



Kilkenny County Council  
Comhairle Chontae Chill Chainnigh

*Kilkenny*

# Abbey Quarter update

June 2023

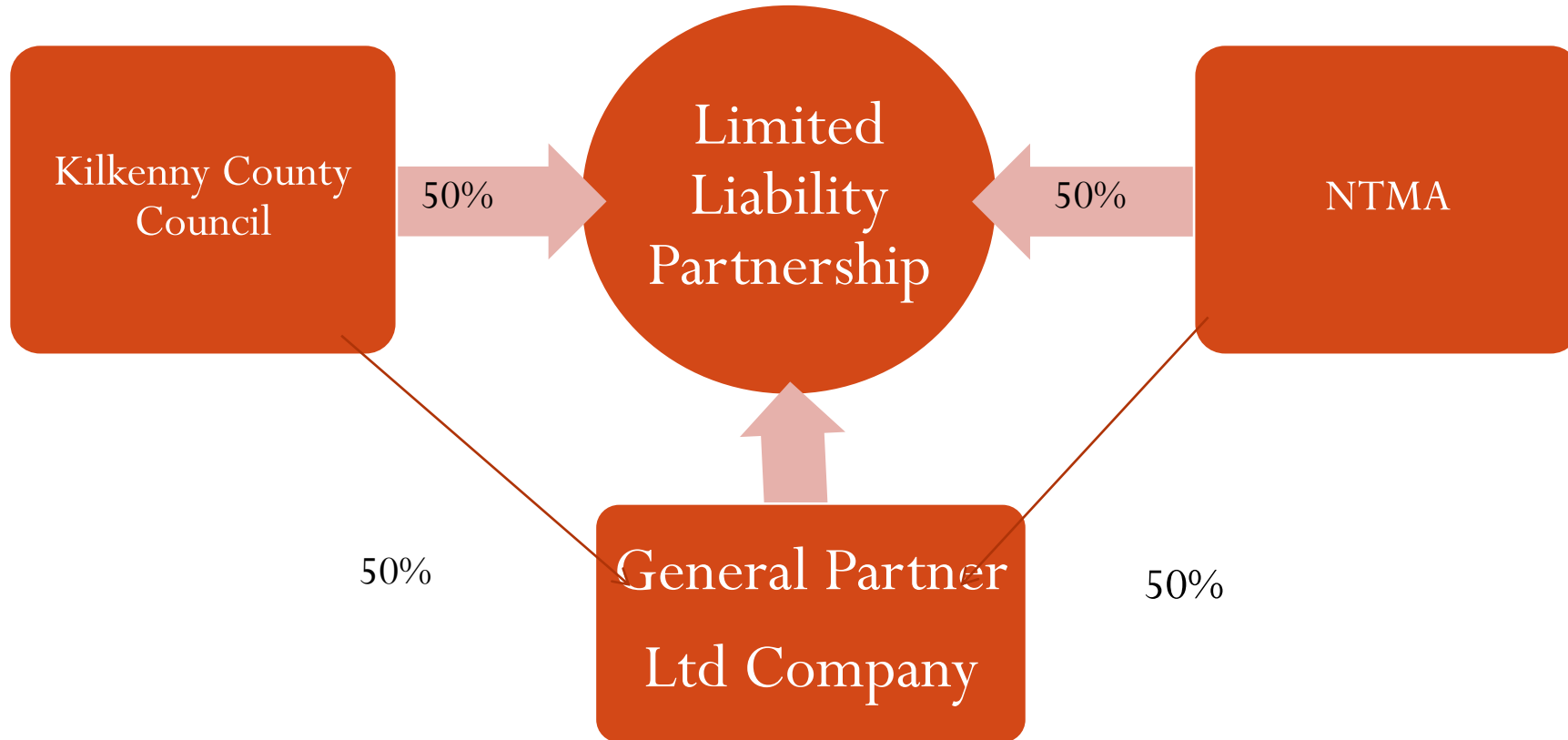


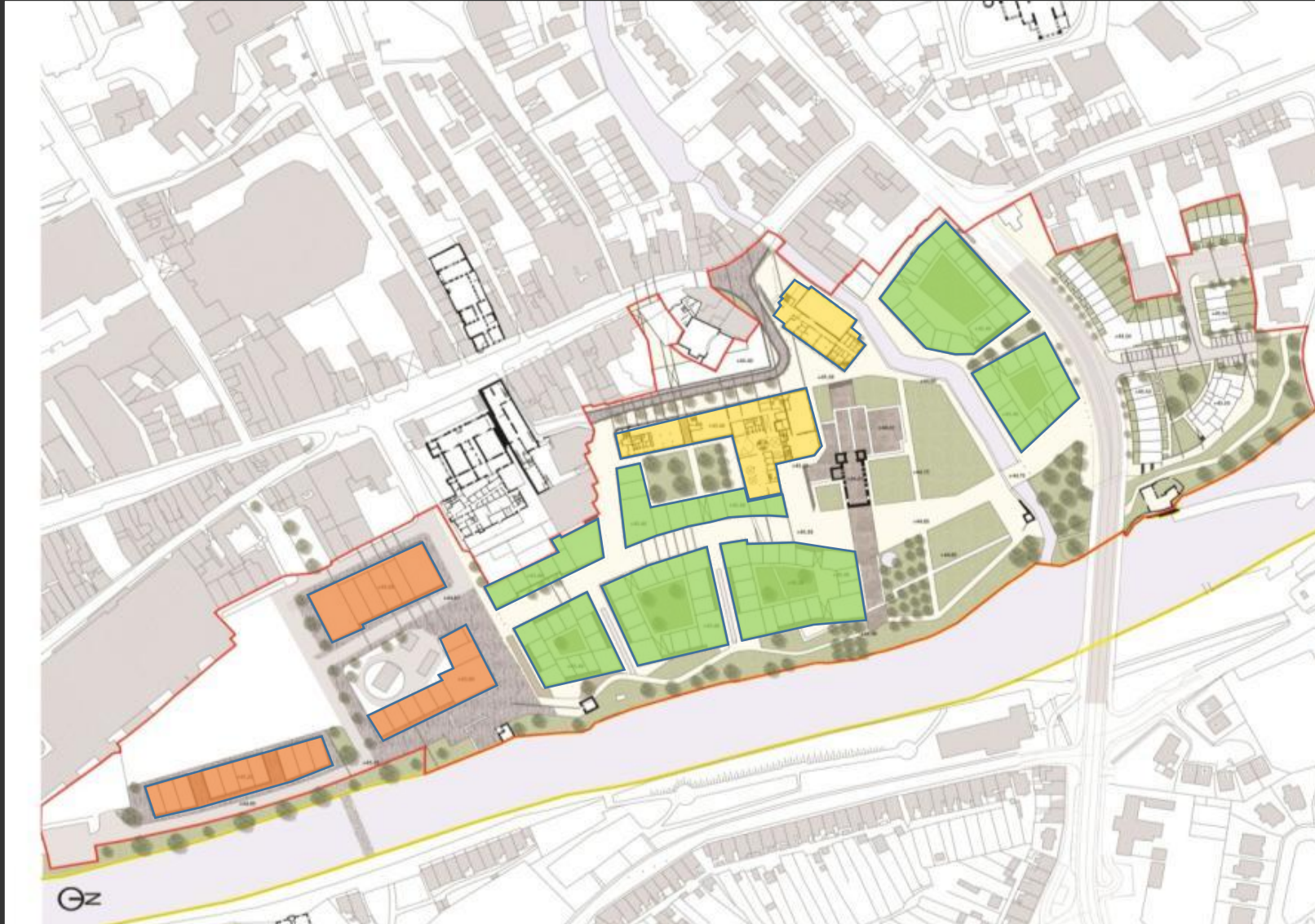
where medieval meets modern

# Introduction

- Abbey Quarter Development Partnership.
  - Set up in 2016.
  - 50:50 partnership with the NTMA.
- Business (Objective) of Partnership:
  - “Means the business of developing, owning, and leasing the properties and the additional property to facilitate business, enterprise, education and research campus at the properties, and with ancillary and subsidiary uses including residential, retail and other uses.”
- Provided a source of funding for the development of commercial space on the AQ site which is independent from KCC.
  - AQ has no recourse to KCC on the debt of the Partnership.

# KCC/NTMA Partnership for Commercial Development.





# Partners Responsibilities

## **AQ Development Partnership**

- Development of buildings on the nominated plots.

## **KCC**

- Master Planning
- Public Realm
- Riverside Park/Skate Park
- Urban Street & Park around the Abbey
- New City Library at the Mayfair Site
- Refurbishment of Tea Houses

(Note 60% of site acquired from Diageo remains in public ownership)

# Progress to Date

## AQ Development Partnership

- Brewhouse refurbished and fully occupied with 3 tenants
- Planning permission received for adjacent building (42,000 ft<sup>2</sup>)
  - subject to referral to ABP
- Temporary Coach/Car park completed

## KCC

- |  |                               |
|--|-------------------------------|
| - Riverside Park                       | Completed                     |
| - Skate Park                           | Completed                     |
| - Public Realm around the Brewhouse    | Completed                     |
| - Tea Houses                           | Completed                     |
| - New City Library at the Mayfair site | Complete Q3 2023              |
| - Urban Street & Park                  | Commence construction Q4 2023 |
| - Review of MasterPlan                 | Complete Q2 2023              |



