

# Incentivising Infill Development Fund

## Fund Guidelines

*An initiative of the Homes for Queenslanders plan*

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## Fund Guidelines

Opening date:	10 June 2024
Department:	Department of Housing, Local Government, Planning and Public Works
Enquiries:	Questions are to be sent to <a href="mailto:iidfund@dSDLGP.qld.gov.au">iidfund@dSDLGP.qld.gov.au</a>
Applications:	Applications are to be submitted via the application portal available from the IIDF webpage
Guidelines release date:	10 June 2024 - Version 2.0

## Version Control

Version	Date	Comments
1.0	23 May 2024	Fund Guidelines approved for pre-release on 24 May 2024
2.0	10 June 2024	Updated Fund Guidelines released

## Contents

1	Background	4
2	Fund objectives	4
3	Eligible development costs	5
	3.1 Infrastructure charges relief	5
	3.2 Development assessment fee relief	5
4	Eligibility criteria	5
	4.1 Who can apply?	5
	4.2 Eligible development	5
	4.2.1 Where located in a Category A local government area	6
	4.2.2 Where located in a Category B local government area	6
	4.3 Development not eligible for funding	7
5	Application process	7
	5.1 How to apply	7
	5.1.1 Timeframes	7
	5.1.2 How to submit an application	7
6	Assessment criteria and approval process	8
	6.1 Evaluation criteria	8
	6.2 Assessment and approval process	8
7	Fund payments	8
	7.1 Funding agreements	9
	7.2 Development subject of approval under the Economic Development Act	9
8	Final decision	9
9	Program monitoring, reporting and acquittal	10
10	Terms and conditions	10
	10.1 Reservation of rights	10
	10.2 Liability limitation	10
	10.3 Non-exhaustive	11
	10.4 Applicants	11
	10.4.1 Multiple applications	11
	10.4.2 Errors and omissions	11
	10.4.3 Providing further information	12
	10.4.4 Withdrawing an application	12
	10.5 Confidentiality, privacy and use of information	12
	10.6 Guideline status	12
	Attachment 1: Enquiries and contact details	13
	Attachment 2: Definitions	14
	Attachment 3: Project plan content	16

# 1 Background

*Homes for Queenslanders* (H4Q) is an orchestrated approach to fast track one million new homes over the next 20 years. The Incentivising Infill Development Fund (the fund, or the IIDF) is a \$350 million fund to incentivise infill development that will deliver new housing in the right locations.

We need to support more housing and housing choice on land that is underutilised or can be redeveloped and renewed.

Providing more housing choice will help meet the needs of our growing population with changing demographics. Our preferences for how we live are changing and we need different types of homes to allow people to live in the neighbourhoods they know and love throughout the various stages of life. It will mean more opportunities for:

- Key workers to live near where they work.
- First homebuyers to enter the market.
- Increased ability for retirees to downsize but stay in their neighbourhood.
- Investment in both new and established communities.

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*This fund is a targeted stimulus style package aimed at supporting residential projects that are currently uncommercial or unviable that can demonstrate how infrastructure charge relief would materially shift the proposal into delivery and mean more homes on the ground, faster.*

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The fund will support the viability of residential development that can increase housing density and diversity where we need it. Market ready projects which increase density in areas with high demand may be eligible for support, including relief from council infrastructure charges.

By providing targeted support in the form of known infrastructure costs, the fund limits the potential for increasing costs to be passed on to homebuyers. It will support housing choice that helps to improve housing affordability across the housing continuum.

The fund will help the State to meet the H4Q target of 1 million new homes by 2046. It will also help Queensland to reach its share of the national target of 1.2 million new well-located homes by 30 June 2029, and supports measures under the National Planning Reform Blueprint.

## 2 Fund objectives

The objectives of the IIDF are to provide targeted support to eligible projects which:

- Deliver increased density in well-located infill areas.
- Promote housing choice in existing urban areas in our towns and cities.
- Contribute to affordability and/or affordable housing outcomes.
- Complement state, regional and/or local policy priorities such as place-based statutory regional plans, Local Housing Action Plans and if applicable, other initiatives that provide multiple benefits (e.g. respond to housing needs to support emerging industries or sectors).
- Can come to market within the specified period at Table 1.

