

Shared Accommodation Demand Report

In respect of

Shared Living Accommodation and Neighbourhood uses

at

36-40 Dominick Street Upper, Broadstone, Dublin 7

Prepared by

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On Behalf of the Applicant

Western Way Developments Ltd

December 2020



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1.0 INTRODUCTION / EXECUTIVE SUMMARY

- 1.1 On behalf of the applicant, Western Way Developments Ltd, this Shared Accommodation Demand Report provides an assessment of accommodation need in the local surrounding area in the context of the proposed development at the Hendrons Building and wider site, Broadstone, Dublin 7. As outlined in the Planning Report and Statement of Consistency, submitted with this application, the proposed scheme comprises 281 no. 'Build to Rent Shared Living Accommodation' bedspaces. In accordance with Section 5.13 of the Apartment Guidelines 2018 which *"comprises professionally managed rental accommodation, where individual rooms are rented within an overall development that includes access to shared or communal facilities and amenities."*
- 1.2 This Shared Accommodation Demand Report is submitted as part of a strategic housing development application to An Bord Pleanála. The report is based on a requirement under Section 5.18 of the Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities (Apartment Guidelines 2018) which states that it is *"the obligation of the proposer of a shared accommodation scheme to demonstrate to the planning authority that their proposal is based on accommodation need and to provide a satisfactory evidential base accordingly."*
- 1.3 This report demonstrates that due to the changing demographic trends in Dublin and the rising costs of renting, there is a demand for this type of accommodation and accordingly, there is a requirement for the proposed development to contribute and address the housing crisis.
- 1.4 The report also demonstrates that, having regard to the location of the proposed shared accommodation development within the Inner City and the current shortage of housing units, particularly in the rental market, it is considered that there is a significant need for such type of development.

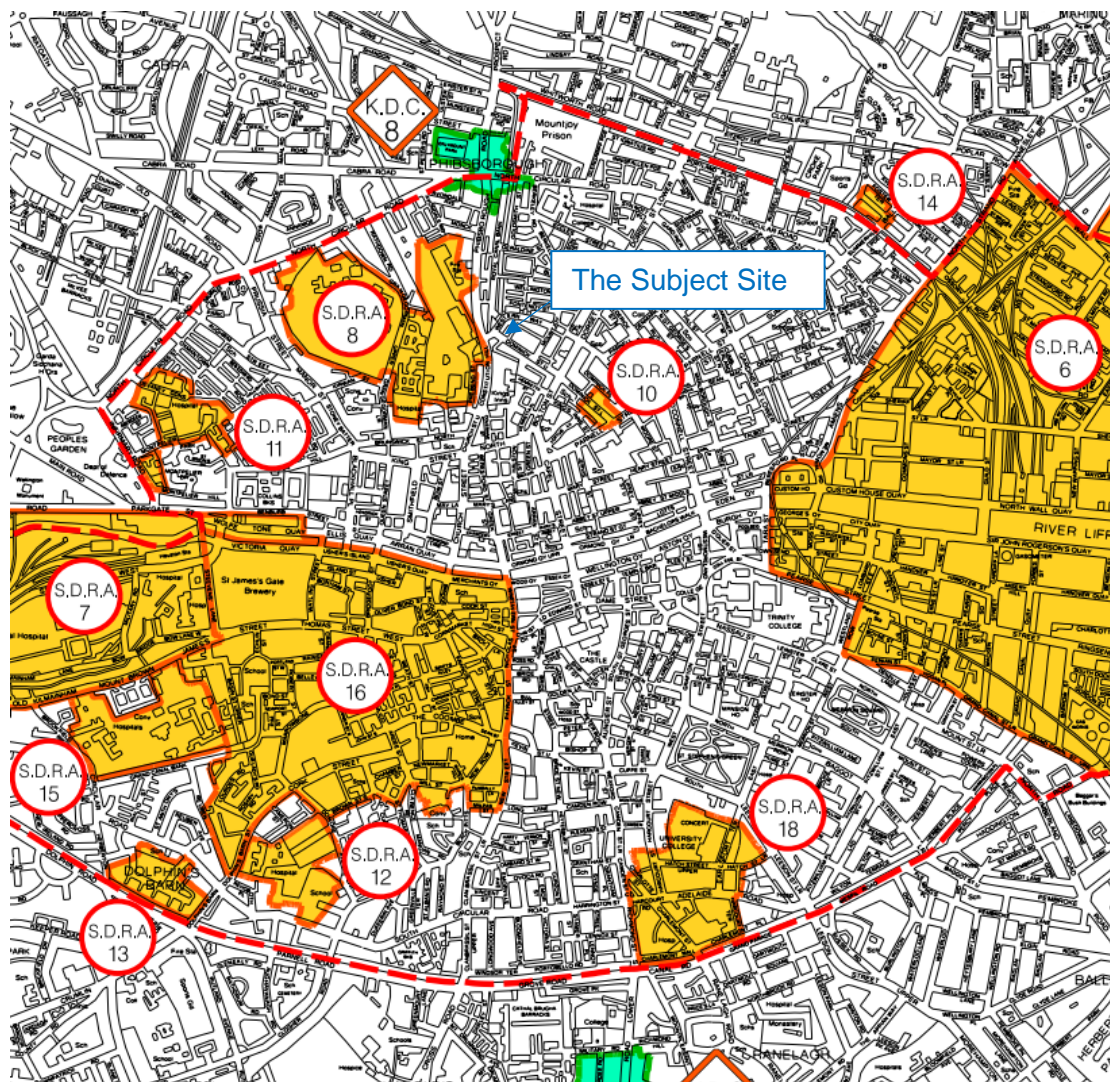
2.0 SHARED ACCOMMODATION - APARTMENT GUIDELINES 2018

- 2.1 The Apartment Guidelines 2018 state *"A new format of residential accommodation described as 'Shared Accommodation' has the potential to emerge as a distinct segment within the overall urban accommodation sector."* The Minister of Housing, Planning and Local Government states within the foreword to the guidelines that *'the concept of shared accommodation, co-living and communal living enables new and exciting ways to meet the housing needs of key sectors of our society including a young and increasingly internationally mobile workforce.'*
- 2.2 Shared Living is a form of residential development, which is considered suitable for central and accessible urban locations. As outlined in Section 3 below, the proposed shared accommodation model is considered to be appropriate for the site due to the central and accessible location within the inner city (as per Map K of the Dublin CDP 2016-2022 – Figure 1 below), in proximity to significant concentrations of employment centres, parks and recreation areas, hospitals and third level education campuses. The proposed development provides for an integrated approach to shared living with high quality private bedrooms and a range of shared amenity spaces, accessible to residents.
- 2.3 Section 5.13 of the Apartment Guidelines 2018 defines shared accommodation as a development that *"comprises professionally managed rental accommodation, where individual rooms are rented within an overall development that includes access to shared or communal facilities and amenities."* The proposed development will be

