2019 ULI Asia Pacific Summit

Delivering homes, jobs, and investment at stations through partnership

David Joy
Ex Chief Executive
LCR
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• LCR

• LCR regeneration approach

• Stratford City, London

• King’s Cross, London
London & Continental Railways Ltd (LCR)

- Originally private, now wholly owned by UK Government, Department for Transport (DfT)

- Construction of HS1, re-birth of St Pancras station and stations at Stratford and Ebbsfleet.

- 2010 HS1 concession sold for £2.1bn

- 2011 Reconstituted as a property company

- 2013 Take over BRB (Residuary) assets

- 2015 PWC Government review of LCR

- 2016 New remit confirmed
LCR’s Remit

Objective of DfT in owning LCR:

• To see the maximum value realised from LCR’s assets at the earliest opportunity for the taxpayer; and

• For LCR’s activities to support the delivery of HMG’s objectives (homes, jobs and economic growth).

Current Remit:

• Realising value from LCR’s Core Estate;
• Provision of Property Services to DfT;
• Provision of support to HS2 station places;
• Provision of support to HS2 Ltd; and
• Exploring the potential to deploy LCR skills and resources in support of DfT / wider government initiatives and objectives.
LCR’s Successful Regeneration – 1 of 2

- Long term projects: through multiple economic & political cycles
- Based around major infrastructure investments
- Requiring patient investment
- Flexible, responsive partnering approach
- Leverage public land ownership:
  - Enables control of pace and quality of regeneration
  - Land value capture to support infrastructure funding
LCR’s Successful Regeneration – 2 of 2

• Secure the land; land-pool JVs
• Establish the regeneration planning framework
• Select an appropriate development partner; establish development JV – input land as equity
• Be flexible on approach
• Share the risk and the profit
• Interim property management & meanwhile uses – significant resources needed

Establish enduring partnerships
Stratford - 1996
HS1 Box Construction and Land Raise (2004)
HS1 Complete 2007
Stratford City – Initial Property Advice
Stratford City

- Chelsfield and Stanhope as development partner in 1998
- In 2005, planning consent granted for 13.5mn sqft including 5,500 residential dwellings and 5mn sqft of office, 2mn sqft retail/leisure.
- Fragmentation of development partner in 2006
- Restructuring in 2008 – Westfield (retail), ODA (residential) and LCR (commercial).
Westfield Commences 2009
Olympics 2012
Joint Venture Structure 2011

International Quarter Stratford City

Sales and rental receipts
Developer Profit
Joint venture Shares

Land
Equity
Asset Manager
Development Manager

LCR
lendlease
lendlease
Stratford -The International Quarter

• 50:50 joint venture with Lendlease
• 4mn sqft offices
• Offices for FCA (515,000 sqft) and TfL (265,000 sqft) and 330 residential all complete
• New public realm and gateway to Olympic Park
2018 Looking North
King’s Cross, London
King’s Cross in 1894
Site Ownership: Landowners Partnership

• Circa 67 acres
• LCR – 73%
• DHL (Formerly NFC) 27%
• Land-pooling Agreement in 2001
• Site used for HS1 construction
Programme

1998  Developer selection process started

2001  Regeneration Agreement

2004/5  Planning applications and amendments submitted

2006  Outline planning approval following failed Judicial Review

June 2007  Start on site

Nov 2007  St Pancras Station opens

Mar 2009  Land transferred to Partnership

2011  University of the Arts opens
Joint Venture Structure

- Land
- Equity
-King's Cross Partnership
- Asset Manager
- Development Manager
- Sales and rental receipts
- Developer Profit
- Joint venture shares
King’s Cross Masterplan

A major new piece of Central London.
20 historic buildings/structures
50 new buildings
10 new public spaces
1km of Canal side

A Mixed Use Development of 7.95 million sq ft
Offices – 4.9 million sq ft
Residential – 2.1 million sq ft
(c. 2,000 apartments)
Retail - 495,000 sq ft
Hotels/Serviced Apartments – 508,000 sq ft
Health, Education & Culture – 805,000 sq ft
Leisure - 342,000 sq ft
40% of site will be new public realm (11ha / 27 acres)
King’s Cross images 2019

- Underground connections
- Google UK headquarters
  Under construction
- New retail destination
- Facebook
  UK headquarters
  Under construction

LCR
LCR and Partnerships

• LCR was formed from a partnership of 7 private sector companies

• LCR participated in regeneration partnerships around the station sites

• LCR and DHL partnered to bring the land together at King’s Cross

• LCR/DHL selected Argent and Hermes as partners at King’s Cross

• LCR selected Stanhope and Chelsfield as partners at Stratford

• LCR selected Lendlease as partner for the International Quarter
Thank you