


Architectural Options	Results of Structural Interpretative Desk Top Study undertaken by ARUP.	Results of Architectural Options Study undertaken by DLA Architecture. Impact Analysis:	Order of Costs for each option undertaken by EC Harris.	Keppie Massie Market Appraisal	Summary and Conclusions
<p>Option4 - Retention of 86 Duke Street façade only and the vinegar warehouse and integration into a new office building.</p> 	<p>The ARUP report confirms that it there is significant structural constraints and challenges to delivering and retaining 86 Duke Street façade. In summary, the report states</p> <ul style="list-style-type: none">• The timber parts of the existing buildings are in a poor state of repair having been affected by water ingress leading to decay and collapse. The bresummer beam to 88 Duke Street is of particular concern as it partly supports the façade. The timber floors, stairs and roof members to the frontage of the Duke Street buildings would all need to be replaced.• Replacing the timber and designing for current loading would, most likely, lead to increased structural depth. To convert to modern office requirements would increase the loading, and hence structural depth, further. Fire restrictions would have additional implications on any refurbishment.• The masonry façade to Duke Street would need substantial propping, stripping of much of the finishes to treat dry rot and to tie across cracking.• There is very limited information on the condition of the cellars. This is an area of risk.• Several buildings are noted as being on the point of collapse, including 14 Suffolk Street and the rear and side walls of 90 Duke Street. <p>Although the façade on Duke Street may be salvageable, ARUP's have concluded that, to convert the site for use as an office development, the buildings themselves on Duke Street would not be able to be salvaged. The cellars below the courtyard should also be demolished. This option requires substantial temporary works associated with maintaining the stability of the façade through the construction and could seriously impinge on the highway and surrounding conservation area. The existing Vinegar Works building on Henry Street has limited openings and no internal structure. This could be retained, though floor levels would not match the existing floors so that windows on the façade would not have the same relationship to floor levels that they were designed for.</p>	<p>Positive Impact of retention of 86 Duke Street:</p> <p>Retains the status quo for the Conservation Area</p> <p>The space behind the retained façade is set back to create a void which allows some degree of light to penetrate the office space at the point where the floor levels of the new do not match with the retained façade.</p> <p>Retains a complimentary architectural style to compliment the adjacent listed buildings which currently allows an appreciation of the historical form of the area,</p> <p>Negative Impacts of re-use:</p> <p>This scheme option does not attract public funding.</p> <p>Overall there is a loss of approx. 1200 square foot of rentalised Grade A space, making 40,000 square foot a requirement of the end user, unachievable.</p> <p>The inclusion of the retained façade restricts the access into the courtyard for vehicles and therefore there is increased risk of vehicle and pedestrian collision.</p> <p>Retention of the façade on 86 Duke Street would not achieve a meaningful design solution.</p> <p>The façade has no activity or purpose.</p> <p>The retention of the existing façade would hinder the internal layout and composition and flow of the new building. The retained façade would not relate to the building usage, floor plates, or character of the office development and would serve merely as a historical memento rather than an honest design solution relating to the functionality and requirements of the end user.</p> <p>This would not therefore meet the requirements of ACL Ltd who have stipulated a requirement for 40,000 sq. ft. Grade A Office space.</p> <p>In summary, it compromises the standard internal tenant commercial requirements of the ender user ACL Ltd that leads the design of the office away from an optimum solution.</p>	<p>Order of construction cost Option I Scenario: £7,510,000</p>	<p>Gross Development Value: £5,958,136</p> <p>Grant Funding: £0</p> <p>ACL Interest Cover: £0</p> <p>Total Revenue: £5,958,136</p> <p>Acquisition costs: £501,187</p> <p>Build cost: £7,510,000</p> <p>Professional Fees & Other cost: £922,687</p> <p>Marketing & Disposal Costs: £514,974</p> <p>Finance Costs: £519,165</p> <p>Total Costs: £9,965,528</p> <p>Residual Profit / Return: - £4,007,391</p> <p>Profit (as a proportion of cost): - 40.21%</p> <p>The costs and development value of this option prepared by EC Harris and Keppie Massie shows that this option to retain 86 Duke Street is not financially viable and will not realise any development value with a significant gap which cannot be subsidised by gap funding.</p>	<p>In summary the retention of the façade of No. 86 Duke Street generates a greater number of negative impacts than positive and creates a compromised solution in comparison with a new build proposal.</p> <p>Overall there is a reduction in the quantum of development achievable.</p> <p>Whilst the potential positive benefits of maintaining an architectural style and scale complementary to its neighbours may be apparent, the significant structural constraints and cost implications for undertaking these works outweighs any perceived positive benefits of retaining the façade of No 86 Duke Street.</p> <p>Whilst this option would not potentially benefit from ERDF grant funding, the proposed development provides a loss that would be considered too great to qualify for grant funding assistance. There is no indication that grant funding would be available for this option.</p> <p>Having regard to the anticipated costs and revenues, together with the costs that have already been incurred by Langtree, this additional option provides a loss of -£4,007,391 (or -40.21% on cost) before a developer's return is accounted for. Given ACL will not be interested in taking forward this option, the yields, void periods and rent free periods have been adjusted to reflect that any such proposal would be built speculatively.</p> <p>This option has several disadvantages relative to the ACL application scheme. The scheme will develop less accommodation than the ACL application scheme.</p> <p>Fundamentally this will not realise the 40,000 sq ft office space required by ACL Ltd and the ERDF gap funding application. Without ACL Ltd and the grant funding this development will not be realised.</p> <p>Keppie Massie concludes that this scheme option to retain the façade of 86 Duke Street would prove unviable from both a funding and letting/investment perspective and would render the entire development proposal unviable.</p>