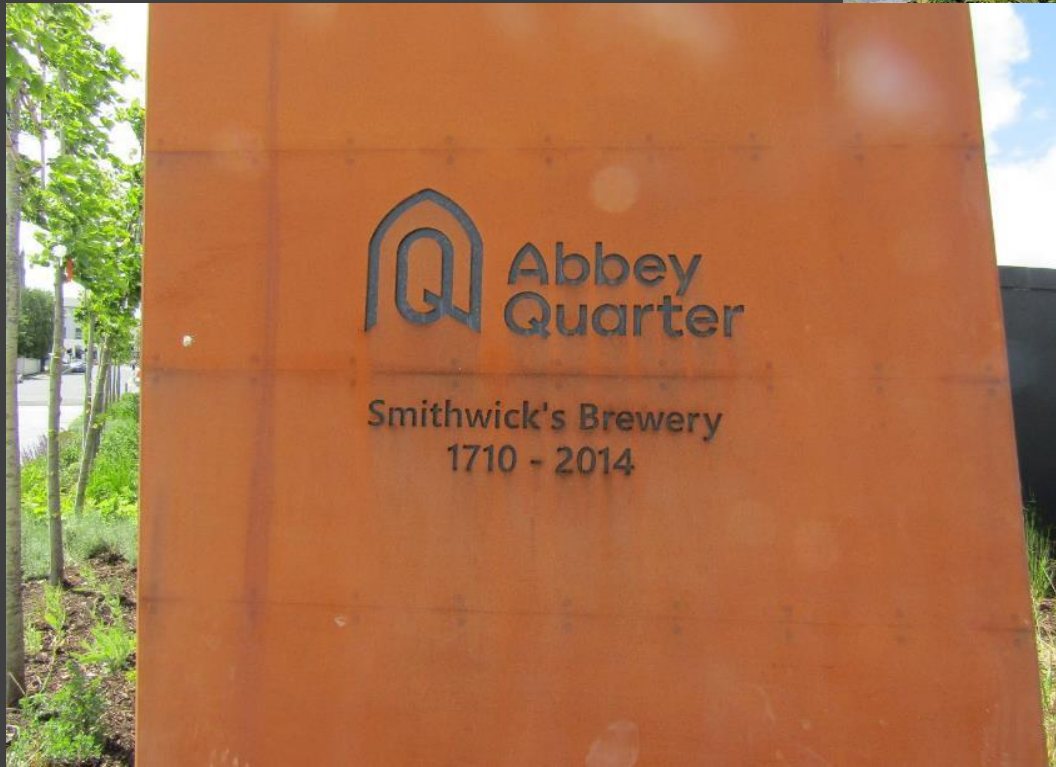






**BREWHOUSE COURTYARD**

















Tea Houses

## KCC Expenditure to Date

- Total Expenditure to date of €10.84m  
(incl site purchase, Excl New Library)
  - Funding Sources
    - Grants - drawn €3.7m
    - Grants - to be drawn €1.0m
    - Loan €3.0m
    - Own Sources €3.4m
- €11.1m

# Kilkenny Abbey Quarter Development Partnership

## KILKENNY ABBEY QUARTER DEVELOPMENT PARTNERSHIP

### STATEMENT OF CONSOLIDATED FINANCIAL POSITION 31 DECEMBER 2022

	<u>€'000'S</u>
<b>FIXED ASSETS</b>	
Investment Properties	17,571
<b>CURRENT ASSETS</b>	
Debtors	1,407
Cash	1,141
<b>CREDITORS</b>	
Amounts falling due within one year	(16,532)
<b>NET CURRENT LIABILITIES</b>	<b>(13,984)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>3,587</b>
REPRESENTED BY:	
Partners' current accounts	(1,413)
Partners' capital accounts	5,000
	<b>3,587</b>



# Kilkenny Abbey Quarter Development Partnership

- Balance Sheet notes;

• Investment Properties	€'000's
• Brewhouse	14,800.
• Other Assets	2,771.
• Cash Balance	1,141.
• Inflated due to timing. Has reduced since year end.	
• Loan Balance	13,185.
• Total Loan facility	13,850.

