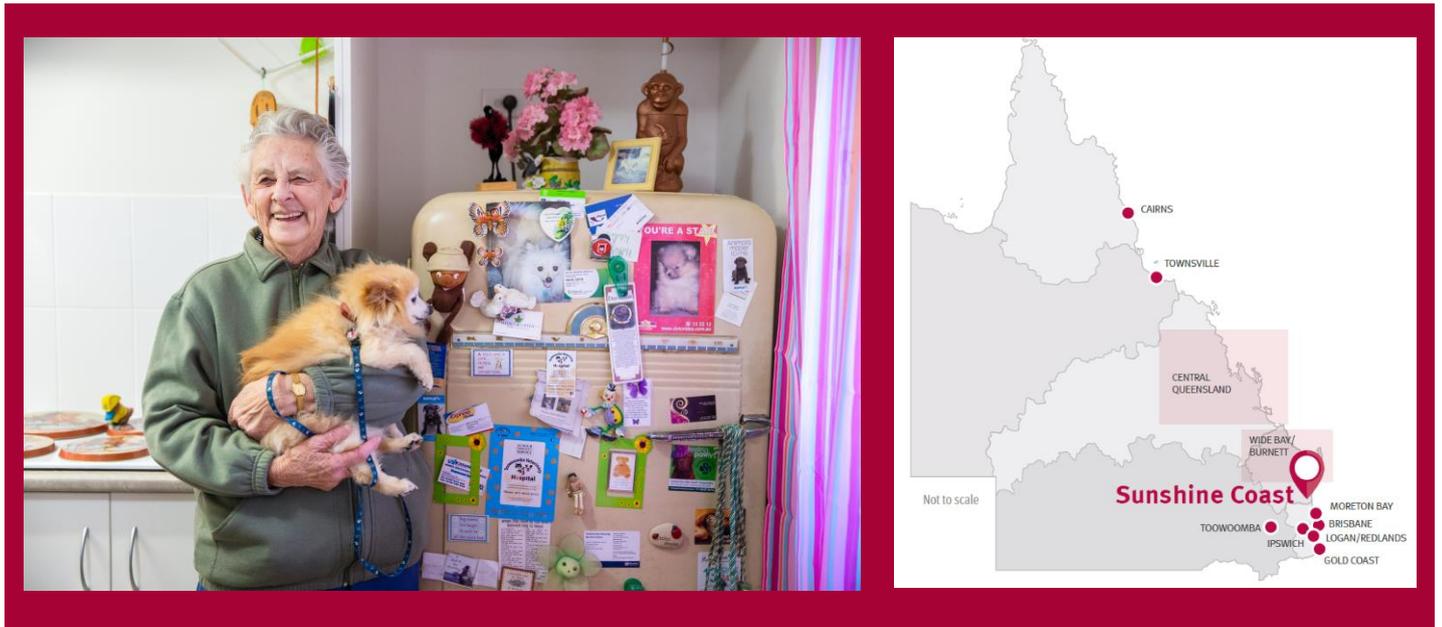


Queensland Housing Strategy 2017–2027

Housing Partnerships Office

Department of Housing and Public Works



Attachment 1 – Statement of Requirements Housing Construction Jobs Program – Sunshine Coast Expression of Interest

9 August 2019

QTenders Ref: HHSHPW2019009

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1. Building vibrant, sustainable and diverse communities which bring people together

1.1 Introduction

The Housing Construction Jobs Program (the Program) is a response to the demand for housing affordability across Queensland and the need for an additional supply of social housing to respond to population growth. Funding exists under the Program for the Department of Housing and Public Works to enter into design and construct contracts with developers or to purchase suitable vacant residential sites. To deliver the Program, the department is seeking to partner with industry to develop well designed and located housing that represents value for money.

Over the first five-years of the Program, 2017-22, the department has committed to increase the supply of social housing in the Sunshine Coast region, which includes both the local government areas of the Sunshine Coast and Noosa, with 243 newly constructed homes in areas well supported by infrastructure.

The Sunshine Coast region is nominated as a priority area for the Program due to anticipated significant growth. Most growth is expected to be in the coastal suburbs from Maroochydore to Caloundra. Remaining growth will be distributed along the existing Sunshine Coast Heavy Rail. Expansion areas, including Caloundra South and Palmview, will experience significant growth bringing additional infrastructure investment over time.

