

Lisbon Affordable Rent Program

Business Model, Locations & summer 2018 public tenders

Version 05/06/2018 available on line

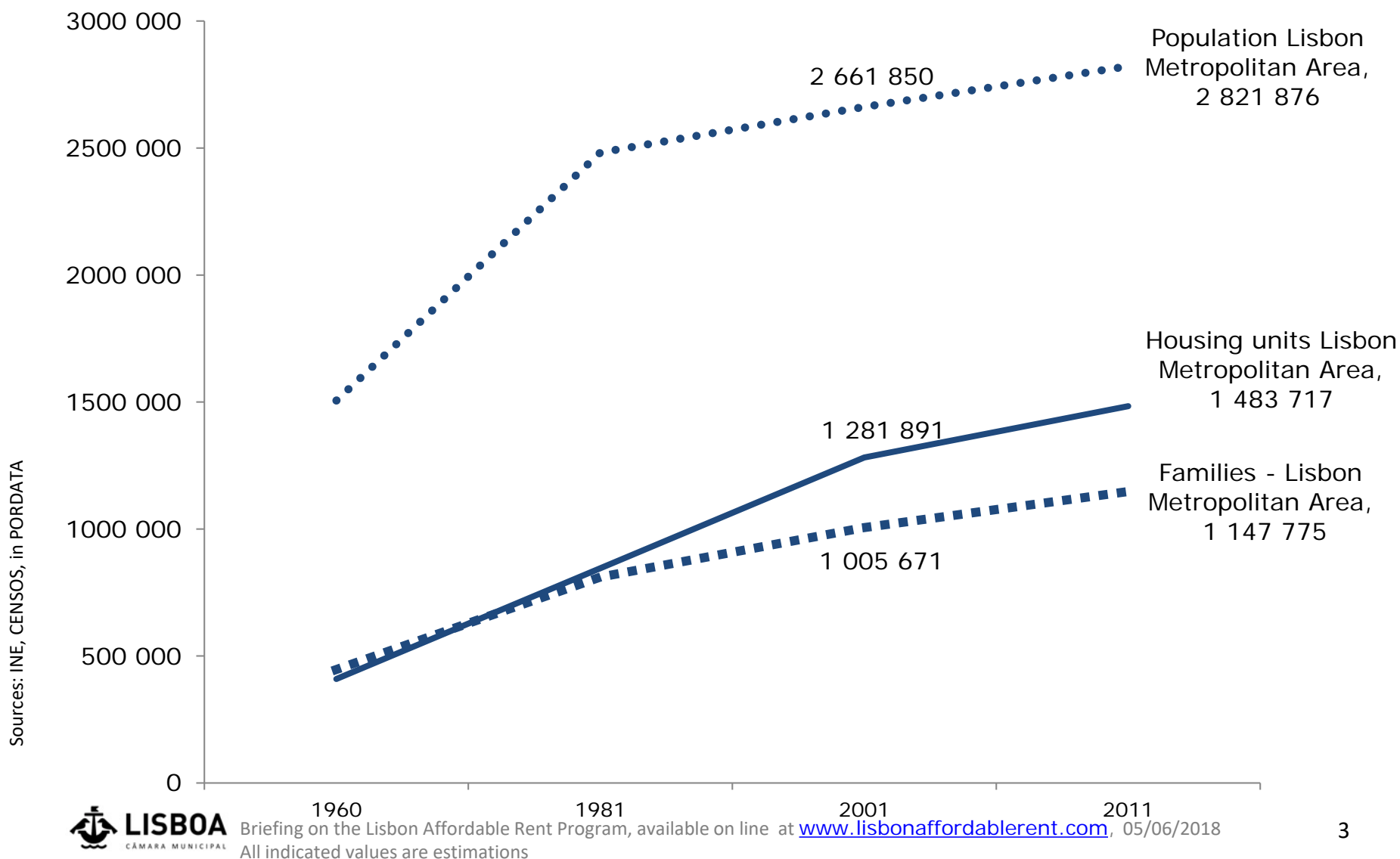


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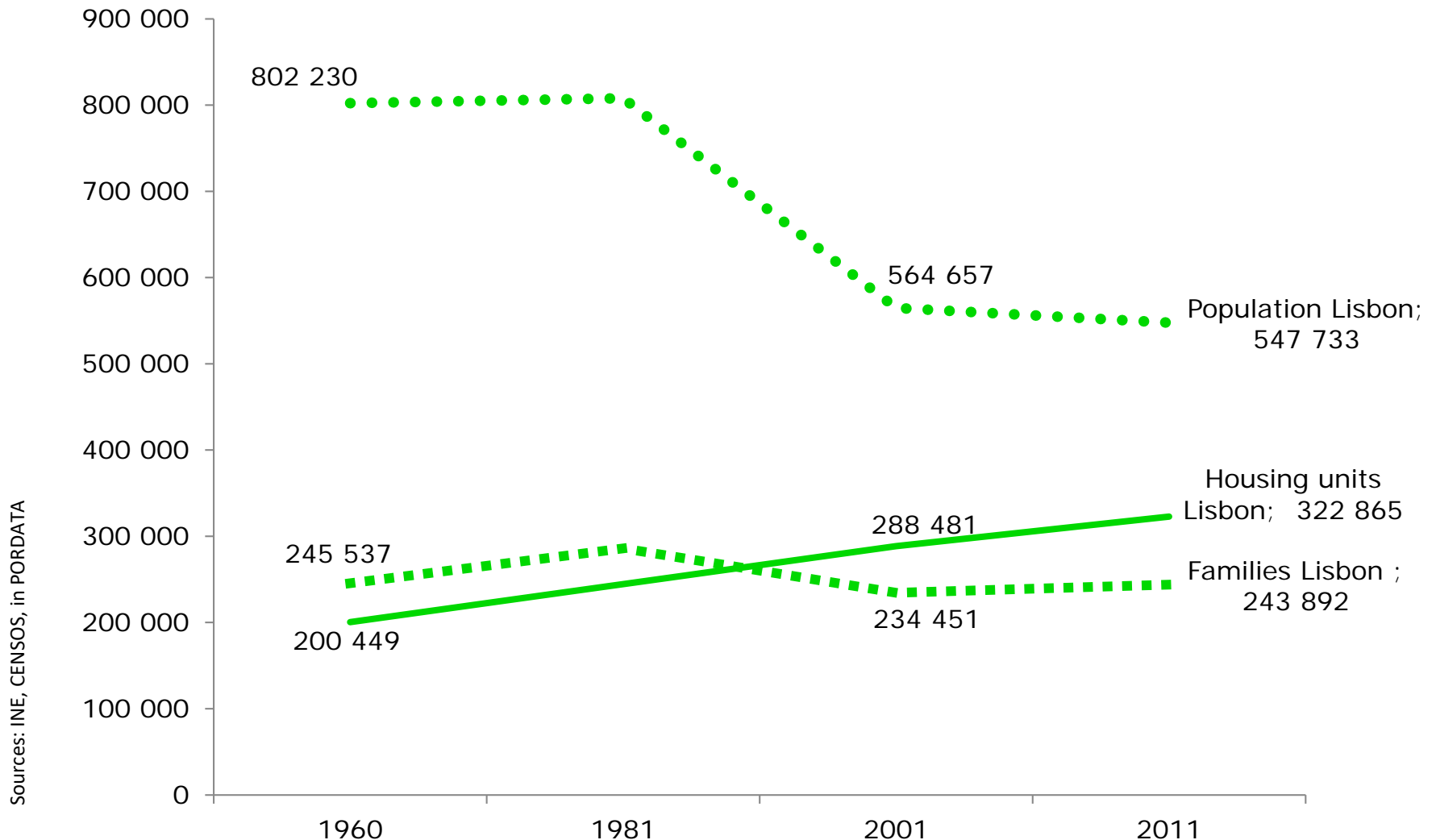
1. Lisbon housing market dysfunctions and affordable rents thresholds.
2. Legal model.
3. Business model: Who does what? Who gets what?
4. 15 Locations: urban regeneration.
5. Next public tenders:
 - Benfica: Av. Marechal Teixeira Rebelo;
 - Marvila: Quinta Marquês de Abrantes e Alfinetes;
 - São Vicente: Vale de Sto. António (Vila Macieira);
 - Package of 3 locations: Belém + Lumiar + Parque das Nações (Bairro das Laranjeiras).
6. Where to register and to bid for the public tenders? The acinGov public procurement platform.
7. Concession of public works flowchart.

