Department of **Planning, Lands and Heritage**

GOVERNMENT OF WESTERN AUSTRALIA

Infrastructure Development Fund
Stream 3: Unlocking Regional Accommodation Opportunities

Guidelines for Applicants

Updated August 2024

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Acknowledgement of country

The Department of Planning, Lands and Heritage acknowledge the traditional owners and custodians of land and waterways across Western Australia. The Department is committed to reconciliation to improve outcomes for Aboriginal and Torres Strait Islander peoples and to work together to provide a culturally-safe and inclusive environment.

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1.
How to use the guidelines

This guideline will tell you:

- the funding available
- who is eligible to apply
- what types of projects are eligible
- eligible locations
- how applications are assessed
- what to expect if you are successful

Before making an application to the Infrastructure Development Fund you should read these guidelines in full and ensure you and your project meet the eligibility requirements. This document should be read in conjunction with the online application forms, which are which are provided on SmartyGrants and accessible via the Department of Planning, Lands and Heritage's (Department) website www.wa.gov.au/dplh.

If you have any questions about the content of these guidelines and would like to discuss your project, please contact InfrastructureFund@dplh.wa.gov.au or call 6551 8002.

2.
About the Infrastructure Development Fund

The State Government has established an $80 million fund to unlock a new pipeline of apartment development in key urban precincts and workers accommodation in regional areas.

Restrictions on the capacity of existing water, wastewater and electricity infrastructure, and the costs and complexity for landowners to connect, can limit urban infill development and the provision of new housing in regional areas. This can result in well-located development sites remaining vacant and housing opportunities going unrealised.

The purpose of the Infrastructure Development Fund is to assist with the cost of resolving infrastructure constraints that impact the supply of medium to high density residential infill development projects in priority infill locations within metropolitan Perth, and workers accommodation or community housing in the regions.

In the metropolitan area, new medium to high density residential infill development will promote urban consolidation, housing diversity and activation around priority infill locations, such as METRONET station precincts.

In the regions, high levels of employment and low availability of housing can impede ongoing economic development.

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The $80 million Infrastructure Development Fund has been allocated equally between metropolitan and regional projects ($40 million each) and consists of three funding streams:

1. ## Targeted Apartment Rebate

    For new apartment developments, a targeted rebate of up to $10,000 per multiple dwelling will be available to assist with water, wastewater and electricity infrastructure connection and contribution costs incurred with the Water Corporation or Western Power. Funds will be paid directly to the infrastructure provider.

    The rebate will be available to apartment (multiple dwelling) projects within the Perth metro-central sub-region; strategic, secondary and district activity centres; Bunbury CBD; train station precincts and Housing Diversity Pipeline sites.

    Purpose-built specialist disability accommodation projects being undertaken by a registered NDIS provider are also able to be considered for Stream 1 funding.

    Developments receiving funding under the program will be required to commence within two years of approval and complete construction within four years. An additional 12-month discretionary extension is available to account for unforeseen construction delays.

2. ## Unlocking infill precincts

    The second stream of the Infrastructure Development Fund has been designed as an infrastructure investment program to address constraints in the water, wastewater and electricity network at a precinct scale, to facilitate medium to high density residential infill development within the Perth metro-central sub-region[1]; strategic, secondary and district activity centres; Bunbury CBD; train station precincts and Housing Diversity Pipeline[2] sites.

    This allows for larger, more complex infrastructure bottlenecks to be identified and addressed, to provide the additional service capacity needed to unlock development opportunities. Without Government intervention or assistance, in some cases these development opportunities are unlikely to be realised or feasible for a single developer to coordinate and/or fund.

    Applications for this funding stream will be based on evaluation of a business case, including consideration of co-contribution opportunities with industry.

3. ## Unlocking regional accommodation opportunities

    The third funding stream has been designed as an infrastructure investment program to address infrastructure constraints in the water, wastewater, electricity network and civil works associated with utilities and road construction at a precinct or strategic site scale impacting the delivery of regional accommodation for key workers or community housing.

