

Euston Growth Strategy

Outline Proposition

September 2015



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Role of the Growth Strategy

Purpose

- HS2 station areas **required to have Growth Strategies** by HS2 Growth Taskforce
- Promote the strategic **case for investment** in Euston
- Advance discussions among partners regarding **investment needs**
- Evolve **partnership** working
- Define the **fiscal and economic impact** to support case making
- Addressing partners petitions and **mitigation requests** where possible

Audiences

- Central government departments: CLG, DfT, Treasury
- GLA and Mayor of London
- Transport organisations: TfL, Network Rail, HS2
- Local communities

Output

- A prospectus document
- Quantitative analysis

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EAP Vision for Euston

“The Vision for the Euston area in 2031: The Euston area will be rejuvenated as both a local hub of activity and a gateway to London through new high quality comprehensive and transformational development above and around a world class transport interchange at Euston Station.

New homes, businesses, shops, community facilities, schools, new and improved public realm and open space will transform the area. The redeveloped station will help to reconnect the communities to the north, south, east and west”

Euston Area Plan. January 2015

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Growth Strategy Vision

- **Delivering regeneration for the benefit of local communities** – socially, economically and physically
- A **world class transportation hub**
- A global **knowledge economy cluster** – cementing the UK's international leadership in key sectors and creating local jobs
- A **global economic hub** in the heart of London
- **Economic growth** for local communities, London and the UK
- Bringing **jobs, skills and training** opportunities to residents
- **Connecting communities** to Euston and Kings Cross
- Realising **dynamic market housing** potential
- Deliver **local homes**
- A fundamental **transformation of place** – reaching beyond a world class new station to embrace neighbours
- Building on **existing control and collaboration** among public sector partners
- A once in a generation, if not **once in a century** opportunity

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Key Assets Underpinning the Growth Strategy

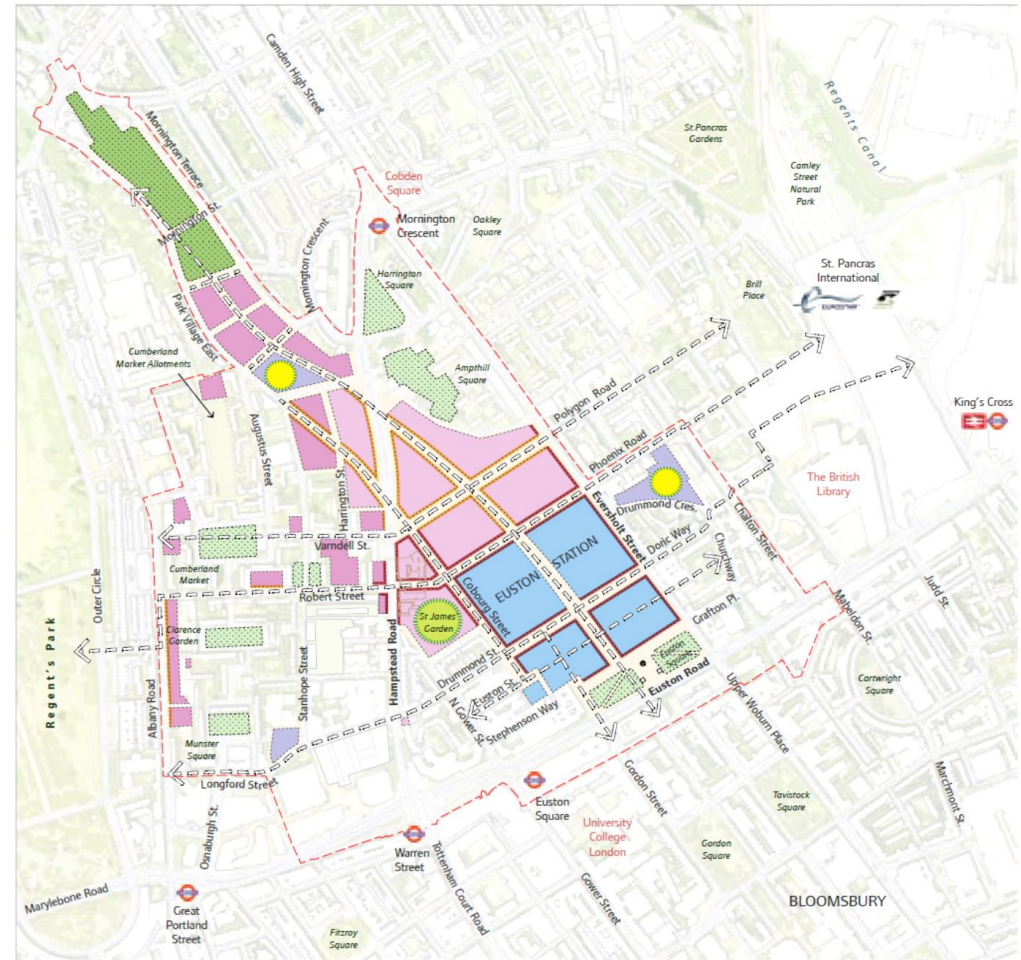
- An **economic destination** with growth demands
- Global centre of the **knowledge sector**: UCL, University of London, UCL Hospital and the Wellcome Trust
- International destination for **inward investment**: Regents Place and Kings Cross – from Gazprom to Google
- **Higher value office markets**: West End and Holborn office
- **Established employment base** and a proven commercial office role
- Mixed and dynamic **community and SME businesses, including Drummond St**
- A dynamic housing market – leveraging strong values to **deliver a range of housing types and tenures**
- **High accessibility**: international, national, commuter rail, tube, Crossrail 2
- A recognised UK **gateway to London** – rail and highway
- Historic context and buildings providing a **unique character**
- One of the world's great urban open spaces at **Regent's Park**
- Assets converge to create **a major opportunity for change.**

