

**Manchester City Council  
Report for Resolution**

**Report to:** Executive - 27 July 2016  
**Subject:** Water Street – Strategic Regeneration Framework  
**Report of:** The Chief Executive

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**Summary**

This report presents an updated Strategic Regeneration Framework for the Water Street area, and requests that the Executive endorse the framework in principle, subject to public consultation on the proposals.

**Recommendations**

The Executive is recommended to:

1. Endorse in principle the regeneration framework for the Water Street area as summarised in Section 4 of this report.
  2. Request the Chief Executive undertake a public consultation exercise on the regeneration framework with local stakeholders.
  3. Request that a further report be brought forward, following the public consultation exercise.
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**Wards Affected:** City Centre

| <b>Manchester Strategy outcomes</b>   | <b>Summary of the contribution to the strategy</b>   |
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| A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities | <p>The Strategic Regeneration Framework for Water Street area will provide the catalyst for further investment both within the locality and the wider city centre.</p> <p>The framework will shape the delivery of a new residential led neighbourhood at a key gateway to the city centre. This will contribute towards satisfying the increasing demand for city centre homes, offering quality new housing within the regions economic hub, supporting continued economic growth.</p> |
| A highly skilled city: world class and home grown talent sustaining the city's economic success                   | <p>The framework will see the delivery of 800 and 900 new homes within close proximity to the significant job opportunities that will be created through</p>   |

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|   | <p>adjacent development at St John's, the Great Northern / Manchester Central / Castlefield Quay and the final phases of Spinningfields.</p> <p>With exponentially increasing requirements for commercial space and new organisations moving in to the city centre, there continues to be increasing demand for homes within the regional hub, close to these job opportunities. The residential led development at Water Street will allow talent that is both home grown and new to the city to live close to the range of new job opportunities created.</p>  |
| <p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p> | <p>The framework is designed to complement the expanded commercial, cultural, retail and leisure offer of adjacent city centre neighbourhoods to further enhance the area's development as a neighbourhood of choice.</p> <p>The framework shapes the regeneration of a currently underutilised area of the city centre. There is the opportunity to develop a distinctive new area both in terms of functionality and appearance.</p> <p>The development of a new residential neighbourhood will also include new public realm and a variety of ground floor retail uses. These supporting uses within the Water Street area will increase the vitality and provide new and enhanced connections to neighbouring city centre areas including Castlefield and St John's.</p> |
| <p>A liveable and low carbon city: a destination of choice to live, visit, work</p>                                   | <p>The framework outlines development proposals with a focus on creating a neighbourhood with a real sense of place - a place that is distinctive, attractive and sustainable.</p> <p>The framework outlines the delivery of exceptional new public realm within the areas settings of character in addition to improved connectivity to the city centre including opening linkages with Castlefield.</p> <p>The regeneration framework for Water Street has been developed with the objective of achieving the right balance between social, environmental and economic objectives for the city, delivering a new neighbourhood that is unique in character and is welcoming, inclusive, neighbourly, and attractive.</p>   |
| <p>A connected city: world class</p>  | <p>The area benefits from strong public transport</p>  |

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| <p>infrastructure and connectivity to drive growth</p> | <p>connectivity. Water Street is within walking distance from both Salford Central and Deansgate – Castlefield rail stations and is also accessible via Metrolink services at Deansgate – Castlefield. This ensures that as the site is developed, its amenities can be accessed by residents, visitors and commuters using public transportation.</p> <p>The development provides pedestrian priority routes alongside new cycle routes to improve access to the city centre</p> <p>Water Street sits at a key city centre gateway location and adjacent to Trinity Way / Regents Road which in turn facilitate access to two arterial routes into the city centre, the M602 and A580. For vehicle connectivity the framework incorporates an improved vehicle parking offer through the removal of surface car parks and proposing car parking within basement and podium levels of the residential development. This will additionally service the needs of St John’s, specifically The Factory and the Old Granada Studios.</p> <p>The approach to vehicle parking within the framework is aligned with the city’s strategy of reducing congestion by increasing parking capacity at gateway locations to service the needs of visitors and commuters and negating the need to drive into the heart of the city centre to park.</p> |
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**Financial Consequences – Revenue**

There are no revenue consequences for this report.

**Financial Consequences – Capital**

The acquisition of Big Yellow’s long leasehold interest was acquired earlier this year through a Funding Agreement with the HCA as reported at the March 2016 Executive meeting. The adoption of a development framework for Water Street will guide and promote future development. As development is delivered, Capital Receipts will be generated in due course which will be accounted for in line with terms of that Agreement.

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**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Water Street Strategic Regeneration Framework December 2010
- Report to the Executive 16 February 2011
- Report to the Executive 26 October 2011
- Draft Quay Street and Water Street Development Framework February 2012.
- Report to the Executive 2 March 2016 (confidential Part B)

All held on file in Room 318.

## 1. Introduction

- 1.1 Members will recall receiving a confidential report (Part B) in March – entitled *Land at New Elm Street* outlining the opportunity for the Council to utilise funding from the Homes and Communities Agency (HCA) to acquire a strategically important plot of land located in the Castlefield area of the city centre.
- 1.2 The site, known as the Manchester Industrial Estate comprises approximately 4.6 acres of land and buildings sits within the existing Water Street framework area. The site is bounded to the north by the railway viaduct (which is being widened to facilitate the Ordsall Chord scheme) to the west by Water Street, to the south by Dawson Street and to the south and east by the River Medlock. It contains a limited amount of peripheral economic activity and is characterised by vacant sites, many of which are used for surface car parking and vacant industrial/showroom buildings that were built in the 1980's.
- 1.2 The Water Street framework area was until recently perceived as being remote from the main economic activities of the city centre and this was reinforced by the railway viaducts that bound the area that provide physical, functional and psychological barriers. The area forms part of the Castlefield Conservation Area, and is close to the Castlefield Basin, the St John's regeneration area, the Museum of Science and Industry and Spinningfields. To the south of the Inner Ring Road is St Georges, and Pomona in Hulme which has been the subject of considerable levels of investment over the past 10 years and where a number of large residential schemes have been developed, and continue to be.
- 1.3 The Water Street area contains a considerable amount of natural and man-made infrastructure. In addition to the railway viaducts, the River Medlock and the Inner Relief Route (IRR) all dissect the area, and the River Irwell runs along the western edge, beyond Water Street.
- 1.4 The land at Water Street is owned freehold by the Council, but was subject to a lease with in excess of 100 years unexpired to the Big Yellow Self Storage Company, who has owned the estate for a number of years. Earlier this year, the Council was able to utilise external HCA funding to enable it to acquire the long leasehold interest in the majority of the site, and enable this framework to be brought forward.
- 1.5 Big Yellow has always sought to deliver a high specification example of their self storage unit on the site, and this use was endorsed by the 2010 Water Street development framework. This requirement remains and Big Yellow are working with the Council to bring forward this regeneration framework in order to ensure a collaborative approach to development across the whole site. To this effect, Big Yellow is currently preparing a detailed planning application for their facility. The land ownerships across the site are attached at Appendix A.

## 2. Background

- 2.1 In 2007/8 the principal land owner produced a development framework for the Water Street area to provide a context for a number of proposals that Big Yellow and at that time, Crosby Lend Lease were seeking to progress. These included a large component of residential development around Potato Wharf and a first phase of commercial development on Water Street including a new self storage building for Big Yellow. The parties carried out a consultation exercise on their draft framework that proposed a significant amount of commercial, retail & residential accommodation within a significantly improved environmental context, including improved connectivity within and around the area to Castlefield, St Georges and Pomona.
- 2.2 The 2008 framework was not formally presented to the Council as changes to the economic climate meant that much of what was proposed at that time had little prospect of being implemented in the short to medium term. A further framework was produced in 2010, again for a mix of uses for which the first two phases of residential development at Potato Wharf have been completed. Phases 3 and 4 are now benefitting from recently approved planning permissions. Trinity Islands, previously part of the Water Street framework, now forms part of the wider masterplan and Strategic Regeneration Framework for St John's, demonstrating the significant opportunity that exists in the area to bring forward development.
- 2.3 Since the Water Street framework's adoption, six years ago, the scale and pace of change in the city has been considerable, and it is now timely to reflect changes in Manchester's economic priorities and market conditions, as well as the site's strategic planning and regeneration context in a refreshed Strategic Regeneration Framework (SRF).
- 2.4 The delivery of major regeneration initiatives and the emergence of detailed, large-scale development proposals for the St John's scheme, which includes Factory Manchester, together with investment proposals for the Museum of Science and Industry, set the context for a comprehensive repositioning of this part of the city centre. The opportunity now exists to capitalise on this momentum to successfully contribute to the extension of city centre quality uses, and a critical mass of activity that supports the creation of a neighbourhood of choice.

