



Site appraisal for the proposed Regional Casino Entertainment Centre in Newcastle

Newcastle City Council

31st August 2006 (FINAL REPORT)

KPMG Advisory

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Executive summary (1)

Background

In March 2006, Newcastle City Council ('the Council'), submitted an application to the Casino Advisory Panel ('the CAP') to bid for the opportunity to be awarded the one regional casino licence in the UK. The Council's bid was for the development of a regional casino in conjunction with the development of a regional conference and exhibition centre – a facility that has been high on the agenda for both the Regional Development Agency (One NorthEast) and the Council over the last few years.

After an initial evaluation by the CAP, the Council was notified that it had been short-listed (among seven others) for the regional casino licence and would proceed to the next stage – an Examination in Public is to be held in September 2006.

In preparation for the Examination in Public, the Council has retained KPMG to undertake a 'commercial' site assessment of available sites (identified at this stage) for the proposed Regional Casino Entertainment Centre (RCEC) and the proposed Regional Conference Centre (RCC), ideally to be located on the same site to exploit potential operational benefits.

This executive summary presents the key findings from KPMG's site assessment which was completed over the period 31st July to 11th August 2006.

Approach

In undertaking this site assessment KPMG has worked in partnership with the Council to identify a short list of sites for evaluation and to determine and agree suitable criteria and weighting of these criteria upon which to evaluate each individual site.

A total of seven sites were identified within the Discovery Quarter of Newcastle (the non-ambient area identified for the RCEC and the RCC within the Council's submission to the Casino Advisory Panel). The sites for consideration were:

- Pottery Lane 1;
- Pottery Lane 2;
- Calders;
- Metro Radio Arena;
- George Street Triangle;
- The Brewery; and
- St James' / Gallowgate.

Each of the seven sites has been evaluated against a number of criteria falling into the following five broad categories:

- Accessibility;
- Availability of nearby accommodation;
- Surrounding complementary land uses;
- Aesthetics; and
- Other site credentials.

The sites have also been evaluated in terms of the ability to accommodate the 'indicative' scale of the proposed RCEC and RCC development (c. 28,000 sq.m. combined excluding car parking), either as a complete development on one site, or as a combination of sites that are adjacent or sufficiently proximate to one another.

It should be noted that if further sites are identified or put forward to the Council for consideration as the location for the development in the future, the Council has not ruled out the possibility of undertaking further analysis to assess their suitability.

Key findings

Our evaluation of the sites has identified that all seven would be capable of accommodating the RCEC, whilst only three would be suitable to house the RCEC and the RCC without co-locating the development on an adjacent or nearby sites.

Accommodating the RCEC and the RCC on the Pottery Lane sites would require combining the two sites in order to provide an attractive site for the two functions. Together, these two sites would have sufficient space and given their close proximity to one another, would limit any operational challenges of having a multi-site development.

The lack of available sites for development adjacent to or within close proximity of the George Street Triangle site means that the RCEC and the RCC developments would in reality be isolated and separate functioning businesses. This would significantly impact upon the ability to achieve any operational synergies from the two types of development.

Executive summary (2)

Our assessment of the St James' Park / Gallowgate site suggests that it could accommodate the RCEC but the size of the site would constrain the ability to incorporate the RCC development in addition. The St James' Park (Football Stadium) already has conference facilities on-site and we are aware that initial discussions have been held with the Council regarding the possibility of extending these to meet the requirements of the RCC. While we have not reviewed any proposals for such a development as part of this study, we would recommend that further analysis be undertaken before concluding whether the St James' Park / Gallowgate and the Football Stadium could meet the building specifications of the RCEC and the RCC (particularly the flat floor exhibition hall space).

Recommendations and next steps

This assessment has been completed based upon a number of 'commercial' factors and does not include any consideration of site acquisition costs, contamination issues or other geo-technical issues that the sites may have. We would therefore recommend that the Council undertakes the following actions prior to making a decision on a preferred site:

- reserve the right, if necessary, to re-consider any of the seven sites (and any additional sites put forward or identified), in light of new evidence resulting from the outputs of the recommendations below;
- retain a suitably qualified firm to undertake geo-technical and environmental surveys of the short listed sites to identify any barriers or constraints to development;
- identify the risks associated with land assembly and acquisition of the respective sites (particularly where multiple ownership is in existence);
- investigate the acquisition costs of the sites and undertake a financial appraisal of each site; and
- undertake a massing exercise that combines previous work on the proposed regional conference and exhibition centre (undertaken by Ryder HKS) with more refined concepts for the proposed regional casino and hotel developments including on-site car parking requirements. This would be required to validate the ability of the sites to accommodate the proposed developments.

Introduction (1)

Background

Over the past two or so years, Newcastle City Council ('the Council') has engaged with various consultants (including KPMG) to undertake specialist advisory work on a proposed regional conference and exhibition centre as well as on the viability of attracting a regional casino. Initially the work formed two separate work streams. However, since the autumn of 2005, the Council has made its intentions clear that its willingness to support (and ultimately licence) a regional casino (referred to as the Regional Casino Entertainment Centre or 'RCEC') is based upon the ability to secure the regional conference and exhibition centre ('RCC').

