
CENTRAL PARK - DEVELOPER SELECTION

**Responsible Cabinet Member(s) - Councillor David Lyonette,
Regeneration and Planning Portfolio
Councillor Don Bristow, Resource Management Portfolio**

Responsible Director(s) - John Buxton, Director of Development and Environment

Purpose of Report

1. To seek agreement to the process for selecting a developer for Central Park involving development of Council owned land as a joint venture with One North East and English Partnerships and Tees Valley Regeneration;
2. To seek approval to undertake the Haughton Road foot/cycle bridge contract on behalf of Tees Valley Regeneration (TVR) and to release the requisite funding received from the Tees Valley Partnership and/or TVR for this purpose;
3. To seek approval to release the requisite funding received from the Local Transport Plan for this purpose.

Information and Analysis

Background

4. Central Park is a long term comprehensive development for offices, hotel, housing and other uses on land adjacent to the East Coast Main Line. The scheme is being led by Tees Valley Regeneration, but One NorthEast and English Partnerships are key stakeholders due to their financial input. The Council's land (including the existing depot and allotments) form a significant input to the scheme. A master plan for the development has been agreed between the stakeholders following consultation, and Planning Applications Committee has agreed to grant outline planning permission.
5. On 13 July 2004, Cabinet resolved that the Council participate in the Central Park project as landowner, including the relocation of the Council depot to a location off Yarm Road/Salters Lane and relocation of the Hundens Lane allotments to alternative sites.
6. In September 2005 Cabinet agreed to proceed with the joint venture agreement for the Central Park development between the stakeholders outlined in paragraph 4, and officers were authorised to negotiate Heads of Terms for a development agreement and report to a future meeting of Cabinet.
7. The Haughton Road junction contract and associated infrastructure works on behalf of Tees Valley Regeneration (TVR) are currently underway following Cabinet approval to release the requisite funding received from the Tees Valley Partnership and/or TVR for this

purpose. The 4 No. Council houses on Vicarage Road have been demolished to facilitate the road junction/access road, ahead of the joint venture agreement.

8. Mains drainage works across the Council's depot and allotment land are also progressing, ahead of the joint venture agreement, and approval to include additional Council owned land and buildings on Yarm Road into the Central Park development has been agreed by Cabinet.
9. Darlington College is progressing well with the construction of a new College on Central Park which will open to students in September 2006.
10. Consultations with allotment holders are ongoing and construction of one of the new sites is due to commence in March/April 2006.

Process for Developer Selection

11. To achieve a high quality development it was considered appropriate to select a developer for the site by way of a two stage process.
 - a) Stage 1 - To invite Expressions of Interest, development proposals and a financial offer.
 - b) Stage 2 - To select a shortlist and those companies shortlisted be asked to submit best and final offers together with scheme proposals, site layout plans, elevations and detailed development appraisals. This stage is likely to include written submissions and interview by a panel of the key stakeholders.
12. This process has been discussed between the stakeholders (referred to in para. 4) to ensure that the best developer and scheme is identified to develop the site in line with the marketing pack, planning permission and masterplan (**attached**).
13. Submissions would be scored against a matrix agreed by all stakeholders, ensuring that the most appropriate developer is chosen to deliver the vision. Sections would be weighted according to their importance to the overall development.
14. A panel including representatives from each stakeholder will score the developers in accordance with the criteria, in accordance with the Joint Venture, there will be a need to co-ordinate the decision to ensure that a unanimous decision is agreed. To enable a co-ordinated decision to be reached with stakeholders in a reasonable timescale it is recommended that selection at each stage is delegated to the Director, in consultation with the Cabinet Members holding the Resource Management and Regeneration and Planning portfolios.