managed and operated in the long term by an experienced and professional management company, CityLiving with international experience on such schemes. A Management Plan accompanies this application outlining the management guidelines, strategy and initiatives that will be implemented during the completion and operation of the development.

- 2.4 The emergence of this type of development is driven by changing consumer preferences and movement away from the traditional desire to own property. By spreading the cost of shared amenities over a greater number of residents, Shared Accommodation is helping to address the significant affordable housing crises.
- 2.5 With an increasing demand for residential development, the urgent need for affordable housing solutions, the surrounding demographic profile and the location within Dublin's Inner City is considered to be well suited for the Shared Accommodation model. It is noted that Shared Accommodation schemes are not always considered suitable for every site, depending on the location. The Apartment Guidelines states that city centre locations are considered to be the most appropriate location for such developments.

Figure 1 - DCDP Zoning Map K defining the inner city with dashed red line



- 2.6 The subject site can be categorised as a central and accessible urban location, as defined in the Apartment Guidelines, as the site is ideally located in close proximity to

the city centre and also the Luas stop at Broadstone (c. 100m, a 2 minute walk). A range of high frequency Dublin Bus services are also readily available within 300m of the site, providing links to Harristown, Monkstown, Charlestown, Limekiln Ave, Stannaway Ave, Ikea, Rathmines and the Dublin City centre.

- 2.7 The site is in close proximity to a Bus Connects route to the west of the site along Phibsborough Road, which is served by Dublin Bus Route No's 4, 9, 40, 83, 83a, 140, 155 as well as an additional bus stop located 120 metres to the north west on Mountjoy Street which is served by Dublin Bus Route No's 38, 38a, 38b, 38d, 40, 46a, 120, 836, 870 . The site is also adjacent to the Broadstone LUAS green line station, which is within 100m of the site.
- 2.8 The site is in close proximity to significant concentrations of employment centres within an urban core location such as Grangegorman TUD Campus (300m), the Mater public and private (800m) and the legal precinct at the Four Courts (1km). Further, the site is also within close proximity (walking distance) of several major employment centres as follows:

Figure 2 - Large Employment Hubs in proximity to the site

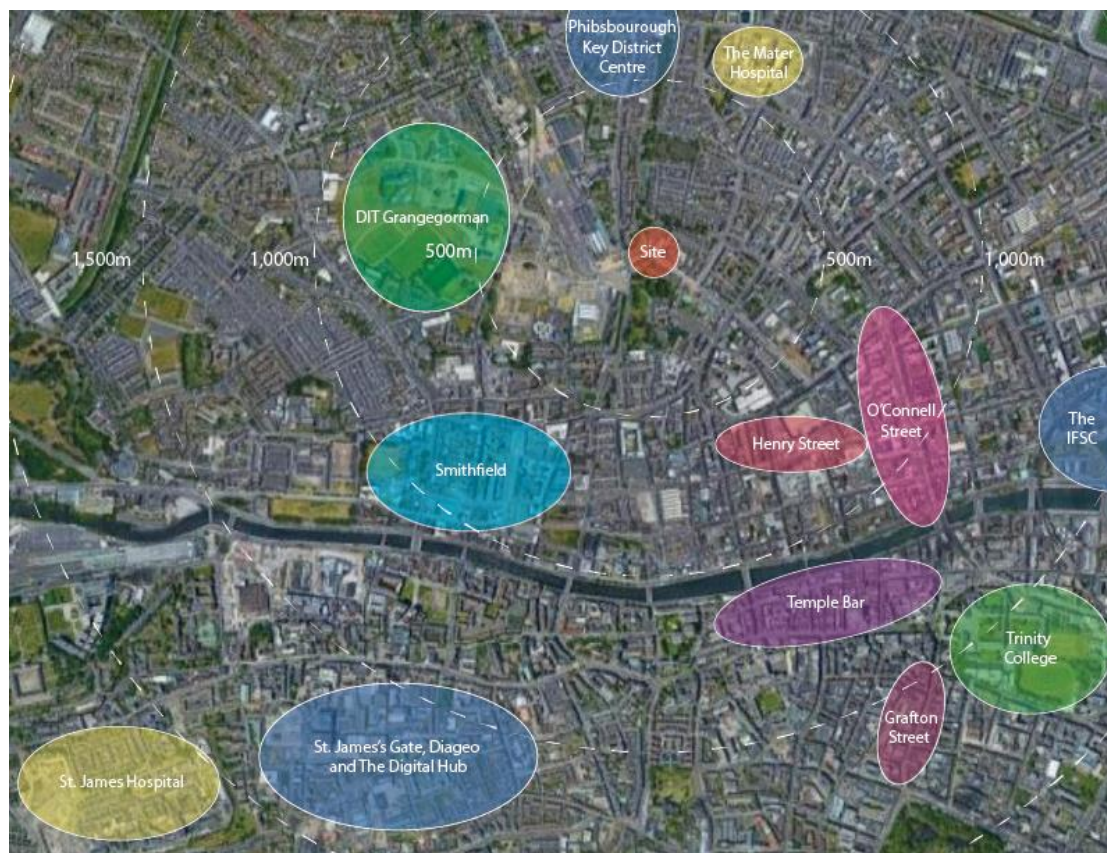
Employment Hub	Approx. No. of Employees	Distance	Mode of Transport
Technological University Dublin	3,000	300m	Walk
The Mater Hospital	3,000	800m	Walk
The Four Courts (legal precinct)	c. 5,000	1km	Walk
Trinity College Dublin	4,000	1.3km	Luas/bus
Rotunda Hospital	1,000	700m	Walk
IFSC	40,000	1.5km	Luas

