

Density Incentive Grant Scheme 2024-2026

Program Guidelines



Contents

1. Aim	1
2. Funding available	1
3. Eligibility	1
Eligible applicants.....	1
Ineligible applicants	1
Eligible developments.....	2
Program administration	4
Definitions	4
4. Timeframes	5
5. Contact details.....	5
6. How to apply	5
7. Grant funding agreement.....	6
8. Appealing a decision.....	6
9. Grant payments	6
10. Taxation and financial implications	7
11. Acquittal	7
11.1. How to acquit your grant	7
11.2. Failure to complete an acquittal.....	7
12. Publicity of grant assistance	8
13. True and accurate information	8
14. Right to information	8
15. Information collection and usage.....	8
16. Disclaimer	8

1. Aim

The Tasmanian Government is committed to increasing the supply and diversity of housing in Tasmania. To assist in achieving this, \$10 million has been allocated under the Density Incentive Grants Scheme (the program) to incentivise developers to build medium- and high-density housing developments.

This program will be administered by the Department of State Growth (State Growth) on behalf of the Crown in Right of Tasmania.

2. Funding available

The program has limited funding. Applications will not be accepted when the funding limit has been reached.

Grants will be for a total claim amount of \$10,000 per dwelling to eligible developers to build new infill medium- or high-density residential developments in Tasmania, up to a maximum of 50 dwellings per application.

Approved applicants will be paid in a single instalment upon providing sufficient evidence of works having commenced. The grant will be paid to the title holder of the land upon which all dwellings relevant to the application are to be built or, in the case of land for which Homes Tasmania is the owner, to the community housing provider responsible for the development of that land.

A total of \$10 million is available with applications open until 31 March 2026, or until the funding is fully allocated, whichever is the soonest.

Applicants may be contacted during the assessment process to request further information and clarification.

3. Eligibility

Eligible applicants

1. Applicants must be:
 - 1.1 the owner(s) of the land which is the subject of the application and their name(s) must be on the title (please note, a contract of sale or any evidence other than a property search through the Tasmanian Land Titles Office will **not** be accepted as evidence of ownership); or
 - 1.2 a community housing provider that is responsible for the development of land for which Homes Tasmania is the owner.
2. All title holders, except for Homes Tasmania if the development is being undertaken by a community housing provider, must be named as applicants.
3. Applicants that are natural persons must be aged over 18 years.

Ineligible applicants

4. Homes Tasmania is not eligible to apply or receive funding under this program.

4.1 A community housing provider is eligible to apply and may receive funding to develop land owned by Homes Tasmania.

Eligible developments

5. Only one grant will be issued per development approval (i.e., per council permit).
6. The development approval must not have been used for a prior approved grant under the program.
7. The minimum number of additional dwellings in a single development for which a grant can be claimed is three.
8. The cumulative number of dwellings for which an applicant may claim payment is 50.
9. Applicants may be approved for multiple grants relating to different developments, but cumulative funding per applicant may not exceed the maximum grant allocation of \$10,000 per dwelling, up to a maximum of 50 dwellings.
10. All dwellings, as described in the development approval issued by the relevant council, must be multiple dwellings.
11. The development site must be located in one of the following areas:
 - 11.1 Land that is zoned under the Tasmanian Planning Scheme or the Tasmanian Interim Planning Scheme as:
 - (1) General Residential;
 - (2) Inner Residential;
 - (3) Urban Mixed Use;
 - (4) Local Business;
 - (5) General Business;
 - (6) Central Business; **OR**
 - 11.2 Land that is zoned as one of the following Particular Purpose Zones under the Tasmanian Planning Scheme or the Tasmanian Interim Planning Scheme:
 - (1) Kangaroo Bay (Clarence Local Provisions Schedule (LPS));
 - (2) Willow Court (Derwent Valley Interim Planning Scheme (IPS));
 - (3) Royal Derwent Hospital (Derwent Valley IPS);
 - (4) University of Tasmania (Sandy Bay Campus) (Hobart IPS);
 - (5) Port Sorell Waterfront Site (Latrobe LPS);
 - (6) Inveresk Site (Launceston LPS);
 - (7) University of Tasmania, Newnham Campus (Launceston LPS); **OR**
 - 11.3 Land that is zoned under the Sullivans Cove Planning Scheme as:
 - (1) Inner City Residential (Wapping);

