

Dear AnneMarie, Margaret, and Mary,

6th May 2021

We refer to the Ballymastone s.183 proposal on next Monday's Council agenda.

As you know the Green Party proposed in April 2019 that cost rental housing should form an important part of this development. As we anticipated, given Government policy and Oireachtas motions, our motion received broad cross-party support. At the request of the Executive, the Council, rather than simply adopting it, it was referred to the Housing SPC for detailed consideration. Unfortunately, that decision to discuss the issue at the Housing SPC was not followed through.

We have considered the terms and conditions of the proposed disposal and would like to see it altered to take account of the following:

1. Cost rental housing

440 units of cost rental housing are being delivered in the Dublin area this year. The fact that legislative provisions are expected has not prevented this and should not hamper the delivery of cost rental housing as a significant element of the Ballymastone development. The proposed disposal provides for the receipt of €11 million in 'Developer's Compensation' by the Council. We would prefer, instead of cash, to receive housing to be made available as cost rental housing by an AHB, or, should the legislation have been amended in time, by the Council.

However, we don't think it likely that the €11 million would represent a sufficient quantity of cost rental housing. The level of cost rental housing at Ballymastone should be determined by an analysis of the likely demand for tenancies.

2. Prevention of sale to REITs

Large-scale institutional landlords in the form of Real Estate Investment Trusts (REITs) buying up large volumes of newly built housing including at Hollystown in Fingal. Naturally there is profound concern, shared across the political spectrum, at this development.

These REITs, relying on unfair tax advantages, are competing with would-be owner-occupiers and preventing them buying houses.

This is connected to the issue of cost rental, as the need for rental properties would be far better met by cost rental tenancies than by insecure tenancies from institutional landlords who are entering the market on a speculative basis.

We note that condition 19 of the proposed disposal addresses one of the stated reasons for bulk sales to REITs by private developers, i.e. the role that such sales can play in financing the development.

Taking the above into account, we would like to see a condition preventing sales to REITs in the terms and conditions.

If it's not possible to finalise the above changes in advance of this month's meeting, we suggest that the disposal be deferred either to the June meeting or to a special meeting during May.

Best regards,

Karen Power,
Pamela Conroy,
Daniel Whooley,
Ian Carey,
David Healy