Figure 3 - Bus connects proposed infrastructure in the context of the subject site



Source: TTA prepared by Waterman Moylan Consulting Engineers

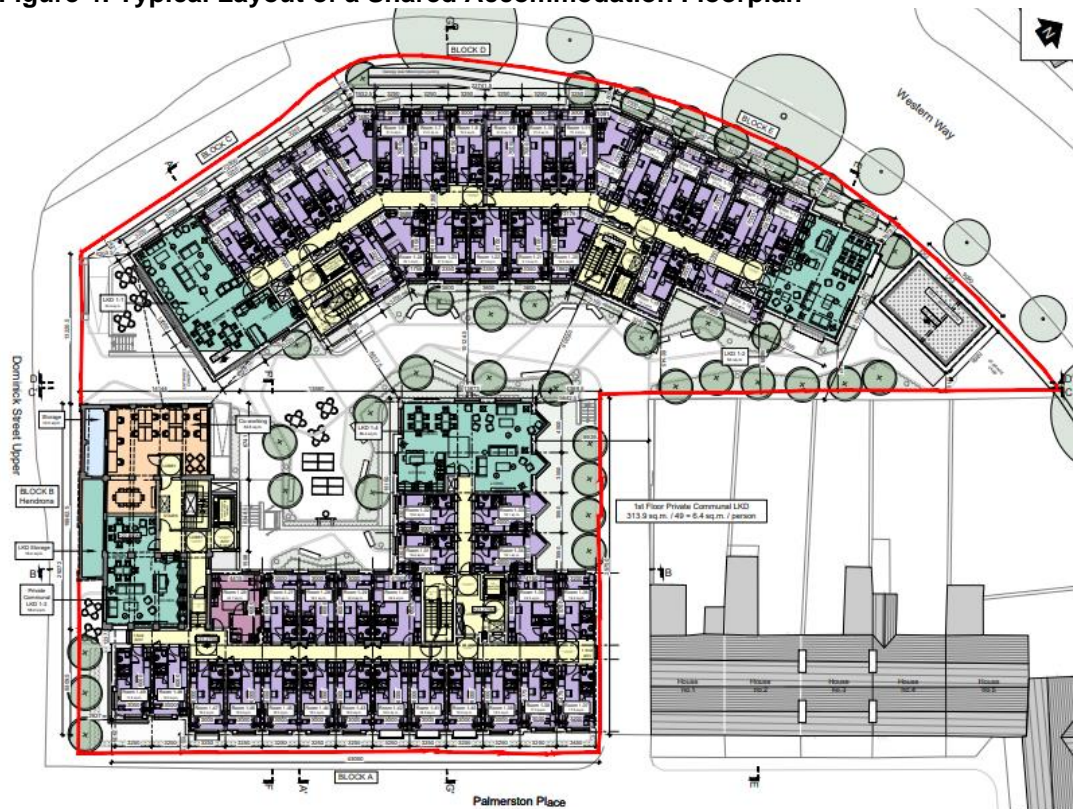
Figure 4 - Proximity to Employment Centres



2.9 Having regard to the above, we respectfully submit that the subject site is considered suitable for shared accommodation.

- 2.10 Shared Accommodation is focused on community living and convenience, provided in a combination of high-quality communal spaces and a high quality private residential units. Social interactions among residents and community building are an important part of the Shared Accommodation experience.
- 2.11 Section 5.15 of the Apartment Guidelines 2018 provides an example for one format of shared accommodation, based on the cluster model, comprising a residential unit of 2-6 bedrooms of single and or double occupancy with a common shared area within the residential unit for living and kitchen facilities. This approach suggests a maximum occupancy of 8 persons per residential unit.
- 2.12 Section 5.22 of the Guidelines state that other formats can be considered, stating that *“Shared accommodation formats may be proposed other than the format outlined in paragraph 5.15 above. For example, such proposals may be related to the **accommodation needs of significant concentrations of employment in city centres and core urban locations such as major national level health campuses or similar facilities**. Innovative formats may also be proposed to provide shared accommodation within protected structures in order to ensure their long term rehabilitation and to address sensitive architectural constraints of the subject building.”*
- 2.13 As demonstrated in Figure 3, the proposal provides an alternative model for shared living accommodation comprising multiple larger residential units (min. 18 – 24sqm single rooms), with kitchen and living areas and communal facilities to cater for a larger number of units. This model provides for an integrated approach to shared living with high quality private bedrooms and a range of shared amenity spaces, accessible to shared living residents.

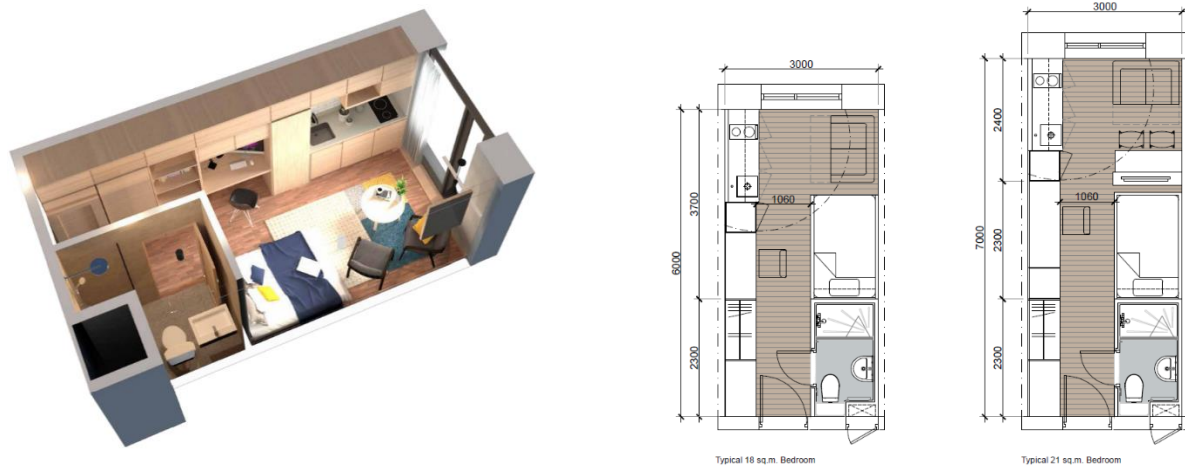
Figure 4: Typical Layout of a Shared Accommodation Floorplan



