

HISCO ANNOUNCES MAJOR INVESTMENT IN LOUTH

The Housing Infrastructure Services Company (HISCo), a commercial joint venture between the Ireland Strategic Investment Fund (ISIF) and Cork County Council to build supporting infrastructure for housing, has announced details of a substantial investment in County Louth as it rolls out its offering across Ireland.

The Housing Infrastructure Services Company (HISCo) provides an innovative solution to the provision of both on-site and off-site infrastructure that is hindering the delivery of residential development throughout Ireland. The unique aspect of HISCo's model is that the fee is calculated on a per unit basis and is only payable as each unit is sold or first leased.

HISCO is to facilitate the delivery of 1,300 new homes in Drogheda, Co. Louth, by building the first phase of a new relief road which will eventually link the M1 to Drogheda Port on land owned by Louth County Council.

The new two-kilometre road will provide key supporting infrastructure that will make it viable to deliver the homes, with subsequent phases of the road having the potential to deliver up to 5,000 new homes.

As with all ISIF projects, the project will be delivered on commercial terms. HISCo has been engaged by two housebuilding firms – Castlethorn and Ballymakenny Developments Ltd – to complete the road on their behalf.

As part of the project HISCo will also construct a water main for Irish Water and future-proof power supply infrastructure for ESB Networks and other utility companies.

HISCO has engaged Clonmel Enterprises to construct the required infrastructure.

The development will consist of a new section of road from the Rosehall Roundabout to the proposed Ballymakenny Road Roundabout, together with the realignment of Twenties Lane and remaining upgrades to the Ballymakenny Road.

PAVING WAY FOR NEW HOMES

Niall Morrissey, CEO of HISCo, said: "This is an exciting project that will ultimately pave the way for 1,300 new homes in Drogheda. It builds on our successful early projects and augurs well for our plans to deliver similar supporting infrastructure for



Pictured at the sod turning for the Port Access Northern Cross Route in Drogheda were (l-r): Tim Lucey, CEO Cork County Council; Jerry Mehigan, Chair of the HISCo Board; Cllr Conor Keelan, Mayor of Louth County Council; An Taoiseach Leo Varadkar; Darragh O'Brien, Minister for Housing; Nick Ashmore, Ireland Strategic Investment Fund; Niall Morrissey, HISCo CEO, and Joe O'Reilly, Castlethorn. (Pic: Julien Behal Photography)

new homes across Ireland.

“Cork County Council deserve enormous credit for starting the conversation with ISIF regarding the challenge that critical infrastructure poses for the delivery of residential development. ISIF deserve credit for recognising that this was a challenge that they could do something about.”

He added that the project would also not be possible without the support of Louth County Council, the housebuilding firms, the HISCo Board and the professional advisors that have brought us this far. “We look forward to delivering this key piece of infrastructure that will make Drogheda a better place to live, work and do business.”

‘DESIGN-BUILD FINANCE’ SERVICE
HISCo offers a complete ‘design-build and finance’ service for on-site and off-site infrastructure, on commercial terms, to developers and landowners. Such services include roads, footpaths, cycle lanes, water and wastewater facilities, (mains and connections), amenity areas, utilities, public lighting, along with solutions to off-site infrastructure deficits, such as wastewater treatment plants, roundabouts, bridges and link roads.

Morrissey said that the unique element of their business is that HISCo will recover its investment in the infrastructure through a fee deducted from the proceeds of the sale, or first letting, of each housing unit. “HISCo’s core objective is to increase the number of units, and the mixture of tenures, available to those trying to secure a home in Ireland,” he added.

By working in partnership with HISCo, a developer secures access to investment capital to construct infrastructure crucial and necessary for the delivery of residential units. HISCo projects are managed, designed and constructed by professionals with the experience and expertise in the delivery of residential infrastructural schemes.

“There is also the option of working with the developer’s design team and preferred infrastructure contractor. The unique advantage of engaging HISCo is that repayment of the capital investment will only be required at a stage when the developer starts to realise income from the sale, or first occupation, of units, thereby reducing the pressure to tie up



HISCo was launched in November 2020 as a commercial joint venture between the Ireland Strategic Investment Fund (ISIF) and Cork County Council.

funding during the initial construction stages. Alternative payment options will be considered,” noted HISCo’s CEO.

‘FINANCE AND CONSTRUCT’ ENTITY

The company has been established as a ‘Finance and Construct’ entity and will therefore maintain control of its investment funding. The intention is to transfer ownership and responsibility for the on-site infrastructure once completed to the developer for inclusion in the overall development.

“In the case of an upgrade of water or wastewater infrastructure, off-site, then subject to agreement, Irish Water maintains control or takes in charge the new/upgraded facility. All discussions and communications regarding potential projects are held on the understanding that there are no commitments in place until approval by the Board of the Housing Infrastructure Services Company DAC, in addition to the signing of a Development Agreement.”

Morrissey said he welcomes the opportunity to discuss how HISCo may potentially collaborate on suitable current projects and to outline HISCo’s objectives in greater detail with any interested parties.

Visit www.hisco.ie or phone 021-4244124.

Guiding Principles

- Projects must be predominantly residential; however, there is a recognition that most schemes will contain retail and/or commercial elements.
- Schemes with a good mix of accommodation types and tenures are welcomed.
- Unit types and prices will be assessed in terms of marketability.
- There must be an identifiable element of infrastructure that HISCo can deliver at a reasonable cost.
- Scheme must have planning approval before being considered for final approval by HISCo (early discussion of projects welcomed)