# Next Phase of Development

- **Kilkenny County Council:**
  - Complete Urban Street and Park
    - Target completion date Q2 2025
  - Complete cultural hub and board walk.
    - Target completion date Q4 2024
  - Total estimated costs €17.2m
    - URDF Grant funding €12.9M
    - Balance from own reserves €4.3m





# AQ - Next Phase of Development

- AQ Development Partnership
  - Secure planning permission for next Building adjacent to the Brewhouse.
    - Subject to referral to ABP.
  - Prepare feasibility for development of riverside plots.
- New Opportunity:
  - Option to acquire building and land from Diageo.
  - Heads of Terms currently being negotiated with Diageo.
  - Site located at entrance to Abbey Quarter adjacent to the courthouse.
    - Strategically important site for the overall development.
  - Total plot size of 23,000 sq ft consisting of Engineers building and paint store.
  - Combine with KCC owned lands.
  - Plan is to refurbish the Engineers building and construct new building on the site of the paint store / KCC lands.

# AQ - Next Phase of Development

- New Opportunity:



# AQ - Next Phase of Development

- New Opportunity:





# AQ - Next Phase of Development

- New Opportunity:
  - Refurbishment of Engineers building to provide 12,744 sq ft of office space.
    - To be used to provide short-term office accommodation / landing space for businesses seeking to set up a base in Kilkenny City.
    - Paint Store / KCC lands will facilitate the development of a gateway building to the Abbey Quarter of 40,000 st ft



# AQ - Next Phase of Development

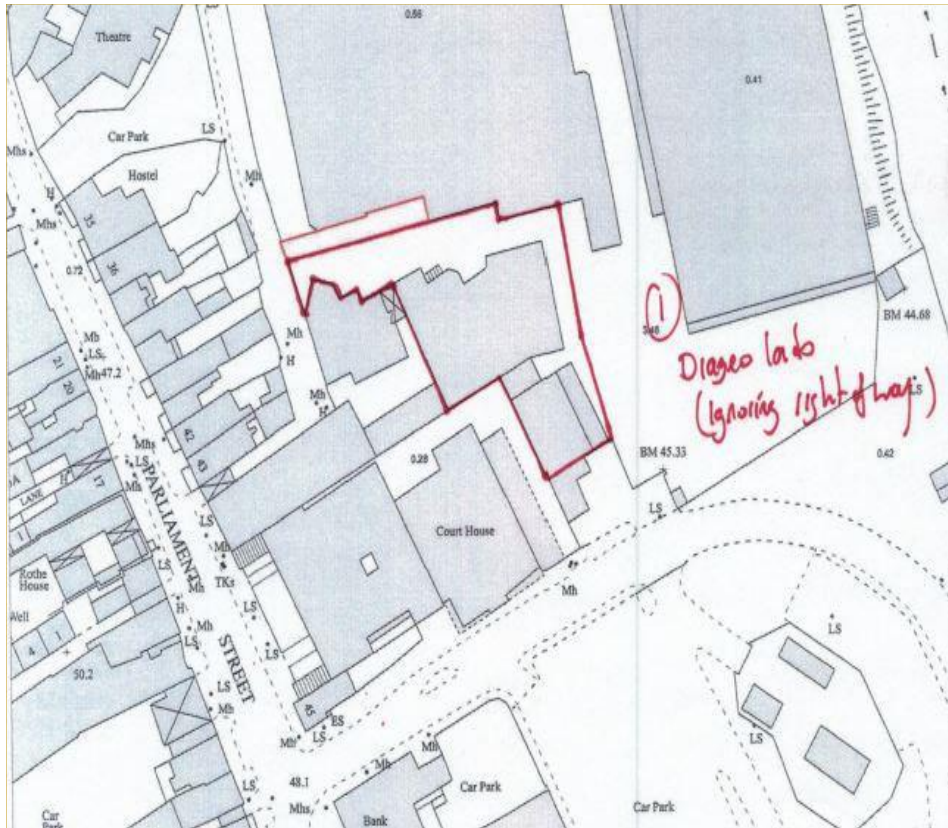
- New Opportunity:





# AQ - Next Phase of Development

- New Opportunity:  
Diageo Buildings



KCC Lands





# AQ - Next Phase of Development

- Funding Requirements:
  - Total Estimated funding requirement for Building 7 and Refurbishment of Engineering Block = €23.5m
  - AQ Needs equity investment of €7m to maintain a balanced funding structure.
  - Equity Investment to be funded 50:50      KCC:NTMA
  - KCC portion is €3.5m.
    - This funding will be required over the next 3 years as development progresses.
  - NTMA to continue to provide the debt finance, no recourse to KCC.
  - Proposed Funding sources for KCC Equity.
    - Term Loan      €2.0m.
    - Own sources      €1.5m.

# Summary

- Ask from Elected Members.
  - Approve AQ Development partnership to acquire building/site from Diageo.
  - Approve the disposal of KCC lands to AQ Partnership adjacent to these properties(July Meeting).
  - Approve additional Equity investment of €3.5m in AQ Partnership conditional on similar equity investment from the NTMA.