- 2.14 A typical shared accommodation layout (18 sq.m) is illustrated in Figure 4. Each shared accommodation unit has access to a kitchenette facility which is typically used for the preparation of light day to day snacks and refreshments, however, it is expected that

future residents of the proposed shared living scheme will prefer to use the communal kitchen/dining areas for cooking, discussed further below.

Figure 5: Typical Shared Accommodation Room Layout (18 - 22 sq.m)



- 2.15 The proposed development provides a total 1,739.4 sq.m of communal living/kitchen/dining areas for the 281 no. shared accommodation residents. As illustrated in Table 1, these areas are equally distributed throughout the scheme and provide for a variety of uses.
- 2.16 A wide range of amenity space in addition to communal Kitchen/Dining/Living Areas, as required under 5.17 of the Guidelines, including 2 no. roof terraces, a central courtyard, co-working spaces, cinema room, games room, sky lounge, laundry and bicycle repair station.

Table 1: Communal Areas in the Proposed Development (LKD and Amenity Spaces)

Location	No. of Living/Kitchen/Dining Spaces	Area SQM	LKD/ person/ floor
Lower Ground Floor	34.6 sqm 47.6 sqm 89.4 sqm	171.6	6.4
Upper Ground Floor	85.9 sqm 64 sqm 45.2 sqm 89.4 sqm	284.5	6.3
First Floor	85.9sqm 64sqm 58.2sqm 16.4sqm 89.4sqm	313.9	6.4
Second Floor	91sqm 64sqm 58.8sqm 89.4sqm	303.2	6.2
Third Floor	91sqm 64sqm 58.2sqm 60.6sqm	273.8	6.0

Fourth Floor	72.6sqm 53.8sqm	126.4	5.7
Fifth Floor	91sqm	113.3	6.3
Sixth Floor	91sqm	91	5.7
Seventh Floor	61.7sqm	61.7	6.9
Total		1,739.4.9sqm	6.2 sqm per person

Response to Ministerial Review of Shared-Living Accommodation

- 2.17 We also refer to the report prepared by the Department of Housing, Local Government and Heritage to the Minister Darragh O' Brien in respect of Co-Living / Shared Accommodation in October 2020. This was published on the 23rd November 2020. The report identifies options for review and makes a number of technical proposals that further clarify the appropriate policy context for the regulation of co-living/shared accommodation development.
- 2.18 In consideration of the Department's report, Minister O'Brien issued a press release on the 23rd of November 2020 deciding to amend the 2018 Planning Guidelines to potentially restrict future shared living developments.
- 2.19 It is noted that this is a press release. No changes to the current Guidelines 2018 have been adopted. We note the proposed development should be assessed against the existing and current provisions of the Apartment Guidelines 2018. Notwithstanding, the following demonstrates how the proposed scheme address a number of items raised in the report. The recommendation report states;

"In order to reflect all of the above, the 2018 Guidelines were explicit in identifying the purpose of 'Shared Accommodation' for:-

"a specific renter cohort with specific needs or requirements from their housing provision. In particular, the usefulness of such an accommodation type to the dynamics in the urban employment market".

The specified example given was the potential needs of:-

"new employees arriving in urban areas and seeking short term accommodation during an establishment or local acclimatisation period that may be longer than a few weeks."

Significantly, the 2018 Guidelines also state (pg.32) that:-

"Due to the distinct nature and features of Shared Accommodation type development, it is only appropriate where responding to an identified urban housing need at particular locations. It is not envisaged as an alternative or replacement to the more conventional apartment developments which are provided for elsewhere in these Guidelines".

- 2.20 In this regard, we note that inside the canal ring, shared living accommodation schemes accounted for <650 of consents or proposed beds as per the appendix attached to the report. The subject proposal brings life back into the city centre, to make use of the facilities that are in proximity to the site, as detailed in the Statement of Consistency by John Spain Associates.

- 2.21 It is evident that the subject site is an ideal location for the proposed development where the "15 minute city" is possible. As demonstrated, a choice of supermarkets, cinema, shops, restaurants, bars, nightlife, parks, colleges, high density working locations and hospitals are all located within 15 minutes of the site.

Operational Management and Covid-19

- 2.22 In light of the recent global pandemic (Covid-19), it is important to consider the management of any residential development. It can be argued that a Shared-Living Scheme provides a more successful platform to implement and regulate necessary measures in such a situation.

We refer to section 11 of the Management Plan by City Living. This includes details of the successful management policies which have been implemented across their existing developments in the UK. We refer to the following processes and procedures;

- **C19 Safe Check-in process (see Appendix A: C19 Safe Check-in procedure)** – Hendrons has a check-in procedure tailored to the individual site which aims to minimise contact, controls numbers of people, and puts sensible control measures in place such as one way systems, rules and signage. This sets the standard at the beginning of the residency journey for our residents and helps articulate the seriousness of the situation.
- **C19 Training** – The CityLiving staff undertake a short course on Covid-19. This includes the basics of what it is, why its dangerous, and what we need to do to control its transmission
- **C19 Confirmed Case Procedure (Appendix B: Covid-19 Procedure for confirmed or suspected cases on-site)** – A detailed procedure that aims to support the individual (or groups), contain them safely and sustainably and reduce the risk of further transmission.
- **C19 Self Isolation Handout** – An informative handout which offers self-isolating individuals (or groups) information, guidance, reiterates the law and explains how to self-isolate safely in their property. It explains how the CityLiving can assistance in their self-isolation via facilitating shipping and internet deliveries, regular remote welfare calls and by removing their rubbish for them negating the need for the self-isolator to leave their studio area.
- **C19 Risk Assessment** - A risk assessment which identifies the hazards, appropriate control measures and seeks to seeks to reduce overall risk to all groups of people in the property.
- Limiting or preventing external visitors as appropriate during periods where government guidelines stipulate these measures.

