

AGENDA ITEM No. 6

CABINET
13th December 2016

SOLICITOR TO THE COUNCIL
REPORT NO. LEG1616

HIGH STREET MULTI-STOREY CAR PARK, ALDERSHOT

PURPOSE

This report is to seek an in principle approval for the redevelopment of the High Street Multi Storey Car Park as part of the Galleries redevelopment and to relocate a Council operated public car park within phase one of the Galleries redevelopment.

1. BACKGROUND

The High Street Multi Storey Car Park was built in 1989. The Council is both the freehold owner of the car park and the sub lessee. Shaviram Aldershot Ltd hold the intervening lease. The Council, as sub lessee, has full repairing responsibilities for the car park and retains the revenue from operating the public car park. Public car parking currently takes place on the ground, first, second and third floors with the top 6 floors being closed. There are some 326 spaces available within the operating part of the car park and the total capacity of the car park exceeds what is needed for public car parking.

2. CONDITION OF THE CAR PARK

A structural survey was undertaken this year on the car park which revealed a number of concerns relating to the structure of the car park when viewed over the longer term. Additionally the lifts in the car park are not operational and are likely to cost £450,000 to replace. The repairs and level of refurbishment that is necessary to provide a modern facility that is attractive to visitors to the town means that the car park is beyond economic repair. Re build and re provision of a smaller car park is considered to be the best alternative option but undoubtedly the floor print and location of the site means that there is an opportunity to make better use of this asset. .

3. PROPOSAL

Shaviram Aldershot Ltd has purchased the Galleries with a view to submitting a planning application for a flatted scheme with commercial uses at street level. The Galleries forms a key site within Aldershot town centre as defined in the Aldershot Town Centre Prospectus SPD. The regeneration of Aldershot Town Centre is the key priority for the Council and the Galleries redevelopment provides an important opportunity to instigate a step change in the fortunes of the town. Given that the multi storey car park is beyond economic repair an opportunity arises to make better use of the site and initial discussions have taken place with the developer about relocating the public car park within the Galleries scheme and transferring the site of the multi

storey to the developer so that it forms phase 2 of the Galleries redevelopment.

At the moment discussions are at an early stage but it is envisaged that Shaviram Aldershot Limited would build the car park, probably combining it with private parking provision on their scheme and then transfer it to the Council to operate, thereby allowing the council to retain the parking revenue. Once public car parking area is handed over to the Council, the Council would transfer the site of the multi-storey car park to the developer to allow a residential scheme to be built out on the site.

This would provide the Council with a new modern car park that is well located to the retail core.

4. NEXT STEPS

If the principle of exploring this scheme is approved, then the developer would undertake the viability work with a view to making the Council a formal offer as to the terms upon which the scheme could proceed.

The Council has a duty to obtain best value when disposing of its assets and therefore the terms of any offer would be assessed by the District Valuer before bringing a further report to Cabinet seeking final approval for the relocation of the car park and disposal of the existing site. The District Valuer would be asked to assess the value of the site for a residential scheme against the cost of building a new public car park.

5. FINANCIAL IMPLICATIONS

The financial implications are as yet unknown and will be detailed in the further report.

6. LEGAL IMPLICATIONS

The Council has power to dispose of land under section 123 the Local Government Act 1972 for the best price reasonably obtainable. In discharging this duty it is important for the Council to be able to show that it has taken proper advice and either followed such advice or has proper reasons for departing from it. This report only seeks an in principle approval to discuss with the developer the terms upon which such a scheme could proceed so no actual disposal decision is being made at this stage.

