

December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

Review & Viability Report

For Dún Laoghaire Rathdown County Council

## Cherrywood Town Centre - Review and Viability

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## Cherrywood Town Centre - Review and Viability

# Your objectives and this document

- You have asked Colliers to review Cherrywood Town Centre and its environs as part of a plan led review. The focus of the Colliers team is on a review of the scheme, commercial property development and viability. The brief set out a short description as:
  - *To undertake a high-level\* viability assessment to assist a plan-led review of the Cherrywood Town Centre related to the proposed Cherrywood Town Centre and Environs Review of the Cherrywood Strategic Development Zone (SDZ) Planning Scheme, 2014, as amended. (\* Having regard to the Overall Vision, Principles and Objectives as set out in the adopted Cherrywood Planning Scheme, 2014, as amended, and the overall planning regulatory context to : 1. Set out Viability Principles and Objectives to assist the plan-led review. 2. To review and assess the viability of a potential range of emerging built form design options rather than a definitive option.)*
- We are conscious that significant work, over many years, has been undertaken by yourselves plus, a leading global investor developer and their advisory team during a very challenging period.
- Our work includes the property market context, approaches to strengthen the town centre destination, alternate use concepts and actions to ensure Cherrywood has a refreshed and stronger market proposition.
- We have assessed viability on various town centre sites requested during the project, we have modelled to the appropriate level based on the data and information provided. This includes schedules of accommodation from your masterplan advisor. We have discussed this indicative masterplan with them and Dún Laoghaire Rathdown County Council throughout the project.
- We have not been provided with costs by a cost consultant. We have used what we understand to be appropriate construction costs from our own experience that we have sense checked with other projects and advisors in the construction sector.
- This updated report, post the October workshop, sets out our findings, conclusions and recommendations.
- This report will be a “technical appendix” to support the statutory process ahead with An Bord Pleanála.



December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

Executive Summary





## Cherrywood Town Centre - Review & Viability

# Positioning Cherrywood 2.0 for continued success

### Overview of a special project

- During a challenging ten-year period Dún Laoghaire Rathdown County Council (DLRCoC), partnering with domestic and global investor developers, has succeeded in delivering a high-quality residential community comprising single and multi-family homes, extensive parkland and emerging amenities and business space. This is what the Greater Dublin Area urgently requires.
- Cherrywood presents attractive lifestyle opportunities with easy access to the coast, Dublin Mountains and City Centre. Plus, a high quality, accessible, value for money residential community in an attractive and sought after part of the Greater Dublin Area. Benefitting from excellent public transport links into the City Centre, plus immediate access to the national motorway network.
- The Cherrywood Town Centre is a masterplanned district of international scale. It has significant space that can orientate and accommodate to new market sectors, investors, developers and occupiers. A leading global investor developer is delivering what the GDA needs – high quality multi-family (flats/apartments) in an increasingly amenity rich Town Centre location.
- The remaining Town Centre, its environs provide a solution to Government. This is where, relatively quickly, more residential development, of various types and tenures, plus civic, cultural, leisure, recreational and tourism uses can be accommodated to support a sustainable community and strengthen the southern part of the Greater Dublin Area.
- To do so a more flexible planning approach is required to adapt to new market, social and demographic realities that did not exist in 2014.
- Projects such as Cherrywood take a long time. Ten years since 2014 a “pause” is appropriate to consider a refreshed vision, planning designations, use mix and development strategy for Cherrywood Town Centre that reflects the new market realities.

## Cherrywood Town Centre - Review & Viability

# Two big property risks

## Flexibility is required across Town Centre and HIE blocks to reflect new market realities

### 1. Occupation

1. Demand for large scale retail and office space for Cherrywood and other suburban locations is low. We expect this trend to continue with occupier and investor focus on the City Centre, the best existing business parks, regional and town centre shopping centres.
2. Podiums will limit what is possible on the surface, what goes above will be defined underneath, by the podium engineering solution.
3. The occupier market which would take space on a commercial basis in the huge proposed basements (est 300,000sqm) is limited. This further exacerbates the unviability in most uses and risks the blighting and/or long-term vacancy of all these underground spaces.
4. Residential is where demand and value is greatest. You can provide a high-quality solution to reducing the housing crisis by accelerated delivery of the type of development Dublin requires, multi-family (apartments/flats) residential communities in a high quality and accessible location such as Cherrywood Town Centre.

### 2. Costs

1. The proposed podium and basement spaces on remaining TCC1 sites and the TCC3 block are a huge cost and without refinement will impact viability, funding and market appetite for development. Construction costs remain high for residential and commercial above ground.
2. Retaining the existing podium design approach across TCC3 is likely to mean a funding gap will need to be closed.
3. Is the scale of embedded carbon implied in further podium structures still appropriate, and does it place you at a reputational risk given carbon reduction and “net zero” targets?

## Cherrywood Town Centre - Review and Viability

# Adapt for continued delivery

### Evolution at Cherrywood means the need for more planning flexibility

- The Strategic Development Zone (SDZ) has strict parameters which places a constraint on development – the strict parameters need to be loosened.
- Without adaptation to reflect market realities the remainder of TCC1 and especially TCC3 are unlikely to be viable, fundable and deliverable.. TCC2 and TCC4 are advanced with good projects and the ability to accommodate more. Where appropriate the public sector should facilitate their timely completion or consider meantime uses – pocket park, public art etc.
- Cherrywood's original design solution has the town centre built on a podium to align with the LUAS tram, resulting in major basement spaces. We believe this high-cost (plus high carbon) engineering solution impacts future viability, funding, development and occupation of much of the remaining Town Centre and environs.
- Construction costs for residential and commercial buildings remain high, presenting a further barrier to delivery. There is the risk of fragmentation and a half-finished nature of Cherrywood Town Centre. The market has much to deal with in completing TCC1,2 & 4 before considering TCC3 and HIE blocks. The scale and empty state of TCC3 and HIE lands suggest they are the challenge. They will need reimagining.
- For TCC3, we recommend a fresh design, funding and development solution is interrogated to stimulate and engage existing and new developers, investors and occupiers. The HIE blocks will also benefit from flexibility in their designation so they can adapt to attract a broader range of occupiers, investors and developers.
- New towns around the world have taken time to complete, 20 to 40 plus years is normal, then like other towns and cities they evolve.



## Cherrywood Town Centre - Review and Viability

# Viability

### We have undertaken development appraisals on a year one basis

We have created models to test the viability for all the remaining plots across the town centre.

Changes that have been made during 2024 to the composition of each site has made a positive contribution to the viability and deliverability of the plots. **The study area is a challenging context, but all plots show a development surplus** - capital value less construction costs.

However, this surplus needs to account for a range of additional costs, including the required land value, that would be needed in detailed development appraisal business planning.

These sites remain complex and because of their size, a comprehensive approach to the development is required, probably amongst different owners and developers. The undulating land will also require a joined-up delivery methodology. The debate as to what the basements are used for and how to pay for them will no doubt continue.

There is a huge opportunity at Cherrywood to deliver much required new housing and to provide a new destination for business space, amenities for the new residents whether retail, leisure, entertainment, tourist, civic and community that can appeal to the wider Dublin region.

The funding of such large developments will be challenging. Speculative development funding for commercial accommodation of this scale remains impossible. A comprehensive and joined up approach to the delivery is therefore required.

Property markets move in cycles. There have been numerous economic shocks that disrupted the economy and property market over the last fifteen years – Global Financial Crisis, Ireland's property crash, Brexit, Covid-19 Pandemic, Post Pandemic inflation, Russia's invasion of Ukraine and subsequent inflation and moribund EU, EZ and UK economic indicators.

Whilst financial indicators are more positive than at any time since the pandemic, it will be demand that drives future development, and this is where focus should be directed in 2025.



*TCC1B (above) and TCC3 (below)*



## Cherrywood Town Centre - Review and Viability

# Implications

### Refreshed approach at Cherrywood Town Centre for Cherrywood 2.0

- It is not unusual for such large-scale projects like Cherrywood to have viability, fundability and delivery problems. In terms of gross development cost the total amount is huge, especially at this time of continued uncertainty domestically and internationally in the Irish market
- Crucially adaption should include a loosening of the strict planning designations (potentially including more height) to facilitate significantly more residential, and a fresh approach to the quantum of the civic, retail, leisure, entertainment, tourism and business space opportunities.
- Plus supporting the private sector by facilitating more profitable development (residential) to subsidise “low/no commercial value” public amenities is an “enabling development” approach.
- Subvention by the public sector might be a requirement to consider to close funding gaps on identified sites in the Town Centre and its environs. For example, projects in the civic, cultural, creative, community and tourism sectors that can support a high-quality town centre experience by delivering more footfall, vibrancy, access, profile etc
- The major global investor developer currently delivering the Town Centre, and other landowners, have many opportunities in Ireland and crucially around the world. They will have occupier and operator relationships that can support your long-term aspirations.
- Cherrywood Town Centre needs to make market entry as easy and flexible as possible for investor/developers/occupiers domestic and foreign.

## Cherrywood Town Centre - Review and Viability

# Time and your strengths

### Consider lower cost engineering solutions and your range of public sector powers

- The public sector can support delivery at Cherrywood through its planning, occupier, financial, place making, organisational, communication, brokering of relationships and leadership strengths.
- Great place making and public realm can be provided without the high cost and risks of podiums and their basements. This is where the Town Centre faces a major barrier in further delivery as the costs for TCC1 and TCC3 are so high.
- Do not try to fix all of Cherrywood Town Centre today. Markets adapt over time and new opportunities will emerge from this current era of major market change. Complete and consolidate what you have at TCC1, 2 and 4, and/or consider appropriate meantime uses that can reflect the excellent emerging Cherrywood Town Centre story.
- Look at timing and phasing and prepare for what might come next.
  - For example should HIE 5 remain as “office” space. Interrogate whether its highest and best use might now be residential or mixed use, given adjacent sites that have been or are in the process of being delivered.
  - At TCC3 you have an amazing development opportunity (one of the largest in the country) that can leverage of successes achieved to date and position to new demand sources.
- With your public sector powers, you can help to bring forward in addition to residential, a range of civic, education, social, tourism, recreational and leisure “catalyst” projects that can deliver both a stronger community and destination of market and consumer appeal – “place making”.



## Cherrywood Town Centre - Review & Viability

# Actions

### Strategic – supporting delivery at pace

1. Blocks TCC1, TCC2 & TCC4 are progressing, adapt to more residential for completion. To facilitate the major investor developer's ability to continue to deliver at pace, agree a new profiling and design solution of **remaining TCC1** sites to reduce the high costs of the podium structures. Adjust the level of retail, business space and commercial entertainment/ leisure uses to that which your investor developer believe to be appropriate for the future.
2. **TCC3 reimagine.** "Pause" to understand where change and demand will come from. Do not impose a rigid framework, consider a new profiling, designation, occupation, design and development solution to reduce the high costs and risks of the podium and basement structures.
3. **TCE5 (HIE5).** A pragmatic change would see HIE 5 allocated to either residential or mixed use. There is an adjacent park, residential, a proposed school and on TCC1 an amenity rich environment within the next five years should be completed. For other HIE blocks facilitate more flexibility, for example, the proposed "urbcomm" designation that should support business uses and services often located in the environs of a town centre.

### Catalyst – shift perceptions, increase interest, drive footfall and vibrancy

5. For TCC3, investigate civic, cultural, social, education, creative, leisure, meantime and tourism uses (including a hotel) catalyst projects to support the Town Centre destination.
6. Tell a stronger story of the Cherrywood Town Centre and environs experience – a refreshed place brand and marketing strategy – to define your differentiation and narrative of why people, businesses and others should choose Cherrywood Town Centre and its environs.
7. An onsite showcase and viewing area telling the Cherrywood story, past, present and future to really engage the market and residents.

### Practical Initiatives – a fresh definition of the Town Centre, its differentiation, vibrancy and placemaking opportunity

8. Investigate a partnership with your investor developer partners for an innovative shared space for community, cultural, creative and business activities and growth. Probably a meantime project to add some sizzle and excitement, the Town Centre needs this.
9. Town Team, management/curation of the Town Centre for branding, marketing, events, activities, meantime uses and the public realm.
10. Prepare short actionable strategies for your brand, cultural, civic, tourism, meantime and management of the Town Centre.

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# Cherrywood Town Centre & Environs

## 1. Current Scheme



## Cherrywood Town Centre - Review & Viability

# Situation

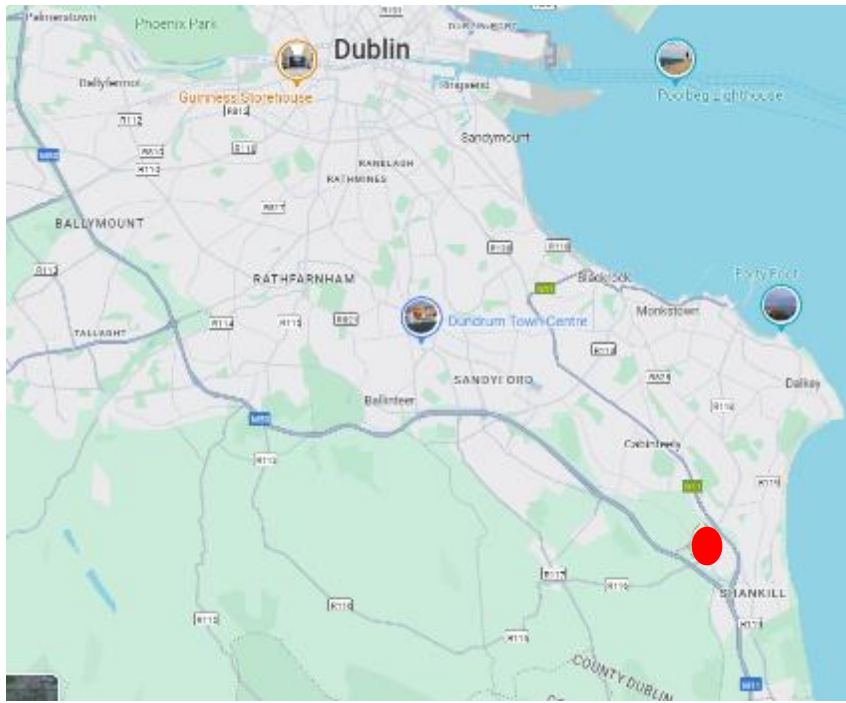
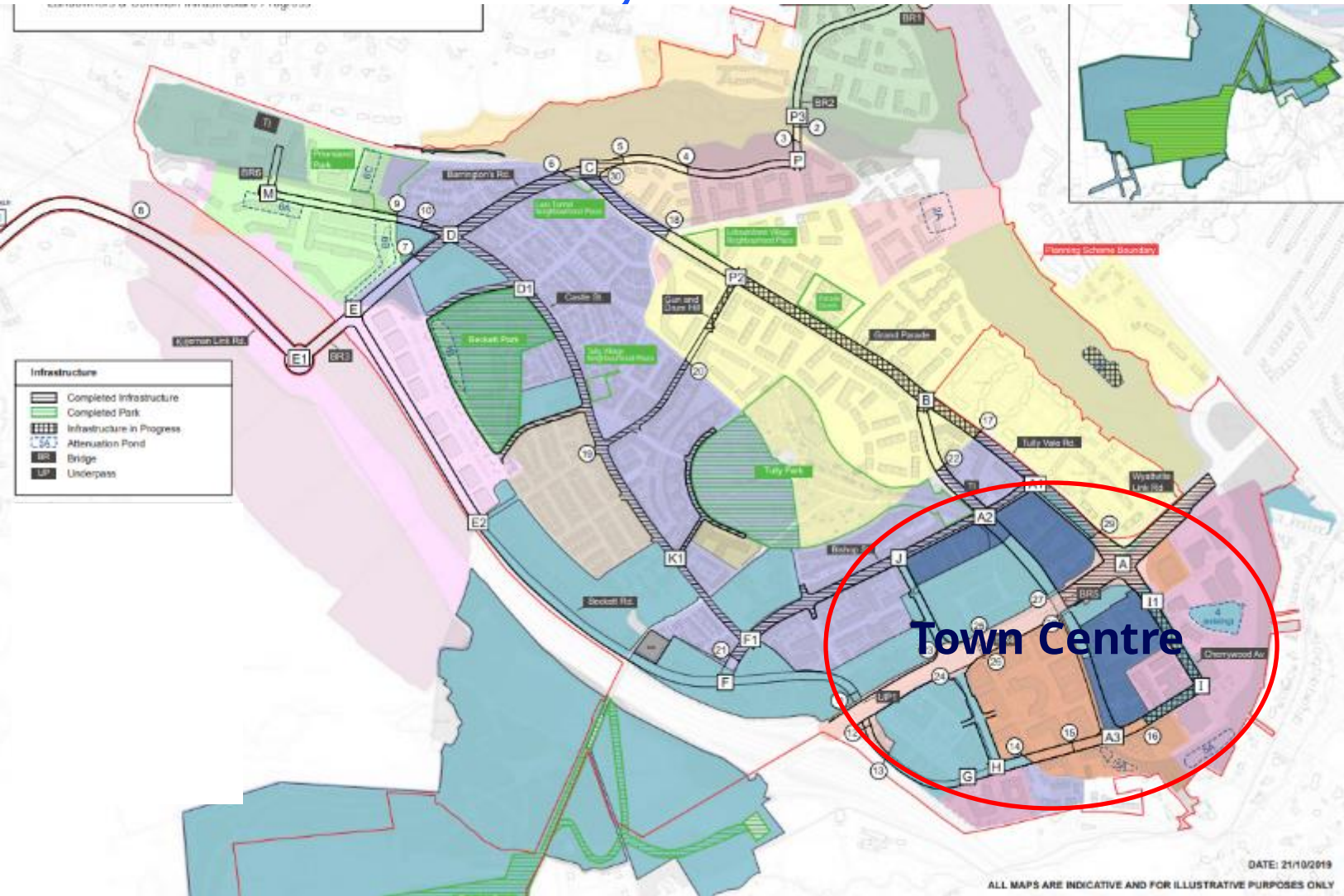
### Situation

- With your masterplan development partner, and other developers, you have secured an excellent development platform that will allow delivery of Ireland's largest new town.
- A target is to provide 10,500 new homes, potentially housing 25,000 people. This provision of high-quality housing (especially flats or apartments "multi-family residential") and communities is critical and what the Greater Dublin Area requires.
- Much has been achieved in a decade, with major infrastructure and utilities completed and significant housing completions during an incredibly difficult period -pandemic, war in Ukraine, global price shocks, labour market disruption and inflation.
- Houses and apartments of various types and tenures have been completed across Cherrywood, with around 1,000 finished in the town centre at mid year 2024.
- Cherrywood is a success story and is delivering high quality residential communities. Crucially Cherrywood has the space and ability to deliver more. You are providing a solution to Government.
- Given the major changes underway, not just in Ireland but much of the world, 10 years on it is appropriate to undertake a review and identify areas to be refreshed and strengthened to help the Cherrywood project adapt to the "mega" trends that have emerged and accelerated over the last decade.



# Cherrywood Town Centre - Review & Viability

## Wider Cherrywood area



Cherrywood is south-east of the capital between the Irish Sea and Dublin Mountains, adjacent to the M50 and N11.

The town centre is to the south of the majority of Cherrywood estate masterplan.

## Cherrywood Town Centre - Review & Viability

# A plan led review – the SDZ

### **An Bord Pleanála approved the Cherrywood SDZ Planning Scheme with modifications in April 2014**

- Comprised a significant quantum of comparison retail space in the form of a retail led shopping centred of over 700,000 sqft (60,000 sqm+)
- Fundamentally changed market context with demand either gone or reduced significantly.
- The original conceived town centre project is now not viable or appropriate.
- What might the alternate town centre use mix and its viability be?

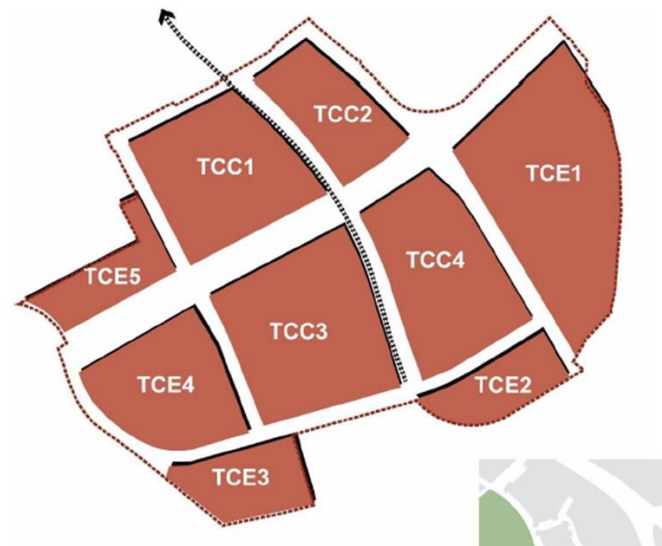
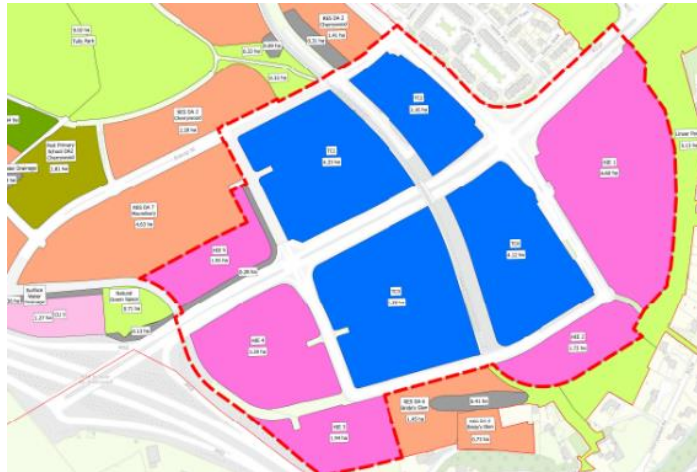
### **However, a problem is**

- The Strategic Development Zone (SDZ) is a very structured and a specific planning policy.
- The SDZ is not flexible enough to accommodate the variation required given events of the last decade.
- In an era of major change, flexibility is needed for developers to deliver.
- This is especially the case for the largest projects like Cherrywood that have a long-term delivery period.



## Cherrywood Town Centre - Review &amp; Viability

## The town centre – large blocks of land



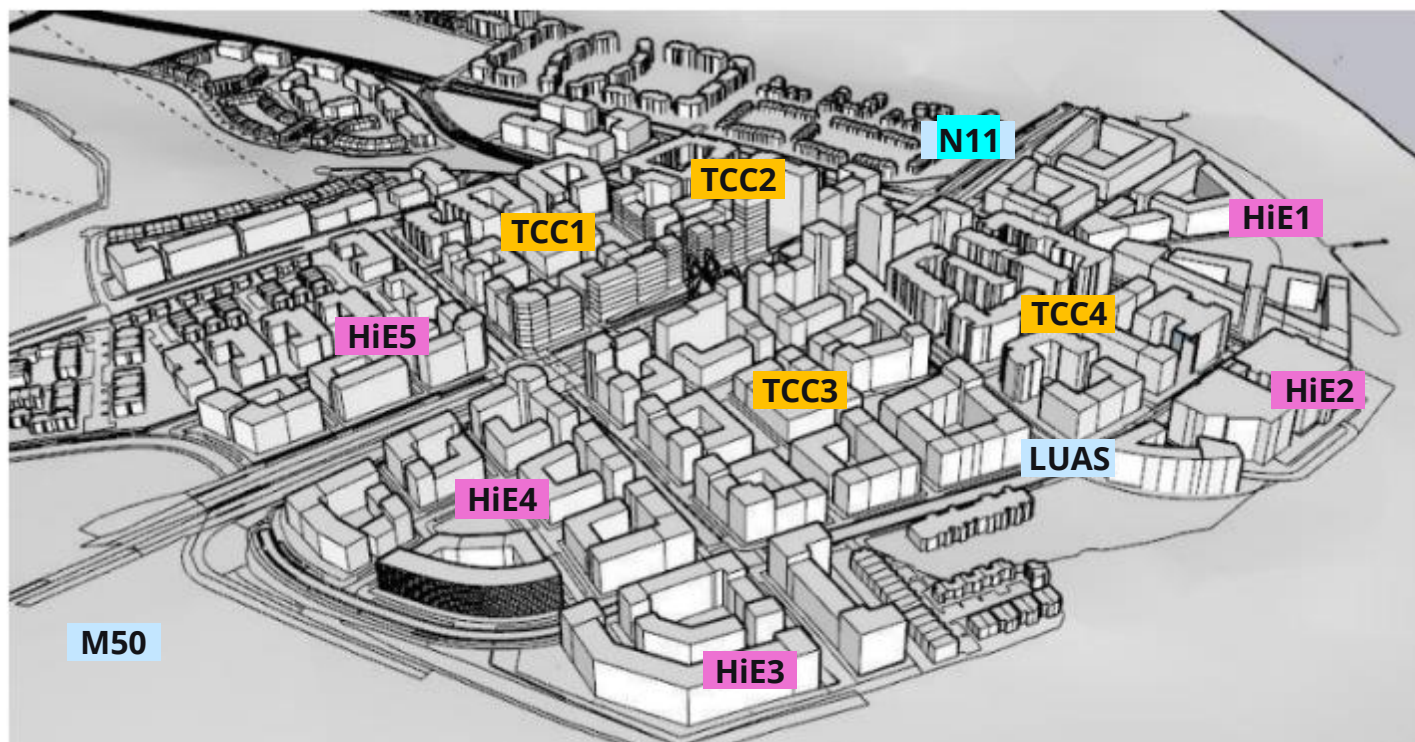
- Each TC block is about 5 ha (12.35 acres).
- Great road accessibility with direct access to the M50 and N11. Southern terminus of the LUAS tram
- Towards the end of the project HiE plots have been designated TCE1, 2, 3, 4 & 5.



