



Ealing

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EALING Cinema Site



Development Note

September 2012

Cinema Site

59/61 New Broadway

1 Introduction

Lying in the heart of Ealing town centre, the Cinema site on New Broadway represents a major leisure development opportunity opposite the Ealing Town Hall and close to the Broadway shopping centre. The Council is determined to secure a comprehensive development scheme incorporating a multiplex cinema to improve and complement the retail offer in the Town Centre.

This note is to guide prospective developer partners in preparing proposals to support the Council in the compulsory acquisition of the site. It sets out the Council's clear policy to secure development of the site for a multiplex cinema and associated commercial floor space by the use of its statutory powers and existing land ownership.



In the heart of Ealing

FORUM CINEMA

The original 2,175 seat Forum 'picture palace' cinema was built in 1934 with a distinctive 'quasi Egyptian' facade, the 5th of six cinemas built in Ealing but the only one to survive until it was demolished in February 2009. Ealing was the birthplace of the London film industry and Ealing Studios are the oldest continuously working studio facility for film production in the world.

The 31,130 ft² Forum cinema lay on a 1.15 acre site which also accommodated 102 car spaces at the rear. Operated previously by ABC, Cannon, UGC and Cineworld, it was converted into a three screen in 1975. Empire Cinemas took over in 2005 and closed the cinema in September 2008.

There have been a number of proposals to redevelop the site for a modern multiplex offer with planning

permission being granted for such in 2004, 2008 and 2010. Following demolition, works on the development halted in March 2009.

The Council sought to enforce a completion notice in May 2010, acquired in February 2011 the adjacent YMCA building in Bond Street to facilitate the desired scheme and warned in June 2011 of intent to use compulsory purchase if works did not recommence. The Council finally resolved in July 2012 to proceed with compulsory acquisition if Empire Cinemas had not substantially committed to completing the development by the 24th October 2012.

The Council seek a prospective development partner to undertake the required comprehensive scheme through a development agreement which provides for a compulsory purchase indemnity against all costs.

Prospective development partners are invited to register interest by the **19th October 2012** with summary details of their relevant expertise, comparable experience and available financial resource sufficient to enter into the required CPO indemnity.

EALING

Ealing is a designated metropolitan centre of London that provides the primary shopping focus for the Borough serving a 453,000 catchment. It is also a popular place of outstanding quality with large conservation areas that surround the central commercial area.

Retail demand is good for this affluent (61% ABC1) and relatively young (36% 25-44) resident population. The A3 demand is also good reflecting the strong entertainment character of the centre.

A modern multiplex cinema offer is a critical part of the Ealing town centre strategy to maintain vitality and viability against increasing competitive pressure. This is also an important site lying within the Conservation Area in the heart of the town centre opposite the Grade II listed Ealing Town Hall.



Ealing Town Hall

CHANGES

There have been a number of major improvements or further investments in the town centre.

Opposite the site, Berkeley St George started in 2010 the 581,000 ft² development of Dickens Yard for 700 new apartments with 97,000 ft² retail served by 583 car spaces on the 4.6 acre site.

Wereldhave have recently acquired the nearby Broadway Shopping Centre (1984) which dominates the retail offer in the town centre and is anchored by Tesco, Primark, Marks & Spencer, H&M, River Island and New Look. Wereldhave have acquired the main part of the shopping centre, consisting of 303,500 ft² of retail space with parking facilities for 611 cars. The fund considers there is potential to increase the performance of the centre through improving the tenant mix by attracting more successful retailers and enhancing the restaurant offer.

Opposite the Broadway Centre, a developer has recently agreed to purchase the 4.4 acre Arcadia Estate which is home to a 61,300 ft² shopping centre and adjacent shops where Topshop, WH Smith, Sainsbury's and Carphone Warehouse are among the occupiers.

The developer is expected to aim for a 300,000 ft² redevelopment on a phased basis over a five-year period with residential above the shops.

2 The site

The Empire site extends to some 1.15 acres but the site required to address the local planning authority's objectives is likely to extend to some 1.92 acres which includes the YMCA buildings (St George's Hall) on Bond Street owned by the Council together with 4/12 Bond Street (locally listed buildings) and Walpole House at 18/20 Bond Street which is currently occupied by the University of West London whose accommodation is under review.



Site ownership plan**

The YMCA property is four stories plus a basement at the Bond Street frontage with a rear building providing two large open floors with double height ceilings totalling some 13,865 ft².

The site originally accommodated two cinemas being the Forum Cinema and the Walpole Cinema on Bond Street (demolished 1981).