Programme

Action	Date
Developer Event	26 January 2006
Closing date for expressions of interest	30 March 2006
Stage 1 bids evaluated	April 2006
Commence stage 2 and invite shortlisted parties (max 5) to tender	Early May 2006
Closing date for return of stage 2 tenders	Early July 2006
Bids evaluated by partners	Mid July 2006
Interviews	Late July 2006
Selection of Preferred Developer	Late July 2006

Design and Construction of Houghton Road Foot/cycle bridge

15. Progress is being made with the design and construction of a foot/cycle bridge next to the existing Houghton Road road-over-rail bridge, to give good pedestrian and cycle access to the site. The aim is to open the bridge as close as possible to the opening date of the new Darlington College premises.
16. The Council will need to enter into an agreement with Network Rail to progress design and to acquire either freehold or by easement to place bridge footings and gain access over Network Rail land to the west of the railway line in land owned by Network Rail. In the absence of a completed joint venture agreement TVR have offered to provide the Council with a written agreement to finance the design works in order to progress approval with Network Rail.
17. The Council's bridge engineers have been commissioned by TVR to manage the process along with White Young Green structural engineers and architect.
18. Furthermore, since the Council will ultimately own the bridge, it has been proposed and agreed by the Central Park project board that the Council be requested to award and manage the works contract. This will also enable VAT to be recovered on the contract. This will be awarded in accordance with the Council's procurement procedures.
19. The necessary funding is to be secured from One NorthEast's Single Programme allocation for Central Park and will be distributed to the Council via the Tees Valley Partnership and/or TVR. The funding will be in the form of an 'offer letter' or legal agreement committing to give the Council funds for the cost of the works estimated at £1m. Any cost overruns on the contract will be a cost to the Central Park project and met by TVR/One NorthEast.
20. £100,000 has been allocated from the Local Transport Plan as a contribution towards the bridge design and approved by Network Rail and will be counted as an allowable cost in the JV agreement.
21. Once again, to facilitate an early start to the works the contract may need to be awarded ahead of the joint venture agreement being completed.

22. In line with the Council's external funding procedures, approval of Cabinet to release the funds to be received from the Tees Valley Partnership and Local Transport Plan are required.

Conclusions

23. Progress in the developer selection and construction of a foot/cycle bridge are important stages in progressing the development of this key site in the Darlington Gateway Regeneration Strategy.

Outcome of Consultation

24. Extensive consultations on Central Park have taken place as part of the application for outline planning permission. Previous consultations on the masterplan for Central Park have been carried out by TVR and have produced largely supportive responses.
25. Additional consultations will be held as the schemes progress. In relation to the bridge, consultations will be held through the planning application process.

Legal Implications

26. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

27. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. Particular attention is being given to ensuring that the design of the bridge promotes personal safety, and deters anti-social behavior and vandalism.

Council Policy Framework

28. The issues contained within this report do not represent change to Council policy or the Council's policy framework

Decision Deadline

29. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

Key Decisions

30. This report represents a Key Decision because it affects more than one ward.

Recommendation

31. It is recommended that :-

- (a) Cabinet approve the two stage selection process to appoint a developer for Central Park.
- (b) The selection of a shortlist of developers and preferred developer in accordance with the marketing pack is delegated to the Director of Development and Environment in consultation with the Cabinet members with the Resource Management Portfolio and the Regeneration and Planning Portfolio.
- (c) Subject to the Council receiving confirmation of Single Programme funding for the Haughton Road Foot/cycle bridge, Members agree to the contract being awarded and managed by the Council in accordance with Council procurement procedures and in advance of the joint venture.
- (d) Members agree to the release of funds to be received from the Tees Valley Partnership and/or TVR for the Haughton Road foot/cycle bridge contract at the appropriate time.
- (e) Members agree to the release of funds to be received from the Local Transport Plan for the Haughton Road foot/cycle bridge contract at the appropriate time.
- (f) Members authorise the acquisition of land from Network Rail either freehold or by easement for placement of bridge footings and subsequent pedestrian access to the new bridge, on terms to be agreed by the Director of Development and Environment in consultation with Cabinet member with the Resource Management Portfolio.
- (g) The Borough Solicitor be authorised to complete the necessary documentation.

Reasons

32. The recommendations are supported by the following reasons :-

- (a) To progress the Central Park development through the appointment of a developer.
- (b) To enable the commencement of the foot/cycle bridge works to meet the opening of the new Darlington College (or as close as possible) and to serve Central Park with a pedestrian and cycle link from the town centre to the development.

John Buxton
Director of Development and Environment

Background Papers

Central Park Marketing Pack

Rebecca Dent : Extension 2041
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