



Kilkenny County Council
Abbey Creative Quarter





introduction

Key Strategic City Centre site along by the river Nore.

8th May 2012 - Both the former Borough and County Councils agreed to purchase the 10.6 acres former Brewery site from Diageo at a cost of € 2.1 million, following the decision by Diageo to cease production operations in Kilkenny.

July 2014- Contract documents for the site purchase signed with Diageo

introduction

site purchase

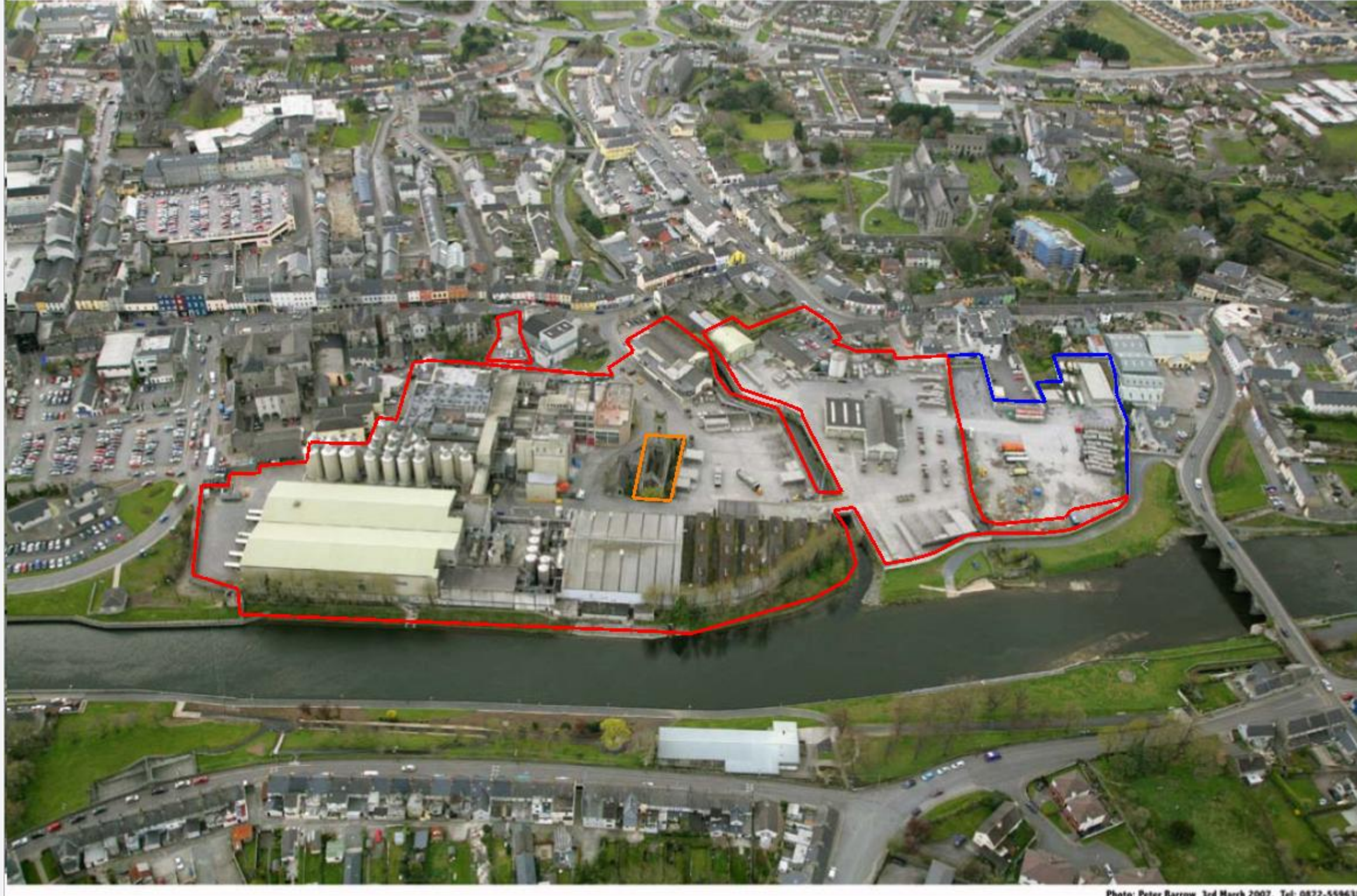


Photo: Peter Barrow 3rd March 2007. Tel: 0872-559638



introduction

site purchase

Key Strategic City Centre site along by the river Nore.

- Purchase Contract provided for :

- Diageo to demolish all buildings to slab level except:

- Historical, Protected Structures.

- Mayfair and Brewhouse Buildings which will be refurbished.

- Maturation Building.

- Diageo to surrender IPPC Licence – Completed May 2015.

- Demolition is now almost complete.

- Expected site handover date – Summer 2016.



introduction before



introduction

current



before / current



Abbey Creative Quarter



Jun **2012**

Dec **2012**

May **2013**

Public meeting

Public meeting held by Mayor in
Town Hall

Colloquium, in relation to the future
uses of the site, held in conjunction
with the Dept. of Arts, Heritage & the
Gaeltacht and the Royal Institute of
Architects.