## Cherrywood Town Centre - Review &amp; Viability

# A high-density scheme for this location

UD model - working



- Significant massing and density for a “satellite new town”.
- Density in the town centre comparable to Dublin Docklands
- Given the major housing requirement probably appropriate given the existing road and public transit infrastructure and utility provision.
- Plus, the land value that requires a high-density scheme in this location

# An evolving scheme to reflect new realities

## **A leading global investor developer and effective collaboration with DLRCoC**

- An excellent development platform is in place that will support delivery of Ireland's largest integrated new town, a project of international scale.
  - Major upfront investment in hard and soft infrastructure has been made.
  - Other investor/developers have been attracted to bring forward residential and other uses in the scheme.
  - The original town centre scheme included a large retail scheme.
  - Significant business space (High Intensity Employment "HIE") in the town centre environs.
  - Domestic and global business, technological, social-demographic and environmental trends means a fundamental review.
  - This should provide guidance as to likely viability of existing proposals and a refreshed scheme to help ensure continued delivery this new residential community.
  - The aim is to maintain initial design guidance relating to urban integration, permeability, quality and placemaking outcomes but with an appropriately pragmatic response that reflects market realities ten years on.
  - This is likely to mean an orientation away from the level of comparison retail and office space originally proposed with more residential units and potentially more civic, leisure, entertainment and tourism uses.
  - This is also likely to require flexibility in the masterplan, layout, massing, density to enhance viability.

## Cherrywood Town Centre - Review and Viability

# Trends – an uncertain world

Following the financial and property market crisis years, a period of relative stability and growth emerged until 2020.

- Global/Irish financial crisis, online retail, pandemic, conflicts, inflation plus societal and consumer change
- Technology: Online retail – fundamentally shaping Irish shopping behaviour, hybrid working
- Population: fast growing, domestic slowing but high immigration (Ukr etc); Household formation continues; Young but starting to age
- Infrastructure: Public transit, loading, capacity, quality (LUAS to Metro?), Road, new technology EVs, parking, Utility provision, water, power, green agenda
- Urban agenda, Irish response accelerated since 2018.
- Post Pandemic, more space, more nature, flexibility and lifestyle choices.
- Working from Home, office occupancy, and hybrid working, still playing out.

***So much change is happening – timing. Good to use the “downtime” to review and adapt Cherrywood***

# Challenges and opportunities

## Transport

- Excellent road access to the national motorway network.
- Excellent public transport accessibility through LUAS tram; concern on loading sooner rather than later.
- Potential for enhanced LUAS capacity and future extension in line with NTA strategy
- Significant road system construction and in place for private vehicles, cycling, walking and other mobility options.
- Podiums, basements and proposals for exit ramps and implications for development.
- Proposed pedestrian/vehicular bridges/access linking TCC1/3 & 4.

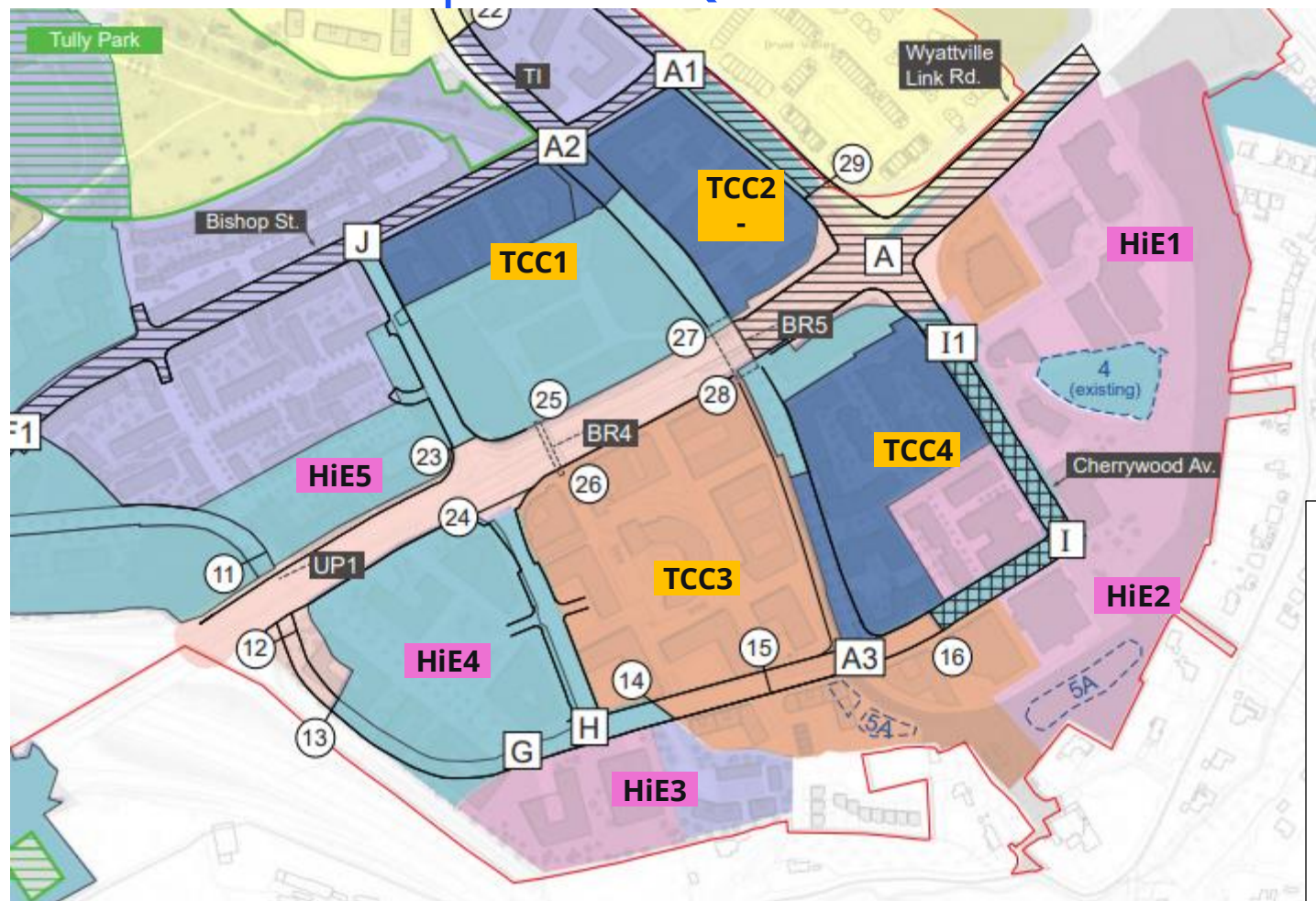
## Ownership: 3 identified owners

- Major global investor developer and lead site owner in the Town Centre (2 companies)
- US based investor & developer of office/business space property
- Irish independent private limited company has a direct participation in the project
- Other experienced international and domestic development partners in the wider area



Cherrywood Town Centre - Review & Viability

# Ownership at Q3 2024



Infrastructure	
	Completed Infrastructure
	Completed Park
	Infrastructure in Progress
	Attenuation Pond
	Bridge
	Underpass

Block	ha	Owner
TCC1	4.33`	Landowner 1, Landowner 2
TCC2	2.16	Landowner 1
TCC3	5.38	Landowner 3
TCC4	4.12	Landowner 1, Landowner 2, Landowner 4
HiE1	6.6	Landowner 4, Landowner 3, Landowner 2
HiE2	1.72	Landowner 4
HiE3	1.93	Landowner 4
HiE4	3.39	Landowner 2
HiE5	1.55	Landowner 2

## Cherrywood Town Centre - Review & Viability

# Challenges and opportunities

### Utility infrastructure

- Capacity and requirements for future?
- Water, electricity, broadband and gas (phased out?), district provision?

### Layout, massing and density

- Scheme proposed on a block structure all at one level to support access for all and ease of movement across town centre
- Height, limit. More height towards the centre/eastern side of the TC for views towards Dublin mountains and coast?
- No listed buildings.
- Series of public squares and pocket parks, ability to create human scale that supports interactions and vibrancy.
- TCC1, 2 & 4 already advancing, potential for increased residential with convenience/daily and reduced comparison shopping
- TCC3 & HIE4 such scale and the problem blocks and need reimagining

# Challenges and opportunities

## Planning – use definitions

- High Intensity Employment “HIE”, envisages large scale corporate office space accommodating hundreds of employees, like IDA Ireland technology buildings/parks with large pavilion style office buildings
- Competition and fundamentally changed context post pandemic. Negligible demand for the Cherrywood location at present or forecast in medium term.
- Urban Commerce “UrbComm”, broader definition to capture range of business uses big and small in a more urban higher density setting than HIE, potential to include a broader range of retail services?
- Some uses are currently not permitted BUT would be seen in other town centres and fringes – table over the page.
  - Vets, Garden Centre, Home Based Economic Activities, Retail Park, Retail Warehouse.
- In Britain, following the many studies on town centres and high streets, new planning use class designations were introduced into 2020 to provide more flexibility and simplicity in town centres and high streets.
- The result is “E class” – shops, offices, restaurants, light industrial, leisure, entertainment and more with the aim of providing inherent flexibility to support stronger, attractive and vibrant town centres.
- Might the “UrbComm” designation be similar and appropriate for the Irish context in providing the flexibility required?

# Appendix A

# Primary Land Use Matrix Cherrywood Planning Scheme

✓ Permitted in Principle

✗ Not Permitted

USES	Town Centre	Village Centre	High Intensity Employment	Commercial Uses	Residential	Green Infrastructure
Advertisements/Advertising Structures <sup>1</sup>	✓	✓	✓	✓	✗	✗
Agriculture/Agricultural Buildings	✗	✗	✗	✗	✗	✗
Bank	✓	✓	✓	✗	✗	✗
Betting Office	✓	✓	✗	✗	✗	✗
Bring Banks/Bring Centres	✓	✓	✓	✓	✗	✓
Car park <sup>2</sup>	✓	✓	✓	✓	✓	✓
Cash-and-Carry/Wholesale outlet	✗	✗	✗	✓	✗	✗
Crèche/Nursery School	✓	✓	✓	✓	✓	✗
Community Facility	✓	✓	✓	✓	✓	✓
Conference Facility	✓	✓	✓	✓	✗	✗
Cultural Use	✓	✓	✓	✓	✗	✓
Delicatessen	✓	✓	✗	✓	✗	✗
Doctor/Dentist etc.	✓	✓	✓	✓	✓	✗
Education	✓	✓	✓	✓	✗	✓
Embassy	✓	✓	✓	✗	✗	✗
Enterprise Centre	✓	✓	✓	✓	✗	✗
Fire Station	✓	✓	✗	✓	✗	✗
Funeral Home	✓	✓	✗	✓	✗	✗
Garda Station	✓	✓	✓	✓	✗	✗
Garden Centre/Plant Nursery	✗	✗	✗	✓	✗	✗
Guest House	✓	✓	✗	✓	✓	✗
Health Centre	✓	✓	✗	✓	✗	✗
Heavy Vehicle Park	✗	✗	✗	✓	✗	✗
Home Based Economic Activities	✗	✗	✗	✗	✓	✗
Hospital	✓	✓	✓	✓	✗	✗
Hotel/Motel	✓	✓	✓	✓	✗	✗
Household Fuel Depot	✗	✗	✗	✓	✗	✗
Industry-General	✗	✗	✗	✓	✗	✗
Industry-Light	✓	✗	✗	✓	✗	✗
Leisure Facilities	✓	✓	✓	✓	✗	✓ <sup>3</sup>
Motor Sales Outlet	✗	✗	✗	✓	✗	✗
Nightclub	✓	✗	✗	✗	✗	✗
Offices	✓	✓	✓	✓	✗	✗

USES	Town Centre	Village Centre	High Intensity Employment	Commercial Uses	Residential	Green Infrastructure
Refuse Transfer Station	✗	✗	✗	✓	✗	✗
Residential	✓	✓	✗	✗	✓	✗
Residential Institution	✓	✓	✗	✗	✓	✗
Restaurant	✓	✓	✓	✓ <sup>4</sup>	✗	✗
Retail Park	✗	✗	✗	✗	✗	✗
Retail Warehouse	✗	✗	✗	✗	✗	✗
Retirement Home	✓	✓	✗	✗	✓	✗
Science and Technology Based	✓	✗	✓	✓ <sup>5</sup>	✗	✗
Scrap Yard	✗	✗	✗	✗	✗	✗
Service Garage	✗	✗	✗	✓	✗	✗
Shop District	✓	✗	✗	✗	✗	✗
Shop Local Convenience Max 200sq.m.	✓	✓	✓	✓	✓	✗
Shop - Convenience <sup>7</sup>	✓	✓	✗	✗	✗	✗
Shop - Comparison	✓	✗	✗	✗	✗	✗
Sports Facility	✓	✓	✓	✓	✗	✓
Take Away	✓	✓	✗	✗	✗	✗
Tea Room/Café	✓	✓	✓	✓	✗	✓
Tele Sales/Call Centre	✓	✗	✓	✗	✗	✗
Transport Depot	✗	✗	✗	✓	✗	✗
Traveller's Accommodation	✗	✗	✗	✗	✓	✗
Veterinary Surgery	✗	✗	✗	✓	✗	✗
Warehousing	✗	✗	✗	✓	✗	✗
Wholesale Outlet	✗	✗	✗	✓	✗	✗

(Endnotes)

- 1 Refer to Section 2.12
- 2 Refer to Section 4.2.10
- 3 Active recreational facilities only
- 4 Ancillary where main uses are not peak trip generating
- 5 Ancillary where main uses are not peak trip generating
- 6 Where use is not peak hour trip generating
- 7 Refer to Section 2.3.2

**5 uses currently not permitted but would have a role to play in any town centre or fringe town centre**



## Cherrywood Town Centre - Review & Viability

# Potential town centre uses and quantum

CHERRYWOOD - TOWN CENTRE CORE - BASE DATA											
Location	Plots	Residential	Retail & Services	Leisure / Recreation / Tourism	HIE	Civic & Culture	TOTAL	Site Area	Target Plot Ratio	Actual Plot Ratio	Residential Units at 85m2 per unit
<b>TCC1B</b>											
Existing	1, 2, 3	30,000	1,040		10,000	500	31,040	12,000	2.60	2.59	353
Proposed	4, 5, 6	60,000	30,000				100,500	31,000	3.20	3.24	706
		<b>90,000</b>	<b>31,040</b>	<b>0</b>	<b>10,000</b>	<b>500</b>	<b>131,540</b>	<b>43,000</b>		<b>3.06</b>	<b>1,059</b>
<b>TCC2D</b>											
Existing		36,400	607		2,015	950	39,972	16,200	2.50	2.47	428
Proposed	1	5,900	1,475	7,375			14,750	5,900	2.50	2.50	69
		<b>42,300</b>	<b>2,082</b>	<b>7,375</b>	<b>2,015</b>	<b>950</b>	<b>54,722</b>	<b>22,100</b>		<b>2.48</b>	<b>498</b>
<b>TCC3</b>											
Proposed	1, 2, 3, 4, 5, 6, 7, 8, 9	80,000	10,000	20,000	10,000	12,000	132,000	55,400	2.40	2.38	941
		<b>80,000</b>	<b>10,000</b>	<b>20,000</b>	<b>10,000</b>	<b>12,000</b>	<b>132,000</b>	<b>55,400</b>		<b>2.38</b>	<b>941</b>
<b>TCC4</b>											
Existing		53,522	63		13,920		67,505	29,400	2.30	2.30	630
TCC4E	1	5,400	1,350		6,750		13,500	5,400	2.50	2.50	64
TCC4G	1	6,294	664		6,294		13,252	5,300	2.50	2.50	74
TCC4H	1	3,825	425		3,825	425	8,500	3,400	2.50	2.50	45
		<b>69,041</b>	<b>2,502</b>	<b>0</b>	<b>30,789</b>	<b>425</b>	<b>102,757</b>	<b>43,500</b>		<b>2.36</b>	<b>812</b>
<b>PROJECT TOTAL</b>											
		<b>281,341</b>	<b>45,624</b>	<b>27,375</b>	<b>52,804</b>	<b>13,875</b>	<b>421,019</b>	<b>164,000</b>		<b>2.57</b>	<b>3,310</b>
<b>Percentage of Total</b>											
		<b>66.82%</b>	<b>10.84%</b>	<b>6.50%</b>	<b>12.54%</b>	<b>3.30%</b>					

Loci have undertaken a number of masterplan options since our commissioning in March 2024 that consider new use mix and quantum of development on TCC1, TCC2, TCC3 and TCC4.

We believe critical to this is increasing the quantum of residential, especially in existing development sites of TCC1, 2 & 4.

TCC3 is large and offers potential for a reimagining of proposals for this block

Residential	Retail and services	TCBusiness/UrbComm / Non-retail	Leisure, recreation, tourism	Civic and community	HIE (Expanded)
All housing types, typologies and tenures. All providers, public private, voluntary housing bodies, LDA etc.	All types of retail and public-facing private services. Small, medium and large scale.	A wide range of small and medium scale businesses, focus on elements of KIBS and businesses supporting HIE. Start-ups and incubation. Mainly office-based.	Including personal leisure, recreation and wellbeing. Provider by private sector.	All civic and community funded and managed uses, including partnerships etc.	Expanded around high intensity - reformed around T and P-KIBS concepts. Generally larger scale. Potential for short-term lower intensity uses, pending longer-term high intensity use.

## Cherrywood Town Centre - Review & Viability

# Podium structures

### Masterplan comprises major podium structures

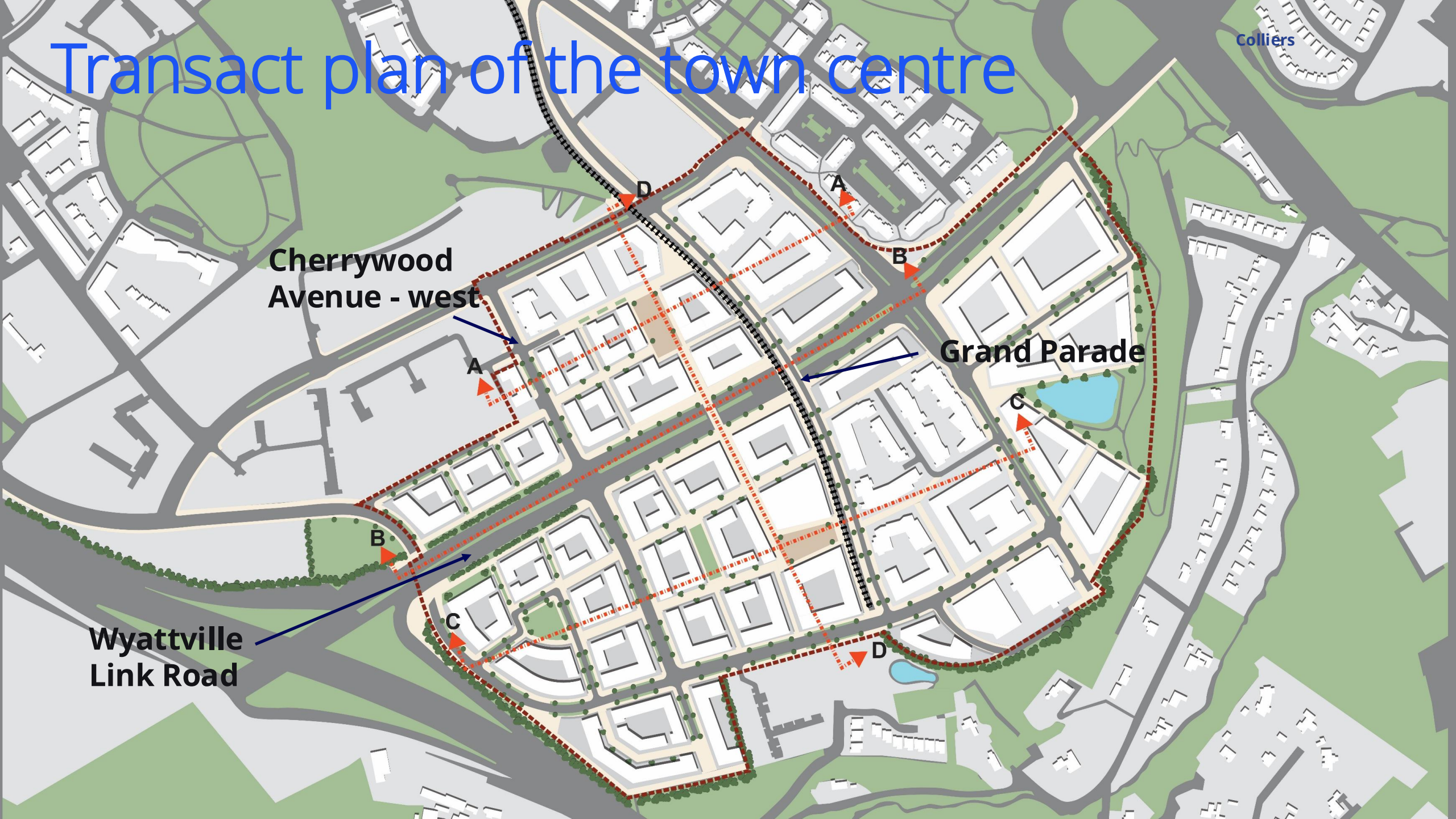
- A big decision was taken that elevated the LUAS tram with a core masterplan idea to then keep the town centre on this level providing “access for all”
- This means significant parts of the town centre are built on podiums with major basement spaces underneath. This means a huge quantum of basement space
- There will be many columns that could comprise the space for users in the basements and above ground. Whilst it will also impact what can be built above the podium.
- We need to understand the market for these major basement spaces. Is it likely that there are uses that can and will want to be accommodated in these spaces and that will pay a commercial rent? We believe the market for these spaces is limited
- Whilst in the era of mainstream environmental issues of net zero targets and ESG(environmental, social & governance) where the built environment is endeavouring to significantly reduce its “environmental impact”, there will be significant embedded carbon within the structures.
- These structures could be a major barrier to delivery
  - Capital costs
  - Efficiency of design
  - Market demand
  - User experience



*TCC1A looking towards TCC1B and TCC3, showing the existing podium and basement levels. Huge cost in this construction with complicated occupancy characteristics*



# Transact plan of the town centre



Colliers

Cherrywood Avenue - west

Grand Parade

Wyattville Link Road

A

A

B

B

D

C

C

D





## Cherrywood Town Centre - Review & Viability

# Podiums and site scale

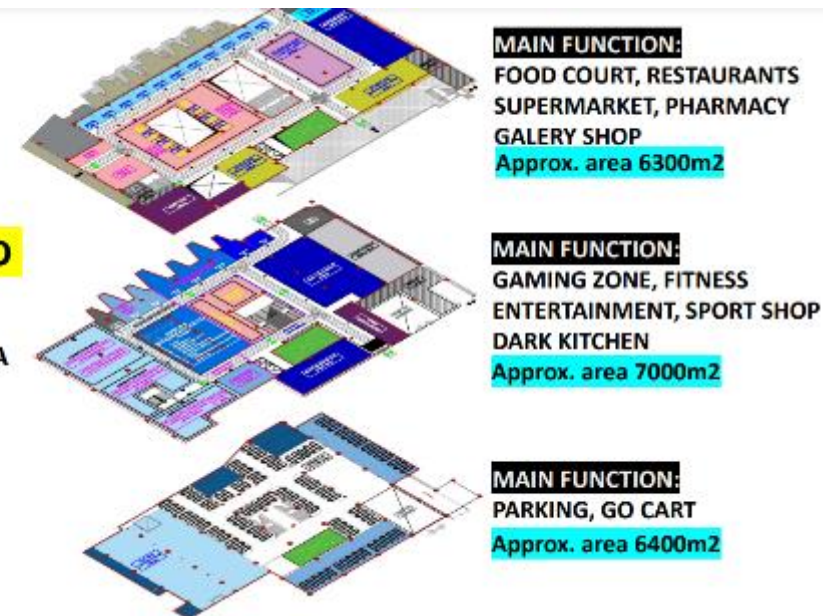
- Consider a whole block at a time. A podium is likely to be too expensive and would not work if considering the individual plots within each block.
- Problem is that the sites are so big, that it would be impossible to build a podium across a whole block without underground columns.
  - TCC3 is 5 ha, structural podium of c 200 & 200m+?
  - HIE4 nearly 5ha too
- Lots of engineering issues BUT need to know what is going in the “basements” to enable an efficient design, that might have a use that would pay a commercial rent below and above ground. Some kind of sharing will be necessary, mainly due to limited access to the outdoor world for cars and deliveries.
- If the building is sitting on the horizontal red line (on the graphic) you have two or three levels of structure below, adding to time and capital cost. Our estimates are that across the TC blocks and environs there will be potentially 330,000sqm of basement spaces. TCC3 along could have c 65,000 sqm.
- Cork Docklands proposals in the 2000's were predicated on a podium level of some 9m height across an extensive area of south docks. With decrease in the property market this halted and blighted development. We advised Cork City Council and their partners to break the link which saw development predicated with a high cost/carbon podium structure ON TOP of the land value and remediation that might be needed.