Earlier this year, the Council was notified by the Casino Advisory Panel ('the CAP') that it would be one of the eight short listed local authorities to undergo further evaluation for the one Regional Casino licence. The Council is now preparing its case for the 'Examination in Public' to be held in September and therefore wishes to ensure that it has progressed the case for the RCEC and RCC as far as it can.

In order to support its case to the CAP, the Council wants to demonstrate the ability of a variety of sites within the city to accommodate the proposed RCEC and the RCC (ideally on one site). The Council would also like some guidance on which sites within the city would be most suitable for such a development.

Purpose of this report

In progressing the case for the RCEC and RCC, the Council has appointed KPMG to undertake an assessment of a short-list of potentially available sites in the Newcastle area. Specifically the Council has asked KPMG to undertake the following:

- review earlier phases of work relating to both convention centres and casinos (undertaken on behalf of the Council) in order to identify all potential sites (at this stage) for such a facility (to be agreed and approved by the Council);
- produce a list of selection criteria, which, as with earlier schemes, should include site credentials, accessibility, hotel accommodation availability, complementary land uses, and aesthetics.
- appraise each short-listed site against the selection criteria (including ambient / non-ambient location analysis) agreed and apply appropriate weightings; and
- provide a narrative on each of the sites and identify three or four sites that score highest and which could be considered to be the most suitable for the development of the RCEC and the RCC.

Structure of this report

In this report we first provide an overview of the seven short-listed sites that have been put forward by the Council for this review. Site visits were completed by KPMG to inform our review of the seven sites. In addition, we have drawn upon our own previous site assessment work for the proposed regional conference and exhibition centre and information provided by the Council on the size and ownership of the sites as well as information provided by other sources on the availability of nearby car parking and hotel accommodation.

The next section summarises the methodology used to appraise the sites. A detailed breakdown of the criteria and weighting used can be found in Appendix I.

The results of the appraisal are then presented and discussed (Appendix II provides a detailed breakdown of the scores for each site). Following this, we then draw together our conclusions and recommendations for the Council.

Limitations

- This Report has been prepared on the basis set out in our Engagement Letter addressed to Newcastle City Council dated 21st July 2006 and should be read in conjunction with the Engagement Letter.
- This Report is for the benefit of Newcastle City Council and the other parties that we have agreed in writing to treat as addressees of the Engagement Letter (together the Beneficiaries), and has been released to the Beneficiaries on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. We are aware that the Council may be required to distribute this Report to the CAP but this should be in PDF or hard-copy only, and not via any web-site listing of the Report.
- This Report is not suitable to be relied on by any party wishing to acquire rights against KPMG LLP (other than the Beneficiaries) for any purpose or in any context. Any party other than the Beneficiaries that obtains access to this Report or a copy (under the Freedom of Information Act 2000 or otherwise) and chooses to rely on this Report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability in respect of this Report to any party other than the Beneficiaries.

Introduction (2)

Limitations (continued)

- Our work has not included any geo-technical or environmental assessments of the sites. In addition, we have not been asked by the Council to evaluate the sites in terms of the ability to receive planning permission for the RCEC and RCC concepts or the wider impacts of regeneration as a result of locating the RCEC and RCC on a specific site (other than through the existing site credential criteria of complementary land uses).
- All research for this report was completed by 10th August 2006. No account has been taken of matters arising after this date.

RCEC and RCC concept and the short-listed sites

RCEC and RCC concept

In undertaking this site appraisal we have developed an indicative building footprint for the proposed RCEC and RCC. Determining this building footprint has enabled us to identify whether or not sites are physically capable of accommodating the RCEC and the RCC.

The building footprints of the RCEC and the RCC are summarised below. These have been developed based upon the work previously completed by KPMG for the Council in 2003 and 2004 on the concept for the regional conference and exhibition centre as well as our own assumptions for a regional casino and hotel (informed by industry guidelines and our knowledge of proposed regional casino schemes elsewhere in the UK). In summary, it is envisaged that the RCEC and RCC combined could have a minimum building footprint of some 28,000 sq.m. This comprises of:

- 16,000 sq.m for the conference and exhibition centre (RCC) including 5,000 sq.m of flat-floor exhibition space;
- 8,000 sq.m for the regional casino (RCEC); and
- 4,000 sq.m for a hotel development (as part of the RCEC).

