

REGISTRATION OF PROPOSED SOLUTIONS



Photo Credit: City of Greater Geraldton www.cgg.wa.gov.au

POTENTIAL OPPORTUNITY TO DESIGN, CONSTRUCT AND MANAGE HOUSING TO SUPPORT LIVEABILITY

Location: City of Greater Geraldton

Submissions close at 2.00PM WST.

on Friday 29th September 2023.



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1. INTRODUCTION

The Mid West Development Commission (the Commission) is seeking proposed solutions from developers, builders, housing providers and industry proponents to help improve Geraldton's liveability by providing new housing options to support the project-driven population growth in Geraldton, within the City of Greater Geraldton (CGG) Local Government Area.

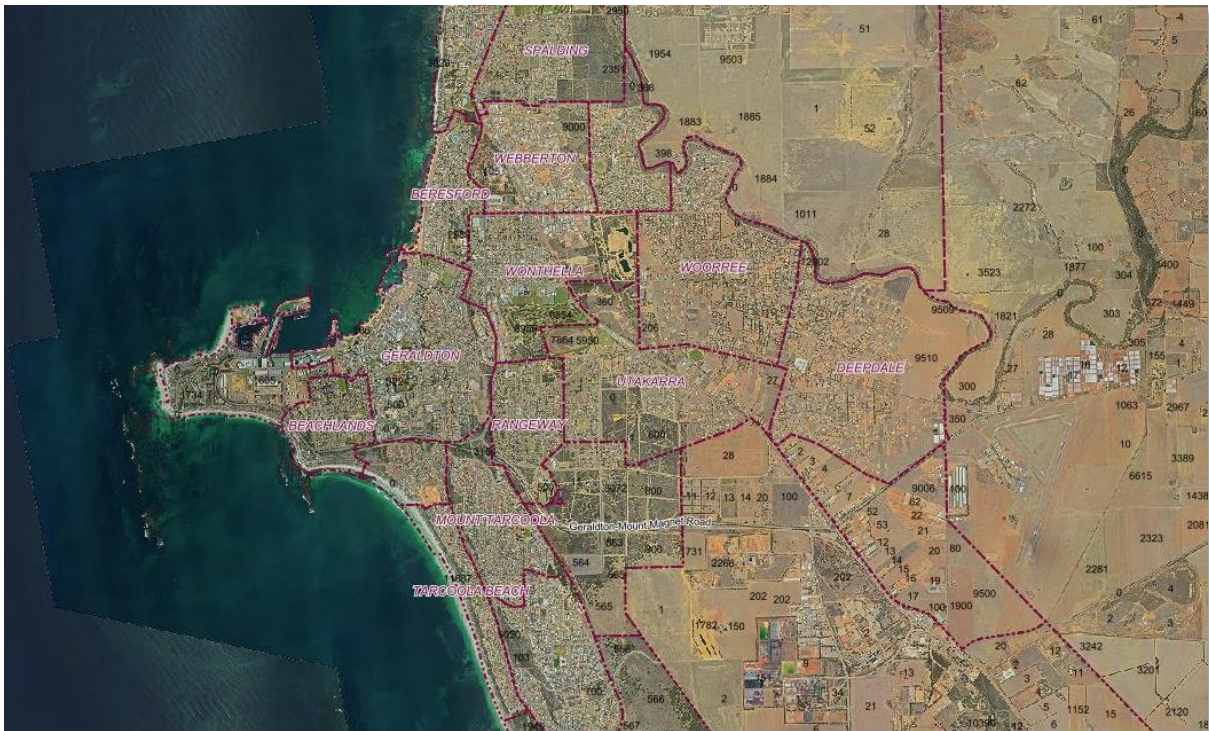


Photo Credit: Intramaps Screenshot - City of Greater Geraldton

For the purposes of this Registration of Proposed Solutions (ROPS) process, it is important to consider that currently – and over the coming months and years, there is significant migration anticipated to region as a result of new projects that are expected to drive or enable economic growth in the Mid West e.g., Geraldton Port Maximisation Project, CBH infrastructure upgrades, Geraldton Health Campus Redevelopment, infrastructure, and major project development in the Arrowsmith and Oakajee areas. There will be a range of people relocating to the region engaged in roles that will contribute to the development of these projects, and it is important that the liveability of Geraldton – as the regional capital – is supported and enhanced.

Social housing is not the focus of this initiative. It is intended to address the liveability factors that increased project-driven population will bring to Geraldton.