The Program has targeted the addition of housing through new construction to support jobs for local builders and trades and create a pipeline of opportunities for local building and construction businesses and community housing organisations.

1.2 The proposal

The department is seeking interest from the market to deliver a pipeline of social housing projects in the Sunshine Coast region until 2021-22. The department is seeking development proposals which can deliver small and medium scale residential construction projects in preferred locations.

Development proposals, including developable land only and land and construction, must be on either **non-government-owned freehold land**, either owned by the Proponent or where the Proponent has an equitable interest (in the form of a contract or option) and capable of acquisition by the department, or on land owned by a **not-for-profit proponent**.

Other proposals that meet the requirements outlined in this document will be considered.

To be clear, if you want to submit a proposal in partnership with a landowner or developer, you must complete an [Owners Consent Form - Company](#) (for company land owners or developers) or the [Owners Consent Form - Individual](#) (for individual land owners - not a company).

Please note that only proposals which have not commenced construction will be considered.

To help define the scope of projects that the department may consider, this document outlines the Program – Statement of Requirements for the Sunshine Coast Expression of Interest (EOI), and includes:

- demographic and geographic information
- building and design requirements
- social housing supply and demand profile.

1.3 The product

A safe, secure home provides Queensland households, unable to access housing through the private market, with an opportunity to connect, prosper and participate in community life. It also assists them to achieve other positive life outcomes, such as good health, quality education and secure employment. For some of our tenants, a home for the duration of their need, will serve as a pathway to independence and

for others, particularly older Queenslanders, a home which provides social connectedness and access to support as they age.

As the population grows on the Sunshine Coast, the type of social housing required will be more diverse and geared toward smaller households. A mix of housing styles can be provided as apartments and the various forms of attached and detached houses. Primarily, one and two-bedroom dwellings are required, but a small number of low set detached dwellings with three or more bedrooms may be considered.

New social housing should fit well into emerging and existing neighbourhoods. Through careful attention to the building's form, variety, scale and appearance, as well as the way it relates to the rest of the street and the surrounding precinct, new development will contribute to revitalising streetscapes and improving community perceptions.

Dwellings should be consistent with contemporary housing trends, be functional and well designed, with suitable amenity and privacy for residents. Dwellings must suit their site and the climate of the Sunshine Coast, to reduce the cost of construction and the ongoing living costs for residents in terms of energy costs.

1.4 Property and Location

Property

The department is seeking proposals that meet service delivery outcomes located on sites that:

- are either **non-government-owned freehold land**, either owned by the Proponent or where the Proponent has an equitable interest (in the form of a contract or option) and capable of acquisition by the department, or on land owned by a **not-for-profit proponent**.
- are suitably zoned (e.g. for multiple dwellings) and are capable of delivering a variety of housing, including apartments, attached and detached houses (various forms including small lot housing), with 'affordability by design' features
- have a maximum development size, in the vicinity of 20 units under the current zoning, provided it fits into the neighbourhood
- for multiple dwellings (such as apartments) have a lot size of between 800 to 2,000 square metres
- are regular shaped to enable efficient design and development
- are not impacted by constraints such as flooding, contamination, bushfire hazard, bio-diversity or challenging terrain
- enable social housing to be appropriately integrated with other tenures in the street and neighbourhood
- are suitably serviced by utility infrastructure (electricity, stormwater, sewerage, water etc.).

Location

The location of new social housing should contribute to the well-being of the community and enable tenants to participate in social and economic life. New social housing should aim to be within walking distance to public transport, local-major retail, health, education (schools, TAFE, universities) and employment services. The department is aiming to achieve the following benchmarks for new social housing dwellings:

- 800m from a major bus route or heavy rail (providing at least hourly connections) OR
- 800m from district, major and principal centre zones (major shopping and commercial centres) OR
- 400m from local retail and neighbourhood centres (local strip of shops)

To further focus on transit oriented development, a priority of projects will be given to sites/land within:

- 800m of a Sunshine Coast Train Line station in Nambour and Beerwah.
- 800m of a bus-stop in Maroochydore-Caloundra corridor in the suburbs of Maroochydore, Mooloolabah, Parrearra, Warana, Bokarina, Birtinya, Wurtulla, Dicky Beach and Caloundra.