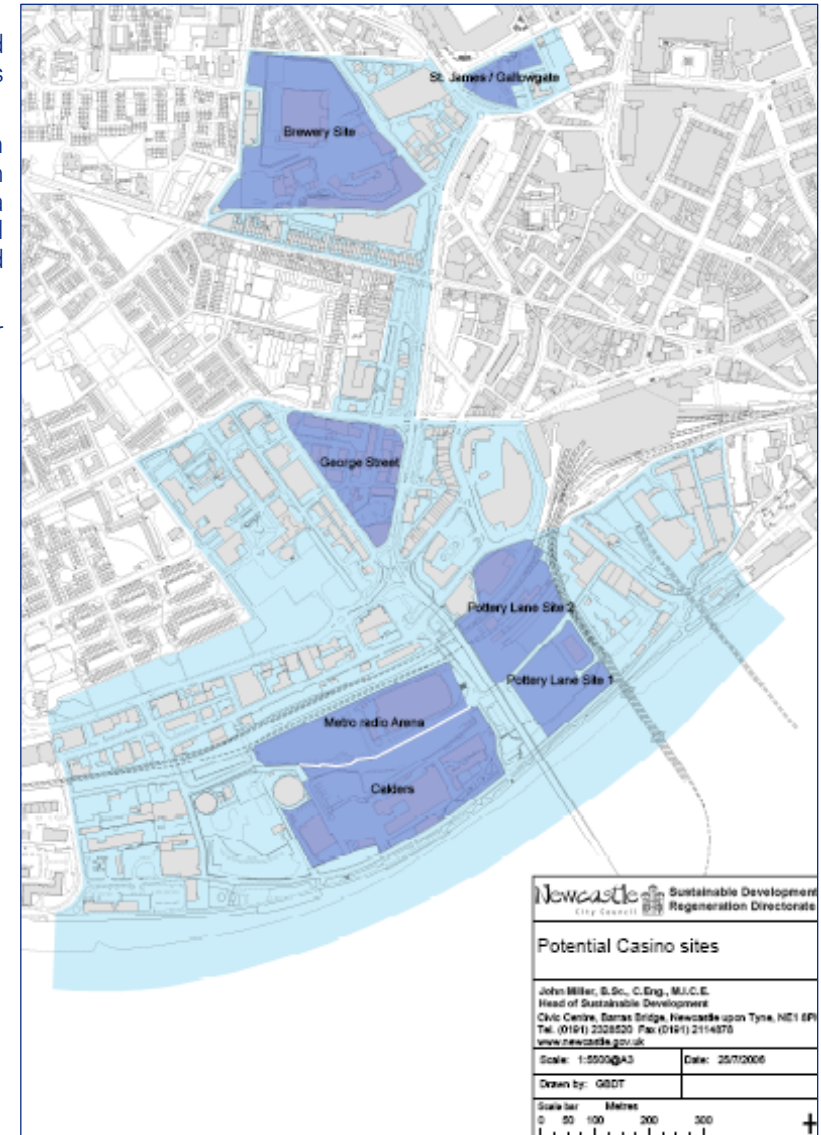
This building footprint excludes any allowance for car parking on-site. Further analysis is required to determine the appropriate level of on-site car parking for the above land uses. We have excluded the ability to accommodate on-site car parking from our site appraisal due to the ability of architects and developers to provide car parking underground or using multi-storey buildings. The provision of car parking on-site therefore becomes more of a design and cost issue rather than a site constraint.

Creating the short-list of sites

We have worked in partnership with the Council to develop a short-list of available sites for the RCEC. The Council's submission identified the Discovery Quarter as being the preferred location within Newcastle city centre. We have therefore focussed our site appraisal on potential sites within this area. The sites appraised are as follows (and as shown in the figure overleaf):

- Pottery Lane 1;
- Pottery Lane 2;
- Calders;
- Metro Radio Arena;
- George Street Triangle;
- The Brewery site; and
- St James' Park / Gallowgate.

Further detail on each of the sites is provided over the following pages.



Background information on the sites – Pottery Lane 1 & Pottery Lane 2

Site name: Pottery Lane 1

Location: The Pottery Lane 1 site is at the very south of the city over looking the Tyne. It is situated between the A189 bridge and railway bridge to its east. The site is south of Pottery Lane and east of the Metro Radio Arena and Calders sites.

Size: 30,627 sq.m. The Pottery Lane 1 site is not sufficient to accommodate the RCEC and RCC combined, or any associated on-site car parking. While the area of the site is large enough, the required configuration of the building footprint for the conference and exhibition centre (as per the concept design by Ryder HKS, 2004) would not fit within the dimensions of the site. Upon inspection KPMG believes it feasible to combine the Pottery Lane 1 and Pottery Lane 2 sites for the development to accommodate the scale of the RCEC and RCC.

Existing uses: There are currently no existing uses on the majority of the Potteries Lane 1 site. Innovation Recycling (a small industrial firm) occupy a small area of the site along the north east perimeter.

Ownership: The Council owns the freehold of the two parcels of land on the site, while the actual leasehold is owned by Strawsons (a private company).

Surrounding land uses: Adjacent to the site is an RMC plant. The Calders site to the west currently has no activity on-site and has been partially cleared ready for development. The Pottery Lane 2 site to the north is largely unoccupied. The site is not close to any existing retail area.

Other issues: The site has a challenging topography to the south of the site with a significant drop in ground levels. The site benefits from a river frontage position.

Site name: Pottery Lane 2

Location: The Pottery Lane 2 site is to the north of Pottery Lane, adjacent to the Pottery Lane 1 site. Like the Pottery Lane 1 site it is situated between the A189 bridge and the railway bridge. It does not have a river frontage. It has good pedestrian access to Newcastle Train Station and the Centre for Life visitor attraction.

Size: 36,680 sq.m. The Pottery Lane 2 site is not sufficient to accommodate the RCEC and RCC combined, or any associated on-site car parking. While the area of the site is large enough, the required configuration of the building footprint for the conference and exhibition centre (as per the concept design by Ryder HKS, 2004) would not fit within the dimensions of the site. Upon inspection KPMG believes it feasible to combine the Pottery Lane 2 and Pottery Lane 1 sites for the development to accommodate the scale of the RCEC and RCC.

Existing uses: Safestore (a self storage company) occupies a small section of the site and part of the site owned by Network Rail is used for operational purposes. Located on the edge of the site are several small-scale industrial workshops / shops under the railway bridge that would need to be re-located if the Pottery Lane 2 site were to accommodate the RCEC and RCC.

Ownership: The majority of the site is owned by Network Rail. Safestore own the remaining plots of land.

Surrounding land uses: Adjacent to the site is Kingshouse which accommodates a mixture of offices. Close to the site is also the Jury's Inn Hotel and the Centre for Life visitor attraction. Either side of the site is a rail bridge and road bridge. The site is not close to any existing retail area.

Other issues: The site has good pedestrian access to Newcastle train station. The Centre for Life, that is located next to the site, also houses conference facilities and offers a range of bars and restaurants.

Background information on the sites – Metro Radio Arena & Calders

Site name: Metro Radio Arena

Location: The Metro Radio Arena site is to the south west of the city centre. It is north of the Calders site and to the west of the A189 road bridge.

Size: 35,962 sq.m. The site would be large enough to accommodate the RCEC and the RCC but only if the Arena were relocated to another site. Even without the Arena there would be limited space for car parking or future expansion.

Existing uses: The majority of the site is occupied by surface level parking that services the Metro Radio Arena. The site also accommodates the Arena itself and a small shop for the Newcastle Vipers Ice Hockey team.

Ownership: The site is currently owned by SMG who operate the Metro Radio Arena. Having a single owner could make acquiring the site less complicated. We have not consulted with SMG to get understanding of their willingness to sell or develop the site, but through our discussions with the Council, understand that SMG have indicated that they would be prepared to consider redeveloping the site.

Surrounding land uses: There is a car dealership to the North of the site and a railway line that is infrequently used by Network Rail. The disused Calders site lies to the south. A road bridge is on its eastern perimeter and there is some light industry to the west. The site is not close to the main retail areas of Newcastle.

Other issues: General public vehicle access to the site is limited to a narrow road linking to Scotswood Road. We are aware of a service road for larger vehicles that can be accessed to the far western corner of the site.

Site name: Calders

Location: The Calders site is to the south of the Metro Radio Arena and to the south west of the city centre. The site backs on to the River Tyne. This would offer good views and aesthetics should the site be chosen. Visibility of the site is limited from the Scotswood Road as the site is located behind the Metro Radio Arena.

The site is the furthest of the seven sites short-listed from any bars / restaurants or hotel accommodation. The Calders site is not easy to reach by pedestrian access and is not proximate to Newcastle Train Station.

Size: 62,157 sq.m. Calders is the second largest site to be considered. It could accommodate the RCEC and the RCC with additional land for on-site car parking and future expansion of the development.

Existing uses: The site is currently unused and the Calders Works have been dismantled and cleared ready for development.

Ownership: The site is owned by Calders (although we understand that Bellway Homes has an option to acquire and develop the site). As with the Metro Radio Arena site, this could make acquiring the site (by a developer) less complicated than sites under multiple ownership. We have not approached Calders to discuss their willingness to sell or develop the site but understand that Bellway Homes have been in discussions with international casino operators regarding the potential to develop the site.

Surrounding land uses: To the south of the site is the River Tyne, to the north of the site is the Metro Radio Arena. There could be some synergies between the operations of the Arena and the proposed RCEC if the Calders site were chosen as the location for the RCEC. To the east of the site is a road bridge.

Other issues: Road access to the site is currently poor. Significant improvements to the existing road infrastructure network would be required to make the site viable for the RCEC and the RCC. The site is one of the furthest away from the main retail areas of the seven sites reviewed.

Background information on the sites - George Street Triangle & The Brewery

Site name: George Street Triangle

Location: The George Street Triangle site is to the south west of the city centre. It has excellent access to the A189 leading to the wider road network and Newcastle International Airport. Within easy access of the site is the Jury's Inn Hotel and new Holiday Inn Express hotel. Also within close proximity are a number of 'family' attractions such as the Discovery Museum and the Centre for Life.

Size: 28,535 sq.m. The size of the George Street site would allow the development of the RCC (as identified by Ryder HKS in 2004). However, it is unlikely to be able to accommodate the RCEC development in addition to the RCC, or any on-site car parking.

Existing uses: Currently on the site is a Vauxhall car dealership, several mechanical workshops and West Moorland Business Centre. There would be a considerable amount of displaced businesses should the site be chosen.

Ownership: The site is owned by a mix of private occupiers with the Council having some freehold interest. This is likely to make acquiring the site for development complicated.

Surrounding land uses: Adjacent to the site is an existing Grosvenor Casino. The Newcastle College campus is also located to the west of the site and along the north west perimeter of the site there is residential and a primary school.

Other issues: The social impacts of locating a regional casino close to education facilities and a residential area could be viewed adversely by the CAP as part of their evaluation. The impact of the RCEC on the existing Grosvenor casino could also be considerable on this site and would need to be investigated further. We also understand that a planning application for a mixed use development has been submitted for this site by Vico Limited.

Site name: The Brewery

Location: The Brewery site is to the north west of the city centre, close to St James' Park (Newcastle United Football Club's football stadium). It has good access to the main road network.

Size: 67,466 sq.m. The Brewery site is the largest of all the sites considered within this review. It could accommodate the RCEC and RCC developments with sufficient space for on-site car parking and future expansion if required.

Existing uses: The majority of the site is the disused brewery. The existing buildings would require demolishing and clearing. There is an enterprise and training centre currently on a small parcel of the site.

Ownership: The site is owned by a mix of public sector bodies including the Council, One North East, the University and Bridging NewcastleGateshead (a government funded housing renewal organisation).

Surrounding land uses: To the west of the site is a large residential estate. Adjoining to the west of the site are local shops and the main central shopping district is within 10-minutes walk away. A public car park is located to the east of the site.

Other issues: In the Discovery Quarter plans the site is designated for the Science Central development and is seen as having the potential to accommodate science-based uses as part of a mixed use development. An alternative site for this science related development may need to be found should the Brewery site be selected as the location for the proposed RCEC and RCC developments. The social impacts of locating a regional casino within close proximity to a major residential area may be viewed negatively by the CAP. These factors have been taken into account in our scoring assessment (discussed later).

Background information on the sites – St James's Park / Gallowgate site

Site name: St James' Park / Gallowgate site

Location: The St James' Park / Gallowgate site is south of Newcastle United's Football Stadium. It is the closest site to the central shopping district of Newcastle of the seven sites reviewed within this report. This could be viewed by the CAP as a negative site attribute given the possible exposure of the casino to the general public passing by. The site has good access to the main road network and public transport, and is the closest of all the sites to Newcastle International Airport.

Size: 7,909 sq.m. This is the smallest of all the sites reviewed. While the site could accommodate the RCEC (as identified by current proposals presented by MGM Grand), it would not be large enough in its own right to accommodate the necessary building footprint of the RCEC and the RCC combined.

We understand that discussions have been held between Newcastle United Football Club (the owners) and the Council regarding the possible incorporation of the RCC into the existing Stadium's conferencing facilities. This would require an upgrade and expansion of the Stadium's existing facilities. For the purposes of this report we have not undertaken a review of these proposals but would suggest (based on our review of the site size and the recommendations for 5,000 sq.m of flat floor exhibition space as part of the RCC), that there may be difficulties in accommodating the RCC as part of the existing Stadium development. We would recommend that a more rigorous examination of the proposals be undertaken by the Council (to include a massing exercise).

Existing uses: The site is currently used for surface car parking. In the corner of the site is a derelict office building (Wellbar House) which is vacant and likely to be redeveloped in the future. There is a Metro station on the site which, we understand from the Council, has been designed to accommodate development above and around the current structure.

Ownership: The site is currently part owned by the Council and partly owned by Newcastle United Football Club and Nexus. The adjacent Wellbar House is owned by a London based property company.

Surrounding land uses: Adjacent to the site is St James's Park football stadium.

To the south of the site is the Government Office for the North East offices, and a parish church (St Andrews) is also located to the south of the site. The Strawberry Pub is adjacent to the north east of the site along with a residential area. To the east of the site is an 8,400 sq.m office block development which is being constructed.

Other issues: While the scale of events planned at the proposed RCC are likely to be significantly different to the Stadium's existing conference events profile, it is possible that the existing facilities could be expanded and enhanced to meet the requirements of the RCC and serve to be a complementary land use to the RCEC.

Site Appraisal methodology

Methodology Applied

Each of the short-listed sites has been evaluated according to a set of pre-defined criteria, namely:

- Accessibility;
- Accommodation availability;
- Complementary land use;
- Aesthetics; and
- Other site credentials.

