

Finance and Resources Committee

10.00am, Thursday, 7 October 2021

31 Jeffrey Street, Edinburgh – Proposed Lease Extension

Executive/routine	Routine
Wards	Ward 4 - Forth
Council Commitments	2, 10

1. Recommendations

- 1.1 It is recommended that Finance and Resources Committee approve a 15-year lease extension to La Garrigue (Edinburgh) Limited of premises at 31 Jeffrey Street, Edinburgh on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Place.

Paul Lawrence

Executive Director of Place

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Report

31 Jeffrey Street, Edinburgh – Proposed Lease Extension

2. Executive Summary

- 2.1 The property at 31 Jeffrey Street is currently let to La Garrigue (Edinburgh) Limited on a lease which expired on 30 September 2020 and has been running on tacit relocation. The tenant has requested a 15-year lease extension effective from 1 October 2021. This report seeks approval to grant a 15-year lease extension to La Garrigue (Edinburgh) Limited on the terms and conditions outlined in the report.

3. Background

- 3.1 The demise at 31 Jeffrey Street extends to 159.10sq m (1,712sq ft) or thereby and is shown outlined in red on Appendix 1.
- 3.2 La Garrigue (Edinburgh) Limited are the tenants of the property and operate a restaurant known as La Garrigue. The current rent is £28,450 per annum.
- 3.3 The existing lease expired on the 30 September 2020 and has been running on tacit relocation (silent renewal) since. The tenant has now requested the Council grant a 15-year lease extension to be effective from 1 October 2021.

4. Main report

- 4.1 Following discussions with the tenant, the following terms have been provisionally agreed:
- 4.1.1 Subjects: 31 Jeffrey Street, Edinburgh;
 - 4.1.2 Lease extension: 15 years from 1 October 2021 until 30 September 2036;
 - 4.1.3 Rent: The rent will be stepped over the next five years at £32,500 pa for years one and two, then rising to £36,000 for years three and four and then £39,300 in year five;
 - 4.1.3 Rent Review: 1 October 2026 and five yearly thereafter;
 - 4.1.4 Repair: Full repairing and insuring lease;
 - 4.1.5 Use: Class 3 – Restaurant;
 - 4.1.6 Costs: Tenant responsible for all the Councils legal costs; and
 - 4.1.7 Other conditions: As contained in the subjects existing lease.

- 4.2 The tenant has fulfilled all their legal and financial obligations in terms of the existing lease.

5. Next Steps

- 5.1 Following approval of the terms by Committee, Legal Services will be instructed to progress with the documentation for the proposed lease extension.

6. Financial impact

- 6.1 The current rent is £28,450 per annum. The rent will increase to £32,500 pa effective from 1 October 2021, then increase to £36,000 pa from 1 October 2023 and increase again to £39,300 pa effective from the 1 October 2025 when a further rent review will be due. The increase in rent goes to the General Property Account.

7. Stakeholder/Community Impact

- 7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 None.

9. Appendices

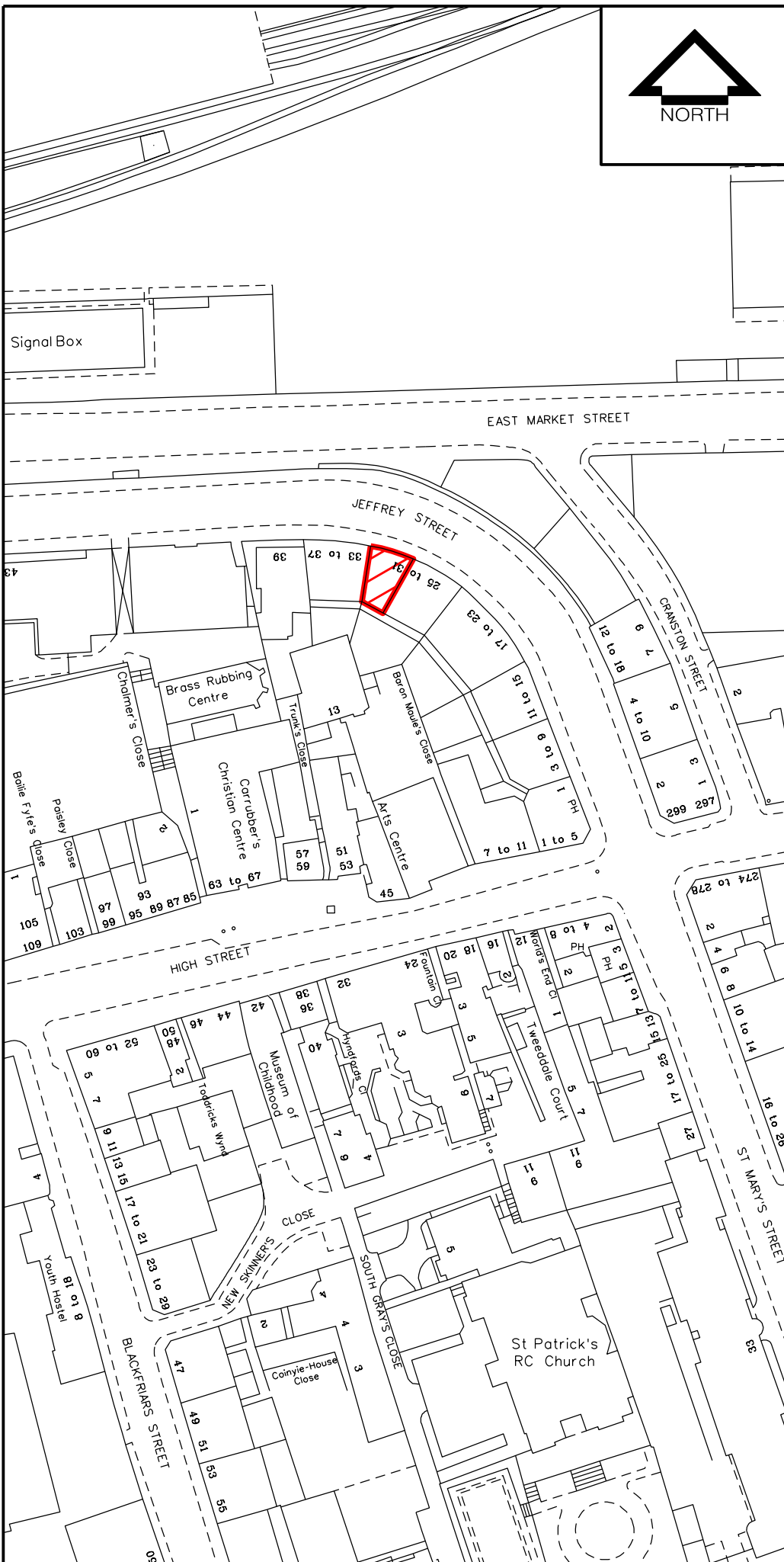
- 9.1 Appendix 1 – Location Plan.



