

April 2016

## South Oxhey Initiative

# Engagement Charter for Existing Commercial Occupiers who may wish to relocate back to the completed development

This Charter sets out how Three Rivers District Council (the Council) and Countryside Properties plc (Countryside) will respond to, and engage with, existing commercial occupiers who may be interested in taking commercial space in the completed development. It has been designed to provide clarity on the timing of, and process for, more detailed discussions and to ensure that appropriate and consistent action is taken by the Council and Countryside in response to expressions of interest and other enquiries.

## Background

In late 2015, the Council, Countryside and Home Group (as affordable housing provider) signed up to a Development Agreement to enable the South Oxhey Initiative (SOI) development to proceed

Countryside's retail proposals for the completed development (excluding the main food store) are:

Location	Area (sq ft)
Retail (Phase 1B)	22,300
Retail (Phase 2A – Northern Parcel)	8,344
Retail (Phase 3A – Central Parcel)	6,578
Total	37,222

It is expected that this floor space will provide between 25 and 35 Commercial Units (in addition to the main food store).

Appendix 9a to the Development Agreement sets out the Land Acquisition Strategy for all categories of existing property interests within the boundary of the SOI. A full copy of this appendix can be seen at <http://www.threerivers.gov.uk/egcl-page/south-oxhey-initiative>.

Appendix 10B to the Development Agreement sets out the Retail Lettings Strategy for new units in the completed development. A full copy of this appendix can be seen by using the same web link as above.

The first part of Section 3 of the Retail Letting Strategy sets out how existing businesses will be accommodated within the completed development. This is repeated below:

*3.1 At a time to be agreed with the Council, the Developer [Countryside] will commence an open and full dialogue with the existing retailers within the Core Site [the boundary of the SOI].*

*3.2 The Developer will enter this dialogue with existing retailers prior to marketing the Commercial Units [the area, totalling 37,222sq ft, as set out in the table above].*

*3.3 The Council has made no commitments to existing retailers with regard to any preferential terms for occupying the new scheme.*

*3.4 The Developer shall therefore be permitted to market all of the new Commercial Units at a Market Rent, save where it chooses to offer lower rental levels at its discretion.*

*3.5 In order to assist the Council in its discussions with existing retailers, the Developer will maintain a schedule of Commercial Units available within the development. This schedule will be updated and presented to the Council on a quarterly basis or in accordance with a timetable that the parties may agree.*

*3.6 This schedule will include details of the size and configuration of each available retail unit, the proposed leasehold terms and any user restrictions imposed under the planning permission.*

*3.7 Further details as to the means the Developer shall employ to assist the Council with decanting existing retail tenants are provided within the Land Acquisition Strategy.*

To supplement both the Land Acquisition Strategy and the Retail Letting Strategy, this Engagement Charter provides further clarity on how the Council and the Developer will respond to any expressions of interest from existing commercial occupiers to relocate back into the completed development.

### **Early Engagement Period**

The Early Engagement Period is the period up until the date that Countryside commences the marketing of the first commercial units in the SOI development to existing retailers. As stated in section 3.2 of the Retail Lettings Strategy (as set out above) this will be a date before the commercial units are marketed more generally.

During the Early Engagement Period, any expressions of interest from existing retailers should be provided either to the Council or Deloitte (property advisors to the Council). Deloitte will acknowledge this interest and compile a Register of Expressions of Interest that they will keep updated and issue to Countryside on a monthly basis.

### **The Marketing period**

Upon commencement of marketing of the first commercial units in the SOI development to existing retailers, Countryside will contact all the registered parties and confirm details of an appropriate internal contact. Countryside will also seek to set up initial meetings with each of the registered parties. It is envisaged this contact will be made in early to mid-2017.

At these initial meetings Countryside will provide more details on the size and configuration of commercial units in the scheme, the rents (and other lease terms), and any other issues relating to the occupier mix being sought. If appropriate, negotiations will then continue on a case by case basis between Countryside and the individual tenants (or their agent).

### **General**

During both the Early Engagement Period and the Marketing period, the Council and Deloitte will continue to engage with all occupiers in accordance with the Land Acquisition Strategy.