

Policy and Sustainability Committee Report

10.00 am, Thursday, 11 June 2020

4 St Mary's Street, Edinburgh – Proposed New Lease

Executive/routine	Executive
Wards	11 – City Centre
Council Commitments	2

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves a 10-year lease to Kazim Pala of café/takeaway premises at 4 St Mary's Street, Edinburgh, on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

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2. Executive Summary

- 2.1 The cafe at 4 St Mary's Street is currently let to Kazim Pala and the existing missive of let expired on 30 April 2020. The tenant has requested a new 10 year lease effective from 1 May 2020. The report seeks approval to grant a new lease to Kazim Pala on the terms and conditions outlined in the report.

3. Background

- 3.1 The premises at 4 St Mary's Street extends to 63.60sq m (685sq ft) or thereby and is shown outlined in red on the attached plan.
- 3.2 Since May 2015, Kazim Pala has been the tenant at the property operating a café/takeaway business. The current rent is £22,500 per annum.
- 3.3 The existing missive of let expired on 30 April 2020 and the tenant has requested the Council grant a new 10-year lease until 30 April 2030. From the 1 May, the existing tenancy has been running on tacit relocation (silent renewal) on a monthly basis until it is superseded by the proposed new lease detailed below.

4. Main report

- 4.1 The following terms have been provisionally agreed:
- Subjects: Shop at 4 St Mary's Street, Edinburgh;
 - Lease: 10 years from 1 May 2020 until 30 April 2030;
 - Rent: £22,500 per annum;
 - Rent Review: 1 May 2025 to Market Rental Value;
 - Use: Café/Takeaway;
 - Repairs: Tenant full repairing and maintaining obligation;
 - Other Terms: As contained in the Council's standard full repairing and insuring lease;

- Costs: Tenant responsible for all Council and Legal costs.

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

5. Next Steps

5.1 Following approval of the terms by the Policy and Sustainability Committee, Legal Services will be instructed to conclude the legal documentation.

6. Financial impact

6.1 There is no increase in the rent, however, the Council will gain a continued income stream for the next 10 years with an opportunity to review the rent in May 2025.

7. Stakeholder/Community Impact

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

8. Background reading/external references

8.1 N/A

9. Appendices

9.1 Appendix 1 – Location Plan