*Podium UK example. High Speed 1 Ebbsfleet, Kent, 50m\*50m to accommodate potential future development*

## Cherrywood Town Centre - Review and Viability

## Tbilisi, Georgia - Colliers are working on

**3 LEVEL  
UNDERGROUND  
FLOOR**TOTAL APPROX. AREA  
19.700m<sup>2</sup>

Illustrative of the types of uses found in underground spaces but this site in Tbilisi is city centre surrounded by significant office, residential and visitor markets

# Podiums -conclusion

## A fresh design response for TCC3?

In this location the continued the podium led engineering solution from the original masterplan presents a risk of slowly/stopping delivery at TCC3.

With this block slated for more civic spaces (lower financial value), this will impact viability meaning in market terms it is unlikely to work physically, operationally, environmentally and financially.

## Podiums elsewhere

- Even in high density city locations podiums and their basements are problematic for developers, investors, occupiers, plus ongoing management, maintenance and placemaking.
- In Dublin they might be appropriate in certain city centre and docklands locations where population density, footfall and overall access are supportive of higher market demand and property values.
- Elsewhere in Europe, the early phases of Canary Wharf in London were developed with major podium and basement spaces, linking many high-rise buildings (30+ storeys), with thousands of residents and office workers. These basements containing significant levels of retail, food & beverage and car parking. However, they were originally developed with significant fiscal advantages. Crucially basement spaces are now proving less popular with users and occupiers.
- Elsewhere with very high or very low temperatures, basement structures often link office and residential districts and provide a year-round solution, for example – Montreal, Toronto, Hong Kong, Singapore etc



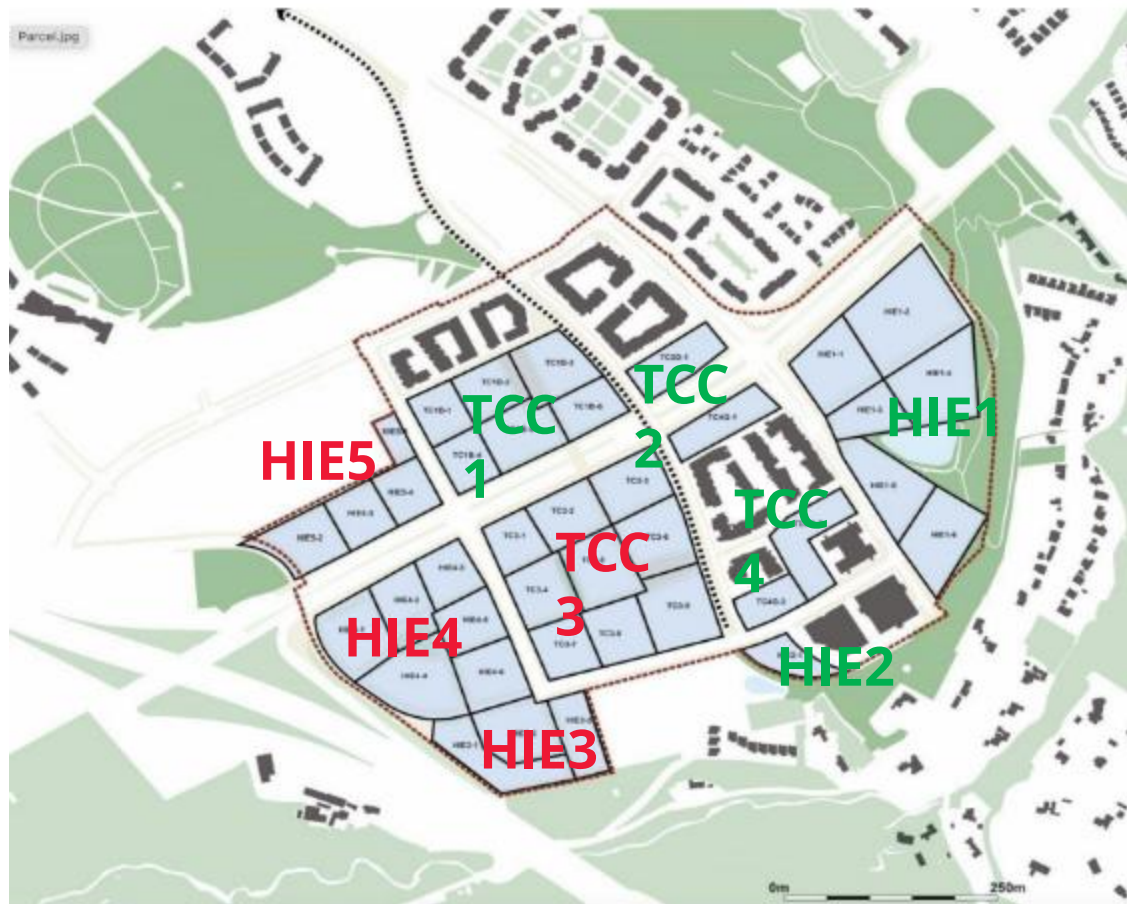
## Cherrywood Town Centre - Review &amp; Viability

## Conclusion - the biggest issue blocks?



TCC1, 2 & 4 progressing, support and facilitate the acceleration of more residential for the real need in the Greater Dublin Area.

- TCC3 given its scale is a big issue and needs reimagining with new opportunities provided by adjacent areas of energy, activity and assets emerging, plus future demand that the site could position towards. BUT remember not all development has to happen in the short/medium term. There is potential for “meanwhile” uses.
- HIE 1 & 2 existing stock provides a good quality property solution that could work with UrbComm as part of a comprehensive business space offer into the future.
- Remaining HIE lands, given the current and forecast lack of demand for the Cherrywood location for office type business uses, we suggest:
  - Support HIE 5 change to residential with its advantages of the adjacent park, school, residential and emerging offer of TCC1
  - HIE 3 & 4. Broader definition to provide future flexibility for all commercial uses such as retail, offices, hotel, leisure, recreation, logistics, warehousing, manufacturing and assembly. All uses that might reasonably be expected in the environs of a town centre location.





December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 2. Property Market



## Cherrywood Town Centre - Review and Viability

# Property - sectors

### Retail

- Shopping centres performing strongly, footfall back to pre-pandemic levels in prime schemes
- Vacancy in low single digits or effectively 100% occupied.
- Ireland, shopping centre space 3,720 sq. ft. per thousand people, US is 21,528 sq. ft; UK it is 2,800 sq. ft.
- Many existing brands are relocating/upsizing both in shopping centres and the city centre e.g. Zara, Penneys (Primark), Mango, H&M...
  - There is demand for a **convenience focused** neighbourhood type centre, including everyday uses (pharmacy, barber, health & beauty, optician, dentist, etc.) and grocery, most of the grocery retailers would likely want to take space in Cherrywood – Aldi, Lidl, Tesco, Dunnes Stores, SuperValu all in expansion mode
  - There is demand for **retail warehousing**, no new scheme has been developed in Ireland since pre-GFC (c.2008) and Dublin vacancy is close to 0%. Surface car parking preferred
  - There is demand for **cinema and other leisure uses** including F&B/casual dining/café, cinema, gym

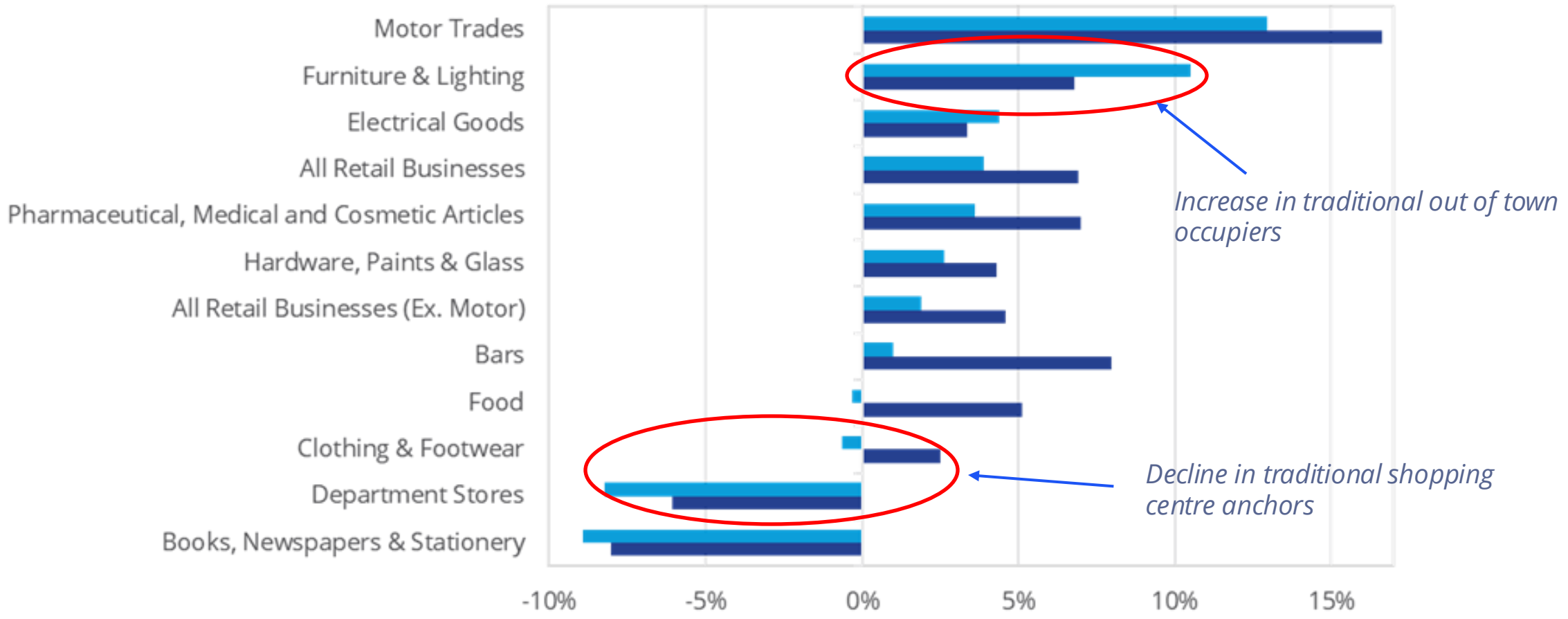
***There is no demand for a comparison-based shopping centre given proximity to Dundrum Town Centre***

# Cherrywood Town Centre - Review and Viability

## Retail sales index

% growth by sector - Year to December 2023

■ Volume ■ Value



Source: Central Statistics Office

Cherrywood Town Centre - Review and Viability

# Property Market

## Business Space

- Office market is generally very quiet, particularly in the suburbs.
- Overall vacancy is at 16.5% thanks to the perfect storm of grey space (sublease/assignment space from tech companies mainly) and new speculative offices reaching completion.
- Cherrywood is quite a distance from the city centre and there is quite a lot of competition in the south suburbs.
- Agents are reporting very little demand for suburban offices, most occupiers are citing a preference for high-quality offices in the CBD.
- City Centre attractive and demand for the best office buildings to attract employees into the office and to meet ESG objectives

***The way people work and where they work is fundamentally changing, this is not new, it has happened before based on technology changes and new business functions and activities***



## Cherrywood Town Centre - Review and Viability

# Property Market

### Hotels

- Chronic shortage of supply in the greater Dublin Area
- Many international hotel operators - IHG, Accor, Motel One, EasyHotels, Premier Inn and Ruby Molly etc. all seeking product in the capital.
- Investment decisions will be demand led and heavily dependent on infrastructure, corporate presence, accessibility and population density.
- Not a high level of demand from hotel occupiers / investors in this location at present.
- Fundamental drivers: 1) Leisure tourism (attractions and holidays, 2) Business tourism (corporate business base), 3) Further education
- Needs to be tourist attractions at or nearby which would justify / generate hotel occupation and demand.
- Drivers of demand for Cherrywood at present are limited. Why will people want to stay here? Is it access, good quality lower price, tourism driver of some form (mountains), business sector etc?
- With public sector facilitation a hotel project should be feasible in Cherrywood Town Centre – an internationally branded upper tier economy hotel of 100 rooms, broadly positioned as an upper midscale product in the limited-service sector.

## Cherrywood Town Centre - Review and Viability

# Population

### Strong recent population growth 2016 to 2022

- Dun Laoghaire Rathdown: 7%, 21,026 to 233,457; medium term to 2028 c 258,000
- Adjacent areas of Wicklow 9% and South County Dublin 8%

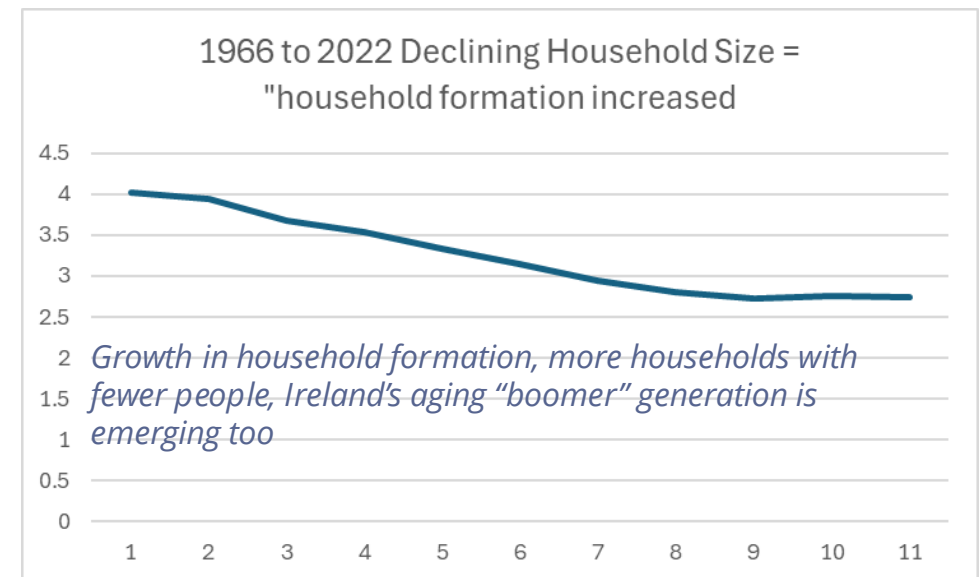
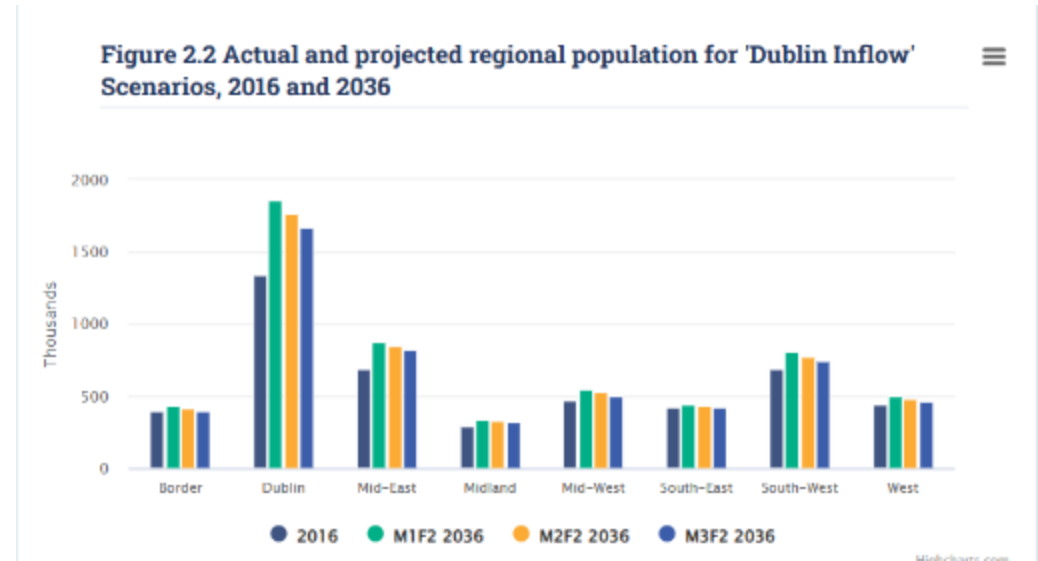
### Population forecasts to 2036 for Dublin remain high

2016: 1,336m

- Low 2031: 1,589,900 (high outflow model)
- High 2031: 1,860,700 (high inflow model)

Share of growth likely to be accommodated in south Dublin, close to Cherrywood?

**Population growth fundamentals remain strong that will continue to support demand for housing and retail sectors such as homewares and lifestyle.**



## Cherrywood Town Centre - Review and Viability

# Property Market Data @ Q1/2 2024

### Rents

- Prime Shopping Centre (e.g. Dundrum/Blanchardstown): €450/€280 p.s.f. Zone A
- Suburban Shopping Centre (e.g. Stillorgan/Nutgrove): €45-€55 for standard units.
- Anchor units would be region €30-€35 p.s.f. in line with grocery rents, depends on scheme.
- Suburban Retail Parks: €25-€30 p.s.f. (Liffey Valley / Tallaght) or €35-€40 p.s.f. (Airside / Blanchardstown, Carrickmines) with quantum discounts of c.30-50% for anchor units
- Suburban high street units (including convenience sub-5,000 sq. ft.): €25-€35 p.s.f.
- Grocery: €30-€35 p.s.f. with a trend towards CPI-linked rent reviews with cap & collar
- Office: Prime suburban rents (south suburbs) are in the region of €30-€35 per sq. ft.

### Yields

- Prime Shopping Centre: 7.00%-7.50%
- Secondary Shopping Centre: 10.00%-11.00%
- Prime Supermarket: 5.50%-5.75%
- Prime Retail Warehouse: 6.00%-6.50%
- Prime CBD Office: 5.00%-5.25%
- Prime Suburban Office: 7.00%-8.00%

## Cherrywood Town Centre - Review and Viability

# The retail challenge

### **Demand has gone for comparison shopping centres**

We do not envisage there ever being a sufficient quantum of occupier demand to sustain a full-blown conventional retail scheme at this location.

We cannot envisage department store anchors looking at this location on terms (see reason below) commercial enough to sustain new development of scale enough to attract sufficient footfall ... nor an adequate volume of additional comparison retailers to make up a viable scheme.

The main reasons for the comparison change would broadly be ;

- Online and omni-channels as additional/alternative form of sale
- Extremely capital-intensive nature of fit-outs; retailers typically look for capital contributions from developer/landlords to offset such costs, only adding to cost
- Existing stock/competition (Dundrum, Carrickmines, Cornelscourt, Stillorgan, Blackrock, Liffey Valley, City Centre etc.) is being “sweated” by these retailers to satisfy their “bricks & mortar” requirements



## Cherrywood Town Centre - Review and Viability

# The retail opportunity

### **Convenience and daily shopping**

We do see reasonable end-user retail demand from convenience and daily shopping/ service retail in Cherrywood generally.

This would extend to probably two supermarkets (Tesco, Dunnes, SuperValu, Aldi, Lidl, Centra) up to anchor size

- Range of 2,000 – 4/5,000 sq.m.
- plus array of supporting daily retail ; pharmacy, newsagents, cafes, hair & beauty, butcher / baker / candlestick maker etc.

However, the likely rents are still going to struggle to support viability ... in particular if podium structures and underground parking is the solution.

### **The challenge with the convenience/daily is timing ...**

The users will probably want to see the built environment (ie ; customers) there first. So help to shift perceptions and grow demand by supporting more residential in key sites such as TCC1 and TCC4, for example more height in this accessible location.

Similarly, you need to work the physical idiom ... supermarkets prefer big open car parks with good visibility. Customers don't love basement parking. Forcing all these retailers onto a variety of new streets and meeting their operational requirements, at viable rents will be no mean feat.

## Cherrywood Town Centre - Review and Viability

# The retail paradox

### Occupiers and consumers want and like larger accessible retail destinations – retail park type destinations

Strong retail demand for retail park but that goes against your planning policy

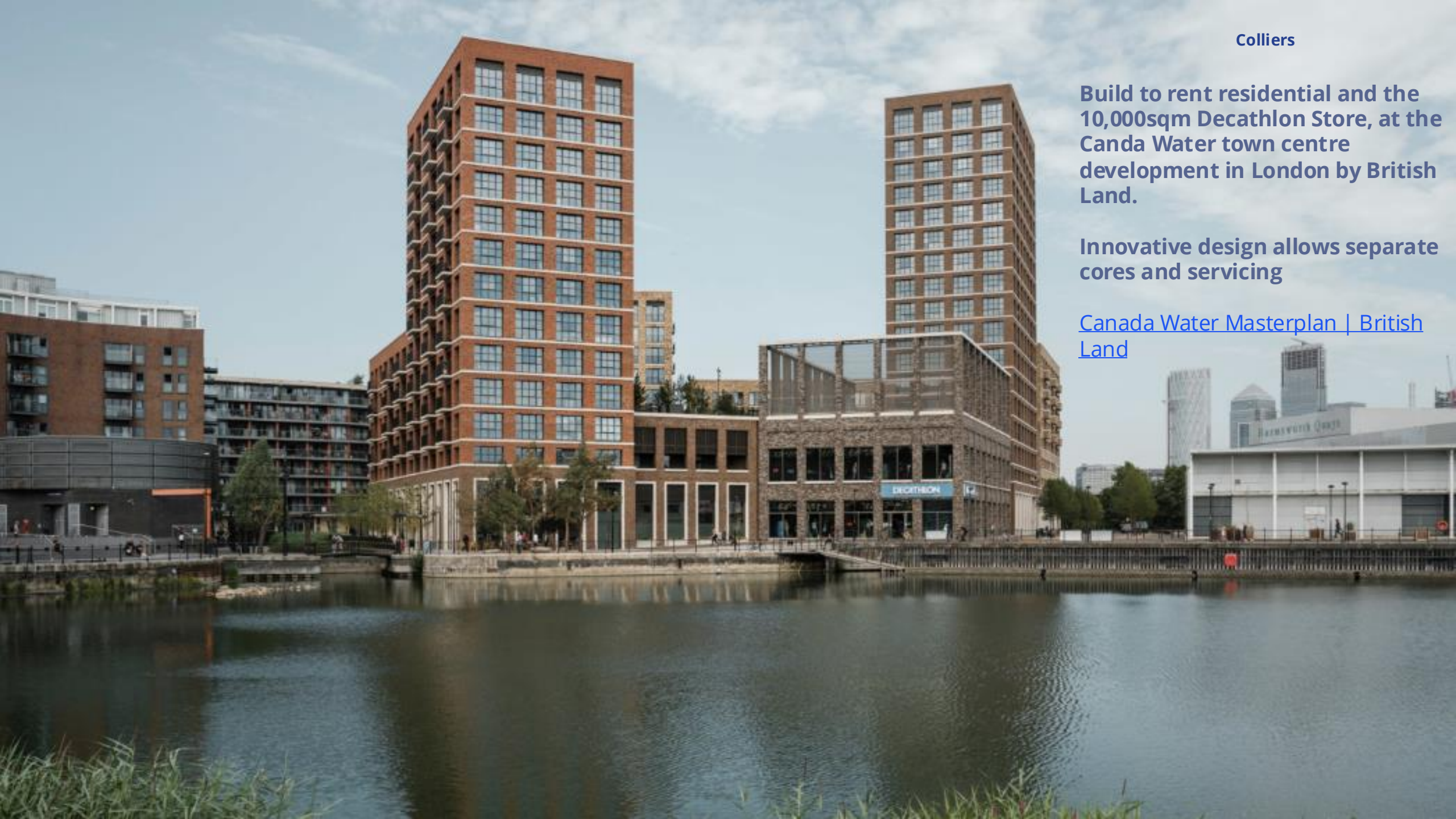
- We would envisage demand from durable-sector retailers (DIY, homewares, electrical, discounters (incl. fashion discounters), sports retailers etc, in this location – notwithstanding the proximity of Carrickmines, Leopardstown and Bray Retail Parks.
- However, the preference for these is lower cost standard retail warehousing construction, with a strong preference to visible surface parking, and significant service/delivery facilities ... hence their out-of-town nature.
- To compound this the retail boxes for these are typically 1,000 – 4,000 sq.m. ... large open footplates, under simple open format frame structures. Inexpensive to build, maintain and service.
- So they don't mix with in-town product, but that is not to say you cannot build additional uses overhead ... whilst there are not many examples in Ireland you could look at Wellpark and in Westgate Retail Parks in Galway.
- There are changes emerging elsewhere in Europe, over the page is a 10,000 sqm (100,000 sqft) Decathlon showcase store in the new town centre project at Canada Water in South East central London. Plus an image of IKEA's new urban format.
- How might these work in Cherrywood and the wider Irish market?

