



Rialtas na hÉireann
Government of Ireland

Project Ireland 2040

Explanatory Note - Urban Regeneration and Development Fund (URDF)

A Summary of the Urban Regeneration and Development Fund

A new Urban Regeneration and Development Fund (URDF), was announced as part of *Project Ireland 2040*, to support the compact growth and sustainable development of Ireland's five cities and other large urban centres.

The Department of Housing, Planning and Local Government (DHPLG) has responsibility for implementing the URDF, which has an allocation of €2 billion in the National Development Plan (NDP) to 2027. A call for proposals is now open until midday on Friday 28th September 2018.

The Fund is the most broadly applicable urban regeneration initiative in Ireland for many years and in line with the objectives of the National Planning Framework (NPF), is designed to leverage a greater proportion of residential and commercial development, supported by infrastructure, services and amenities, within the existing built 'footprint' of our larger urban areas.

The Fund will be a competitive, bid-based exchequer grant programme that will operate on a multi-annual basis. Bids must be:

- › Public-sector, and ideally local authority led, but may also include community and/or private sector partners;
- › Matched by at least 25% direct (public and/or private) funding from other sources;
- › Valued at a minimum of €2m, for the delivery and/or further development of innovative and transformational urban regeneration proposals;
- › A catalyst for development that would not otherwise occur; and
- › Likely to leverage significant further public and private sector investment.

In addition to the direct funding of proposals that can be initiated in 2019, it will be critical to ensure that the Fund can enable a pipeline of viable proposals to be developed for implementation and delivery in subsequent years.

Accordingly, a significant element of funding available in 2019 will be for the provision of technical assistance for project development. Applications for funding are sought for proposals that will be either 'ready to go' in 2019 (Category A) or will require 'further development' (Category B) and may be approved in principle for work to be undertaken that will enable Category A status in future calls.

All proposals for funding will be assessed by an evaluation group, who will report to a management committee that will make recommendations to the Minister for Housing, Planning and Local Government.

For areas not covered by the URDF, a €1bn Rural Regeneration and Development Fund will operate in parallel, under the Department of Rural and Community Development. While bids may be made, subject to eligibility, for some towns under 10,000 in population as outlined above to *either* the Urban or the Rural Fund, such bids may not apply for both funds and there will be cross-representation between the Departments of Housing Planning and Local Government and Rural Regeneration and Development, on both Urban and Rural fund evaluation groups to ensure effective co-ordination of the measures.

What is Project Ireland 2040?

Project Ireland 2040, is the overarching policy and planning framework for the social, economic and cultural development of Ireland. It includes both the 20-year National Planning Framework (NPF) and a detailed capital investment plan for the period 2018 to 2027, the National Development Plan (NDP).

The NPF outlines the broader policy principles and priorities to plan, in a more strategic, sustainable and coordinated manner, for future population and economic growth over the next 20 years. The principles of the NPF will be underpinned by the NDP, a ten-year, €116 billion capital investment programme. Both documents are available to view at <http://www.gov.ie/en/project-ireland-2040>.

The National Development Plan 2018-2027 established four new funds, with a combined allocation of €4 billion to 2027. The Urban Regeneration and Development fund (URDF) has an allocation of €2 billion to 2027, primarily to support the NPF's growth enablers for the five cities and other large urban centres. The Department of Housing, Planning and Local Government (DHPLG) has responsibility for implementation of the URDF.

What is the purpose of the Urban Fund?

The Urban Regeneration and Development Fund (URDF) is being established to support more compact and sustainable development, through the regeneration and rejuvenation of Ireland's five cities and other large towns, in line with the objectives of the National Planning Framework and National Development Plan.

This is to enable a greater proportion of housing and commercial development to be delivered within the existing built-up footprints of our cities and towns and to ensure that more parts of our urban areas can become attractive and vibrant places in which people choose to live and work, as well as to invest and to visit.

The value of the fund is €2 billion for the ten-year duration of the National Development Plan (NDP) to 2027, with €550 million allocated in the NDP to 2022 and €100 million available for expenditure in 2019.

How will the Urban Fund operate?

The fund will operate on the basis of a scheme that invites competitive bids to be led by public bodies, ideally local authorities, which may be in the form of a consortium and may also include private sector and/or community/voluntary sector partners.

Bid proposals must be co-funded and will require a minimum 25% stakeholder contribution, which can be from other public or private sources. This may be in the form of a combination of wider exchequer and/or state-sector capital expenditure, local authority investment and/or land, or other asset contributions.