- 800m of Sippy Downs and Caloundra South major centres.
- 800m of Noosa Junction and Noosaville.

1.4.1 Preferred suburbs

Over the next three-years, the department is seeking proposals for:

- developable land only and
- land and construction projects to deliver the following dwelling commencement targets.

2019/20	2020/21 and 2021/22
62 dwellings	88 dwellings

The following is a list of the department's preferred property types by suburb which are likely to meet service delivery outcomes and alignment with government priorities (including but not limited to) in the Sunshine Coast region:

Preferred Property Types and Location of New Social Housing		
Property Type Required	Client Focus	Priority Suburbs (including but not limited to)
LARGE Multi-Units <ul style="list-style-type: none"> • 16-20 dwellings • 1 and 2 bedrooms • At least 50 per cent gold or platinum designed 	<ul style="list-style-type: none"> • Single Persons • Single Parent families • Couples 	Sippy Downs Caloundra Maroochydore Mooloolaba
MEDIUM Multi-Units <ul style="list-style-type: none"> • 9-15 dwellings • 1 and 2 bedrooms • At least 50 per cent gold or platinum designed 	<ul style="list-style-type: none"> • Single Persons • Single Parent families • Couples 	Wurtulla, Birthingya and Bokarina Parrerra-Warana Buddina Noosaville/Noosa Beerwah Tewantin
SMALL Multi-Units or Townhouses <ul style="list-style-type: none"> • 3-8 dwellings • 1 and 2 bedrooms, and limited 3 bedroom • At least 50 per cent gold or platinum design 	<ul style="list-style-type: none"> • Single Persons • Single Parent families • Families • Couples 	Dickey Beach Caloundra Beerwah Nambour Buderim
Duplexes/ Occupancies <ul style="list-style-type: none"> • 2 and 3 bedrooms • At least 50 per cent gold or platinum design 	<ul style="list-style-type: none"> • Single Parent • Single Parent families • Couples with Children 	Caloundra South Bli Yandina Cooroy Meridan Plains
Detached Houses (low set/ ground) <ul style="list-style-type: none"> • 4+ bedrooms • At least 20 per cent gold or platinum design 	<ul style="list-style-type: none"> • Single Parent Families • Couples with Children 	Caloundra South Palmview