Colloquium

Urban Design review

Urban Design Review presented to
special joint meeting of Kilkenny
Borough and County Councils.

Abbey Creative Quarter

July **2013**

Joint meeting

Joint meeting of Kilkenny Borough and County Councils at which it was decided to retain the Mayfair and Brewhouse.

Nov **2013**

Draft Masterplan

Draft Masterplan Document published, with submissions invited.

Public meeting on 5th Nov. 2013

38 submissions received.

Nov **2014**

Chief Executives Report

Chief Executives Report recommended further public consultation to re-vision the Masterplan.



Public Consultation- Masterplan Layout Nov 2013





Jan **2015**

The Brewery Re-visioning

- “The Brewery Re-visioning”*
- 2 no. two day public workshops held in Ormonde Hotel
 - Attended by 222 people
 - Half day workshop with Comhairle na nOg
 - Public submissions invited – 71 written submissions received

Mar **2015**

Chief Executives Report published

- Chief Executives Report published outlining the issues raised in “Re-visioning”*
- Vision Statement and guidelines put forward as a direct result of the consultation workshops

vision statement

vision

“To plan the area as a seamless complement to the medieval city as an inclusive place for an inter-generational community to work, live, visit and play with St. Francis Abbey at its core. The regeneration of the area will focus on embracing the sites’ natural, cultural and built heritage, whilst maximising the benefits of the rivers Nore and Breaghagh, providing for a broad range of uses, sustaining growth in employment, 3rd and 4th level education and advancing economic activity in a sustainable and energy efficient fashion where innovation can flourish. The area will be a permeable expansion of the city for pedestrians and cyclists where smarter travel principles will apply throughout.”

* Vision Statement was subsequently incorporated into the Masterplan



May **2015**

Jun/Jul **2015**

31st Jul **2015**

Public information event

Follow up public information event attended by 54 people
Updates provided on the emerging draft Masterplan Layout, having regard to archaeological and environmental reports.

Public consultation

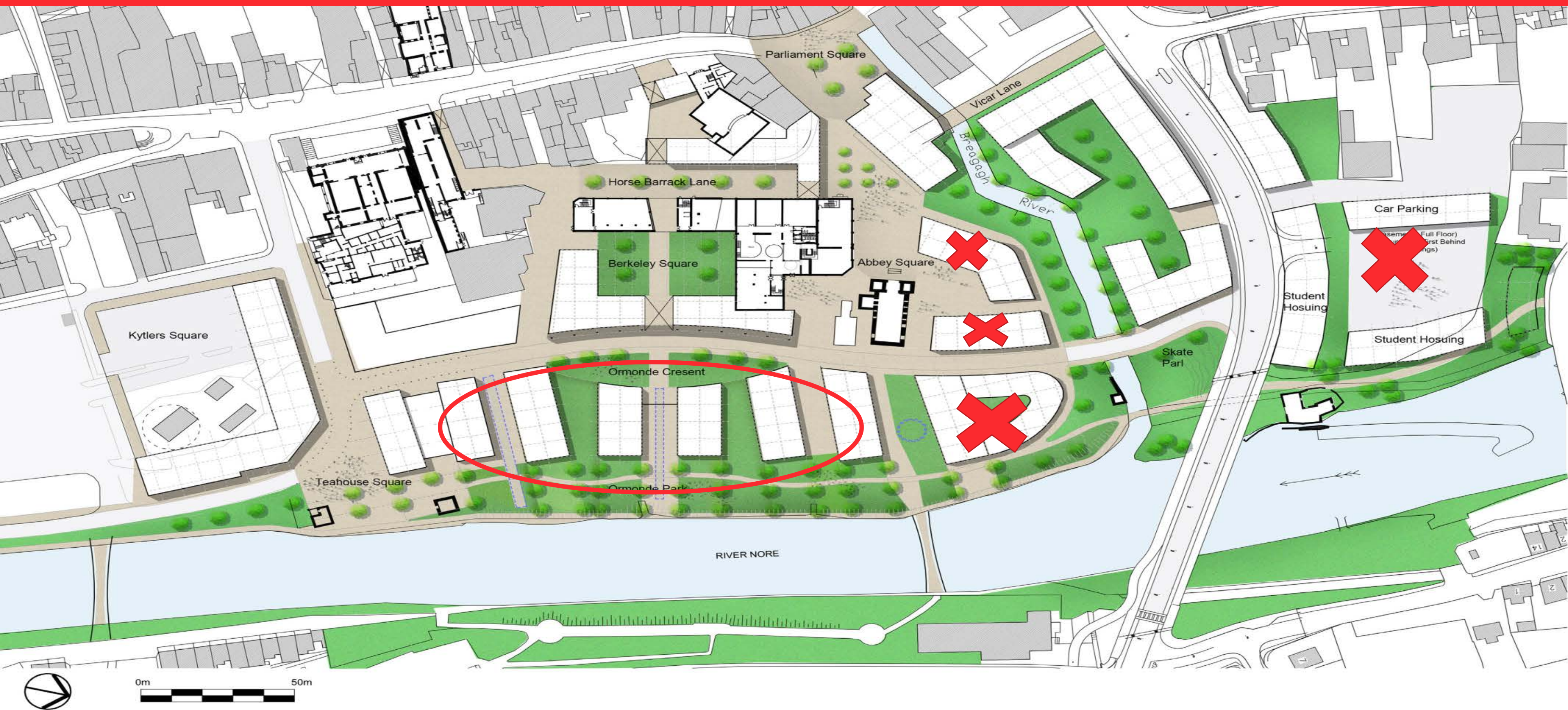
Public consultation in relation to the Draft Masterplan and proposed Variation to the Kilkenny City & Environs Development Plan, incorporating high level objectives from the Masterplan into the Development Plan