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Progressive Opportunities for Change

- Station over site development
- Rail corridor over site development
- Adjacent streets and sites - infill
- Wider infill opportunities
- A complete city district from Regents Park to Kings Cross



	Commercial led mixed use		Existing public open spaces		Main retail frontages
	Residential led mixed use		Re-provided lost public open space		Commercial / other active frontages
	Predominantly residential use		School play space/ open space		
	Education and housing mixed-use		New public open space on deck above railway tracks		

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Risks of a Missed Opportunity



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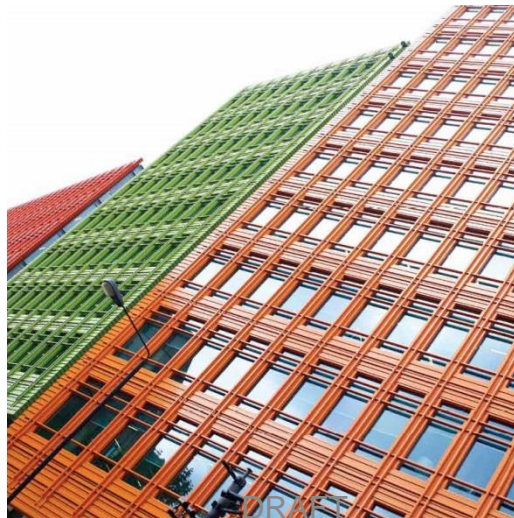
Risks of a Missed Opportunity

- Failure to deliver a wider strategic opportunity
- Missing the last big Central London growth location
- Lower jobs and housing growth
- Fewer new local homes
- Weaker economic and fiscal benefits
- Unresolved social issues – anti-social behaviour
- Continued blight within the area
- Delayed development
- Ad hoc developments
- Fragmented station facilities
- Increased costs, lower benefits
- A fragmented and underperforming place
- An unsolved problem

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A Strong Potential for Delivery

- Camden is one of London's leading exponents of delivering **central city development**
- Camden is delivering **housing renewal** and its own **Community Investment Programme**
- Kings Cross demonstrates the potential of **rail land led regeneration** in the central city
- The **private sector** is actively pursuing opportunities in the area
- Ongoing engagement and planning for potential **HS2 and Crossrail 2**
- Proven link between **infrastructure delivery** and growth - Crossrail



Established Governance

- Greater London Authority
 - London Borough of Camden
 - Transport for London
 - High Speed 2 Limited
 - Network Rail
 - Department for Transport
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- Established partner arrangements
 - Evolving commitments and structures



