for Community Housing
SDA	Specialist Disability Accommodation

Introduction

The Queensland Government is committed to delivering 53,500 social and community homes by 2044 as part of the Queensland Housing Investment Pipeline (QHIP).

This market process, the Queensland Community Housing Investment Pipeline (Q-CHIP), seeks proposals to build and grow community housing in partnership with the Community Housing Provider (CHP) sector as part of the broader QHIP commitment.

The Q-CHIP is an always open front door that allows CHPs (with their partners) to submit projects directly to the department for consideration, as and when opportunities present themselves.

It offers funding support to encourage CHPs to partner with developers, builders, local governments, institutional investors and superannuation funds to deliver more community housing across Queensland.

The Q-CHIP is prioritising the delivery of social housing outcomes. Consideration will be given to providing funding support for affordable housing outcomes in circumstances where it can be demonstrated that the inclusion of affordable housing:

- enables greater density: delivering mixed-income tenancies can support the project to deliver
 a greater number of homes (and therefore, an increased number of social homes) and
 positively supports the social cohesion and impact of a project on its tenants, or the
 surrounding communities
- reduces social housing demand: the inclusion of affordable housing in the project will have a
 demonstrable positive impact on the demand for social housing in the region of the project

New construction projects and turnkey acquisitions can be submitted for consideration through the Q-CHIP.

The agility and flexibility of this always open process is essential to building a sustainable pipeline of projects that can support the successful delivery of the 53,500 social and community homes target.

Community housing

The Q-CHIP aims to tackle the challenge of increased demand for social and community housing across the State through increased supply.

Funding support is available for all community housing outcomes that will be owned and managed by a CHP.

To maximise the level of supply that can be delivered through the Q-CHIP, it is expected that CHPs have sought to:

- leverage other funding sources (where applicable), and
- maximise their co-contribution towards total project costs.

Projects can incorporate other forms of housing (for example, market sales, private housing, specialist disability accommodation (SDA) or student accommodation) or other non-housing components (such as office accommodation, outreach services or commercial/retail space) but these products must be wholly funded by the CHP.

Process

The phases of the Q-CHIP process are:



Figure 1 summarises how a proposal is expected to develop across the Q-CHIP phases.

Figure 1: Proposal progression

PRE-SUBMISSION DISCUSSION Proponents have: - identified the site - a project concept (product, cohort) - initiated landowner discussions EXPRESSION OF INTEREST Proponents have: - pathway to site tenure - QS cost estimate, concept design, planning advice, construction timing DETAILED PROPOSAL Proponents have: - site optioned or secured - builder quotes, detailed design, planning approval, financing support

1. Pre-Submission Discussions

A Pre-Submission Discussion will occur as a meeting between the Department and the CHP to explore whether the proposal has the potential to meet the evaluation criteria, the Department's priorities and highlight key areas of proposal development required before an Expression of Interest is submitted.

To be ready for a Pre-Submission Discussion, CHPs should have:

- identified a site, and
- developed a project concept, and
- initiated discussions with the existing landowner.

To initiate a Pre-Submission Discussion, a CHP must submit a <u>Pre-Submission form</u> through the online web-form at https://www.housing.qld.gov.au/initiatives/qld-community-housing-investment-pipeline. The Department will then be in touch to discuss next steps.

2. Expression of Interest and notification of outcome

Once a proposal has been sufficiently progressed to enable further State consideration, CHPs will be invited to complete and submit an Expression of Interest Form.

An Expression of Interest should include:

- a described and achievable pathway to securing tenure over the site
- · a concept design of the proposed project
- a statement identifying how the proposal responds to local housing needs
- a preliminary cost estimate (including supporting Quantity Surveyor advice and/or preliminary builders estimate)
- an identified planning pathway (including supporting town planning advice where relevant)
- a high-level programme outlining when construction is proposed to start and finish.

As part of the EOI submission, Proponents will also be required to:

- accept the Terms and Conditions of the EOI Phase, and
- · complete a conflict-of-interest declaration, and
- complete an Ethical Supplier Compliance declaration.

The Department will consider the proposal and determine whether the evaluation criteria have been met and the proposal aligns with the Department's priorities. The CHP will be notified of the outcome of the assessment. If a proposal is progressed to the Detailed Proposal phase, this notification will also include advice on the key focus areas for progression before a Detailed Proposal is lodged.

