



Subject:	Asset Management i) Cromac Street Car Park – Licence Renewal ii) Station Street Car Park – Licence Renewal iii) The Lighthouse Building, The Gasworks Estate – Proposed change of use from office use to residential use iv) St John Vianney Youth Club, River Terrace - Lease Assignment v) Belfast City Centre Festive Lighting Fittings – Agreements with building owners
Date:	18 th April 2025
Reporting Officer:	Sinead Grimes, Director of Property & Projects
Contact Officer:	Pamela Davison, Estates Manager

Restricted Reports

Is this report restricted?

Yes

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No

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Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.

Insert number

☐

1. Information relating to any individual
2. Information likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the council holding that information)
4. Information in connection with any labour relations matter
5. Information in relation to which a claim to legal professional privilege could be maintained
6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction
7. Information on any action in relation to the prevention, investigation or prosecution of crime

If Yes, when will the report become unrestricted?

After Committee Decision

After Council Decision

Sometime in the future

Never

☐

Call-in

Is the decision eligible for Call-in?

Yes

☒

No

☐

1.0	Purpose of Report/Summary of Main Issues
1.1	The purpose of this report is to seek approval from the Committee on asset related disposal, acquisition and estates matters.
2.0	Recommendation
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none">i) Cromac Street Car Park – Licence Renewal<ul style="list-style-type: none">- Approve the renewal of a Licence agreement from the Northern Ireland Housing Executive (NIHE) to Belfast City Council in relation to the council operated off-street car park at Cromac Street.ii) Station Street Car Park – Licence Renewal<ul style="list-style-type: none">- Approve the renewal of a Licence agreement from the Department for Communities (DfC) to Belfast City Council in relation to the Council operated off-street car park at Station Street.iii) The Lighthouse Building, The Gasworks Estate – Proposed change of use from office use to residential use<ul style="list-style-type: none">- Provide an in-principle approval for a change of use from office use to residential use.iv) St. John Vianney Youth Club, River Terrace - Lease assignment<ul style="list-style-type: none">- Note the terms of the current ground lease of St. John Vianney Youth Club which is to be assigned from the Trustees of St. John Vianney Youth Club to LORAG.v) Belfast City Centre Festive Lighting Fittings – Agreements with building owners<ul style="list-style-type: none">- Approve entering into agreements between Belfast City Council and building owners within the city centre for the purpose of erecting festive lighting fittings. Terms of the agreements are to be agreed by the Estates Management Unit and Legal Services.
3.0	Main Report
3.1	<p>i) Cromac Street Car Park – Licence renewal</p> <p><u>Key Issues</u></p> <p>As part of the Transfer of Functions legislation for off-street car parking from DRD (DfI), the car park at Cromac Street transferred to Council on 01 April 2015. This car park is owned</p>

by the Northern Ireland Housing Executive (NIHE) and has been held by Council under Licence since the transfer date. The current Licence from NIHE is for a term of 1 year, which expired on 31 March 2025 and the Council is currently holding over on the lease. The Licence was subject to a fee of £47,850 as assessed by Land & Property Services (LPS) based on the actual income generated by the car park in the previous year. The Licence contained a caveat enabling NIHE to terminate the agreement upon one weeks' notice. NIHE required this flexibility as previous Licences do not deal with the Electric Vehicle (EV) charging point located within the car park, and NIHE is considering options with regards to an arrangement with the EV charging point operator. When a long-term solution has been identified, a new arrangement with Council will be required. In the interim, NIHE have agreed to grant a new Licence to the Council for a further term of 1 year to 31 March 2026, subject to a Licence fee assessed by LPS based on the actual income generated by the car park in the previous year, and subject to the same one week notice period while NIHE consider options for the EV charging point. Council will retain all revenue generated from its operation of the car park.

Financial and Resource Implications

The Licence renewal will be drafted by NIHE and Council's Legal Services shall act on the instructions of the Estates Management Unit to agree terms. Council will be responsible for payment of the Licence Fee as assessed by LPS based on the actual income the car park generated in the previous year. Council will retain all revenue generated from its operation of the car park.

