

Finance and Resources Committee

10.00am, Tuesday, 23 January 2018

Proposed new lease at 54-56 Blackfriars Street, Edinburgh

Item number	8.2
Report number	
Executive/routine	Routine
Wards	11 – City Centre
Council Commitments	C2

Executive Summary

The retail units at 54 and 56 Blackfriars Street are leased out to Mr Yilmaz.

The tenant proposes a scheme of refurbishment and improvement. Due to the costs involved, and for increased security of tenure, the tenant has requested a new lease.

This report seeks approval to grant a new 25 year lease to Mr Yilmaz on the terms and conditions outlined in the report.

Proposed new lease at 54-56 Blackfriars Street, Edinburgh

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves a new 25 year lease to Mr Yilmaz of 54-56 Blackfriars Street, Edinburgh on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

2. Background

- 2.1 The retail premises at 54-56 Blackfriars Street extends to 66.5 sq m (713 sq ft) as shown outlined in red on the attached plan.
- 2.2 Mr Yilmaz operates a fast food takeaway business from unit 56 and utilises unit 54 for general storage purposes. The lease at No 54 expired on 23 November 2015 and continues on an annual basis under tacit relocation. The lease at No 56 expires on 7 June 2028. The current rent for the combined units is £7,750 per annum.
- 2.3 Mr Yilmaz is now proposing to undertake a refurbishment of the premises and has requested a new 25 year lease over the property to replace the two existing agreements.

3. Main report

3.1 The following terms have been provisionally agreed:

- Subjects: Retail shop at 54-56 Blackfriars Street, Edinburgh;
- New Lease: 25 years from date of entry;
- Rent: £9,500 per annum (current market rental value of the combined units);
- Rent Reviews: Reviewed on each 5th anniversary of the term to open market rent;
- Use: Hot food takeaway;
- Repairs: Full repairing and maintaining obligation;
- Other terms: As contained in a standard commercial lease; and

- Costs: Tenant responsible for all Council costs

3.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing leases.

4. Measures of success

4.1 Granting a new 25 year lease will allow Mr Yilmaz to invest in his hot food takeaway business and in turn sustain long term employment opportunities.

5. Financial impact

5.1 An increase in rent of £1,750 per annum to the General Property Account.

6. Risk, policy, compliance and governance impact

6.1 This is a new 25 year lease to the existing tenant. The existing tenant has been trading from the property since 2001. It is considered there is little or no impact on Risk, Policy, Compliance or Governance issues.

7. Equalities impact

7.1 An Equality and Rights Impact Assessment has been carried out.

7.2 An enhancement of rights has been identified as through a new lease, it will ensure that Mr Yilmaz can continue develop his hot food takeaway business. This will allow him to continue to provide a high level of service and experience to his employees and customers. This directly links to an enhancement of the following rights namely (i) Legal Security, (ii) Education and Learning and (iii) Productive and Valued Activities.

8. Sustainability impact

8.1 There are no sustainability issues arising from this report as it is a new lease being proposed for a property that has been used as a hot food takeaway since 2001.

9. Consultation and engagement

9.1 Ward elected members have been made aware of the recommendations of the report.

10. Background reading/external references

10.1 Not applicable.

Stephen S. Moir

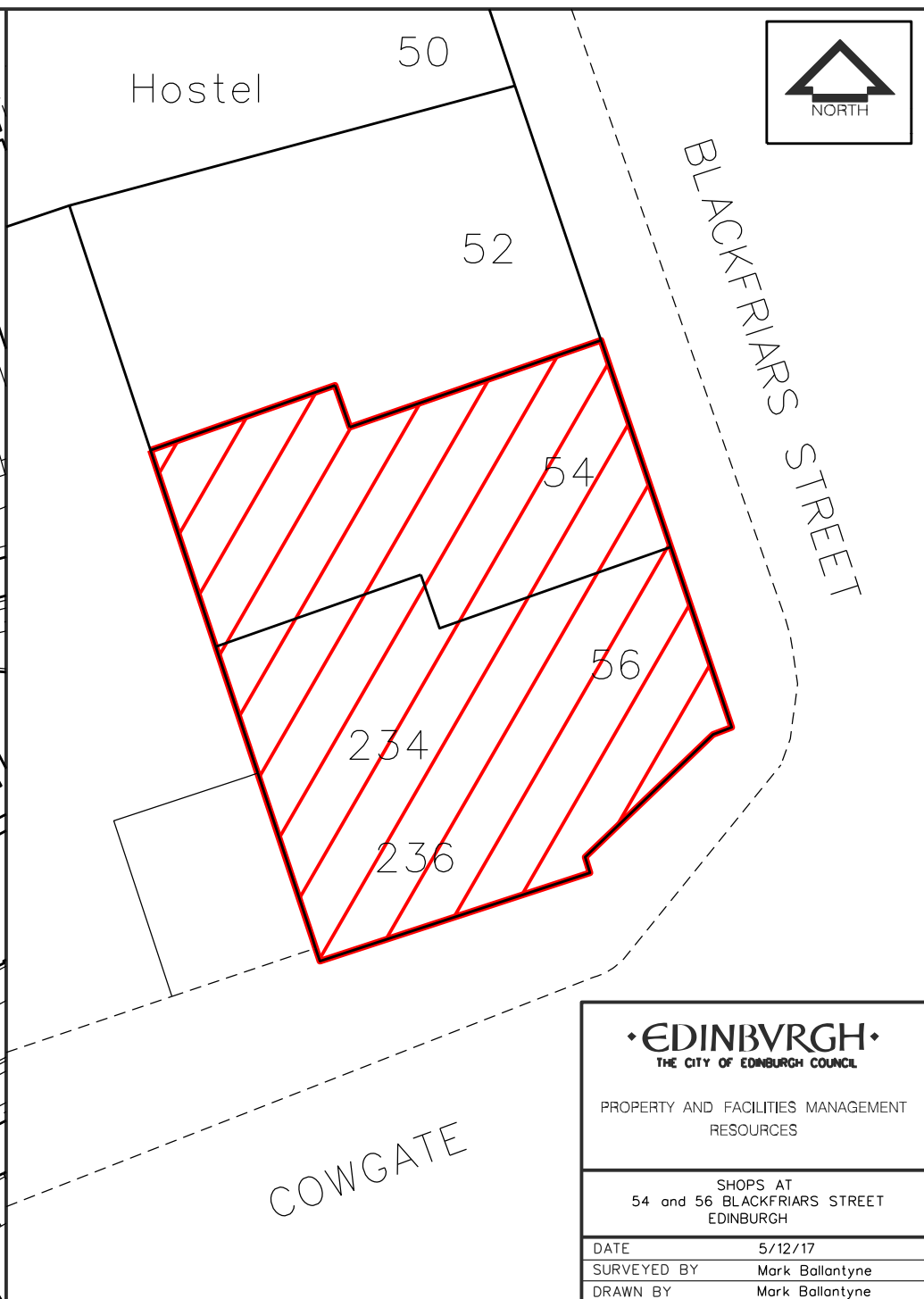
Executive Director of Resources

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11. Appendices

Appendix 1 – Location Plan



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
SHOPS AT 54 and 56 BLACKFRIARS STREET EDINBURGH	
DATE	5/12/17
SURVEYED BY	Mark Ballantyne
DRAWN BY	Mark Ballantyne
SCALE	N.T.S.
NEG. NO.	A3/14 76a

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