

ST JAMES'S DEVELOPMENT UPDATE

NOVEMBER 2014



WELCOME to the first of our updates bringing you news and information on the St James's development in Dover. We're entering a key phase in the development as we await the outcome of the Public Inquiry into the compulsory purchase (CPO) and stopping-up orders. We need these orders to be confirmed by the Secretaries of State for Communities and Local Government, and Transport, before development can start. We're committed to keeping you informed throughout construction.

COMPULSORY PURCHASE

We already own over 95% of the land. Confirmation of the CPO will enable us to secure the outstanding land interests amounting to 0.13 of a hectare. There was only one objector to the CPO from the owners of the County Hotel who own a long lease. The timing of the CPO decision is out of our hands, but we're hopeful of an announcement around Christmas/early 2015. There will be a process of legal formalities to allow for any challenge to the decision, and for the vesting of the land. This is standard within the CPO process.

STOPPING UP ORDER

We've applied to permanently close a number of roads in the St James's area ("stopping up"). This includes Dolphin Lane, St James Lane, St James Street, and part of Russell Street. There were no outstanding objections to these proposals following agreement with the utility companies. Access to the area will remain open until such time as development gets underway. We will keep everyone informed of any temporary access arrangements during construction. Permanent access arrangements for residents and businesses adjacent to the scheme will be granted following construction. Again, the timing of the confirmation of this order is out of our hands but we're hopeful of a decision from the Secretary of State for Transport in December.

DEMOLITION

Until the CPO is confirmed and the land is vested in the Council, there remain caveats and uncertainties concerning the timeframe for development. Based on a CPO confirmation by the end of the year, we are considering the potential for vesting of the land in the Council in Spring 2015. Our first priority will be to assess the condition of the remaining buildings on site. Based on our current understanding we anticipate a four to five month demolition period. We'll release more information about arrangements for demolition as soon as possible, including any impact this may have on the local community and transport network. A draft timeframe of development activity is included with this update.

TENANCIES

Pre-let agreements are already in place with anchor tenants, Cineworld and M&S, and with the restaurateur, Frankie & Benny's. In addition, the hotel, a restaurant unit, and two retail units are currently under offer, with legal agreements scheduled to exchange this side of Christmas. Our letting agents report strong interest in the scheme as many retailers look for new opportunities to rebuild their high street portfolios following the recession. We expect a number of planning applications to be submitted in the coming months in respect of individual retailers' requirements for units within the development. For example, we are in negotiations with a number of retailers who are planning on taking advantage of the opportunity to trade over two floors with the building design incorporating the potential for mezzanine levels.

DEVELOPMENT AGREEMENT

Our development partner is Bond City Ltd a company that has been set up specifically to deliver the St James's development. Its shareholders have substantial experience in retail and leisure development throughout the UK, and have invested substantial funds to progress the scheme to the stage it is at today. On successful confirmation of the CPO the entire 3.8 hectare site will be vested in Dover District Council. Bond City will then be able to start construction in accordance with the Development Agreement. Based on the current strong levels of interest in the scheme, Bond City are confident of meeting the letting conditions of the Development Agreement, and then forward financing its development to completion. They have already received interest from a number of financial investment institutions.

OTHER WORKS

A number of other works on land adjoining the St James's development have been completed or are currently underway. Whilst these do not form part of the development, they are important nonetheless in that they improve the area around the vicinity of the development. Demolition of the former Granada Cinema on Castle Street is complete. Much of the rubble from the site was recycled and used for the ground works on a separate retail development at Whitfield. We await news from the owners as to their intentions for the site, which is a prime position in relation to the St James's development. Work is also underway to improve the appearance of three properties in Bench Street where we served section 215 notices.

We are currently tendering for the construction of the residential development on the corner of Castle Street and Maison Dieu Road, and will be providing more information in our next update.

CENTURION HOUSE

The demolition of Centurion House on Bench Street is underway. As a result, Fishmonger's Lane and Mill Lane are subject to temporary road closures. Again, whilst this site is not part of the St James's development it will provide additional car parking, and opens up this area through to the new M&S store. Demolition should be complete by Christmas, and work on the new 53-space car park will commence in the New Year.

DEVELOPMENT TIMEFRAME

As we've mentioned, there will be some major caveats and uncertainties in respect of the timescale for delivery of development. Unless and until we have confirmation that the CPO and stopping-up orders are agreed we are unable to proceed. However, we appreciate the need for more information.

The timeline below includes the key dates as currently envisioned but they are all provisional and are subject to change.

DEVELOPMENT ACTIVITY
DECEMBER 2014 / JANUARY 2015 CPO and stopping-up orders confirmed
SPRING 2015 Land vested for development
SPRING 2015 Russell Street car park closed
LATE SPRING 2015 Pre-demolition works Burlington House and County Hotel (internal strip out)
SPRING / SUMMER 2015 Demolition of Multi-story car park, Burlington House and County Hotel
SPRING / SUMMER 2015 Utility works, including diversion of sewers, relocation of substation
LATE SUMMER 2015 (12 months) Construction



CONTACT

For more information on the St James's development, and other investment and regeneration projects in the Dover district, visit www.investindover.co.uk and follow us on Twitter @InvestInDover or email community@dover.gov.uk