

CABINET

5 APRIL 2016

MARINA DEVELOPMENT AT CHATHAM WATERFRONT

Portfolio Holder: Councillor Alan Jarrett, Leader
Councillor Rodney Chambers OBE, Inward Investment,
Strategic Regeneration and Partnerships
Councillor Adrian Gulvin, Resources

Report from: Perry Holmes, Chief Legal Officer

Author: Noel Filmer, Valuation & Asset Management Manager

Summary

This report seeks delegated authority to enter into agreements and grant leases together with any necessary rights in respect of the following council owned assets: Riverside 4 building, part of the Chatham Riverside pay and display car park, part of Waterfront Park, Chatham and the council owned bed and soil of the river fronting Gun Wharf to facilitate the development of a marina.

1. Budget and Policy Framework

- 1.1 As the rent likely to be received by the council will be above £20,000 per annum, the delegation of authority to enter into any agreements and grant a lease or leases is a matter for Cabinet.

2. Background

- 2.1 The Council owns the freehold of the land, building and riverbed shown hatched black on the attached plan, which includes part of Waterfront Park, part of the Riverside Pay and Display Car Park and the building known as Riverside 4.
- 2.3 The Crown Estate owns the bed and shore of the river as edged black on the attached plan.
- 2.4 It is considered that, the council's property interests and the Crown Estates' bed and shore could be combined to form a suitable site for a marina.
- 2.5 Officers have had detailed discussions with the Crown Estate about the proposal and it is now appropriate for Cabinet to delegate authority to

officers so that a contractual Joint Venture agreement can be entered into with the Crown Estate and the opportunity to take a long lease of the land/building and riverbed can be offered to the market.

2.6 Consultants and specialists acting for the council and the Crown Estate are of the opinion that there will be interest from private sector developers and marina operators in this opportunity.

2.7 Any offers from developers and Marina operators are likely to be on a “subject to planning basis” whereby the Council and the Crown Estate would grant an agreement for lease to the developer/operator with the actual lease being granted once planning and any other necessary consents have been obtained.

3. Options

3.1 Do nothing.

3.2 The Council can proceed with a contractual Joint Venture with the Crown Estate to assemble a suitable site for a marina development and then offer the letting of this by way of a long lease on the open market.

4. Advice and Analysis.

4.1 In addition to securing the restoration of the Riverside 4 building, the creation of a marina will bring in additional rental and business rates income for the council, act as a stimulus for regeneration (particularly at the nearby Chatham Waterfront site), encourage positive interaction between rivers users and the town centre and enhance the tourism offer in Medway.

5. Risk Management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Lack of operator/developer interest in the proposal.	When the opportunity is marketed, there is limited or no interest.	Three sets of consultants have already confirmed that there is likely to be interest and the Council/Crown Estate will appoint a suitable agent to market the opportunity.	D2
Planning objections to the proposal	There are objections to any planning application for the proposal.	Agree a planning brief to establish the principle of the proposal before marketing.	C2

6. Consultation

- 6.1 As part of the proposal, it will be necessary to allocate approximately 50 of the pay and display car parking spaces in the Chatham Waterfront public car park for use by the marina. The council's car parking team has confirmed that the "loss" of these spaces can be compensated for, as there are currently underused spaces elsewhere in Chatham.
- 6.2 The council's development control team is being consulted over the preparation of a planning brief for the proposal.

7. Financial and legal implications

- 7.1 The letting of the car spaces together with the Riverside 4 building will generate a rental income and the marina operator will be required to maintain and repair the building and pay business rates. The loss in parking income will be compensated for by the receipt of rental income.
- 7.2 The Council has a duty under section 123 of the Local Government Act 1972 to obtain the best consideration reasonably obtainable when it disposes of property, unless the disposal is by way of a lease for a term of 7 years, or less, or consent is obtained from the Secretary of State.
- 7.3 Before the car parking spaces can be let, the council will need to amend the parking order.
- 7.4 Before the council can grant a lease of or any rights over the Waterfront Park area, the council may need to advertise the proposal and consider any objections.

8. Recommendations

- 8.1 That Cabinet agrees to delegate authority to the Chief Legal Officer, in consultation with the Leader and the Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships, to enter into any arrangements as are necessary with the Crown Estate to take forward the letting of the Council's land and the Crown's bed and shore for a marina development at Chatham Waterfront as outlined in the site plan (Appendix 1).
- 8.2 That Cabinet agrees to delegate authority to the Chief Legal Officer, in consultation with the Leader and the Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships, to:
 - (i) consider any objections against any proposals to grant a lease of or rights over part of Waterfront Park;
 - (ii) to grant a lease or leases of the Riverside 4 building, part of Waterfront Park and part of the Riverside Pay and Display car park together with any necessary rights over parts of the Waterfront Park.