Examples of Shared Living Internationally

- 2.23 Internationally, Shared Accommodation is an established type of residential development and we identify a non-exhaustive overview of Shared Accommodation operators and their locations.

Operator	Locations
Quarters	Berlin, (Germany) Chicago, (US)

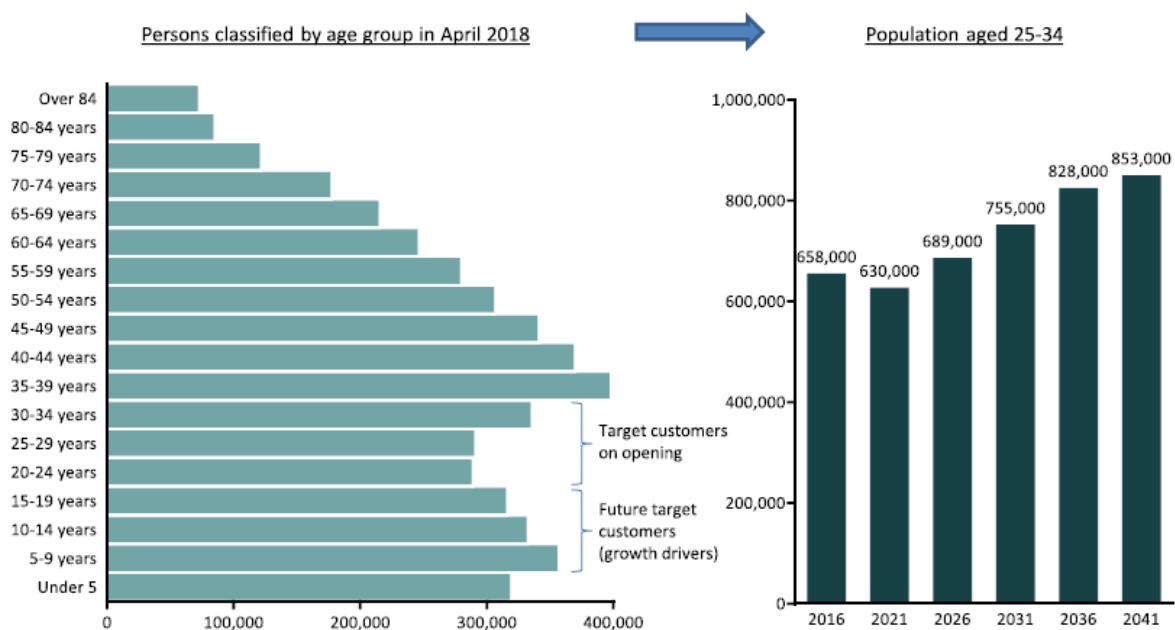
	New York, (US)
Common	Chicago (US), Los Angeles (US), New York City (US), Seattle (US), Washington D.C. (US), San Francisco (US)
Ollie	Boston (US), Los Angeles (US), New York City (US), Pittsburgh (US)
The Collective	Old Oak, Canary Wharf and Harrow, (London, UK)
WeLive	New York City (US), Washington D.C. (US)
xliving	Chicago (US), Denver (US), Fort Lauderdale (US), Miami (US), Oakland (US), Orlando (US), Phoenix (US)
Urbancampus	Brussel, (Belgium) Madrid, (Spain) Paris, (France)

Shared Accommodation Demand Drivers

2.24 There are numerous market trends that help explain the growing global popularity of shared accommodation schemes, including the following:

- An increase in the number of 20-39 years olds renting properties. The below tables indicate the anticipated population growth of this demographic (Source: CSO);

Figure 6: Increase in the number of 20-39 years olds renting properties

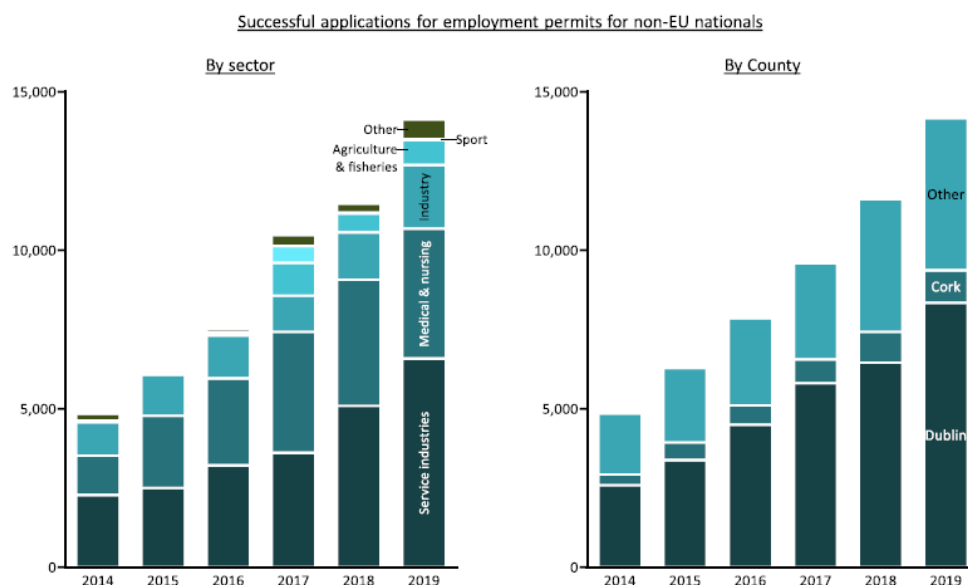


Source: Irish Central Statistics Office

Source: CSO

- A growing international workforce, as a result of the digital and technical revolution, that seeks for rental accommodation for periods shorter than a year and is struggling with the conventional rental market in different cities;

