

John Lewis

GROSVENOR CREDENTIALS

LIVERPOOL ONE



LIVERPOOL ONE

Delivering a step change for Liverpool's city centre.



TYPE OF DEVELOPMENT

Liverpool One is an innovative urban regeneration project that has transformed the heart of Liverpool city centre.

The 42 acre site includes over 30 new buildings, 165 shops, over 500 apartments, two hotels, 25 restaurants, a 14 screen Odeon cinema, 30,000 sq ft of offices, a revitalised five acre park, 3,000 car parking spaces and a public transport interchange.

BACKGROUND

In the 18th century the 42 acres of Liverpool city centre, which is now known as Liverpool One, was the home of the UK's first dry dock and the linchpin of Liverpool's booming maritime trade with the rest of the world. The decline in Liverpool as a maritime trading city is well documented and during the post Second World War period Liverpool fell into steep decline. The area which was later to become known as the Paradise Street Development Area (PSDA) and now home to Liverpool One, suffered heavy bombing during the war and through lack of investment, remained an area in need of regeneration.

The steady decline in population over several decades was a major contributor to the under-investment in Liverpool's retail offer. Numerous studies on behalf of the city council by Grosvenor and others showed that consumers preferred to shop in Manchester, Chester and Southport rather than go to Liverpool. Grosvenor and other experts in the industry estimated that for a city the size and importance of Liverpool, it was short by about one million sq ft of retail space. The best place to build this extra retail was universally recognised to be within the PSDA as it would achieve a number of objectives, namely: it would extend the existing city retail offer and create links to the Albert Dock, reconnecting an important area of the city; it would also link to the Ropewalks which had undergone development into a vibrant arts quarter; most importantly, it was Grosvenor's view, and one shared by many, that retail-led mixed-use regeneration could lead an urban renaissance in Liverpool bringing people back to the city - a trend that elsewhere by the 2000s was already on the rise.



KEY SUCCESS MEASURES

- In 1970 Liverpool was third amongst prime shopping locations. By 1995 it was 17th. Current research by Experian now places Liverpool at fifth with the bounce-back being attributed to Liverpool One (source: Experian).
- 5,000 new jobs have been created.
- A key objective behind the development of Liverpool One was to increase overall footfall into the city rather than Liverpool One cannibalise other parts of the city centre retail offer. Research shows that city footfall on average increased by 17% the year Liverpool One opened and by an additional 4.5% in 2009 (source: Liverpool City Centre BID).
- Church Street (a prime shopping street now linked with Liverpool One) experienced a 50% increase in footfall in December 2008 (source: Liverpool City Centre BID).
- Since Liverpool One opened, the Albert Dock (also now linked to the city centre via Liverpool One) has seen an extra 100,000 visitors per week, which is an impressive 48% increase overall (source: Liverpool City Council).
- Liverpool One has received over 20 industry awards to date, including the RICS Regeneration of the Year Award 2009, BCSC Supreme Award 2009 and being the first masterplan to be nominated for the Stirling Prize.

Liverpool One has acted as a catalyst for improvements in the area and will continue to do so for many years to come.

In January 2010, Liverpool Vision (a partnership between Liverpool City Council, the Homes and Communities Agency and NWDA) reported a further £900m of city wide development was either on site or in the pipeline (with planning permission granted).

TARGET MARKET

Liverpool One's catchment of 4.7 million people has an annual available spend of £11.5bn, including £3.1bn on clothing and footwear. Liverpool previously attracted 557,000 regular shoppers, making it the second largest market in the north west and the eighth largest in the UK as a whole. With the opening of Liverpool One, this has risen to 600,000 regular shoppers, and fifth in the country. This rise in ranking is attributable to the spending power of Liverpool's catchment, the fifth largest in the country, which has been drawn in by Liverpool One.

An important target market is the secondary catchment and consumers that live in the areas such as the Wirral, Chester, and Southport.

STAKEHOLDERS / PARTNERS

Grosvenor was selected by Liverpool City Council as the preferred developer for PSDA. Grosvenor is a key investor in the project, along with a consortium of other investors. These include Hermes, Redevco and Liverpool Victoria, and the leading banks are RBS, Barclays, HSBC and Eurohypo.