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[1] The central sub-region of the Perth metropolitan area, being within the local government areas of the City of Stirling, City of Bayswater, Town of Bassendean, Town of Cambridge, City of Vincent, City of Perth, City of Subiaco, City of Nedlands, Town of Claremont, Town of Cottesloe, Town of Mosman Park, Shire of Peppermint Grove, City of Belmont, Town of Victoria Park, City of South Perth, City of Canning, City of Melville, City of Fremantle, and Town of East Fremantle.

[2] Housing Diversity Pipeline (www.wa.gov.au)

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Applications under this funding stream will be based on evaluation of a business case, including consideration of co-contribution opportunities.

Mining/resource workers accommodation and proposals outside of existing centres, townsites or communities are ineligible for funding.

This document relates to **Stream 3 – Unlocking regional accommodation opportunities**.

3.
Objectives

The unlocking regional accommodation opportunities funding stream seeks to:

- assist with the resolution of infrastructure or site constraints for projects delivering key worker housing in regional towns and communities;

- assist with the resolution of infrastructure or site constraints for projects delivered by community housing organisations providing a range of housing options including supported and specialist accommodation.

- assist with the provision of housing in regional towns to help build and maintain sustainable regional communities; and

- support delivery of housing for low to moderate income households in non-mining industries.

3.1
Who are key workers?

For the purpose of this Fund, key workers include, but are not limited to, skilled and semi-skilled workers employed in the following industries:

- Childcare
- Education
- Emergency services
- Healthcare
- Hospitality

- Retail
- Tourism
- Trades and manufacturing
- Government employees

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3.2
What is Community housing?

For the purpose of this Fund, Community Housing consists of a range of housing types, provided for people on a very low, low or moderate income, or for people with additional needs, that is provided by a person other an occupant of the housing. This may include crisis, transitional and long-term rental housing and congregate living facilities, like hostels or lodges.

A community housing provider means a body corporate or organisation, including not-for-profit, that has one of its objectives being the provision of community housing.

4.
Eligibility

4.1
Applicant eligibility

The stream is open to developers/landowners, community housing organisations and local government to make applications. Applications from a group of developers/landowners (including local government) within a precinct are encouraged.

State Government agencies or infrastructure providers may also identify projects for consideration, which meet Government priorities, objectives and complement existing projects or initiatives.

4.2
Eligible locations

For a project to be eligible for funding, it should be located within (or in the vicinity of) an existing regional centre or townsite within regional Western Australia (excluding the Perth and Peel Metropolitan region[3])

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[3] Genuine regional proposals in the outer Peel region may be considered where justified.

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4.3
Project eligibility

For a project to be eligible for consideration for funding, it should:

1. Relate to works and/or upgrades to water, wastewater, electricity supply and roadworks infrastructure and their associated civil works that are demonstrated to represent a barrier and are required to facilitate provision of accommodation options for key workers or community housing.

   On-site/stand-alone systems may be considered where they represent the most appropriate option for the provision of services, provide value for money and are consistent with policy and regulatory requirements and supported by relevant responsible authorities.

2. Demonstrate a high level of consistency with implementing the WA Government's strategic priorities, projects, and objectives such as:

   • provision of affordable and appropriate accommodation options for key workers and community housing in locations where there is unmet demand; and

   • strategic planning objectives, such as within a Regional Planning and Infrastructure Framework, endorsed housing strategy and other relevant strategies and initiatives.

3. Demonstrate the infrastructure works will facilitate the timely delivery (following completion of the infrastructure works the subject of the application) of:

   • affordable purchase and/or rental accommodation options for key workers located within a reasonable vicinity to employment locations to enable workers to access their place of employment and within a reasonable vicinity to amenity and services. This can include a range of housing types, where appropriate, to respond to the expected housing needs (as justified by the proposal), and providing at a minimum a bedroom, living space, kitchen and bathroom facilities (i.e. not relying on shared facilities) and be capable of being used for permanent occupancy, not short stay accommodation purposes; or

   • Community housing accommodation located within regional centres or townsites. A range of housing types can be considered, the proposal should justify that the development responds to housing needs in the region.

