



h w p l a n n i n g

Part V Costs and Methodology

Proposed Strategic Housing Development at the Former
Cork Warehouse Company Site, Monahan Road, Cork

Tiznow Property Company Limited (Comer Group Ireland)

March 2022

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Introduction

Part V, s.96 of the Planning and Development Act 2000 (as amended) applies to this application. New provisions relating to Part V under the Urban Regeneration and Housing Act 2015 were formally enacted on 1st September 2015.

In addition to the above, Section 3 of the Housing Circular 28/2021 on Affordable Housing Act 2021 – Amendments to Part V of the Planning and Development Act 2000 states that *“The increase in the Part V contribution from ‘up to 10%’ for social housing purposes to a mandatory 20%, of which at least half must be for social housing purposes and the balance can be applied to affordable and/or cost rental housing purposes, will immediately affect only new grants of planning permission in respect of sites purchased before 1 September 2015 or after 31 July 2021.”*

Tiznow Property Company Limited (Comer Group Ireland) acquired the subject lands between 1 September 2015 or after 31 July 2021 therefore a 10% contribution required. The applicants propose to fulfill their Part V obligations through the granting of a 30 year lease for 10% of the housing units to the Planning Authority, Approved Housing Body (AHB) or persons nominated by the authority. This has been accepted in principle by Cork City Council.

Part V Proposal

The 19 no. units the Planning Authority, Approved Housing Body or persons nominated by the authority are to be granted a 30 year lease over (being 10% of the total number of 190 no. housing units proposed) are highlighted on the attached Part V drawings. 7 no. units are located on the first floor of the residential development, 6 no. located on the second floor with the remaining 6 no. units located on the third floor. The proposed Part V arrangements have been agreed in principle with Cork City Council Housing Department.

Breakdown of Units

These units consist of 3 x 3 bed, 10 x 2 bed and 6 x 1-bed and are highlighted on accompanying drawings prepared by C+W O'Brien Architects. The breakdown of the units including floor space are highlighted on the Table below.

Level	Unit	Unit Type	Area (m2)
01	J1-0107	2 Bedroom	75 sq m
	J1-0109	2 Bedroom	75 sq m
	J2-0114	2 Bedroom	77 sq m
	J4-0118	2 Bedroom	48 sq m
	J3-0119	1 Bedroom	49 sq m
	J3-0123	1 Bedroom	49 sq m
	J4-0128	3 Bedroom	104 sq m
02	J1-0203	2 Bedroom	75 sq m
	J2-0210	2 Bedroom	77 sq m
	J4-0216	2 Bedroom	75 sq m
	J3-0217	1 Bedroom	49 sq m
	J3-0221	1 Bedroom	49 sq m
	J4-0226	3 Bedroom	104 sq m
03	J1-0303	2 Bedroom	75 sq m

J2-0310	2 Bedroom	77 sq m
J4-0316	2 Bedroom	75 sq m
J3-0317	1 Bedroom	49 sq m
J3-0321	1 Bedroom	49 sq m
J4-0326	3 Bedroom	104 sq m
Total	19	

Estimated Costs, Calculations & Methodology of Part V Proposal

The total costs of the 19 units to be leased is considered to be €3,995,888 and is calculated as follows

Unit Size (sq. m)	# Units	Cost per unit	Total Cost
48	1	179,814	179,814
49	6	183,548	1,101,288
75	6	280,628	1,683,768
77	3	288,096	864,288
104	3	388,910	1,166,730
	19		3,995,888

In terms of estimating the costs and the methodology for the proposed lease over the 19 no. units Circular PL 10/2015 and Housing Circular 36/2015 specifies that the estimated cost of the Part V proposal should be reflected in terms of the estimated total amount to be discounted from the combined monthly lease rent for the units.

Circular PL 10/2015 and Housing Circular 36/2015 indicates that the calculations/methodology for this discount should

- reflect the responsibilities taken on by the planning authority under the lease; and
- is no less beneficial to the planning authority than if the Part V requirement were fulfilled by means of the transfer of land under paragraph 3(a) of section 96 of the Act.

Under the lease to be granted the Planning Authority will not be required to take on any responsibilities and the overall development will be managed by the applicants or persons nominated by them.