Priority will be given to projects which can:

- Demonstrate that they are development ready and will translate to homes on the ground within the specified period; and/or
- Deliver affordable housing; and/or

- Include or support gentle density housing.

The fund will be open on 10 June 2024 for applications. Application will be assessed on a first-in basis until funding is expended.

The department reserves the right to alter the fund guidelines for future rounds.

## 3 Eligible development costs

### 3.1 Infrastructure charges relief

Funding will be available for the payment of infrastructure charges for related trunk infrastructure costs levied by an eligible entity, through:

- An Infrastructure Charges Notice (ICN) for eligible developments.
- The infrastructure charges cost included in an Infrastructure Agreement (IA) where the project is an eligible development.

The fund will only pay the residential development components of the ICN or IA approved under the fund.

The department will make payments or commit to making payments for the identified value of an ICN or component of an IA directly to the relevant entity.

### 3.2 Development assessment fee relief

Funding will be available for providing refunds of development application fees for applications lodged since announcement of the fund on 3 February 2024 and which are recipients of funding from the IIDF.

## 4 Eligibility criteria

Your application will not be considered if it does not meet the eligibility criteria.

### 4.1 Who can apply?

Applications may be made by the landowner, or a development proponent or development application representative authorised to represent the landowner (i.e. the entity or individual responsible for the development application such as a planning consultant, or development manager).

### 4.2 Eligible development

Development must meet the following criteria to be considered for receiving funding for eligible development costs:

- Be consistent with the objectives of the fund; and
- Be in Queensland; and
- Be for a material change of use (MCU) or reconfiguring a lot (RaL); and
- Be well-located residential development (this includes the residential component of a mixed-use development); or
- Be accommodation for workers or tertiary students and near major employment centres such as (but not limited to) tertiary institutions, hospitals and medical precincts, or in high-tourism areas; and
- Be for dwellings other than luxury housing; and
- At the time of the application for funding being decided:

- construction for a MCU has not started.
- for all other development, the levied charge has not become payable under the Act.

Development must be able to meet the milestones within the relevant specified period identified in Table 1.

Table 1: Specified periods by development type and approval status

<b>Development that, on commencement date of the applicable funding round:</b>	
1. has a development approval, must be able to achieve the following milestones by 30 June 2025:	
a. RaL:	submitted the plan of survey to council for plan sealing
b. MCU:	substantially started construction.
2. is accepted development, must have a payable levied charge by 30 June 2025.	
3. requires, but does not yet have a development approval, must be able to obtain a development approval by 30 June 2025 and achieve the following milestones by 30 June 2026:	
a. RaL:	submitted the plan of survey to council for plan sealing
b. MCU:	substantially started construction.
<b>All development must be complete and have submitted the payable levied charge to the department for payment by 1 February 2028.</b>	

In addition, eligible development must meet the location-based eligibility criteria outlined below.

#### 4.2.1 Where located in a Category A local government area

Development must be:

- Gentle density; or
- Medium rise or high density housing in a well-located infill area; or
- Well-located, smaller lot land development, with an average lot size of approximately 300m<sup>2</sup> or less\*.

\*Note: the department will exercise discretion where required.

Where the development is subject of an approval under the *Economic Development Act 2012*, it is located within one of the following identified Priority Development Areas (PDA) and EDQ development projects:

- Bowen Hills
- Fitzgibbon and Carseldine Village
- Northshore Hamilton
- Mackay Waterfront
- Maroochydore City Centre
- Parklands
- Southport
- Woolloongabba
- Yeronga.

#### 4.2.2 Where located in a Category B local government area

Development must be:

- Housing to respond to regional housing needs; or

- Land development that includes a mix of lot sizes that are appropriately located and with an average lot size consistent with the minimum lot sizes permitted for residential-zoned land in that Local government's planning scheme.