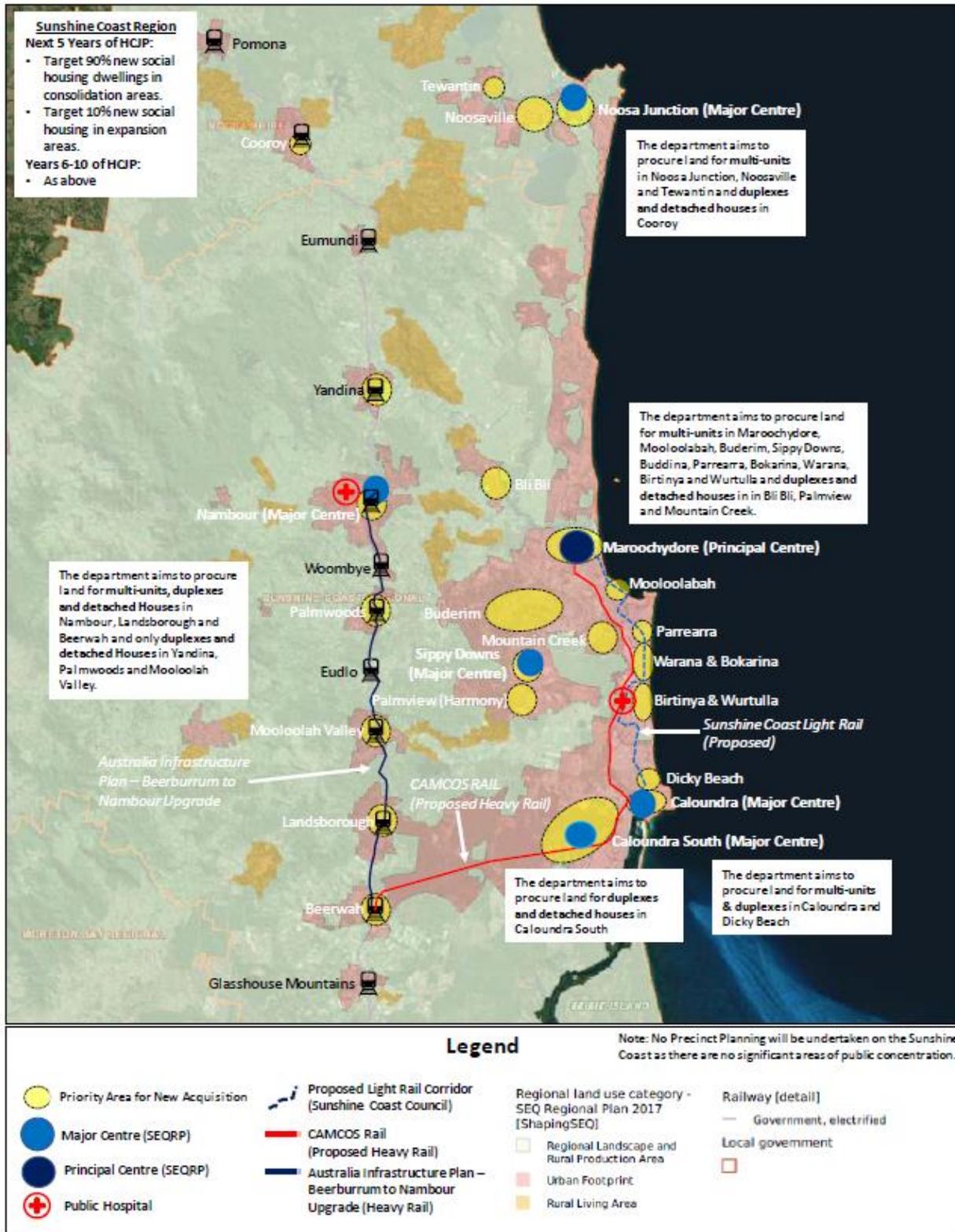
Notes:

1. Conduct limited social housing development in Nambour CBD and Meridan Plains.
2. Offers of individual greenfield sites within a new development, need to ensure social housing does not dominate a street or locality. An appropriate mix of private market and social housing is sought.
3. The department will also consider offers of englobo greenfield sites, for subdivision in future years.
4. The following map outlines the preferred areas the department considers suitable for the development of new social housing dwellings in the Sunshine Coast region.

1.4.2 Map of preferred suburbs for new social housing in Sunshine Coast

The following map outlines the preferred areas the department considers suitable for the development of new social housing dwellings in the Sunshine Coast region.

HCJP Investment Priorities – Sunshine Coast



2. Building and Design

The building and design capability of proposed sites will be considered in the assessment of all proposals.

2.1 Town Planning

Social housing construction projects should consider the objectives of planning schemes, complying to the maximum extent possible. Any non-compliance is to be supported by good design practice, and will be assessed by the department against the performance outcomes of the planning scheme.

2.2 Design and product principles

The department embraces innovation and welcomes solutions that challenge existing design and construction approaches whilst delivering the qualities required of social housing dwellings.

The department uses a set of general design principles to inform the design of its social housing. Proponents should consider some of the design principles listed below:

- Social housing should 'fit in' to the neighbourhood, to enhance community acceptance.
- Social housing dwellings are sited to deliver a cost-effective building and must not unreasonably impair the privacy of neighbouring dwellings (either on the same site or on neighbouring sites) and screening may be required to achieve this.
- Articulation and variation in form, scale and detailing is required.
- Designs are responsive to the microclimate of the site and its locality. This is reflected in elements such as the floor plan, shape and building orientation, location of rooms, use of materials and protection of openings against excessive solar access and rain. Roofing materials are light coloured, to avoid excessive heat gain.
- Dwellings are efficiently planned and modestly sized.
- Resources/materials used in the construction of the buildings and landscaping should contribute to reducing overall construction costs and ongoing maintenance costs.
- Housing must be designed to facilitate casual surveillance of the front garden and street (or adjacent park). The path to a front door or into an apartment complex should be clear and visitors should have access to the front door without travelling through private outdoor space.
- In locations with high pedestrian traffic, access to lifts and common stairwells may need to be limited to residents and legitimate visitors by providing a secure lobby.
- Frontages must not be dominated by car parking.
- There is direct visual and physical access between indoor and private covered outdoor living spaces.
- In multi-residential social housing designs, the department is seeking to include communal outdoor living space in apartment developments.

