

DOCUMENT 2 of 3

# CHAPELTOWN RD INVESTMENT PLAN

JUNE 2006



CHAPELTOWN  
A World In A Mile



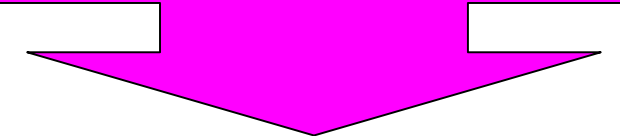
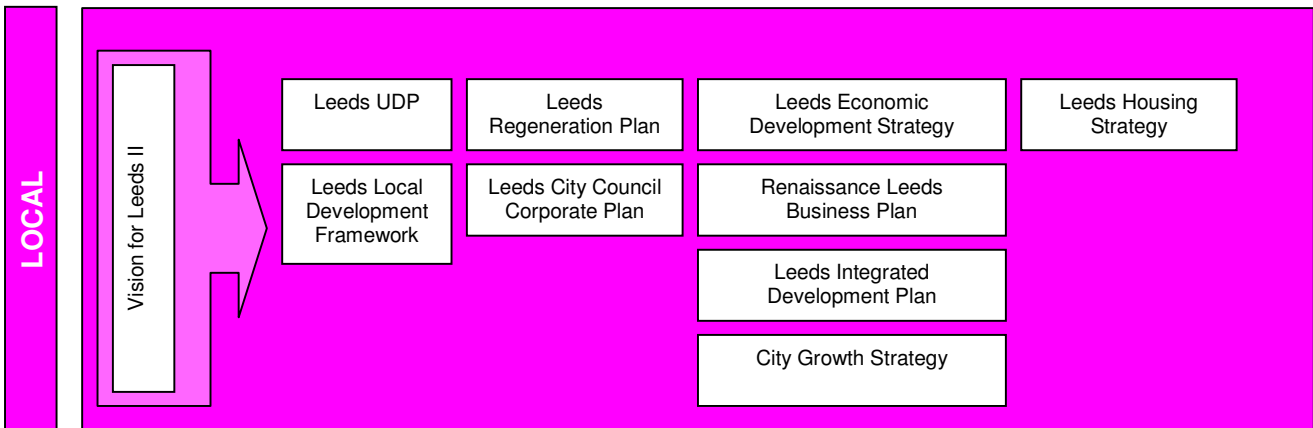
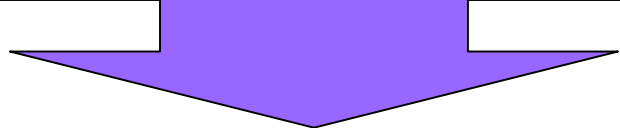
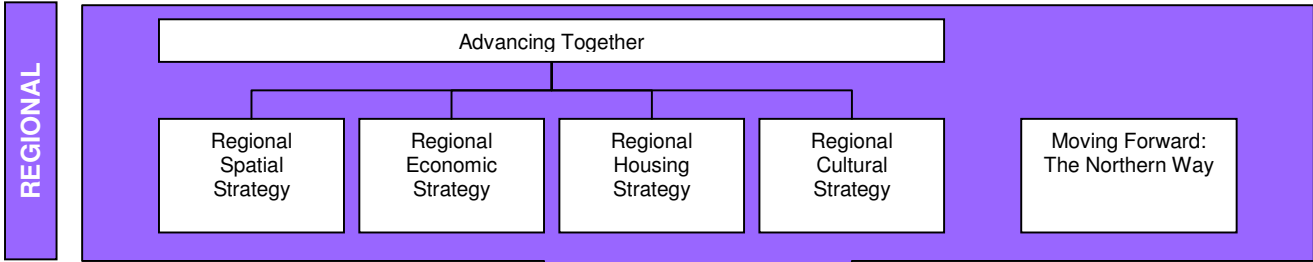
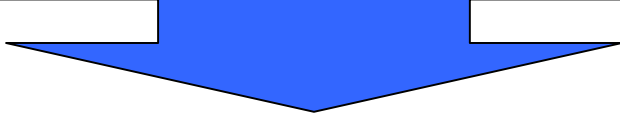
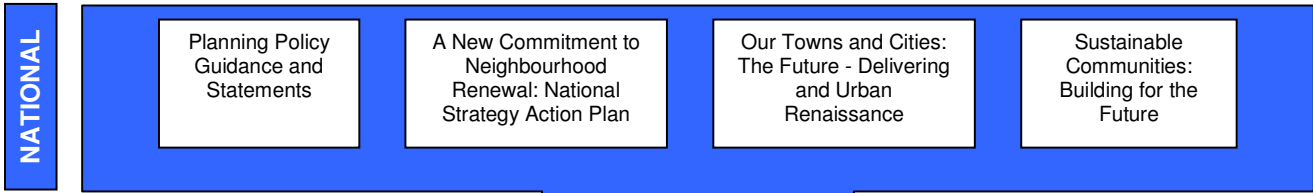
## **INVESTMENT PLAN EXECUTIVE SUMMARY**

### **Introduction**

The Chapeltown Road Investment Plan accompanies the Land Use Framework in setting the proposals for key sites against a detailed social, economic and property market context. The Investment Plan also addresses the wider implications of the development of a sustainable community, in line with current policy and best practice examples. The delivery of key sites as set out in the LUF is vital to the regeneration of the area and the Investment Plan takes a realistic approach as to how this can be achieved through exercising compulsory purchase powers and considering delivery options.

### **Planning and Regeneration Context**

The Chapeltown Road Land Use Framework and Investment Plan has been developed in the context of a range of policies, strategies and programmes at the national, regional, sub-regional and local level. The following diagram provides a summary of the policy context.