Lisbon Metropolitan Area

Decades of growth: Households, population and housing units

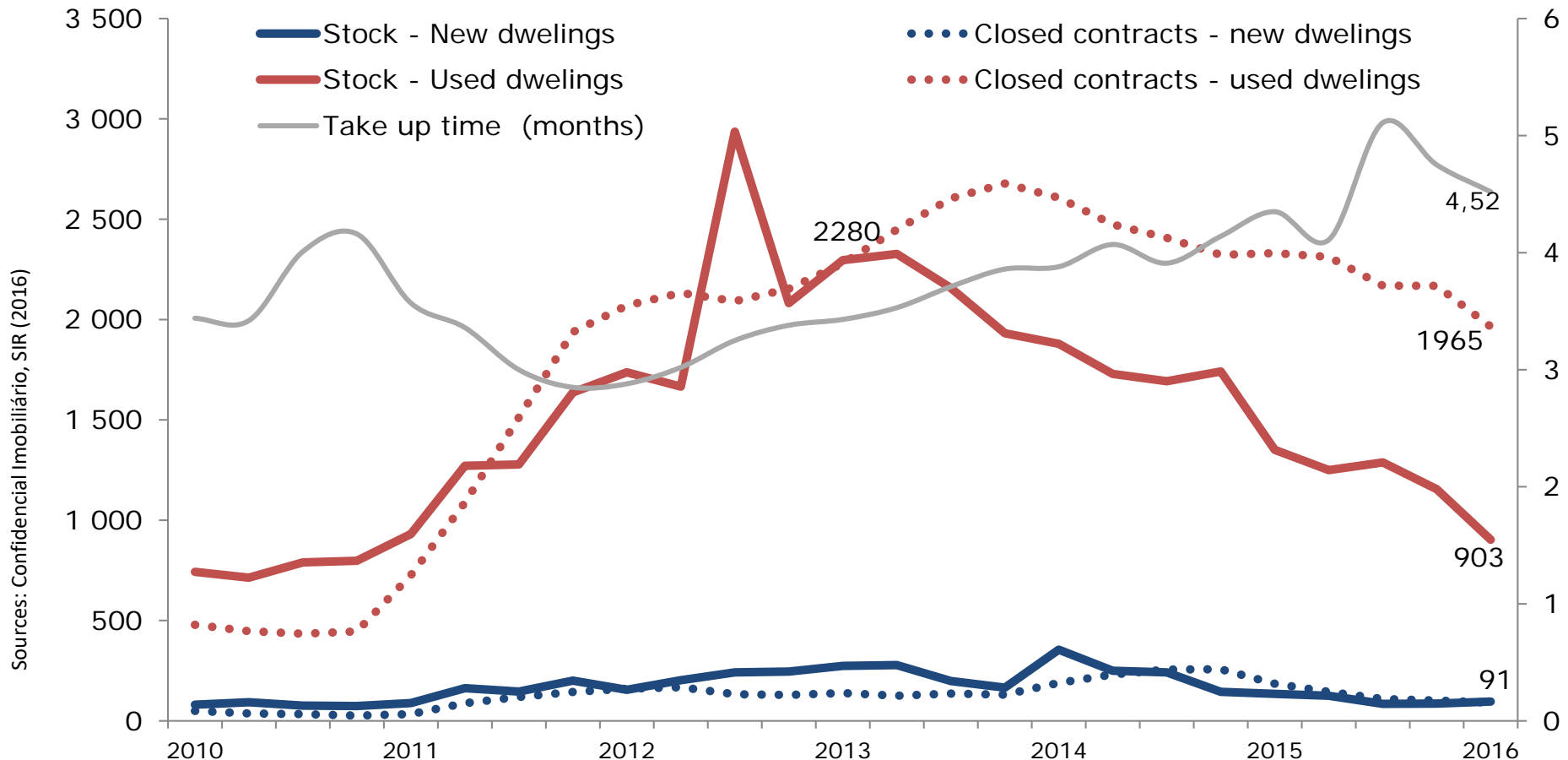



Lisbon stabilization: population and households in the recent CENSOS, Housing units growing along the last decades