Colliers

**Build to rent residential and the 10,000sqm Decathlon Store, at the Canda Water town centre development in London by British Land.**

**Innovative design allows separate cores and servicing**

[Canada Water Masterplan | British Land](#)





IKEA in Hammersmith town centre, west London, other schemes are emerging in Brighton, Toronto, Copenhagen, Vienna and Stockholm





## Cherrywood Town Centre - Review and Viability

# Funding for retail

From a funding perspective the styles of retailing have changed; convenience and sustainably service retailing users will sign 10+ year leases which are fundable.

### **Comparison retailing has changed forever**

... such retailers (department stores, fashion, footwear, leisurewear etc) avoid risk and wont sign long leases ... typically favouring a max. term of 5 years (and often case 3 years).

In the same vein it has become common that such retailers will only commit as lower, risk-minimising, rents allied to turnover top-up provisions ; and in many instances insist on Total Occupancy Cost or “TOC” leases (this means the retailer will commit to either a % (typically 12-15%) of turnover as its total cost ... incl. rent, rates, service charge, building insurance) ... such arrangements make new-build retail (other than perhaps in prime city centre locations) simply un-fundable.

### **Viability for convenience retail**

What might make the ground level convenience/daily uses viable, would be a sufficient quantum of upper level residential. Although as has been seen in the Irish market, given the design requirements, building regulations, performance specification requirements and indeed tax regime ... allied current interest rates and mortgage lending rules ... apartment development is marginal at best!

## Cherrywood Town Centre - Review and Viability

# Conclusion

- Significantly reduced demand for comparison retail
- Currently market appetite for occupation and investment of suburban and weaker shopping centres is weak, including schemes such as The Square Tallaght and Blackrock, Cork
- Good potential for convenience retail and supermarkets but they will want easy parking and grade level access and visibility – they do not want basements.
- There is demand from traditional retail park type occupiers.
- There are new urban format stores being opened to town and city centres internationally.
- New commercial leisure and entertainment concepts are being incorporated in shopping centres and former department stores in Ireland and internationally.
- How might these work and be incorporated in the next phase of Cherrywood?

December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 3. Viability of the town centre



## Cherrywood Town Centre - Review and Viability

# Property - development and investment

### **You are on a development journey of a very large project**

- At a crossroads in economic and real estate terms and many other factors – technology, social etc
- Interest rates, yields, rents, costs and existing competition mean a shopping centre development is unlikely to be viable
- Historically retail and residential drive viability. What was the viability, especially of the proposed shopping centre, like first time between 2014-19? Having sight of a previous viability assessment will help in understanding where value is being lost and could potentially be created.
- Property market stalled last few years, funding and investment market has been weak, improved conditions in 2025 are expected, which will increase demand, yet this lags behind the market indicators.
- Need to be supplying the facilities hand in hand with the apartments and houses. Very unlikely to ever be a shopping centre. Too close to the competition without offering any differentiators.
- Property moves in cycles, at the time of this report the context for major comparison retail and office space is limited.

***A flexible framework to enable landowners and developers the opportunity to “deliver in accordance with the masterplan”.***



## Cherrywood Town Centre - Review and Viability

# Project viability some fundamentals

We have built appropriate bespoke financial models to test the viability of all plots within Cherrywood town centre. We accept that the existing and advanced TCC1 scheme is probably not viable in its present configuration given the high costs of construction, especially the podium and basement structures.

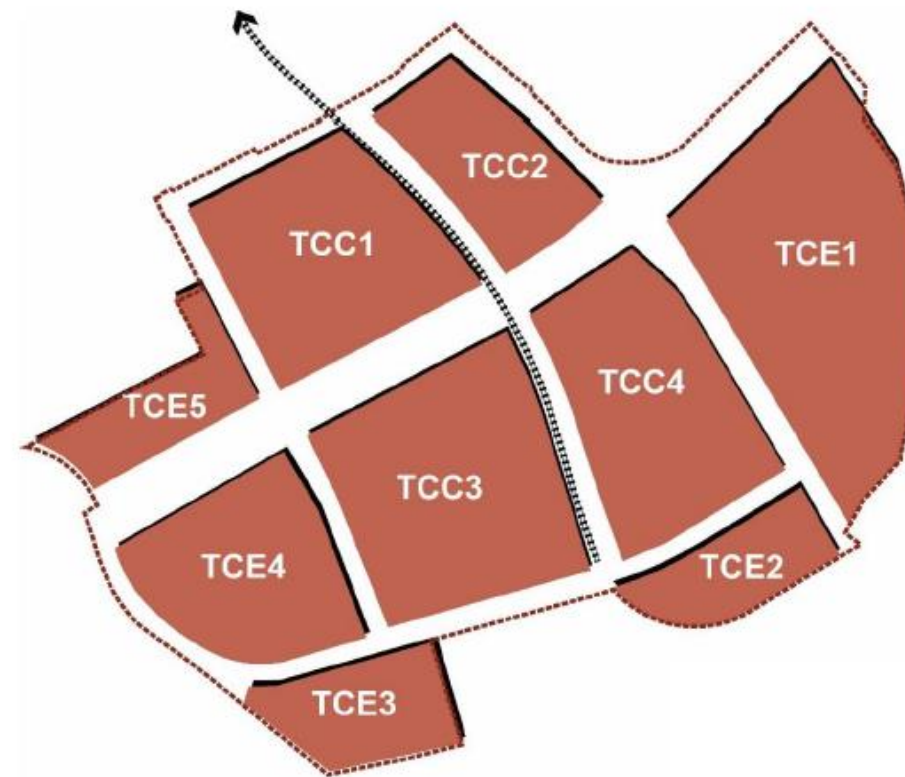
- Capitalisation rates for the proposed commercial accommodation have moved from circa 5.00% out to circa 8.00%.
- Finance rates are also more expensive now than they have been for many years.
- Capital markets (commercial and residential) continue to suffer across Europe, this means long term low levels of investment in commercial real estate especially – mismatch between vendor and purchaser expectations
- Basement costs to create the artificial ground floor in some of the plots will be very high with little opportunity for value generation. On some of the plots approximately 20% of the construction costs are in the basement
- General construction costs and finance have also seen high inflation since the COVID era as has the wars in Ukraine and Gaza
- Structure for the buildings has to go through the basements and into the ground – the podium is not a structural podium. This adds cost to the project.
- If the assumption is made that the below ground costs are fixed (to a certain degree) and the opportunity on the ground floors are maximised, and this relationship is not viable, then it can only be the above ground uses which can be used to balance the fiscal equation.

Property markets move in cycles, at the time of this report the context for major comparison retail and office space is limited.

## Cherrywood Town Centre - Review and Viability

# Development Plots

The following pages discuss the viability for the various development plots, as shown on the plan. Since we commenced work, there has been an updating on the referencing of each development plot, notably the environs.



## Cherrywood Town Centre - Review and Viability

# Exploring your opportunities

- We have utilised the data produced for the redevelopment of each plot and create a model to show the location of each use, including the basements where appropriate.
- In the absence of any detailed plans for the plots, this helps us to visualise the proposed development
- Uses are colour coded to ensure the location of each use is appropriate
- We have used the data within the LOCI reports to configure the different uses, especially at ground floor
- This has helped us to make the recommendations within this report and which has led to the increased residential provision

Plot Ratio Target		2.4		TCC3 - SCHEDULE OF ACCOMMODATION																																					
		11,040				12,240				15,120				14,640				15,600				16,800				14,640				14,160				18,720							
		TCC3-1				TCC3-2				TCC3-3				TCC3-4				TCC3-5				TCC3-6				TCC3-7				TCC3-8				TCC3-9							
Site Area		4,600				5,100				6,300				6,100				6,500				7,000				6,100				5,900				7,800				55,400		132,960	
		North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West	North	South	East	West				
Basement - 2		0				0				5,670				0				0				6,300				0				7,020				18,990							
Basement - 1		0				4,590				5,670				0				5,850				6,300				0				5,310				7,020				34,740			
Ground		690	690	690	690	765	765	765	765	945	945	945	945	915	915	915	915	975	975	975	975	875	910	875	875	916	915	915	915	885	885	885	885	1,170	1,172	1,170	1,170	32,578			
First		518	518	518	518	574	574	574	574	709	709	709	709	686	686	686	686	731	731	731	731	788	788	788	788	686	686	915	686	664	664	664	664	977	676	977	977	25,256			
Second		518	518	518	518	574	574	574	574	709	709	709	709	686	686	686	686	731	731	731	731	788	788	788	788	686	686	915	686	664	664	664	664	977	676	977	977	25,256			
Third		518	518	518	518	574	209	574	574	709	709	709	709	686	686	686	686	731	731	731	731	788	788	788	788	686	686	915	686	664	664	664	664	977	676	977	977	24,891			
Fourth		518	316	518	518	574		574	574	709	709	709	709	686	686	686	686	731	731	731	731	788	788	788	788	686	686	915	686	664	664	664	394	977		977	970	20,950			
Fifth		315								709								765												3,071											
Sixth																														0											
Seventh																														0											
Eight																														0											
		11,154				11,875				16,538				14,640				15,600				16,900				13,954				13,890				17,450				132,000		2.38 3.35	
		-114				365				-1,418				0				0				-100				686				270				1,270							
Retail & Services						765	765	765		945	945	945		915	915	915		975	975	975		875	875											1,170				10,000	10,000	0	
Leisure / Recreation / Tourism														915	915	915				975						3,150	4,825	4,025						3,908	3,200	4,101	5,071	20,000	20,000	0	
Civic & Culture																																						12,000	12,000	0	
High Intensity Employment						1,356				2,835		2,835																		2,974				10,000	10,000	-0					
Residential		2,760	2,874	2,760	2,760	2,295	2,295	3,634	3,544	4,489				2,745	2,745	2,745	3,660	2,925	3,900	2,925	2,925				3,150		3,660	3,660	3,660	3,540	3,540	3,540	3,270	80,000	80,000	0					
																														132,000		132,000 -0									

## Cherrywood Town Centre - Review and Viability

# Project viability – TCC1 B opportunity

- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project.
- The residential element (706 units including 30% affordable) generates good profitability. The residential is 59.70% of the total GIA.
- Basement costs (€55.0 million) are allocated to each element, based upon the proportion of the overall accommodation. Commercial (40%) and Residential (60%).
- The reduction in retail and HIE together with the increased residential delivers a surplus for land and other costs of **€33.8 million**, based upon a developer's return of 17.50% on cost or €74.7 million.
- We have utilised a reduced basement area to assist with delivery and viability.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TC1B	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>351,699,947</b>	<b>150,317,057</b>	<b>502,017,004</b>
Surplus for Land	33,840,000	0	33,840,000
Construction	182,847,284	138,545,366	321,392,650
External Costs	15,542,019	11,776,356	27,318,375
Professional Fees	9,919,465	7,516,086	17,435,551
Development Levies	17,765,659	9,492,287	27,257,946
<b>TOTAL COSTS</b>	<b>259,914,428</b>	<b>167,330,095</b>	<b>427,244,522</b>
Surplus / Deficit	91,785,519	-17,013,038	74,772,482
Profit on Cost	35.31%	-10.17%	17.50%
Profit on GDV	26.10%	-11.32%	14.89%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	45,485,025	0	74,767,791
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	30,000	29.85%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	500	0.50%	
High Intensity Employment	10,000	9.95%	
Residential	60,000	59.70%	
<b>TOTAL</b>	<b>100,500</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	706		



## Cherrywood Town Centre - Review and Viability

# Project viability – TCC3 opportunity

- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project.
- The residential element (941 units including 30% affordable) generates good profitability. The residential is 60.61% of the total GIA.
- Basement costs (€60.50 million) are allocated to each element, based upon the proportion of the overall accommodation. Commercial (40%) and Residential (60%).
- The reduction in retail and HIE together with the increased residential (additional story) delivers a surplus for land and other costs of **€14.35 million**, based upon a developer's return of 17.50% on cost or €92.9 million. This model includes the stabilised value, costs and RLV for a 100-room hotel.
- We have utilised a reduced basement area to assist with delivery and viability.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCC3	Residential	Commercial	TOTAL
<b>Capital Value</b>	<b>468,587,367</b>	<b>155,172,958</b>	<b>623,760,326</b>
Hotel Land Value	0	3,400,000	3,400,000
Residual Land Value	111,216,965	0	10,950,000
Construction	235,766,946	175,880,117	411,647,063
Externals	20,040,190	14,949,810	34,990,000
Professional Fees	19,185,535	14,312,245	33,497,780
Development Levies	22,815,997	10,546,910	33,362,908
Luas Levies	1,181,106	1,750,412	2,931,518
<b>TOTAL COSTS</b>	<b>297,808,669</b>	<b>215,689,081</b>	<b>530,779,268</b>
Surplus / Defecit	170,778,698	-60,516,123	92,981,058
Profit on Cost	57.35%	-28.06%	17.52%
Profit on GDV	36.45%	-39.00%	14.91%
20% Profit on Cost	Yes	No	Yes
Profit on Cost	59,561,734	0	92,981,058
Residual Land Value	111,216,965	3,400,000	14,350,000

SCHEDULE OF ACCOMMODATION (GIA) m2		
Retail & Services	10,000	7.58%
Leisure / Recreation / Touris	20,000	15.15%
Civic & Culture	12,000	9.09%
High Intensity Employment	10,000	7.58%
Residential	80,000	60.61%
<b>TOTAL</b>	<b>132,000</b>	<b>100.00%</b>
TOTAL RESIDENTIAL UNITS	941	

## Cherrywood Town Centre - Review and Viability

# Project viability – TCC3 update

- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project.
- The increased residential element (an additional floor providing a total of 1,141 units (+200) including 30% affordable) generates good profitability. The residential is 65.10% of the total GIA.
- Basement costs (€60.50 million) are allocated to each element, based upon the proportion of the overall accommodation. Commercial (35%) and Residential (65%).
- The reduction in retail and HIE together with the increased residential (additional story) delivers a surplus for land and other costs of **€41.45 million**, based upon a developer's return of 17.50% on cost or €107.7 million. This model includes the stabilised value, costs and RLV for a 100-room hotel.
- We have utilised a reduced basement area to assist with delivery and viability.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCC3	Residential	Commercial	TOTAL
<b>Capital Value</b>	<b>568,074,323</b>	<b>155,172,958</b>	<b>723,247,281</b>
Hotel Land Value	0	3,400,000	3,400,000
Surplus for Land	41,450,000	0	41,450,000
Construction	281,811,224	172,298,338	454,109,563
Externals	23,953,954	14,645,359	38,599,313
Professional Fees	22,932,388	14,020,777	36,953,166
Development Levies	27,660,119	10,546,910	38,207,029
Luas Levies	1,268,629	1,550,857	2,819,486
<b>TOTAL COSTS</b>	<b>397,807,686</b>	<b>214,911,384</b>	<b>615,538,556</b>
Surplus / Defecit	170,266,637	-59,738,426	107,708,724
Profit on Cost	42.80%	-27.80%	17.50%
Profit on GDV	29.97%	-38.50%	14.89%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	79,561,537	0	107,708,724

SCHEDULE OF ACCOMMODATION (GIA) m2		
Retail & Services	10,000	6.71%
Leisure / Recreation / Touris	20,000	13.42%
Civic & Culture	12,000	8.05%
High Intensity Employment	10,000	6.71%
Residential	96,985	65.10%
<b>TOTAL</b>	<b>148,985</b>	<b>100.00%</b>
TOTAL RESIDENTIAL UNITS	1,141	

## Cherrywood Town Centre - Review and Viability

# Project viability – TCE3 opportunity

- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project.
- The residential element (217 units including 30% affordable) generates good profitability. The residential is 47.50% of the total GIA.
- There are no basement costs allocated to this plot. We have assumed that the development will be possible on G and a maximum of six upper floors.
- The development proposals deliver a surplus for land and other costs of **€14.97 million**, based upon a developer's return of 17.50% on cost or €26.7 million.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCE3	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>108,038,687</b>	<b>71,082,365</b>	<b>179,121,051</b>
Surplus for Land	14,970,000	0	14,970,000
Construction	46,075,000	65,232,500	111,307,500
External Costs	3,916,375	5,544,763	9,461,138
Professional Fees	2,499,569	3,538,863	6,038,432
Development Levies	5,561,281	5,107,414	10,668,695
<b>TOTAL COSTS</b>	<b>73,022,225</b>	<b>79,423,540</b>	<b>152,445,765</b>
Surplus / Deficit	35,016,462	-8,341,176	26,675,287
Profit on Cost	47.95%	-10.50%	17.50%
Profit on GDV	32.41%	-11.73%	14.89%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	12,778,889	0	26,678,009
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	0	0.00%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	1,940	5.00%	
High Intensity Employment	18,430	47.50%	
Residential	18,430	47.50%	
<b>TOTAL</b>	<b>38,800</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	217		

## Cherrywood Town Centre - Review and Viability

# Project viability – TCE4 opportunity

- The model shows how the commercial element of the project does not produce sufficient value to create any surplus. There is no residential accommodation in this plot.
- 95% of this plot is high intensity employment (HIE) (75%) and Urb-Comm (20%), with the remainder being retail and services (5%).
- There are no basement costs allocated to this plot. We have assumed that the development will be possible on G and a maximum of six upper floors.
- The development proposals do not deliver a surplus for land and other costs.
- The capital value of €246.2 million does not cover the development costs of €267.8 million. This is one of only two plots which doesn't include residential accommodation.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCE4	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>0</b>	<b>246,203,621</b>	<b>246,203,621</b>
Surplus for Land	0	0	0
Construction	0	218,655,000	218,655,000
External Costs	0	18,585,675	18,585,675
Professional Fees	0	11,862,034	11,862,034
Development Levies	0	18,693,735	18,693,735
<b>TOTAL COSTS</b>	<b>0</b>	<b>267,796,444</b>	<b>267,796,444</b>
Surplus / Deficit	0	-21,592,823	-21,592,823
Profit on Cost	0.00%	-8.06%	-8.06%
Profit on GDV	0.00%	-8.77%	-8.77%
17.50% Profit on Cost	No	No	No
Profit on Cost @ 17.50%	0	0	0
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	3,390	5.00%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	0	0.00%	
High Intensity Employment	50,850	75.00%	
Urb-Comm	13,560	20.00%	
Residential	0	0.00%	
<b>TOTAL</b>	<b>67,800</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	0		



## Cherrywood Town Centre - Review and Viability

# Project viability – TCE5 opportunity

- The model shows how the commercial element of the project does not produce sufficient value to create any surplus. There is no residential accommodation in this plot.
- 95% of this plot is high intensity employment (HIE) (75%) and Urb-Comm (20%), with the remainder being retail and services (5%).
- There are no basement costs allocated to this plot. We have assumed that the development will be possible on G and a maximum of six upper floors.
- The development proposals do not deliver a surplus for land and other costs.
- The capital value of €112.6 million does not cover the development costs of €122.4 million. This is one of only two plots which doesn't include residential accommodation.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCE5	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>0</b>	<b>112,570,977</b>	<b>112,570,977</b>
Surplus for Land	0	0	0
Construction	0	99,975,000	99,975,000
External Costs	0	8,497,875	8,497,875
Professional Fees	0	5,423,644	5,423,644
Development Levies	0	8,514,622	8,514,622
<b>TOTAL COSTS</b>	<b>0</b>	<b>122,411,140</b>	<b>122,411,140</b>
Surplus / Deficit	0	-9,840,163	-9,840,163
Profit on Cost	0.00%	-8.04%	-8.04%
Profit on GDV	0.00%	-8.74%	-8.74%
17.50% Profit on Cost	No	No	No
Profit on Cost @ 17.50%	0	0	0
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	1,550	5.00%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	0	0.00%	
High Intensity Employment	23,250	75.00%	
Urb-Comm	6,200	20.00%	
Residential	0	0.00%	
<b>TOTAL</b>	<b>31,000</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	0		

## Cherrywood Town Centre - Review and Viability

# Project viability – TCE5 update

- The base accommodation for TCE5 did not deliver any surplus. In discussion with the project team, an update has been created which now includes 45% residential accommodation (164 units).
- 55% of this plot is high intensity employment (HIE) (15%) and Urb-Comm (40%), with the remainder being residential. There is no retail or leisure within this plot.
- There are no basement costs allocated to this plot. We have assumed that the development will be possible on G and a maximum of five upper floors.
- The development proposals deliver a surplus for land and other costs of **€11.30 million**, based upon a developer's return of 17.50% on cost or €21.5 million.
- This update illustrates the financial benefit of including an element of residential within each development plot.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCE5 - UPDATE	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>81,651,358</b>	<b>62,969,195</b>	<b>144,620,553</b>
Surplus for Land	11,300,000	0	11,300,000
Construction	34,875,000	55,412,500	90,287,500
External Costs	2,964,375	4,710,063	7,674,438
Professional Fees	1,891,969	3,006,128	4,898,097
Development Levies	4,221,842	4,709,751	8,931,593
<b>TOTAL COSTS</b>	<b>55,253,186</b>	<b>67,838,441</b>	<b>123,091,627</b>
Surplus / Deficit	26,398,172	-4,869,246	21,528,926
Profit on Cost	47.78%	-7.18%	17.49%
Profit on GDV	32.33%	-7.73%	14.89%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	9,669,307	0	21,528,926
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	0	0.00%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	0	0.00%	
High Intensity Employment	4,650	15.00%	
Urb-Comm	12,400	40.00%	
Residential	13,950	45.00%	
<b>TOTAL</b>	<b>31,000</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	164		

## Cherrywood Town Centre - Review and Viability

# Project viability – TCC2 opportunity

- The majority (70%) of this plot has already been delivered. This model utilises the remaining accommodation only. The remaining space will be complicated to deliver with different levels on the remaining two frontages.
- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project, although in this plot the commercial delivers a small surplus (1.79%).
- The residential element (77 units including 30% affordable) generates good profitability. The residential is 39.90% of the total GIA and the smallest residential proportion of any of the plots.
- Basement costs (€5.6 million) are allocated to each element, based upon the proportion of the overall accommodation - commercial (60%) and residential (40%). We have utilised a reduced basement area to assist with delivery and viability.
- The development proposals deliver a small surplus for land and other costs of **€4.16 million**, based upon a developer's return of 17.50% on cost or €11.47 million.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCC2	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>38,336,308</b>	<b>38,675,453</b>	<b>77,011,761</b>
Surplus for Land	4,165,000	0	4,165,000
Construction	18,526,780	30,360,970	48,887,750
External Costs	1,574,776	2,580,682	4,155,459
Professional Fees	1,005,078	1,647,083	2,652,160
Development Levies	2,273,654	3,405,944	5,679,599
<b>TOTAL COSTS</b>	<b>27,545,288</b>	<b>37,994,680</b>	<b>65,539,968</b>
Surplus / Deficit	10,791,020	680,774	11,471,793
Profit on Cost	39.18%	1.79%	17.50%
Profit on GDV	28.15%	1.76%	14.90%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	4,820,425	0	11,469,494
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	2,436	14.92%	
Leisure / Recreation / Tourism	7,375	45.18%	
Civic & Culture	0	0.00%	
High Intensity Employment	0	0.00%	
Residential	6,513	39.90%	
<b>TOTAL</b>	<b>16,324</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	77		

## Cherrywood Town Centre - Review and Viability

# Project viability – TCC4 opportunity

- The majority of this plot has already been delivered. This model utilises the remaining accommodation only. The remaining space will be complicated to deliver with different levels on the remaining frontages.
- The model shows how the commercial element of the project is affecting the profitability and deliverability of the overall project.
- The residential element (241 units including 30% affordable) generates good profitability. The residential is 38.21% of the total GIA.
- Basement costs (€4.5 million) are allocated to each element, based upon the proportion of the overall accommodation - commercial (62%) and residential (38%). We have utilised a reduced basement area to assist with delivery and viability.
- The development proposals deliver a small surplus for land and other costs of **€3.25 million**, based upon a developer's return of 17.50% on cost or €35.6 million.
- This model excludes the impact of time – it is all based upon Day 1 costs and values and excludes a cashflow. The model therefore excludes any finance costs.
- The model also excludes VAT, and any costs associated with the leasing of the completed accommodation – no rent-free periods, no tenant inducements, no agency or legal fees.