### 4.3 Development not eligible for funding

Development will not receive funding for eligible development costs where it meets any of the following criteria:

- Is eligible for or has received a 100% discount or waiver of infrastructure charges under an existing local government infrastructure charges discount or waiver policy. Note if a discount or waiver only applies to part of the residential development, an application can be made to fund the outstanding amount of the levied charge. For example, if the development is eligible for a 50% waiver of infrastructure charges under a local government discount policy, the development will only be eligible for funding from this program for the balance (50%)
- Is development for short-term accommodation (including hotel accommodation), including the permanent use of accommodation for short-term rental
- Does not comply with relevant Commonwealth, State and Local government laws
- Development which only delivers luxury housing
- Anything not listed as eligible development.

## 5 Application process

Before applying, you should read and ensure you understand these guidelines and supporting information on the IIDF website.

### 5.1 Timeframes

The fund will be open on 10 June 2024, and applications will be assessed on a first-in basis.

### 5.2 How to submit an application

To apply you must:

- Complete the online application form on the department's online application portal. Applications will not be accepted in any other form.
  - Provide all information requested. Files are to be in standard file formats (e.g. MS Word, MS Excel, Adobe PDF or compatible) and should not be encrypted.
  - Demonstrate compliance with all eligibility criteria.
  - Address relevant evaluation criteria.
  - Submit the application by the closing date.

Mandatory documents and information include:

- A project plan using the guidance provided at Attachment 3.
- Development application reference and status information.
- Business and principal contact information for contracted builder/ surveyor and planning consultants.
- The relevant infrastructure charges cost and development assessment fee (if eligible). Where an ICN or IA has not been issued, provide information about the estimated infrastructure charge for the residential development component.
- Information about other funding programs applied for or approved.
- Other documents and information as identified on the application portal.

Where development has been declared a State-Facilitated Development (SFD), it may be identified for assessment under this Funding program to receive funding for eligible development costs. If an evaluation by the department determines the SFD-declared development is suitable, the applicant will be advised to prepare and submit an application to the fund.

## 6 Assessment criteria and approval process

Applications will be assessed on a first-in basis, based on:

- Eligibility (see section 4 of this document);
- Technical merit; and
- Evaluation criteria.

### 6.1 Evaluation criteria

The evaluation criteria are:

- Project clearly aligns with the fund objectives.
- Technically feasible.
- Includes clear project planning including specific, measurable, achievable activities and deliverables to demonstrate an ability to meet the specified period.
- Outlines sound project risk management assessment.

Priority will be given to projects which:

- Have an existing approval or accepted development that has a demonstrated ability to come to market by 30 June 2025.
- Development which includes affordable housing.
- Development which includes gentle density housing typologies.
- Support a mix of housing types in regional council areas, to respond to housing needs from emerging industries and sectors.

### 6.2 Assessment and approval process

The department will assess applications based on the assessment criteria above. The department may use technical experts in assessing applications, if required.

Assessments will then be referred to a moderation panel for review and final recommendations to the decision maker.

Applicants may be asked to clarify or provide additional information that will not change the nature of the application.

The department has discretion in funding decisions and is under no obligation to consider applications made after the designated closing date and time. Nothing in this section limits the State's discretion under section 10 of these guidelines.

All applicants will be advised of the outcome of their application.

## 7 Fund payments

Subject to requirements in a funding agreement, the department will pay the eligible component/s of the ICN or IA. Payments will be made by the department directly to the relevant entity when the levied charge becomes payable (in accordance with section 122 of the Act) subject to meeting requirements including demonstrating the development has occurred within the specified period.



The agreement will cover matters such as development timelines, reporting, acknowledgement of funding and confidentiality.

## 7.1 Funding agreements

Successful applicants will be required to:

- Enter into a funding agreement with the department within three months of notification of a successful application. The agreement will contain clauses including, but not limited to, the following:
  - Agreed estimated amount and timing for payment of the eligible component of the ICN or IA noting that these may be subject to change due to matters unknown at the time of the agreement for example timing or conditions of approvals, variation to construction schedule, etc;
  - Agreed estimated amount for development assessment fee (if application submitted on or before 3 February 2024), for payment at the time they receive their infrastructure charges relief;
  - Establishment of performance and reporting requirements;
  - An initial project management plan with timing of key deliverables to be provided to the department within one month of execution of the funding agreement;
  - Acquittal requirements;
  - Other obligations and responsibilities of the applicant.
- Provide the following additional information:
  - Project Completion Report;
  - Signed consent form allowing the relevant council delegate to provide application status information to the department;
  - A risk management plan (template attached to the application form).