Lisbon total available housing stock to rent decreased 60% since 2013


Avg. absorption time by the market: 4 months

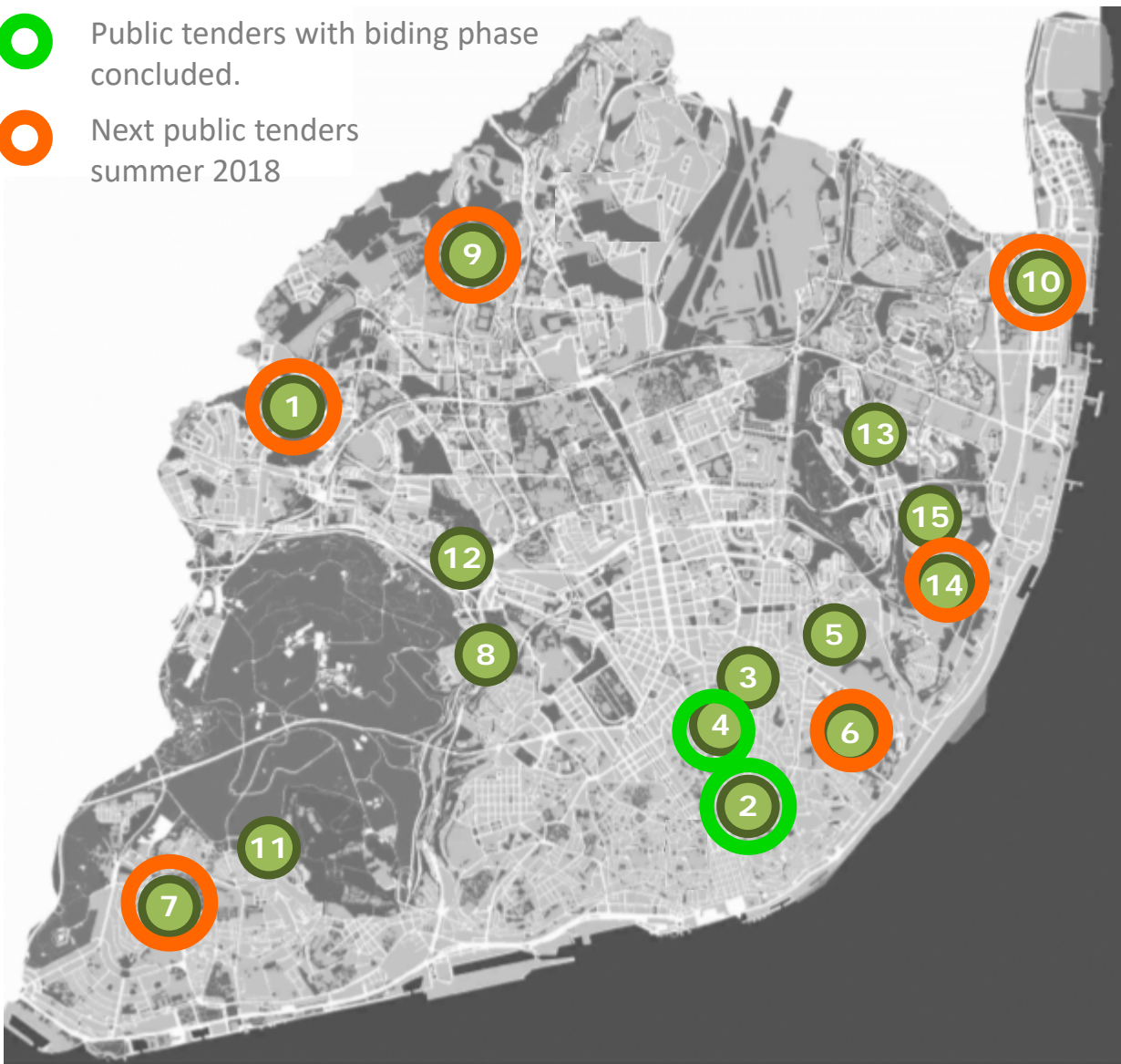


- 
- A photograph of a family (a man, a woman, and a small child) walking away from the camera on a wooden boardwalk. The background is slightly blurred, showing other people and a distant cityscape under a clear sky.
- # Vibrant economy with side effects on housing market dysfunctions:
- Prices became not affordable for low and middle income households
 - Housing demand to rent: $\pm 25,000$ (units estimated GfK 2016)
 - Available stock: $\pm 1,000$ (decreased 60% 2013->2016)

15 Locations

 Public tenders with bidding phase concluded.

 Next public tenders summer 2018



15 Locations

23 Estimated operations

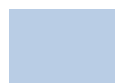
1. **Benfica** - Av. Marechal Teixeira Rebelo
2. **Sta. Maria Maior / Arroios** - Rua de São Lázaro
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4. **Arroios** - Rua Gomes Freire
5. **Penha de França** - Olaias
6. **P. França / São Vicente / Beato** - Vale de Santo António
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11. **Ajuda** - Alto da Ajuda
12. **São Domingos de Fenfica** - Furnas
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14. **Marvila** - Qta Marquês de Abrantes
15. **Marvila** - Bela Vista Oeste

Affordable rents: price ranges per type of apartment

€/month	≤150	151-200	201-250	251-300	301-350	351-400	401-500	501-600	601-700	≥700
T0 - studio										
T1 – 1 bedroom										
T2 – 2 bedrooms										
T3 – 3 bedrooms										
T4 – 4 bedrooms										


















Core affordable prices for the middle class households


















Other affordable price ranges for upper and lower income thresholds of middle class households

Program global stats

- 6,400 affordable housing units in a total of 9,160
- 107 buildings
- 780,000 m² of gross construction area (mixed uses)
- 867,000 m² of land
- 778 M€ of total private investment, operations from 3 to 300M€
- Locations can be subdivided into operations (or aggregated) to match investor requirements for scale. Operations can be sized from 3M€ to 300M€
- First 2 public tenders: closed bidding phase with several offers; one proposal already awarded.
- Next public tenders expected to start on summer 2018 (summing up more than 1,200 additional affordable housing units)

Parish	Location	Private Parking		Surface area (above ground)				Gross Construction Area
		Parking	Basement Parking	Total	Housing	Retail	Public facilities	
		(Units)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)	(sqm)
Ajuda	Campus Univ. Lisboa	 307	9.206	22.151	15.918	4.292	1.941	31.357
Arroios	Rua Gomes Freire			10.632	9.722	460	450	10.632
Arroios	Paço da Rainha	 63	2.412	12.032	11.479	552		14.444
Belém	Restelo - Embaixadas	 52	2.274	3.485	3.035		450	5.759
Benfica	Avenida Marechal Teixeira Rebelo	 1.013	36.508	69.414	54.508	13.555	1.350	105.922
Campolide	R: Inácio Pardelhas Sanchez	 117	4.185	10.122	7.670	2.452		14.307
Lumiar	R: Prof. Orlando Ribeiro L-G2	 75	2.930	4.860	4.430	430		7.790
Marvila	Belavista Oeste	 413	14.445	31.102	26.105	3.747	1.250	45.547
Marvila	Parque da Belavista Este	 225	8.054	16.200	15.743		457	24.254
Marvila	Qta. Marquês de Abrantes	 514	24.757	50.605	44.697	3.805	2.103	75.362
P. França / São Vicente / Beato	Vale de Santo António	 5.896	206.370	430.600	371.506	42.774	16.320	636.971
P. França e Beato	Olaias	 1.020	48.217	79.407	55.153	23.728	526	127.624
Parque das Nações	Laranjeiras	 42	8.460	15.585	14.535	200	850	24.045
São Domingos de Benfica	Furnas	 176	6.942	13.655	9.559	3.256	840	20.597
Sta. M. Maior e Arroios	Rua de São Lázaro			11.104	9.825	1.279		11.104
Total		9.913	374.761	780.954	653.885	100.532	26.537	1.155.715
NOTE: All values are estimated			32%		57%	9%	2%	

Parish	Location	Affordable housing units						Free price	Total
		Sub-total	T0	T1	T2	T3	T4	Sub-total	
		(units)	(%)	(%)	(%)	(%)	(%)	(Units)	(Units)
Ajuda	Campus Univ. Lisboa	 214	35%	35%	30%		35%	92	306
Arroios	Rua Gomes Freire	 69			48%	39%		29	98
Arroios	Paço da Rainha	 142	20%	40%	20%		20%	61	203
Belém	Restelo – Embaixadas	 40		21%	51%	18%		13	43
Benfica	Avenida Marechal Teixeira Rebelo	 590	31%	25%	31%	13%	31%	166	756
Campolide	R. Inácio Pardelhas Sanchez	 63		24%	40%	36%		27	90
Lumiar	R. Prof. Orlando Ribeiro L-G2	 62		46%	36%	20%		19	62
Marvila	Belavista Oeste	 258	10%	20%	40%	25%	10%	111	369
Marvila	Parque da Belavista Este	 156	10%	20%	40%	25%	10%	67	223
Marvila	Qta. Marquês de Abrantes	 363	5%	20%	56%	14%	5%	130	493
P. França / São Vicente / Beato	Vale de Santo António	 3.678	10%	20%	40%	25%	10%	1.576	5.255
P. França e Beato	Olaias	 546	10%	20%	40%	25%	10%	234	780
Parque das Nações	Laranjeiras	 116	5%	21%	47%	26%	5%	65	218
São Domingos de Benfica	Furnas	 95	10%	20%	40%	25%	10%	41	135
Sta. M. Maior e Arroios	Ruade São Lázaro	 122	20%	40%	40%		20%	48	174
Total		6.514	12%	22%	40%	22%	12%	2.678	9.204
NOTE: All values are estimated			1.137	2.007	3.644	1.991	1.137		

Who does what? Who gets what?