Each criterion has been broken down into sub-criterion as shown in Appendix I and in the table opposite. Against each sub-criterion we have applied specific parameters to determine the scoring e.g., proximity to the airport has been analysed by using drivetimes, and a score applied to each site as appropriate.

None of the sites considered in this review are within the central shopping district. However, it should be noted that for the purposes of this review, and to address initial concerns from the CAP who wish to minimise the exposure levels of the general public to a regional casino operation, sites that are close to the central shopping district or in close proximity to residential areas (under 'Complementary Land Uses') score less favourably.

Each of the sub-criteria were weighted in agreement with the Council according to degree of influence and importance it would have on the operation and development of the RCEC and the RCC. The sub-criteria and weightings applied are shown opposite.

The overall score was calculated through multiplying the sub-criteria scores by the respective weightings and summing the results.

The outputs of the scoring exercise are shown on the following page. A more detailed breakdown of the scoring can be found in Appendix II.

Criteria and sub-criteria used for scoring & weighting

Accessibility	Weighting
Proximity to Airport	7
Proximity to station	8
Proximity to road network	8
Pedestrian Access	8
Ability to accommodate surface parking	5
Availability of local parking	8

Hotel Accommodation Availability	Weighting
No. of rooms within 5 min walk	9
No. of rooms within 10 minute walk	7
No. of rooms within 10-20 min walk	5

Complementary Land Uses	Weighting
No. of major attractions within 10 minute walk	8
Proximity to shopping district	7
Proximity to residential areas	7
No. of bars/restaurants within 10 minute walk	8

Aesthetics	Weighting
Location within city	6
First impression / Views	6

Site Credentials	Weighting
Expansion Opportunity	4
Ownership/Availability	7
Demolition and clearing	5

Site appraisal results

Key findings

The table opposite summarises the overall scores for the seven short-listed sites by the various criterion. It shows that:

- The three sites that scored the highest were the two Pottery Lane sites and the Brewery site.
- However individually the two Pottery Lane sites do not have appropriate dimensions to accommodate the RCEC and the RCC combined. As the sites are adjacent to each other it could be feasible to use both sites for the development.
- The Pottery Lane 1 and 2 sites scored well in terms of proximity to hotel accommodation and complementary land uses (particularly as the sites are not near any retail or residential areas).
- The Metro Radio Arena site scores highly but consideration would need to be given to the redevelopment or re-location of the existing arena building, if the site were to be chosen to house both the RCEC and the RCC.
- The St James' / Gallowgate site scores highly in terms of accessibility given its proximity to the main road network, public transport and links to the airport (both by road and by the Metro). However, the location of the site (close to central shopping area) and the inability to accommodate both the RCEC and the RCC on the same site (without utilising the adjacent Football Stadium) impact adversely on the overall scoring.
- The Brewery site scored well against all criteria except complementary land uses where its proximity to the central shopping district and residential areas reflect in a lower scoring than most other sites.
- The George street site scored poorly overall because of its poor site credentials and also the size of the site which could impact on future expansion plans. The site is owned by a number of existing businesses and this could make both acquiring, and preparing the site more complicated than the alternative sites.
- The location of the Calders site (being non-ambient) and the size and single ownership are key assets of the site. However, the distance away from the city's hotel accommodation and the limited accessibility to the site impact adversely on the overall scoring.

Breakdown of site appraisal scores by criteria

Scores (Rank)	Pottery Lane - 1	Pottery Lane - 2	Calders	Metro Radio Arena	George Street	Brewery Site	St James' / Gallowgate
Accessibility	234	234	170	202	218	234	266
Accommodation	196	196	146	146	182	182	114
Comp' land uses	146	134	130	130	122	108	108
Aesthetics	76	60	76	84	68	68	68
Site Credentials	80	74	122	104	32	116	58
Total	716	698	644	666	622	708	614

Conclusions

Conclusions

In undertaking our review of the seven short-listed sites for the proposed RCEC and RCC in Newcastle we have made the following observations:

- the Discovery Quarter as a 'broad' location could provide an attractive proposition for a casino operator and developer, while at the same time balancing the need (to different degrees) to protect the vulnerable i.e., ensuring that the development is away from residential areas and the central shopping area;
 - all of the seven sites identified could accommodate the RCEC development. However, only three of the seven sites (Calders, Metro Radio Arena and the Brewery) would be capable of housing the RCEC and RCC without co-locating the developments on adjacent or nearby sites;
 - there could be an opportunity to use both the Pottery Lane 1 and Pottery Lane 2 sites combined to house the RCEC and RCC. Individually, these two sites could not accommodate the RCEC but combined, they would have sufficient land mass to do so;
 - while we have not assessed or reviewed any proposals regarding the St James' Park / Gallowgate site, there maybe scope to incorporate the RCC as part of the existing conference facilities at the Stadium. However, it is not clear at this stage how such a development could incorporate the required flat floor exhibition space of 5,000 sq.m within the Stadium's current site boundaries; and
 - each of the seven sites (combining the Pottery Lane sites) have their relative strengths and weaknesses, as summarised in the table on the next page. Our site appraisal scoring exercise suggests that the four sites that would be most suitable for consideration as the location of the RCEC and the RCC are:
 - The Brewery site;
 - Pottery Lane 1 and 2 (combined);
 - The Metro Radio Arena; and
 - The Caldery site.
- While we have used a scoring method to evaluate the sites, it is important at this stage of the process that the Council does not discount any of the sites and that it should reserve the right, if necessary, to re-consider any of the seven sites (and any additional sites put forward or identified), in light of new evidence resulting from the outputs of the recommendations below.

Next steps

The findings within this report have been based upon a review of a number of 'commercial' factors. We would recommend that the Council undertake a number of other actions prior to making a decision on a preferred site. These are:

- retain a suitably qualified firm to undertake geo-technical and environmental surveys of the short listed sites to identify any barriers or constraints to development;
- identify the risks associated with land assembly and acquisition of the respective sites (particularly where multiple ownership is in existence);
- investigate the acquisition costs of the sites and undertake a financial appraisal of each site; and
- undertake a massing exercise that combines previous work on the proposed regional conference and exhibition centre (undertaken by Ryder HKS) with more refined concepts for the proposed regional casino and hotel developments including on-site car parking requirements. This would be required to validate the ability of the sites to accommodate the proposed developments.

Conclusions cont..

Strengths and weaknesses of selected sites for consideration

Site	Strengths	Weaknesses
Combined Pottery Lane 1 & 2	<ul style="list-style-type: none"> • Good pedestrian access from rail station • Close to other major visitor attractions i.e. Centre for Life • Has the required space with ability to accommodate on-site parking and expansion • A riverside location with high visibility from A189 crossing and railway bridge • Removed from central shopping district (non-ambient location) 	<ul style="list-style-type: none"> • Limited existing access to major roads • Could potentially lead to a displacement of businesses on the perimeter of the site
Calders	<ul style="list-style-type: none"> • Has the required space with ability to accommodate on-site parking and expansion • Riverside location with high visibility from A189 bridge • No displacement of existing businesses • Site would need little clearance • Removed from central shopping district (non-ambient location) 	<ul style="list-style-type: none"> • Very poor road access • Poor pedestrian access • Isolated from other major attractions, bars and restaurants
St James' / Gallowgate	<ul style="list-style-type: none"> • The site is within easy access of bars and restaurants and other complementary night-time activities • The site has high visibility and easy access to the road network and airport • The site already is associated as an entertainment and conference destination 	<ul style="list-style-type: none"> • The site is too small in its own right to accommodate the necessary floor plate • The site is within close access to the central shopping district • There would be no room for car parking or expansion on the site • The Gallowgate site is the furthest from the city's hotel accommodation
Metro Arena	<ul style="list-style-type: none"> • Flat site that would need little clearance, aside from the Arena • High visibility from A189 bridge • Site already associated with entertainment land use • Removed from central shopping district (non-ambient location) 	<ul style="list-style-type: none"> • Site size could constrain ability to accommodate RCEC, RCC and car parking on-site • The existing Arena would need to be re-located in order to develop RCEC and RCC on-site • Not proximate to other complementary night-time entertainment venues
George Street	<ul style="list-style-type: none"> • Easy access to the Jury's Inn hotel and other accommodation • The site has good access to the major road network • Close proximity to the rail station 	<ul style="list-style-type: none"> • The site currently has multiple private sector occupiers making parcelling the site complex and the possible displacement high • The site would not be large enough to accommodate the RCEC and on-site parking • The site is in close proximity to Newcastle College Campus and a primary school on the perimeter of the site
The Brewery	<ul style="list-style-type: none"> • Is the largest of the sites appraised and could accommodate other complementary land uses and future expansion • Good road access • In public sector ownership 	<ul style="list-style-type: none"> • The site is adjacent to a major residential area • The site has poor pedestrian access from the railway station • The site is within close access to the central shopping district • The Science Central development earmarked for the site would need to be relocated

Appendix I – Sub-criteria scoring guidelines

Accessibility		
Proximity to airport	Within 5 minute drive	10
	Within 6-10 minute drive	8
	Within 11-20 minute drive	6
	Within 21-30 minute drive	4
	Within 30 - 40 minute drive	2
	Over 41 minute drive	0
Proximity to station	0-0.25km	10
	0.25-0.5km	8
	0.5-0.75 km	6
	0.75 - 1.0	4
	1-2 km	2
	over 2km	0
Proximity to motorway	Within 5 minute drive	10
	Within 6-10 minute drive	8
	Within 11-20 minute drive	6
	Within 21-30 minute drive	4
	Within 30 - 40 minute drive	2
	Over 41 minute drive	0
Availability to accommodate surface parking	Space for 1,000 spaces	10
	Space for 751-1,000 spaces	8
	Space for 501-750 spaces	6
	Space for 251-500 spaces	4
	Space for 0-250 spaces	2
	No potential parking	0
Pedestrian access	Very good	10
	Good	8
	Average	6
	Poor	4
	Very poor	2
	Abysmal	0