2.2.1 Housing Types

Primarily, a mix of housing styles providing one and two-bedroom dwellings will be required. The dwellings can be provided as apartments or attached and detached houses (various forms including small-lot housing), with 'affordability by design' features. The style and design of the dwellings must be cost effective, and innovative.

It is anticipated that a small number of detached dwellings with three or more bedrooms will also be required.

It is anticipated new dwellings will complement existing social housing portfolio.

2.2.2 Accessibility

An important consideration for social housing is features which enhance mobility. Livable Housing Australia (LHA) promotes universal design and drives industry best practice through its *Livable Housing Design Guidelines*. The design guidelines specify different levels of universal design.

The department is committed to ensuring that **at least 50 per cent** of all new social housing is designed to Gold Level or Platinum Level as per the *Livable Housing Design Guidelines* and seeks the following outcomes for particular developments:

- Generally, up to 30 per cent of social housing apartments in any new multi-unit project are designed to Platinum Level, with remaining ground floor and lift-served apartments designed to Gold Level.
- The minimum standard for detached houses is Gold Level with the Platinum Level standard applied in response to identified client need.
- Lifts are generally provided on projects of three or more storeys, and may be provided on some two-storey apartment projects.

Proponents should consider and respond to the following points relating to Gold and Platinum Levels:

- Gold Level dwellings include features such as wider hallways and doors, level thresholds and wall reinforcement in bathrooms to allow installation of grab rails in the future.
- Platinum Level dwellings include additional features, such as extra clearance and circulation spaces, for clients who mobilise in wheelchairs. If a two-storey dwelling is proposed, the ground floor needs to have space for an accessible bedroom and bathroom facilities.
- Platinum Level and most Gold Level dwellings are located entirely on an accessible level.

To download the *Livable Housing Design Guidelines*, visit www.livablehousingaustralia.org.au.

2.2.3 Specialist Disability Accommodation

The department is working to challenge traditional ways of thinking about housing for people with disability and is seeking innovative applications to incorporate housing for people with disability into the broader community. This includes shifting away from group homes and high density of people with disability. To encourage social inclusion and community participation, nearby amenities and services should be utilised rather than having exclusive facilities for residents with disability onsite. Housing needs to be designed as a person's home, not a facility. Dwellings should not look like, or be designed as or around, a work place for paid staff.

As part of the National Disability Insurance Scheme (NDIS) the Australian Government has made a commitment to fund the capital construction of specialist disability accommodation (SDA). The Australian Government has issued design and funding guidelines and this information can be downloaded from <https://www.ndis.gov.au/specialist-disability-accommodation>.

EOI proposals that include SDA into a broader mixed-tenure development will be favourably considered by the department. These proposals must be supported by evidence of demand for the location and will be assessed accordingly. Proposals must also align with the Housing Principles for Inclusive Communities (refer to **Attachment 2 – Housing principles for inclusive communities**).

The Queensland Government will not fund the SDA housing component of any broader social housing proposal.

2.2.4 Site and building design

The department has specific site and building design requirements for new social housing developments. The specific site and building design requirements include, but are not limited to:

- Dwellings are sited to deliver a cost-effective, balanced response to site falls, orientation, design requirements and site features, and to avoid any negative impact on neighbours.
- Designs should include low maintenance landscaping and fencing.
- Lifts are generally provided on projects of three or more storeys, and may be provided on some two-storey apartment projects. In locations with high pedestrian traffic, access to lifts and common stairwells may need to be limited to residents and legitimate visitors by providing a secure lobby.

2.2.5 Parking

The department has specific car parking requirements for social housing.

Detached dwellings and dual occupancy (duplexes) should include, as a minimum, a single covered car space per dwelling, preferably attached to the dwelling with a garage door.

Car parking requirements for multi-unit projects include the following:

- provide one (1) covered car parking space per unit.
- Car parking must not dominate the street elevation.
- Car parking sizes and dimensions meet relevant Australian Standards. Accessible car parking must be located as close as possible to Platinum Level dwellings.