Masterplan approved

Masterplan was approved by the Elected Members Variation no. 1 to the Kilkenny City & Environs Development plan 2014 – 2020 adopted

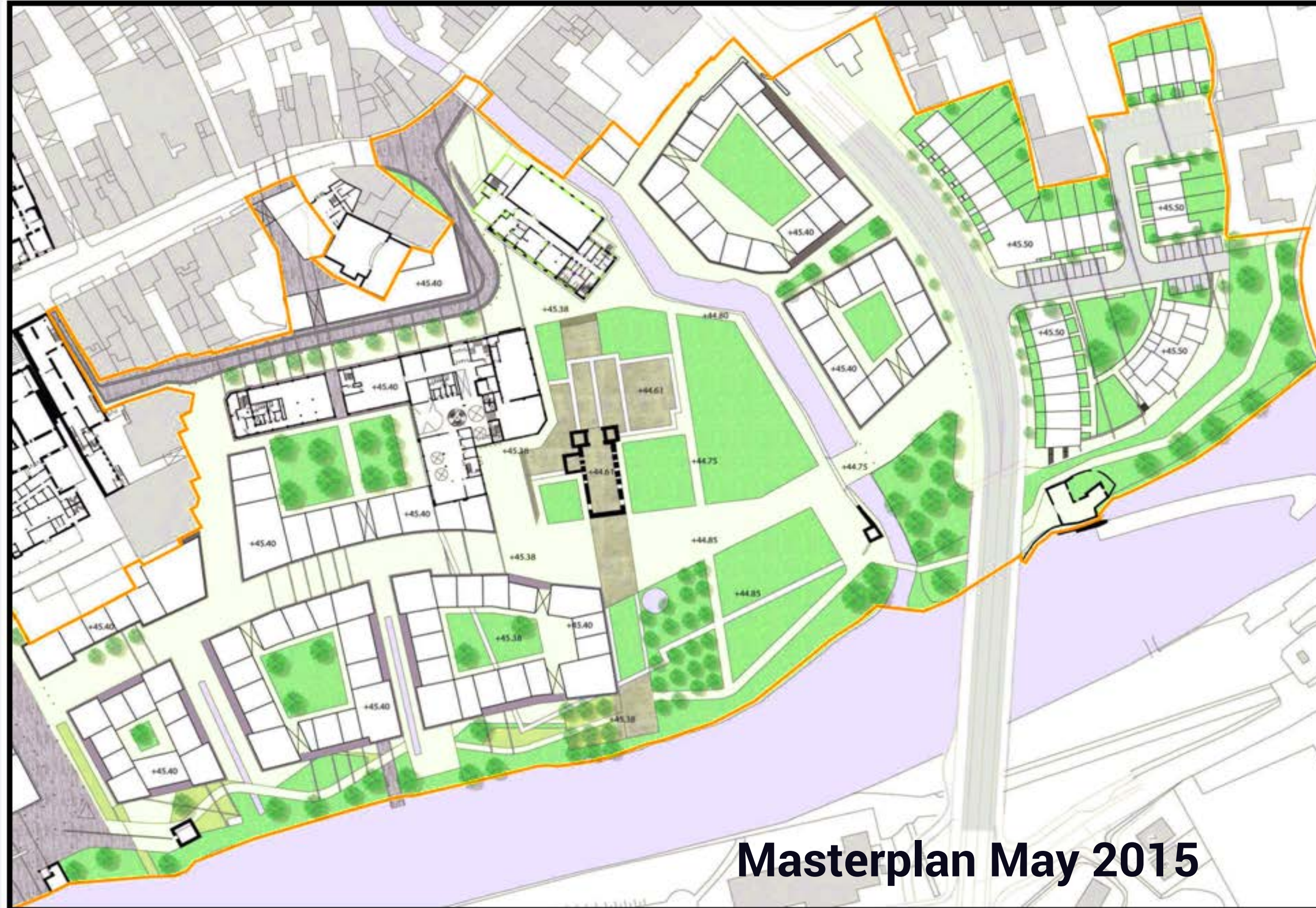


From Here.....



Masterplan Layout on Public Display, November, 2013

To Here.....



Masterplan May 2015

To Here.....



