

BROMSGROVE DISTRICT COUNCIL

CABINET

4TH APRIL 2012

MARKETING EXERCISE – INCLUSION OF COUNCIL OWNED ASSETS (HANOVER STREET CAR PARK, GEORGE HOUSE

Relevant Portfolio Holder	Cllr Roger Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering (Exec Director)
Wards Affected	
Ward Councillor Consulted	

1. SUMMARY OF PROPOSALS

- 1.1 The Area Action Plan identified a number of areas as potential sites for regeneration. This report requests approval from members to include Bromsgrove District Council assets into marketing exercises for these sites
- 1.2 The Council intends to conduct a marketing exercise of the sites to ascertain interest from developers. It is proposed that the following assets are included in the marketing exercise:

- George House and Hanover Street Car Park
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2. RECOMMENDATIONS

- 2.1 That Cabinet approve in principle the incorporation of Council assets within the George House and Hanover Street Car Park Site) into the proposed marketing exercises and that the marketing be carried out by the Commercial Property Consultant John Dillon.
- 2.2 That Cabinet delegates authority to the Regeneration Programme Manager to finalise and sign the agreement for the marketing exercise.

3. KEY ISSUES

Financial Implications

- 3.1 The lowest forecast price per acre is predicted to be) At this rate BDQ would potentially enjoy a total capital receipt of approximately subject to environmental surveys and site

preparation costs. However the marketing exercise will seek to ascertain what higher yield, if any, is possible.

- 3.2 The cost of this initial phase of the marketing of the sites to Bromsgrove District Council will be relatively small and will be covered by the Town Centre budget.

Legal Implications

- 3.3 None as a result of this report. Any consideration, decision or agreement to sell the assets as a result of the marketing exercise will be subject to a further Cabinet Report.

Service / Operational Implications

George House and Hanover Street Car Park

- 3.4 This site is solely in the ownership of Bromsgrove District Council and covers approximately 0.7 Hectares. It is identified in the Area Action Plan as a key site for potential redevelopment to include retail led mixed use that could contain Leisure usage. It will provide section 106 contributions to the public realm at the Southern End of the Town Centre and the naturalisation of the Spadesbourne Brook running across the site will be sought as part of the development.
- 3.5 The Hanover Street Long Stay Car Park currently generates estimated £120k pa revenue for the Council. It is envisaged that any future developments on the sites would include parking and the current and future parking revenue potential will form part of the valuation exercise and commercial negotiation in the marketing exercise. Furthermore maintaining freehold of the sites against an ongoing ground rent or revenue is an option which will be tested in the marketing exercise.
- 3.6 As Members are aware the procurement of George House was undertaken with the aim of extending the footprint of the former Market Hall development site. There are currently 6 developers actively interested in this extended area and a major high quality retailer. This is before any active marketing of the site has been carried out.

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- 3.11 A further Cabinet Report will be submitted with the results of the Marketing Exercise and if appropriate to consider the sale of the sites identified.

Customer / Equalities and Diversity Implications

- 3.12 The regeneration and redevelopment of the Town Centre has been a priority issue raised by the community for a number of years

4. RISK MANAGEMENT

- 4.1 These risks are being controlled within the overall Risk and Issues Register of the Town Centre Regeneration Programme, which is managed by the Regeneration Programme Manager and overseen by The Town Centre Steering Group, the Portfolio Holder and the Head of Service.
- 4.2 If this marketing exercise is not commenced now, there is a potential of losing the interest in the sites identified and therefore a risk of delaying the regeneration of the Town Centre.
- 4.3 Potential losses of revenue income from the car parks will be mitigated by including this within future negotiations with developers.

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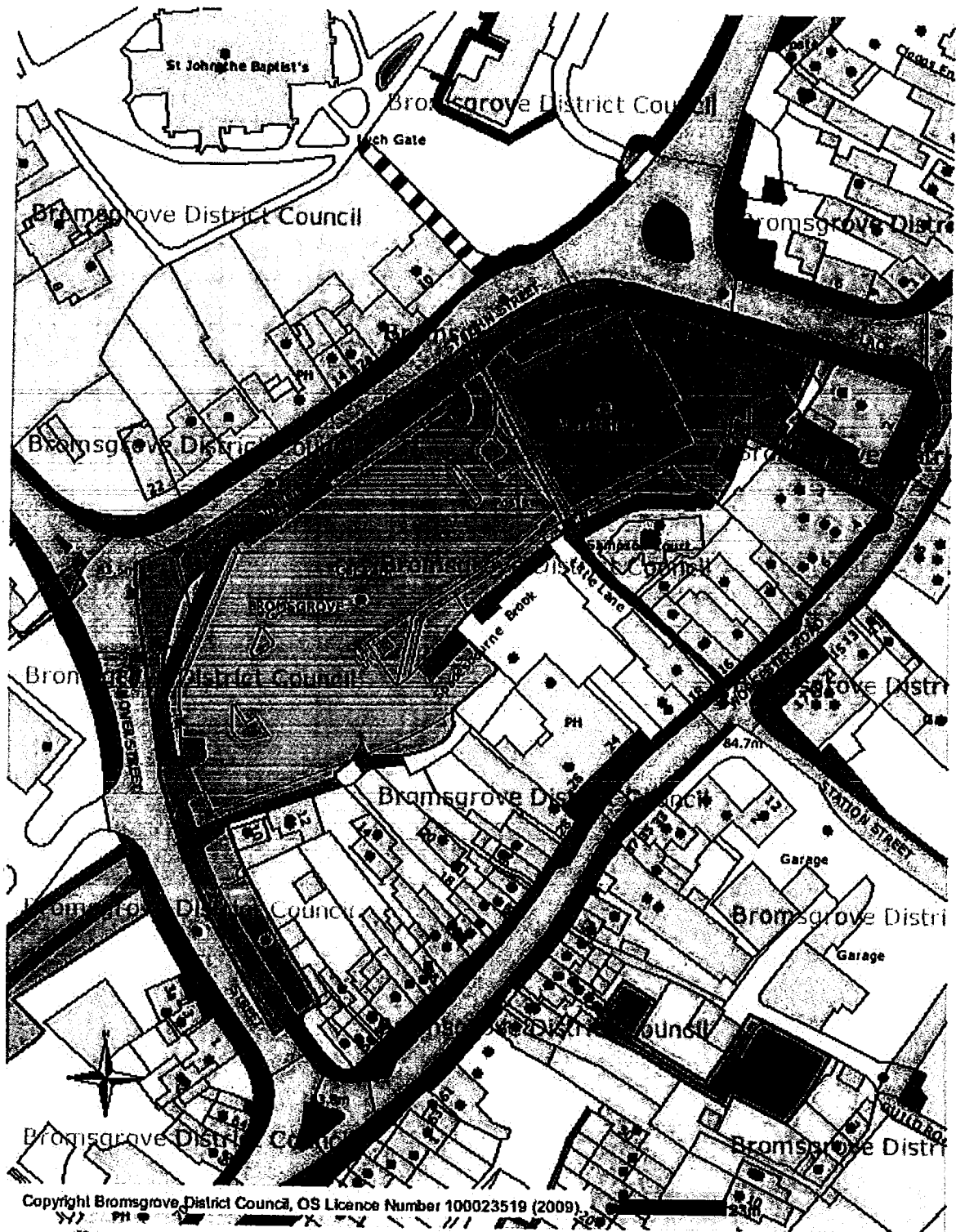
5. APPENDICES

Appendix 1: Site Plan of George House and Hanover Street
Car Park

Appendix 2:

AUTHOR OF REPORT

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Department

Title:

Scale: 1:1250

