

Finance and Resources Committee

10.00am, Tuesday, 12 June 2018

Proposed Lease Extension at 41 Leith Street, Edinburgh

Item number	8.3
Report number	
Executive/routine	Routine
Wards	11 – City Centre
Council Commitments	C2, C3

Executive Summary

The retail unit at 41 Leith Street is currently let to Stephen Coyle and Susan Kozlowski and trades as Delifresco Limited.

The lease is due to expire on 6 August 2021 and the tenant has requested a 10 year lease extension.

This report seeks approval to grant a 10 year lease extension to Stephen Coyle and Susan Kozlowski on the terms and conditions outlined in the report.

Proposed Lease Extension at 41 Leith Street, Edinburgh, EH1 3AT

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves a 10 year lease extension to Stephen Coyle and Susan Kozlowski of the retail premises at 41 Leith Street 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 shop premises at 41 Leith Street extends to 29.91 sq m (322 sq ft) or thereby and is shown outlined in red on the attached plan.
- 2.2 Since April 2011, Stephen Coyle and Susan Kozlowski have been the tenants at the property operating as a sandwich bar business. The current rent is £14,280 per annum and is considered to be market value.
- 2.3 The existing lease expires on 6 August 2021 and the tenant has requested the Council grant a 10 year lease extension to be effective from 6 August 2018 expiring 5 August 2028.

3. Main report

3.1 The following terms have been provisionally agreed:

- Subjects: 41 Leith Street, Edinburgh.
- Lease extension: 10 years from 6 August 2018 until 5 August 2028.
- Break Option: Tenant only break option on the 5th anniversary.
- Rent: £14,280 per annum.
- Rent Reviews: Reviewed on the 3rd anniversary of the date of entry then on every 5th anniversary to open market value.
- Use: Class 1 Retail Use.
- Repairs: Full Repairing and Insuring obligation.

- Other terms: As contained in the subject existing lease.
 - Costs: Tenant responsible for all Council and Legal costs.
- 3.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease.

4. Measures of success

- 4.1 Granting a 10 year lease extension will allow the tenant to continue their long term financial planning of the business and in turn sustain employment for their workers.

5. Financial impact

- 5.1 A rent of £14,280 per annum will continue to the General Property Account.

6. Risk, policy, compliance and governance impact

- 6.1 This is a 10 year lease extension to the existing tenant who has been trading from the property since April 2011. It is considered there is little or no impact on Risk, Policy, Compliance or Governance issues.

7. Equalities impact

- 7.1 The proposal in this report to grant an extension of the lease which currently exists on the property does not have a significant additional impact on people, equalities, the economy and the environment.

8. Sustainability impact

- 8.1 There are no sustainability issues arising from this report as it is a lease extension being proposed for a property that has been in retail use for many years and is to continue to be in retail use.

9. Consultation and engagement

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

10. Background reading/external references

10.1 Not applicable.

Stephen S. Moir

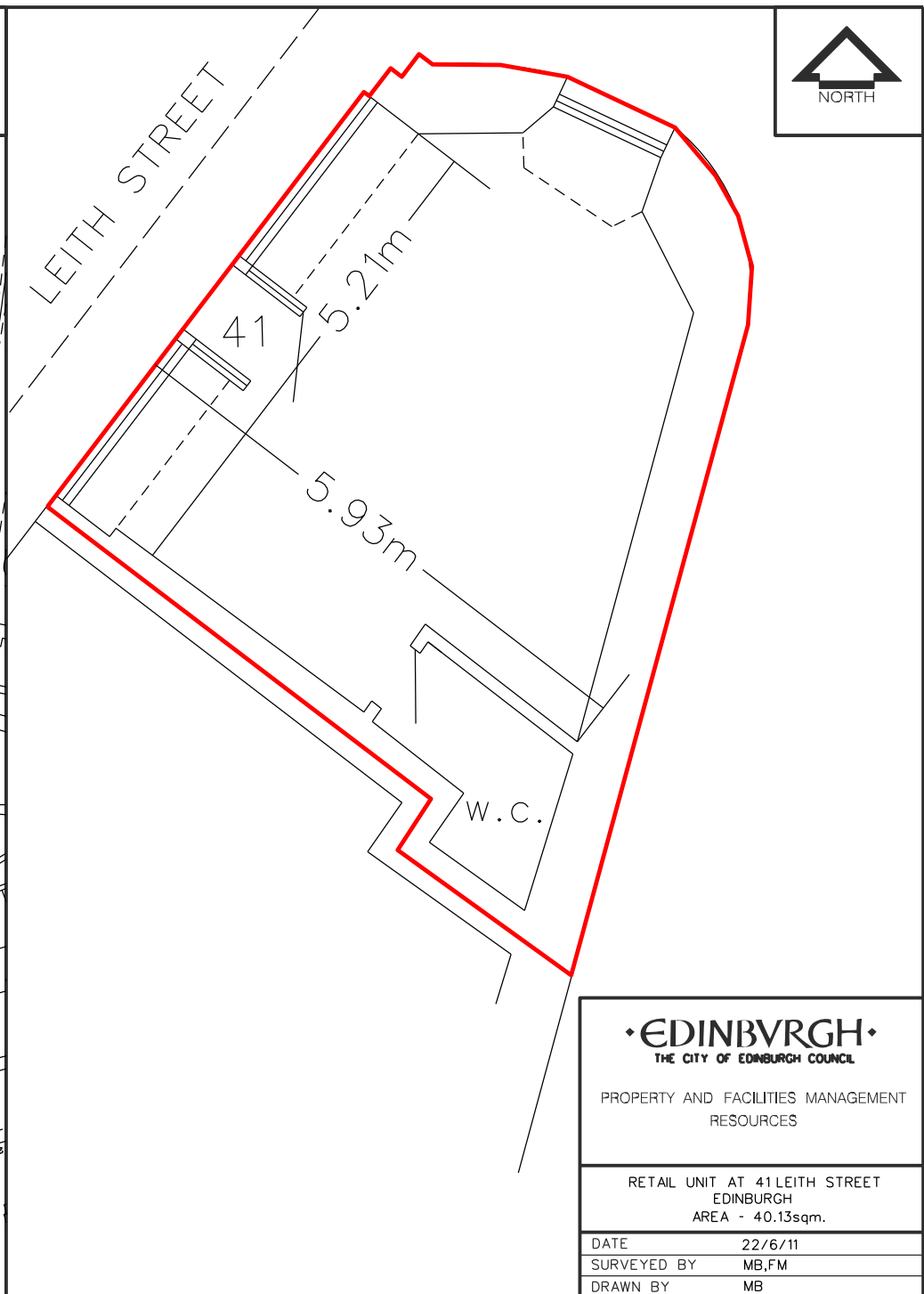
Executive Director of Resources

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11. Appendices

11.1 Appendix 1 – Location Plan



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
RETAIL UNIT AT 41 LEITH STREET EDINBURGH AREA - 40.13sqm.	
DATE	22/6/11
SURVEYED BY	MB,FM
DRAWN BY	MB
SCALE	
NEG. NO.	A3/675a

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