3. Regional Profile – Sunshine Coast

The population of the Sunshine Coast is anticipated to grow by 91,453 persons from 2016 to 2026. It is expected that a strong proportion of this growth will occur in the coastal suburbs from Maroochydore to Caloundra. Remaining growth will be distributed along the existing Sunshine Coast Heavy Rail. Expansion areas, including Caloundra South and Palmview, will experience significant growth, bringing additional infrastructure investment over time.

3.1 Social Housing Portfolio

3.1.1 Current Situation

There are currently 3,002 social housing properties in the Sunshine Coast region, which are scattered across over 50 suburbs. Forty five per cent of all social housing dwellings are within six suburbs including Maroochydore, Nambour, Caloundra, Mooloolabah and Tewantin.

Overall, there is a good diversity of social housing with dwelling types available to meet a variety of household requirements. These include apartments, which comprise of approximately one third (38%) of all dwellings and with detached houses representing 29 per cent. With most social housing in the Sunshine Coast region being built predominately in the 1980s and 1990s, the portfolio is relatively younger when compared to other parts of South East Queensland, such as Brisbane, presenting a lessor maintenance burden for the department.

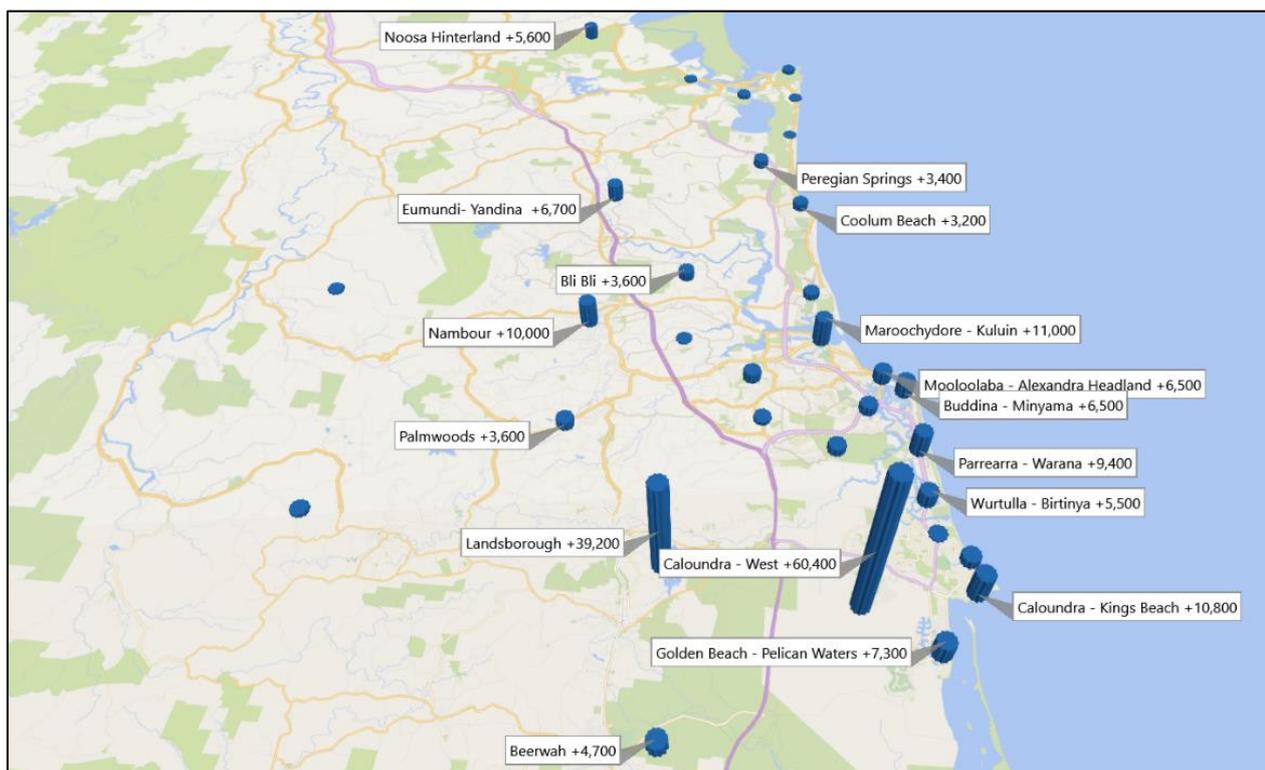
There is also increasing demand for social housing in the Sunshine Coast region, with an increasing trend towards accommodating smaller household sizes. Over the past decade, social housing development in the Sunshine Coast region has focused to changing household types with a diversity of housing requirements through the construction of mainly one and two-bedroom dwellings.