This document in no way represents an offer or formal request for proposal. It will simply indicate market interest and proposed solutions. Next steps and delivery will evolve based upon what is received.



The Commission would like to consider proposed solutions from eligible Respondents against the indicative priority considerations included within. These are indicative only and subject to change.

A future process, based on the selected proposal/s, would still be required before any resource allocation can be considered.

The Commission may seek funding from the State government for implementation of a preferred solution. No funding has yet been secured.

The Commission reserves the right to continue dialogue with any Respondent or to discontinue the process at any time without prejudice or any commitment.

2. BACKGROUND

The City of Greater Geraldton is in the Mid West Region of Western Australia, approximately 400 kilometres north of Perth. The Estimated Resident Population is around 41,500 (2022), following steady growth since 2016.

Geraldton is the major population and economic centre of the Mid West region, representing around 70% of population (57,000) and 50% of Gross Regional Product (\$4.3B / \$8.2B). There are around 17,000 established dwellings and around 1,700 vacant residential lots (not all serviced).

Like many regional areas of Western Australia, the region is benefiting from sustained strong economic activity and jobs growth with numerous major mining and infrastructure projects planned or already underway. The Western Australian State Government has also signalled its intent to capitalise on the region's wind and solar energy potential by investing in the development of the Mid West Hydrogen Hub (Oakajee), capitalising on the emerging hydrogen energy market.

Other development growth pressures are expected from major mining and resource projects in the Arrowsmith and Murchison provinces, diverse renewable energy interests, the Square Kilometre Array (SKA) radio astronomy project and government infrastructure projects.

These conditions have placed great pressure on available housing supply. Geraldton is experiencing historically low rental vacancy rates, home sales and new builds. There is also relative scarcity of higher density 2-3 bedroom homes suited to support this project-driven population growth, particularly within relative proximity of the Geraldton CBD. The average value of new detached housing in Geraldton has risen to more than \$500k in 2023, indicating scarcity of new developments in the more affordable housing bracket.

Adequate supply of appropriate housing is recognised as a critical enabler of regional economic and social development. Maintaining an availability of affordable and diverse housing during periods of economic growth helps regional communities to enhance liveability, thereby attracting and retaining the required skills and labour



necessary to support, enhance and sustain regional economic growth and development.

History has demonstrated that an absence of timely access to appropriate housing for growing regional communities can distort housing and employment markets, constrain investment and growth, and limit the ability of regional communities to maintain effective commercial, social and community services required to maintain and enhance liveable communities.

It is recognised that housing shortages and housing construction industry pressures generally, also constrain provision of social housing and increase cost and further disadvantage.

There is a pressing need for intervention to address the shortage of housing options to meet the expected growth in demand from incoming population. These housing pressures are already impacting the delivery of diverse projects and services that are economic drivers of the Mid West region, and the region's liveability.

3. PURPOSE

The Commission acknowledges the challenging housing market conditions in Geraldton and the need for innovative solutions and external intervention to realise economically viable housing outcomes.

The intent of this process is to consider a range of commercially feasible potential solutions to help address the shortage of housing for project-driven population growth, and improve liveability. This would help inform a subsequent step to seek funding for potential implementation.

Submissions with proposed solutions can be from individual organisations or under a consortium delivery arrangement.

Respondents must demonstrate capacity to deliver end-to-end housing solutions across the spectrum of delivery – from initial concept and design, through to acquisition and/or construction and potential ongoing management of occupants and dwellings (or a third-party solution for ongoing management).

The Commission reserves the right to work with Respondents on a case-by-case basis or to cease the process at any time.

Proposed solutions received from suitable Respondents will determine any next steps, based on Section 4.4.1 Priority considerations.

4. COMMERCIAL FRAMEWORK

As part of this process, the Commission may seek around \$3M from the State Government for investment in housing.



Note: The above figure should be considered an indicative baseline only - funds are not yet sought nor secured.

All proposals will be considered on a value for money basis relative to outcomes expected.

Unleveraged solutions are unlikely to be considered. Any external funding should unlock or help realise a development outcome larger than any funding amount sought.

Respondents have discretion to include potential development solutions that require more, or less, than the indicative baseline amount.

Submissions received may include one, or a combination of potential development solutions such as:

- Pre-purchase of dwellings within larger, planned developments;
- Grant funding and/or land to housing providers to deliver dwellings;
- Rental incentive payments for investors;
- Funding to meet other commercial viability shortfalls;
- Investment in local development capability or workforce capacity; or
- Any other commercially feasible solutions.