The Expression of Interest Form is to be submitted via the Ansarada platform. Proponents invited to submit an EOI will be given an Ansarada link.

3. Detailed Proposal and notification of outcome

A Probity and Process Deed Poll ('Deed Poll') will be executed by participating CHPs and will govern each parties' obligations as the proposal progresses to the Detailed Proposal phase. In particular, the Deed Poll will confirm the key milestones the CHP is committed to working towards to develop the project, as well as standard terms related to proposal development costs, transparency in dealings and confidentiality.

The Department will invite the CHP to participate in a series of interactive workshops as part of the Detailed Proposal phase. These will focus on the key areas of the project that should be progressed before a Detailed Proposal is submitted. Example workshop themes include: design development, cost estimation, town planning, State's commercial principles/contract terms, and operating strategy.

Draft Project Agreements will be released to CHPs for consideration once proposals are invited to progress to the Detailed Proposal phase. A Detailed Proposal should include:

- · evidence that a site has been secured or optioned
- a detailed design of the proposed project and alignment with minimum design requirements
- · a statement identifying how the proposal responds local housing needs
- a detailed cost estimate (including supporting evidence in the form of builders' quotes and Quantity Surveyor advice)
- planning approval
- · secured financing or demonstrated financier support
- demonstrated organisational and financial capacity to deliver the project
- a detailed programme confirming when construction will start and finish.

The Detailed Proposal allows a CHP to demonstrate the extent to which:

- a project has progressed since the Expression of Interest was submitted
- the project satisfies the Evaluation Criteria

the project aligns with the Department's priorities.

The Department will decide whether or not to progress a proposal to contract negotiations with a view to entering into Project Agreements for the delivery of the project (if contract terms can be agreed). The Detailed Proposal Form is to be submitted via Ansarada.

Mandatory criteria

- Applicants must be a registered CHP, be in the process of registering as a CHP, or partnering
 with a registered CHP (noting the department will only enter into funding arrangements with
 CHPs, including special purpose vehicles registered with a charitable intent)
- 2. The project must prioritise social housing for eligible households on the Housing Register.
- 3. Applicants must complete and sign the Ethical Supplier Threshold form and agree to the Terms and Conditions as outlined in the Expression of Interest Form.

Evaluation criteria

Evaluation Criteria 1: Tenure and suitability

Demonstrate ownership, or a pathway to ownership or exclusive control, of the proposed site Demonstrate the suitability of the site, detailing key project features and risks

Evaluation Criteria 2: Housing solution

Substantiate how the project responds to a demonstrated need with a suitable housing solution

Evaluation Criteria 3: Value for money

Submit the projects' financial metrics including total development costs and State support requirements

Evaluation Criteria 4: Development readiness

Demonstrate that the project can be delivered in a timely manner

Evaluation Criteria 5: Capability and capacity

Demonstrate experience delivering, operating and financing (if applicable) similar sized projects

These criteria are set at a program level, with detail and maturity of responses expected to increase through the Pre-Submission, Expression of Interest and Detailed Proposal phases.

Relevant Policies

The following policies will apply to projects delivered under the Q-CHIP, noting these policies may change over time and additional policies may be applicable in the future:

- Social Housing Eligibility Criteria
- Community Housing Rent Policy
- Allocations Policy for Funded Social Housing Providers
- Social Housing Program Specifications
- Social Housing Design Guidelines
- Allowable Expenditure Policy

The department is seeking to support projects with increased accessibility, with 50 per cent of all new dwellings to be delivered across Q-CHIP to be built to a gold level, with platinum level applied in response to identified client need.

Definitions

The following definitions apply in relation to the Q-CHIP:

Term	Definition	
Affordable housing	Housing for low to moderate income households that struggle to afford market rents but may not qualify for social housing.	
Community housing	Community Housing means the provision of a community housing service.	
	Community Housing Service is as defined under the Housing Act 2003.	
Community housing provider	Registered under the National Regulatory System for Community Housing (NRSCH) or the Queensland State Regulatory System for Community Housing (QSRSCH).	
Community Housing Provider	Community Housing Provider means an entity providing or required to provide housing services using funds provided by the department.	
Community Housing Service	A community housing service is a social housing service that is not public housing. As defined under the <i>Housing Act 2003</i> .	
Registered Provider	Registered Provider means each of the following: a national provider; a state provider. As defined under the Housing Act 2003.	
Social housing	Social housing means the provision of a social housing service to an individual for residential use, other than crisis accommodation. Social Housing Service is as defined under the <i>Housing Act</i> 2003.	