PLANNING PERMISSIONS

The November 2003 (ref P/2003/5047) proposal was for demolition of most of the existing cinema, but retaining the façade to New Broadway, and redevelopment to provide 16 auditoria on two floors with a total of 3,072 seats; a total floor space of some 103,000 ft².

The Planning Committee in May 2004 indicated 'minded to approve' subject to planning agreement. The decision reflected the importance of keeping the cinema use on the site. The agreement was never completed but the application was re-raised by UGC in March 2008 and permission was granted on 9th October 2008.

Subsequent variations by Empire (September 2010 & October 2011) increased the number of screens from 16 to 20 (with 4 auditoria at ground level instead of 7), omitted the basement level and added six A3 shop units fronting an internal covered mall.

- Cinema (20 screen) 67,372 ft²
- A3 provision (7 No units) 32,152 ft²
- A4 provision (1 No unit) 12,098 ft²

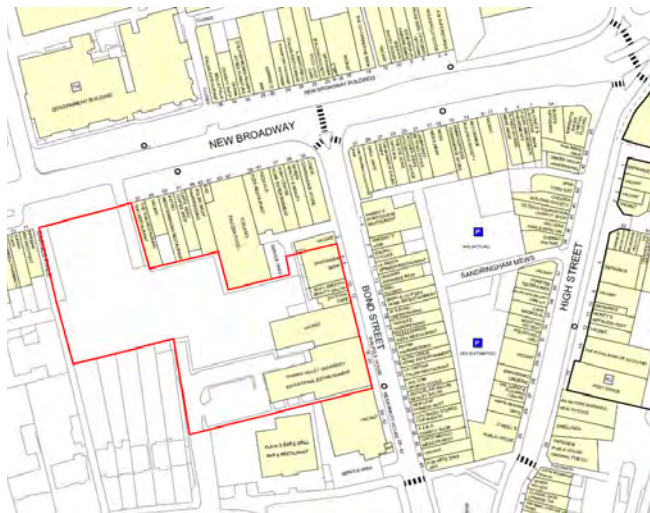


Former Forum Cinema

USE

The site has been cleared and arranged for temporary car parking although no planning permission has been obtained for that use.

The old Forum cinema facade has been retained and is currently supported by a steel frame.



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3 Planning policy

The Local Planning Authority has long sought the comprehensive redevelopment of this site for a modern cinema. The UDP 2004 defined this as a key site seeking a linkage between New Broadway and Bond Street.

The Ealing Metropolitan Town Centre Spatial Development Framework (2008 & revised 2010) designated the site for an “enlivened cinema/film quarter that is a focus for a varied leisure and evening economy offer, including restaurants and cafes” as part of the Cultural Quarter spatial framework.

This was subsequently reinforced by the Development Plan Strategy (adopted April 2012) and the Development Sites DPD (2012).



Spatial Framework. Cultural Quarter plan

The Council has issued a draft ‘Ealing Cinema Site’ Supplementary Planning Document (September 2012) setting out interim planning guidance for the site. It notes the known constraints of the site area and establishes design and layout principles that the Council considers should underpin the future development of the site.

The Council have put together this guidance to clarify the key design principles for any new scheme coming forward. The document aims at ensuring delivery of the critical cinema/leisure offer as part of a comprehensive scheme that has the desired functional integration with the surrounding areas.



Current Forum Cinema facade

PLANNING CHARGES

From 1 April 2012, the Council will be required to collect the Mayoral CIL, at a rate of £35 per m².

The Council is currently developing a CIL charging schedule for the borough and expects to consult on the Preliminary Draft CIL Charging Schedule with the aim to adopt in late 2013.

COMPULSORY PURCHASE

The Council seeks a comprehensive redevelopment of the site in order to achieve the most benefits for the town centre, improve pedestrian routes and enhance the leisure offer.

Subject to appropriate indemnity agreement and an agreed scheme, the Council has formally resolved to use compulsory purchase (CPO) and actively use its own land holding to facilitate the development.

“... to advertise and select a developer partner to take forward acquisition and redevelopment of the Empire Cinema site... to compulsorily purchase the Empire Cinema site and other land holdings ..., if the site cannot be acquired by agreement and should Empire fail to recommence development by 24th October 2012” (Ealing Council Cabinet minute 25th July 2012)

The Council is experienced in the use of its statutory planning powers throughout the Borough. A CPO, road closure and footpath diversion was utilised to support the Dickens Yard development.