NORTH

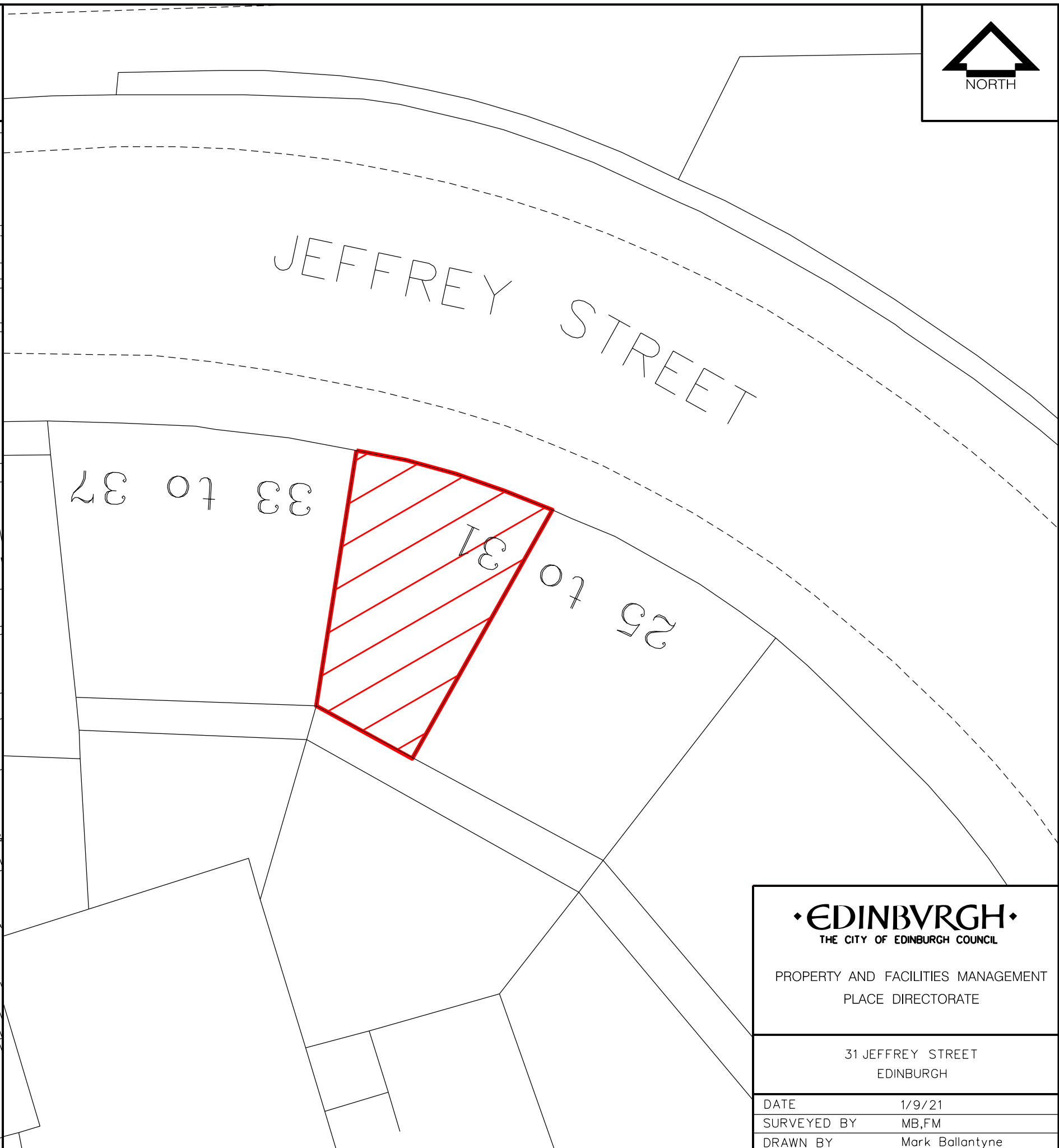


NORTH



LOCATION PLAN

SCALE 1:1250



SITE PLAN

SCALE 1:200

• EDINBURGH •
THE CITY OF EDINBURGH COUNCIL

PROPERTY AND FACILITIES MANAGEMENT
PLACE DIRECTORATE

31 JEFFREY STREET
EDINBURGH

DATE	1/9/21
SURVEYED BY	MB,FM
DRAWN BY	Mark Ballantyne
SCALE	1:200 @ A3 SIZE
NEG. NO.	A3/843a