Plot TCC4	RESIDENTIAL	COMMERCIAL	TOTAL
<b>GROSS CAPITAL VALUE</b>	<b>119,987,666</b>	<b>119,336,867</b>	<b>239,324,533</b>
Surplus for Land	3,250,000	0	3,250,000
Construction	52,939,008	109,546,742	162,485,750
External Costs	4,499,816	9,311,473	13,811,289
Professional Fees	2,871,941	5,942,911	8,814,852
Development Levies	6,232,069	9,097,709	15,329,778
<b>TOTAL COSTS</b>	<b>69,792,834</b>	<b>133,898,835</b>	<b>203,691,669</b>
Surplus / Deficit	50,194,832	-14,561,968	35,632,864
Profit on Cost	71.92%	-10.88%	17.49%
Profit on GDV	41.83%	-12.20%	14.89%
17.50% Profit on Cost	Yes	No	Yes
Profit on Cost @ 17.50%	12,213,746	0	35,646,042
<b>SCHEDULE OF ACCOMMODATION (GIA) m2</b>			
Retail & Services	1,926	3.59%	
Leisure / Recreation / Tourism	0	0.00%	
Civic & Culture	425	0.79%	
High Intensity Employment	30,789	57.41%	
Residential	20,489	38.21%	
<b>TOTAL</b>	<b>53,629</b>	<b>100.00%</b>	
TOTAL RESIDENTIAL UNITS	241		



Cherrywood Town Centre - Review and Viability

# Conclusions – surplus achieved

## The study area is a challenging context, but all plots show a development surplus

Our modelling indicates that whilst development is challenging at the present time, almost all plots in the study area show a development surplus.

- The changes made to the composition of the sites during 2024 has made a significant difference to the viability and deliverability of the various plots.
- However, TCC1B, TCC3 and the remainder of TCC2 and TCC4 remain challenging, especially due to the large differential in ground levels.
- The need to construct very large basements adds to the complexity of development on these sites, which in reality means that the whole of the plot requires designing in advance of construction.
- The use of these floors for car parking and both commercial and residential servicing remains, yet these uses provide little value to offset the cost. With so much accommodation at and above ground across the whole of the town centre, there is little demand to occupy accommodation underground.
- These are very large plots and whilst much of the road infrastructure has been delivered, TCC3 is over 5 ha and delivery will be complex and expensive, with long construction periods before occupation is possible.
- Screen shot to the right illustrates the TCC3 development model.

Dun Laoghaire Rathdown County Council					
CHERRYWOOD TOWN CENTRE & ENVIRONS - TCC3 - Additional Residential Units					
Date: 01/12/2024					
<b>CAPITAL VALUE</b>					
<b>Residential</b>					
<b>Build to Rent</b>					
			70.00%		
Studio	91	units @	21,000	€ per annum	1,916,880
1 Bed Apartment	228	units @	24,900	€ per annum	5,682,179
2 Bed Apartment	456	units @	30,840	€ per annum	14,075,374
3 Bed Apartment	137	units @	40,320	€ per annum	5,520,614
Studio - Affordable	23	units @	14,700	€ per annum	335,454
1 Bed Apartment - Affordable	57	units @	17,430	€ per annum	994,381
2 Bed Apartment - Affordable	114	units @	21,588	€ per annum	2,463,191
3 Bed Apartment - Affordable	34	units @	28,224	€ per annum	966,107
	1,141			Total Gross Rental Income	31,954,181
				Less Management @ 20.00%	25,563,345
				Capitalised @ 4.50%	568,074,323
					<b>568,074,323</b>
<b>Commercial</b>					
Hotel	100	rooms @	170,000	per room	17,000,000
					<b>17,000,000</b>
Retail - GF	9,000	m2 @	325.00	pm2	2,925,000
Retail - Basement	0	m2 @	100.00	pm2	0
				Capitalised @ 7.50%	39,000,000
					<b>39,000,000</b>
Office	8,000	m2 @	325.00	pm2	2,600,065
				Capitalised @ 7.25%	35,862,966
					<b>35,862,966</b>
Leisure - GF & Above	14,800	m2 @	150.00	pm2	2,220,000
Leisure - Basement	0	m2 @	150.00	pm2	0
				Capitalised @ 7.50%	29,600,000
					<b>29,600,000</b>
Culture - GF & Above	10,800	m2 @	200.00	pm2	2,160,000
Culture - Basement	0	m2 @	150.00	pm2	0
				Capitalised @ 7.00%	30,857,143
					<b>30,857,143</b>
Car Parking - Basement	300	Spaces @	625.00	per annum	187,500
Park & Ride	200	Spaces @	850.00	per annum	170,000
				Occupancy 66.50%	237,738
				Less Management @ 10.00%	213,964
				Capitalised @ 7.50%	2,852,850
					<b>2,852,850</b>
				<b>TOTAL CAPITAL VALUE</b>	<b>723,247,281</b>
<b>DEVELOPMENT COSTS</b>					
<b>Site Acquisition Costs</b>					
Residual Site Value					41,450,000
Hotel Site Value					3,400,000
				<b>TOTAL ACQUISITION FEES</b>	<b>44,850,000</b>
<b>Construction Costs</b>					
Basement	53,730	m2 @	1,125	pm2	60,446,250
Hotel	100	Rooms @	120,000	per room	12,000,000
Commercial	38,800	m2 @	2,750	pm2	106,700,000
Office	10,000	m2 @	3,250	pm2	32,500,813
Residential (Private)	77,588	m2 @	2,500	pm2	193,970,000
Residential (Affordable)	19,397	m2 @	2,500	pm2	48,492,500
External Costs inc Bridge				@ 8.50%	38,599,313
				<b>TOTAL CONSTRUCTION COSTS</b>	<b>492,708,875</b>
<b>Professional Fees &amp; Payments</b>					
Contingency				Included in above	
Professional Fees		@	7.50%		36,953,166
S49 Luas Residential	3.61	@	351,774		1,268,629
S49 Luas Commercial	1.93	@	802,047		1,550,857
Development Levies (S.48)		@	7.75%		38,207,029
				<b>TOTAL PROFESSIONAL FEES &amp; PAYMENTS</b>	<b>77,979,681</b>
				<b>TOTAL DEVELOPMENT COSTS</b>	<b>615,538,556</b>
<b>PROFIT</b>					
				Profit	107,708,724
				Profit on Costs (%)	17.50%
				Profit on GDV (%)	14.89%
Dun Laoghaire Rathdown County Council 01/12/2024					

## Cherrywood Town Centre - Review and Viability

# Conclusions – at a point in time only

### **Property markets move in cycles, the current context is sluggish and uncertain but prospects in 2025 are improving**

- This viability exercise has been undertaken at a point in time. We have not inflated any of the costs or values and takes account of the general economy, the micro-location and the property market in Ireland and across western Europe.
- We have not undertaken any marketing of the location or the opportunity nor any demand exercise.
- Market data has been provided by the Colliers office in Dublin.
- Property markets are cyclical and local and national markets are presently recovering from profound economic shocks of the last fifteen years. There is a more optimistic feeling in the general economy, the property and fiscal market, probably more so than at any time since the global pandemic.
- The demand for office accommodation remains variable. However, the demand for new Grade A accommodation is increasing. As vacancy within the city centre reduces, rents will rise, and occupiers will start to look outside the city centre. Cherrywood is well positioned to benefit from this potential shift in demand, with available sites, a clear planning proposition and infrastructure in place. Viability will improve for the developers as demand increases.
- The delivery will remain challenging. These are complicated sites to deliver, yet all indications point towards an easing of the financial markets, an increase in capital market volumes back to the pre-pandemic levels.
- The availability of good quality apartments and houses across Cherrywood, with social infrastructure and amenities in place and planned will provide an attractive alternative to existing markets for residents, a new workforce and visitors alike.

December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

4. Strengthening the town centre destination



## Cherrywood Town Centre - Review and Viability

# Your current Town Centre destination

**Attractors/Products:** weak demand for commercial office, hotels, what else can drive consumer/market demand?

**Services:** Yes, amenities in but more possible, limited retail, leisure and entertainment a present, always difficult in this context

**Infrastructure:** Lots of hard infrastructure in plus superb parks, great access, capacity constraints

**Management:** Who will curate, needs an active group, like a Dublin Docklands Development Authority to activate, animate and tell the stories.

**Brand:** Has the vision and place brand been lost? Probably needs refreshing for key audiences and markets, Get all singing from the same hymn sheet

**Markets:** Clarity of who this can be for, see Brand

**Sustainability:** Appears to be mainstreamed in terms of ESG but lots of concrete (podiums, decks - huge amount of embedded carbon?)





## Cherrywood Town Centre - Review and Viability

# First principles for town centres

### Core principle

- We want more people working in, living in, shopping in, spending leisure time in, and visiting the town centre.
- Physical development projects are part of the wider town centre destination, they should not be progressed in isolation, there will be many softer interventions social, community, landscape, activation etc.

### Objective

- Visiting the town centre must be an attractive experience, resulting in more visits, vibrancy, increased dwell time, repeat visits and spend.

### Any town centre has three main strategies

1. Brand & Promotion
2. Management & Partnerships
3. Development and improvement

### Product and brand development for town centres

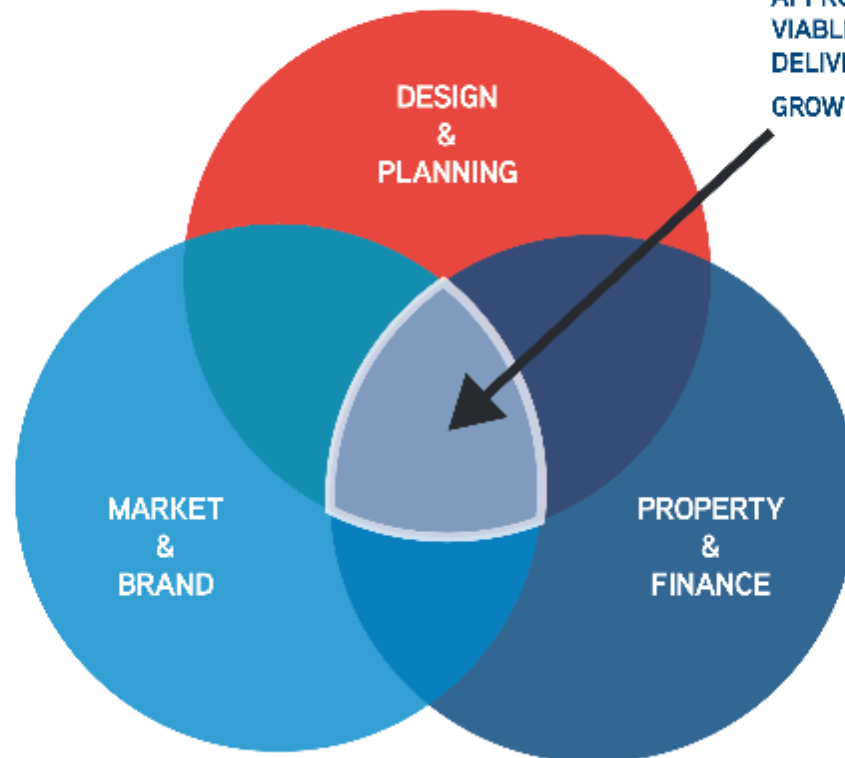


## Cherrywood Town Centre - Review &amp; Viability

# Your placemaking challenge at Cherrywood

## PLACEMAKING NEEDS

LEADERSHIP  
PEOPLE & COMMUNITIES  
PARTNERSHIP  
CREATIVITY  
INNOVATION  
ASSET STRATEGY  
INFRASTRUCTURE  
TECHNOLOGY  
SUSTAINABILITY  
MANAGEMENT



## GREAT PLACEMAKING

APPROPRIATE  
VIABLE  
DELIVERABLE  
GROW INCOME & VALUE

***Flexibility** is a fundamental element of place making in any context. Whether flexible spaces, trying new uses or activities to find out what is appropriate for your town centre context.*

*In an era of major change and this applies to the planning and design of the Cherrywood SDZ. Developers will need the confidence they will be able to deliver appropriate and viable property that can deliver the desired place making outcomes.*

## Cherrywood Town Centre – Review &amp; Viability

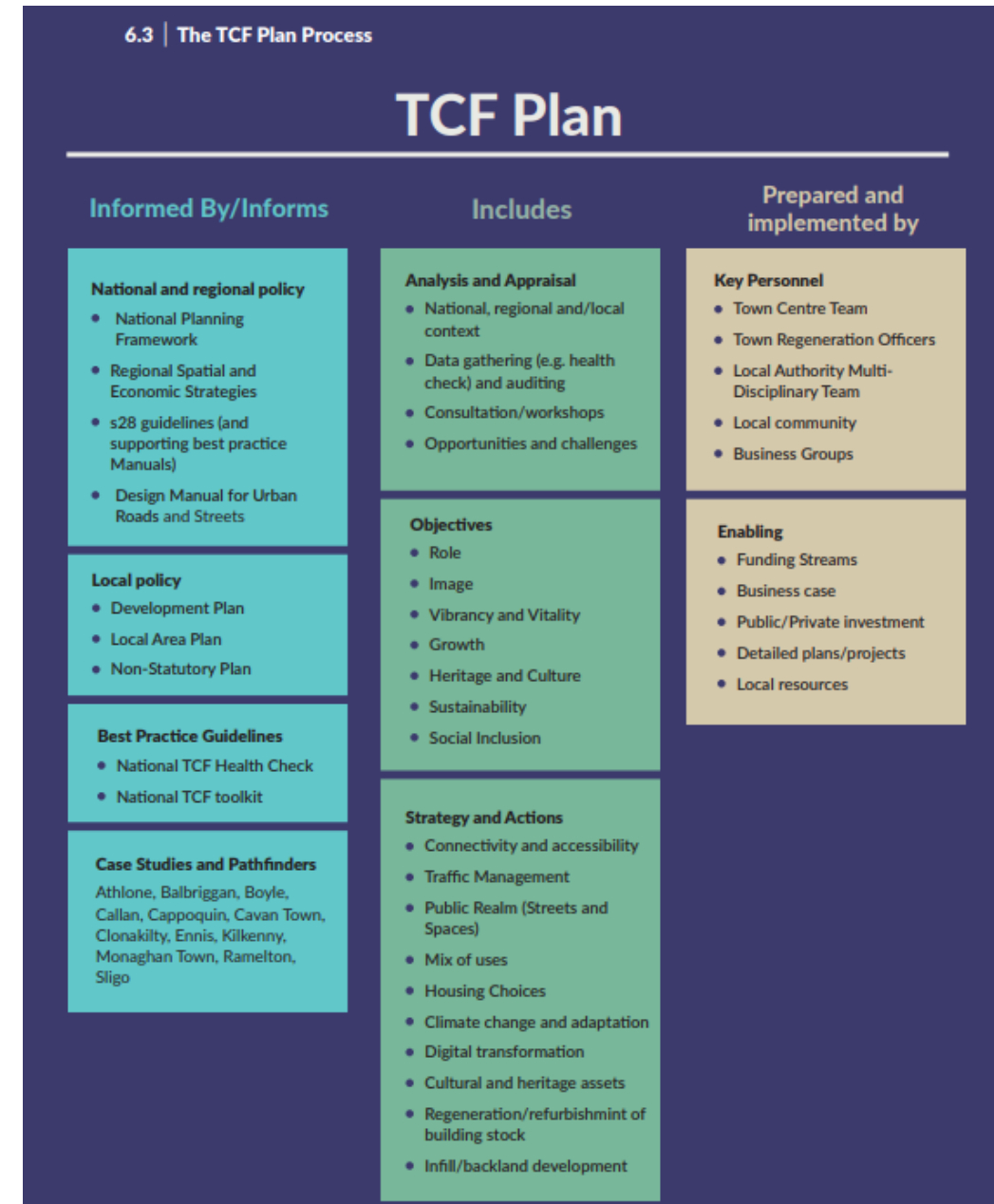
# Town Centres First

Recent and accelerated response to the challenges of Ireland's, towns and villages, represents a strong urban agenda. Are there learnings and relevance to a new town such as Cherrywood?

- Role
- Image “place brand”
- Local community
- Consultation
- Economic strategies
- Town centre team

## Some good practice

- Ennis 2040 designated activity company (DAC)
- Clonakilty and Westport urban design
- What else has Cherrywood learnt from other town centres in Ireland?



# Huge amount of town centre work in Britain

## British town centres – “crisis on the high street!”

- Out of town, competition, online, costs, congestion and uninspiring “clone town” experience
- Last 20 years, numerous independent and government sponsored reviews such as *Portas and Grimsby*
- Core insight “reimagine” not “save” and consider the era before “chain stores” <1920’s and town shopping centres >1960’s

## Consensus on what this means

Less retail, more civic, food & beverage, leisure, entertainment, culture, education, community & social, business space, tourism, play and residential. Smaller lengths of retail high streets, with greater mix, less about retail, as high streets used to be.

- Encouragement of independent retail
- Plus, shared indoor and outdoor programmable spaces for events and activities
- Market adjusting to the new reality, with significantly less retail demand and corresponding fall in retail asset values.
- Developers and investors testing out new mixes of uses in previously standard shopping centres and retail units,
- In many locations unlikely to have the same rents and values as the “traditional town centre shopping centre”
- Interventions: Management (BID’s), Brand & Marketing, Planning flexibility, Active LA’s and town teams

***Relationship between intown and out of town retail continues to change. In Ireland perhaps more independent within existing town centres and large domestic and international brands went into out of town retail parks/new shopping centres from the 1990’s***



## Cherrywood Town Centre - Review &amp; Viability

# Potential gaps

Opportunities	Challenges
Scale	In between location
Access - road and public transit	Commercial property market demand
Mountains, coast & city	Economic/social/technological etc change
Residential - more	Lots of hard infrastructure/edges/roads
New open spaces and “urban” parks	Poor permeability & legibility
Innovative residential blocks	Why visit, repeat visits and increase dwell time
The differentiator(s)	Competition
Integration not separation (ie. parks)	The heart of the town centre -the experience?
Civic & community links to existing communities/economies	Creating and sustaining a strong value level
Retail, leisure, creative, cultural, recreation, education, tourism	Ownership and planning
High quality international and domestic investor developers	Construction costs and rents

Cherrywood Town Centre - Review & Viability

# Destination Assessment



Great parks



**Cherrywood.ie**  
by DLR Properties

DLR active



Access

Appeal?



## Cherrywood Town Centre - Review & Viability

# Destination Assessment

Lots of heavy infrastructure, how about the soft infrastructure to drive placemaking?

Scale, space are significant, potential meantime uses



## Cherrywood Town Centre - Review and Viability

# Benchmarking – high growth towns

## Ireland

Ashbourne

Adamstown

Ballincollig

Newbridge

Naas

Swords

Tallaght

## Britain

Kings Hill, Kent

Milton Keynes, Buckinghamshire

Greenwich Millennium Village

Ebbsfleet Garden City, Kent

Cardiff Bay

## Around the world

Almere, The Netherlands

Marne La Vallee, Paris, Fr

Messestadt Riem, Munich, Ger

Curitiba, Brazil

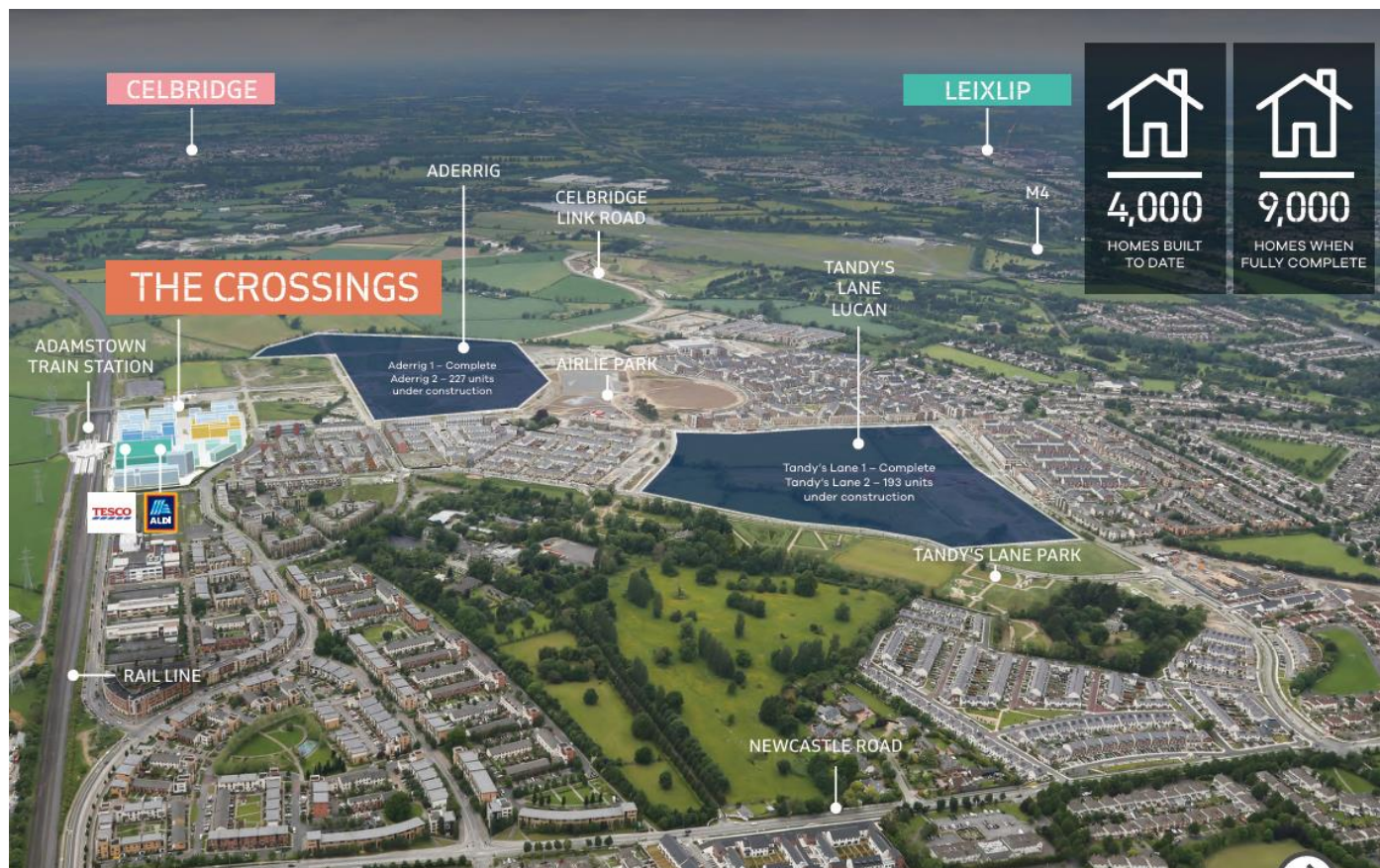
## British town centres

- Last 20 years, numerous reviews such as *Portas and Grimsby*
- Core insight “reimagine” not “save” and consider the era before “chain stores” and town shopping centres
- Less retail, more civic, food & beverage, leisure, community & social, business spaces and residential
- Plus, shared spaces for events, activities, meetings, culture, education, civic, tourism and play
- Interventions: Management (BID’s), Brand & Marketing, Planning flexibility, Active LA’s



## Cherrywood Town Centre - Review and Viability

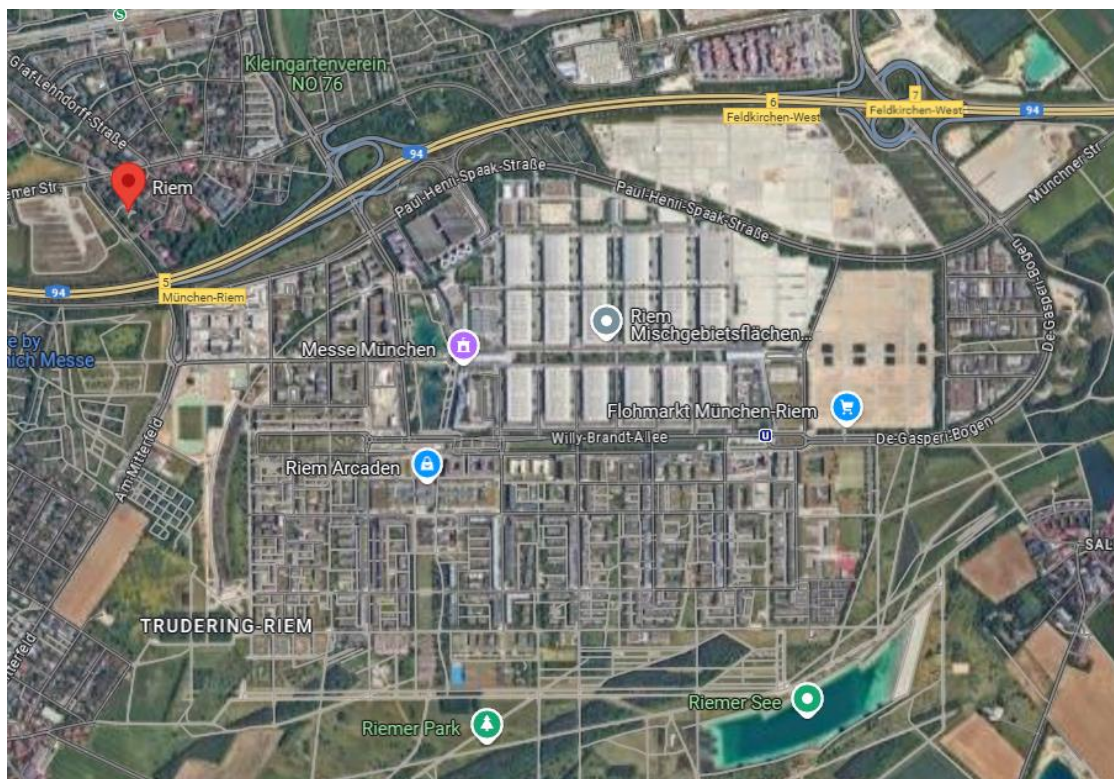
# Adamstown - retail often takes time



- Adamstown was conceived in the early 2000's and construction started prior to the financial crisis.
- It is only in the last 2 years that Tesco's and Aldi stores have opened, both in relatively large simple blocks within the town centre.

