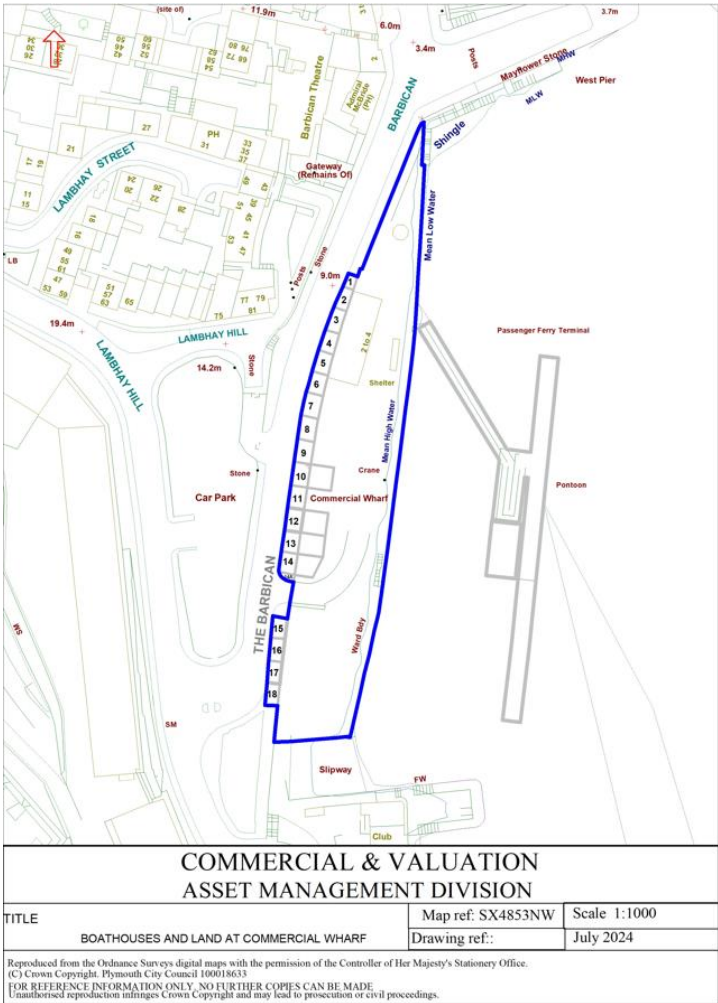


PART I BRIEFING REPORT

Grant of a 30 year lease of Boathouses and adjacent land at Commercial Wharf to Cattewater Harbour Commissioners (CHC)



- I.0 Background
- I.1 Commercial Wharf, Madeira Road, Plymouth (see plan below with land edged blue) is an area of land and buildings situated along the waterfront on the Barbican. The property is comprised of 19 boathouses which are held on occupational leases by a variety of tenants, and the wharf itself which is a hard surface to the front of the boathouses and utilised as seating areas for some of the businesses under licence agreements.
- I.2 An overarching lease of the property to Cattewater Harbour Commissioners (CHC) will enable them to invest and establish Commercial Wharf as a cruise destination in its own right, promoting employment and economic growth in the local area. In addition, it will remove a substantial liability for the Council in relation to current and future maintenance.
- I.3 CHC hope to create a more welcoming feel to this historic wharf, to attract more tourists, visitors and marine tourism including cruise, tall ships, superyacht and leisure passengers embarking or disembarking from the nearby Barbican Landing Stage.
- I.4 As part of the lease agreement, CHC will ensure the wharf remains in good repair – including structures, surfaces and sea walls. They will also be responsible for keeping the public spaces neat and tidy and have agreed to invest at least £50,000 a year in capital improvements for the first three years of the lease.



2.0 Alternative Options Considered and Rejected

2.1 Not to proceed with the lease and to retain and manage the asset directly

This option has been discounted due to the loss of opportunity of third party investment into the public realm in the locality and the ability to mitigate current and future major repair liabilities along with taking advantage of CHC's specialist knowledge in managing this waterfront asset

2.2 Offer lease to another third party

This option has been discounted as no other party would have a special interest in the site by virtue of their ownership and operation of the adjoining commercial landing stage

2.3 Freehold Disposal

The option has been discounted as the Council would lose future control over a key waterfront site which can be protected in the proposed lease terms

3.0 Decision to be taken

3.1 To proceed with the granting of a lease to CHC

4.0 Reason for Decision

4.1 CHC want to invest to establish Commercial Wharf as a destination in its own right, promoting employment and economic growth in the local area. Investment and ongoing management will focus on creating a more welcoming area for tourism, marine tourism and residents, including cruise, tall ships, superyacht and leisure passengers arriving on Commercial Wharf after alighting on the Barbican Landing Stage

4.2 The property represents a significant current and contingent liability for the Council in respect of ongoing maintenance and repair requirements

4.3 Whilst CHC operate on a commercial basis, due to their status as a Trust Port they reinvest any profit back into facilities and resources to help maintain and improve the port for the benefit of its user

4.4 Lease terms will protect the Council's financial position by ensuring that the Council receives an appropriate share of income generation