5. LODGEMENT AND REVIEW PROCESS

PHASE 1: REGISTRATION OF PROPOSED SOLUTIONS (ROPS PROCESS)

Through this ROPS process the Commission is seeking potential solutions to address project-driven housing pressures in Geraldton from eligible Respondents who demonstrate the following:

1. Eligibility Requirements
2. Project Vision and Outcomes
3. Relevant Experience
4. Organisational Capability and Capacity
5. Delivery Model and Finance

Proposals should be submitted using the RETURNABLE SCHEDULES 1 – 6 attached to this ROPS document.

a. **Priority considerations**

The review process will include priority considerations indicated below:

a) **Eligibility**

A Respondent to this ROPS must:

- Be a registered business entity, including (but not limited to) developers, builders and Community Housing Providers.

- Propose housing options that are located within Geraldton, that will support project-driven population growth. Proximity to the Geraldton CBD will be preferred.

b) Project vision and outcomes

i. Housing Opportunities Delivered

Demonstrate the degree to which the project will deliver housing opportunities for project-driven population growth in Geraldton. This includes the:

- Number of housing units to be delivered;
- Tenancy or tenure arrangements; and
- Time period over which the housing will be made available.

ii. Value for Investment

Demonstrate the extent to which the proposal maximises the impact of any future investment provided.

Respondents should explore additional project funding mechanisms, including, for example the Infrastructure Development Fund or WA Country Health Services and Government Regional Officer' Housing Programs.

iii. Additional Value Creation

Demonstrate the potential of the project to deliver additional housing supply and economic benefits, beyond any future project funding amounts. For example, if \$1M was to be invested (at a future stage) there would be an expectation for more than \$1M worth of development.

This may involve articulating the potential for:

- Bringing other capital to the development, including but not limited to own funds, other private sector investment (including land), other government funding etc.;
- Delivery of legacy housing market benefits through the retention of housing for project related population and affordable housing options in perpetuity;
- Affordable housing that would otherwise not be viable or achievable in the short-medium term;
- Delivery of indirect social or economic outcomes because of investment (e.g., job creation); and
- Local and Aboriginal content outcomes.

c) Relevant experience

Relevant experience undertaking similar projects over the last 5 years.

d) Organisational capability and capacity

Capacity to deliver the project and manage the proposed solution.

This could include, for example:

- Control, or a pathway to secure control over a site, or commercial option(s);
- Demonstration of the required resourcing capability and capacity, and organisational systems to ensure delivery of the proposal;
- Project development / delivery;
- Demonstrated ability to manage the resulting housing; and
- Capacity to manage stakeholders.

e) Delivery model and finance

The Respondent should demonstrate financial capacity to service the construction, purchase, and if included, operation of the proposed housing, including:

- A financial model that illustrates costs of the proposal and financial implications for stakeholders or partners;
 - E.g., Land sale, long term ground lease, development partnership, and design and construct model, for either build-to-rent or build-to-sell housing;
- Risk allocation (and reasons for that allocation), especially if the Respondent doesn't accept all risks;
- Financing and how the proposed property development will be funded (including the provision of the housing);
- Any external financial contribution sought;
- Funds contributed and/or equity secured for the proposal; and
- Any debt servicing arrangements for the proposal.

PHASE 2: NEXT STEPS

The Commission expects to review proposed solutions from suitable Respondents to determine any next steps, based on priority considerations indicated above.



Next steps and future processes will be guided by the preferred interventions and the most appropriate means of potential future support.

Respondents that are identified through the ROPS review process may be required to provide further detail as part of any next steps.

The Commission reserves the right to suspend or terminate the ROPS process at its discretion, and/or restart it at any time.

Respondents must provide individual conforming submissions for each proposed solution submitted.

6. TERMS AND CONDITIONS

a. Lodgement

Eligible submissions must:

- Include two (2) complete copies of the **Returnable Schedules 1 – 6** and any supporting attachments and/or one electronic copy on USB or via email (PDF Document);
- Be clearly marked with the title: **‘Registration of Proposed Solutions – Housing to Support Liveability – Geraldton’**; and
- Be lodged with the Mid West Development Commission at:

20 Gregory Street
GERALDTON WA 6530

or

by email: info@mwdc.wa.gov.au

The time for lodging a proposal is **no later than 2.00pm on Friday 29th September**

Late submissions may or may not be considered at the Commission’s absolute discretion.

b. Enquiries

Karin Grima
Senior Regional Development Officer
Mid West Development Commission
karin.grima@mwdc.wa.gov.au

All enquiries must be made in writing and will receive a written response or acknowledgement within two (2) days of receiving the enquiry.