(2) Sullivans Cove Mixed Use; **OR**

11.4 Land that has its geometric centre point within a Specific Area Plan that is consistent with the objectives of this program to facilitate medium- or high-density housing close to transport or services, which are limited to the following:

(1) Northern Apartments Corridor Specific Area Plan (Glenorchy LPS);

(2) North Hobart Specific Area Plan (Hobart IPS);

(3) Hobart Commercial Zone Specific Area Plan (draft Hobart LPS);

(4) The Green Specific Area Plan (Launceston LPS).

12. If the development is in a General Residential zone or an eligible Particular Purpose Zone, as defined under 11.2, the site area per dwelling must be less than 325m².

13. All dwellings must have a use class, as described in the development approval issued by the relevant council, that is “Residential”.

13.1 Dwellings with the use class “Visitor Accommodation”, as described in the development approval issued by the relevant council, are not eligible.

14. If the development is in a Local Business Zone, the development must have a use class, as described in the development approval issued by the relevant council, that is “Residential” and one or more of the following:

14.1 Business and professional services;

14.2 Food services;

14.3 General retail and hire.

15. All dwellings for which a grant is claimed must either be new or the result of adaptive reuse of an existing non-residential building.

16. All developments for which a grant is claimed must result in a net increase in the total number of dwellings on that development site by at least three. E.g., a development that demolishes one dwelling and builds three new dwellings would result in a net increase of two dwellings and would not be eligible.

17. All dwellings must have development approval from the relevant Tasmanian council at the time of application.

18. Applicants have up to six months from the date of the grant funding agreement to claim their grant payment.

19. To receive the grant payment, the applicant must provide evidence that work on the development is permitted to commence and that construction has substantially commenced. The only evidence of this that will be accepted is;

19.1 a ‘Form 39 – Start-Work Notification and Authorisation’ notice authorised by a person licensed as a building surveyor in Tasmania. This notice must not have been dated before 11 April 2024; and

- 19.2 a signed statutory declaration stating that construction of the development has substantially commenced.

Program administration

20. To be eligible, the applicant must provide all information and evidence reasonably requested by State Growth. This includes evidence of a valid development approval issued by the relevant council and including approval for all dwellings for which the grant is claimed.
21. Applicants that do not include all required information will be notified that they are unsuccessful and will forfeit their place in the queue. Unsuccessful applicants may submit a new application.
22. Applications will only be accepted when they are complete and made using the approved form made available by State Growth.
23. The program will close on 31 March 2026 or when the program's funding allocation has been fully allocated, whichever occurs first. No further applications will be accepted after this time.
24. Complete applications will be assessed in order of receipt but applications that do not include all required information will be notified that they are unsuccessful and will forfeit their place in the queue.
25. State Growth may consider the reputation of the applicants, and the conduct of the applicants in relation to any other programs managed by the Tasmanian Government when assessing their eligibility for a grant.
26. Applications submitted by a third party will not be accepted without evidence of permission to apply on behalf of the applicant in the application.
27. This program has limited funding. If funding is exhausted, not all eligible applications will receive a grant.

Definitions

Community housing provider means an organisation, other than Homes Tasmania, that is:

- registered under the *Community Housing Providers (National Law) Tasmania Act 2013* as a community housing provider, or
- declared by the Minister for Housing, under the *Residential Tenancy Act 1997*, to be providing social housing.

