

MEMO for Cabinet by the Prime Minister

Lease of Manoel Island

In terms of the scheme approved by Cabinet for Manoel Island (Memos 763, 763A and 763B) there was to be a Joint Company set up to develop Manoel Island and the Yacht Marina. This Company would get a lease of Manoel Island (and the existing Marina) which it would then proceed to develop on the basis of a Master Plan to be approved by the Government. The first phase of the operation - the setting up of the Company (MINICO) - has been completed and the next stage is now the negotiation of a lease of Manoel Island in terms of the general arrangement (rent, duration, etc.) already approved by Ministers.

2. The lease will require the Company to be guided by whatever general directions, regarding the physical development of Manoel Island which the Government may deem fit to impose. The Company, naturally, wishes (before committing itself to any lease) to have some indication as to what these directives are going to be, and in particular would wish to have some forewarning if the assumptions on which its feasibility studies have been based are in any way to be radically disturbed. For practical purposes this means that the Company would wish to know (a) whether the Master Plan it has proposed is acceptable; if not (b) what alterations in its plan are going to be. The feasibility studies, and the economics of the whole project, which envisage development of Manoel Island earning enough to pay for itself and support the conversion of Marsamxett Harbour into a Yacht Centre are very largely based on a given development; and the number of flats, houses, apartments, hotels, etc. which can be built, will determine whether enough funds can be generated to pay for the non-revenue earning parts of the project of which the breakwater is a major item. The feasibility assessments made by the Consortium (and now adopted for the Company's guidance) were based on the layout submitted in Plan 2061/45RC - Appendix C with Cabinet Memo 763A. Changes in the amount and type of permitted building might affect the viability of the project and the point might even be reached where the development of Manoel Island will no longer be able to carry the costs of developing the marina in Marsamxett Harbour.

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3. The scheme for Manoel Island, as outlined in Plan 2061/H/45RC, has been examined by the Director of Public Works, by his town planning advisers and by the U.N. Physical Planning Adviser. They have commented as follows:

- (a) The plan shows proposals aimed at maximum utilisation of the island mostly for residential purposes. Apart from the hotels, the plan provides for 468 dwellings in houses, flats, apartments, etc. (more if the "Malta Flats" are put up instead) but the island, exclusive of the area held by Malta Drydocks, measures  $247\frac{1}{2}$  tumoli and the population density, therefore, works out at 7.4 per tumolo or 26.64 persons per acre over the gross area which is quite acceptable.
- (b) The plan shows some of the development sited quite close to Fort Manoel and indeed in places encroaching on its earthworks. This is wrong and should not be allowed. On the contrary the fort must not only be restored but must be given due prominence by keeping development away from it. Mr. Taylor, the Chief Inspector of Ancient Monuments in the United Kingdom was recently asked to give his comments and he took the same view.
- (c) The plan does not provide enough playing and recreational area nor does it cater for certain facilities and amenities for visiting yachtsmen.
- (d) Car parking facilities are not enough.
- (e) The "Malta Hotel" or the alternative "Malta Flats" are meant to rise 11 storeys high. This is too high even though at this height the top would not exceed the top level of the Fort. The Director of Public Works is of the opinion that this block should not rise higher than six storeys.
- (f) Certain development is sited too close to the slipyards of Malta Drydocks which, with their attendant noises and other nuisances, will tend to detract from the value of any adjoining residential zone.\*

\* This point has been the subject of negotiations with Drydocks and it is proposed to meet it by handing over the land effected (Developments P & Q in Plan 2061) to Drydock; in exchange for other land, not now forming part of the slipways enclave, which had been reserved for Drydocks expansion. MIMCO have accepted the swap proposition.

5. Director of Public Works will be having further talks with the Company's architects to fashion a final outline plan which will take account of the Government's objections to particular features of the planned development, as well as of some other alterations which the Company itself will be proposing. Before he can usefully do this, however, it will be necessary for him to be instructed in regard to the points raised in the preceding paragraph, and on such other changes as Ministers may wish to propose. Fort Manoel and Lazaretto Harbour, for instance, are particularly sensitive elements of the overall plan and it is important that the Director of Public Works should be made aware of the Government's mind in regard to them if the proposed talks are to be meaningfully conducted.

6. Ministers are asked to agree to the changes proposed or implied in para. 4, and they are further invited to consider now whether other changes in the Master Plan are necessary, so as to put Director of Public Works in a position to finalise discussions with MINCO on an 'agreed' Master Plan. It is necessary to have a measure of agreement on this before the lease can be proceeded with. In the meantime, and while the lease remains in abeyance, the Company is unable to make any useful headway on the project.

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