### **3. Context**

- 3.1 The updated SRF proposals have been developed to ensure that they will complement the city's wider economic priorities and regeneration strategy for the city centre. In addition, the vision and objectives for the SRF have been aligned with strategic policy considerations.
- 3.2 The Residential Growth Strategy identifies the need to provide 25,000 additional homes over the next 10 years in order to support Manchester's growing and diversifying population, changes in household formation, and the impetus created by an increasingly younger resident demographic in the city centre. Without an appropriate mix of new housing, the city will not be able to sustain or maximise its positive economic growth projections. Equally, without

the right kind of neighbourhoods, streets and new homes, it will not be able to either retain or attract talent to Manchester, nor will it be able to more generally raise quality of life.

- 3.3 Against this context, the SRF area, as a key gateway to the south western edge of the city centre, connected into key arterial routes and the national highway network, and with easy reach to Salford Central and Oxford Road stations and Metrolink at Deansgate-Castlefield, has the potential to become a high quality and sustainable residential-led neighbourhood that will support Manchester's future growth ambitions.
- 3.4 These features provide a natural impetus and focus for creating a neighbourhood with a real sense of place - a place that is distinctive and has identity, is attractive and sustainable, and importantly can offer a real sense of community.

#### **4. Water Street Strategic Regeneration Framework Principles**

- 4.1 The SRF development principles and illustrative masterplan options provide guidance and demonstrate how the opportunity can be optimised with regard to future development. It examines a number of residential forms and car parking options, providing between 800-900 residential units, and between 200-300 parking spaces to serve on-site residents, and a further 740 spaces to service the needs of St John's, specifically The Factory and the Old Granada Studios.
- 4.2 In summary, key principles and issues include:
- Maximising visual connectivity to the listed viaducts through the geometry and alignment of buildings and streets.
  - Maximising views towards the River Medlock through the north – south linear arrangement and configuration of building blocks whilst minimising single aspect north facing apartments.
  - A permeable development, promoting strong connections through the site and with adjoining areas by repairing and extending the existing urban grain. The proposed network and hierarchy of streets and spaces will be designed to manage vehicular, cycle and pedestrian traffic through the careful design of shared routes and surfaces, ensuring pedestrian priority is maintained. The pedestrian and cycle priority streets will be activated by a mix of town houses and retail / leisure spaces.
  - The development should provide a new waterside amenity space, with soft and hard landscaped areas adjacent to the River Medlock. This is an opportunity to create a distinctive and appealing area within the setting of the Victorian viaduct.

- The scale and massing of blocks should be modulated and offset to promote daylight penetration into the public realm and roof top amenity spaces.
- A densely landscaped visual buffer is proposed which would shield the rear of the site from the IRR and other infrastructure and enhance the setting of the road intersection.
- As part of a wider vision for pedestrian connections, there is an opportunity to create a new pedestrian crossing or bridge that links across into Trinity Islands from the River Irwell, where a new riverside route is to be provided.
- Development should respond to the scale of St John's and Potato Wharf, and create a sense of enclosure to the site's open spaces.
- There is also an opportunity to use scale to define the site as a destination and gateway into the city centre. The arrangement of scale should modulate across the site to promote daylight penetration, visual connections to the viaduct and the character of the development.
- Given the site's proximity to the IRR, the SRF presents an opportunity to provide car parking that will support both the development planned for Water Street, and the wider area including serving the public car parking demand that will be generated by events spaces at The Factory and Old Granada Studios. This will also assist in addressing the loss of surface car parking spaces anticipated in the area as regeneration proposals come forward.
- Following an appraisal of car parking options, the SRF update proposes a strategy for the provision of car parking within 2 levels of basement and podium areas in order to meet forecast demand, and this is the preferred option.