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The Challenge

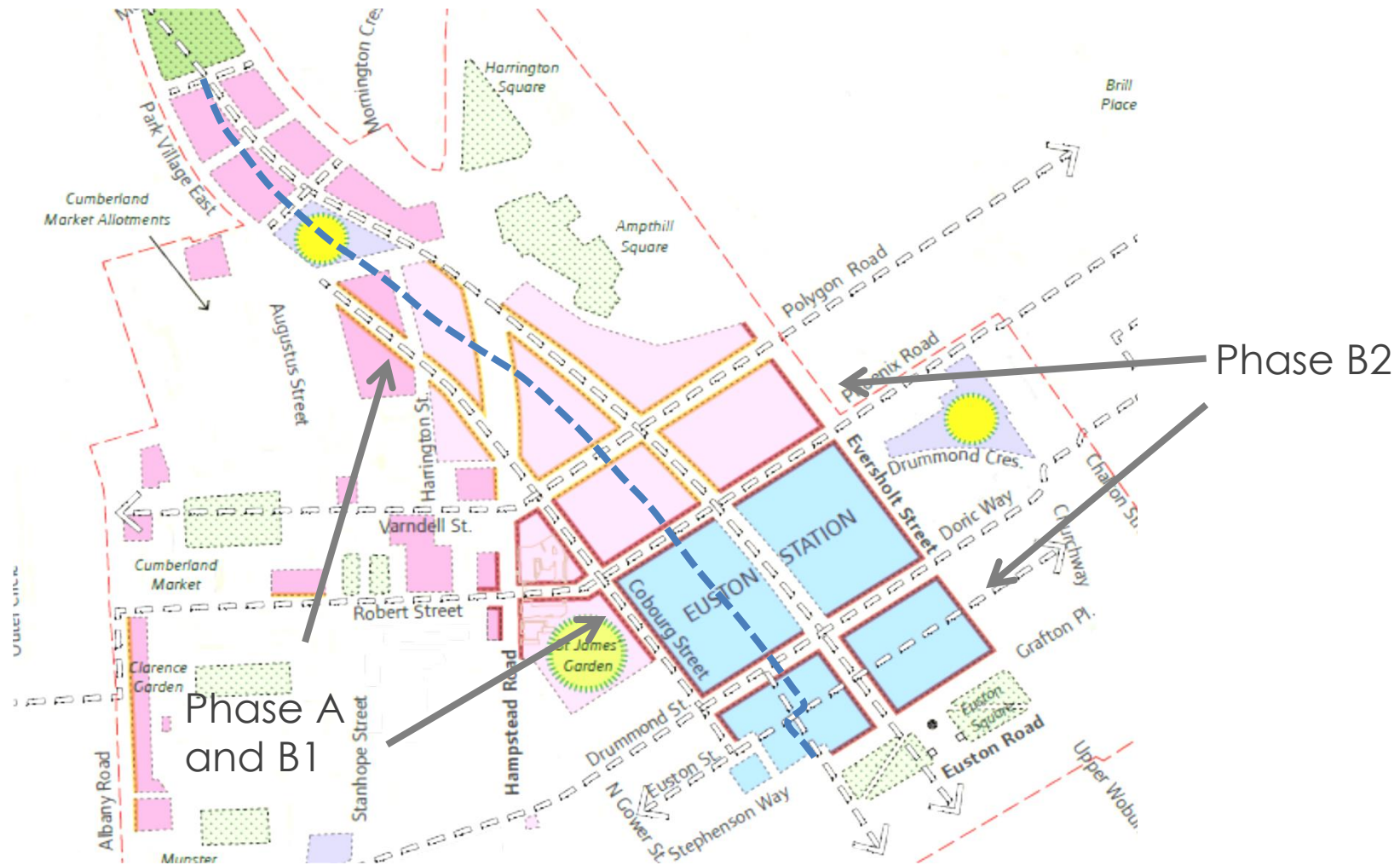
- **Comprehensiveness:** Thinly sliced phases will challenge viability and feasibility
- **Coordination:** Level deck vs. split deck across station OSDs – design, development, regeneration
- **Timing:** the gap between enabling works and release of development plots
- **Financing:** Private sector financing rates will be higher than public sector funding
- **Cost:** Enabling works for OSD will be significant
- **Wider discussion:** Enabling works for lowering the conventional station will be substantial
- **Uncertainty over future of NR station:** barrier to realising full potential
- **Cost uncertainty and quantifying the challenge:** rail and station schemes still being defined
- Impacts on decision making

Assessing Returns and Benefits

Source	Type
'Land' Receipts	Dev elopment Plots
Dev elopment Contributions	Borough CIL Mayoral CIL
Local Taxes	Council Tax Business Rates
National Taxes	Stamp Duty

- Land receipts and development contributions are one-time payments
- Council Tax, Business Rate and Stamp Duty repeat once established, and accumulate and increase over time
- Gross Value Added – to Camden, London and UK economy
- Next Step – assessing public sector investment and returns analysis

Assessing Returns and Benefits over Time



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The Investment Sought

- Funding to resolve station technical designs, define costs , ensure joint master planning and refine development capacities
- Required to enable coordinated decision making
- Investment in key components:
 - HS2: Enabling OSD
 - Conventional Station: Enabling OSD
- Wider Discussion
 - Conventional Station: Lowering of Platforms

Conclusion

- Investment will **regenerate Euston for the benefit of its communities**
- A major UK **development opportunity** of global scale
- **Economic and market fundamentals** supporting development and regeneration are extremely strong
- A **high quality station and OSD scheme** is linked to wider growth and value potential across the area
- There are **timing, comprehensiveness, financing and cost challenges**
- Investment can **deliver a return**

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