Dwelling means a building, or part of a building, used as a self-contained residence and which includes food preparation facilities, a bath or shower, a toilet and sink, and any outbuilding and works normally forming part of a dwelling.

Homes Tasmania land means any land for which Homes Tasmania, or any previous iteration, is a title holder.

Site area per dwelling has the same meaning as in the State Planning Provisions, which is the area of a site, excluding any access strip (e.g., driveway), divided by the number of dwellings on that site.

4. Timeframes

Description	Date/time
Program opens for applications	7 February 2025
Program closes	31 March 2026 3:00 pm
Applications assessed	Within 21 days of receipt of a complete application
Applicants notified (estimated date)	Within 21 days of receipt of a complete application

Applications will not be accepted after the program closes.

5. Contact details

For queries about this program, contact:

- densitygrant@stategrowth.tas.gov.au

6. How to apply

Applications should be submitted using SmartyGrants at <https://stategrowthtas.smartygrants.com.au/>.

For assistance with using SmartyGrants, please see the [applicant help guide](#).

Contact us to discuss any issue preventing you from using SmartyGrants to submit your application.

1. **Prepare:** Read these program guidelines and the frequently asked questions (FAQs) before starting your application. Check that you meet the eligibility criteria. To apply, you will need to provide valid development approval/s for all the dwellings you intend to claim for, and basic identifying information about yourself and your property. Make sure you have all the required evidence ready before you apply.
2. **Start:** When you are ready, use the 'Apply now online' link on our website. This will take you to State Growth's grant portal. Sign in or create an account, save your login information for later and complete your application.
3. **Confirm:** Ensure all information and documentation is accurate and attached. Grants are assessed in order of receipt. Remember that incomplete applications will not be assessed or reserve a place in the assessment queue.

You may be asked to provide additional information or documentation about your application after you have submitted it. You must provide this information within three working days, unless otherwise advised. Failure to provide the information within the timeframe may result in the application being unsuccessful.

4. **Submit:** You will receive an email notification after you submit your application. Keep this notification as confirmation of your submission.
5. **Assessment:** Your application will be assessed by State Growth. You may be contacted if further information is required. You will be notified of the outcome within 21 days of making a complete application.
6. **Notification:** Successful applicants will be made an offer which you will need to sign. By signing you will be agreeing to meet the requirements of the program. Once signed, return the agreement using the instructions provided with your formal offer. The signed agreement will be countersigned by a State Growth representative, and instructions on how to claim the grant payment will be returned to you with a copy of the signed agreement.

The information you provide may be subject to authenticity checks using third party software.

7. Grant funding agreement

If your application is successful, you will be required to enter a legally binding funding agreement.

The funding agreement, along with these program guidelines, provide the grant terms and conditions.

You will not receive payments until the funding agreement is completed.

8. Appealing a decision

If your application is unsuccessful, you may appeal the decision.

The appeals process ensures that all applicants have been treated fairly.

We will consider appeals that relate to administrative process issues in grants management.

All requests must be in writing and addressed to the General Manager Policy, Strategy, and Projects. Your request must be received within 28 days from the date of State Growth notifying you of the decision about your application.

For further information about the appeal process, contact densitygrant@stategrowth.tas.gov.au.

9. Grant payments

If your application is successful, you will be asked for your bank account details to receive your grant payment.

The bank account must be in your name. You may be asked to provide a copy of your bank statement or a letter from your bank as confirmation.

Providing incorrect bank account details may result in significant delays or not receiving your grant payment. We cannot guarantee the recovery of funds paid to an incorrect bank account.

You will be required to return some or all the funds if:

- you do not complete the activities required under the funding agreement;

- your situation changes in a way that prevents completion of the grant; or
- we find that the information provided to us is false or misleading.

Grant payment will be made in a single instalment. Evidence required to receive payment of the grant is;

- a valid start-work notice ('Form 39 – Start-Work Notification and Authorisation'), authorised on or after 11 April 2024 by a person licensed as a building surveyor in Tasmania; and
- a signed statutory declaration stating that construction of the development has substantially commenced.

