

REPORT TO: POLICY AND RESOURCES COMMITTEE
26 OCTOBER 2009

REPORT ON: HILLTOWN REGENERATION FRAMEWORK:
OPTION APPRAISAL

REPORT BY: DIRECTOR OF HOUSING

REPORT NO.: 385-2009

1. PURPOSE OF REPORT

1.1. The purpose of the report is to advise Committee on progress and to seek approval to engage in a Strategic Option Appraisal to ascertain the preferred means of making available the Council's land interests and delivering regeneration of the Hilltown.

2. RECOMMENDATIONS

2.1. It is recommended that Committee:

- a. Remits the Director of Housing, in consultation with the Director of City Development Director of Finance and Depute Chief Executive Support Services to pursue the physical regeneration process.
- b. Remit the Director of Housing to develop a special Hilltown Regeneration Lettings Initiative ensuring a sustainable community.
- c. Remit the Director of Housing in association with the Director of Finance and the Director of City Development to complete a Strategic Option Appraisal to ascertain the preferred method of procuring the regeneration of the Hilltown.

3. FINANCIAL IMPLICATIONS

3.1. The high density built environment of the Hilltown means there are significant costs associated with making development land available.

3.2. The eventual land sale could generate a capital receipt which could offset clearance costs.

3.3. Once costs have been assessed any remaining receipt would be retained by the City Council and used to fund works related to achieving the Scottish Housing Quality Standard.

4. BACKGROUND

4.1. Reference is made to Article 2 of the Meeting of the Housing Committee of 21 June 2004 when the Director of Housing was remitted to:

a. Stop letting properties including

Carnegie Tower
 Maxwelltown Tower
 Jamaica Tower
 Wellington Tower
 133 Hilltown
 Jamaica Square
 Wellington Square
 Bucklemaker Court
 Butterburn Court

b. Consult the remaining residents about options for the future of the property.

c. Pursue a strategy for the regeneration of the Council sector which generates opportunities for re-shaping the stock including the provision of new quality sustainable houses.

4.2. Reference is also made to Article I of the meeting of the Planning and Transportation Committee of 14 January 2008, when it was agreed to:

a. note the results of the public consultation on the Draft Hilltown Physical Regeneration Framework.

b. remit the Director of Planning and Transportation and the Director of Housing to bring forward detailed development guidance for the redevelopment of Maxwelltown area for public consultation and

c. remits the Director of Planning and Transportation, the Director of Housing, the Director of Economic Development and the Director of Leisure and Communities to form a Hilltown Steering Group to pursue implementation of the physical regeneration projects plan.

4.3. **Progress to date**

The Coldsides Community Partnership has been established and is engaged in a programme of activity aimed at enhancing the local environment, health and care facilities, lifelong learning and work and enterprise opportunities.

The Hilltown Task Group, comprising representatives from key Dundee City Council Departments and the Housing Associations who have interests in the Hilltown area, has been principally focusing upon the relocation of tenants and the clearance of the Maxwelltown area in preparation for quality new housing and associated amenities, as well as progressing the approved Hilltown Physical Regeneration Framework Action Plan (Committee Report 661:2007 refers).

Through the Task Group, Leisure and Communities Department are providing an assessment of the community facilities which may be required to support the local community.

4.4. There has been continued dialogue with the communities including a series of public events and study visits funded by the Housing and Regeneration Directorate to housing and regeneration developments in Edinburgh and Glasgow to inform debate and gather opinion and information about achieving quality new development.

- 4.5. A new representative community group, Coldsid Community Forum, has been established and is recognised as a Community Representative Structure. (AN164 -2009 refers)
- 4.6. A draft site planning brief is being prepared upon the future form and content of the Maxwelltown area based upon the new buildings and open space principles within the Framework.
- 4.7. Re-housing has progressed to the stage where the four Maxwelltown multis are almost entirely vacant and the neighbouring walkup blocks in Ann Street have either been demolished or are almost cleared. The commercial element of the Maxwelltown Shopping Centre has been cleared or leases terminated.
- 4.8. Re-housing residents in Bucklemaker and Butterburn high rise developments continues with three quarters of the properties now vacant. Efforts aimed at ensuring community stability continue.
- 4.9. The condition of private sector housing on the Hilltown is being investigated with a view to establishing what involvement is required to improve the environment.
- 4.10. Local Housing Associations are actively engaged in reviewing the use of existing housing stock and investing in new build rented properties.
- 4.11. In order to secure the quality of the new, predominantly residential area the clearance of the high and low rise properties in the Hilltown provides, it is necessary to detail the infrastructure for the redevelopment and confirm the delivery method.

