

4th March 2020

The Chairperson and Members
South Central Area Committee

Meeting: 18th March 2020

With reference to the proposed surrender and grant of a new lease of the site at 25/26 Ushers Island, Dublin 8 to Dublin Simon Community

Dublin Simon Community holds the premises 25/26 Ushers Island, Dublin 8 under lease for a term of 99 years from 25th September 1988 at a rent of £10,000 (€12,270) abated to £25 (€33.01) per annum if the premises are used and continue to be used for charitable purposes. The lease provided for 5-yearly rent reviews and the current passing rent is €96,000 abated to €33.01.

Dublin Simon Community has been granted planning permission for a major redevelopment comprising the existing premises and two small adjoining plots to the front and rear which are required to regularise the shape of the site for redevelopment purposes. These plots are in the ownership of the Council.

The proposed redevelopment will require major investment and given that the existing lease has less than 70 years remaining, Dublin Simon Community applied to acquire the Council's freehold interest in the leased area and to separately acquire the two additional plots.

Having considered the matter it was decided that the best option for both parties would be for Dublin Simon Community to surrender the residue of the existing lease and for Dublin City Council to grant a new lease in respect of the larger site incorporating the two additional adjoining plots.

It is proposed therefore to grant to Dublin Simon Community a 150 year lease subject to the following terms and conditions which have been agreed between the parties and which the Chief Valuer considers to be fair and reasonable:

1. That the Dublin Simon Community will surrender the lease currently held from Dublin City Council for a term of 99 years from 25th September 1988 in respect of a site at 25/26 Ushers Island, Dublin 8 as indicated on the attached map Index No. 11053/5 outlined in red and shaded pink.
2. That the Dublin Simon Community will be granted a new lease from Dublin City Council for the above mentioned site plus two additional plots, as indicated on the attached map (index no SM-2020-0053) outlined in blue and shaded blue plus the site outlined in red and shaded pink, with a total combined area of 1082m².
3. That the new lease shall be for a term of 150 years and will provide for 5 yearly rent reviews linked to changes in the CPI, subject to an initial rent of €100,000 per annum, abated to €100 per annum provided the subject site is only used for charitable purposes by the Lessee.
4. That the Lessee shall require the consent of the Council to assign or sublet this leasehold interest and that in the event that the Lessee applies to the Council to assign or sublet this

leasehold interest that the Council shall have the prior right to seek a surrender of the lease with full vacant possession, at the prevailing building replacement cost, adjusted to reflect structural condition and age of the building.

5. That the new lease will be subject to all other terms, conditions and covenants as set out in the existing lease from 1988.
6. That each party shall be responsible for its own legal fees in this matter.

No agreement enforceable at law is created or is intended to be created until exchange of contracts has taken place.

Helen Mcnamara
Senior Executive Officer