Equality or Good Relations Implications/Rural Needs Assessment

None associated with this report.

3.2 **ii) Station Street Car Park – Licence renewal**

Key Issues

As part of the Transfer of Functions legislation for off-street car parking from DRD (DfI), the car park at Station Street transferred to Council on 01 April 2015. This car park is owned by the Department for Communities (DfC) and has been held by Council under Licence since the transfer date. The current Licence from DfC is for a term of 1 year expiring on 30 June 2025 and is subject to a Licence fee of £58,500 as assessed by LPS based on the actual income generated by the car park in the previous year. DfC have agreed to grant a Licence for a further term of 1 year to 30 June 2026 subject to the same licence fee of £58,500. Council will retain all revenue generated from its operation of the car park. Both DfC and Council would have a mutual break option given the Queens Quay development plans.

Financial and Resource Implications

The Licence renewal will be drafted by DSO on behalf of DfC, and Council's Legal Services shall act on the instructions of the Estates Management Unit to agree terms. Council will be

responsible for payment of a Licence fee of £58,500. Council will retain all revenue generated from its operation of the car park.

Equality or Good Relations Implications/Rural Needs Assessment

None associated with this report.

3.3

iii) The Lighthouse Building, The Gasworks Estate - Change of Use from office use to residential use

Members will recall that in August 2024 the Committee deferred consideration of a change of use from office to residential use for the Lighthouse Building to enable a further report to be submitted on the type of residential property and on land contamination issues.

The Lighthouse Building is an office building located in the Gasworks Estate, situated next to the Voco Hotel. The Lighthouse Building is held by the Tenant, Inislyn Office Co Ltd, on a 125-year sub lease from 4 June 2004. A map showing the location of the Lighthouse Building is attached at Appendix 3. The building has been vacant since June 2019 following the departure of the Department for Communities. Despite an extensive marketing campaign by Inislyn Office Co Ltd, it has not been possible to secure an office occupier for the Lighthouse Building. Inislyn Office Co Ltd has therefore asked if Council would be agreeable to a proposed change of use from office use to residential use. Changing the use of the Lighthouse Building to residential use would have some impact on the character and the dynamic of the Gasworks Estate. However, the reuse of the existing building and provision of city centre housing are in keeping with some of the main overarching objectives of the Belfast Agenda and the Local Development Plan. The Lighthouse Building is in close proximity to the Gasworks Northern Fringe sites which Council sold to Radius Housing in 2023, which are currently being developed for social housing. The Outline Planning Permission granted to the Council for the Gasworks Northern Fringe Masterplan on 30 March 2023 also included for residential use within the proposed mixed-use blocks on the Council's lands adjacent to the Lighthouse Building. The Tenant has indicated that they are keen to explore the possibility of repurposing the Lighthouse Building as a "Co Living Space", with an emphasis on an affordable rent. Co Living is a residential city living model and is a fast-growing trend becoming popular with remote workers and digital nomads, who wish to travel the world as they work. Co Living has grown in popularity in cities such as London and Dublin, offering good value accommodation for many renters who are priced out of home ownership. The Co Living model offers fully furnished co living rooms, studios and apartments to rent, putting community at its core. It is estimated that The Lighthouse Building could provide approx. 80 residential units, subject to detailed proposals being drawn up by the Tenant's design team.

Council's Contaminated Land Officer has advised that The Contaminated Land Regime, which is set out in Part III of the Waste and Contaminated Land (Northern Ireland) Order 1997, has been enacted but is not yet in force in Northern Ireland. Therefore, in Northern Ireland, the vast majority of contaminated land considerations are dealt with under the Planning regime. Upon a Planning application being submitted for a change of use of the Lighthouse Building from office to residential use, the Environmental Health Service will be consulted and contaminated land will be a key consideration, given the former use of the Gasworks site. The applicant will have a responsibility to ensure the site's suitability for its proposed new end use, which is likely to require assessment of any risks to human health relating to contaminated land under the Environment Agency's Land Contamination Risk Management Framework. Any proposed change of use will be subject to receipt of Planning and other statutory consents. The Planning Service have indicated that the principle of residential use at this location seems favourable. Member Approval is sought for an in-principle consent to the change of use of the Lighthouse Building from office use to residential use. The full details of any proposed residential scheme brought forward under the proposed change of use, will be subject to the completion of Council due diligence in respect of same.