Summary of Key changes to the Masterplan as advised to council May 2015

- Removal of buildings from immediate environs of the Abbey
- Finger building changed to urban blocks to reflect more closely the existing urban grain,
- Housing proposal to north of Bregagh River
- Urban street to be of Pedestrian and cyclist priority, with traffic management measures to inhibit the flow of through traffic and heavy goods vehicles
- Urban Park at the Abbey (approx. 2.5 acres in area)
- Conservation Planning commitment
- Identify and provide Park and Walk Sites close by.

public consultation

Variation no. 1 Kilkenny City & Environs Development Plan 2014 - 2020

- To develop a low carbon energy strategy for the masterplan area and advance the provision of near zero energy buildings on site.
- To provide for park and walk facilities for car and bus/coach parking at a site or sites in close proximity to the Abbey Creative Quarter Masterplan area
- To provide for housing within the masterplan in the area north of the Central Access Scheme
- To provide for an urban street of pedestrian and cyclist priority between the Central Access Scheme and Bateman Quay.
- To provide for traffic management measures on the street such as to inhibit the flow of through traffic and heavy goods vehicles.



public consultation

Variation no. 1 Kilkenny City & Environs Development Plan 2014 - 2020

- To provide for a linear park along the western bank of the River Nore
- To provide for an urban park in the vicinity of St. Francis Abbey
- To prepare a Heritage Conservation Plan for St. Francis Abbey, Evans' Turret and St. Francis' Well
- To prepare urban design criteria and archaeological recommendations for the implementation of the Abbey Creative Quarter Masterplan.
- To finalise and adopt the Abbey Creative Quarter Masterplan and to incorporate it into the Kilkenny City & Environs Development Plan 2014-2020.



current status



Part VIII for the Brewhouse and associated works approved (subject to determination by An Bord Pleanala in relation to the need for an EIS)



Part VIII for the Riverside Garden/Linear Park approved. Consultations to commence with Skate Board community in relation to outdoor activity area , including skate park. (Subject to planning)



Public Consultation undertaken for the redevelopment of the Mayfair Building. (Report on Part VIII to come back to Council)



current status



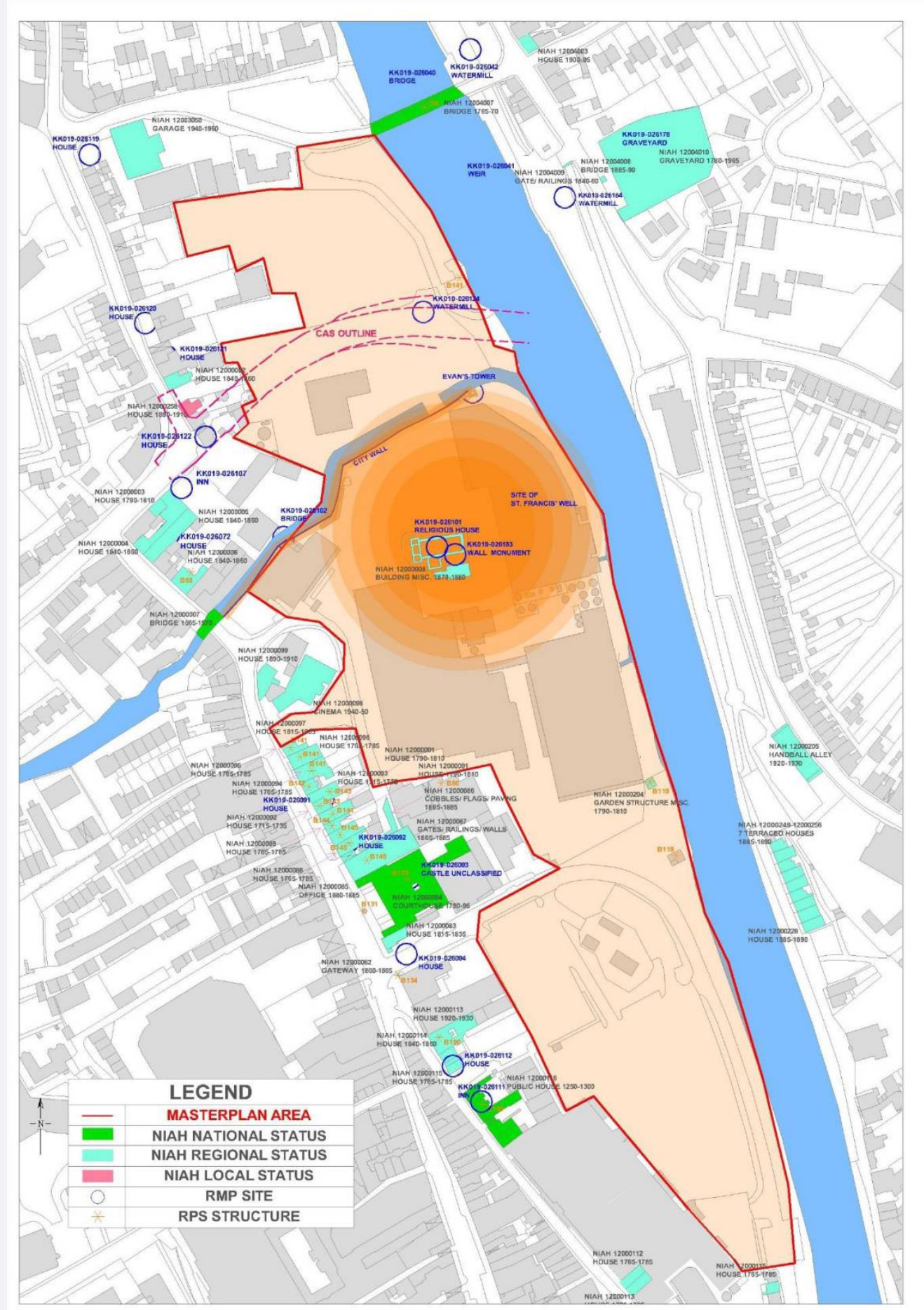
Development of a low carbon energy strategy for the development of the Masterplan area.