3.1.2 Outlook

The portfolio will grow in areas that are experiencing strong population and economic growth and are connected to services. New social housing will be delivered with innovative designs to meet the contemporary needs of smaller households who have a diversity of dwelling specific requirements.

Under the South East Queensland Regional Plan, 22 per cent of all new construction will occur in existing urban areas and 78 per cent in new expansion areas. To achieve this distribution, a diversity of housing types will be needed.

Source: Queensland Government Statisticians Office – Population Projections (2018)



3.1.3 Social Housing Demand

Most existing households and future applicants require smaller dwellings (one and two-bedrooms), despite a large number of households currently living in a three-bedroom house. It is anticipated that future demand will continue to increase for smaller social housing dwellings (one and two-bedroom), some which require accessibility features, as well as being well located with access to social infrastructure.

Demographic cohorts identified as likely to continue require social housing in future include:

- Seniors (aged 55+ years)
- Youth
- Families (single parents)
- People with a disability
- Adults (singles and couples).

The following chart indicates:

- dwelling size required among future applicants and existing tenants
- existing supply of department-owned dwellings and wider housing market.

4. Contracting Process

4.1 Detailed Investigation

Proposals which are considered suitable, will be progressed to a Detailed Investigation stage which includes:

- an assessment of the contracting entity's financial and commercial capability
- a design and planning assessment
- a project value assessment.

Contractual negotiation may follow this process.

4.2 Value for Money

Consistent with government policy, the department seeks to manage its property portfolio to achieve public benefit and to deliver best value for Queensland, including supporting job creation, community use and economic growth opportunities.

The department seeks to procure new construction projects which are consistent with the cost of similar recent projects in the location. In establishing value for money, the department is guided by an independent site valuation in relation to land, and a quantity surveyor's assessment in relation to design and construction. Consideration is also given to how the project will contribute to the achievement of public benefits, program and government policy and service delivery objectives.

4.3 Contracts

The department currently has contract templates and special conditions, which may be used for projects under the Program:

- Templates of the Housing Construction Jobs Program (HCJP) Contracts that are currently available, can be accessed through the QTenders website and the SmartyGrants webpage for this EOI.
- Funding Agreement templates (Capital Assistance Agreement and First Mortgage) for community housing providers requesting capital funding from the department are not provided.
- The department reserves the right to amend the template HCJP Contracts.
- Construction Contracts are required to be entered into with an appropriately licensed builder.
- A successful Proponent will be required to enter into a HCJP Contract form with the department.

A Proponent is required to indicate on their SmartyGrants EOI Response form which HCJP Contract is best suited to their proposal.

- All Proponents, (other than NRSCH registered community housing providers requesting Capital Assistance funding from the department), are required, as part of their Response form, to advise of any requested contract departures (if applicable) for the selected HCJP Contract.

4.4 Partnering for Growth

The Partnering for Growth initiative signals the department's commitment to working with community housing providers to build a strong, responsive and commercially-minded community housing sector. The initiative is an integral element of the department delivering the *Queensland Housing Strategy Action Plan 2017-2020*. Registered community housing providers are encouraged to consider applying for HCJP funds when preparing their five-year Development Plans.

In addition to project specific information which should include yield, unit cost, project location and any restricted surplus contributions, Providers will need to model funding requests of between 30 per cent to 50 per cent contribution by the department.

4.5 The Queensland Government Building and Construction Training Policy

Proposals submitted by Proponents for this EOI process, that demonstrate their support for the Queensland Government Building and Construction Training Policy, will be highly regarded.