Proposals must also demonstrate a further requirement for at least 100% (euro-for-euro) leveraging of committed wider private sector investment (i.e. development) arising from fund expenditure. Proposals must also have regard to and be in compliance with State Aid rules.

Bids are invited to be submitted as either 'ready-to-go', Category A proposals or as Category B proposals that require further development. Within the application form, it must be specified which category the funding proposal falls into:

- **Category A** relates to proposals that are in a position to draw down funding and that can be initiated in 2020. Proposals in this category are likely to have the necessary consents (e.g. planning) in place, be at an advanced stage of design, be in a position to satisfy value for money requirements in accordance with the Public Spending Code (PSC) and be procurement-ready. Funding will be subject to all such requirements. The Department's bid management committee and the Minister may re-categorise to Category B, or alternatively, not approve, a Category A bid where it cannot be satisfactorily demonstrated that the proposal can be initiated in 2020.
- **Category B** relates to proposals that will require further development prior to being initiated and which may be approved in principle, thereby enabling proposal development to progress in 2020. Proposals in this category will be eligible for some technical assistance for project development, which it is expected will be a significant element of the Fund in 2020 in order to ensure that a 'pipeline' of eligible projects can be built, for submission as Category A proposals in subsequent funding calls. Significant matters that may need to be addressed as part of proposal development could include land ownership/title, planning and design work, value for money assessment and procurement.

Who is eligible for the Urban Fund?

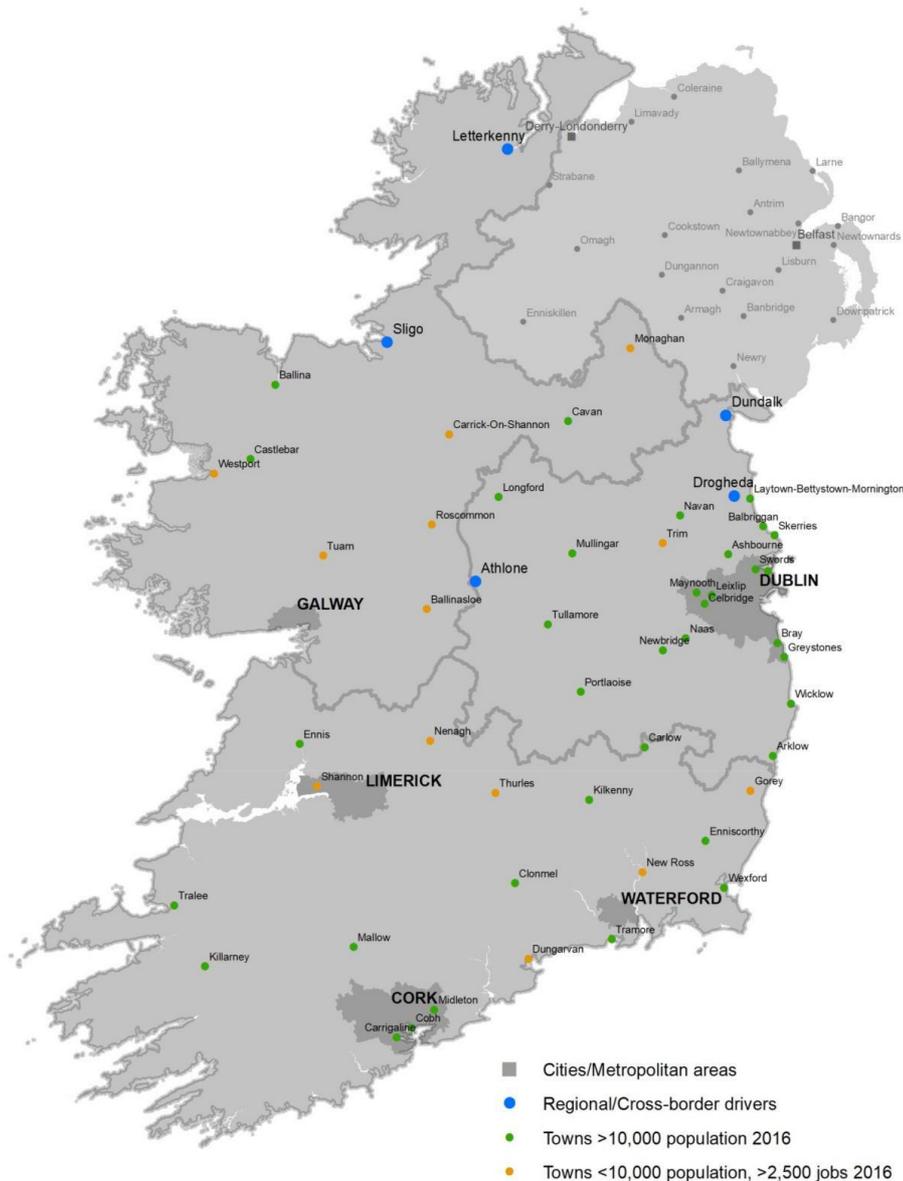
Proposals for funding must be led by a public body, which may be a local authority or regional assembly, government department or agency, state-sponsored body, higher education institute or Strategic Development Zone (SDZ) development agency. Collaborative proposals from consortia are encouraged and may also include private and/or community/voluntary sector partners.