If the funding agreement is not signed in the specified timeframe, the department may notify in writing that the agreement was not received and that the offer has been rescinded.

## 7.2 Development subject of approval under the Economic Development Act

Where a development has been determined to be suitable and eligible for targeted support from the Fund, the Department will agree with EDQ on the level of relief to be provided under this Funding program, considering the assessment undertaken against the responses provided to the evaluation criteria, and the EDQ infrastructure charging arrangements or agreements applying to the eligible development. This will be used to determine the nature of any targeted support to be provided.

Applicants will be notified of this in the outcome of the assessment. Successful applicants will then follow the standard process for payment claims.

## 8 Final decision

The department's decision is final in all matters, including:

- Approval of applications.
- Amount of funding awarded.
- Terms and conditions of funding, as set out in the funding agreement to be entered into when an application is successful.

The department will not approve funding if there are insufficient program funds.

## 9 Program monitoring, reporting and acquittal

All projects will be monitored by the department against reporting requirements under a funding agreement.

Fund recipients must comply with the reporting requirements under the funding agreement.

Project completion reports, ICNs, IAs, proof of payment of development assessment fees (if eligible), and any other supporting documents must be provided to the department as per agreed timeframes in the funding agreement.

The department may request additional information on project progression in accordance with the funding agreement.

The department will make payments as soon as practicable after receiving an ICN or IA, if it is within the agreed specified time under the funding agreement and the department has confirmed the relevant amount applying to residential development.

Funding recipients will submit required documents including the funding approval letter, ICN or IA, and proof of payment of development assessment fee (if eligible) through the portal.

As a key objective of the fund is to support eligible projects that can come to market within the specified period, extensions of time will only be considered under exceptional circumstances.

## 10 Terms and conditions

### 10.1 Reservation of rights

- (a) Despite any provision of these guidelines to the contrary, the State reserves the right to administer the fund including the process for the assessment and approval of applications in such a manner as it thinks fit, in its absolute discretion.
- (b) Without limiting paragraph (a), the State retains all rights and powers to make all decisions and actions in order to achieve the fund objectives and the State reserves the right, in its absolute discretion and at any time, to:
  - (i) change the structure, procedures, nature, scope or timing of, or alter the terms of participation in the process (including these guidelines) and will, provide reasonable notice of these amendments to applicants;
  - (ii) vary or amend the eligibility or evaluation criteria;
  - (iii) take into account any information from its own and other sources (including other government agencies and other advisors);
  - (iv) give preference by allocating weighting to any one or more of the eligibility criteria or evaluation criteria over other criteria;
  - (v) accept or reject any application, having regard to these guidelines, the eligibility criteria, evaluation criteria or any other item, matter or thing which the State considers relevant, including the limitations on the funds available;
  - (vi) conduct due diligence investigations in respect of any applicant and subject applications to due diligence, technical, financial and economic appraisals;
  - (vii) publish the names of applicants to the fund; and
  - (viii) take such other action as it considers in its absolute discretion appropriate in relation to the fund process.

### 10.2 Liability limitation

The State of Queensland, the department, its officers, employees, agents, and representatives:

- Are not and will not be responsible or liable for the accuracy or completeness of any information in or provided in connection with these guidelines or application.
- Make no express or implied representation or warranty that any statement as to future matters will prove correct.
- Disclaim all liability arising from any information provided to an applicant, including errors in, or omissions contained in that information.
- Except in so far as liability under any statute cannot be excluded, accept no responsibility arising in any way from errors or omissions contained in these guidelines.
- Accept no liability for any loss or damage suffered by any person because of that person, or any other person, placing reliance on the contents of these guidelines or any other information provided by the department.
- Will not accept responsibility for any misunderstanding arising from the failure by an applicant to comply with these guidelines, or arising from any discrepancies, ambiguities, inconsistencies, or errors in their application.

### 10.3 Non-exhaustive

These guidelines do not contain all the information that applicants may require in reaching decisions in relation to whether or not to submit an application. Applicants must form their own views as to what information is relevant to such decisions.