Figure 7: Applications for Irish Permits demonstrating demand for accommodation options

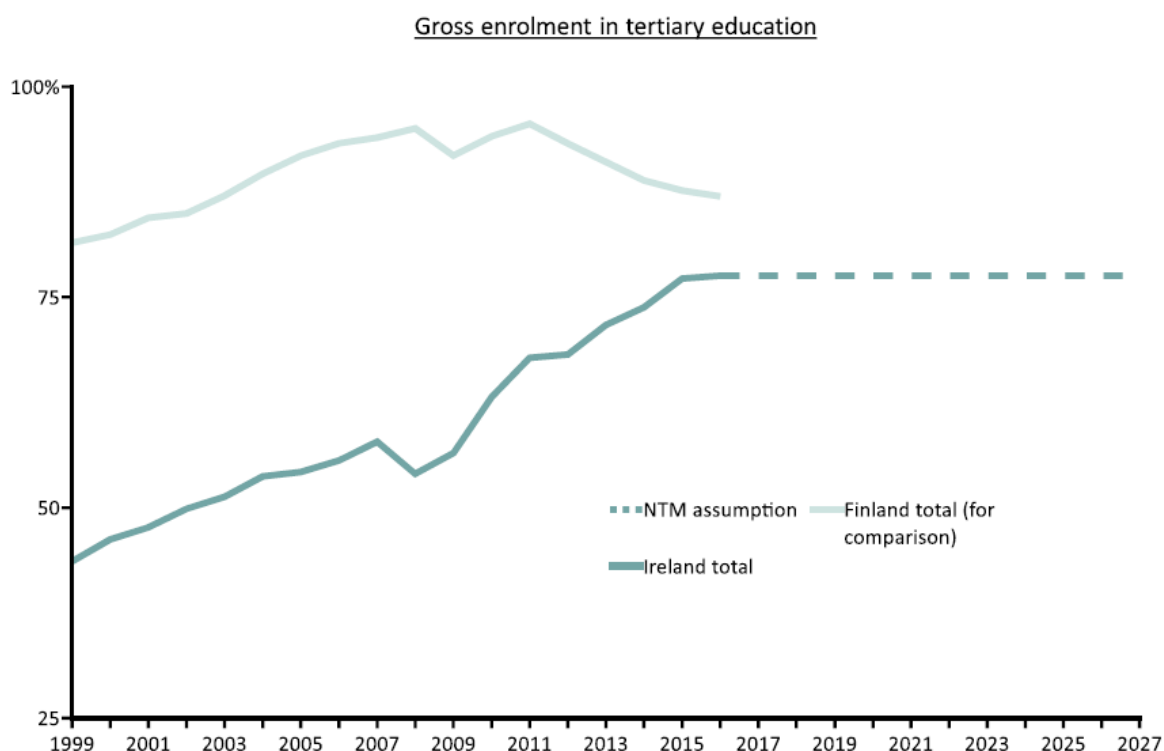


Source: Ireland Department of Business, Enterprise and Innovation

Source: Department of Business Enterprise and Innovation

- A lack of affordable living space for young professionals in desirable city-centre locations;
- An internationally transient workforce that seeks a community spirit and a friendly environment with like minded international professionals while based in Dublin;
- Changing preferences among young people, with a lower emphasis on ownership and an increasing acceptance of the 'sharing economy'. For example, a decreasing number of people own a car and there has been an increase in car-sharing companies and city bike schemes within city centres. This can also be seen in the emergence of Airbnb and similar models in hospitality.
- Increase in the demand for active communities and neighbourly interactions, which are important attributes of shared accommodation;
- A living community which encourages personal, neighbourly and friendly interactions and social activities;
- An increased number of international companies based in Dublin, that need medium term accommodation while "on-boarding" staff who will return to work at home;
- A growing proportion of the Irish population are attending tertiary education (see below table) which drives more young graduates to seek a home in Dublin;

Figure 8: A proportion of the Irish population are attending tertiary education



Source: UNESCO Institute for Statistics; extrapolation based on OBA assumptions

Source: Unesco Institute for Statistics

- The success of Purpose-Built Student Accommodation has acclimatised a huge number of graduates to shared accommodation, who then desire a more mature version of this contemporary living style as they begin their professional lives. Students have become accustomed to a high-standard of shared accommodation and seek a continuation of this as they progress into their careers.
- A recent survey (June- August 2019) conducted by Knight Frank in association with daft.ie found that; *'The well documented shortage of accommodation is clear from the survey with almost half (49%) of respondents searching for accommodation for over two months. €1,200 is the average pro rata share of rent that each respondent in this survey expects to pay per month, representing 38% of their net income – above the 30% rate that is deemed affordable according to conventional wisdom. Notwithstanding, affordability ranks second in importance to accessibility to work when choosing a location to rent suggesting that price isn't the primary concern for renters in Dublin.'*