5. **RESETTLEMENT OF RESIDENTS AFFECTED BY DEMOLITION**

- 5.1. Re-housing of residents in the property scheduled for demolition is progressing well. In the Maxwelltown area a number of low rise blocks have been demolished and the remainder are scheduled for demolition in the new year.
- 5.2. Few tenants remain in the four Maxwelltown High Rise blocks and preparations are being made to facilitate demolition at the earliest opportunity.
- 5.3. Re-housing residents of Bucklemaker and Butterburn Courts is progressing well with 75% of residents having found new homes.
- 5.4. The re-housing has been assisted by local Housing Associations making established and new build property in the area available to DCC Hilltown tenants.
- 5.5. The remaining tenants continue to be offered alternative properties. However, finding property which meets all remaining residents' aspirations and need remains a challenge. To assist the process the Director of Housing is developing, in association with other landlords, a special Hilltown Area Letting Initiative, which will see priority given to local residents.
- 5.6. Other elements of the initiative will include:
 - Phasing of new build projects in the area to align with demolition of high rise developments;

- Reserving of new build properties for demolition tenants in the Hilltown area;
- Schemes to alleviate hardship caused to tenants remaining in high rise blocks longer than anticipated.

5.7. All above are under consideration and will be reported to Committee in due course.

5.8. Clearing and redevelopment of sites on a phased basis will enable a comprehensive redevelopment of the Hilltown area while ensuring existing communities needs and aspirations to remain in the immediate vicinity can be accommodated.

6. REGENERATION ISSUES

6.1. The vision for the regenerated Hilltown is that it will be a popular, safe, and attractive place to live with a positive identity. The design and layout of new areas of housing and open space will ensure that the communities will be sustainable, inclusive and well connected socially as well as physically with neighbouring communities. Improvements to the street network will make Hilltown a convenient and accessible place to live with permeability for vehicles, public transport with an emphasis on pedestrian safety.

6.2. Key to the physical regeneration is provision of the infrastructure required to achieve a sustainable community and for this to be provided at time of need. The regeneration should also provide capital receipt to contribute to housing reprovisioning and meeting the Scottish Housing Quality Standard.

6.3. To enable the regeneration to meet these aims the chosen delivery method must be fit for task. A Strategic Option Appraisal will determine the best method. Essential elements of regeneration which are common to all methods and must be considered are:

6.4. **Design Quality:** New development will create successful, meaningful and memorable buildings and spaces that contribute to the positive image of Hilltown and Dundee.

6.5. **Sustainable Construction and Design:** New development will incorporate sustainable construction methods and be designed to make best use of available resources and minimise environmental damage.

6.6. **Sustainable Communities:** The design and layout of the new areas of housing, community facilities and open spaces will ensure that the communities will be sustainable, inclusive and well connected socially as well as physically within the Hilltown and neighbouring areas.

6.7. **Integrated Tenure:** There will be little differentiation in location, design and quality between housing for social rent and that for private sale.

6.8. **Community Engagement:** There must be appropriate consultation with the existing and emerging communities to ensure needs are met.

6.9. **Long Term Management:** Some areas of open space or buildings within new developments may have common ownership. To aid sustainability it may be necessary to put in place mechanisms to secure standards of land and property maintenance with appropriate levels of community involvement.

- 6.10. **Infrastructure:** The regeneration will require new infrastructure including roads, community facilities and open space and for these to be provided at time and point of need. Some of this infrastructure may be provided by external agencies and as part of developer community enhancement.
- 6.11. **Best Value:** The sale of land to a developer will generate capital receipts for the Council. However, one of the objectives of the regeneration effort is to incorporate quality urban design which will have to be provided in kind by the developer or from capital receipt. Any balance would be used to fund Scottish Housing Quality Standard works.

7. STRATEGIC OPTION APPRAISAL

- 7.1. In order to determine the most appropriate method of procuring the regeneration of the Hilltown it is proposed to establish a short life working group comprising housing, finance, city development and legal officers. This group will carry out a Strategic Option Appraisal and report to Committee within four months with recommendations as to how to proceed.

The Strategic Option Appraisal will consider

- a. the Strategic Context of Hilltown Regeneration
- b. the need for the project
- c. the objectives and constraints
- d. the procurement method: including but not necessarily limited to
 - site by site disposal to developers
 - master plan development agreement with one or more developers for whole of Hilltown
 - phased house development as above
 - phased development of the Maxwelltown, Derby Street and Hilltown Spine areas either by individual site release or masterplan development agreements.
- e. a Financial Appraisal of each option considered
- f. recommended Option for procurement of Hilltown regeneration.

8. POLICY IMPLICATIONS

- 8.1. **Sustainability:** The regeneration is considered to have a positive impact on the Council's Sustainability policy in regard to environmental legislation, energy, water, transport, travel and the built environment.
- 8.2. **Strategic Environmental Assessment:** As the various plans and guides are developed they will be screened for applicability to EU legislation.

9. CONSULTATION

- 9.1. Chief Executive, Depute Chief Executive (SS), Director of Finance, Assistant Chief Executive/Community Planning, Director of City Development have been consulted and are in agreement with this report.

10. **BACKGROUND PAPERS**

- 10.1. Building Stronger Communities – Physical Regeneration in the Council Sector, Report No. 489-2004.
Hilltown Physical Regeneration Framework. Report no 667-2007

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Date: