

Finance and Resources Committee

10.00 a.m, Thursday, 27 August 2015

Proposed short-term lease extension of Victorian Market at Tron Kirk, 122 High Street, Edinburgh

Item number	8.3
Report number	
Executive/routine	Routine
Wards	11 – City Centre

Executive summary

Pending the grant of a long-term lease of the Tron Kirk to the Edinburgh World Heritage Trust (EWHT) for redevelopment into a visitor attraction, the property has been used as a festival venue and Victorian market.

The tenancies expire in August 2015, and this report seeks authority to grant a 12 month lease extension, for use as a Victorian market, on the provisionally agreed terms set out in the report.

Links

Coalition pledges	P17
Council outcomes	CO7
Single Outcome Agreement	SO1

Proposed short-term lease extension of “Victorian Market” at Tron Kirk, 122 High Street, Edinburgh

Recommendations

That Committee:-

- 1.1 Approves a 12 month lease extension to Edinburgh 2014, on the terms outlined in the report, and on the other terms and conditions to be agreed by the Director of Services for Communities.

Background

- 2.1 The Tron Kirk, 122 High Street, is a large, former church situated in the heart for the Royal Mile, as shown hatched red on the attached plan.
- 2.2 In June 2014, the Finance and Resources Committee authorised the grant of a long-term lease of the property to Edinburgh World Heritage Trust (EWHT) for the creation of a new visitor attraction. The lease will commence once EWHT has worked up its development proposals and secured the necessary funding. Pending commencement of the lease, the property has been let as a festival venue on several occasions up to 31 August 2015.
- 2.3 In October 2013, the Council authorised that, when not being used as a festival venue, the property should be made available for other short-term lets. Following marketing, a short-term lease was granted for the periods 8 September 2014 to 21 November 2014, and 6 January 2015 to 11 July 2015, for use as a Victorian market. The annual equivalent rent is £36,400.
- 2.4 EWHT has yet to finalise its redevelopment plans for the long-term use of the property and it is expected to be a further 12 months before confirmation of funding can be achieved. Consequently, the tenant has requested a 12 month extension for use as a Victorian market.

Main report

- 3.1 The following main terms have been provisionally agreed with Edinburgh 2014:
 - Subjects: Tron Kirk, 122 High Street, Edinburgh;
 - Lease Term: 12 months from 1 September 2015;
 - Rent: £45,000 per annum;

- Use: Retail use to continue with Victorian market concept;
- Costs: To be met by the tenant.

Measures of success

- 4.1 The proposed short-term extension will generate additional income for the Council and will allow the Tron Kirk to continue to be used in a manner which is complimentary to the retail offer on the Royal Mile.

Financial impact

- 5.1 Rental income of £45,000 per annum payable to the Services for Communities (General Property) Account.

Risk, policy, compliance and governance impact

- 6.1 The provisionally agreed terms reflect best value and the property will continue to be put to beneficial use.

Equalities impact

- 7.1 An Equality and Rights Impact Assessment has been carried out. A possible infringement has been identified in that, by extending the current lease rather than placing the property on the open market, there is a potential impact on others who may want to lease the Tron. However, given both the short-term nature of the extension and the established nature of the tenants business with the possible effect on it if the lease is not extended, the impact on others is considered to be proportionate and justifiable.

Sustainability impact

- 8.1 There are no sustainability issues arising from this report.

Consultation and engagement

- 9.1 This proposed lease extension has been discussed with the three city centre councillors, Leader's Office and EWHT.