DEAL STRUCTURE

Head lease from Liverpool City Council.

OWNERSHIP

Grosvenor Liverpool Fund.

METHOD OF FUNDING

The Grosvenor Liverpool Fund is a UK Limited Partnership comprising equity from eight investors and debt from a syndicate of four leading banks. Liverpool One is an entirely private sector funded development and, as such, no grants were received.

ISSUES RESOLVED

Grosvenor's biggest challenge was to deliver Liverpool One during 2008, Liverpool's Capital of Culture year. This meant Grosvenor and its partners would need to deliver the development in just four years. Other difficulties that had to be overcome included:

- Dealing with land acquisition which required negotiation on 275 interests across the 42 acre site.
- Masterplanning: a key objective of the masterplan was to link different areas of the city such as the Ropewalks, the waterfront, existing retail areas and the city's business district, as well as being a destination in its own right.
- Co-ordinating the work of 26 firms of architects.
- Relocation of essential services before works could start including: building a new bus station; relocation of BBC Radio Merseyside to purpose built studios on Hanover Street; and, relocation of the fire station to St Anne Street.
- The site is also adjacent to a World Heritage Site which created challenges with the residential tower (One Park West), designed by Cesar Pelli. English Heritage was concerned that the building would be too tall. The design was eventually reduced by three floors to satisfy concerns.
- The development agreement called for a comprehensive redevelopment of the 42 acre site. This required a single-phased development solution rather than a multi-phased approach which would have taken many years to deliver. This created challenges in terms of cost and the construction programme. Despite this, Liverpool One was delivered as promised by Grosvenor in four years with virtually no deviation from the original masterplan.

ENVIRONMENTAL MANAGEMENT

An innovative bio-diesel processor converts used cooking oil from the restaurants to run all on-site vehicles. The bio-diesel processor can create 1,700 litres of fuel every month saving the equivalent of 53,000 kg CO₂ a year.

CONSTRUCTION START DATE/END DATE

- Start on-site: November 2005.
- Phase I opening: May 2008 (streets and one million sq ft of retail).
- Phase II opening: October 2008 (restaurants, cinema, park and remaining retail space).

TEAM INVOLVED

The complexity of generating and delivering a masterplan for the area was such that a large team of specialist consultants was assembled over a period of four years.

Core Masterplanning Team

- Grosvenor
- Building Design Partnership, masterplanners
- Capita Symonds, highway designers and health and safety advisors
- Davis Langdon, cost consultants
- Drivers Jonas, planning consultants
- Liverpool City Council
- Nightingale Associates, access consultants
- Pelli Clarke Pelli, urban design consultants
- Waterman Partnership, structural and environmental engineers
- WSP Group, infrastructure and building services engineers

Property / Planning Consultants

- CBRE
- Cushman & Wakefield
- Edmund Kirby
- Keppie Massie
- Strutt & Parker
- Tushingham Moore

Legal Teams

- Allen & Overy
- Berwin Leighton Paisner
- Boodle Hatfield
- Brabners Chaffe Street
- Denton Wilde Sapte
- Nabarro
- Slaughter & May

Contractors

- Balfour Beatty, east of Paradise Street
- Kier, Hilton Hotel
- Laing O'Rourke, west of Paradise Street
- Mansell, Site 8

Architects

- Aedas
- Allies & Morrison
- Austin Smith Lord
- BDP
- Brock Carmichael
- Craig Foster Architects
- CZWG
- Dixon Jones
- FAT
- Glenn Howells
- Greig & Stephenson
- Gross Max
- Groupe Six
- Hawkins Brown
- Haworth Tompkins
- John McAslan & Partners
- Leach Rhodes Walker
- Limbrick Architecture & Design
- Marks Barfield
- Michael Squires & Partners
- Owen Ellis Partnership
- Page & Park
- Pelli Clarke Pelli
- Stephenson Bell
- Studio Three
- Wilkinson Eyre