4. The application must identify the development potential (number of dwellings and land use) which will be facilitated by the proposed infrastructure work as provided for within the relevant planning frameworks and related time horizons, to be justified within the application and subject to advice of the relevant local government and servicing authority, and should be:

   • consistent with the planning framework for the location (i.e. relevant local planning schemes, structure plans and/or redevelopment schemes); or

   • consistent with a seriously entertained planning proposal (i.e. scheme amendment, structure plan) which cannot be progressed due to the existence of the infrastructure constraint.

   Where a proposal relates to a precinct with the potential to provide for key worker accommodation or community housing, rather than an individual site,

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the proposed infrastructure works should provide capacity for the expected development of the precinct as provided for within the relevant planning frameworks and related time horizons, to be justified within the application and subject to advice of the relevant local government and servicing authority[4].

5. Applications must also demonstrate:

- delivery of the required infrastructure works cannot viably be accommodated as part of the normal development processes and infrastructure constraints which represent a barrier to the provision of regional accommodation. For example, the extent of works required and fragmented ownership of a precinct may result in the required infrastructure works being unfeasible for a single developer to coordinate or fund;

- the infrastructure works are required to facilitate the proposed regional accommodation;

- a high degree of certainty of the costs (and breakdown) of the required infrastructure works, this estimate of costs should be provided by a utility provider, or alternatively an appropriately qualified cost estimator or quantity surveyor;

- the capacity of the owner of the proposed infrastructure to manage and maintain it (where relevant);

- the project represents value for money and will deliver benefit to the community;

- the proposed infrastructure works/upgrades are capable of being undertaken within 24 months of the funding agreement being reached.

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[4] A staged approach may be considered where it can be demonstrated that staging of infrastructure works/upgrades will not prejudice the delivery of the planned ultimate infill development in the precinct, result in duplication of works or increased costs and represents a logical staging of works.

Consideration can be given to a longer time period, for reasons such as project complexity, resource/material availability, the need to wait for completion of related infrastructure works or design;

- relevant experience undertaking similar projects over the last five years, and capacity to deliver the proposed infrastructure works and/or the subsequent key worker or community housing development (as relevant to the application and party applying for funding); and

- a genuine intention to develop their landholding(s) for key worker accommodation or community housing once the identified infrastructure constraint has been resolved and relevant experience undertaking similar projects over the last five years, and the capacity to deliver the proposed infrastructure works and/or the subsequent housing development (to the applicant/proposal).

4.4
Co-contribution

While co-contributions are not required to be eligible for the program, applicants are encouraged to consider whether a co-contribution would be appropriate and assist their application, taking into consideration:

- the benefit the applicant(s) will derive from the project;

- sharing of risks appropriately between private parties and Government;

- demonstration that the project will represent value for money; and

- strengthening the deliverability of the project.

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Where key worker accommodation or community housing forms part of a broader development proposal including other land uses, consideration will also be given to the extent (i.e. proportion) to which the proposed development provides for key worker accommodation or community housing.

4.5
Ineligible projects, infrastructure works and costs

The following projects or costs are ineligible for funding under the program:

- Costs associated with bulk earthworks (unless associated with the funded infrastructure works), drainage, gas, telecommunications, and landscaping.

  – Costs associated with technical studies undertaken to support applications. However, applications may include requests for funding towards detailed engineering design and as-constructed design, which will be considered where justified.

- Costs associated with connecting individual future development on private landholdings into the infrastructure scheme (water, wastewater and electricity).

- Costs generally associated with provision of water supply, sewerage service or electricity distribution system as part of implementation of a subdivision approval.

- Costs associated with the construction of the regional worker accommodation building(s) or community housing. The Fund is to provide for necessary infrastructure works only.

- Mining/resource worker accommodation and on-site worker accommodation proposals (that is proposals outside of existing centres, townsites or communities).

- Recovery of costs that are already funded through alternative sources or retrospective recovery of costs already incurred for infrastructure works already substantially commenced or completed.

