

EXECUTIVE DECISION

made by a Cabinet Member

Briefing Paper Part I



1.0 Executive summary

- 1.1 The proposal is for an exchange of the freehold of property between Shekinah Mission and the Council.
- 1.2 The properties to exchange are the Shekinah building at Bath St owned by Shekinah Mission and Stonehouse Creek Community Centre (SCCC) owned by the Council.
- 1.3 A loan agreement will be entered into with Shekinah which will enable them to remodel the former SCCC building to meet their requirements.
- 1.4 The Council will take a long term lease on the changing room element of the building, at a peppercorn rent, in order to preserve these facilities for the benefit of the adjacent playing fields.
- 1.5 A short term lease will be entered into with Shekinah which will enable them to remain in Bath St until the works to SCCC are completed.
- 1.6 The proposal would bring Stonehouse Creek Community Centre back into use.
- 1.7 The proposal would enable Shekinah to enhance their valuable services to the City and potentially enable wider services and involvement from local community groups.
- 1.8 The proposal would facilitate the comprehensive redevelopment of Millbay Boulevard by securing control of property in Bath St which is allocated under Joint Local Plan Policy PLY30.

2.0 Purpose of the report

2.1 This report and Business Case (attached as an appendix to the Part II paper) seek approval to allocate sufficient funding for the project into the Capital Programme. The report also seeks approval for the exchange of ownership of the properties, entering into a loan agreement and enter into the short term tenancy of Bath St to Shekinah post property exchange. Approval is also sought to enter into a lease agreement with Shekinah for the changing room element of SCCC.

3.0 Further information

- 3.1 SCCC has been empty for some years and this proposal will bring it back into use.
- 3.2 Vacant possession of Bath St will enable the comprehensive redevelopment of land in the area to facilitate the comprehensive redevelopment of Millbay Boulevard.
- 3.3 Shekinah's intention for SCCC is to offer a wide range of services from the building which could include:

- Skills training
- Health promotion
- Education
- Employment services
- Housing advice
- Medical support including an outreach GP service and a practice nurse
- Mental health support
- Counselling
- Learning exchange
- Opportunities for local community groups to utilise the facilities

3.4 Bath St will be available to Shekinah to occupy under a lease agreement whilst they undertake works to SCCC. The length of the tenancy is to be agreed once a programme for the works to SCCC is known however could be in region of 12 months with a tenant only break clause requiring one month notice. At the end of the term the Council will gain vacant possession.

3.5 The changing rooms within SCCC will be secured for use by users of the adjacent playing fields by way of a long term lease agreement between the Council and Shekinah.

4.0 Decision required

4.1 The decision required is approval for the exchange of properties, the funding required to loan to Shekinah, funding necessary to pay back the development funding associated with working up this project, authorisation to enter into the loan agreement, short/fixed term tenancy of Bath St and SCCC changing rooms and delegation of the award of all contracts associated with the project to the Service Director for Economic Development.

5.0 Recommendation

It is recommended that the Leader of the Council:

- Approves the Business Case
- Allocates funding for the project into the Capital Programme funded by Corporate Borrowing to be paid back by way of loan to Shekinah
- Allocates funding for the project to reimburse the Development Funding funded by Corporate Borrowing and cover the remaining costs not included in the loan
- Authorises the exchange of properties
- Authorises the loan agreement subject to due diligence
- Authorises the short term tenancy of Bath St to Shekinah post exchange
- Authorises the long term tenancy of SCCC changing rooms to the Council post exchange
- Delegates the award of all other contracts and completion of all other agreements associated with this project to the Service Director for Economic Development