Sent: 21 November 2019 <u>15:02</u>

To: Cc:

Subject: ew: Draft Local Plan Public Consultation: Land at Quadrant

Distribution Centre HAR013 / Davy Way, Quedgeley

Attachments: Viability Assessment -Quedgeley - Final Report.pdf; 2017-06-14 Review.pdf; 2019-08-05

Viability Report - Quadrant Way[2].pdf; 2019-03-21 Appendix 1 Policy Compliant with 30%[1].xls; 2019-07-31 Appendix 2 - Viable Appraisal with 39 affordable units[1].xls; Call

for Sites: Land off Davy Way, Quedgeley GL2 2RN

Categories: Consulation response

further to our call yesterday (and in response to the latest local plan consultation), I have attached copies of the viability evidence we spoke about that demonstrates that employment development is not viable on our client's (Ashtenne Industrial Fund (AIF)) site – your ref HAR013. This includes:

- 1. A letter from Tony Williams at the District Valuers Service (DVS), dated 14th June 2017, following our pre-application submission to consider the viability of employment development on the site which concluded at point s(4) and (5) on page 2 as follows:
 - o "4) Summary â€" It can be seen from the above that the base enabling costs (excluding fees, 106 costs, finance and profit etc) are equal to or exceed the values that we believe could be achieved for the serviced sites, i.e. after the enabling works have been carried out.
 On this basis viability of the site is a major issue in order to bring the site forward for development incorporating employment uses.
 - o 5) Phasing You have raised the issue of phasing and whether this would help the scheme. In a way the site has already been phased with the last 20 acres to be dealt with as a final phase. However with the current uncertainty in the general economic market I can't see the market for this site for employment uses improving in the short to medium term. †∞
- 2. Our Viability Appraisal (dated 11 July 2018) submitted with the subsequent planning application for 160 dwellings on the site (ref. s18.1947/OUT).
- 3. A further letter from Tony Williams at the DVS, dated 5th August 2019, which considered the viability of employment development, as well, and concluded at the bottom of page 2:

"We understand that the site sits within a Key Employment Area, but that an appraisal carried out by Cushman & Wakefield utilising the site for industrial use has shown such a scheme to be undeliverable.

Cushman & Wakefield have undertaken a residual appraisal of the proposed industrial development which shows a negative land value of - £571,000. In June 2017 we undertook a review of the employment potential of this site and concluded that viability was a major issue in order to bring the site forward for development incorporating employment uses.â€

This DVS letter was accompanied by his two appraisals of the 160 dwellings proposal (also attached) which showed 30% affordable housing was not viable, but just over 24% was – which means the scheme can support the provision of 39 affordable units.

For ease of reference (and to be certain there is no misunderstanding), I have also included a copy of the email sent as part of a call for sites on 4th December 2017. This email includes the same site ownership plan, completed call for sites form and an indicative layout plan demonstrating how the site can be developed for 160 houses. This layout has been superseded by the layout plan submitted as part of the planning application (ref. s18.1947/OUT), but you should already have a copy of that as it was submitted via your on-line form in response to the Emerging Strategy consultation on 18th January 2019.

We feel this information conclusively demonstrates that employment development is not viable on our client's site. Frankly, we hope that our planning application will be approved by the planning committee on 7th January 2020, removing any need for further involvement in the local plan. However,

until that happens we have to keep taking part in the local plan process, so if you have any questions about the employment viability in relation to our client's site, please let me know.

For the avoidance of doubt, we may make further comments about the local plan in due course.

l'd be very grateful if you would acknowledge receipt of this local plan response.

Kind regards



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