Updates to Market Invite

This Market Invite will be reviewed/amended over time to ensure the Q-CHIP continues to respond effectively to the Queensland Government's priorities and CHPs have access to information that helps inform decision-making and the development of proposals.

Contact us

Contact us via QCHIP@housing.qld.gov.au.

Appendix 1 – Pre-Submission Discussion Form

A Pre-Submission Discussion is a meeting held between the Department and a Community Housing Provider (CHP) prior to the formal submission of an Expression of Interest or a Detailed Proposal. The primary purpose of the Pre-Submission Discussion is to explore whether the proposal is likely to meet the evaluation criteria, discuss strategic alignment with the Department's priorities and provide preliminary feedback to assist Proponents in preparing more relevant and comprehensive proposals.

Only representatives from the CHP's organisation are to attend the Pre-Submission Discussion. Confidentiality of commercial sensitive information will be maintained at all times.

This Pre-Submission Discussion is conducted on a non-reliance basis and does not imply any commitment to a successful proposal outcome.

A Pre-Submission Discussion with the Department can be requested through the online webform at https://www.housing.qld.gov.au/initiatives/qld-community-housing-investment-pipeline.

1. Proponent Details	
Community Housing Provider Name	
NRSCH/QSRSCH status	Choose an item
Tier	Choose an item
Contact Name	
Phone	
Email	
2. Site Details	
Street address	e.g. 1 William St, Brisbane City, QLD, 4000
Sireet address	(All property must be in Queensland)
Lot and plan number	e.g. Lot 1, SP123456
Brief description of the site, including	Description should include current site tenure, zoning
ownership	and use. Initial planning advice should be provided.

	If site is not owned, a brief description of the pathway to securing site tenure should be provided. Discussions with site owner must have been initiated.	
3. Project Details		
	Social:	
Number of social, affordable, other dwellings	Affordable:	
	Other:	
Justification for inclusion of affordable housing (where applicable)	i.e. description of how affordable housing enables the project to achieve greater density/reduces social housing demand	
Product type	e.g. detached dwellings, duplexes, 3 storey unit block etc.	
Brief description of the project	max 250 words	
Target cohort (if applicable)	e.g. seniors, unemployed young people, women and children escaping domestic and family violence etc.	
4. High Level Cost Estimate		
Total Development Costs	\$XM	
State support request	\$XM	
CHP co-contribution	\$XM	
Nature of CHP contribution	[Land value, cash, surplus or financing]	

5. Approximate Timing	
Construction commencement	MM, YYYY
Construction completion	MM, YYYY

Appendix 2 – Expression of Interest Form

Instructions

Proponents can only complete an Expression of Interest Form when invited by the Department to do so.

Proponents must complete all sections of the Expression of Interest Form unless it states 'where applicable'.

When completing the Expression of Interest Form, please provide responses in the right hand column.

Expression of Interest Forms must be submitted in Microsoft Word.

Each attachment, appendix or other supporting document must be submitted individually in its own file, in either Microsoft Word or in a word-searchable PDF. Only provide attachments, appendices or supporting documents that are requested by the Expression of Interest Form.

All attachments, appendices or other supporting documents must have the following naming convention:

"Attachment 4.1_Town Planning Advice"

"Attachment 5.1_Concept Designs"

As part of the EOI submission, Proponents will also be required to:

- accept the Terms and Conditions of this Market Invitation, and
- · complete a conflict-of-interest declaration; and
- complete an Ethical Supplier Compliance declaration.

