

Finance and Resources Committee

10.00am, Thursday, 15 August 2019

19 Stanley Street, Edinburgh – Proposed Lease Extension

Executive/routine	Routine
Wards	17 – Portobello/Craigmillar
Council Commitments	10

1. Recommendations

1.1 That Committee:

- 1.1.1 Approves a 20 year lease extension to Edinburgh Palette for the industrial yard premises at 19 Stanley Street on terms and conditions as 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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Report

19 Stanley Street, Edinburgh – Proposed Lease Extension

2. Executive Summary

- 2.1 The industrial yard at 19 Stanley Street is let to Edinburgh Palette and is operated as a site for container based artist studios/workshops which are available for rent. The lease expires on 19 August 2023 and the tenant has requested a 20 year lease extension, effective from this date. This report seeks approval to grant a 20 year lease extension to Edinburgh Palette on the terms and conditions outlined in the report.

3. Background

- 3.1 The industrial yard at 19 Stanley Street extends to 0.34 hectares (0.84 acres) as shown outlined in red on the attached plan.
- 3.2 Since August 20018, Edinburgh Palette has been the tenant providing artist studio/workshop units for rent from shipping containers. The current rent is £24,000 per annum.
- 3.3 The existing lease expires on 29 August 2023 and the tenant has requested an extension for 20 years, effective from this date, to provide enhanced security of tenure and improve fund raising opportunities.

4. Main report

- 4.1 4.1 The following terms have been provisionally agreed:-
- Subjects: Yard premises at 19 Stanley Street;
 - Tenant: Edinburgh Palette;
 - Rent: £24,000 per annum;
 - Term: 20 year extension from 20 August 2023 until 19 August 2043;

- Rent Reviews: 20 August 2023 and 5 yearly thereafter to open market value (upwards only);
- Repairs: Full repairing and insuring liability on the tenant;
- Other terms: As contained in the existing lease;
- Costs: The tenant will be responsible for all Council and Legal costs.

5. Next Steps

- 5.1 Following approval of the terms by Finance and Resources Committee, solicitors will be instructed to conclude the transaction.

6. Financial impact

- 6.1 A rental of £24,000 per annum, with potential for uplifts at future rent reviews, will be received by the General Fund for a further 20 years.

7. Stakeholder/Community Impact

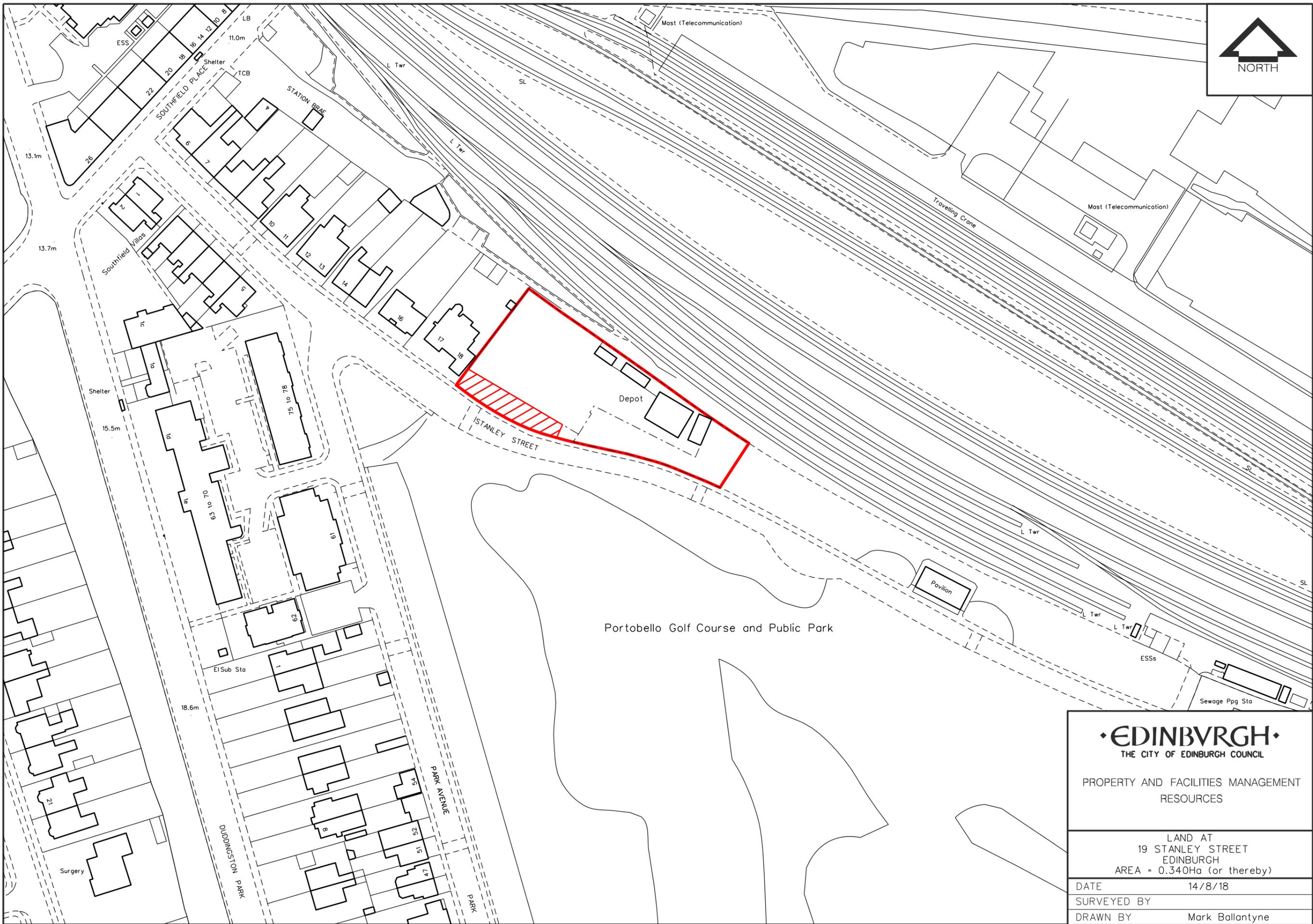
- 7.1 Ward elected members have been made aware of the recommendations of the report.

8. Background reading/external references

- 8.1 N/A

9. Appendices

Appendix 1 - Location Plan



SITE PLAN

SCALE 1:1250

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
PROPERTY AND FACILITIES MANAGEMENT RESOURCES	
LAND AT 19 STANLEY STREET EDINBURGH AREA = 0.340Ha (or thereby)	
DATE	14/8/18
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	1:1250 @ A3 SIZE
NEG. NO.	A3/1996

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