## **5. Conclusion**

- 5.1 This report presents a summary of the development options contained in the refreshed strategic regeneration framework. The framework identifies a regeneration opportunity in an edge location, to the south of the city centre. Investment here will help re-connect this area with the wider city centre and create economic, social and environmental benefits adjacent to investment proposed at St John's and the Museum of Science and Industry, as well as other developments taking place across the River Irwell in Salford. Should the Executive endorse the framework in principle, officers would undertake a wide ranging consultation exercise and report back on the outcome in due course.

## **6. Contributing to the Manchester Strategy**

### **(a) A thriving and sustainable city**



- 6.1 The Strategic Regeneration Framework for Water Street area will provide the catalyst for further investment both within the locality and the wider city centre.

The Regeneration Framework will shape the delivery of a new residential led neighbourhood at a key gateway to the city centre. This will contribute towards satisfying the increasing demand for city centre housing, offering quality new homes within the regions economic hub, supporting continued economic growth.

**(b) A highly skilled city**

- 6.2 The framework will see the delivery of 800 and 900 new homes within close proximity to the significant job opportunities that will be created through adjacent development at St John's, the Great Northern / Manchester Central / Castlefield Quay and the final phases of Spinningfields.

With exponentially increasing requirements for commercial space and new organisations moving in to the city centre there continues to be increasing demand for homes within the regional hub in close proximity to these job opportunities. The residential led development at Water Street will allow talent that is both home grown and new to city to live close to the range of new job opportunities created through the developed commercial, retail and cultural offer in the City Centre.

**(c) A progressive and equitable city**

- 6.3 The framework is informed and designed to complement the expanded commercial, cultural, retail and leisure offer of adjacent city centre neighbourhoods to further enhance the areas development as a neighbourhood of choice.

The framework shapes the regeneration of currently an underutilised area of the City Centre. There is the opportunity to develop a distinctive new area both in terms of functionality and appearance.

The development of a new residential neighbourhood will also include new public realm and a variety of ground floor retail uses. These supporting uses within the Water Street area will increase the vitality and provide new and enhanced connections to neighbouring city centre areas including Castlefield and St John's.

**(d) A liveable and low carbon city**

- 6.4 The framework outlines development proposals with a focus on creating a neighbourhood with a real sense of place - a place that is distinctive, attractive and sustainable.

The framework outlines the delivery of exceptional new public realm within the areas settings of character in addition to improved connectivity to the city centre including opening linkages with Castlefield.

The regeneration framework for Water Street has been developed with the objective of achieving the right balance between social, environmental and economic objectives for the city, delivering a new neighbourhood that is unique in character and is welcoming, inclusive, neighbourly, and attractive.