Design of the Housing scheme
Design of this site to consider options for the incorporation of a Water based activities facility, with direct access to the river via the existing boatslip – consultation with groups regarding Water based activities .
(Subject to planning)



Development of an Archaeological Assessment (Testing) Strategy for the Masterplan area



mayfair building



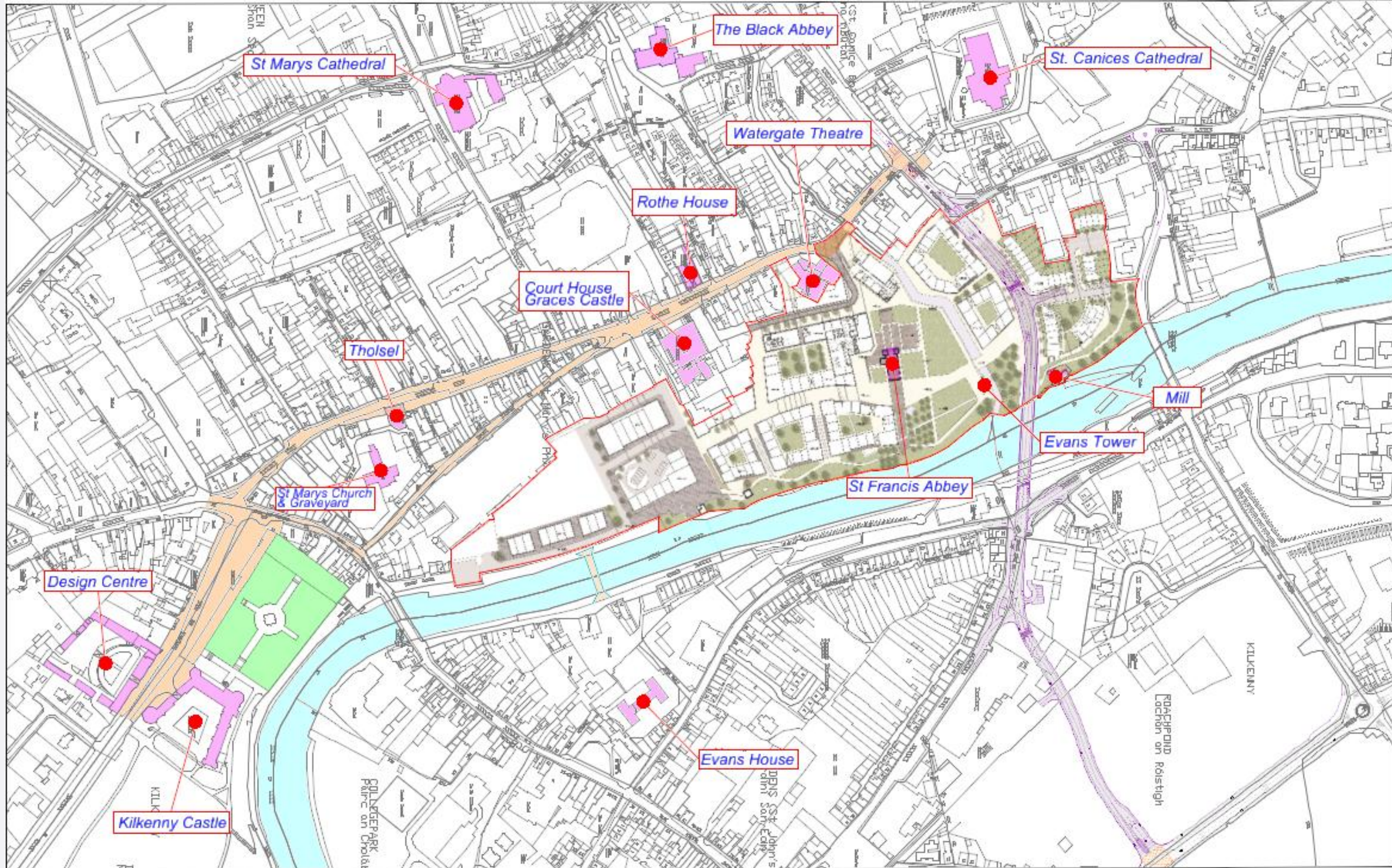
brewhouse



changing views of the cities heritage



site context



local authority role in heritage



Evan's Home



Rothe House



St. Mary's Church Aerial



Talbot's Tower

**Issues
raised**

- 01** Existing Vacant office space
- 02** Funding Alternatives
- 03** Through Traffic & HGV's
- 04** Access to the River
- 05** Housing

- 06** Economic vs community uses
- 07** Cultural uses - Watergate Theatre
- 08** EIS
- 09** Urban design guidelines
- 10** In Committee Meeting



March 2015

- Members informed that March 2015 meeting that an expression of interest had been received from the NTMA on 19th Feb. 2015
- NTMA confirmed that they were interested in principle in working with KCC to invest on a phased basis
- Members approved further engagement with the NTMA in order to secure a long term source of funding.