Legal & Business Model



Legal model: Concession of public works

- Standard legal contract, regulated by European and National Public Procurement Laws.
- The land involved in the operation is owned by the Municipality during the concession, although the investment in the respective works is private
- Permits usually required for private developers don't apply in this case (urban planning control for concession of public works)
- After the construction works are completed, a share of the plots will be transferred to the Concessionaire, to ensure the economic feasibility of the operation
- Surface rights for all the land involved in each operation will be given to the concessionaire, which can be used as a mortgage for bank financing



Value proposition for concessionaires

The concessionaire (private sector)

Main activities:

1. Designs the buildings, infrastructures and local amenities (projects), according to the Municipality standards
2. Builds/rehabilitates according to the approved projects
3. Manages operations, maintenance and regular conservation works
4. Manages the relationship with the tenants and collects the rents

Main revenues sources and other economic benefits:

1. Doesn't pay for the land
2. Can get full ownership up to $\pm 30\%$ of the gross construction area of each operation (operate / sale at free prices), once construction works are done
3. Collects rents during the concession, including non residential spaces at market prices (e.g. retail)
4. Tax Benefits may apply

1. Higher profitability when compared with similar low risk and long-term stable income operations
2. No land investment required
3. A share up to 30% of the gross construction area of each operation becomes full ownership of the concessionaire to ensure the required economic feasibility (the mentioned share should be transferred to the concessionaire after construction works are concluded)
4. The concessionaire can trade his contract position during the concession
5. Concession duration: 30 to 75 years (including the time to design, build and operate the buildings), depending on specific public tender conditions
6. The plots/buildings for affordable housing will return in full ownership to the Municipality at the end of the concession contract

7. Mix of rent prices: market prices for non-residential units and mix of housing affordable rents
8. Rents annually updated by the Portuguese Consumer Price Index (ICP), without housing, published by EUROSTAT and INE
9. Some operations include the construction of office and commercial buildings fostering mixed-use urban areas
10. The affordable housing operations are at 15 locations in Lisbon, well served by public transport, local commerce, public facilities and green areas.
11. Locations can be subdivided (or aggregated) in public tenders

12. Potential demand: tenants with middle-income thresholds, mixed age portfolio (estimated >25.000 households for 2016-2019, i.e. about 5 times the present Program supply, Gfk 2016).
13. The concessionaire is responsible for 100% of business risks
14. Projects for urban planning control purpose are developed on going in cooperation with the Municipality, making the procedure much more simplified, quicker and with very low risk
15. Tax Benefits/ exemptions can apply in accordance with the respective Tax Regulations (corporation tax, property taxes, VAT at 6% and municipality urbanization tax). Inquires to the Tax Authority and Tax Experts are advisable to clarify conditions.

The Lisbon Municipality


Key activities:


1. Provides municipal land/buildings for construction/rehabilitation
2. Establishes quality standards for project, construction, maintenance, conservation works, and tenant services
3. Promotes public tenders to select the concessionaires
4. Promotes risk minimization: uncertainty and time spending on obtaining construction permits, promotes alternative means of dispute resolution with tenants, attractive locations,...
5. Concession contract control/audit
6. Selects middle class tenants through a lottery-based process
7. When the concession period ends, the full ownership of the respective affordable housing buildings returns to the Municipality

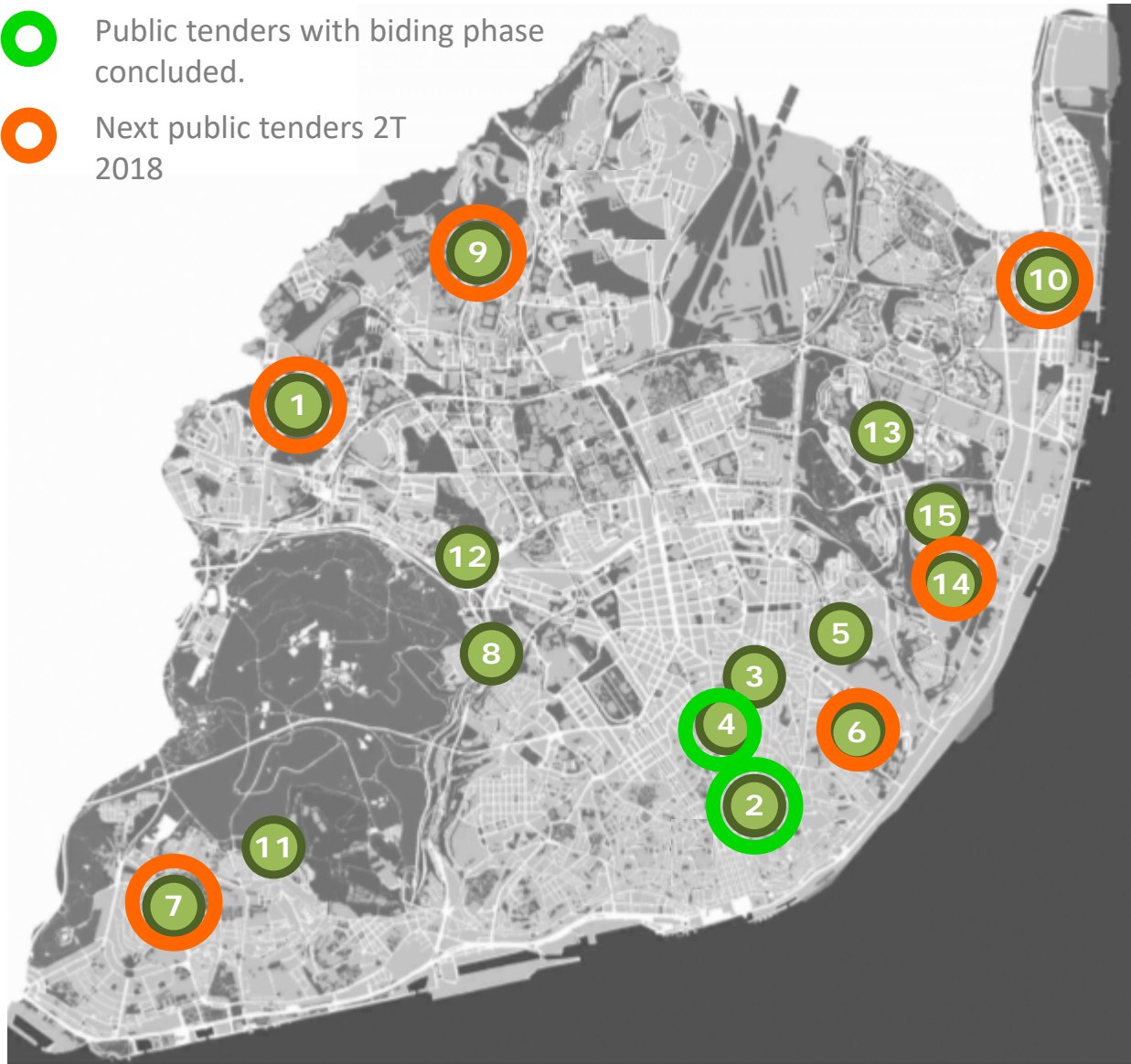
Next public tenders



15 Locations

 Public tenders with bidding phase concluded.