Accessibility: cont		
Availability of local parking (# spaces)	Over 5,000	10
	3,001-4,000	8
	2,001-3,000	6
	1,001-2,000	4
	501 - 1,000	2
	0-500	0
Hotel Accommodation Availability		
# rooms within 5 min walk	Over 401	10
	301-400	8
	201 - 300	6
	101 - 200	4
	51 - 100	2
	Less than 50	0
# rooms within 10 minute walk	Over 1,251	10
	1,001 - 1,250	8
	751 - 1,000	6
	501 - 750	4
	251 - 500	2
	0 - 250	0
# rooms within 10-20 min walk	Over 1,251	10
	1,001 - 1,250	8
	751 - 1,000	6
	501 - 750	4
	251 - 500	2
	0 - 250	0
Complimentary Land Use		
# attractions within 0.5km	5+	10
	4	8
	3	6
	2	4
	1	2

Complementary Land Use		
Proximity to central shopping district	over 30 minutes walk	10
	Within 30 minutes walk	8
	Within 20 minutes walk	6
	Within 15 minutes walk	4
	Within 10 minutes walk	2
	Within 5 minutes walk	0
# bars/restaurants within 0.5 km	21+	10
	16-20	8
	11-15	6
	6-10	4
	1-5	2
	None	0
Residential addresses within 0.5 km	0-100	10
	100-250	8
	250-500	6
	500-1000	4
	1000-2000	2
	2000+	0

Appendix I - Sub-criteria scoring guidelines

Aesthetics		
Positioning / visibility	Major central road (in city)	10
	Major peripheral road (outside city)	8
	Minor central road (in city)	6
	Minor peripheral road (outside city)	4
	Currently poor but with footfall dev't potential (new roads proposed adjacent/in area)	2
	Side street & likely to remain that way	0
	First Impression (Views / river frontage)	
	Excellent	10
	Very Good	8
	Good	6
	Average	4
	Poor	2
	Very poor	0
Site Credentials		
Expansion opportunities	50% of site remaining	10
	40% of site remaining	8
	30% of site remaining	6
	20% of site remaining	4
	10% of site remaining	2
	0% of site remaining	0

Site credentials cont..		
Availability of site	Available immediately - 100% public owned	10
	Publicly owned but with activity	8
	Mixed public and private ownership but with under 3 owners	6
	Privately owned with less than 3 owners	4
	Privately owned and above 3 owners	2
	Not available for over 2 years	0
Demolition /clearing	No demolition/clearing required	10
	Less than 1/4 site with building to remove	8
	Less than 1/2 site with building to remove	6
	Less than 3/4 site with building to remove	4
	Whole site with building to remove	2
	Whole site with building	0

Appendix II - Scores

Accessibility						
	Proximity to Airport	Proximity to Main station	Proximity to road network	Pedestrian Access	Space for surface parking	Access to parking
Pottery Lane - 1	6	6	8	4	0	4
Pottery Lane - 2	6	6	8	6	0	4
Calders	6	4	8	2	0	2
Metro Radio Arena	6	4	8	6	0	2
George Street	6	4	10	6	0	2
Brewery Site	6	4	8	6	0	6
St James / Gallowgate	6	4	8	8	0	8

Complementary land uses				
	# major attractions within 10 minute walk	Proximity to shopping district	# bars/restaurants within 10 minute walk	Proximity to residential
Pottery Lane - 1	2	4	4	10
Pottery Lane - 2	4	4	4	6
Calders	2	6	2	8
Metro Radio Arena	2	6	2	8
George Street	6	4	4	2
Brewery Site	4	2	6	2
St James / Gallowgate	4	0	6	4

Availability of hotel accommodation			
	# rooms within 5 min walk	# rooms within 10 minute walk	# rooms within 10-20 min walk
Pottery Lane - 1	10	8	10
Pottery Lane - 2	10	8	10
Calders	6	6	10
Metro Radio Arena	6	6	10
George Street	10	6	10
Brewery Site	10	6	10
St James / Gallowgate	2	8	8

Appendix II – Scores continued

Aesthetics		
	Visibility	1st impression / Views / River Frontage
Pottery Lane - 1	2	8
Pottery Lane - 2	2	6
Calders	2	8
Metro Radio Arena	6	6
George Street	6	4
Brewery Site	6	4
St James / Gallowgate	6	4

Site credentials			
	Expansion Opportunity	Ownership/Availability	Demolition and clearance
Pottery Lane - 1	2	6	6
Pottery Lane - 2	4	4	6
Calders	10	6	8
Metro Radio Arena	2	8	8
George Street	2	2	2
Brewery Site	10	8	4
St James / Gallowgate	0	4	6