## Cherrywood Town Centre - Review and Viability

# Messestadt Riem – convention city



This new town to the east of Munich is on the site of the former Munich Airport.

Now the location of one of Europe's largest convention and exhibition centres and a successful residential district.

An area that mixes big boxes in commercial zone and of course the convention centre plus a finer grain in the residential areas.

Developed following the closure of the airport in 1992 and largely completed within 25 years.

Riemer Park, a park developed in 2002, in 2005, it hosted Germany's "Bundesgartenschau", a biennial horticultural show, that helped to continue the place making initiatives.



## Cherrywood Town Centre - Review and Viability

# Ebbsfleet Garden City - integration



Ebbsfleet, south-east of London, is bringing together a number of existing settlements with large scale brown field lands. A separate development corporation has been created to deliver on the Ebbsfleet Central, “town centre”

## The masterplan

### WHERE LONDON MEETS THE GARDEN OF ENGLAND...

The Thames tide flows quickly past Ebbsfleet’s grasslands, quaysides and chalk cliffs, providing a dramatic landscape rich in history. The towns of Northfleet, Swanscombe and Greenhithe have developed on the back of medieval ship building, quarrying and riverside industry, and retain strong local identities and cultural heritages.

Today, the Ebbsfleet area covers a network of former quarries and industrial sites criss-crossed by railways, that sit between the River Thames and the A2/M2 motorway. The idea of major development at Ebbsfleet has been in the pipeline for over 20 years. The choice of

Ebbsfleet for an International railway station in the 1990s initiated a series of sub-regional and local planning policy initiatives, and enabled major mixed used planning applications to come forward. These planning permissions for the larger development sites are based upon flexible parameter plans and maximum capacity calculations, and Ebbsfleet Development Corporation wishes to see this capacity maximised.

These outline planning permissions and emerging proposals form the basis for the Implementation Framework and the associated delivery strategy for Ebbsfleet and the wider regeneration area, known as the ‘masterplan’.

# Differentiation - strengthening the town centre

## **Adding more value – differentiation – the destination effect**

- Subject to detailed design and financial due diligence, we consider that value would be added to the town centre with a richer mix of uses and potentially uses of genuine destination appeal- greater product and brand differentiation
- Potential to add value through a re-focussed/repositioned “destination” development and marketing strategy.
- Blocks TCC1, 2 & 4 will have their own appeal essentially focused on residential, comparison/convenience retail and business space. In , they are being advanced by a globally experienced (and connected to occupiers/operators) investor developer.
- Block TCC3 is of such scale that in addition to the much needed residential, you could facilitate a unique mix of civic, social, leisure, entertainment, recreation and tourism uses with superb public realm/parkland, that is a significant existing differentiator for the wider Cherrywood area.
- Using your public sector powers the potential to partner with national agencies, such as Fáilte Ireland, to establish an “iconic attraction” that might be looking for a home - convention/exhibition, art gallery, museum, visitor centre.
- Plus, you might be able to support the viability of an international standard visitor attraction. For example, the French new town of Marne La Vallee, is the home of Disney Land Paris. Is there scope to explore an appropriate opportunity for Cherrywood?
- Cherrywood has the accessibility by road and public transport, meaning it has catchment demographics that are likely to appeal to numerous commercial and third sector attractions.



# A fresh Cherrywood Town Centre story?



## Place Brand & Marketing strategy

- Too many projects focus on engineering, design, property and finance etc at the start
- Focus on your vision, place brand and propositions for your end users.
- It is all about people!
- A big project communicating with potential markets.
- You have the product emerging but need a boost for **Cherrywood 2.0**

*What do people say about Cherrywood Town Centre?*

# Why? Sell me your city, town, region



10 years on and with this review it is clear Cherrywood needs to refresh its offer, experience and reputation to potential residents, wider Irish market place, government, occupiers and operators.

You need to move the needle in how people see Cherrywood, how it is evolving and growing to appeal to audiences, markets and support a new value level.

City Regions, City Districts and large urban development projects around the world are establishing brand and marketing strategies to be a **great place to live, visit, invest and study.**

This is not just about logos and straplines, it is detailing your vision, experience, offer and reputation and the master plan for its delivery to **leverage investment** and grow returns whatever the measure. You are at a different level to some of these examples but the principle and thought process applies to Cherrywood, especially as you are a large project seeking to attract large uses of the type not seen in this area before



**Guinness Quarter**



**HORGAN'S QUAY CORK**



# Cherrywood Town Centre – Review and Viability

## Selling Cherrywood

All landowners, investors, developers and businesses have an interest in promoting Cherrywood. Do each of the voices need to be brought together to tell a stronger story to drive market appetite from residents, existing, new, incoming businesses etc?



### GRESB

GRESB assesses and benchmarks the Environmental, Social and Governance (ESG) performance of real assets worldwide spanning stakeholder engagement, building certification, waste management, energy consumption, water use, materials, risk management and reporting. The Hines team recently achieved a GRESB score of 92/100 (5 stars), which was the highest score in Europe and we are excited to continue to build on this success.



### WELL Community

Cherrywood Town Centre is on track to be Ireland's 1st Well Community and the 3rd Well Community registered in Europe. The WELL Community, from the International WELL Building Institute, measures 10 key metrics including Air, Water, Light and Sound to promote the development of health-focused, integrated and supported communities.



### BREEAM

BREEAM stands for Building Research Establishment Environmental Assessment Methodology and is one of the world's leading sustainability assessments for masterplan projects, infrastructure and buildings. Following a recent evaluation of our apartment development, we received a BREEAM Excellent score for our first phase of development design.



### Home Performance Index

The Home Performance Index ("HPI") provides a label for quality sustainable residential development, complementing existing schemes used in the commercial sector such as BREEAM. Developed by the Irish Green Building Council ("IGBC") the Home Performance Index stamp of approval provides a robust and nationally tailored green home label aligned with Ireland's climate action plan, and goals.



### Near Zero Energy Building

Nearly Zero Energy Buildings ("NZEB") are highly efficient buildings with extremely low energy demand. The nearly zero or very low amount of energy required should be covered to a significant extent by renewable energy sources.



### ESG Policy

From the start, we have felt a responsibility to the future and a drive to do things better. Hines APG Cherrywood is committed to implementing a best practice approach to minimise construction and operational environmental impacts, while promoting energy efficiency, health, wellness and social inclusivity, to deliver a high performance ESG strategy that is integrated with the overall investment strategy.



### Considerate Constructor Scheme

The Considerate Constructor Scheme (CCS) is a voluntary scheme for construction companies to demonstrate their commitment to the environment, health and safety, and to the community. The scheme is managed by the Construction Industry Training Board (CITB).



### Local Employment

A local community employment programme has been implemented during the construction of the project.



### Urban Greening and Biodiversity

Cherrywood has seen the planting of more than 2,000 trees and considerable urban ecology and habitat. In the landscape, habitat corridors, green roofs and green walls ensure an ongoing commitment to ecological diversity and improved urban amenability.

- ESG and environment big part and even bigger than 2014
- Embedded carbon especially in all the podiums and a clash with the sustainability, wellness and other targets
- How does Cherrywood marketing land against other locations in the Greater Dublin Area?
- Is there the need to tell a new story and developing fresh tactical marketing and PR? If yes, you need your updated narrative about Cherrywood and crucially its town centre.



Cherrywood Town Centre – Review and Viability

# Existing propositions, still valid, others?

**Creating harmonious communities, that enable people to live their best lives.**



HOME | ENJOY LIFE! | DEVELOPMENT LAND | AVAILABLE SP



# CHERRYWOOD

DUBLIN

Living Sustainability Parks & Community Retail



CHERRYWOOD  
DUBLIN





## Cherrywood Town Centre - Review and Viability

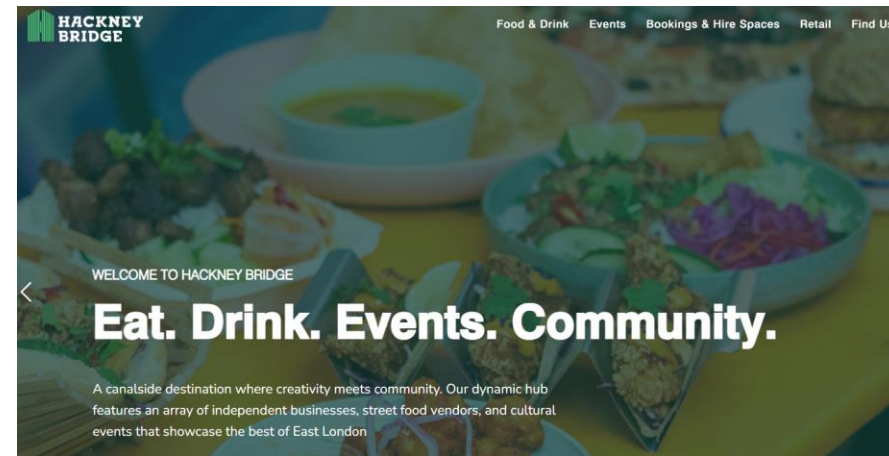
# Projects to activate the Town Centre?

As part of Ireland's Town Centres first initiative, projects are emerging in town centres. Often (public and private partnerships) in shared mixed-use spaces with the purpose of strengthening communities, growing businesses., celebrating culture and heritage. Longford has proposals for the Connolly Barracks, see the work of the VQ in Cork. The Well, Tallaght, CHQ and Digital Hub in Dublin.

In East London, around the Olympic Park, there has been huge urban "new town" development. Two projects with the business growth, culture, heritage and shared community space purpose are Hackney Bridge and The Lab E20.

Is there scope for similar project(s) in Cherrywood?

*"We create uniquely designed public destinations where communities, local entrepreneurs and independent, local businesses come together to work, learn, grow and collaborate. We make these spaces as affordable as possible, and we actively connect our Members (tenants) with each other and the community around them."*



**T H E  
L A B  
E 2 0**

*Located at 3-4 East Park Walk, The Lab E20 is East Village's new flagship for experiential retail, cultural exhibition and creative workspace, with a focus on positive fashion and sustainable living.*

*Designed by Christopher Raeburn, founder of RÆBURN, the 3,500sq ft and double-heighted space in Stratford plays host to events and experiences with various cultural partners for residents and wider community.*

# Conclusion - Cherrywood 2.0

## Selling the Town Centre

***“Located at the heart of the largest urban development in Ireland, Cherrywood Town Centre presents an opportunity for the development of an exciting mixed use town centre including a retail destination and new homes.” Source: Cherrywooddublin.com***

The town centre should be the hub and showcase of the wider Cherrywood project. Have you the detailed guide, experience masterplan for Cherrywood 2.0 (and each of the likely emerging projects “neighbourhoods”) to guide end user appeal to deliver successful commercial and community outcomes?

- What type of place you want Cherrywood 2.0 to be, its purpose and meaning, your differentiators of why people and business will come plus how your people will have pride in Cherrywood in their town centre. This is a crucial part of your development journey, and we do not think Cherrywood Town Centre has this nailed down.
- Flowing from this this should also inform the type of development and use mix for your transformational projects. The experience, offer & reputation is your narrative and place brand
- A refreshed place branding and marketing strategy can help to drive market interest, faster residential sales/lettings and to drive values/rental growth.
- This will help to guide future development work streams and help residents and other users of Cherrywood to “buy” into the town and the projects, help leverage investment from the public and private sectors and bring out your differentiators.

## What might a proposition be

***“Cherrywood Town Centre - where Dublin meets the Mountains and the Sea” ???***

A high quality, good value, great Dublin region lifestyle opportunity.

- Shared spaces
- Parklands
- Innovation
- Community
- Sustainability
- Net zero
- Access for all, step free
- Space to succeed and grow

*People, businesses and visitors will say “Cherrywood Town Centre is great, I want to live/work/visit/study or set up my business in Cherrywood Town Centre.*

December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

5. Town centre use concepts



## Cherrywood Town Centre - Review & Viability

# It is about users – alternate themes

### **4 strong themes for differentiation and space occupation at Cherrywood?**

If not retail, what might it be that would work for the Cherrywood location and the spaces available?

Understanding where demand might come from is crucial, who will be the users of commercial and business spaces? There needs to be a mix of top down (importing demand) and crucially bottom up (grow your own) initiatives.

We have considered the potential of

1. Civic
2. Life Sciences
3. Media & TV
4. Tourism, recreation, entertainment and leisure.

We believe this is where there might be good potential to attract a critical mass of uses that pay a commercial rent to support viability, will create differentiation and appeal to the local, regional and national market. Some uses might also be a good fit within the basement spaces.



## Cherrywood Town Centre - Review & Viability

# Civic, Cultural, Community

### **This crucial role in terms of delivering people and supporting civic pride**

- Medical/Primary Care – undersupplied in all locations. HSE requirement for approx. 50-60,000 sq. ft.
- Relocation of County Hall and/or some functions
- Library – contemporary third spaces
- Central Government uses relocation
- Local, national and international cultural institutions, a local museum, art gallery, other types of cultural and artistic installation. What national or other stories might be told at Cherrywood? Reserve collections of National Museum Ireland, National Art Gallery, reserve collections of Irish relevance from museums in the UK and USA?
- Sports and special interest facilities GAA, Tennis, Bowling, Dance other similar sports and social centres, what might the new Irish requirements be for cultural centres/spaces?
- Community hubs and halls
- Civic spaces, squares and plazas, plus meantime uses that will all need management and activation

Your role to provide the leadership with national agencies, third sector, domestic and foreign to support potential partnerships and attract these primarily non-commercial rent payers to Cherrywood. They will be crucial in destination development, attracting footfall, repeat visits and longer dwell times and supporting property value growth across the scheme.

## Cherrywood Town Centre - Review and Viability

# Life sciences

### Life Sciences is a hot sector but why Cherrywood compared to other locations?

- You have a high growth company on site plus a large US based investor developer of office and business space which owns most of HIE. This is a good base
- However, the actual potential of Cherrywood to be a significant Life Sciences location given the competition and their advantages. Does Cherrywood have strong foundations that some of the best Life Sciences locations offer?
- Cherrywood offers the talent readily available in its catchment BUT does it offer the other assets and attributes that a serious Life Sciences or Innovation district should offer the market? The answer is NO !
- On site academic institution, R&D labs, corporate, HSE, Government/3rd sector facility
- Life Sciences real estate is a difficult occupational property and takes time to succeed.
- Is there scope for multiple significant Life Science hubs/Innovation Districts in Ireland given proposals in Waterford, Cork, Kildare Innovation Campus plus what Limerick and Galway might do? Plus the emerging proposals around Trinity and Grand Canal Dock

### **Bringing South Dublin's life science opportunity to life**

Spear Street Capital launches new cluster strategy for The Campus Cherrywood, catering for life science startups, scaleups, corporates, training and research organisations

## Cherrywood Town Centre - Review and Viability

# Work with others?

### A Dublin Innovation Corridor?

If Cherrywood did want to become part of Dublin's Life Sciences and Innovation District story, the best strategy would be to work with others in a corridor south from Dublin City Centre.

- Trinity, UCD, Sandyford and Cherrywood

All might bring strengths that would show a project of genuine global scale plus provide a property solution for businesses at all stages. An idea to drive investment, transport, occupation, profile and elevates Cherrywood into other strong established locations?

The business space developer and operator are likely to be leading many initiatives in their US and other global locations, they might have occupiers looking for a European base – in time.

- Connecticut Innovation Corridor [AdvanceCT](#)
- Manchester's Oxford Road Corridor [Oxford Road Corridor | Manchester's Knowledge Quarter](#)
- UK Innovation Corridor – London to Cambridge [UK Innovation Corridor – Home](#)

A big move would be attract a university of faculty to Cherrywood to add authenticity that would bring people, money and crucial the credibility for an Innovation Corridor to build on the existing occupation success.



## Cherrywood Town Centre - Review and Viability

# Film & tv?

### Hollywood, Pinewood and ..... Cherrywood

- Ireland's TV and film studio offering, growing sector globally and Ireland has a strong track record
- An attractive use for Cherrywood and a catalyst for more business growth?
- Further rationalisation of the RTE campus in very high value Donnybrook. IN Q4 2024 RTE issued a significant property services tender to interrogate all aspects of their land and property holdings.
- MBS Studios- "Greystones Media Campus" on greenfield site in Wicklow
  - Ardmore & Troy Studios, 44 acre, €300m+ project
- Lots of news in 2022, quiet since, is the project progressing and has the opportunity gone?

#### Hollywood-style film studios planned for Dublin

Scheme has potential for 3,000 jobs and site earmarked on former Irish Glass Bottle plot



#### Greystones Media Campus - the country's biggest film and tv studio - to open in 2024

Updated / Thursday, 7 Apr 2022 14:19



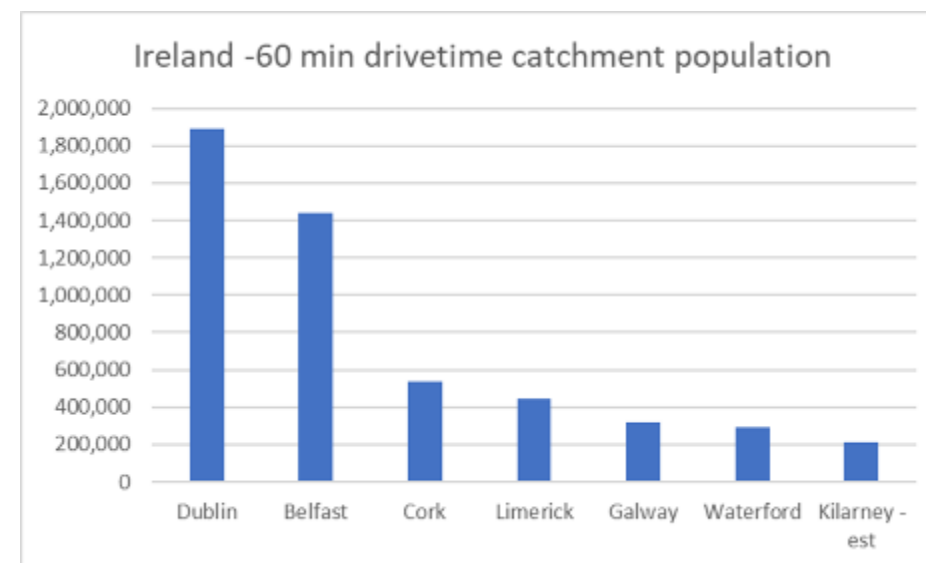


## Cherrywood Town Centre - Review and Viability

# Tourism, Recreation, Entertainment & Leisure

### Destination Cherrywood - adding fun and sizzle

- Some entertainment, leisure and recreation uses pay commercial (comparable to retail) rents. "Competitive Socialising"
- In shopping malls across North America and the UK they are a core element of repurposing Can Cherrywood establish a position to work with four major assets?
  - Road accessibility with a catchment population probably now greater than 2 million within 1 hour
  - Cherrywood is between the mountains and sea
  - Dublin City Centre c 30 minutes via LUAS
  - In 2019, 9.7 m overseas visitors attracted to Dublin, Fáilte Ireland forecast 2026 before this is reached again.
  - Can Cherrywood get on the itinerary of both domestic and overseas visitors?
  - Cherrywood to add more critical mass to south Dublin's tourism, recreational, entertainment and leisure offer



*Demographics Ireland, 2019*

# Cherrywood Town Centre - Review and Viability

## Repeat visitors - more commercial uses



## Cherrywood Town Centre - Review and Viability

# Tourism Dublin Strategy 2023-27

### An opportunity for Cherrywood?

*It's 2033 and Dublin ranks in the top 3 of its competitive set\* with tourists choosing to visit because of its uniqueness as a vibrant city centre nestled **between mountains and a UNESCO bay**,*

*Both domestic and international tourists are staying longer and doing more, enjoying experiences that surprise and delight, from distinct "urban villages" across the city, each with a unique experience to offer, to **an easily accessible mountain** offering overlooking the city-scape, and a bay peppered with characterful coastal villages, built heritage and water adventures. There is lots to see and do, both day and night, with iconic attractions, best in class experiences, world class food, live music and events, internationally renowned festivals and unrivalled nightlife. Locals are at the heart of the authentic visitor experience, as they share their stories and their city in an engaging and inherently Dublin way. Visitors can navigate their way seamlessly across the region using **ticket-less public transport** and wayfinding that is accessible in their own language*

*Dublin is made up of distinct geographies across the region – the bustling city centre nestled **between the mountains and a UNESCO bay, each at differing stages of tourism development**. Dublin needs to grow its appeal to new markets, including key domestic segments, while also continuing to develop and enhance experiences that will encourage visitors to do more while they are here*

*Failte Ireland, Dublin Strategy 2023-33*



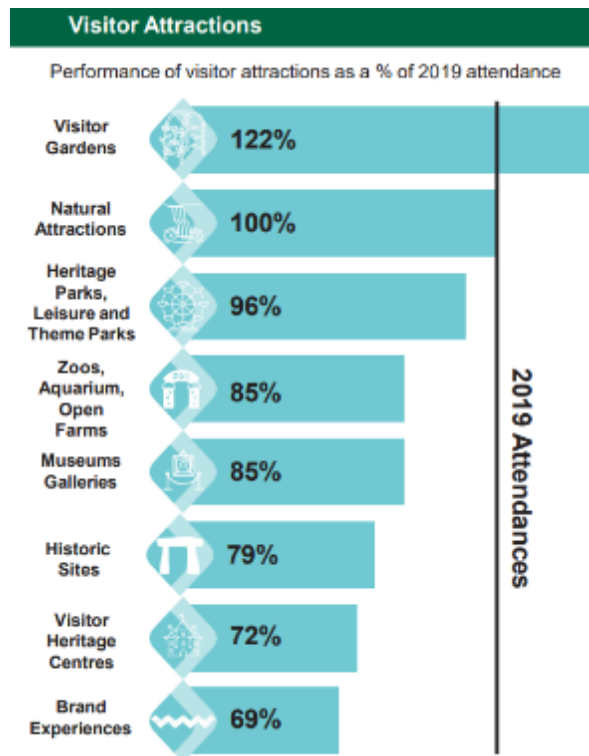
DUBLIN CITY CENTRE	MATURITY LEVEL – ENHANCING
DUBLIN COASTAL VILLAGES	MATURITY LEVEL – PROGRESSING
DUBLIN MOUNTAINS	MATURITY LEVEL – PIONEERING

**Align with Mountains?**

# Cherrywood Town Centre - Review and Viability

## Future trends

Could Cherrywood accommodate some of these “uses”, themes in its large spaces, what might it mean in terms of product development? Below is what visitors were doing pre pandemic and recent performance





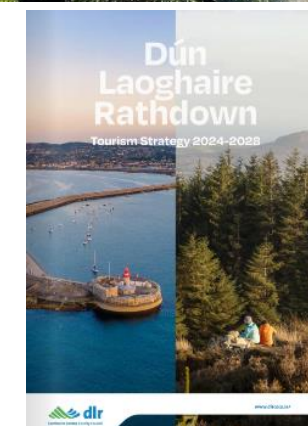
## Cherrywood Town Centre - Review and Viability

# Tourism product development

This might need capital and/or revenue cost subvention. Some might be appropriate for the basement spaces. Interrogate

- Venue: perhaps a multi-purpose event centre/arena/exhibition centre.** music/entertainment, sports, conference and gala banquet and exhibitions venue. See Fáilte Ireland requirement. Large growth in live events – music, comedy, and live shows. Manchester recently opened a major second arena. COOP Live. See many US, UK and continental European cities, See the NEC in Birmingham, England, UK.
- High **quality parkland music venue**, similar to the Milton Keynes Bowl, Hollywood Bowl. Programmable for various events and activities that DLRCoC might attract.
- High quality **Motorhome/Recreation Vehicle site “Air de service”** for Dublin.
- A **national museum and/or gallery**, what might National Museum Ireland have in reserve collections or other international museums – Science Museum, Smithsonian etc
- Dublin (and Wicklow) Mountains Visitor Experience.** See your own recent Tourism strategy and Fáilte Ireland strategy for Dublin with **an iconic cable car** into the Dublin Mountains. Dublin Mountains Base Camp”. A hub for mountain activities – hiking, walking, cycling etc. Potentially enabling funding from a significantly increased quantum of residential. A predecessor business of Colliers prepared a study in the mid 2000’s, from Sandyford. Revisit this, perhaps its time has come? Urban cable cars have been evolving in recent years and proving popular
- Potential for a **sport’s/recreational governing body HQ**, perhaps a relocated national Tennis Academy (plus Padel), Mountain Biking or other sports/activity that can not be accommodated at the National Sports Campus.
- Stadium.** Might there be a sports team/club looking for a new home - with supporters backing?
- Garden Centre.** South Dublin and County Wicklow are home to many of Ireland’s leading garden’s, have Ireland’s best garden centre with a horticultural education hub. Partnership with RHSI and RHS Wisley/others?