Applicants must make their own independent investigations of the information contained or referred to in these guidelines. Applicants must obtain their own independent legal, financial and other advice in relation to information in these guidelines, or otherwise made available to them during the application process.

### 10.4 Applicants

It is the responsibility of applicants to:

- Be fully aware of what is required under the application process.
- Obtain their own advice in making and application and entering into a funding agreement (following an approved application).
- Ensure their application is complete and accurate, as the department is not obliged to request additional or missing information. If applicants knowingly provide inadequate, false, or misleading information, the application will be excluded from the assessment process.
- Inform the department of any changes to their circumstances which may affect their application or eligibility for funding, which may affect their ability to deliver the project as agreed.
- Declare in writing where an actual, apparent or potential conflict of interest exists or might arise in relation to their application that may impact it.

The applicant's participation in any stage of the application submission and assessment process, in relation to any matter concerning the process, including entry into a funding agreement is at the applicant's sole risk, cost and expense.

The department will not be responsible for any costs or expenses incurred by the applicant in preparing or lodging a submission, taking part in the application submission and assessment process, or where a funding recipient does not meet the requirements under the funding agreement and infrastructure charging relief and development assessment fee relief (if eligible) is not provided.

#### 10.4.1 Multiple applications

More than one application can be submitted from the same eligible organisation for different projects. Each application will require a separate online application for each.

### 10.4.2 Errors and omissions

If you find an error, any material discrepancy, ambiguity or inconsistency in your application after submitting, please notify the department by email immediately.

### 10.4.3 Providing further information

The department may seek further information and/or clarification from an applicant during the assessment process. Applicants must respond promptly in writing to these requests.

The department reserves the right to limit the number of times additional information and/ or clarification is sought. If an application does not provide all the information requested or sufficient information to enable the application to be properly assessed within timeframes, the department may deem the application incomplete or may continue to assess the application on the information provided.

### 10.4.4 Withdrawing an application

An application may be withdrawn by notifying the department by email.

## 10.5 Confidentiality, privacy and use of information

- (a) The State will maintain controls in relation to the management of confidential information provided by applicants. Applicants should specifically mark any information they consider to be confidential.
- (b) During the application, assessment and approval process, applicants must keep confidential their dealings with the State but may make disclosures if required by law or to the State's representatives or advisors who are under an obligation of confidentiality.
- (c) Applicants must also keep confidential any information designated by the State as confidential.
- (d) The State may disclose information, including confidential information, of or provided by applicants:
  - a. to its representatives and advisors for any purpose
  - b. to any government agency or authority and its representatives and advisors, including for the purpose of assessing and verifying such information
  - c. to comply with or meet applicable standards of accountability of public money or established government policies, procedures or protocols or
  - d. if required to be disclosed by law.
- (e) The State intends to publicly disclose the names of successful applicants, information about projects, the amount of funding granted to each development and details about the anticipated benefits of successful projects.
- (f) Any personal information submitted as part of an application will not be used by the State or disclosed to any third party for a purpose other than in connection with the assessment of the application without the applicant's consent, unless required by law or in accordance with the *Information Privacy Act 2009*.
- (g) For audit purposes, the State is required to retain project proposals and other supplied supporting material for a period of seven years.
- (h) The provisions of the *Right to Information Act 2009* apply to documents in the possession of the State.

## 10.6 Guidelines status

These guidelines were approved by the Deputy Director-General, Planning Group on 5 June 2024.

## Attachment 1: Enquiries and contact details

Applicants should contact the department in relation to general questions, requests for clarification and requests for further information.

Applicants can contact the department via email at [iidfund@dcdilgp.qld.gov.au](mailto:iidfund@dcdilgp.qld.gov.au).

The department is not able to assist in the preparation of applications but can provide general guidance and clarify the eligibility criteria.