Enquiries will only be responded to in writing.



Information and Frequently Asked Questions (FAQs) can be found on the Mid West Development Commission's website under the Resources tab www.mwdc.wa.gov.au/resources

FAQs will be updated periodically dependent on the nature of ROPs enquiries submitted to the Commission.

c. Review process

The Commission will review submissions as per the process and priority considerations detailed in **Section 5. Lodgement and Review Process**.

As part of the **Phase 2: Next Steps** and review process, the Commission reserves the right to:

- Seek additional information it deems appropriate from any available sources;
- Engage an independent financial assessor to conduct a financial assessment of the Respondents at any time to ensure Respondents have adequate financial capability to undertake its proposed development. For the financial assessment to be completed, a representative from the nominated independent agency may contact the Respondents concerning the financial information required;
- Take into account information received from any source as to past or current performance of the Respondents and as to the Respondents ability to carry out its proposed development in a manner satisfactory to the Commission; and / or
- Seek further information from any Respondent/s (to the exclusion of others).

The Commission may in its absolute discretion consider or reject any submission.

Without limitation, the Commission may:

- Continue discussions with any eligible Respondent/s;
- Consider alternative proposals; or
- Reject all proposals received.

7. Confidentiality

Subject to the provisions of relevant legislation, confidential technical and financial detail received from Respondents will be treated in confidence.

A Respondent should clearly indicate if any parts of its submission constitute intellectual property (IP), or any information that it claims is confidential. Global claims of confidentiality over entire submissions from Respondents will be disregarded.

Confidential information will be kept confidential, but the Commission reserves the right to determine if a claim of confidentiality is justified. The Commission will respect Respondents' IP rights, but may require Respondents to substantiate any IP claims.



8. Absence of Obligations

No legal or other obligations will arise between a Respondent and/or the Commission or the State as a result of this ROPS process. In this regard, the Commission is not obliged to proceed with any proposal. The Commission, at any time, may elect not to proceed with the ROPS process.

9. No Offer

This document or this ROPS process does not constitute an offer by the Commission, or the State.

10. No Contract

Submission of a proposal by the Respondents pursuant to this document does not in any way create a contract, nor does it create an obligation to enter into a contract on the part of the Commission or the State.

11. Disclaimer

All information that the Commission, the State, and their respective employees provides to Respondents, whether in the proposal documents or in response to written enquiries, is provided in good faith to assist Respondents to put forward a submission. It is the Respondent's responsibility to interpret and assess the relevance of the information provided. The Commission is not liable for any loss, damage or expense suffered by Respondents as a result of any inaccuracy or omission in the information provided.

The Commission, the State, and their respective employees, give no warranty as to the accuracy of information provided. To the maximum extent permitted by law, the Commission, State and their respective employees exclude all liability for any incorrect or misleading information or failure to disclose information whether in connection with this document or any document attached or related to it. This document or any document attached or related to it may be subject to review or change at any time without notice.

12. Intellectual Property

Copyright in all ROPS documents (including, without limitation, this document and any other documents the Commission has prepared or had prepared on its behalf) belongs to, and remains the property of the Commission, other than drawings and documents to be provided by the Respondents in accordance with this document.

The Commission expressly reserves the right to use such documents for other transactions to which the Commission is a party.

13. No Change to Submission after Closing Date

A Respondent may not change its submission after the closing date, unless invited by the Commission in writing to do so.



14. No Right of Recourse

A Respondent agrees that it is not entitled, in any jurisdiction, to challenge any decision by the Commission or the State, including the following decisions to:

- Continue discussions with any eligible Respondent/s;
- Consider alternative proposals; or
- Reject all proposals received..

15. Acceptance of Terms

By submitting a proposal, a Respondent agrees to the Terms of this document.

16. Costs

Costs and expenses incurred by Respondents or in any way associated with the preparation and submission of their submission will be entirely borne by the Respondents.

17. Governing Law

This ROPS document and the process are governed by the law of Western Australia.