DUBLIN CITY CENTRE	MATURITY LEVEL – ENHANCING
DUBLIN COASTAL VILLAGES	MATURITY LEVEL – PROGRESSING
DUBLIN MOUNTAINS	MATURITY LEVEL – PIONEERING



## Cherrywood Town Centre - Review and Viability

# Commercial Entertainment

### Potential uses at Cherrywood to fill the shopping centre gap and basement uses

- A consolidated Entertainment Centre with a mix of many of the previous examples. The best and biggest in Ireland. Good mix of commercial uses that generate repeat visits
  - Competitive Socialising variants
  - Sports variants
  - National Snooker and Darts centre
  - Padel and Pickleball both fast growing
  - Health & Wellbeing – work well with the bay and mountains
  - Nightclub/Dance hall (revisiting heritage in Ireland)
  - Arena/Event Centre for music, comedy and live events

Other shopping centres have some provision but not the critical mass that Cherrywood could offer.

- Surf Park operators are interested in Ireland, want to be in the Greater Dublin Area, potential at Cherrywood?
- Potential for a Wellbeing destination, such as Therme Group, proposals in Manchester, Glasgow and elsewhere in Europe.



## Cherrywood Town Centre - Review and Viability

# Wellbeing - A destination project



### THERMEGROUP

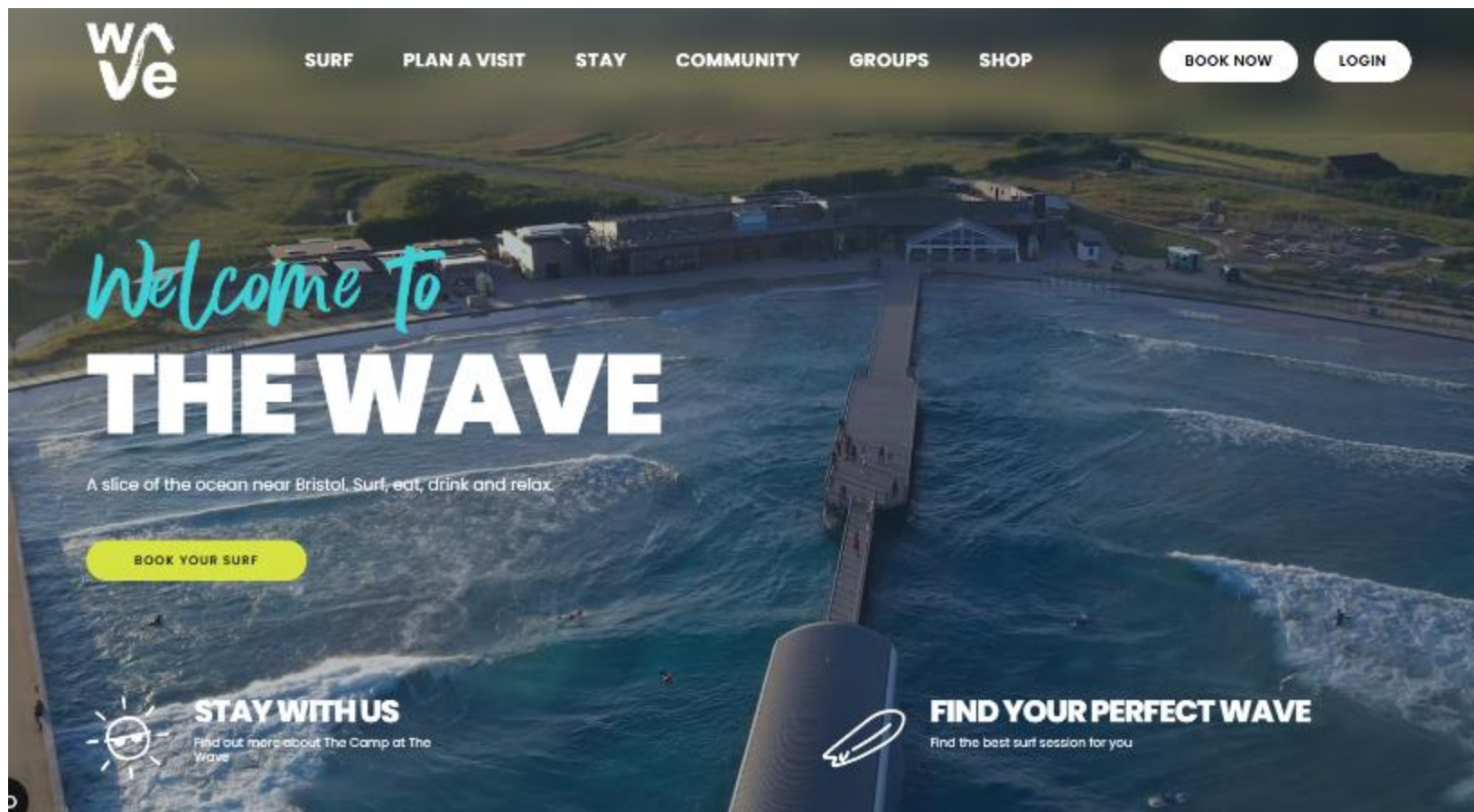
- Therme Group, leading development of “mega health and wellbeing centres
- Operational in Germany and Eastern Europe
- Projects in Canada, Asia and UK (Manchester & Glasgow)
- Large space users, c 50,000 sqm (GIA)





Cherrywood Town Centre - Review and Viability

# Surfpark - A destination project



- Expanding around the world
- Technology advancing
- Operators keen on Ireland but want to be in the Greater Dublin Area
- Project in Scotland under construction and completed in Bristol.



## Cherrywood Town Centre - Review and Viability

# Conclusion - use concept themes

### Needs to establish differentiator(s) and shift perceptions

Symbolic use concepts to shift perceptions and grow demand might be on the following themes

- Tourism & Recreation. Countryside and nature. “Base camp Dublin mountains”. Revisit the cable car idea, access to Mountains and recreational opportunities. Business tourism a large exhibition and convention centre
- Parkland & Shared spaces. Urban farm as a meantime use. See Detroit and other “city farms” Extend park into the town centre. See Nottingham and Stockton on Tees and Brent Cross, north London “urban park” proposals
- Commercial Leisure. A large casino (commercial BUT perception and issues) Surf Park, major lake for leisure uses, competitive socialising hub. Event Centre/theatre. Milton Keynes Bowl shifted perceptions in the 1970/80’s
- Further education, a new faculty or university – domestic or international?
- Culture and heritage – museum, gallery and visitor experience, looking for a home, garden



December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 5. Conclusion



## Cherrywood Town Centre - Review & Viability

# Conclusions on a special scheme

### **Guidelines to help refresh and position Cherrywood 2.0 for future success**

- Excellent development platform created with a leading global masterplan investor & development partner.
- Plus, a strong business space investor along with public sector land ownership and participation.
- A project of international scale that can attract new users to be part of the stronger Cherrywood story.
- Ability to bring forward a large amount of space, (residential) relatively quickly, plus other uses that Government and its agencies can support.
- Attractive lifestyle opportunities with easy access to the coast, Dublin Mountains and city centre.
- A high quality, very accessible, value for money residential community in an attractive part of the Greater Dublin Area.
- Excellent road connections with immediate access to the national motorway network.
- Well-supported by public transport to the heart of Dublin City Centre.
- A masterplanned scheme that could orientate to new market sectors, occupiers and consumer markets.
- Significant amount of space to accommodate new uses facilitated with a more flexible approach.
- These uses might be iconic and reflect the fresh experience, offer and reputation of Cherrywood 2.0

### **Fundamental barriers**

The proposed podium and basement spaces on remaining TCC1 sites and the TCC3 block are a huge cost and without refinement will impact viability and market appetite for development. Great place making and public realm can be provided without the high cost of podiums.

The scale of TCC3 and TCE lands suggest they are the “problem” and require reimagining in the short/medium term; Retaining the existing podium design approach across TCC3 is likely to mean a funding gap will need to be closed. You don’t need to do all today but ensure flexibility for the future to adapt to new market realities.



## Cherrywood Town Centre - Review & Viability

# Actions

### Strategic – supporting delivery at pace

1. Blocks TCC1, TCC2 & TCC4 are progressing, adapt to more residential for completion. To facilitate the major investor developer's ability to continue to deliver at pace, agree a new profiling and design solution of **remaining TCC1** sites to reduce the high costs of the podium structures. Adjust the level of retail, business space and commercial entertainment/ leisure uses to that which your investor developer believe to be appropriate for the future.
2. **TCC3 reimagine.** "Pause" to understand where change and demand will come from. Do not impose a rigid framework, consider a new profiling, designation, occupation, design and development solution to reduce the high costs and risks of the podium and basement structures.
3. **TCE5 (HIE5).** A pragmatic change would see HIE 5 allocated to either residential or mixed use. There is an adjacent park, residential, a proposed school and on TCC1 an amenity rich environment within the next five years should be completed. For other HIE blocks facilitate more flexibility, for example, the proposed "urbcomm" designation that should support business uses and services often located in the environs of a town centre.

### Catalyst – shift perceptions, increase interest, drive footfall and vibrancy

5. For TCC3, investigate civic, cultural, social, education, creative, leisure, meantime and tourism uses (including a hotel) catalyst projects to support the Town Centre destination.
6. Tell a stronger story of the Cherrywood Town Centre and environs experience – a refreshed place brand and marketing strategy – to define your differentiation and narrative of why people, businesses and others should choose Cherrywood Town Centre and its environs.
7. An onsite showcase and viewing area telling the Cherrywood story, past, present and future to really engage the market and residents.

### Practical Initiatives – a fresh definition of the Town Centre, its differentiation, vibrancy and placemaking opportunity

8. Investigate a partnership with your investor developer partners for an innovative shared space for community, cultural, creative and business activities and growth. Probably a meantime project to add some sizzle and excitement, the Town Centre needs this.
9. Town Team, management/curation of the Town Centre for branding, marketing, events, activities, meantime uses and the public realm.
10. Prepare short actionable strategies for your brand, cultural, civic, tourism, meantime and management of the Town Centre.



December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

Appendices



December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 1. Planning & Building Height



Cherrywood Town Centre - Review & Viability

# District Centre Designation

## **District Centre Designation Cherrywood SDZ Planning Scheme 2014 (updated July 2023)**

The Cherrywood SDZ Planning Scheme notes that the Cherrywood Town Centre will provide a mix of uses in a sustainable and diverse fashion including comparison retail, retail services at a District Centre level and a large convenience outlet (Chapter 2 page 10).

## **Dun Laoghaire-Rathdown Development Plan 2022-2028**

As per the Retail Strategy for the Greater Dublin Area 2008 – 2016, the retail hierarchy set out in the Dun Laoghaire-Rathdown Development Plan 2022-2028 (Development Plan) consists of five 'District Centres' including Cherrywood alongside Blackrock, Stillorgan, Nutgrove and Cornelscourt.

Table 7.2 of the Development Plan sets out overall strategy for Cherrywood as a District Centre: 'Support the ongoing development of a fully mixed use sustainable town centre in accordance with the approved SDZ Planning Scheme.'

Such centres/towns would generally range in size from 10-25,000 sq.m. of lettable retail space catering for a population of 10,000-40,000



## Cherrywood Town Centre - Review &amp; Viability

# Height and Density

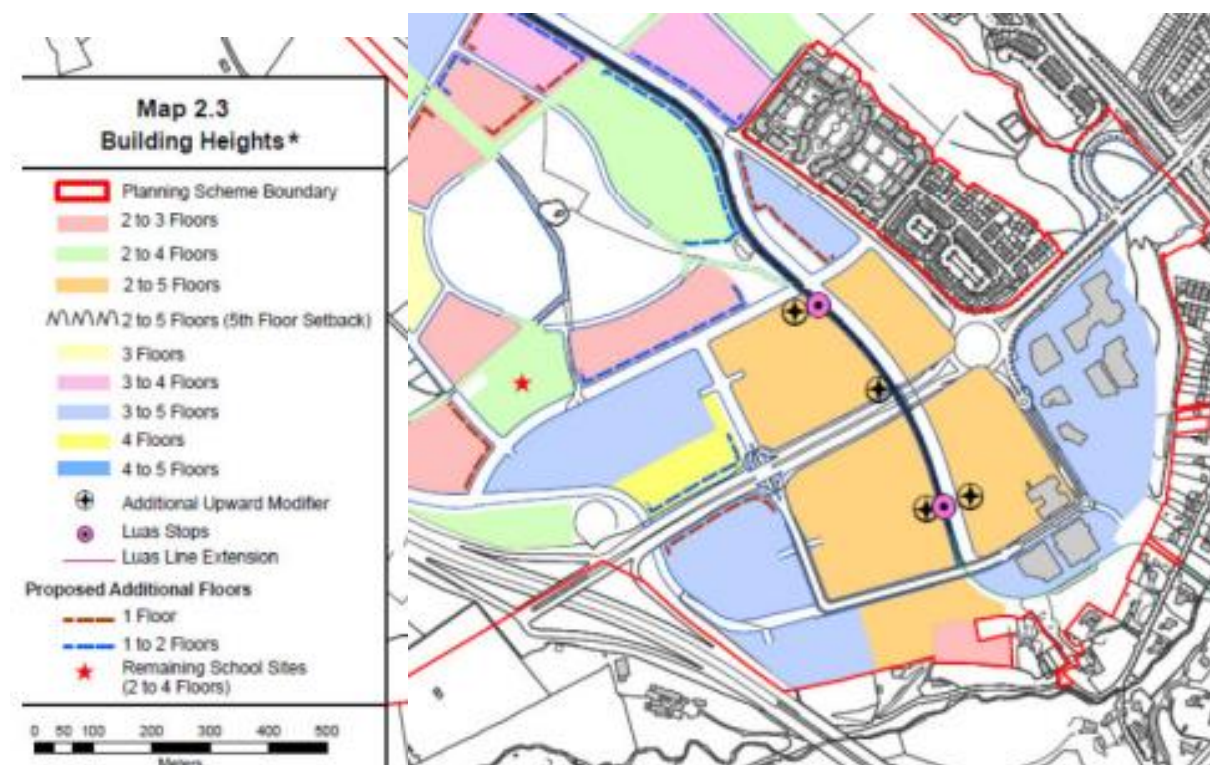
Building Height & Density Review of the Cherrywood SDZ Planning Scheme 2014 was undertaken in May 2021 which sought to increase building heights in certain locations within the Cherrywood SDZ. This amendment is referred to as Proposed Amendment No. 8.

Within the Cherrywood SDZ plot ratio is used to measure the scale of development for mixed use Town and Village Centre areas within the planning scheme. Cherrywood Town Centre, as per lands shown in orange below in Fig-1, has a minimum plot ratio of 1:1.7 to 1:2.3 with a minimum – maximum site coverage of 50 – 80%, and a minimum height of 2 no. storeys and a maximum height of 5 no. storeys.

It is an objective of the overall planning scheme to propose height in accordance with map to the right.

We believe to support viability and place making this should be modified and support more height in the town centre areas

Cherrywood Building Heights Diagram, SDZ Scheme 2014





December 12<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

2. Example commercial entertainment and leisure uses



Cherrywood Town Centre - Review and Viability

# Commercial Entertainment

Go-Karting attraction e.g. [www.funplanet.ch](http://www.funplanet.ch)

- Up to 3,000m<sup>2</sup> (track 600m to 1,000m long)

Indoor Glow Golf e.g. [www.glowgolf.nl](http://www.glowgolf.nl)

- Up to 500m<sup>2</sup>

Indoor 'Pop-Up' attractions e.g. Hidden House attraction at Westfield

Up to 500m<sup>2</sup>

- Shell & core delivered by developer
- Turnover or preferential rent agreement with operator





## Cherrywood Town Centre - Review and Viability

# Urban Golf



- Various examples all over the world - No natural light required
- Perfect for underground accommodation
- Meetings / conferences / private parties
- F&B available
- Approx \$40 - \$80 per hour (max 8 people)
- Approx 12 hours a day



# Crazy Golf



- Various examples all over the world - No natural light required
- Perfect for underground accommodation
- Meetings / conferences / private parties
- F&B available (€50 packages)
- Approx €15 per round per person
- Approx 12 hours a day





## Cherrywood Town Centre - Review and Viability

# Escape rooms

### PanIQ Room – Global



- Started in Hungary, now all over the world
- Full service bar and lounge – up to eight different rooms
- Approx \$40 per person
- Franchise available
- Open 15 hours a day
- Team building / corporate events
- Good tourist attraction



Cherrywood Town Centre - Review and Viability

# Axe throwing, darts etc



## Axe Throwing – Global

- Various examples all over the world - No natural light required
- Secure environment required
- Individual / Group / Corporate
- Male / Female – No children
- Growing social exercise
- F&B incorporated



## Cherrywood Town Centre - Review and Viability

# Karting – real and model cars



## Electric Karting – Global

- Various examples all over the world
- Little or no natural light required – rebirth for old industrial buildings
- Various global brands including [TeamSport](#) and Supreme Race Karting
- Possible on the -3 level
- Generally, require column free environment
- Multi-level complex could work across all three floors, but little or no room for anything else



- F&B and other leisure can be incorporated





# Comedy Club

- Various examples all over the world
- Perfect for underground accommodation
- Public / Private hire
- Very flexible spaces
- F&B available – adult audience





## Cherrywood Town Centre - Review and Viability

# Family entertainment centre

### Family Entertainment Centre

- Up to 10,000m<sup>2</sup> as a major multi-activity centre
  - Climbing / Ropes / Zips / Canyoning / Caving / FlowRider Surfing / Diving / Clip n' Climb / Kids indoor adventure centre / DyMoRide Extreme Simulator / Skate Centre / Party Rooms / Cinema / Soft Play / F&B
- Typically shell & core delivered by developer
- Turnover or preferential rent agreement with operator

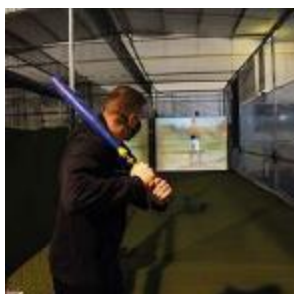


## Cherrywood Town Centre - Review and Viability

## Sports

- Pure Skill, Galway
- Team Sports. Soccer Attraction e.g. TOCA Social, Football Planet Dubai [www.theplaymania.com](http://www.theplaymania.com) or Bubble Soccer [www.bubblesoccer.ae](http://www.bubblesoccer.ae) (up to 2,000m2) [TOCA Social](http://www.tocasocial.com)
- Sixers Social Cricket [Sixes Social Cricket | Let's Play! | Sixes Social Cricket \(sixescricket.com\)](http://Sixes Social Cricket | Let's Play! | Sixes Social Cricket (sixescricket.com))
- Chelsea Piers - multi sports facility in Manhattan
- Padel & Pickleball

# TOCA Social



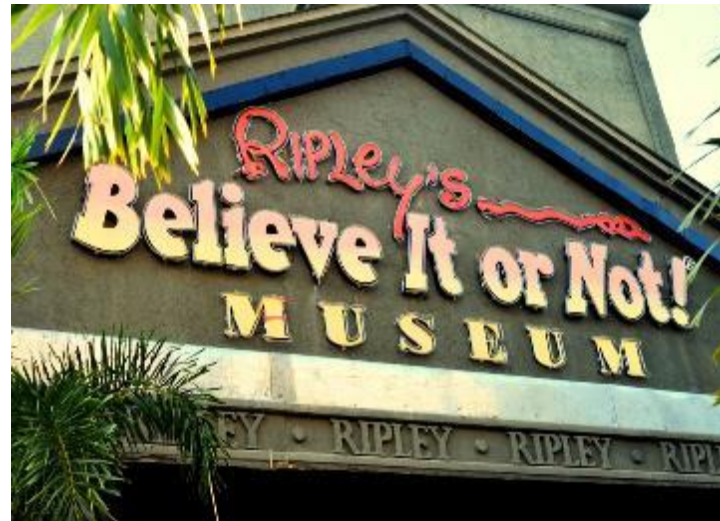
## Cherrywood Town Centre - Review and Viability

# Established branded attractions

- Established Family attractions e.g. Madame Tussauds / Shrek / Ripleys Believe It or Not e.g. [www.merlinentertainments.biz](http://www.merlinentertainments.biz)
- 1,000m<sup>2</sup> to 2,000m<sup>2</sup>
- In partnership with Merlin or Ripleys.
- Likely to require shell & core delivered & turnover or preferential rent
- Kidzania 7,000 sqm at Westfield Shepherds Bush, London, closed early in 2024
- Good user of basement spaces



The logo for KidZania, featuring a stylized 'K' in red and orange followed by the word 'idZania' in red.





## Cherrywood Town Centre - Review and Viability

# New branded IP attractions

New IP attractions e.g. Top Gear? Beatles? Harry Potter?  
Bond? Game franchise?

What might Irish contemporary culture opportunity be?

