REPORT TO: PLANNING AND TRANSPORTATION COMMITTEE 27 MAY 2002

REPORT ON: CITY CENTRE FACADES ENHANCEMENT GRANT SCHEME AND FAÇADE ENHANCE GRANT SCHEMES IN ALBERT STREET AND HILLTOWN ANNUAL UPDATE AND RECOMMENDATIONS FOR FINANCIAL YEAR 2002-2003

- REPORT BY: DIRECTOR OF PLANNING AND TRANSPORTATION
- **REPORT NO: 246-2002**

### 1 PURPOSE OF REPORT

1.1 To advise Committee as to the progress being made to date on implementing the Façade Enhancement Grant Schemes, in the City Centre, Albert Street and Hilltown.

# 2 **RECOMMENDATIONS**

- 2.1 Committee is asked to agree to the following:
  - a to note the progress being made within the three Façade Enhancement Grant Scheme areas;
  - b to target the following streets in the City Centre:
    - i Reform Street
    - ii Union Street
    - iii South Tay Street
    - iv Westport
    - v Nethergate (between Nethergate Centre and West Marketgait)
  - c to advise Committee that in order to focus the available budget for financial year 2002/2003, the following streets be removed from the targeted area.
    - i Castle Street
    - ii Commercial Street
    - iii Cowgate
    - iv Exchange Street
    - v High Street
    - vi Seagate
  - d that Committee agree to authorise the Director of Planning and Transportation to offer additional grant if during construction works to an approved shopfront additional and unforeseen works are revealed. This scheme of delegation will be restricted to 20% top-up of the committee approved grant, subject to the availability of resources.
  - e that the level of grant support in Hilltown and Albert Street be awarded on the basis of the financial profile of the applicant. 90% for single traders and 75% for others (property companies, company chains, housing associations, etc).

- f that the following areas of Albert Street and Hilltown be targeted for financial year 2002-2003:
  - i 101-223, 100-170 Albert Street
  - ii 116-204 Hilltown
  - iii 22-36 Strathmartine Road
  - iv 1-27 Mains Road

### **3 FINANCIAL IMPLICATIONS**

- 3.1 The expenditure for FEGS is included within the current approved Financial Plan for 2002/03.
- 3.2 Scottish Enterprise Tayside have allocated £50,000 within their operational plan for a similar period for Façade Enhancement Grant Scheme.
- 3.3 Confirmation of these figures will yield a combined budget of £100,000. A bid has been made for £25,000 from the Social Inclusion Partnership Fund, if successful this will be available for Facade Enhancement Grant Schemes projects in the Hilltown.
- 3.4 Of this potential total budget of £125,000, £50,000 will be earmarked for the City Centre, £37,500 for Hilltown and £37,500 for Albert Street.

## 4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 By the successful renovation of important City Centre buildings, the distinctive architectural character of the City Centre will be retained and will assist in addressing the following key theme of Dundee 21:
  - "Places, spaces and objects combine meaning and beauty with utility"

By introducing a façade scheme to Albert Street and Hilltown the theme of Dundee 21 "Diversity and local distinctiveness are valued and protected" is encouraged.

#### 5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 During the enhancement of the properties all accesses constructed will enable disabled persons access to the properties wherever possible.

### 6 BACKGROUND

6.1 One of the objectives of the Corporate Plan is to increase economic activity in the City Centre by increasing the range and quality of facilities relating to the commercial vibrancy of Dundee's City Centre. The Façade Enhancement Grants Scheme since its inception has sought to create a quality regional centre through new quality shopfronts, the use of public art in specifically designed gate and other facades which contribute to the ambience of the City Centre.

# 6.2 A Review of the Façade Enhancement Grants Scheme in the City Centre 2001-2002.

<u>73-76 High Street</u> – Gardyne's Land, a collection of medieval buildings was acquired by The Tayside Building Preservation Trust to convert into a youth hostel. The first phase of this project has now been completed. Works covered by this phase included making the property wind and water tight.

<u>26 Exchange Street</u> – The conversion of this property has seen the upper floors being put into residential use with two ground floor shops being provided.

<u>12 Exchange Street</u> – This small shop unit has been renovated to match the adjoining solicitor's office.

<u>39-41 Cowgate</u> – An early 19<sup>th</sup> century four storey listed building, which has been in a ruinous condition for some time has been totally refurbished, restoring traditional details.

<u>34-36 Commercial Street</u> – One of a row of four shops, the others have traditional frontages. This property is to be converted into a restaurant and will match the rest of the row of shops.

<u>25 South Tay Street</u> – A hotel/restaurant occupies this category "B" listed building. Situated within the Cultural Quarter it brings back into usage a previously vacant building.