“That approval is given by the elected members to continue further engagement with ISIF in order to secure a long term source of funding to facilitate the commencement of development of economic activity and employment on the Brewery site”

May 2015

May 2015- Members received an update on the key principles forming part of any proposed Partnership Agreement.

- Asset Ownership.
- Commitment from KCC.
- Project Governance.
- KCC exposure.

KCC/NTMA ISIF FUND

- The National Treasury Management Agency(NTMA) is an organisation providing a range of specialist financial and risk management services to the State.
- Ireland Strategic Investment Fund (ISIF) is a State entity under the control of the NTMA.
- The NTMA (Amendment) Act 2014:
 - Converted the National Pensions Reserve Fund into the Strategic Investment Fund.
 - Legislation passed on 22nd December 2014.
- The NTMA Board and Investment Committee have overall responsibility for ISIF.
- ISIF have a fund of €7.6bn available nationally.
- ISIF mandate:
 - Invest on a commercial basis to support Economic Activity and Employment in Ireland.



Investment

A. Site Acquisition, Infrastructure, Public Realm, Linear Park, Urban Street, Etc*

B. Development of plots.*

C. Housing*

(* All subject to planning)

Funding Sources

1. KCC own resources.
2. Borrowings.
3. ERDF fund.
4. Other Grant Funding.

1. Partnership with the NTMA (ISIF).

1. State/private funding



Site development

KCC responsible for development of public realm, urban street, linear park.

The estimated cost of the first phase is €4.57m and this will be funded from a combination of development contributions, transfers from the Income & Expenditure Account, proceeds from sale of assets and grant funding from ERDF and Failte Ireland.

ERDF funding of €1m has been approved for this phase of the project. KCC already has grant approval from Failte Ireland for €279k for the linear park.

An application for additional funding will be made to Failte Ireland in the coming months.



Site development

Other Site Works:

Archaeology Surveys & associated works.

Utility Services Design.

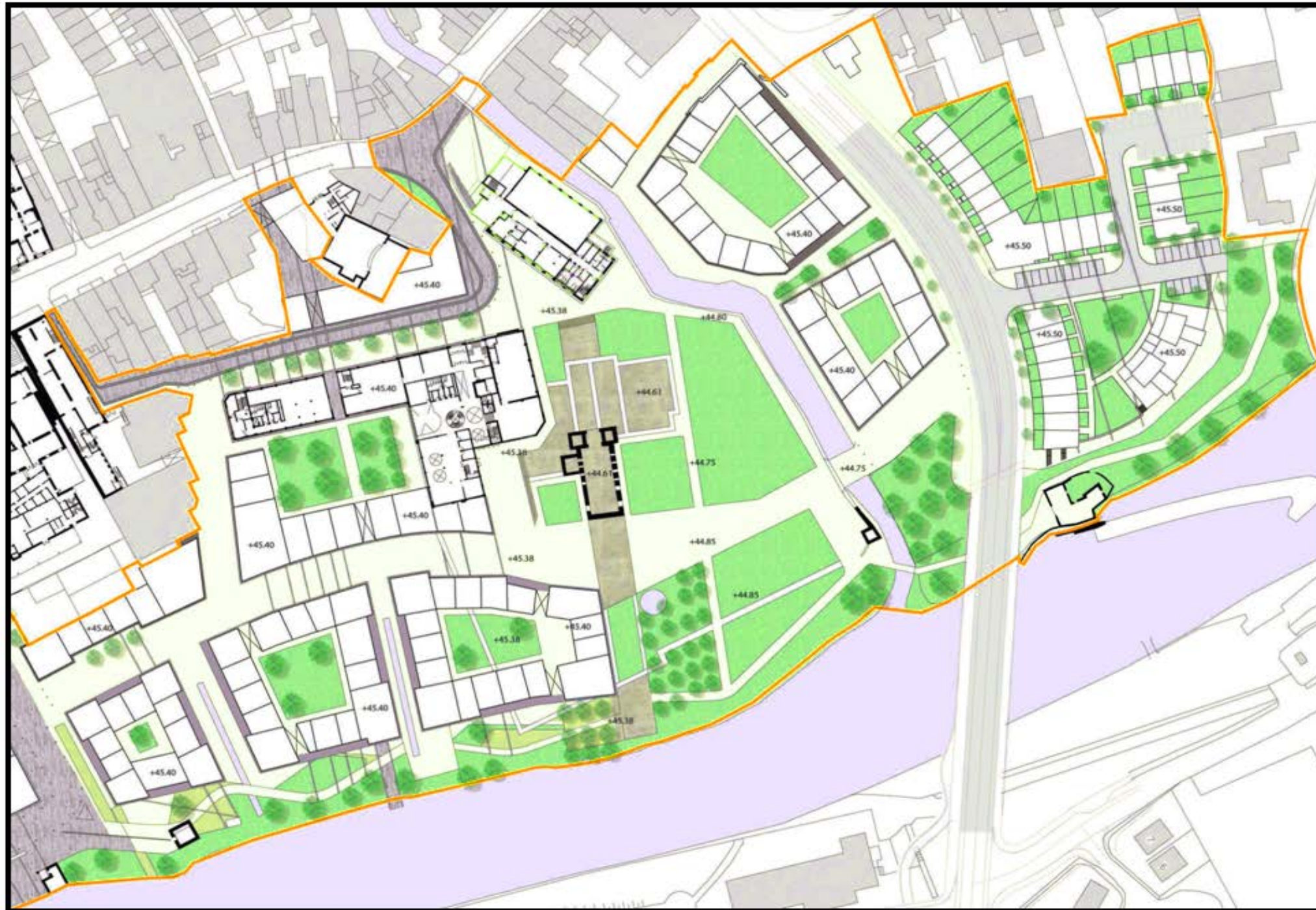
Energy Strategy.

