

## Project Experience

### Century Park/London Luton Airport



#### Outline

Parm was commissioned by Luton Borough Council, to investigate the potential feasibility of an ADZ/TIF scheme to fund circa £76M of infrastructure required to not only release 2,845,500 sqft of commercial development (80% B8) on 194 hectares (479 acres) and to facilitate the potential future expansion of London Luton Airport to enable it to accommodate 24M passengers p.a. compared to 9M currently.

Planning permission for the development of the site in its current form was first granted in 1989, with subsequent applications made in 1999 and 2009. Despite having received planning permission, Prologis has not been able to implement the scheme, primarily due to the significant costs associated with constructing the necessary infrastructure to access and facilitate the development.

#### Services Provided

The ADZ/TIF study was commissioned following the announcement in the April 2009 inviting local authorities to submit schemes as potential pilot projects. The submission by Luton Borough Council was not shortlisted by CLG and therefore we were appointed to undertake a financial and impact assessment on the potential for an ADZ at this location in accordance with CLG case study requirements. The outcome of the initial study was that TIF was not only feasible but necessary to deliver the proposed infrastructure and thereby accelerate the proposed development. Following the initial study we were subsequently retained by Luton Borough Council to undertake a further more detailed analysis in order to prepare an evidence base to lobby Government for an ADZ/TIF at this location.

Parm Dosanjh was responsible for:

- Review of property market including land values, developer and occupier requirements;
- Discussions with key landowners, developers and stakeholders;
- An analysis of Prologis' scheme proposals;
- Review potential development of Airport;
- Detailed financial modelling to test Prologis scheme viability;
- Prepare bespoke TIF model and undertake sensitivity analysis; and
- Identify key areas of risk and associated mitigation measures.