- 6.3 A plan showing the distribution of grant assisted projects will be available at Committee.
- 6.4 A major impact of Façade Enhancement Grant Scheme has been the cumulative investment made to the City Centre properties in large measure due to the scheme. Grant expenditure since the schemes inception has been as follows:

	DCC	Scottish Enterprise Tayside Contribution	Total Budget
1994/95	£61,919	-	£61,919
1995/96	£111,867	-	£111,867
1996/97	£86,189	£50,000	£136,189
1997/98	£53,896	£75,000	£128,896
1998/99	£78,103	£75,000	£153,103
1999/2000	£46,500	£163,500	£210,000
2000/01	£61,140	£75,000	£136,140
2001/02	£24,300	£75,000	£99,300
Totals	£523,914	£513,500	£1,037,414

It is estimated that private investment associated with Façade Enhancement Grant Scheme during the period 1994-2002 is approximately some £6.1 m resulting in each £1 of Council investment levering in £13 from other parties. A detailed breakdown is shown in the attached Appendix.

6.5 It is considered desirable to concentrate 2002-2003 FEGS spend in the targeted streets as outlined in paragraph 2.1b.

6.6 The reduction in the number of City Centre streets to be covered in financial year 2002/2003 is necessary due to the reduction in the FEGS budget as outlined in paragraph 2c.

# 6.7 A Review of the Façade Enhancement Grants Scheme in Albert Street and Hilltown 2001-2002

6.8 The following schemes have been approved and implemented.

<u>124-126 Albert Street</u> – A double fronted shop has been improved and operates as a salesroom.

<u>148 Albert Street</u> – A traditional shopfront has been reintroduced, currently vacant.

150 Albert Street – Matching the above shop, and occupied by a baker.

<u>140-146a Hilltown</u> – A run of five shops which have been renovated in a similar traditional style.

<u>116-124a Hilltown</u> – Four shops, all renovated in a similar traditional style.

<u>32 Strathmartine Road</u> – A double shop, which has been fully renovated to accommodate a butcher's shop.

6.9 Unlike the city centre the levels of grant in Albert Street and Hilltown average 95%, with a consequentially lower contribution made by the shopkeeper. Levels of grant expenditure over the period of the scheme are as follows:

2000/01	£38,570
2001/02	£85,170
TOTAL	<u>£123,740</u>

- 6.10 Due to the levels of interest, particularly within the Albert Street area, it is recommended that the percentage level of grant be adjusted, depending on the financial profile of the applicant. It is recommended that a 90% grant of approved costs be offered to single traders and a 75% grant be awarded to the applicants who are property companies, company chains, housing associations, etc.
- 6.11 The previously targeted areas in both Albert Street and Hilltown are again recommended to be targeted for financial year 2002-2003.
- 6.12 During works undertaken at 140-146a Hilltown, the degree of dilapidation revealed only following downtakings was greater than anticipated. This included dry rot in timber lintels and defective brickwork. This resulted in extra costs but no change to the appearance of the improvement. Further reporting to Committee was required to cover this. This has not been the case to date with the city centre generally. Similar properties in Hilltown and Albert Street may well reveal similar problems. In order to address the problem in subsequent grant projects, it is recommended to Committee that a scheme of delegation is given to the Director of Planning and Transportation to uplift the grant offer to meet these potential additional works. This will be restricted to a maximum top-up of 20% of the approved grant.

# 7 CONSULTATIONS

7.1 The Chief Executive, Director of Finance, Director of Support Services, Director of Corporate Planning, Director of Neighbourhood Resources & Development and Scottish Enterprise Tayside, have been consulted and are in agreement with the contents of this report.

# 8 BACKGROUND PAPERS

8.1 Minutes of Planning Committee (City of Dundee District Council) City Centre Façade Enhancement Grant Scheme June 1994 – Item 3 refers

Mike Galloway Director of Planning & Transportation Keith Winter Policy and Regeneration Manager

KW/JMcG/RSC CON11/1

16 May 2002

Dundee City Council Tayside House Dundee

# **APPENDIX 1**

### **GRANT OFFERED/PROPERTIES INVOLVED**

YEAR	GRANT	PROPERTIES
1994-95	5	10
1995-96	9	11
1996-97	10	19
1997-98	10	10
1998-99	14	15
1999-2000	10	10
2000-2001	8	9
2001-2002	6	6
TOTAL	72	90

# INVESTMENT ASSOCIATED WITH FEGS GRANT TARGETED PROPERTIES IN CITY CENTRE

ADDRESS	GRANT (£)	OCCUPIER	OTHER SPEND BY GRANT RECIPIENT
Year 1994-95			(£)
80-88 Commercial St	2,296	Solicitors & Career Shop	10,000
59 Reform St	12,131	Nationwide Building Society	35,000
30-34 Reform St	14,522	Blackadder Reid Johnston	10,000
7-17 Bank Street	18,000	Anglia S A	54,000
18 Castle Street	14,970	Castlehill Newsagent	7,000
<b>Total Grant Contribution</b>	61,919	Private Investment	116,000