Public Realm in the environs of St Francis Abbey, Evans Turret.

Conservation Strategy for the Heritage Structures on the Site.



Site development



Plot to the Northern end of site being retained by Council for housing.

Site will accommodate approx. 60 units.

Funding of € 4.5M allocated by the Dept. of Environment Community & Local Government.

This does not preclude the provision of additional housing on the balance of the site.

KCC/NTMA partnership

- A separate Joint Venture to be established with the NTMA –
- Limited Liability Partnership.
- Proposed name – Kilkenny Abbey Quarter Development Partnership.
- Owned by KCC(50%) and NTMA (50%).
- KCC Equity = Development Plots 1 to 6 (€1.6m).
- ISIF Equity = Cash - (€1.6m).



Business of the Partnership – As defined in the draft Agreement:

“The business of developing, owning and leasing the properties and the additional property to facilitate business, enterprise, education and research campus at the properties and with ancillary and subsidiary uses including residential, retail and other uses”.

Partnership will have to revert to Partners for approval if it wants to deviate from Business as defined in the agreement.

plot locations



plot locations

- Plots 1 to 6 will be transferred to the Partnership on set up.
- Plots 1 to 6 represent 27% of the 10.6 acres being acquired.
- Partnership to have option on plot 7 only if substantial development takes place.
- Plot 7 represents 13% of the 10.6 acres being acquired.
- NTMA will match with cash to maintain 50:50 ownership.



KCC/NTMA **partnership**

Partnership will be responsible for all aspects of the marketing, construction and operation of the developments.

Development will depend on market demand – no speculative build.

Due diligence will be carried out on each proposal prior to decision to proceed to development.

Loan finance for the development of individual proposals will be sourced by the Partnership, most likely from the NTMA on commercial terms.

Each Development proposal will be subject to the planning process as per the requirements of the Planning & Development Act 2000, as amended and the Planning & Development Regulations 2001, as amended.



KCC/NTMA **partnership**

KCC Exposure on the developments capped at the Equity contribution of the lands (subject to provisions re early termination).

The Partnership will employ a Manager to manage the business on behalf of both Partners.

A separate Board will be appointed to oversee the business of the Partnership:

Independent Chairman.

Two representatives from KCC.

Two representatives from the NTMA.

Agreement provides for regular reporting back to the Partners.

As a minimum, Elected Members will be kept appraised on a quarterly basis.



KCC/NTMA **partnership**

KCC to provide staff support to the Partnership on Procurement, Project Management, Finance/IT at cost.

All contracts for the supply of goods / services to the Partnership to comply with public procurement rules.

KCC to be responsible for any remediation works on any environmental matters that arise and are not related to the activities of the Partnership.

Environmental risk assessment work has been undertaken.



KCC/NTMA partnership structure

Structure governed by the Partnership Act 1907.

Structure not as widely used as Limited Company Structure.

Listing of registered LLP's available on the Companies Registration Office website.

This structure is the preferred structure as it ensures both KCC and NTMA avail of Tax Exempt status.

Both KCC and NTMA are exempt from tax on Income and Gains.

Partnership will have KCC and NTMA as equal limited partners.