You will have up to six months from the date your grant funding agreement is signed and returned to you to provide the required evidence and claim your payment. The Grantor may consider granting you an extension to this time if you provide a written request with reason that an extension should be granted.

Note that the program will not allocate grant payments to applications after 31 March 2026.

10. Taxation and financial implications

Grants distributed under this program may be treated as income by the Australian Tax Office (ATO).

We strongly recommend that, prior to applying, you seek independent advice from a tax advisor, financial advisor and/or the ATO, about the possible tax implications for receiving the grant.

Grants distributed under this program do not attract Goods and Services Tax (GST).

Information on invoices can be found on our Business Tasmania website:

www.business.tas.gov.au/manage_a_business/invoices

11. Acquittal

If your application is successful, you must provide an acquittal at the conclusion of the grant. An acquittal is a statement that confirms the grant was completed as per the funding agreement.

To conclude your grant, you must submit your acquittal before the date set out in the funding agreement. State Growth will notify you when your grant has concluded.

11.1. How to acquit your grant

For this program, information submitted to claim your grant payment will also meet acquittal requirements.

11.2. Failure to complete an acquittal

If you do not satisfactorily acquit your grant by the due date:

- you may be required to return the funding to State Growth; and
- you may be ineligible for other grants from State Growth.

Contact us to discuss any issue preventing you from acquitting your grant.

12. Publicity of grant assistance

State Growth is accountable for its spending of public funds, including providing grants. As part of the accountability process, State Growth may publicise, without further notice, information about the grants provided, including the level of financial assistance, the identity of the recipient, and the purpose of the financial assistance.

If you have received a grant from State Growth:

- despite any confidentiality or intellectual property right subsisting in the grant funding agreement or deed, a party may publish all or any part of the grant funding agreement or deed without reference to another party, and you consent to the disclosure of your name in this context.
- all obligations under the *Personal Information Protection Act 2004* (Tas) still apply.

13. True and accurate information

You must take care to provide true and accurate information. Any information that is found to be false or misleading may result in action being taken and grant funds, if already provided, may be required to be repaid to State Growth.

14. Right to information

Information provided to State Growth may be subject to disclosure in accordance with the *Right to Information Act 2009*.

15. Information collection and usage

Personal information will be managed in accordance with the *Personal Information Protection Act 2004*. This information may be accessed by the individual to whom it relates, on request to State Growth.

State Growth may use and disclose the information you provide for the purposes of discharging its functions under the Program Guidelines and otherwise for the purposes of the program and related uses. State Growth may also use information received in applications and during the delivery of the project for reporting purposes.

16. Disclaimer

Although care has been taken in the preparation of this document, no warranty, express or implied, is given by the Crown in Right of Tasmania, as to the accuracy or completeness of the information it contains.

The Crown in Right of Tasmania accepts no responsibility for any loss or damage that may arise from anything contained in or omitted from or that may arise from the use of this document, and any person relying on this document and the information it contains does so at their own risk absolutely.

The Crown in Right of Tasmania does not accept liability or responsibility for any loss incurred by an applicant that are in any way related to the program.

These program guidelines may change. See our website [www.stategrowth.tas.gov.au/density incentive grant scheme](http://www.stategrowth.tas.gov.au/density_incentive_grant_scheme) for updates before applying.



Department of State Growth

4 Salamanca Place
Hobart TAS 7001 Australia

Email: densitygrant@stategrowth.tas.gov.au

Web: www.stategrowth.tas.gov.au/density_incentive_grant_scheme

Version 1 Published 25 October 2024

Version 2 Published 5 February 2025

Addition of Local Business Zones and certain Particular Purpose Zones as eligible areas (Section 3), and to clarify acquittal requirements (Section 11.1). Addition of Homes Tasmania to list of ineligible applicants (Section 3).