The Queensland Government Building and Construction Training Policy was implemented from 1 July 2014, and supports employment opportunities and skills development in Queensland's building and construction industry. It also focuses on increasing the economic independence of Aboriginal and Torres Strait Islander Queenslanders in the industry.

The training policy is one element in a longstanding partnership between the building and construction industry and the Queensland Government, to develop the industry's skills base and future workforce capability. It requires contractors to employ apprentices and trainees and undertake other workforce training as a mandated component of being awarded work on eligible Queensland Government projects.

The training policy has a core requirement that a minimum of 10 per cent of the total labour hours on eligible projects be undertaken by apprentices and/or trainees and through other workforce training.

All Queensland Government Departments and statutory bodies, as defined in the *Financial Accountability Act 2009* are required to comply with the training policy.

There were changes to the training policy from 1 July 2015 that impact government-owned corporations and public-private partnerships.

4.6 Building Industry Fairness Reforms – Project Bank Accounts

EOI Proposals that include a construction component valued between \$1 million and \$10 million (including GST) may be required to set up and operate Project Bank Accounts if their proposal is successful, in compliance with the *Building Industry Fairness (Security of Payment) Act 2017*.

[Project Bank Accounts](#) (PBAs) are established by Contractors for certain building and construction projects (excluding engineering projects) to ensure subcontractors get paid regularly in a timely manner, to safeguard progress payments, protect retention monies, and to protect PBA monies due to them in the event of contract termination or bankruptcy. Payment delays and non-payments impact heavily on subcontractors, resulting in financial and social stresses on them, their families, employees, suppliers and the wider community.

Queenslanders who work in our building and construction industry make an invaluable contribution to our communities and the economic prosperity of our state. PBAs are not just important for subcontractors and their families, they are important for Queensland's economy and productivity.

5. Links and resources for all Proponents

5.1 Links to Attachments and resources

- Livable Housing Design Guidelines:
[Livable Housing Design Guidelines 2017.](#)
- Queensland Development Code
<http://www.hpw.qld.gov.au/construction/BuildingPlumbing/Building/BuildingLawsCodes/QueenslandDevelopmentCode/Pages/default.aspx>
- Project Bank Accounts
<http://www.hpw.qld.gov.au/construction/BuildingPlumbing/Building/SecurityOfPayment/Pages/ProjectBankAccounts.aspx>
- NDIS specialist disability accommodation:
<https://ndis.gov.au/specialist-disability-accommodation>
- Housing Principles for inclusive communities (refer to **Attachment 2** or link below)
<https://www.hpw.qld.gov.au/Housing/PartnershipInitiatives/Pages/HousingPrinciplesInclusiveCommunities.aspx>
- Sunshine Coast Planning Scheme 2014:
<https://www.sunshinecoast.qld.gov.au/planningscheme>

5.2 Additional information and Housing Construction Jobs Plan Contracts

- Template Land and Construct Contract (refer to **Attachment 3**)
 - Template REIQ Land Purchase Contract with Special Conditions (refer to **Attachment 4**)
 - Template Simple Turnkey Contract (refer to **Attachment 5**)
 - Template Turnkey Special Conditions (refer to **Attachment 6**)
 - Housing Industry Australia – Construction Contract (Version QC2) Special Conditions (**Attachment 7**)
 - Master Builders Queensland – Residential Building Contract (level 2) Special Conditions (**Attachment 8**)
 - Template Development Services Deed (refer to **Attachment 9**)
- Please note:**
- Additional information about HCJP Contracts (refer to **Attachment 10**)
 - Funding Agreement templates (Capital Assistance Agreement and First Mortgage) for community housing providers requesting capital funding from the department are not provided.
 - The department reserves the right to amend the template HCJP Contracts.

5.3 Links to resources for community housing providers

Links and resources which may be useful include:

- National Regulatory System for Community Housing:
<http://www.hpw.qld.gov.au/Housing/SocialHousing/CommunityHousing/NationalRegulatorySystem>
- Link to Section 8 of the *Housing Act 2003* - definition of ancillary services
<https://www.legislation.qld.gov.au/view/whole/html/inforce/current/act-2003-052#sec.8>
- Link to Section 4 of the *Housing Regulation 2015* - definition of prescribed services
<https://www.legislation.qld.gov.au/view/html/inforce/current/sl-2015-0101#sec.4>