**CHAPELTOWN ROAD LAND USE FRAMEWORK AND INVESTMENT PLAN**

## **Economic and Property Market Overview**

Within the Chapeltown Road area the housing type is predominately terraced housing, with 38% of households living in this type of accommodation. This is 35.7% higher than the average for Leeds. There is a significant shortage of larger family homes in the area with only approximately 36% semi-detached / detached houses or bungalows this compares to an average for Leeds and England of 54%.

Within the Chapeltown Road area there are limited commercial properties, with the majority there to serve the immediate population of the suburb. In terms of office supply there is very limited availability within Chapeltown Road, mainly coming in the form of purpose built premises or small serviced office. Demand comes from; charities, organisations wishing to use premises for community facilities and small start up companies. Due to the nature of these requirements, they are cost sensitive and are prepared to take inferior accommodation to reflect this.

As regards retail premises there is a mix of occupiers with the likes of Continental Supermarkets and Warsaw Stores along with a number of smaller independent retailers. The type of amenities available reflects the social make-up of the area, with specialist shops focusing on specific needs of the diverse community. There is a lack of good quality modern premises capable of providing premises for general convenience stores.

### **Key Sites**

A number of key sites have been selected on Chapeltown Road for detailed proposals, as set out in the Land Use Framework. These sites have been selected on the basis of their current status and potential to play an integral part in the regeneration of the corridor. The Investment Plan addresses development issues associated with delivery of the key sites, including development appraisals.

Mixed use development of the key sites should be encouraged through the preparation of detailed development briefs which will draw down information from the LUF. Whilst the development appraisals show that maximum value of the sites is derived from residential use, the development of new office space is important and should be encouraged in the creation of a viable mixed use community which can support local businesses.

The study has identified four key sites in private ownership that if acquired by the Council, would contribute significantly towards the regeneration of the area. In deciding whether to confirm a CPO, the Secretary of State will take account of whether the purpose for which the land is being required fits with the adopted or emerging planning framework; the extent to which the proposals will improve the well-being of the area; the potential financial viability of any scheme; and whether the acquiring authority could use any other means to achieve its objectives.

Prior to embarking upon the CPO process, LCC must be confident that funding is in place to facilitate this process. The release of existing LCC owned sites in Chapeltown is fundamental to securing the regeneration of privately owned sites which have been a blight on the area for a considerable time. The release of the Gateway site, 180 Chapeltown Road and the library site would evidence a commitment on the part of the council to regenerate the area and will form a key argument in the CPO case. It is for LCC to prioritise the receipts from these sites into meeting the CPO costs to potentially acquire the Mobil site, Nitetrax Parade, Rhythms Parade and Reginald Parade.

## **Delivery Mechanisms**

There are clear opportunities for multiple sites along the Chapeltown Road corridor to be packaged together for delivery purposes in the form of a developer selection competition for delivery of all the sites or separate sites on an individual basis. There are strong advantages relating to the packaging of multiple sites namely:

- Greater investment scale increases the attraction to larger, more experienced and better financed development companies

Offering the sites on an individual basis would nevertheless allow for local interests who may show particular flair and innovation. It is possible to introduce a degree of flexibility into the disposal programme to allow for expressions of interests in individual sites to be judged alongside the packaged approach.

- Critical mass of change creates a new market benchmark in terms of values and returns – which can help achieve quality and pay for spin-off benefits
- Comprehensive change optimises the opportunity to “de-stigmatise” the reputation of the area to investors
- Packaging yields efficiencies in terms of Council time in managing the delivery of change
- The community are endowed with a long term private sector partner who can come to really understand the local situation in which they have a meaningful stake
- The same delivery mechanism can tackle both public (Council owned) sites as well as those sites in private ownership which need to be compulsorily acquired (CPO)
- Cross-site/cross project subsidy can be achieved if it is necessary

**Safeguards** can be built into the developer selection process to overcome potential problems.

*Potential exclusion of local companies and groups:* Views have been expressed that the opportunity for a multiple site developer selection might lead to the exclusion of smaller companies capable of tackling individual projects. The bids should be assessed for multiple and individual sites based on merit. The ITN documents can encourage any Lead Developers to involve local companies and groups within their supply chain. The ITN pack could contain a gazetteer of interested parties and groups to whom the attention of competing developers is drawn. Part of the evaluation process could include an assessment of the degree to which local companies and groups have in fact been integrated by the developers.

*Land banking:* One of the problems associated with Chapeltown Road has been that certain land owners have sat on key sites without bringing them forward for development. In the over-arching JV partnership model we are suggesting, this can be guarded against by the use of performance related land based contracts such as Agreements for Lease or Conditional Development Agreements. Essentially, these contracts rely on the imposition by the Council of key dates for key actions, such as submission of planning applications, start of works on site, completion of construction contracts. The usual controlling device is a mix of rights to terminate and a holding back of freehold land interests until the date at which development has actually been completed on site. These are well used and standard public sector land disposal techniques which can provide the necessary safeguards.

The Council is very well used to the management of formalised procurement processes leading to the appointment of property developer partners. The most likely procedure for the competition is the Negotiated Procedure. The pre-requisite for this procurement route is the preparation by the Council of a clear "Invitation to Tender" which sets out what is required on the sites in line with the development briefs. Further evaluation will be taken on a qualitative assessment of the submissions and this could involve an element of community involvement to engender local support for the proposals.

The proposed developer selection competition will provide a degree of certainty in terms of taking forward development of a number of key sites on the Chapeltown Road corridor and will serve to deliver the proposals set out in the LUF in line with detailed development briefs prepared by the Council. CPO and packaging together of a number of key sites presents the opportunity to deliver a sustainable future for Chapeltown Road that meets the needs of the local community and creates a strong and positive identity for the area.