3.0 DEMAND ANALYSIS

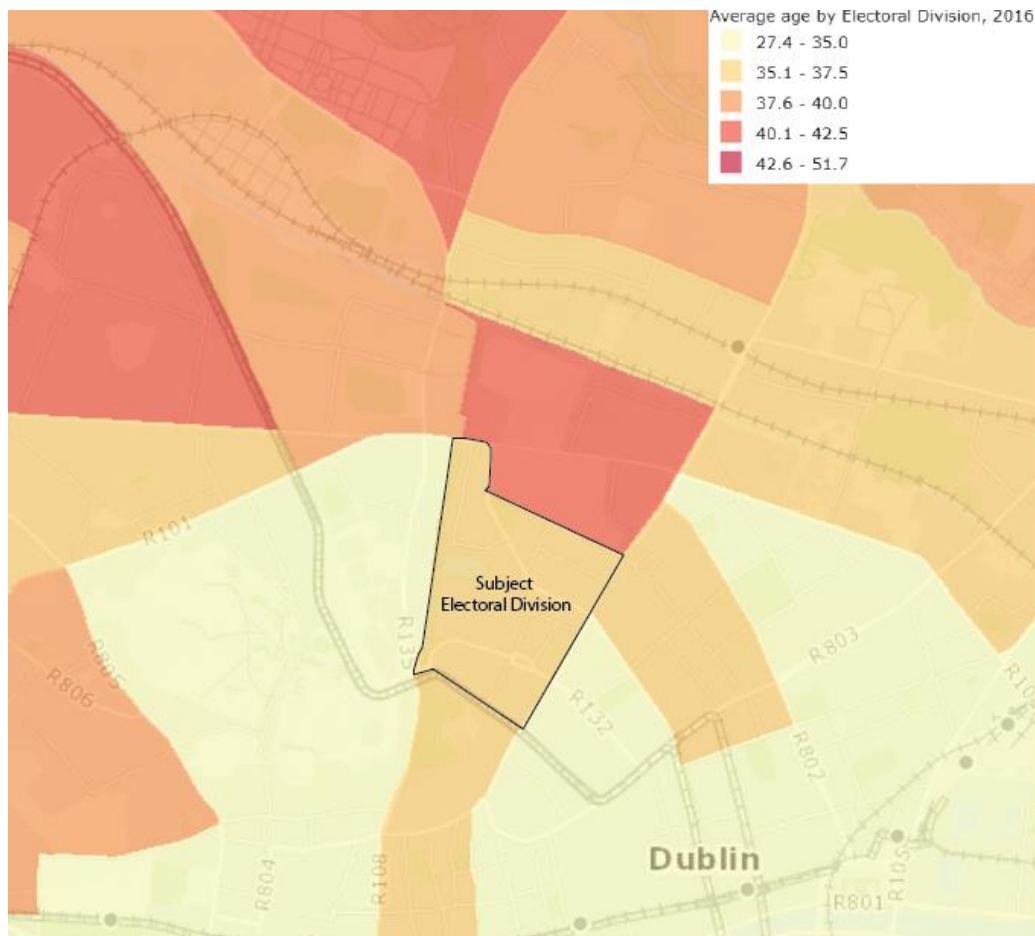
3.1 Section 5.18 of the Apartments Guidelines states that it is *"the obligation of the proposer of a shared accommodation scheme to demonstrate to the planning authority that their proposal is based on accommodation need and to provide a satisfactory evidential base accordingly."*

3.2 This section shall demonstrate the accommodation need for this type of development having regard to the following key issues:

- 1) Population growth and demographic trends
- 2) Lack of available stock within the rental market
- 3) Affordability

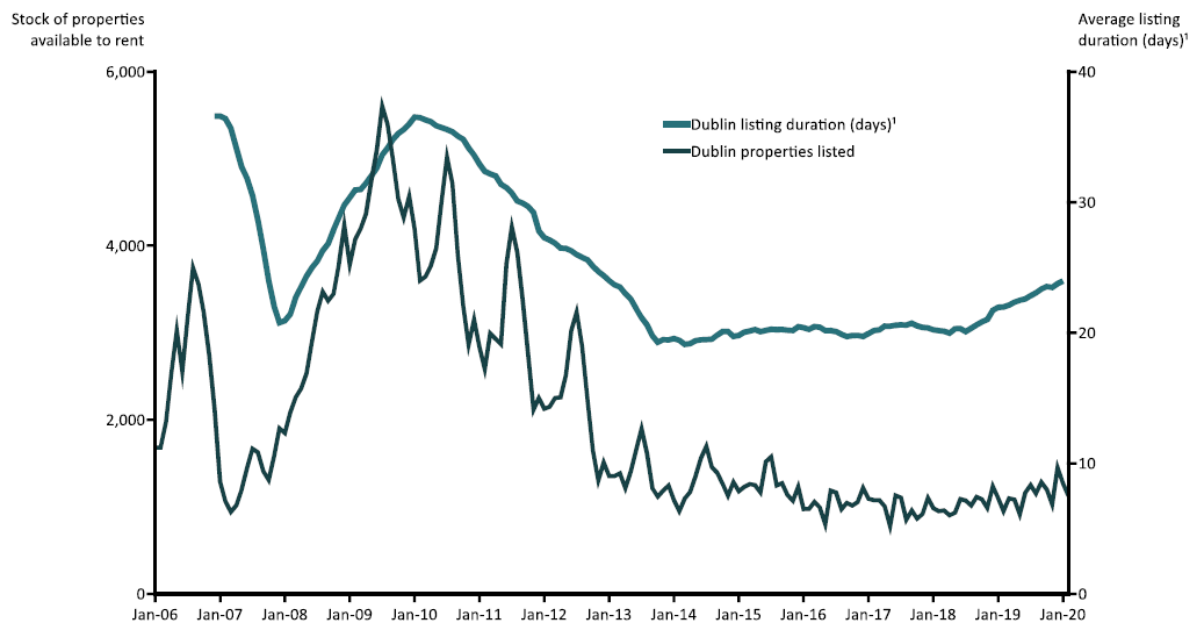
Population Growth and Demographic Trends

