



UPDATE REPORT:	September 2021
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This report is a review of activity for Middlesbrough Development Company (MDC) from September 2020 to August 2021 and also a forecast of activity for the coming year.

September 2020 to August 2021

During the year we have commenced construction on two projects where MDC is acting as the developer:

- **Boho Village** in St Hildas provides for 61 new 2 and 3 bedroom residential units and a £6.5m construction contract has been awarded to Engie with completion due in July 2022. 52 of these units are pre-sold to Housing Associations with the remaining 9 being marketed for disposal.



Artists impression of the completed scheme

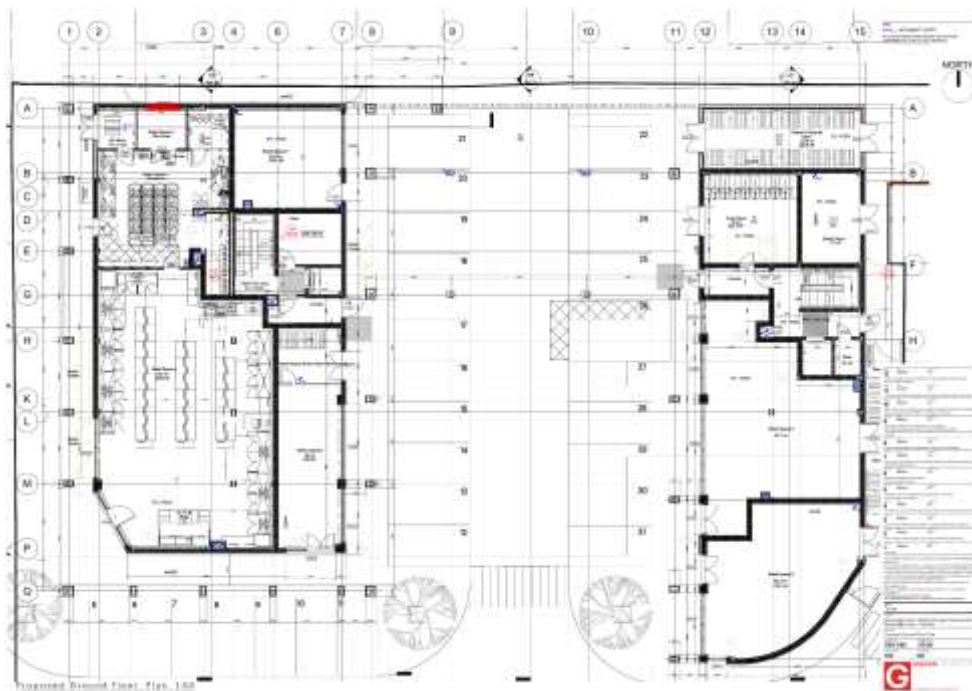


Proposed site layout

- **Newbridge Court** in Tollesby replaces a derelict shopping parade with a new build scheme comprising 5 ground floor retail units and 24 apartments above. A £4.5m construction contract has been awarded to Brims Construction. The commercial and residential units will be let and managed by the MDC in the first instance with a disposal option considered when appropriate.



Artists impression of completed scheme



Proposed ground floor layout

A further project is under contract with a partner developer but is not due to start on site until Spring 2022:

- *The former **Cleveland Scientific Institute** site, (now Oak Street car park) is the location for a 14 storey residential tower block comprising 131, 1 and 2 bedroom units. Planning is due to be submitted by partners, Chaloner, in the Autumn of 2021 and once granted they will then deliver the £17m scheme using funding provided by MDC.*



Artists impression of finished building



Typical floor plans

Cabinet approval has recently been obtained for a further project due to commence imminently:

- *The **Empty Homes Project** is a collaboration with partner organisations to acquire existing empty and dilapidated properties in the Gresham and North Ormesby parts of the town and refurbish these for re-letting purposes. MDC will invest up to £1m in the scheme to help regenerate existing communities.*



Typical problem property blighting streets and communities

Funding

During the year MBC has drawn down £2.13m in funding to help deliver these projects which is partly equity investment by the Council in the Company and the remainder repayable development loans. By project this is comprised:-

<u><i>Project</i></u>	<u><i>Funding</i></u>	<u><i>Funding Type</i></u>
<i>General / Admin</i>	<i>£90,000</i>	<i>Equity</i>
<i>Tollesby</i>	<i>£315,000</i>	<i>Equity</i>
<i>Boho Village</i>	<i>£1,645,000</i>	<i>Loan</i>
<i>CSI</i>	<i>£80,000</i>	<i>Loan</i>

During the period MDC, through the Council, has also secured £936,000 in Homes England grant funding for Tollesby scheme in return for the residential units being let on an affordable basis.