 Next public tenders 2T 2018



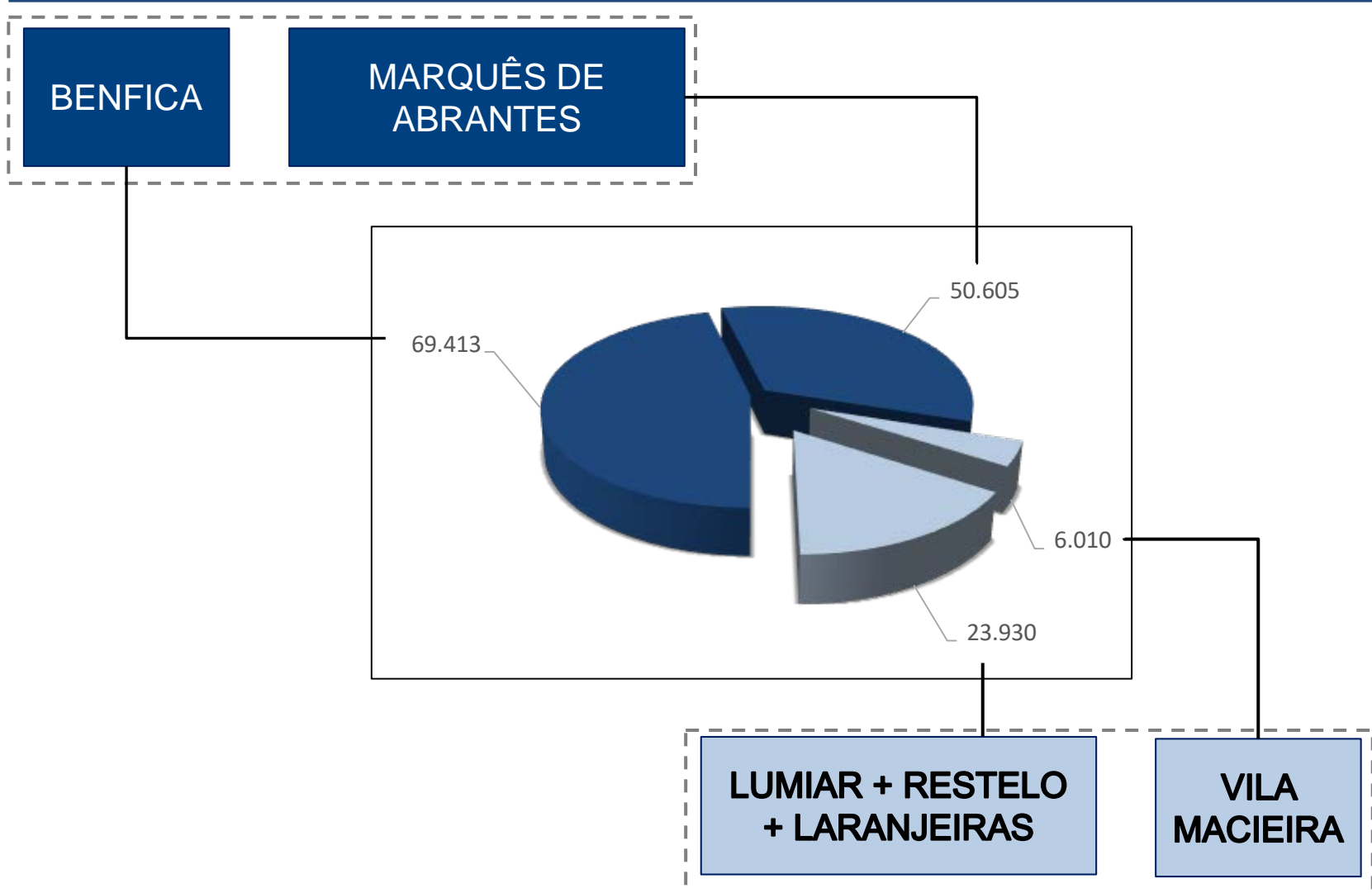
15 Locations

23 Estimated operations

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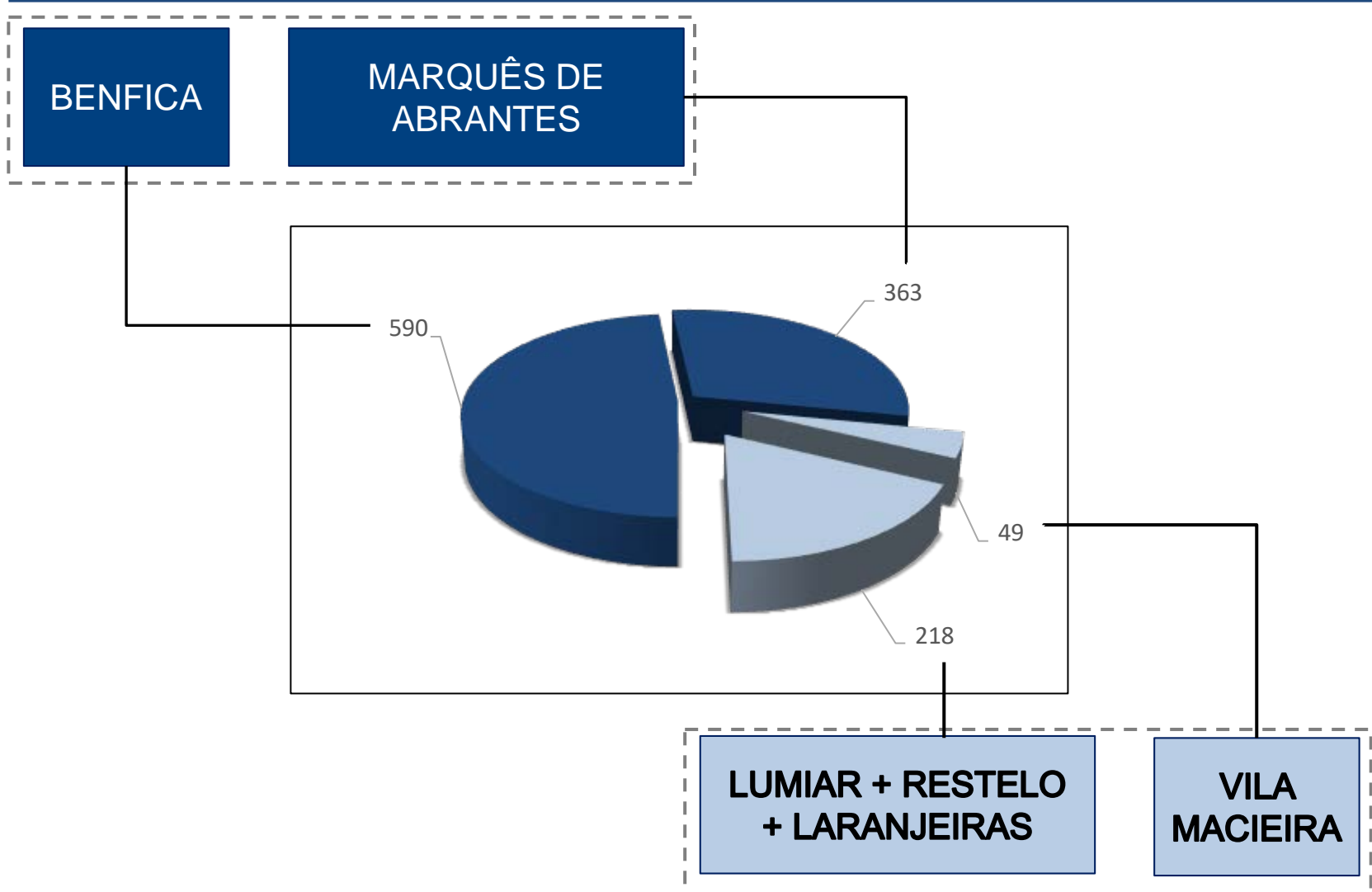
Next Operations

150.000 m² surface area above ground



Next Operations

1.220 affordable rent housing units



Next operations

BENFICA | Av. Marechal Teixeira de Rebelo 590 affordable housing units



756

Housing units
(maximum)



