



Albert Dock, Liverpool

Attracting the Urban Pioneer

Igloo Regeneration gives us the developer's perspective on mixed-use development

Chris Brown

This is a developer's perspective only in the sense that I am a developer and this is my perspective. Most developers struggle with true mixed-use development, never mind understanding the role of leisure and culture in mixed-use.

At Igloo Regeneration we have the great advantage over most of the development industry that we are long-term investors as well as developers. We can therefore create value over time and are not constrained by having to exit the project on practical completion like most developers.

This means we can take an entirely different approach to development.

The sorts of things we do differently are

- Short leases rather than long
- Turnover rents rather than RPI linked
- Independent operators rather than chains with strong covenants
- High proportion of leasing rather than sale
- Heavy investment in design rather than cheapest build possible
- Exemplar environmental sustainability rather than building regulations minimum
- First investor in regeneration areas rather than waiting until success is proven

This approach comes from my experience with mixed-use schemes that dates back to the Albert Dock in Liverpool in the mid 1980's.

Igloo's mixed-use development is in regeneration areas. Invariably these are areas which are semi derelict and uninviting. However they are also usually close to large, vibrant city centres.

Our market in these areas is the urban pioneer. These are people who like to sit outside at pavement cafés, who work in creative industries and who like to live in the city. And one of the main reasons they like these areas is the range of cultural opportunities available to them and the vibe of living in creative urban neighbourhoods like Hoxton, Clerkenwell or Bermondsey.

Wallpaper magazine occasionally has a series about 'hot hoods'. It's essentially their view of the best urban neighbourhoods around the world. Even suburbs can get in on this act with places like Moseley in Birmingham and Chorlton in Manchester taking the tag 'creative neighbourhood'.

So what is the role of leisure and culture in our mixed-use developments? I'd like to look briefly at two case studies that span my career.

The first project I was involved in, Albert Dock, Liverpool and one that will shortly go on site, Bermondsey Square in Bermondsey in London.

“ So what is the role of leisure and culture in our mixed-use developments? ”

In Liverpool, Arrowcroft had 1 million sq ft of derelict grade one listed building in a bombed out city. Mixed-use was the way forward because no single-use could be imagined that could fill the entire building.

We started with two cultural uses – the Merseyside Maritime Museum and the Tate. These were projects that weren't reliant on commercial funding, and therefore could proceed first and, in the case of the Tate, brought substantial marketing benefits to the commercial elements.

However, just as important, was the need to create a vibrant ground floor place that was attractive to people. We developed restaurants, shops and galleries on the ground floor with lots of things to do and see. The listed building helped, design quality is obviously a critical part of this, and Albert Dock became quite quickly one of the biggest visitor attractions in the region becoming a honeypot for friends and family visits. We soon found what worked and what didn't. Fashion didn't, restaurants did. Banks didn't, souvenirs did.

By developing the ground floor and the visitor attractions first we were able to create demand for, and value in the upper floors for offices, residential and hotels.



Bermondsey Square, London

- 2002 — plans established for redevelopment of Bermondsey Square market area
- Plans completed by **Urban Catalyst**
- Architect — **Munkenback and Marshall**
- Project value - **£25 million**
- Mixed-use development of 200,000 ft² comprising offices, residential space, retail, hotel and civic amenities
- Environmental innovation and sustainability
- All houses and offices will achieve the highest EcoHomes and BREEM ratings respectively

Liverpool Albert Dock

- Largest group of grade one listed buildings in the UK
- £100 million project, government funded
- 4 million visitors per year
- 11.5 million residents within a 2 hour drive
- Main facilities:
 - Tate Liverpool, Merseyside Maritime Museum, HM Customs National Museum & The Beatles Story
 - Over 25 retail outlets
 - 12 restaurant/café outlets
 - Over 30 office units
 - Over 2000 people employed at the dock
 - 115 luxury apartments
 - The Express Holiday Inn Hotel and the Premier Lodge Hotel.
 - Parking for 1,500 visitors

www.albertdock.com
www.liverpoolmuseums.org.uk
www.tate.org.uk/liverpool
www.beatlesstory.com





Proposed design for Bermondsey Square, London

In Bermondsey Square, the driver for mixed-use came from the local authority owner of the site. Pure residential would have created the higher land value in the short term but much lower social and economic benefits for the area. Quite rightly the local authority balanced what it wanted from the scheme and produced a mixed-use brief which our partners, Urban Catalyst, responded to with a winning design that included a hotel, community cinema, ground floor market, retail and restaurants and upper floor residential and workspace.

For us, the whole is much more the sum of the parts.

A design-orientated hotel with strong links to the fashion industry on a turnover rent may be worth less initially but over time will be worth much more than a Travel Inn for example. A community cinema may sound like a loss leader, indeed its initial rent will be half what we could get from another use, but it will animate the square, stimulate outdoor theatre and create that vibe that our target market is looking for thus creating value in the upper floors.

Ours is not a unique approach and I can't resist a reference to my favourite scheme of the moment, the Western Harbour in Malmo in Sweden. Taking a former industrial waterside area this housing expo has created a superb mixed-use neighbourhood that has become a visitor attraction and leisure destination in its own right.

Leisure and culture is about what people like and want to do. If mixed-use developments provide that, they will achieve maximum property values and maximum benefits to the community.



Design model for Bermondsey Square

www.southwark.gov.uk
www.visitsouthwark.com/bermondsey-antiques-market
www.mandm.uk.com
www.urbancatalyst.com

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www.igloo.uk.net