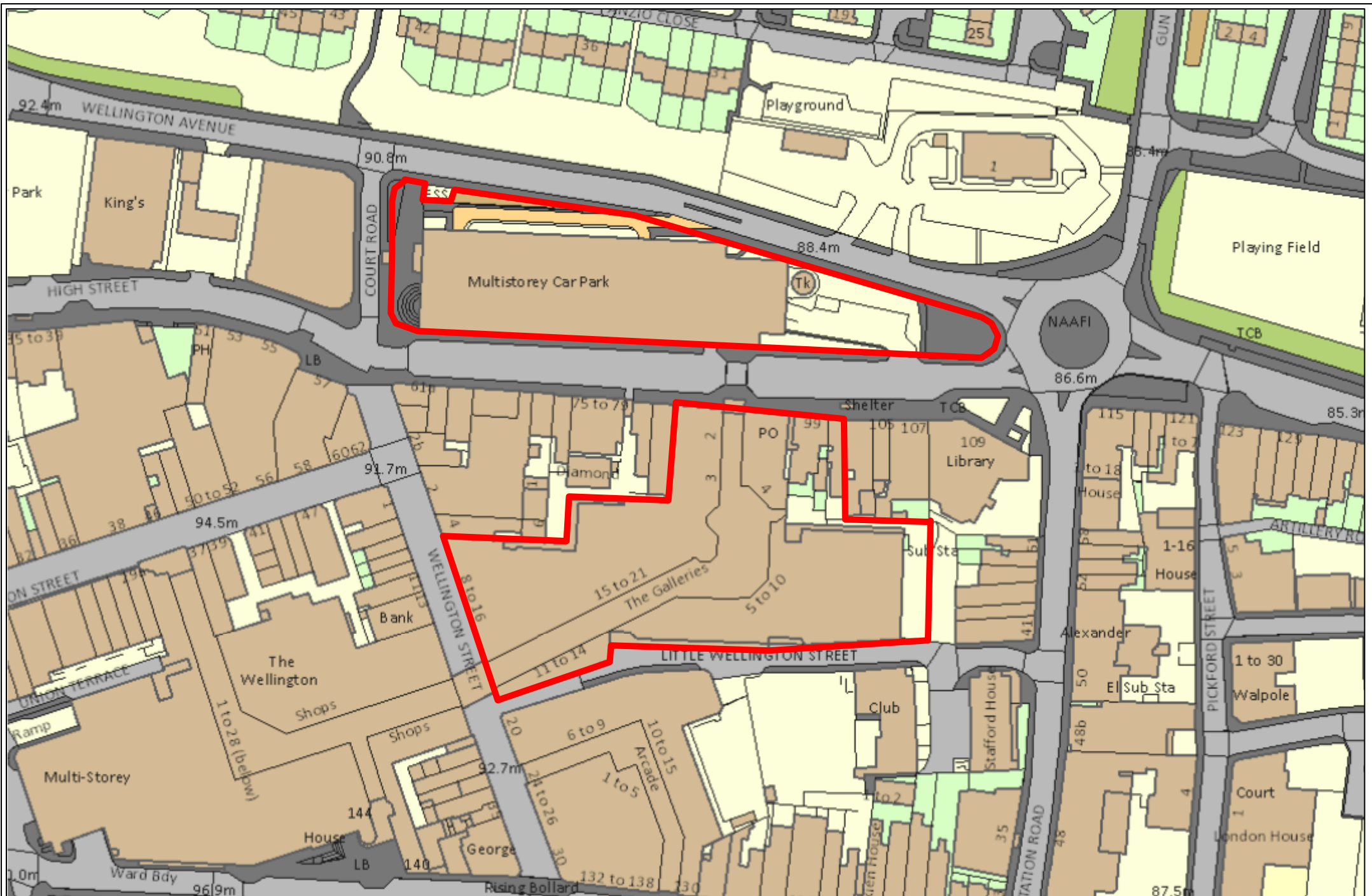
7. RECOMMENDATION

That Cabinet approves the disposal of the High Street Multi Storey Car Park Site to the developer upon the grant by long lease of public parking for up to 300 spaces within phase 1 of the Galleries redevelopment subject to:-

- (a) Either an independent valuer agreeing that the terms of the agreement provide best value; or a further decision of Cabinet that any disposal at an

undervalue not exceeding £2m will help to secure the improvement of the economic, social or environmental wellbeing of Aldershot

- (b) The Solicitor to the Council agreeing the terms of a development agreement
- (c) The developer meeting the Council's reasonable legal and valuation costs.



High Street MSCP and Galleries Site