- 1,000m<sup>2</sup> to 2,000m<sup>2</sup>
- In partnership with IP holder. Likely to be fully delivered and retained by developer
- Operator on management contract





## Cherrywood Town Centre - Review and Viability

# Event Centre and Theatre

- Purpose built c. 2000 seat musical theatre venue e.g. [www.bluman.com/universal-orlando/about-the-show](http://www.bluman.com/universal-orlando/about-the-show) (up to 5,000m<sup>2</sup>)
- Multi-purpose music and entertainment venue, capacity 2,000 to 4,000 - E.g. IndigO venue at O2 London. [www.theo2.co.uk](http://www.theo2.co.uk) (up to 5,000m<sup>2</sup>)
- Large scale multi-purpose venue, capacity 10,000+ within major resort hotel – E.g. [www.mandalaybay.com/entertainment/venues.aspx](http://www.mandalaybay.com/entertainment/venues.aspx) (up to 25,000m<sup>2</sup>)





# Gymnasium – Global

- Various examples all over the world
- Little or no natural light required – rebirth for old industrial buildings
- Various global brands including Gym Box
- Perfect for underground accommodation
- Approx €30 to €250 per month
- Approx 18 hours a day, increasing numbers are 24 hours
- Dance and Conditioning studios
- Corporate / parties





## Cherrywood Town Centre – Review and Viability

# Wellbeing



- Therme Group, leading development of “mega health and wellbeing centres
- Operational in Germany and Eastern Europe
- Projects in Canada, Asia and UK (Manchester & Glasgow)
- Large space users, c 50,000 sqm (GIA)





# Specialist fitness

- Various examples all over the world: boxing, spinning, dance, Pilates, yoga
- Little or no natural light required – rebirth for old industrial buildings
- Various global brands including 12x3 and BXR
- Perfect for underground accommodation
- Various membership packages – from approx. €80 per month (Membership, including private)
- Café and bar





## Cherrywood Town Centre – Review and Viability



# Casino

- Casinos in Government policy and DLRCoC appetite?
- Good basement user – no natural light.
- Probably the only major user of scale paying commercial rents
- Major global operators and brands, appetite for Ireland?
- Secure accommodation with car parking on site
- Major hotel synergies



## Cherrywood Town Centre – Review and Viability

# Aquarium

- Various examples all over the world
- Little natural light required
- Good for underground accommodation
- Approx €40 per person
- Approx 12 hours a day
- Limited market size for major offer, existing elsewhere in Ireland Galway, closure of Bray





Workshop October 17<sup>th</sup> & 18<sup>th</sup> 2024

# Cherrywood Town Centre

Development Strategy Workshop 17<sup>th</sup> & 18<sup>th</sup> October  
For Dún Laoghaire Rathdown County Council



Cherrywood Town Centre Viability Workshop

# Agenda- Guiding your next steps

## Friday 18<sup>th</sup> Morning Session

- Quick Recap
- Colliers action points
- Questions arising from steering group
- What do you want to do?
- Case Study
- Conclusion and Next Steps
- Post workshop notes





Cherrywood Town Centre Development Strategy Workshop

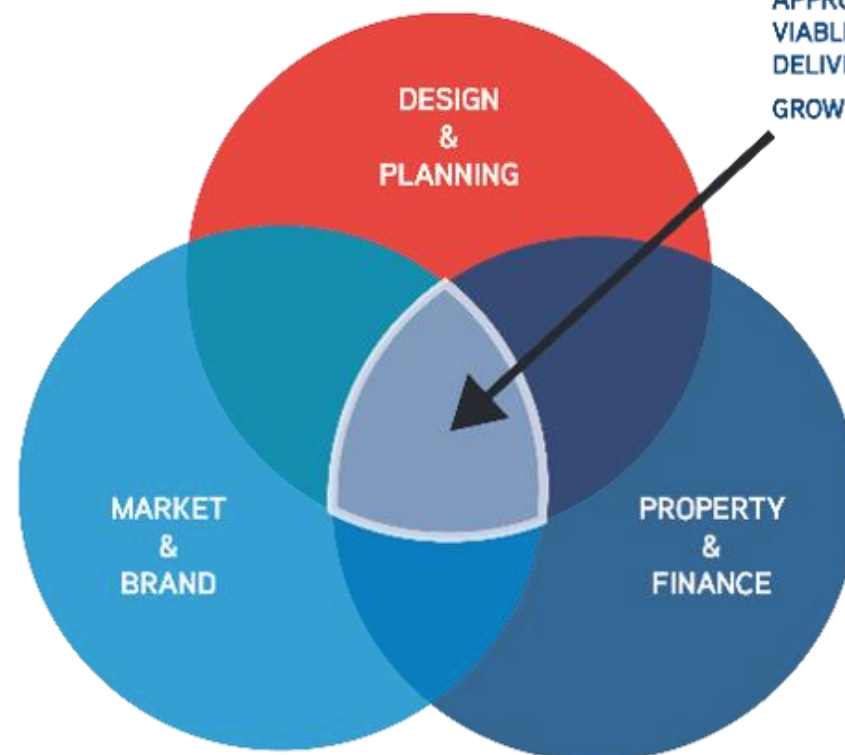
# Placemaking at Cherrywood Town Centre

## PLACEMAKING NEEDS

LEADERSHIP  
PEOPLE & COMMUNITIES  
PARTNERSHIP  
CREATIVITY  
INNOVATION  
ASSET STRATEGY  
INFRASTRUCTURE  
TECHNOLOGY  
SUSTAINABILITY  
MANAGEMENT

## GREAT PLACEMAKING

APPROPRIATE  
VIABLE  
DELIVERABLE  
GROW INCOME & VALUE



October 18<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

Report Executive Summary



## Cherrywood Town Centre Development Strategy Workshop

# Positioning Cherrywood 2.0 for continued success

### Overview of a special project

- **During a challenging ten-year period** Dún Laoghaire Rathdown County Council (DLRCoC), partnering with domestic and global investor developers, **has succeeded in delivering a high-quality residential community** comprising single and multi-family homes, extensive parkland and emerging amenities and business space. This is what the Greater Dublin Area urgently requires.
- **Cherrywood presents attractive lifestyle opportunities** with easy access to the coast, Dublin Mountains and City Centre. Plus, a high quality, accessible, value for money residential community in an attractive and sought after part of the Greater Dublin Area. **Benefitting from excellent public transport links into the City Centre, plus immediate access to the national motorway network.**
- **The Cherrywood Town Centre is a masterplanned district of international scale.** It has significant space that can orientate and accommodate to new market sectors, investors, developers and occupiers. A leading global investor developer is delivering what the GDA needs – high quality multi-family (flats/apartments) in an increasingly amenity rich Town Centre location.
- The remaining Town Centre, its environs provide a solution to Government. This is where, relatively quickly, more **residential development**, of various types and tenures, plus civic, cultural, leisure, recreational and tourism uses **can be accommodated to support a sustainable community** and strengthen the southern part of the Greater Dublin Area.
- To do so a more **flexible planning approach is required** to adapt to new market, social and demographic realities that did not exist in 2014.
- **Projects such as Cherrywood take a long time.** Ten years since 2014 a “pause” is appropriate to consider a refreshed vision, planning designations, use mix and development strategy for Cherrywood Town Centre that reflects the new market realities.

## Cherrywood Town Centre Development Strategy Workshop

# Colliers action points

### Strategic – supporting delivery at pace

1. Blocks TCC1, TCC2 & TCC4 are progressing, adapt to more residential for completion. To facilitate the major investor developer's ability to continue to deliver at pace, agree a new profiling and design solution of **remaining TCC1** sites to reduce the high costs of the podium structures. Adjust the level of retail, business space and commercial entertainment/ leisure uses to that which your investor developer believe to be appropriate for the future.
2. **TCC3 reimagine.** "Pause" to understand where change and demand will come from. Do not impose a rigid framework, consider a new profiling, designation, occupation, design and development solution to reduce the high costs and risks of the podium and basement structures.
3. **HIE5.** A pragmatic and appropriate early change would see HIE 5 allocated residential. There is an adjacent park, residential, a proposed school and on TCC1 an amenity rich environment within the next five years should be targeted. For other HIE blocks facilitate more flexibility, for example, the proposed "urbcomm" designation that should support business uses and services often located in the environs of a town centre.

### Catalyst – shift perceptions, increase interest, drive footfall and vibrancy

5. For TCC3, investigate civic, cultural, social, education, creative, leisure, meantime and tourism uses (including a hotel) catalyst projects to support the Town Centre destination.
6. Tell a stronger story of the Cherrywood Town Centre and environs experience – a refreshed place brand and marketing strategy – to define your differentiation and narrative of why people, businesses and others should choose Cherrywood Town Centre and its environs.
7. An onsite showcase and viewing area telling the Cherrywood story, past, present and future to really engage the market and residents.

### Practical Initiatives – are you using all your public sector powers effectively?

8. Investigate a partnership with your investor developer partners for an innovative shared space for community, cultural, creative and business activities and growth. Probably a meantime project to add some sizzle and excitement, the Town Centre needs this.
9. Town Team, management/curation of the Town Centre for branding, marketing, events, activities, meantime uses and the public realm.
10. Prepare short actionable strategies for your cultural, civic, tourism, meantime and management of the Town Centre.



## Cherrywood Town Centre Development Strategy Workshop

# Discussion points

- Podium
- Residential and public (affordable) housing
- Height
- Mix of uses
- Placemaking and destination
- The hotel
- Funding and delivery
- Development methodology / Use of public land
- Ability to source public grant and funding
- Demand and marketability
- Meantime uses
- Solutions / actions

## Cherrywood Town Centre Development Strategy Workshop

# Action

**What is important for your council?**

**What is the next “first step”?**

September 26<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 5. Case Study – Kings Cross



## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross

- 1880's Trains delivered coal, grain, beer, fruit & vegetables to the goods yard behind the station
- 1980's – a seedy post industrial wasteland
- 2024 – nominated for the RIBA Stirling Prize
  
- 67 acre site (27.1 ha) in central London
- £3 billion regeneration is regarded as the blueprint for successful regeneration
- People who live and work there are passionate about it.





Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross – Mixed-use

- To create a safe and healthy neighbourhood with a sense of place you need “street life”.
- Street life comes from mixing together buildings and spaces with different uses, rather than zoning areas according to business or residential.



## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross - The Right Mix

- It's centred on Central Saint Martins art school, which occupies a Victorian warehouse and faces Granary Square, a public meeting place.
- The estate has almost 1,750 homes, about 100 shops and restaurants, 4.25 million sq ft of offices with capacity for 30,000 workers, ten parks, five squares, two primary schools, a leisure centre, a library, an art gallery, two cinemas, a museum and an Islamic centre.
- Tech companies (Google and Meta) and record companies (Universal and Sony Music) followed.
- Related Argent curates the shops, a mix of chains, boutiques and start-ups ("the best of the British high street and side street").

## The right mix

- Retail
- Food & drink
- Office
- Residential & leisure



Source:  
Kingscross.co.uk



## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross – Sense of Place

- It's not the buildings that make King's Cross, but the spaces in between them.
- 40% of the site is public realm.
- The star of the show is Granary Square, where a fountain with 1,080 jets attracts children in summer.
- Other public spaces include Coal Drops Yard, which includes shops, boutiques and markets; an amphitheatre overlooking Regent's Canal; a park built underneath a Victorian gasholder; Bagley Walk, which is an elevated path by the canal, and Jellicoe Park, which is an Islamic garden. Four hundred trees were planted.





## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross – Planning

- Planning took six years of consultation with residents and Camden council.
- Argent was granted planning permission in 2006 with a masterplan that was “flexible and resilient”, rather than giving specific uses and sizes for each building at the outset.
- This approach allowed the developer to adapt to changing economic conditions and demand, thus preventing the difficulties that Canary Wharf now faces with its glut of offices.
- Times change





## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross – More?

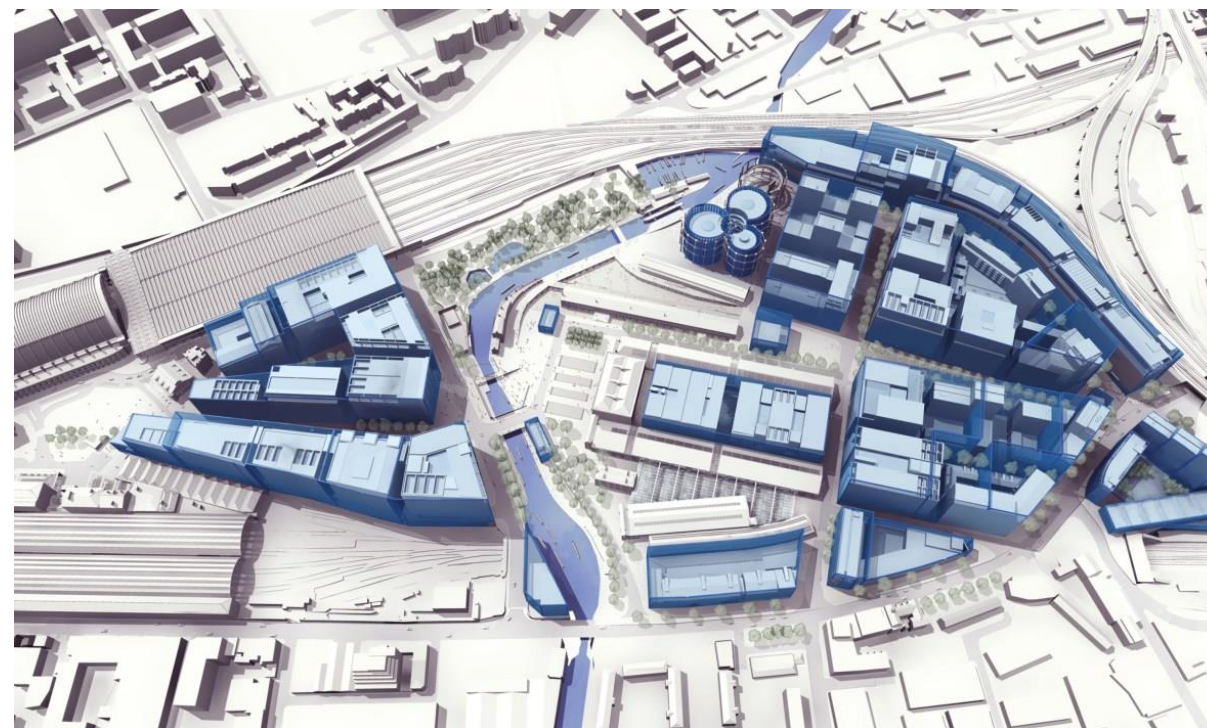
- Related Argent says the project was privately funded, including the £500 million in infrastructure, although the UK Homes and Communities Agency provided £42 million for social housing.
- The government also ended up funding much of High Speed 1, the rail link to St Pancras station that kick-started the regeneration.
- The think tank Centre for Cities estimates the government spent £800 million overhauling King's Cross station



Cherrywood Town Centre - Review & Viability

# Case Study – Kings Cross – Funding

- The key to the success of King's Cross is the “patient capital” model (investors who park their money for the long haul).
- King's Cross is backed by the pension fund AustralianSuper and clients of the investment manager Federated Hermes.
- Decisions that financially do not make sense if you look at them over a two to five-year period.
- It's important to create a sense of place. You have to find investors who are going to be patient and wait for those returns. Institutional capital are looking for long-term income to support their pension funds and they get a better return from placemaking.

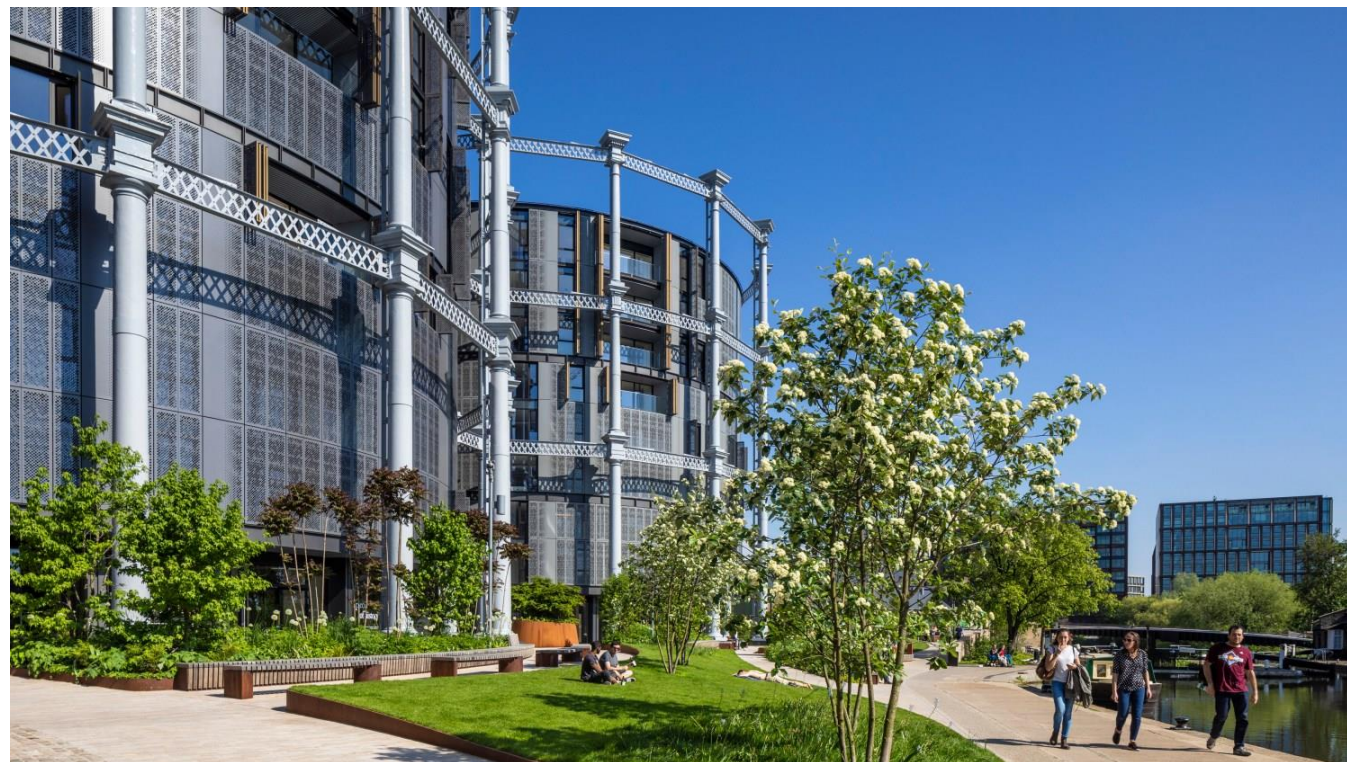




## Cherrywood Town Centre Development Strategy Workshop

# Case Study – Kings Cross

- “Mixed-use is important for the vibrancy of a place. It’s where people want to be. Businesses want to be in a place where they can secure the best talent.
- Talent wants to be in a place where things are going on. That mixture enables new places to thrive and contribute to the wider economy.”
- *Morwenna Hall, Exec director, Related Argent*



September 26<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

5. Conclusion – email points raised





## Cherrywood Town Centre Development Strategy Workshop

# Discussion Points

- **Viability** - significant uplift to intensity & Land Use Mix Shifts, Residential, UrbComm, and Retail Reduction – acknowledging as a positive.
- Need to ensure a **mixed-use** function.
- Challenges around development of **TCC1B and TCC3**
- Crucial to explore further the viability of TCC3 and to seek to enhance viability.
- The Viability Assessment focuses on Plots TCC1B and TCC3. Viability required for **TCC2 and TCC4**.
- TCC3 - **deliverability over time**. Approach to timing and phasing
- **Limited** availability of **government or external funding**, limited to S. 48 Cherrywood specific Development Contributions.
- **Hotel** Feasibility – Report positively guides for **TCC3** as the optimal location for a recommended hotel scheme
- The opportunity for a **boutique hotel at TCC2 to be explored**/included in viability.
- TCC4 - Residential and UrbComm.
- TCE5 – Discuss in context of employment and also UrbComm along Cherrywood Avenue.

## Cherrywood Town Centre Development Strategy Workshop

# Discussion Points

- **Additional Height:** Potential for adjusting height at certain locations. Discuss having regard also to micro-climate analysis.
- **Basement Construction:** minimise cost.
- **Use of Basements:** incentivise under Planning Scheme – uses would not count as GLA in context of max permissible or Plot Ratio calculation.
- **Podium Structures and Embodied Carbon:** Cost & Environmental.
- **Retail Convenience:** Development Code to include guidance or a code for retail convenience options.
- **Large-Scale Event Use:** Discuss the potential of a large-scale event type use and ancillary uses that may potentially straddle TCC and TCE.
- **Meantime Uses:** a welcome concept, but matters around flexibility factor, duration of a use, and safeguarding sufficient intensity of use in the longer term to be teased out – for purpose of development management – clarity in Planning Scheme. (0-5 Years reasonable, subject also to not impacting adversely on Planning Scheme objectives).

## Cherrywood Town Centre Development Strategy Workshop

# Discussion Points

- **Discuss Hotel Options:**

- Note the context of rationale for Hotel as envisaged under the UFDF Town Plan
- Spill out space from hotel entrance etc.
- Interface with civic plaza area along Grand Parade before GP Overbridge.
- Potential for a boutique hotel?
- Consider also in context of urban design framework – and the re-aligned Main Street which connects the two Main Squares.

- **Phasing of Development:**

- Context of TCC3: Any relevant phasing considerations within the superblock?
- Infrastructure – align additional residential with delivery of the Grand Parade Overbridge. The Active Travel Bridge or Main Street will obviously be dependent on connections between TCC1 and TCC3 – any guidance with regard to potential phasing, (also not to de-incentivise).

- **Anything Else?**



September 26<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

## 5. Discussion Points



## Cherrywood Town Centre Development Strategy Workshop

# Conclusions on a special scheme

### **Guidelines to help refresh and position Cherrywood 2.0 for future success**

- Excellent development platform created with a leading global masterplan investor & development partner.
- Plus, a strong business space investor, Irish independent private limited company - strong participation.
- A project of international scale that can attract new users to be part of the stronger Cherrywood story.
- Ability to bring forward a large amount of space, (residential) relatively quickly, plus other uses that Government and its agencies can support.
- Attractive lifestyle opportunities with easy access to the coast, Dublin Mountains and city centre.
- A high quality, very accessible, value for money residential community in an attractive part of the Greater Dublin Area.
- Excellent road connections with immediate access to the national motorway network.
- Well-supported by public transport to the heart of Dublin City Centre.
- A masterplanned scheme that could orientate to new market sectors, occupiers and consumer markets.
- Significant amount of space to accommodate new uses facilitated with a more flexible approach.
- These uses might be iconic and reflect the fresh experience, offer and reputation of Cherrywood 2.0

### **Fundamental barriers**

The proposed podium and basement spaces on remaining TCC1 sites and the TCC3 block are a huge cost and without refinement will impact viability and market appetite for development. Great place making and public realm can be provided without the high cost of podiums

The scale of TCC3 and HIE lands suggest they are the “problem” and require reimagining in the short/medium term; Retaining the existing podium design approach across TCC3 is likely to mean a funding gap will need to be closed. You don’t need to do today but ensure flexibility for the future to adapt to new market realities.

September 26<sup>th</sup> 2024

# Cherrywood Town Centre & Environs

6. Workshop meeting takeaway notes





Cherrywood Town Centre Development Strategy Workshop

# Workshop meeting takeaways - 1

## **DLRCoC supportive and aligning where appropriate on**

rest of TCC1 in terms of:

- podium/basement construction and costs; increased residential, lower retail, office and other commercial uses
- Potential for more height but consider the implications in terms of sunlight

## **Reimagine TCC3.**

- *“Flexibility and cost-effective design”* that supports viability

For **HIE5 keep flexible** for mixed use

- Adjacent to TCC1 should strengthen marketing proposition of the site to both 1) business and 2) residential uses

## **Proposal for event / arena spaces**

Broad agreement on a **range of catalyst and practical initiatives** as part of a Cherrywood 2.0 refresh

- Understanding need for strategy on meantime, cultural, creative, tourism and civic uses, plus an action orientated Town Team to help drive activity plus a refreshed Cherrywood narrative Place brand”

## Cherrywood Town Centre Development Strategy Workshop

# Workshop meeting takeaways - 2

Potential of a **Cherrywood Town Centre business plan** to set out costs, value, pricing, interest rates, inflation “development appraisals/cashflows” and take up to help monitor investment (public, private), infrastructure, grants, planning levies/gain, development phasing and occupation activity

- Help guide DLRCoC team to understand changes over time and how best to facilitate high quality and timely development
- Likely to be TCC3 and its fresh new flexible design options but required equally for existing TCC1, TCC2 & TCC4 projects
- Understanding the proposed active travel (Main Street) bridge where from and where to
- Caution on the “donut blocks” with significant dead space in the middle

### The **Cherrywood Town Centre brand, marketing and communications plan**

- Understand the messages and the target audiences – public agencies and private sector plus community in Dublin/Ireland
- Keep track of who you are speaking to, the results of conversations and opportunities in the short, medium and long term
  - Hotel sector, Failte Ireland, Tourism Ireland, operators, investors, developers, large scale event space promoters

Cherrywood Town Centre - Review & Viability

# The Colliers team

- Declan Stone | Managing Director | Colliers Ireland | Occupier, investor & developer market
- Anthony Shapland, Director | Head of Development Advisory, UK | Lead viability and review
- Roger Hobkinson | Principal Consultant | Development Advisory, UK | Lead review and author
- Pauline Byrne | Partner | Brady Shipman Martin | Town Planning





Accelerating success.