Where proposals are submitted for the towns listed (i.e. categories 2, 3 and 4 on the table above), the minimum overall value of the proposal is set at €2m, i.e. minimum matched-funding of €500,000 is required.

In addressing the 5 metropolitan areas and associated proposals that may be submitted, the following applies:

- The minimum overall value of the proposal is set at €10m to ensure that the overall benefit to the metropolitan area is realised and also to encourage collaboration in implementation and delivery, particularly between the constituent local authorities.
- Where collaboration is not achievable or viable, the minimum overall value of the proposal remains set at €10m and proposals are required to demonstrate the wider city benefit that will accrue from any potential funding awarded.

Cities and Towns Eligible to Apply for Urban Regeneration and Development Fund



Proposals must also demonstrate a requirement for at least 100% (euro-for-euro) leveraging of committed wider private sector investment (i.e. development) arising from fund expenditure.

What types of proposal are eligible for the Urban Fund?

The types of proposals eligible for funding can include, but are not limited to the following:

- › Active land management, including the acquisition, planning, design, enabling through servicing, decontamination or otherwise, of areas, sites and buildings.
- › Measures to address building vacancy.
- › Building refurbishment, redevelopment and/or demolition.
- › The development of areas, sites and buildings.
- › Strategic relocation of uses or activities.
- › Public amenity, planting, streetscape/public realm, parks, recreational facilities, safety, security and/or crime prevention works.
- › Measures to improve housing affordability.
- › Community facilities, which may include childcare.
- › Measures to tackle social disadvantage.
- › Infrastructure related to housing, economic or skills development (including enterprise and tourism), transport and services infrastructure.
- › Infrastructure that enables improved accessibility, in particular sustainable modes such as walking and cycling, public transport and multi-modal interchange, but also including roads, bridges and car parking.
- › Transition to a low carbon and climate resilient society, in an urban context.

What types of area are eligible for the Urban Fund?

Types of areas eligible for funding may include those consisting of a concentration of low-intensity uses, such as storage depots or warehousing, underutilised 'backlands' behind streets and buildings, or institutional sites that are suitable for re-development, as part of an overall regeneration proposal.

Area-specific examples may include, but are not limited to:

- › Under-utilised former industrial/warehousing areas with lower-value, lower-intensity uses such as car showrooms/warehousing that can be relocated to more suitable locations that would enable the area to be re-developed for residential/commercial/community development. In many cases these areas were peripheral and un-serviced when originally developed but are now integral to the urban area and have become accessible to infrastructure as the city or town has expanded.
- › Areas that are restricted as a result of development 'barriers', such as high voltage power lines, or the presence of 'Seveso' sites (i.e. uses such as fertiliser or gas plants where risk of accident limits proximate permissible residential/office-type development in a particular radius), where the removal and/or relocation of such barriers, would facilitate residential/commercial/community development to take place.
- › Within cities and towns, 'backlands', behind streets and buildings, often used as ad-hoc car parks, storage areas or simply left as fragmented, vacant sites or former gardens.
- › Distinct areas within the built fabric of cities and towns, i.e. buildings and streetscapes that provide particular character are worthy of preservation, but may be wholly or partly vacant. Many such properties are underutilised and could be brought back into viable use as homes or workplaces as part of overall regeneration schemes.
- › Institutional sites, which may no longer be required for use as originally built and developed and/or which may be better relocated, to include barracks, schools, health facilities or convents/religious premises, many of which include protected structures.
- › Transport-related depots and installations, such as port storage, rail yards or bus garages, which may be relocated to more suitable locations and re-developed for residential/commercial/community development.