

PROPOSED WATER SPORTS CENTRE FOR EXMOUTH

BENEFITS, LEGACY AND NOT FOR PROFIT

Following our first consultation event on Saturday 21 October it was clear from the questions asked that people would like to know more about the benefits and legacy that the development will bring as well as the structure in place to deliver a not for profit scheme. We have listened to this feedback and have prepared the following summaries.

Key Benefits and Long Term Legacy:

- This is a project which has local at its heart. We therefore hope that local businesses will be able to relocate, expand or start up at the centre creating jobs and income for the local economy.
- Having a water sports centre will allow Exmouth to bid for and hopefully host international water sports events.
- Creation of a leisure destination, which should hopefully help contribute to increasing footfall and visitor numbers into the town. This in turn will help retain spend within Exmouth.
- Create employment – depending on the tenants the development could create 50-60 new jobs in Exmouth.
- Establishment of a year round destination for cyclists, visitors and the community.
- Encourage more people to take up water sports which in term drives healthier lifestyles.
- Create a place for staging community based events. For example, a Families and the Sea Festival.
- Easier access to the beach via the ramp and two sets of steps. No longer having to cross the road with equipment.
- The creation of revenue for a community interest company to be spent on community initiatives and events linked to water sports. This revenue will be available after the cost of the project has been repaid.

Key terms of the Structure being proposed:

- East Devon District Council (EDDC) will own the freehold of the land.
- Grenadier will take a 125 year lease from EDDC.
- The lease restricts the use of the site as a Water Sports Centre with ancillary restaurants and retail only.
- There can be no residential use or development under the lease.
- Once built Grenadier will provide a sub-lease of 125 years to Queens Drive Exmouth Community Interest Company (CIC) who will manage the land and buildings on a not for profit basis.
- The CIC's shareholders will be Grenadier and EDDC but neither can receive dividends.
- To repay Grenadier the cost of development it will charge the CIC a commercial rent until such time as the cost has been repaid. Likely to be 15-20 years.
- Such rent will be funded from rent charges to the occupying tenants who will operate as normal businesses.
- There is no interest payable on the repayment of the development cost other than inflationary increases.
- Once the cost of the project has repaid to Grenadier the land and buildings will be transferred to the CIC and all revenue will be used to further the CIC's community objects.
- EDDC will still look after and maintain the cycle way, footpath and sea wall.
- EDDC will receive no financial income or return from the Community Interest Company but the tenants of the centre will obviously pay business rates in the normal way.
- The CIC has a full asset lock. Any surplus profits are to further the CIC's aims of promoting water sports in the Exmouth Community.
- The CIC will not pay directors. The Directors will be made up of persons from EDDC, Grenadier, the water sports operator or another tenant and a community representative.
- We have specified that the Devon Wildlife Trust and RNLI should receive the CIC's assets and cash on liquidation.