In terms of the value of the discount the Circular specifies that this needs to be *'no less than the "net monetary value" of the land in question, that is, the market value of the land to be transferred on the day that planning permission is granted, less the existing use value of the land on that date'*.

Value of Discount

The “*net monetary value*” or value of the discount is calculated to be as follows

Net Monetary Value Per Unit	€
Market Value of Land	15,000
Less	
Existing Use Value of Land	2,617
Net Monetary Value / Value of Discount	12,383

The calculation of the value of a discount to be applied to the combined monthly lease in accordance with the methodology outlined in Circular PL 10/2015 and Housing Circular 36/2015 is deemed to be €235,277 or €12,383 per unit.

The above is the applicants initial Part V proposal, and they remain willing to engage closely with the City Council or an AHB in coming to a mutual agreement on the best way to discharge their Part V obligations.

Tiznow Property Company Limited (Comer Group Ireland) - Part V Residential Costs Methodology February 2022

	sq m/ ha
1 Bedroom Apartment Cost Summary - Apartment Types 1J	
Average Apartment Size	48
No. of Units	1
Total No. of Units on site	190
Total Site Area	1.06
Assumed Costs	
Construction Cost (per sq m) [1]	2,150
Site Works Cost (per sq m)	290
Existing Use Value of land (per ha) [3]	49,400
	€
Construction Costs (excluding Construction Profit)	
Estimated Construction Cost as per unit	103,200
Estimated Site Works & Servicing Costs per unit	13,920
Sub Total	117,120
Attributable Development Costs @ 22.5% of Apartment Construction Costs [4]	23,220
Design Team Fees	
Legal & Estate Agents Fees	
Marketing Costs	
Other Costs (specify)	
Profit on construction costs, but not attributable development costs @15%	17,568
Sub-total ex-VAT	40,788
Site Cost per unit (existing use value[4]) Site Area / Units	276
Apartment & Land Cost - (Ex VAT)	158,184
VAT@ 13.5%	21,355
Total Cost (inc. VAT) but excluding Development Contributions / Local Authority Bonds [5]	179,814

[1] This is based on cost range of RIAI Average Irish Construction Costs 2019. Cost range for estate house (average 100sq m) is €1,250 to €1,600 per sq m; Cost range for apartments is €1,800 to €2,500 per sq m.

[2] Based on an assumption of 45% of house construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates, including External Works, Site Development Works and Indirect Site Costs (scaffolding; site security etc. & building contingency of c.3.8% for unforeseen items)

[3] Based on assumption of €20k per acre / €49,400 per ha for agricultural land, or submitted existing use value for brownfield land.

[4] Based on an assumption of 22.5% of construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates. **(Includes:** Marketing Costs; Legal & Sale fees; Site & Building Finance costs; and Assigned Certifier Bldg Control Regs; **Excludes:** Financial Contributions, LA Bonds & Part V Contribution).

[5] Development Contributions & LA Bond will be as levied by the Planning Authority, plus VAT.

[6] To be informed by site specific information - example based on Agricultural Land Value

Tiznow Property Company Limited (Comer Group Ireland) - Part V Residential Costs Methodology February 2022

1 Bedroom Apartment Cost Summary - Apartment Types 1A	sq m/ ha
Average Apartment Size	49
No. of Units	6
Total No. of Units on site	190
Total Site Area	1.06
Assumed Costs	
Construction Cost (per sq m) [1]	2,150
Site Works Cost (per sq m)	290
Existing Use Value of land (per ha) [3]	49,400
	€
Construction Costs (excluding Construction Profit)	
Estimated Construction Cost as per unit	105,350
Estimated Site Works & Servicing Costs per unit	14,210
Sub Total	119,560
Attributable Development Costs @ 22.5% of Apartment Construction Costs [4]	23,704
Design Team Fees	
Legal & Estate Agents Fees	
Marketing Costs	
Other Costs (specify)	
Profit on construction costs, but not attributable development costs @15%	17,934
Sub-total ex-VAT	41,638
Site Cost per unit (existing use value[4]) Site Area / Units	276
Apartment & Land Cost - (Ex VAT)	161,473
VAT@ 13.5%	21,799
Total Cost (inc. VAT) but excluding Development Contributions / Local Authority Bonds [5]	183,548

[1] This is based on cost range of RIAI Average Irish Construction Costs 2019. Cost range for estate house (average 100sq m) is €1,250 to €1,600 per sq m; Cost range for apartments is €1,800 to €2,500 per sq m.