## Attachment 2: Definitions

<b>Term</b>	<b>Description</b>
<b>Act</b>	means the <i>Planning Act 2016</i> .
<b>Affordable housing</b>	as defined under the Planning Regulation 2017.
<b>Category A local government area</b>	means the following Local governments constituted under the <i>Local Government Act 2009</i> or the <i>City of Brisbane Act 2010</i> : <ul style="list-style-type: none"> <li>- Brisbane City Council</li> <li>- Cairns Regional Council</li> <li>- Gold Coast City Council</li> <li>- Ipswich City Council</li> <li>- Logan City Council</li> <li>- Mackay City Council</li> <li>- Moreton Bay City Council</li> <li>- Redland City Council</li> <li>- Sunshine Coast Regional Council</li> <li>- Toowoomba Regional Council</li> <li>- Townsville City Council</li> </ul>
<b>Category B local government area</b>	means all other Local governments constituted under the <i>Local Government Act 2009</i> not included in the Category A local government area definition.
<b>Commencement date</b>	means the date the applicable round of the fund is open for applications.
<b>Gentle density</b>	as defined in ShapingSEQ 2023.
<b>IIDF webpage</b>	means <a href="https://planning.statedevelopment.qld.gov.au/planning-issues-and-interests">https://planning.statedevelopment.qld.gov.au/planning-issues-and-interests</a>
<b>Infill development</b>	as per definition of consolidation in ShapingSEQ 2023.
<b>Infrastructure Agreement</b>	as defined in the Act.
<b>Infrastructure charges notice</b>	as defined in the Act.
<b>Levied charge</b>	means a levied charge as defined in the Act.
<b>Luxury housing</b>	means dwelling/s with an expected sale price significantly higher than the median price in the relevant local area.  Note: in addition to sale price, the department will consider context, finishes and amenities recognising that some dwellings have a higher purchase price without being 'luxury' housing. Examples include larger homes designed to accommodate multi-generational families, carer/support accommodation and/or provide universal access.
<b>Payable levied charge</b>	means when an infrastructure charges notice becomes payable in accordance with section 122 of the Act.
<b>Relevant entity</b>	The entity in which payment for infrastructure charges is made to, i.e. Local governments and Distributor-retailers.  In a PDA, payment of the applicable infrastructure charges will be made directly to the Local government in the case of a delegated PDA, or EDQ

	where the Minister for Economic Development Queensland is the delegate.
<b>Short-term accommodation</b>	means short-term accommodation as defined in the Planning Regulation 2017.
<b>Specified period</b>	Means the timeframes for various development milestones as identified in section 4.2 Table 1 of this guideline.
<b>Substantially started construction</b>	means a significant change in land use, required for the development approval, has been carried out. Depending on the specific development, this may include laying building foundations, erecting structural elements or completion of substantial demolition work.
<b>The department</b>	means the Department of Housing, Local Government, Planning and Public Works.
<b>The Economic Development Act</b>	means the <i>Economic Development Act 2012</i> .
<b>The fund</b>	means the Incentivising Infill Development Fund (IIDF).
<b>The State</b>	means the Queensland Government.
<b>Trunk infrastructure</b>	means trunk infrastructure as defined in the Act.
<b>Urban area</b>	means an urban area as defined in the Planning Regulation 2017.
<b>Well-located</b>	<p>has the meaning provided in Queensland's implementation schedule for the National Housing Accord:</p> <p><i>Well-located housing in Queensland means housing whose location meets an identified housing need and has reasonable access to education, employment, essential services, transport and/or infrastructure, as relevant to the regional and community context.</i></p>

## Attachment 3: Project plan content

All applications must clearly identify the following information in relation to their proposed development.

<i>Item</i>	<i>Description</i>
<b>Project summary</b>	A brief overview of the project and its status.
<b>Project timeframes and deliverables</b>	<p>Gantt chart or similar with project delivery schedule including:</p> <ul style="list-style-type: none"> <li>• start and finish dates for major phases of the development</li> <li>• dependencies between tasks to clearly identify the effect for the overall project if one part is delayed.</li> </ul> <p>Examples include detailed design, procurement, contractor engagement, construction commencement, financing, etc.</p>
<b>Project contacts</b>	Provide contact information and scope of involvement of any organisations with substantial influence on delivering the development within the timeframes identified in the Fund eligibility. For example architect, builder, land owner, council planning delegate, etc.
<b>Project progress monitoring</b>	Explain the process you will use to monitor and report on the Project's progress against its original timeframes and the achievement of key tasks.
<b>Risks register</b>	Provide a list of any significant project risks and identified mitigation measures.