- Projects seeking funding for ongoing operational or recurrent costs.

- Ongoing salaries/employment of new or existing staff.

- Purchase of land.

- Activities that would be undertaken in the normal course of business, such as routine replacement or upgrades of plant and equipment.

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5.
Application requirements

Applications must be submitted using the online application form. SmartyGrants is the online grants management tool used by the Department of Planning, Lands and Heritage. Please contact InfrastructureFund@dplh.wa.gov.au for assistance with planning or preparing an application.

Applications close **6 September 2024**. Late applications will not be accepted.

Assessment of applications will be considered in rounds, which will occur quarterly subject to funding availability and applications received.

Applicants are required to submit sufficient information to demonstrate suitability and feasibility of a proposal against the objectives and eligibility criteria. Applications should be in the form of a business case.

Applications should also include:

- Where appropriate, technical studies and/or evidence of discussions with relevant agencies and authorities, which may include but not be limited to planning and servicing bodies.

- Supporting information from, or in collaboration with, the relevant servicing agency and other landowners (where possible). Collaboration with the relevant infrastructure provider is encouraged.

- An understanding of the existing capacity of the infrastructure network, and the additional capacity the proposed works will provide and the relevant catchment of the supply should also be provided.

The development potential (number of dwellings and land use) which will be facilitated by the proposed infrastructure work should be identified.

- Breakdown of costs of the infrastructure work/upgrade.

- Proposed timeframe/schedule of works.

- Whether the proposed infrastructure works will require any planning/environmental approval or any other related licenses, permits or approvals to allow the proposal to proceed, and whether they have been obtained or estimated timeframes for obtaining.

- Whether a co-contribution is proposed and the proportion.

- Degree of experience of the applicant/s in developing residential/worker housing or community housing sites in regional locations.

- The timeframe by which private development of residential/worker accommodation or community housing could be expected to commence after the infrastructure project is delivered.

- Details of any project specific timeframes in relation to their proposal.

Applicants must disclose whether any aspect of the proposal has received funding from other grant or funding sources and/or is provided for within a Development Contribution Plan.

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5.1
Applications seeking funding to undertake works

In addition to the above, where the applicant is proposing to undertake (or project manage) the works themselves (rather than works being undertaken by a servicing agency or infrastructure provider), the applicant will need to demonstrate that:

- The business/organisation has a sound financial track record, is compliant with relevant regulations and has the capacity to deliver on the proposed project.

- Measures are in place to minimise the potential risks associated with providing funding to the applicant and the risk of non-performance.

To assist, the following additional information must be provided by the applicant:

- An overview of the applicant's organisation including organisational structure, clients/markets/industry sector etc.

- Where the applicant is a landowner, this information should include the area of land owned, details of other landholders or parties to the application.

- Project description including its aims, cost, location, and proposed timing of project activities.

- External validation of the organisation as a going concern.

- Detailed breakdown of costs for the project (including quotations where available) and the amount of funding (excluding GST) requested through the scheme.

- Letters of support from relevant stakeholders and parties, such as other landowners, local governments, the relevant Regional Development Commission and other organisations benefiting from, or contributing to, the project.

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6.
Assessing applications

All applications will undergo an eligibility evaluation, to confirm the application meets the eligibility criteria. Eligible applications will then proceed to an application assessment by an Assessment Panel.

The Assessment Panel will consider the proposal in the context of the objectives, program eligibility requirements and against the following weighted criteria:

Assessment criteria and weighting	Criteria description
1. Need and priority (30%)	• Demonstrated need and priority for the project including but not limited to: – Infrastructure constraint/s demonstrated to be a significant barrier to facilitating provision of regional key worker accommodation or community housing. – Demonstration of the need for accommodation options for regional key workers or community housing in location where there is unmet demand. – Delivery of the required infrastructure works cannot viably be accommodated as part of the normal development processes. – Proposal provides affordable and appropriate accommodation options for regional key workers, responding to demonstrated needs. – Proposal is located within a reasonable vicinity to employment locations, amenity, and services.
2. Consistency with Government Strategic Priorities (20%)	• Demonstrated high level of consistency with implementing the WA Government's strategic priorities including: – Provision of community housing, affordable accommodation options for regional key workers in locations where there is unmet demand. – Strategic planning objectives such as Regional Planning and Infrastructure Frameworks, endorsed housing strategies and other relevant strategies and initiatives. – Consistency with the state and local planning framework.