[2] Based on an assumption of 45% of house construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates, including External Works, Site Development Works and Indirect Site Costs (scaffolding; site security etc. & building contingency of c.3.8% for unforeseen items)

[3] Based on assumption of €20k per acre / €49,400 per ha for agricultural land, or submitted existing use value for brownfield land.
[4] Based on an assumption of 22.5% of construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates. **(Includes:** Marketing Costs; Legal & Sale fees; Site & Building Finance costs; and Assigned Certifier Bldg Control Regs; **Excludes:** Financial Contributions, LA Bonds & Part V Contribution).

[5] Development Contributions & LA Bond will be as levied by the Planning Authority, plus VAT.

[6] To be informed by site specific information - example based on Agricultural Land Value

Tiznow Property Company Limited (Comer Group Ireland) - Part V Residential Costs Methodology February 2022

2 Bedroom Apartment Cost Summary - Apartment Types 2C, 2H, 2I	sq m/ ha
Average Apartment Size	75
No. of Units	6
Total No. of Units on site	190
Total Site Area	1.06
Assumed Costs	
Construction Cost (per sq m) [1]	2,150
Site Works Cost (per sq m)	290
Existing Use Value of land (per ha) [3]	49,400
	€
Construction Costs (excluding Construction Profit)	
Estimated Construction Cost as per unit	161,250
Estimated Site Works & Servicing Costs per unit	21,750
Sub Total	183,000
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Attributable Development Costs @ 22.5% of Apartment Construction Costs [4]	36,281
Design Team Fees	
Legal & Estate Agents Fees	
Marketing Costs	
Other Costs (specify)	
Profit on construction costs, but not attributable development costs @15%	27,450
Sub-total ex-VAT	63,731
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Site Cost per unit (existing use value[4]) Site Area / Units	276
Apartment & Land Cost - (Ex VAT)	247,007
VAT@ 13.5%	33,346
Total Cost (inc. VAT) but excluding Development Contributions / Local Authority Bonds [5]	280,628

[1] This is based on cost range of RIAI Average Irish Construction Costs 2019. Cost range for estate house (average 100sq m) is €1,250 to €1,600 per sq m; Cost range for apartments is €1,800 to €2,500 per sq m.

[2] Based on an assumption of 45% of house construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates, including External Works, Site Development Works and Indirect Site Costs (scaffolding; site security etc. & building contingency of c.3.8% for unforeseen items)

[3] Based on assumption of €20k per acre / €49,400 per ha for agricultural land, or submitted existing use value for brownfield land.

[4] Based on an assumption of 22.5% of construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates. (Includes: Marketing Costs; Legal & Sale fees; Site & Building Finance costs; and Assigned Certifier Bldg Control Regs; Excludes: Financial Contributions, LA Bonds & Part V Contribution).

[5] Development Contributions & LA Bond will be as levied by the Planning Authority, plus VAT.

[6] To be informed by site specific information - example based on Agricultural Land Value

Tiznow Property Company Limited (Comer Group Ireland) - Part V Residential Costs Methodology February 2022

	sq m/ ha
Apartment Block - 2 Bedroom - Apartment Type 2K	
Average Apartment Size	77
No. of Units	3
Total No. of Units on site	190
Total Site Area	1.06
Assumed Costs	
Construction Cost (per sq m) [1]	2,150
Site Works Cost (per sq m)	290
Existing Use Value of land (per ha) [3]	49,400
	€
Construction Costs (excluding Construction Profit)	
Estimated Construction Cost as per unit	165,550
Estimated Site Works & Servicing Costs per unit	22,330
Sub Total	187,880
Attributable Development Costs @ 22.5% of Apartment Construction Costs [4]	37,249
Design Team Fees	
Legal & Estate Agents Fees	
Marketing Costs	
Other Costs (specify)	
Profit on construction costs, but not attributable development costs @15%	28,182
Sub-total ex-VAT	65,431
Site Cost per unit (existing use value[4]) Site Area / Units	276
Apartment & Land Cost - (Ex VAT)	253,586
VAT@ 13.5%	34,234
Total Cost (inc. VAT) but excluding Development Contributions / Local Authority Bonds [5]	288,096