RETURNABLE SCHEDULE 1: RESPONDENT DETAILS

a) CORPORATE DETAILS OF LEAD ENTITY OF RESPONDENT

The Respondent is the entity or consortium identified in this Returnable Schedule 1. This will be the entity that would be party to any future agreements.

If this is to be a future incorporated special purpose vehicle, this should be stated, and the details provided here shall be for the parent entity or equity financier of that special purpose vehicle.

All members identified in the table in section C of Returnable Schedule 1 comprise the 'Respondent'. The Respondent should complete the following table for its lead entity.

Name of Lead Entity	
Name of organisation	
ABN or ACN	
Corporate Structure (e.g. limited liability company)	
Address of Registered Office	
Date Established/Incorporated	
Ultimate Holding Company and ABN (if relevant)	
Contact Person	
Position	
Phone	
Email	
Authorised Signatory:	<p>By lodging this submission, the Respondents mentioned above agrees to be bound by the terms and conditions set out in this document:</p> <p>Name: _____ Position: _____</p> <p>Signature: _____ Date _____</p>



b) RESPONDENT CORPORATE STRUCTURE, ROLES AND RESPONSIBILITIES

The Respondent should provide a proposed structure diagram identifying corporate entities and relationships of all currently proposed members of the Respondent's approach to the Project.

The Respondent should complete the following for all of its members:

Name of Lead Entity	Member Role and Responsibility in Project



RETURNABLE SCHEDULE 2: COMPLIANCE AND DISCLOSURE REQUIREMENTS

The Commission will consider the extent to which the Response satisfies the following Compliance and Disclosure Requirements. The Commission reserves the right to reject and Response that does not properly address any of the Compliance and Disclosure Requirements.

COMPLIANCE REQUIREMENT 1: COMPLIANCE WITH REQUEST CONDITIONS

Requirement:

The Respondent must confirm whether it will comply with the Request Conditions as outlined in **Section 6. Terms and Conditions**.

Information to Provide:

Does the Respondent agree with the Request Conditions?

Yes / No

If No, the Respondent must set out:

- a) The condition it will not comply with;
- b) The extent of non-compliance – including the alternative condition, if any, or a description of any changes it requires to the Request Conditions; and
- c) The reason for non-compliance.

If no, provide details:



DISCLOSURE REQUIREMENT 1: CRIMINAL CONVICTIONS

Requirement:

The Respondent must confirm that neither the Respondent nor any of the Respondent's personnel that will potentially be involved in the Project have been convicted of a criminal offence that is punishable by imprisonment or detention.

Information to Provide:

Has the Respondent or any person included in the Specified Personnel been convicted of a criminal offence that is punishable by imprisonment or detention?

Yes / No

If Yes, provide details:

DISCLOSURE REQUIREMENT 2: CONFLICT OF INTEREST

Requirement:

The Respondent must declare and provide details of any actual, potential or perceived conflict of interest.

Information to Provide:

Does the Respondent have any actual, potential or perceived conflict of interest in relation to the Project?

Yes / No

If Yes, provide details:



DISCLOSURE REQUIREMENT 3: SMALL BUSINESS AND/OR AUSTRALIAN DISABILITY ENTERPRISE (AED) AND/OR ABORIGINAL BUSINESS

Requirement:

The Respondent is required to disclose whether it is a small business and/or Australian Disability Enterprise and/or Aboriginal Business. This information will only be used by the Commission for statistical purposes and will not be used in its review of the proposed solution.

Information to Provide:

Is the Respondent a small business that employs less than twenty (20) people?

Yes / No

Is the Respondent a registered Australian Disability Enterprise listed on www.australiandisabilityenterprises.com.au/?

Yes / No

Is the Respondent a registered Aboriginal Business registered on <http://www.abdwa.com.au/>?

Yes / No

DISCLOSURE REQUIREMENT 4: OCCUPATIONAL HEALTH AND SAFETY

Requirement and Information to Provide:

The Respondent is required to:

- a) Confirm that they comply with the Work Health and Safety Act 2020 (the Act), and the Work Health and Safety Regulations 2022 (the Regulations), and with any amendments that may be made to the Act and Regulations from time to time.

Yes / No

If No, provide details:



- b) Disclose any Prohibition Notices and prosecutions by WorkSafe WA under the Act in the last two years in respect to WHS issues and if any, actions taken in response to those notice(s).

Yes / No

If Yes, provide details:

- c) Disclose any prosecutions for an Industrial Relations offence in the last two years and if any, actions taken in response.