Financial and Resource Implications

Legal Services shall act on the instructions of the Estates Management Unit. Under the terms of the current Lease, Council receives an equity rent from the Lighthouse Building. Any amendment to the current equity rent formula will be subject to the approval of the Director of Property and Projects under the Scheme of Delegation, depending on further information on the proposed residential use.

Equality or Good Relations Implications/Rural Needs Assessment

None associated with this report.

3.4

vi) St. John Vianney Youth Club, River Terrace - Lease assignment

Key Issues

The St. John Vianney Youth Club building is constructed on lands owned by the Council. The land is leased by the Council to the Trustees of St. John Vianney Youth Club by way of 99-year ground lease. The Trustees of St. John Vianney Youth Club own the building. The youth club building has not operated since September 2023 following the decision by the Trustees to close the building due to a reduction in Education Authority funding. The building was closed without the consent of the Council, as Superior Landlord, and constitutes a breach of the terms of the Lease.

Lower Ormeau Residents Action Ground (LORAG), in conjunction with representatives of Down & Connor Diocesan Trust (DCDT) approached the Council with a request that

LORAG take a lease over the youth club building initially, to facilitate an imminent reopening of the building. The proposal from DCDT and LORAG in respect of the long-term future of the facility is set out below. DCDT and LORAG have entered into a Memorandum of Understanding (MoU), the purpose of which is to form a new entity, Lower Ormeau Youth Providers Partnership (LOYPP) which will operate under the title of St. John Vianney Youth Centre with the intention of restoring and enhancing youth services within the Lower Ormeau area. Initially, DCDT and LORAG will nominate Trustees with relevant experience who will operate and manage the provision of youth services from the building. It is anticipated that after an initial 3-year period, LOYPP will operate independently with ongoing support from DCDT and LORAG. The existing Lease of the building will transfer to LORAG by way of an assignment. There are 60 years remaining on the lease. LORAG will take on all rental and repair/maintenance responsibilities. The rent is subject to RPI linked rent reviews. There is an outstanding rent review due as of 1 November 2020 which will increase the rent from £1,600 per annum to £1,822 per annum with the next rent review due on 1 November 2025. As is standard Council policy, there is an administration fee of £1,000 +VAT for dealing with the application for the lease assignment, which is in progress with Legal Services.

Financial and Resource Implications

The Council will receive a rent of £1,822 per annum, subject to review, payable from the date of assignment.

Equality or Good Relations Implications/Rural Needs Assessment

None associated with this report.

3.5

iv) Belfast City Centre Festive Lighting Fittings – Agreements with Building owners

Key Issues

Belfast City Council's Place & Economy Department is currently in the process of procuring a new lighting design and installation contractor, with an appointment expected by the end of April 2025. In advance of lighting installation works commencing the Council will seek to enter into legal agreements with property owners to permit the Council to use, maintain and, if necessary, install eyebolts, fixing plates and brackets to a building owner's property and permit the attachment of BCC's festive lighting features to these fittings. The Estates Management Unit and Legal Services will prepare a short standard agreement to be agreed with the property owners. There are approximately 127 property owners. Members are asked to approve the delegation of authority to the Estates Management Unit and Legal Services to agree the terms of the legal agreements with the property owners and if required pay the building owners' reasonable legal fees.

Financial and Resource Implications

	<p>BCC will pay reasonable legal fees. Legal Services shall act on the instructions of the Estates Management Unit.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>None associated with this report.</p>
4.0	Appendices - Documents Attached
	<p>Appendix 1 – Map outlining location of Cromac Street Car Park in red</p> <p>Appendix 2 – Map outlining location of Station Street Car Park in red</p> <p>Appendix 3 – Map outlining location of The Lighthouse Building in red</p> <p>Appendix 4 – Map outlining St. John Vianney Youth Club building in red</p>