[1] This is based on cost range of RIAI Average Irish Construction Costs 2019. Cost range for estate house (average 100sq m) is €1,250 to €1,600 per sq m; Cost range for apartments is €1,800 to €2,500 per sq m.

[2] Based on an assumption of 45% of house construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates, including External Works, Site Development Works and Indirect Site Costs (scaffolding; site security etc. & building contingency of c.3.8% for unforeseen items)

[3] Based on assumption of €20k per acre / €49,400 per ha for agricultural land, or submitted existing use value for brownfield land.

[4] Based on an assumption of 22.5% of construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates. **(Includes:** Marketing Costs; Legal & Sale fees; Site & Building Finance costs; and Assigned Certifier Bldg Control Regs; **Excludes:** Financial Contributions, LA Bonds & Part V Contribution).

[5] Development Contributions & LA Bond will be as levied by the Planning Authority, plus VAT.

[6] To be informed by site specific information - example based on Agricultural Land Value

Tiznow Property Company Limited (Comer Group Ireland) - Part V Residential Costs Methodology February 2022

Apartment Block - 3 Bedroom - Apartment Type 3A	sq m/ ha
Average Apartment Size	104
No. of Units	3
Total No. of Units on site	190
Total Site Area	1.06
Assumed Costs	
Construction Cost (per sq m) [1]	2,150
Site Works Cost (per sq m)	290
Existing Use Value of land (per ha) [3]	49,400
	€
Construction Costs (excluding Construction Profit)	
Estimated Construction Cost as per unit	223,600
Estimated Site Works & Servicing Costs per unit	30,160
Sub Total	253,760
Attributable Development Costs @ 22.5% of Apartment Construction Costs [4]	50,310
Design Team Fees	
Legal & Estate Agents Fees	
Marketing Costs	
Other Costs (specify)	
Profit on construction costs, but not attributable development costs @15%	38,064
Sub-total ex-VAT	88,374
Site Cost per unit (existing use value[4]) Site Area / Units	276
Apartment & Land Cost - (Ex VAT)	342,410
VAT@ 13.5%	46,225
Total Cost (inc. VAT) but excluding Development Contributions / Local Authority Bonds [5]	388,910

[1] This is based on cost range of RIAI Average Irish Construction Costs 2019. Cost range for estate house (average 100sq m) is €1,250 to €1,600 per sq m; Cost range for apartments is €1,800 to €2,500 per sq m.

[2] Based on an assumption of 45% of house construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates, including External Works, Site Development Works and Indirect Site Costs (scaffolding; site security etc. & building contingency of c.3.8% for unforeseen items)

[3] Based on assumption of €20k per acre / €49,400 per ha for agricultural land, or submitted existing use value for brownfield land.

[4] Based on an assumption of 22.5% of construction unit costs. Informed by report prepared on behalf of the Irish Home Builders Association, July 2014, prepared by Walsh Associates. **(Includes:** Marketing Costs; Legal & Sale fees; Site & Building Finance costs; and Assigned Certifier Bldg Control Regs; **Excludes:** Financial Contributions, LA Bonds & Part V Contribution).

[5] Development Contributions & LA Bond will be as levied by the Planning Authority, plus VAT.

[6] To be informed by site specific information - example based on Agricultural Land Value



COMER
GROUP
IRELAND

TIZNOW LIMITED
(a Comer Group Ireland Company)

RE: Tedcastles & Cork Warehouse lands Centre Park Road Cork.

To Whom it may concern.

I wish to confirm the following purchase dates as Director of Tiznow Limited the owner of the above-named lands.

Tedcastles was purchased on the 26th June 2018
Cork Warehouse was purchased on the 13th July 2018

Yours sincerely,



Barry Comer
Director
Tiznow Limited