6

Number of plots of land



1

Estimated number of
housing operations



New construction
Operation Type

27,527 sqm
Site area

69,914 sqm
Gross construction area
above ground



19 %
for Retail / Offices



1013
Private parking
spaces



78 %
for Housing



3 %
for Public facilities

36,508 sqm
Private parking gross
construction area

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Next operations

BENFICA | Av. Marechal Teixeira de Rebelo **590 affordable housing units**

180 T0

147 T1

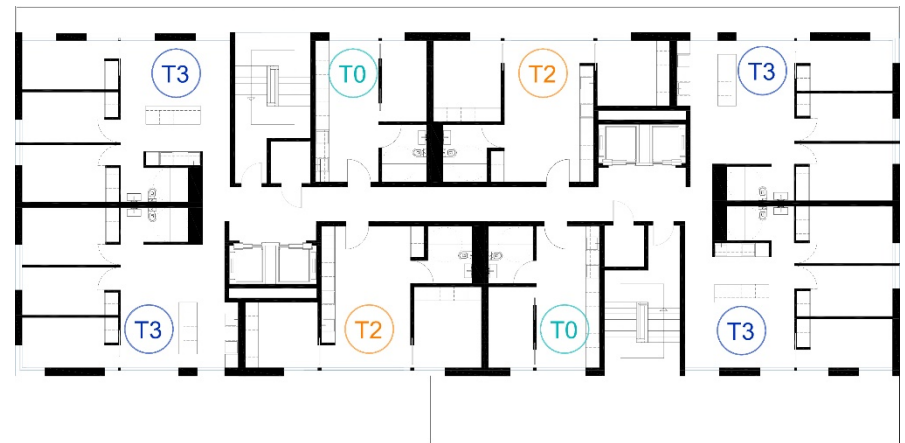
185 T2

77 T3

1 T4



Lot 35



Lots 28 and 29



Lot 30a

2. Próximas operações

BENFICA – Av. Marechal Teixeira de Rebelo **590 fogos renda acessível**

Inspirational images for *façades*



2. Próximas operações

BENFICA – Av. Marechal Teixeira de Rebelo 590 fogos renda acessível

Reference images



2. Próximas operações

BENFICA – Av. Marechal Teixeira de Rebelo 590 fogos renda acessível

Reference images



2. Próximas operações

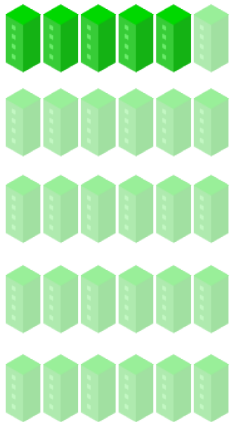
BENFICA – Av. Marechal Teixeira de Rebelo **590 fogos renda acessível**

Reference images for entrance hall



Next operations

MARVILA | Quinta do Marquês de Abrantes 363 affordable housing units



493

Housing units
(maximum)

5

Buildings

2

Estimated number of
housing operations

New construction
Operation type

141,820 *sqm*
Site area

49,453 *sqm*
Gross construction area

3 %
for Retail

5 %
for Offices

90 %
for Housing

2 %
for Public facilities

550
Parking spaces

24,758 *sqm*
Parking gross area construction (estimated)

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LISBOA **PRA** TODOS



Private
investment **€58,4m**



Briefing on the Lisbon Affordable Rent Program, available on line at www.lisbonaffordablerent.com, 05/06/2018
All indicated values are estimations

Next operations

MARVILA | Quinta do Marquês de Abrantes **363 affordable housing units**

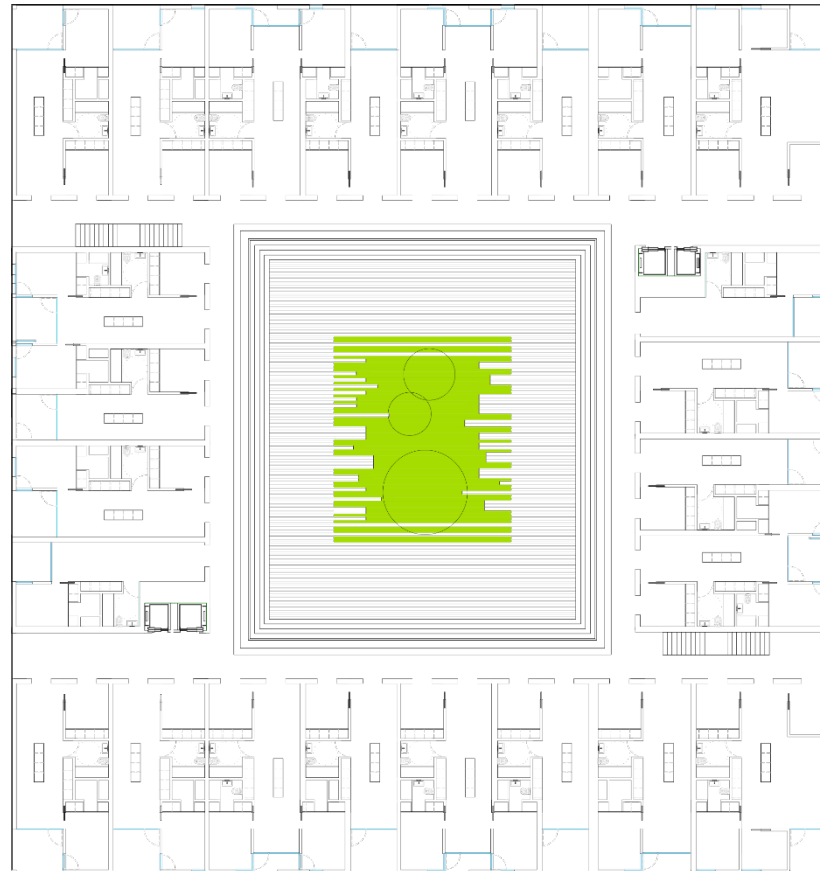
18 T0

71 T1

204 T2

50 T3

20 T4



Next operations

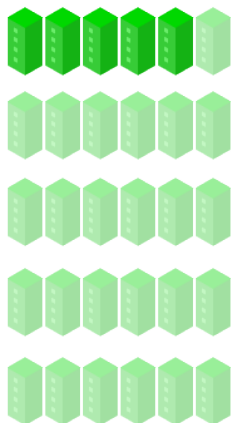
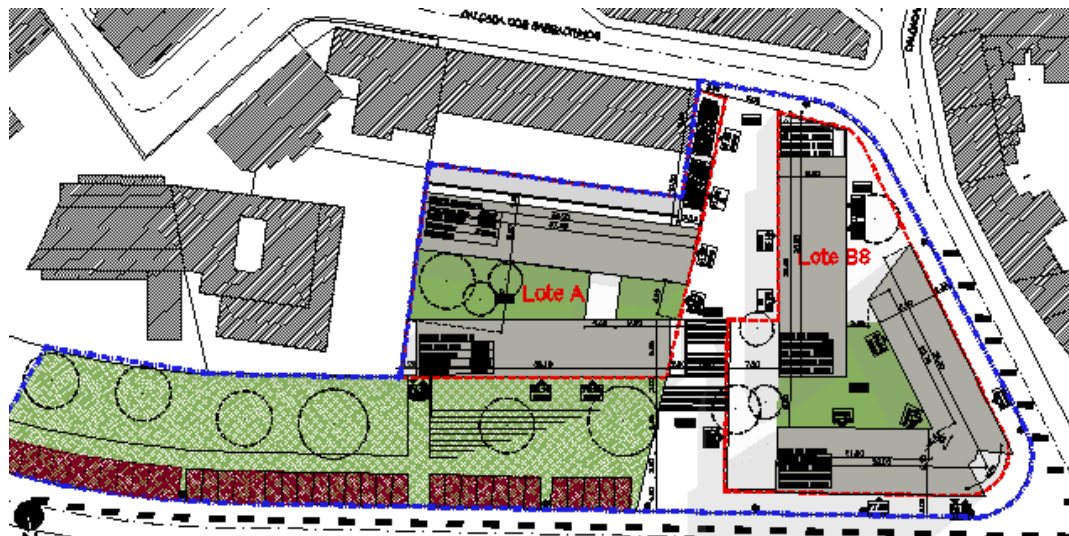
MARVILA | Quinta do Marquês de Abrantes **363 affordable housing units**

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Next operations

SÃO VICENTE | Vila Macieira 49 affordable housing units



71

Housing units
(maximum)

2

Buildings

1

Estimated number of
housing operations

New construction
Operation type

4.920 sqm

Site area

6.170 sqm

Gross construction area



18%
for Retail



0%
for Offices



82%
for Housing



0%
for Public facilities



85
Parking spaces

4.086 sqm

Parking gross area construction (estimated)



Private
investment

€8.5M



Briefing on the Lisbon Affordable Rent Program, available on line at www.lisbonaffordablerent.com, 05/06/2018
All indicated values are estimations

Next operations

SÃO VICENTE | Vila Macieira 49 affordable housing units

3 T0

29 T1

12 T2

4 T3

1 T4



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images for *façades*



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images for *façades*



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images for *façades*



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images for *façades*



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images for *façades*



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images



2. Próximas operações

SÃO VICENTE – Vila Macieira 49 fogos renda acessível

Reference images



Next operations

PARQUE DAS NAÇÕES | Laranjeiras 116 affordable housing units



166

Housing units
(maximum)