ADDRESS	GRANT (£)	OCCUPIER	OTHER SPEND BY GRANT RECIPIENT
Year 1995-96			(£)
5 Union Street	7,902	Entrance to Royal Apartments	5,098
13 Union Street	13,354	Barbers, Hairdressers	4,646
15 Union Street	12,043	Entrance to Royal Apartments	6,957
17 Union Street	14,504	Metropole Cafe	19,000
19 Union Street	17,000	T-Bone Restaurant	10,500
12 Union Street	13,122	Gows Sports Shop	7,450
41-43 Reform Street	7,837	Cooper & McKenzie	5,000
130-132 Nethergate	20,000	Ogee & Parliamentary Bar	51,126
32 Seagate	6,105	Pizza Roma	3,895
Total Grant Contribution	111,867	Private Investment	113,672
Year 1996-97			
100-108 Commercial Street	18,000	Flats above Mercantile Bar	396,619
27-31 Reform Street	18,000	Hynd's Amusements	93,270
58 Reform Street	15,972	Dunfermline B S	29,003
37 Reform Street	6,050	Dry Cleaners	28,000
11 Union Street	7,395	Threshers	8,000
30 Castle Street	8,925	Thorntons	313,000
2 Murraygate	18,000	Disney	1,800,000
		Monsoon Telephone Shop	
91 Nethergate	6,000	Changed	N/A
35 Cowgate	10,375	Rainbow Music	95,000
Shore Terrace/		Pierre Victoire &	10,000
Dock Street Commercial Street/	9,884	Others(4)	
Dock Street	17,588	Various 5	20,000
Total Grant Contribution	136,189	Private Investment	2,792,892

ADDRESS	GRANT (£)	OCCUPIER	OTHER SPEND BY GRANT RECIPIENT
Year 1997-98			(£)
<ul> <li>21 Dock Street</li> <li>40 Nethergate</li> <li>38-40 Reform Street</li> <li>16 Commercial Street</li> <li>16 Union street</li> <li>42 Reform Street</li> <li>60 Nethergate</li> <li>56 Seagate</li> <li>35 Reform Street</li> </ul>	9,442 18,000 20,161 10,902 7,929 9,012 18,000 22,250 13,200	Rollo Steven & Bond Trades Bar Threshers Tapas Bar Hair Studio Mortgage Shop Betty Whites Parky's Munro Klik	$\begin{array}{c} 10,000\\ 450,000\\ 64,000\\ 13,200\\ 55,000\\ 3,500\\ 7,500\\ 50,000\\ 32,000\end{array}$
Total Grant Contribution	128,896	Private Investment	685,200
Year 1998-99			
33 Reform Street 21 Commercial St 37 Union Street 21 Castle Street 12 Reform Street Doig's Court 160 Nethergate 36 Castle Street 29 Castle Street 13-17 Exchange St 7 Castle Street 4 City Square 56 Reform Street <b>Total Grant Contribution</b>	15,338 13,400 4,080 6,000 11,700 27,000 12,500 23,310 9,600 12,500 10,125 1,550 <b>153,103</b>	Wildcat David Low's Solicitors Office Tourist Office Ann Summers Gate Queens Hotel Gates Sound Control Two Shops Fine & Dandy Cafe Alliance Trust <b>Private Investment</b>	22,000 10,000 2,500 25,000 20,000 N/A 140,000 N/A 25,000 30,000 35,000 33,500 105,000 <b>448,000</b>
Year 1999-2000			
28-40 Castle Street 50 Union Street 5 Seagate 6 Whitehall Crescent 150 Nethergate Reform Street Stone Crooms Close 1-5 Reform Street	41,290 29,400 14,380 7,850 7,680 5,500 24,000 80,000	J D Browns/Tiffin McIntyre's Underground Bar Newsagent RC Cathedral N/A N/A H Samuel's	60,000 70,000 30,000 20,000 3,000 400,000
Contribution	210,000	Private Investment	583,000

ADDRESS	GRANT (£)	OCCUPIER	OTHER SPEND BY GRANT RECIPIENT
Year 2000-2001			(£)
66 High Street	22,400	Timpson's	90,000
113-117 Nethergate	7,240	Leonardo's	125,000
1-3 King Street	46,400	Whole Building	200,000
Queens Buildings	6,000	Two Shop Units	15,000
21 Reform Street	18,000	McDonalds	150,000
39 Union Street	13,300	Rendezvous	25,000
24 South Tay Street Campbells Close	10,800 12,000	Gift Shop Public Art Gate	40,000 N/A
Campbells Close	12,000	Fublic Alt Gale	
Contribution	136,140	Private Investment	645,000
Year 2001-2002			
73/76 High Street	36,000	Tayside Building	
	0.005	Preservation Trust	167,000
26 Exchange Street	8,625	Two Shop Units	10,000
12 Exchange Street 39/41 Cowgate	6,000 24,225	One Shop Unit One Shop Unit & Upper	5,000
59/41 Cowyale	24,225	Floors	85,000
34/36 Commercial		110013	05,000
Street	12,000	Restaurant	25,000
25 South Tay Street	12,450	Restaurant/hotel	420,000
Contribution	99,300	Private Investment	712,000
Total grant to date	1,037,414	Private Investment to date	6,095,764