9. Suggested reasons for decision(s)

- 9.1 The development of a marina in Chatham will enhance the regeneration and visual appearance of Chatham Waterfront and the tourist offer. This is a key to part of improving Chatham Town Centre, complimenting the council's ongoing investment in the public realm through the Local Growth Fund and the Place making project. In addition the proposal will generate a rental income from any lease or leases granted.

Lead officer contact:

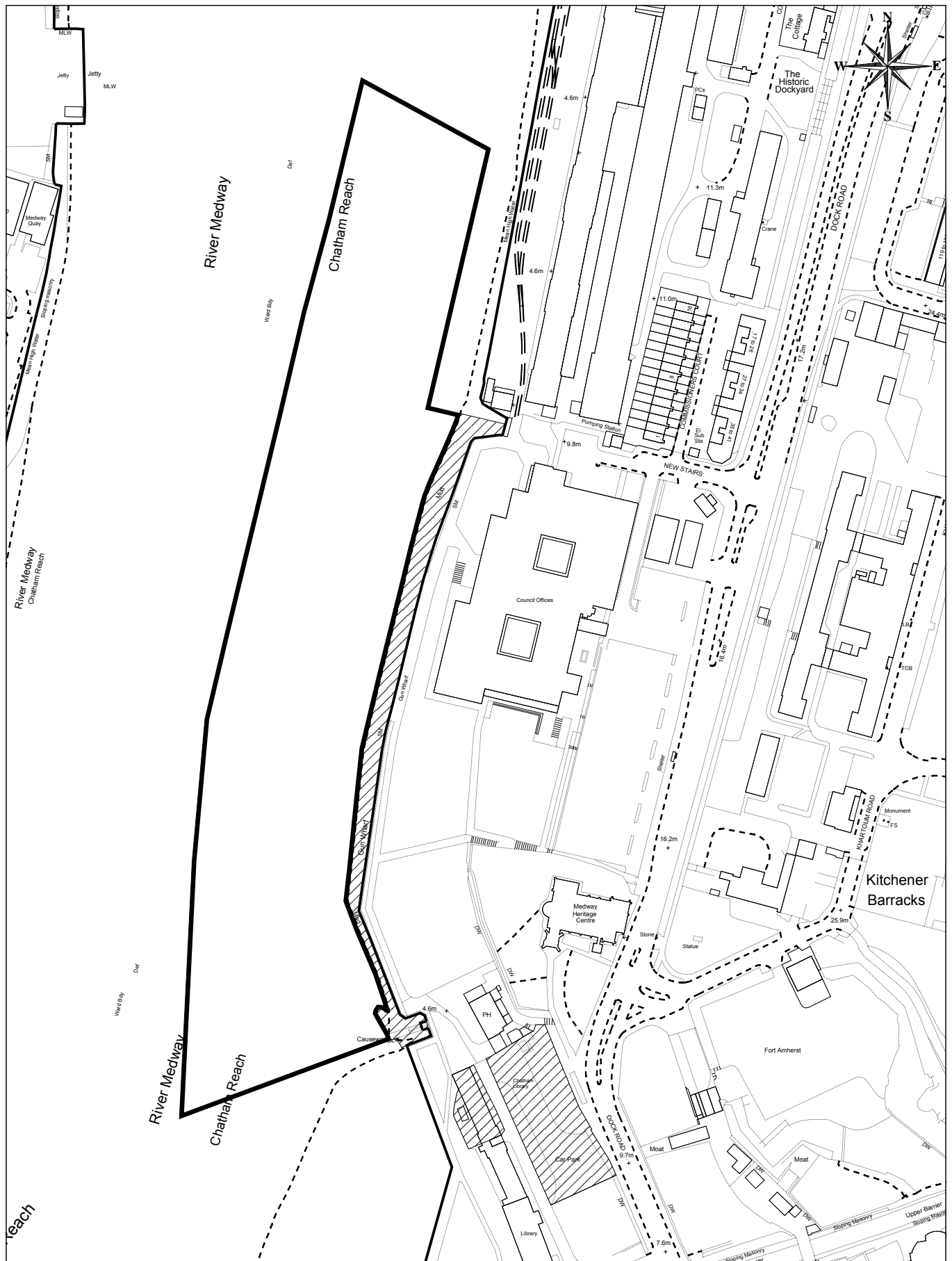
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Appendices

Appendix 1 – Site plan

Background Papers:

None



Potential Marina Development at Chatham Waterfront



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