Yes / No

If Yes, provide details:



ULTIMATE BENEFICIAL OWNERSHIP (UBO)

(Append details separately if more than one).

The ultimate beneficial owner refers to an individual who ultimately owns or controls the legal entity or entities that would enter into any future agreement(s).

Name of Ultimate Beneficial Owner	
Address	
Date of Birth	

RETURNABLE SCHEDULE 3: PROPOSAL VISION AND OUTCOMES

PROPOSED SOLUTION DETAILS

- Provide details on the proposed solution.
- Provide indicative concept illustrations for the proposed solution.
- Provide an outline of proposed timeline including any Development Application, practical completion, and any staging requirements.

MANAGEMENT APPROACH

Indicate the intended approach to the ownership and management of the housing option(s).

SATISFACTION OF ROPS OBJECTIVES

Detail how the proposal will achieve the stated ROPS Objectives:

1. Housing Opportunities Delivered

Demonstrate the degree to which the project will deliver housing opportunities to support liveability and project-driven population growth in the CGG, over the short and longer term. This includes the:

- Number housing units to be delivered;
- Tenancy or tenure arrangements; and
- Time period over which the housing will be made available.

2. Value for Investment

Demonstrate the extent to which the proposal maximises the impact of any external investment.

Respondents should contemplate the opportunity to explore additional project funding mechanisms, including, for example the Infrastructure Development Fund; or WA Country Health Service and Government Regional Officer' Housing Programs.

3. Additional Value Creation

Demonstrate the potential of the project to deliver additional housing supply and economic benefits, beyond the project funding envelope. For example, this may involve articulating the potential for:

- Delivery of legacy housing market benefits through the retention of housing for project related population growth in perpetuity.
- Seeding subsequent housing investment or underpinning broader affordable housing benefits for Geraldton and/or the Mid West region.
- Delivery of indirect social or economic outcomes as a result of investment (e.g., job creation).



- Enhanced regional liveability.

Supporting the above, your proposal should include an outline of the:

- Development and ownership strategy for the proposal;
- Benefits the Respondent brings to the proposal;
- Roles and responsibilities of the members of the Respondent (if applicable) in achieving the Commission's Objectives; and
- Manner in which the Respondent's proposal will achieve each of the ROPS Objectives.



RETURNABLE SCHEDULE 4: RELEVANT EXPERIENCE

(Page Limit – 5 Pages)

PREVIOUS PROJECT EXPERIENCE

Respondents should demonstrate their capability and experience in successfully delivering projects of a similar scale, nature and complexity to their proposal. This relates to the planning, design and construction and management phases.

PROJECT REFEREES

Provide details for a minimum of two referees in respect of the projects detailed above, including project, name and position, company, and contact details.



RETURNABLE SCHEDULE 5: CAPABILITY AND CAPACITY

(Page Limit – 5 Pages)

CONSTRUCTION AND/OR PROCUREMENT

Indicate the intended approach to secure control over a site, and/or commercial option(s) for the proposal, including any internal plans and protocols utilised for similar projects.

RESOURCING CAPABILITY AND CAPACITY

Provide an organisational overview for the Respondent, including roles, proposed partnership structure (if applicable), and the roles of the respective partners.

Provide details for key staff who will work on the proposal and their experience in delivering similar projects.

Name	Project Phase	Project Role	Organisation	Experience Detail

MANAGEMENT OF HOUSING OPTION(S)

Indicate the intended approach to ongoing management for the proposed housing, option(s) including any internal plans and protocols utilised for similar proposals.

Indicate the number of housing projects, which the Respondent has successfully operated and managed over the past five years.



RETURNABLE SCHEDULE 6: DELIVERY MODEL AND FINANCE

(Page Limit – 5 Pages)

PROPOSED APPROACH

Provide the proposed commercial model for the proposal, including:

- A financial model that illustrates costs of the proposal and financial implications;
- If relevant, treatment of land (e.g., sale or long-term ground lease and any consideration proposed);
- Delivery model; and
- Treatment of the housing option(s), for example;
 - Acquired and operated by a Housing Provider; and/or
 - Build to rent, or build to sell).

PROPOSED FUNDING AND FINANCING

Provide the proposed approach to financing the proposal, including (where relevant):

- Debt funding amount and sources; and
- Equity funding amount and sources.

Provide evidence that the required funding can be obtained, including the Respondent's experience and capacity to raise finance for projects of a similar size and complexity to the proposal.