Following agreement on a scheme of development and appropriate safeguards, the Council is willing to work with a development partner to promote a CPO as early as

possible in order to ensure early redevelopment of this important town centre site.

In entering into a CPO indemnity agreement, the Council will require the developer to fully meet all inquiry costs, compensation payments and related expenses. Based upon recent experience, the Council would commend parties make the following realistic cost allowances.

<i>Expert witnesses</i>	<i>£40,000</i>
<i>Planning advisory</i>	<i>£30,000</i>
<i>Counsel & legal team</i>	<i>£100,000</i>
<i>Council officer costs</i>	<i>£30,000</i>

4 Financial Proposal

It would assist the Council if parties would initially provide the Council with summary information on their outline scheme thinking.

The information is intended to guide the Council in judging the deliverability and financial sustainability of the scheme. Information provided will be held as 'commercially confidential'.

It is understood that such information can only provide a guide to initial proposals. Nevertheless, a sketch design and outline information on envisaged uses, areas, potential costs and estimated values would be welcomed.

Following shortlisting, the Council envisage inviting two or three parties to make a detailed financial submission in response to a Financial Brief.

FUNDING

The Council would welcome initial information on how parties envisage their development scheme may be funded and/or financed.

In particular, the Council would require evidence of sufficient financial resource available to support entering into a CPO Indemnity Agreement to the level necessary to match the estimated land values.

SELECTION PROCESS

The envisaged partner selection timetable is:

- Registration of interest by 19 October 2012
- Shortlisting w/c 29 October 2012
- Submission w/c 3 December 2012
- Nomination w/c 17 December 2013
- Agreement exchange w/c 25 February 2013

Interested parties are invited to register their interest by **Friday 19th October 2012** by providing the following information.

- Company and joint development partners, if applicable, together with annual reports for last three years if not easily available on line.
- Details of the applicant's track record detailing comparable projects undertaken together with their current status.
- Details of the key personnel who will lead the project, their qualifications and experience on comparable projects.
- Outline scheme thinking to include initial sketch design and outline information on envisaged uses, areas, potential costs and estimated values

Registrations of interest should be electronically sent to:

Alistair Parker
 Cushman & Wakefield
alistair.parker@eur.cushwake.com

5 Land disposal

The Council will consider disposing of its land interest upon a price reflecting the Council's original acquisition and net holding costs.

DEVELOPMENT AGREEMENT

The disposal of the Council's land could be provided within a development agreement. That agreement between the developer and the Council, principally conditional on satisfactory planning permission and confirmation of a CPO, could provide for;

- (a) Vesting of council's ownership upon substantial start of construction on site
- (b) Council option to acquire land on agreed basis if development is not progressed within say a three year period
- (c) Developer undertaking or CPO indemnity to pay for all CPO compensation and associated costs and expenses
- (d) Payment of the Council's agreed professional costs

In allowing for the Council's costs, payable upon exchange, parties are commended to prudently allow for:

<i>Legal documentation</i>	<i>£100,000</i>
<i>Estate advisers</i>	<i>£175,000</i>

POTENTIAL SCHEME

Recent outline design studies suggest the comprehensive development scheme on the site should provide for some 30-40,000 ft² of multiplex cinema floorspace together with some 40-50,000 ft² of A1-A5 commercial floorspace and some residential over.

FURTHER DETAILS

Downloads on planning policy and extant planning permission are on:

www.ealinginlondon.com/ealingcinema

CONTACTS

Lucy Taylor | Asst. Director Property & Regeneration

Ealing Borough Council
 14/16 Uxbridge Road | London | W5 2HL
T +44(0) 20 8825 9036
M +44 (0)7976 081 016
E taylorl@ealing.gov.uk

Alistair Parker | Partner

Cushman & Wakefield LLP
 43 Portman Square | London | W1A 3BG
T +44 (0)207 152 5203
M +44 (0)7764 398 203
E alistair.parker@eur.cushwake.com

Jennifer Miles | Assoc. Partner

Cushman & Wakefield LLP
 43 Portman Square | London | W1A 3BG
T +44 (0)207 152 5312
M +44 (0) 7946 637 544
E jennifer.miles@eur.cushwake.com



The Walpole Cinema at 18/20 Bond Street (opened 1912 and demolished 1981) although the entrance arch still survives on the side of the first house in Mattock Lane. Redeveloped as the Walpole House office building.

Disclosure

Prospective Purchasers are required to disclose any family or business links with the Council or their advisors in their submission prior to making any submission.

Misrepresentation Act 1967

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