**(e) A connected city**

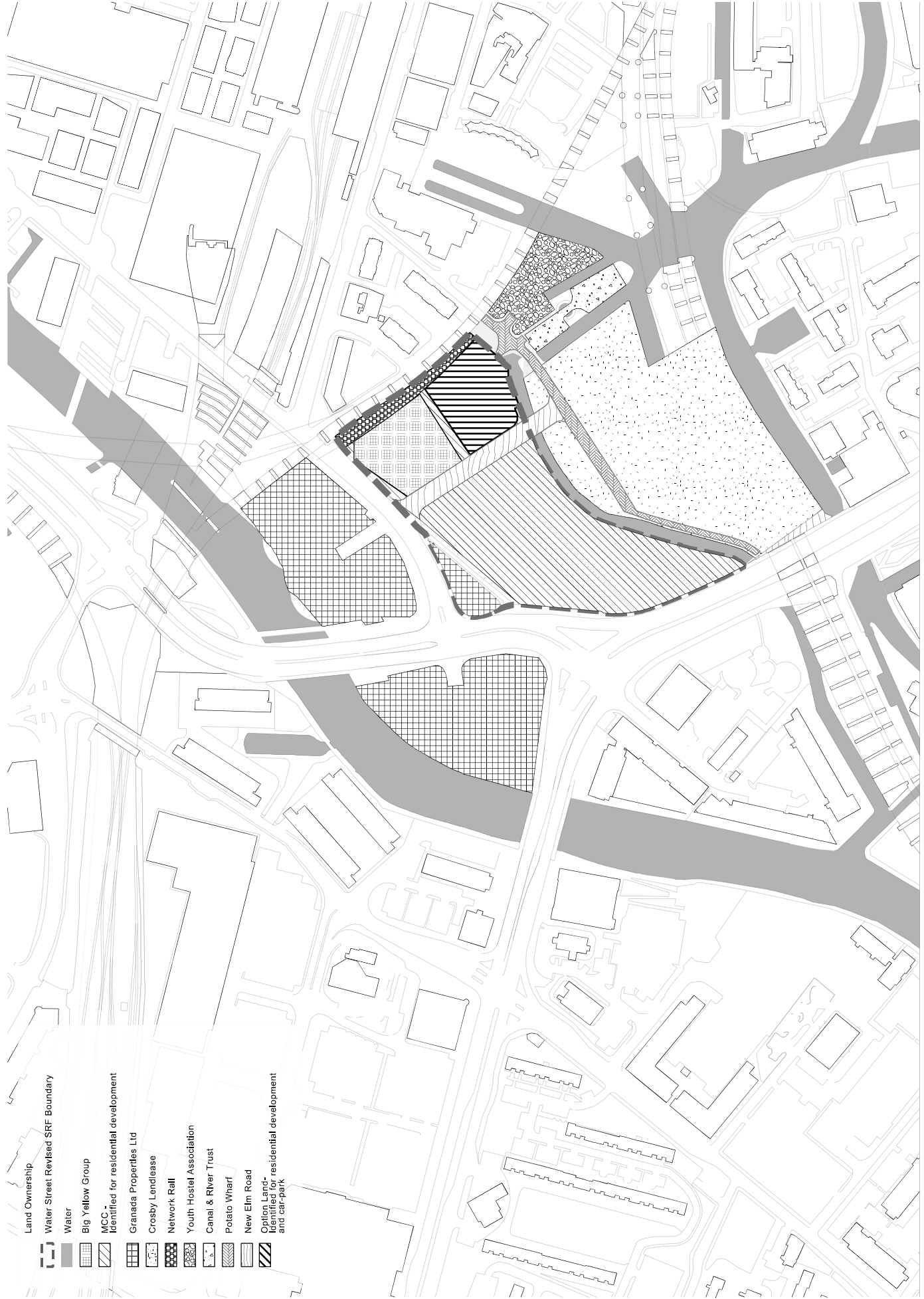
- 6.5 The area benefits from strong public transport connectivity. Water Street is within walking distance from both Salford Central and Deansgate – Castlefield rail stations and is also accessible via Metrolink services at Deansgate – Castlefield. This ensures that as the site is developed, its amenities can be accessed by residents, visitors and commuters using public transportation.











The development integrates vehicular with cycle and pedestrian traffic. Providing pedestrian priority alongside new cycle routes will improve access to the city centre

Water Street sits at a key city centre gateway location and adjacent to Trinity Way / Regents Road which in turn facilitate access to two arterial routes into the city centre, the M602 and A580. For vehicle connectivity the framework incorporates an improved vehicle parking offer through the removal of surface car parks within the area and creation of podium and basement car parking with the capacity for around 200-300 resident parking spaces and 740 spaces for the wider area. This will additionally service the needs of St John's, specifically The Factory and the Old Granada Studios.

The approach to vehicle parking within the framework is aligned with the city's strategy of reducing congestion by increasing parking capacity at gateway locations to service the needs of visitors and commuters and negating the need to drive into the heart of the city centre to park.

APPENDIX A



-  Land Ownership
-  Water Street Revised SRF Boundary
-  Water
-  Big Yellow Group
-  MCC - Identified for residential development
-  Granada Properties Ltd
-  Crosby Lendlease
-  Network Rail
-  Youth Hostel Association
-  Canal & River Trust
-  Potato Wharf
-  New Elm Road
-  Option Land - Identified for residential development and car-park