3

Buildings



1

Estimated number of
housing operations



New construction
Operation type

1,500 sqm
Site area

12,699 sqm
Gross construction area

5%
for Retail

172
Parking spaces

95 %
for Housing

in definition
for Public facilities

6,018 sqm
Parking gross area construction (estimated)

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LISBOA **PRA** TODOS



Private
investment

€14,5m

Briefing on the Lisbon Affordable Rent Program, available on line at www.lisbonaffordablerent.com, 05/06/2018

All indicated values are estimations

Next operations

PARQUE DAS NAÇÕES | Laranjeiras 116 affordable housing units

6 T0

24 T1

55 T2

30 T3

1 T4



Lot C

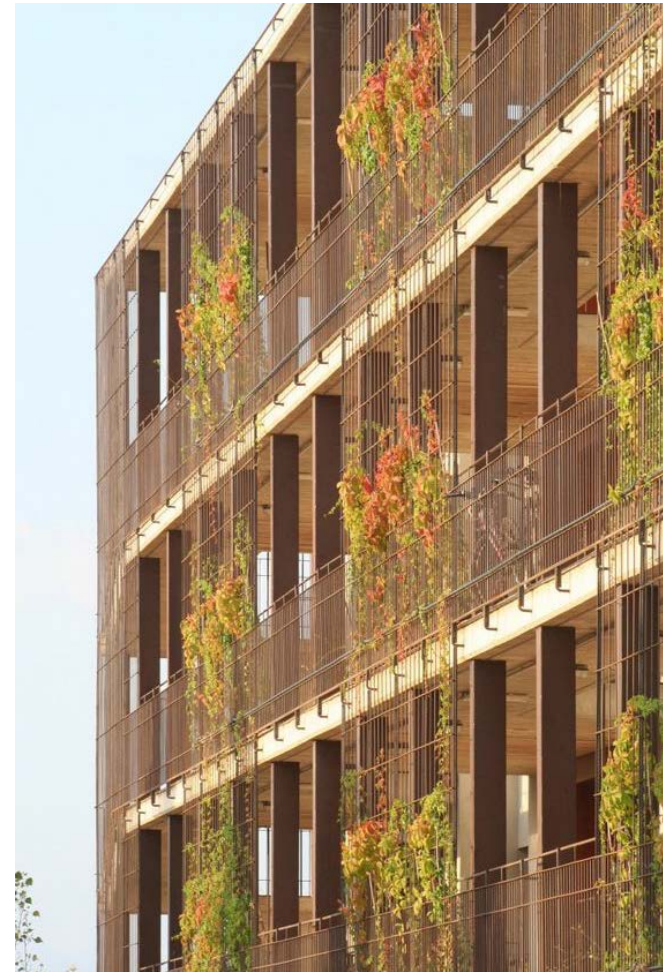


Autonomous lot

2. Próximas operações

PARQUE DAS NAÇÕES - Laranjeiras 116 fogos renda acessível

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Next operations

LUMIAR | Rua Professor Orlando Ribeiro 62 affordable housing units



62

Housing units
(maximum)



1

Buildings



1

Estimated number of
housing operations



New construction

Operation Type

1,500 sqm
Site area

4,860 sqm
Gross construction area
above ground

9%
for Retail

75
Private parking
spaces

91 %
for Housing

in definition
for Public facilities

2,930 sqm
Private parking gross
construction area

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LISBOA **PRA** TODOS



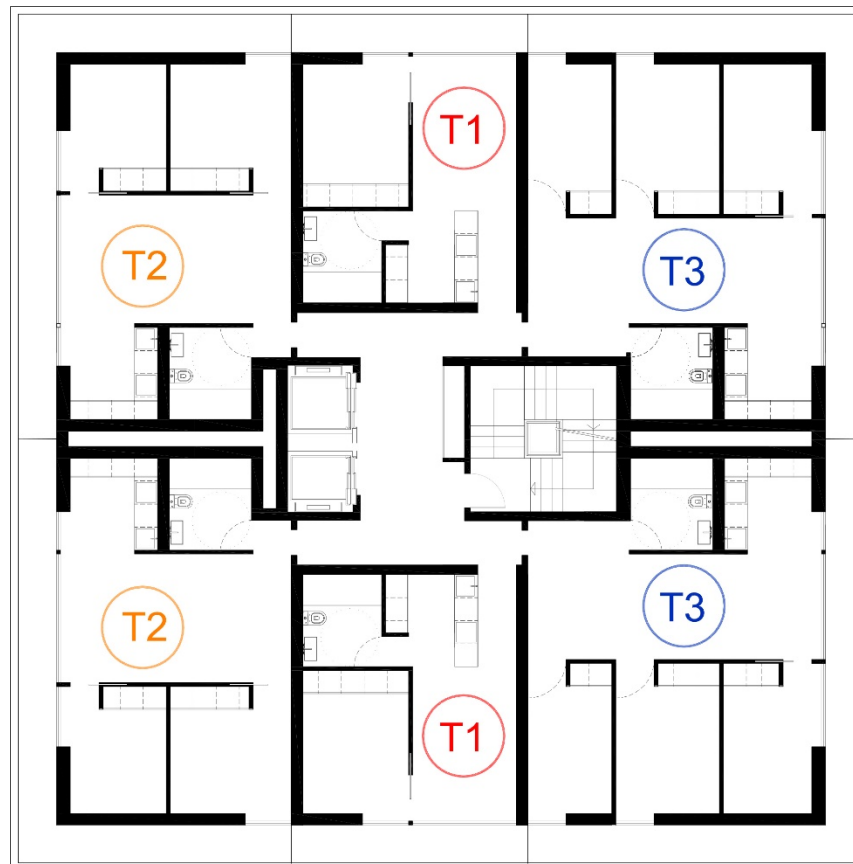
Next operations

LUMIAR | Rua Professor Orlando Ribeiro 62 affordable housing units

24 T1

20 T2

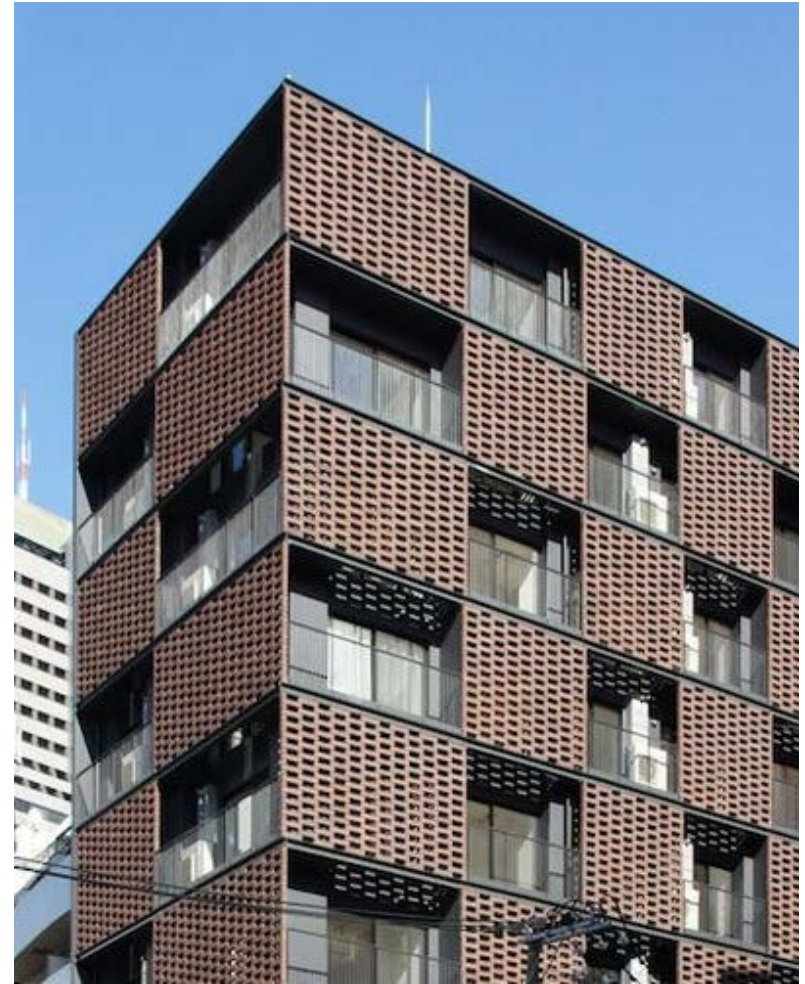
18 T3



2. Próximas operações

LUMIAR- Rua Professor Orlando Ribeiro 62 fogos renda acessível

Inspirational images for *façades*



Next operations

BELÉM | Restelo Embaixadas 40 affordable housing units



49

Housing units
(maximum)