September 2021 to August 2022 Forecast

The current new build construction projects which are on site will be completed during this period. The Empty Homes Project will commence although it is unlikely this will be completed. CSI will commence on site.

Pipeline projects currently being considered for delivery commencing during this period, (subject to Council Cabinet and MDC Board approval), are:

- **Eyesore sites** – a collection of small vacant and often unsightly plots of land and buildings scattered around the Town in need of redevelopment. MDC are working closely with Council officers to seek solutions for delivery which may involve MDC acting as developer or partnering with landowners and housing associations. A Cabinet report to secure funding for this project is currently being prepared. Two examples are:



Park End Pub / Penistone Hall

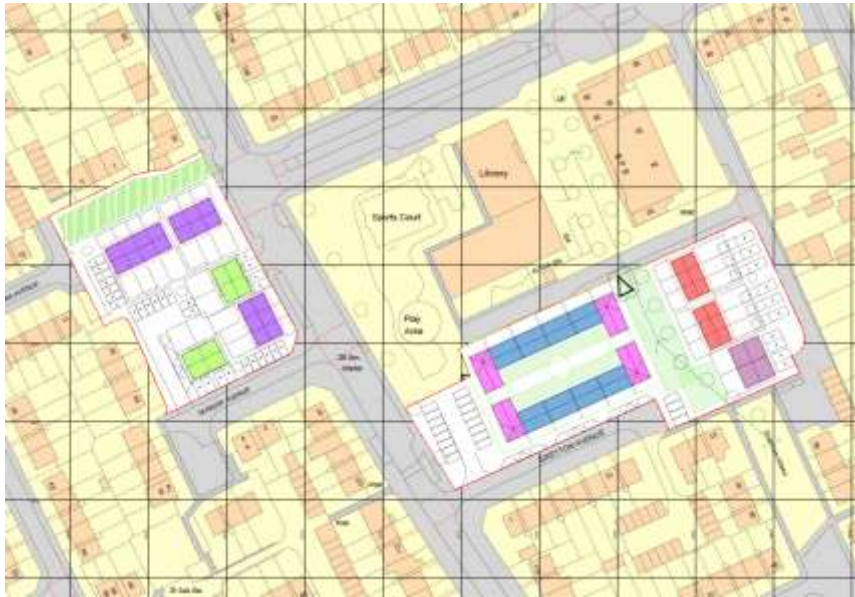


Former Wee Willie PH



Suggested housing layout for Wee Willie site

- **Middlehaven** – MDC is assisting in trying to source development partners for several vacant plots in and around this area. It may also be possible for MDC to step in as developer on appropriate sites subject to funding approval.
- **St Agnes Church, Easterside** – A parcel of Church and Council owned land is available for development and MDC is working with the Church in promoting this site with Housing Associations with a view to delivering a scheme. Again this may involve MDC taking on the developers role or acting as development partner.



Suggested redevelopment scheme of residential units

- **Former Captain Cook PH** - MDC is liaising with a developer who is interested in delivering a mixed use office and residential scheme for the site. This listed building is currently being stabilized by the Council. MDC are assisting in its role as a development enabler.



Pub currently being stabilized by MBC

- **Centre North East** - MDC is liaising with the owner and prospective developers in looking at ways in which this prominent redundant building can be brought back into beneficial use potentially for a scheme of up to 200 apartments. MDC are assisting in its role as a development enabler.



Current building view

Funding

During the coming year MDC will draw down between £10m and £15m in approved funding to continue delivering the Boho Village, Tollesby, Empty Homes and CSI projects which again will be partly equity investment by the Council in the Company and the remainder repayable development loans.

Further funding will be secured as necessary to help realise pipeline projects although many of these, it is hoped, will be deliverable without financial intervention.

MDC, through the Council, will attempt to secure c.£5m in Homes England grant funding for the CSI scheme in return for the residential units being let on an affordable basis.