1. Proponent Details		
Community Housing Provider Name		
NRSCH/QSRSCH status	Choose an item	
Tier	Choose an item	
Consortium member details	Applicable for CHPs intending to register a special purpose vehicle with a charitable intent	
Contact Name		
Phone		
Email		
2. Site Details		
Street address	e.g. 1 William St, Brisbane City, QLD, 4000	
Street address	(All property must be in Queensland)	
Lot and plan number	e.g. Lot 1, SP123456 – if project site is not yet created please include current lot description and	
	plan of proposed future lot(s) identifying the site location and area	

3. Project Details			
Social, affordable, other dwellings planned	Туре	No.	<u>Configuration</u>
	Social:	10	5 x 1-bed 5 x 2-bed
	Affordable:	5	2 x 1-bed 3 x 2-bed
	Other:	2	2 x 1-bed
Product type	e.g. detached dwellings, duplexes, 3 storey unit block etc.		
Description of the project	max 500 words		
Justification for inclusion of affordable housing (where applicable)	i.e. description of how affordable housing enables the project to achieve greater density/reduces social housing demand		
Target cohort (where applicable)	e.g. seniors, unemployed young people, women and children escaping domestic and family violence etc.		

4. Tenure and suitability	
Provide a summary statement confirming the current ownership/control status of the site.	
If the site is owned, submit evidence to substantiate this (i.e. copy of title registry search, current rates notice).	[Proponent to complete]
If site is not owned, detail the pathway to securing tenure.	Supporting documentation attached: [Proponent to complete: Yes/No and provide attachment name and number]
Please include any supporting documents that demonstrate there is an exclusive arrangement to acquire the site from the existing owner.	
Provide a summary statement confirming the current zoning and use of the site.	[Proponent to complete]

If a development/building approval that supports the proposed project outcome has been obtained, submit evidence to substantiate this.

Where a Development Approval has not been obtained, provide a description of the planning approval pathway being pursued.

Identify any key barriers to development.

Please include:

- any supporting town planning advice that may be available
- any due diligence that has been completed on the site (geotechnical, environmental reports etc.).

Supporting documentation attached:

[Proponent to complete: Yes/No and provide attachment name and number]

5. Housing solution

Provide a statement that substantiates how the project responds to a demonstrated need with a suitable housing solution.

Elements of this statement should include:

- how the dwellings proposed will cater to the target cohorts' needs (where applicable)
- what specific complementary support services are available close by, or as part of, the project
- the development's connectedness to local amenities.
- the development's proximity to other community housing and how this might impact tenant outcomes

Please include:

 any concept or schematic plans that may be available. [Proponent to complete]

Supporting documentation attached:

[Proponent to complete: Yes/No and provide attachment name and number]

Outline any design specifications or standards that have informed the design brief (noting that social dwellings must conform with the Social Housing Design Guidelines).	[Proponent to complete] Supporting documentation attached: [Proponent to complete: Yes/No and provide attachment is	name and number]
6. Value for money		
Description of commercial model		
	Land value/cost	[\$X.XM]
Submit a high-level summary of the projects' financial metrics.	Construction cost	[\$X.XM]
Please include:	Total development cost	[\$X.XM]
any market valuation undertaken on the siteany assessments undertaken by a Quantity	Total per unit cost	[\$X.XM]
Surveyor (QS) on the estimated project costsany preliminary builders estimate that has	CHP co-contribution	[\$X.XM]
been provided.	Nature of CHP co-contribution	[e.g. land value, cash, surplus or financing]

	State support request, including type of support	[\$X.XM]
7. Development readiness		
Submit a summary table confirming key milestones	<u>Milestone</u>	Estimated Date
	Contract execution	MM, YYYY
	Planning approval	MM, YYYY
	Commence construction	MM, YYYY
	Complete construction	MM, YYYY
	Tenant ready	MM, YYYY

For turnkey solutions, describe progress to date agreeing key commercial terms with a builder/developer.	[Proponent to complete if proposing a turnkey solution] Supporting documentation attached: [Proponent to complete: Yes/No and provide attachment name and number]
8. Capability and capacity	
Outline the proposed resourcing structure for the delivery of this project including availability and capability of proposed resources	[Proponent to complete]

Provide the curriculum vitae (CV) for proposed key resources	Proposed Bid Lead	[Proponent to complete: Name] CV attached: [Proponent to complete: Yes/No and provide attachment name and number]
	Proposed Development Manager	[Proponent to complete: Name] CV attached: [Proponent to complete: Yes/No and provide attachment name and number]
	Any other key resources proposed	[Proponent to complete: Name] CV attached: [Proponent to complete: Yes/No and provide attachment name and number]