1

Buildings



1

Estimated number of
housing operations



New construction
Operation Type

2,390 sqm
Site area

3,983 sqm
Gross construction area above ground

98 %
for Housing

11 %
for Public facilities

52
Private parking
spaces

2,274 sqm
Private parking gross
construction area

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more info!



LISBOA **PRA** TODOS



Next operations

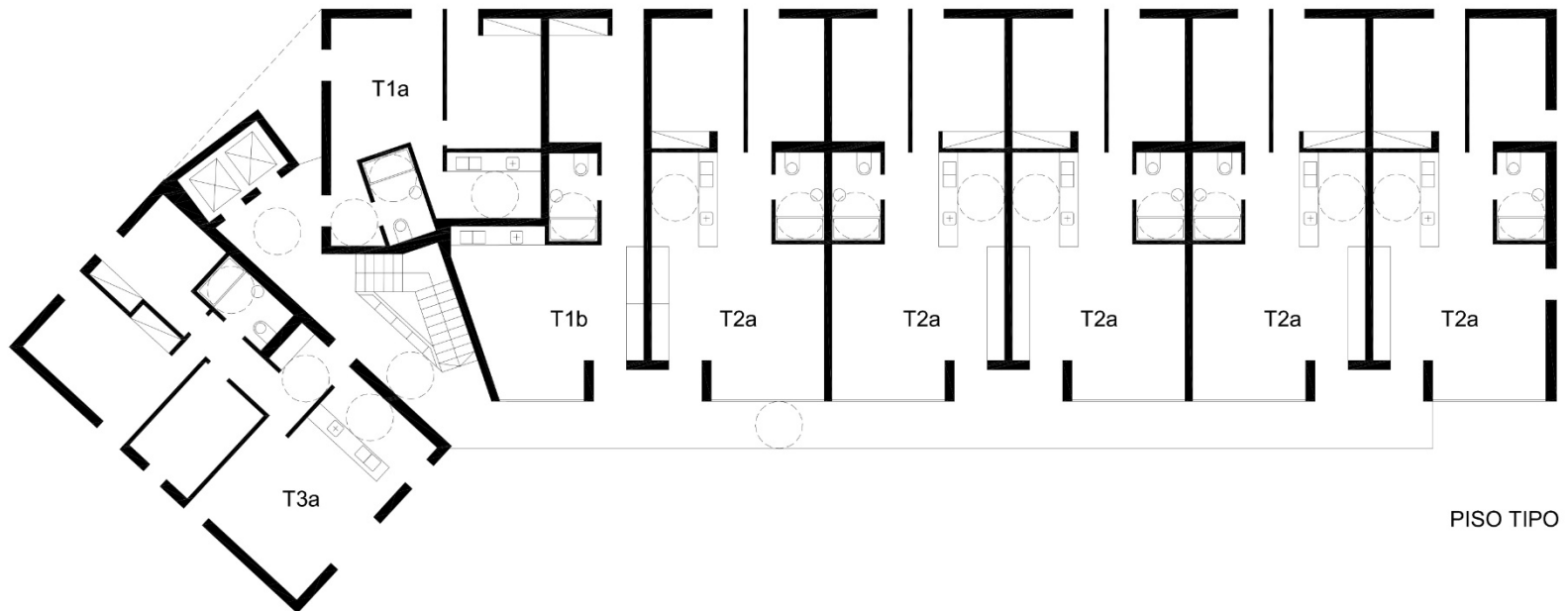
BELÉM | Restelo Embaixadas 40 affordable housing units

8 T1

20 T2

7 T3

5 T4



2. Próximas operações

BELÉM – Restelo Embaixadas 40 fogos renda acessível

Inspirational images for *façades*



Where to register and to bid for the public tenders?



The screenshot displays the acinGov website interface. At the top left is the logo for **acinGov®** with the tagline "a plataforma eletrónica de compras públicas". To the right are navigation links: "Aderir", "Caraterísticas", and "Contactos". The main visual is a large banner featuring a group of runners in a starting crouch on a track. Overlaid on the left side of the banner is the text "ACESSO SIMPLES E RÁPIDO AOS CONCURSOS PÚBLICOS!". On the right side, there is a login box titled "Entrar" containing fields for "Utilizador" and "Senha", a link for "Esqueceu a sua senha?", and buttons for "Entrar" and "Cartão de Cidadão" with a link "Como entrar através do CC?". At the bottom of the banner, there is a search bar with the text "PESQUISE PELOS CONCURSOS PÚBLICOS DISPONÍVEIS" and a "Pesquisa" button.

Announcements and search for terms and conditions

1. Register for free at **acingov.pt** (public procurement website used by Lisbon Municipality)
2. The public tender procedure is 100% digital (no papers)
3. The official announcement of the public tender procedure opening and respective key-dates are published at:
 - Official Journal of the Portuguese Republic
 - Official Journal of the European Union
 - Acingov.pt
 - Complementary announcements may be publish on the press, social media, municipality websites
4. Search for the Affordable Housing Program public tenders and download its terms and conditions.

Official sources of terms and conditions and acingov helpdesk

5. Download the files from **the only official source** of all the terms and conditions that should be considered for the respective public tender: **acingov.pt**
6. During the public tender all the inquires and communications should be addressed to the respective jury using **acingov.pt** website. Any other ways wont be considered. Take into consideration the deadlines for each phase of the procedure.
7. In certain circumstances, in accordance with the law, key-dates of a public tender may be postponed by the jury. Any updates are announced at **acingov.pt**
8. Inquires about practical information on how to use **acingov.pt** should be addressed to **acingov** costumer service (free of charge):
 - Working days: 8h00 until 24h.
 - T: (+351) 707 451 451
 - Email: apoio@acingov.pt

Biding: proposal submission

9. Read carefully the terms and conditions
10. Confirm if your proposal includes all the required documents and respective contents
11. Confirm compliance of your proposal with mandatory technical specifications mentioned on terms and conditions
12. Confirm compliance with legal requirements for signatures and documents submission on public procurement platforms (always include required evidence or specific digital signature as applicable):
 - Proposal submission should be done by someone with the legal power for that action (include evidence or specific digital signature)
 - Signature of the declaration of unconditional acceptance of all terms and condition ('Anexo I' [Annex I] mentioned in the Public Procurement Law) by those with the power to obligate the company or companies
 - ...

General information on line at www.lisbonaffordablerent.com

Lisbon Affordable Rent

Rua de São Lázaro:
Public tender closed
[more information](#)

"Europe's best work-and-play capital"

BBC.com 20 April 2016



Lisbon “best work-and-play capital”

BBC.com, april 2016



Any inquires for general information on the Affordable Rent Program and biding process can be addressed to:

Ricardo Veludo

Affordable Rent Program Task Force Coordinator
ricardo.veludo@cm-lisboa.pt