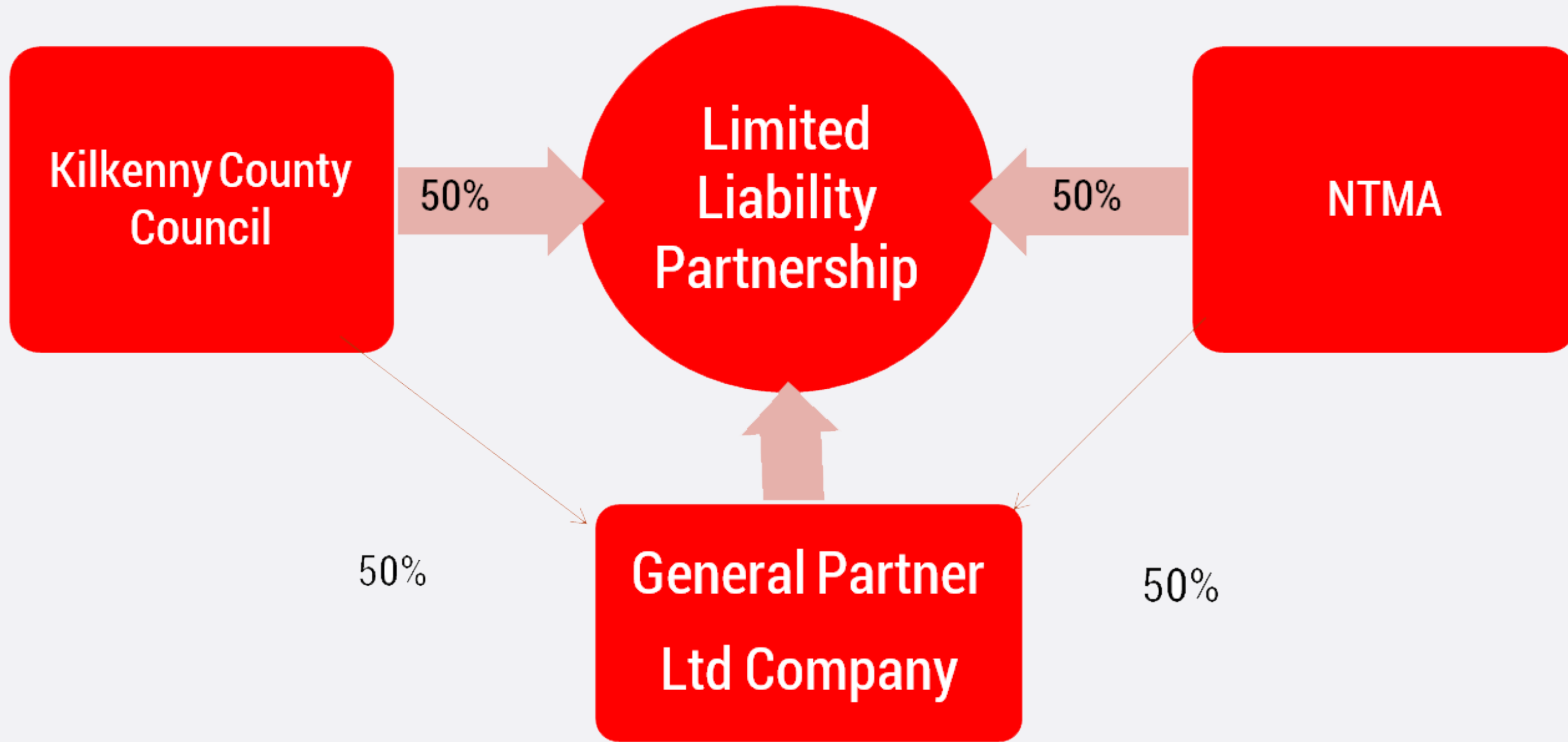
A third partner – General Partner (Limited Liability Company) will be set up to manage the business of the partnership on behalf of the partners.

The GP will also be owned 50:50 by each partner.

Liability of KCC and NTMA will be limited to the amount of the capital contribution.



KCC/NTMA
joint venture for commercial development.



KCC/NTMA **partnership structure**

A key difference between LLP and Ltd Company Structure is the manner in which assets are owned.

Ltd Company – The company owns the assets as a separate legal entity and the Shareholders own the shares in the company.

LLP – The Partners own the assets directly in proportion to their respective ownership percentages.

Income stream from any developments will accrue to the partnership and will be used to service the loan.

Note the assets will be registered in the name of the GP but the Partners have beneficial ownership of the assets.



KCC/NTMA partnership

- Partnership Agreement to be reviewed at the end of 2 years.
- If no substantial development has commenced by the review date :
 - KCC have right of first refusal to take back the lands.
 - Costs incurred will be shared 50:50.
 - Substantial Development – Building of 50,000 sq ft.
- Extend agreement for a third year if development is likely to happen.
- Third party Offers for individual development plots can be entertained by the Partnership in year 3.
- If no substantial development by the end of year 3 – Terminate the Partnership and same provisions apply as per termination at the end of year 2.



KCC/NTMA partnership

- Agreement contains provisions for dispute resolution:
 - Both Partners have equal voting rights and neither will have an overall controlling interest.
 - In the event of a dispute arising:
 - Refer to mediation.
 - Deadlock Provisions.
 - Agreement provides KCC with first option in the event of terminating the Partnership.



summary

summary



Partnership will provide access to a source of longer term funding.



Low / Limited Risk for KCC.



Allows KCC to retain an interest in the developments



Does not tie up KCC resources which are needed for mainstream activities.



Overall Planning Framework remains a matter for the Elected Members. No change to the framework/masterplan as approved on 31st July 2015.



resolution of the Elected Members

Resolution:

That approval is given by the Elected Members to the establishment of a Limited Liability Partnership with the National Treasury Management Agency (as controller and manager of the Ireland Strategic Investment Fund), as per the Limited Liability Partnership Agreement outlined to the Elected Members.



The vision of the masterplan in July 2015

“To plan the area as a seamless complement to the medieval city as an inclusive place for an inter-generational community to work, live, visit and play with St. Francis Abbey at its core. The regeneration of the area will focus on embracing the sites’ natural, cultural and built heritage, whilst maximising the benefits of the rivers Nore and Breagagh, providing for a broad range of uses, sustaining growth in employment, 3rd and 4th level education and advancing economic activity in a sustainable and energy efficient fashion where innovation can flourish. The area will be a permeable expansion of the city for pedestrians and cyclists where smarter travel principles will apply throughout.”



thank you.