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Assessment criteria and weighting	Criteria description
3. Viability and capability (25%)	• Business case provides sound planning, technical feasibility and demonstrates capability for works to be delivered including: – A clear summary project plan for proposed infrastructure works, including outcomes and deliverables, timelines, approval requirements and other relevant considerations. – Demonstration that the works are capable of being undertaken within 24 months of funding agreement being reached. – Relevant servicing authority advice including the capacity for the works to be undertaken and level of support for the proposal. – Capacity of the owner of the proposed infrastructure to manage and maintain it (where relevant). – Project employs the most appropriate methods for delivery of required infrastructure. – Relevant experience undertaking similar projects over the last five years, and capacity to deliver the proposed infrastructure works and/or the subsequent key worker or community housing development. • Demonstration of a genuine intention to develop landholdings by applicant (where relevant) for regional worker accommodation or community housing once the identified infrastructure constraint has been resolved.
4. Value for money (25%)	• A reasonable and justified funding request that demonstrates value for money including: – A high degree of certainty regarding the costs of the required infrastructure works. This should be supported by information from a relevant utility provider, cost estimator or quantity surveyor. – The latent capacity of the existing infrastructure and the additional development potential the proposed works will provide. – Demonstration the proposal represents value for money (such as the number of dwellings provided for community housing or regional worker accommodation/potential unlocked for the cost of the proposed infrastructure works). – Community benefit. • Extent of co-contributions proposed, taking into consideration: – The benefit the applicant(s) will derive from the project and the extent of the project providing for regional worker accommodation or community housing. – Sharing of risk appropriately between private parties and Government. – Demonstration that the project will represent value for money. – Strengthening the deliverability of the project.

Following assessment by the Panel, recommendations will be considered by the Residential Lands and Housing Delivery Steering Committee (RLHDSC) for endorsement and the Residential Lands and Housing Delivery Ministerial Oversight Committee (MOC) for determination.

The MOC will make the final decisions on applications.

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7.
Funding agreement

All applicants will be notified of the outcome of their grant application.

Where required, successful applicants will be required to enter into a funding agreement. The agreement sets out the terms and conditions applicable and defines the roles and responsibilities.

Payments will generally be made directly to the infrastructure provider undertaking the works (i.e. Water Corporation, Western Power or other relevant provider). As a result, a funding agreement with an applicant may not be required where the infrastructure project/upgrade is unconditional from the applicant's perspective or requires no commitment or involvement (i.e. no co-contribution or undertaking) by the applicant.

Infrastructure works/upgrades should be completed within 24 months of signing of the funding agreement. Consideration can be given to a longer time period, for reasons such as project complexity, resource/material availability, the need to wait for completion of related infrastructure works or design.

8.
Project timing, reporting and acquittal

The project must be completed within the timing and terms set out in the funding agreement.

Successful applicants will be required to report on project progress and related measures. Reporting dates will be agreed at sign-off of the funding agreement. At the end of the project, you may also be required to submit a final report to demonstrate the project has been completed in line with the approved application, and funding has been spent accountably.

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9.
Announcement of successful applications

Following execution of a funding agreement, information regarding successful applications will be published on the Department's website www.wa.gov.au/dplh. Information published will include:

- Applicant's name.
- Location of project/development.
- Project summary.
- Funding amount.

No commercial in confidence information will be published.

Enquiries and support

All applications should be accompanied by supporting information from, or in collaboration with, the relevant servicing agency. Applicants are encouraged to discuss their application with the servicing agency as early as possible prior to submitting an application.

Enquiries regarding the Unlocking Regional Accommodation Opportunities stream should be emailed to InfrastructureFund@dplh.wa.gov.au.