Background reading/external references

N/A

John Bury

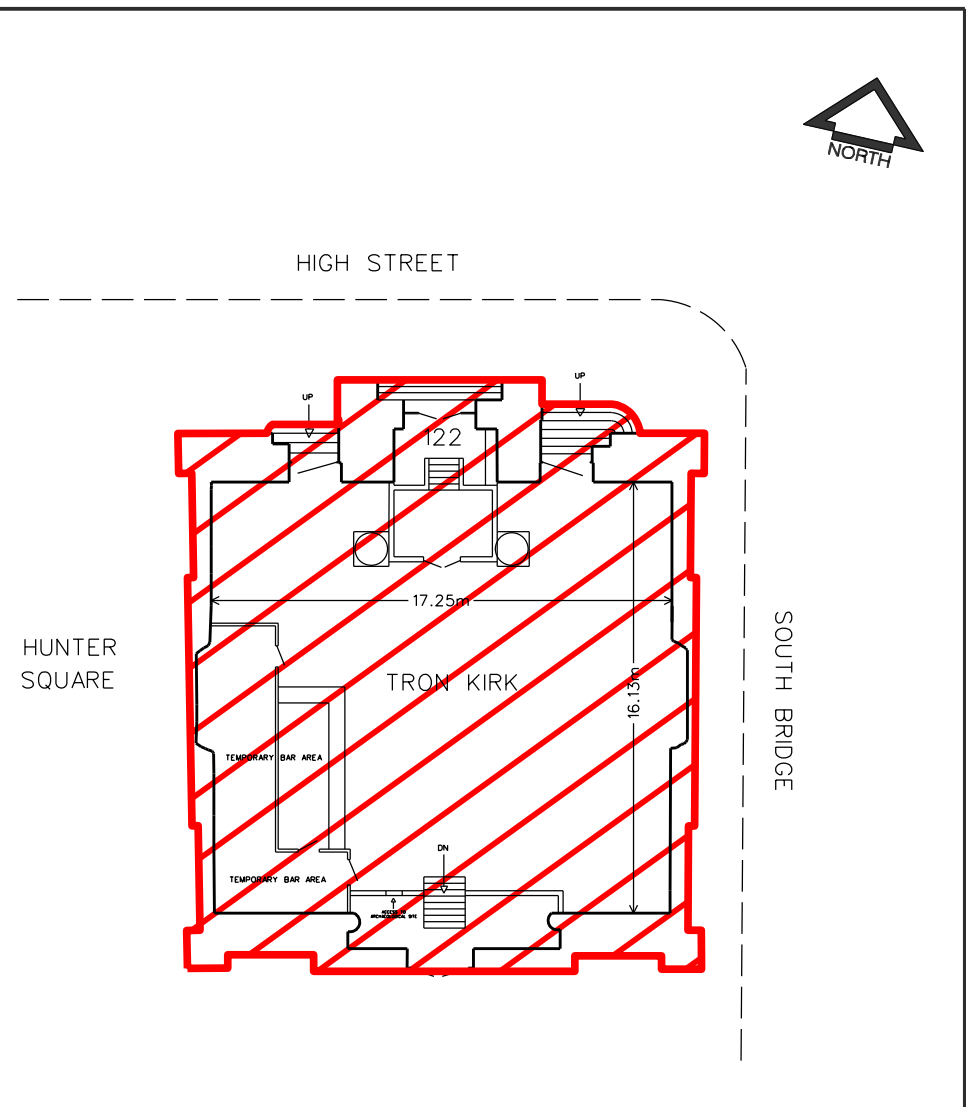
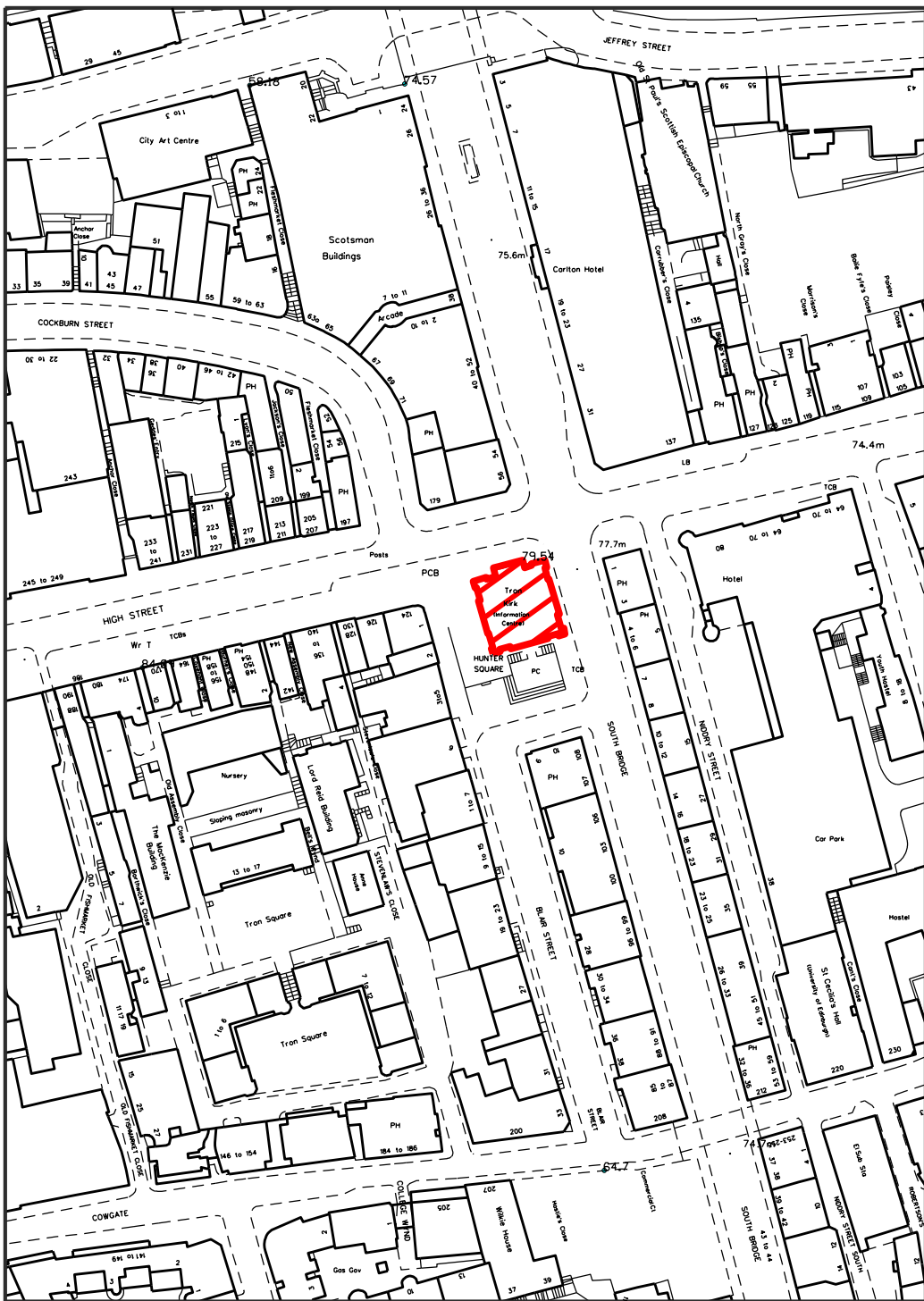
Acting Director of Services for Communities

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Links

Coalition pledges	P17 – Continue efforts to develop the city’s gap sites and encourage regeneration.
Council outcomes	CO7 – Edinburgh draws new investment in development and regeneration.
Single Outcome Agreement	SO1 - Edinburgh’s Economy Delivers increased investment, jobs and opportunities for all.
Appendices	Location Plan.



EDINBURGH THE CITY OF EDINBURGH COUNCIL	
SERVICES FOR COMMUNITIES EDINBURGH	
TRON KIRK 122 HIGH STREET EDINBURGH	
DATE	15/6/15
SURVEYED BY	MB,NR
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A4/136

LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

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