- 3.3 The ESRI projects that the population of Ireland will be increased by around one million people or by 20% over 2016 levels, to almost 5.7 million people by 2040. Over 40% of this population growth is predicted to be within the Eastern and Midlands Region of at least half a million more than the population of today.
- 3.4 The National Planning Framework (NPF) identifies a target population of 1.4 million people in Dublin City and Suburbs for 2031, an increase of 220,000 people and a target of 1.65 million in the Metropolitan Area Spatial Plan (MASP), an increase of 250,000. A Central Statistics Office (CSO) report predicts that 31.6% of the country's total population will be in Dublin by 2036. The population growth results in significant pressure to deliver new residential development, particularly in Dublin City.
- 3.5 The NPF projects a need for a minimum of 550,000 new homes, with up to half of this number targeted for provision in existing urban settlements. The proposed shared accommodation is considered to be in accordance with Government policy which supports infill development and positively contributes to meeting the current demand for residential accommodation on brownfield sites within the city centre.
- 3.6 Demographically, Ireland has the highest proportion of 25-39 year olds in the EU. This demographic is particularly well aligned with Shared Accommodation models both in terms of the consumer preferences and typical rental behaviour, as discussed above.
- 3.7 As outlined in Figure 5, the average age profile by Electoral Division of the subject site is 35.7 years old. The surrounding area is also categorised by a young population. This demographic is considered to be suitable for shared accommodation schemes. The Census 2016 notes that the majority residential tenure of 20-35 years is renting, a much higher share than in any other age group and therefore the appropriate residents for shared accommodation schemes.
- 3.8 In addition to above, Dublin has a large and rapidly growing expatriate population as a result of several international headquarters locating in Dublin, including a significant workforce in the increasingly growing technology sector. A number of global companies in this sector have recently committed to plans for further expansion of the workforce. With a simplified rental process, all-inclusive offering, and focus on community, Shared Accommodation schemes can be a well suited initial housing option for expats who are new to the city and looking to get their bearings and make new connections before eventually moving on to more conventional housing options.

Figure 9: Average Age Profile by ED – Census 2016

Source: *cso.ie*

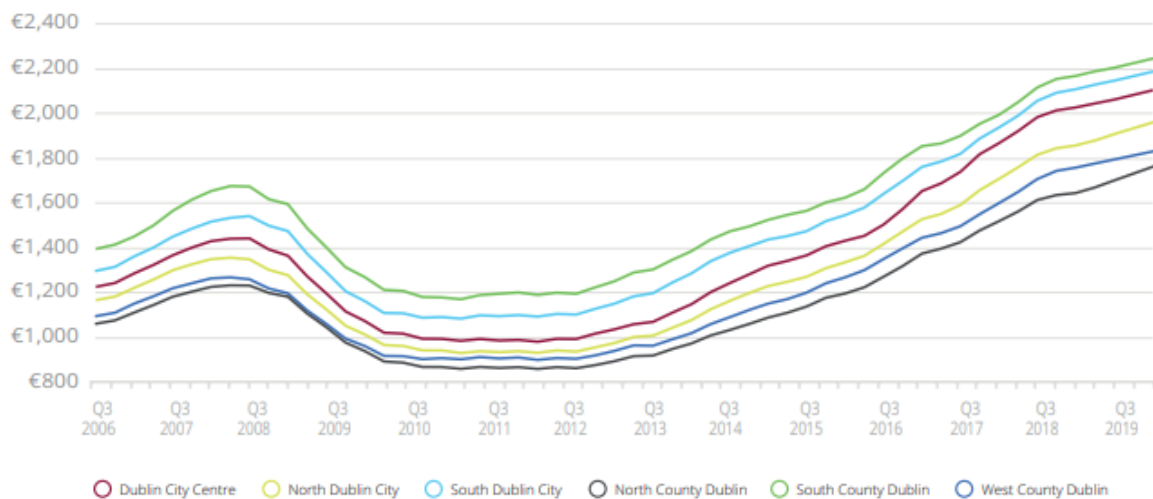
- 3.9 Construction of new residential developments in Dublin have continued to fall short of the growing population and demand, with new housing delivery falling well below the volume required. This has resulted in an increased demand for rental accommodation and pressure on prices, due to the lack of stock available for the growing population.
- 3.10 The Census 2016 notes that rented accommodation has continued its upward trend with 497,111 households renting, an increase of 4.7 per cent on 2011. This meant that renting was the tenure status for almost 30 per cent of all of occupied dwellings in the last census. Figure 10 illustrates the reduction in the number of rental properties available in Dublin on Daft.ie.
- 3.11 The proposed shared accommodation positively contributes to the lack of supply for the residential rental market by providing 280 no. shared accommodation units in a suitable city centre location. Furthermore, shared accommodation can reduce the pressure on the rental market by unlocking existing shared rental properties of young working professionals for more available family housing.

Figure 10: Stock of properties to rents on Daft.ie and duration of listing

Source: Daft.ie 2019

Affordability

- 3.12 Excess demand, as a result of lack of available supply, has put significant pressure on prices. The Irish Rental Report Q3 2019, prepared by Daft.ie, states that the average rent in Dublin City Centre for is €2,083 per month, which is a 3.4% inflation from the previous year. In Dublin 8 the average monthly rent for a 1 bed apartment is €1,730 which is a 6.5% increase from the previous year. Research has shown that the total cost of open market renting which includes rent, electricity, heating, internet, refuse, cleaning is more expensive than the all inclusive cost of shared accommodation.
- 3.13 Wage growth has not been keeping pace with growing rents (e.g. rents increased by 4.2% while average earnings grew by 3.4% over the same period). The income spent on rent in Dublin has reached an unsustainable level, one of the highest levels of any city globally.

Figure 6: Dublin Rental Trends Q3 2019

Source: Daft Report 2019

- 3.14 We also note that CSO data indicates that there have been an average of less than 60 house completions per annum in Dublin 7, in almost 9 years since 2012. This is significant considering that Dublin 7 is an area that stretches from the Liffey Quays at the Four Courts Precinct (south) to Cabra to the north and Ashtown at the northern end of the area. This proposal offers an alternative accommodation type to those who want to rent, taking pressure off the undersupply in the area, therefore releasing houses for families who want to buy or rent family homes.

4.0 **CONCLUSION**

- 4.1 This report has demonstrated that there is a significant demand for this type of residential development, which can be summarised as follows:
- The proposed Shared Accommodation is considered to be in accordance with Government policy which supports infill development and positively contributes to meeting the current demand for residential accommodation on brownfield sites within the city centre.
 - The predicted population growth results in significant pressure to deliver new residential development, particularly in Dublin City. The proposed shared accommodation development can help this demand especially for people moving from abroad to work in Dublin as a housing option.
 - The subject site is considered to be a suitably located for Shared Accommodation, having regard to its central and accessible location within the city centre and in proximity to a number of highly concentrated employment centres.