To the Lord Mayor and Members of Dublin City Council Report No. 365/2021 Report of the Assistant Chief Executive



With reference to the proposed lease of the former depot at Coleraine Street Dublin 7 to Inner City Enterprise.

Dublin City Council's Housing and Community Department provided housing maintenance services from the depot at Coleraine Street, Dublin 7. In 2018 the services were relocated and the depot has since been in use by the DRHE, most recently as a Covid-19 cold weather facility.

The Council was contacted by a number of organisations who expressed an interest in acquiring a lease of the former depot and after reviewing the applications, the Housing and Community Department recommended a lease be offered to Inner City Enterprise CLG.

Inner City Enterprise (ICE) is a not-for-profit charity and was established in 1992 to advise and assist unemployed people in Dublin's inner city to set up their own businesses or create their own self-employment.

ICE in partnership with the Dublin City Local Enterprise Office have identified the need for affordable, accessible and flexible enterprise hub in the Dublin 7 area.

Therefore it is proposed to grant a lease to Inner City Enterprise CLG, (the Lessee) subject to the following terms and conditions which the Chief Valuer considers to be fair and reasonable:

- 1. That the demised property is shown outlined in red on the attached map index no. SM-2020-0202
- 2. That Dublin City Council shall grant a 15 year lease on a full repairing and insuring basis commencing from a date to be agreed between parties.
- 3. That the market rent shall be €160,000 (one hundred and sixty thousand euro) per annum, plus VAT (if applicable), payable quarterly in advance by direct debit.
- 4. That the market rent shall be abated and the initial rent shall be €60,000 (sixty thousand euro) per annum, plus VAT (if applicable) as long as the property is used as an enterprise hub by ICE.
- 5. That the Lessee shall allocate up to 40% of the space to clients at abated rates for social enterprise use and the remaining 60% will be offered to anchor tenants and other startups at standard rates. A description of the various rates will be included in the ICE Business Plan for the depot which will accompany this lease.
- 6. That the Lessee will be granted a rent-free period of the first 12 months.
- 7. That the rent shall be subject to five yearly rent reviews. At the first review, the rent shall be reviewed to reflect 75% of the full market rental value and at the second review, in year ten the rent shall be reviewed to reflect 100% of the full market rental value, Or at each

review such lesser percentage that Dublin City Council shall, at its absolute discretion deem appropriate, having regard, inter alia, to the information provided by the Lessee under conditions 8 and 9 below.

- 8. That the Lessee shall be obliged to provide to Dublin City Council copies of any licences created for tenants. All licences will be for a term of maximum five years and must include a Deed of Renunciation.
- 9. That the Lessee shall be required to provide full details of the annual licence fee income received by the group at the demised property at each rent review.
- 10. That there shall be a break option in favour of the proposed Lessee at the end of the fifth and tenth year, on six months written notification. No penalty shall apply. The exercise of either break option is subject to all outstanding rent at the appropriate rate being cleared up to and including the date of handover of possession.
- 11. That the Lessee shall have an option to apply to the Lessor to purchase the subject property at the full market value during the term of the lease.
- 12. That a schedule of condition, repair and works shall be agreed between parties prior to the execution of the Lease.
- 13. That the Lessee shall be responsible for carrying out the schedule of repair, works programme and fit-out of the premises by a date to be agreed between parties and shall be responsible for all associated costs.
- 14. That the Lessee shall be responsible for obtaining all relevant permissions to include planning permission in relation to the proposed works and use of the premises and all associated costs.
- 15. That the Lessee shall meet each and every requirement of the City Council's Fire Officer and any Health and Safety Officer appointed by the Council, at all times. Failure to comply with this condition shall be a ground for forfeiture of the lease.
- 16. That in the event of the demised property ceasing to be used for such purposes it shall revert to the Council free of charge. On receipt of four weeks notification from the Council, the Lessee will provide vacant possession of the property free from all encumbrances and the Lessee shall return the property to the Council in a similar or improved state of repair and condition to that which it obtained at the commencement of the Lease. The lessor shall not be responsible for any costs associated with tenant improvements to the demised property.
- 17. That the lessee shall not sublet, subdivide, alienate or assign the lease, or any part thereof, without receiving prior consent in writing from the Council, save for those licence agreements created for tenants as set out under condition 8 above.
- 18. That in the event of the Lessee ceasing to trade or becoming insolvent/bankrupt the demised property shall revert to the Council free of charge.
- 19. That the Lessee shall be responsible for all outgoings including rates, charges, taxes, utilities and any charges that may become payable on the demised premises during the period of the lease.
- 20. That the Lessee shall ensure that it's use and occupation of the property shall at all times comply with all necessary statutory requirements.

- 21. That the Lessee shall ensure that the subject property is adequately secured at all times.
- 22. That the proposed Lessee shall be responsible for appropriate insurances as determined by Dublin City Council, including Public Liability Insurance and Employer's Liability Insurance, and shall indemnify Dublin City Council against all actions, proceedings, costs, claims, demands and liabilities whatsoever arising from all and every activity carried out or promoted by the Lessee and its agents in connection with the facilities on the premises. It shall not do or suffer to be done any activity in any part of the premises which would render void or voidable the insurances of the premises.
- 23. That the Lessee shall permit the Council at all reasonable times to enter upon the property to view the condition thereof.
- 24. That the proposed Lessee shall not erect any signage on the external walls of the building without receiving the prior consent in writing of Dublin City Council.
- 25. That upon expiration or sooner determination of the lease, the Lessee shall at its own expense remove all materials not belonging to Dublin City Council and shall leave the property clean and cleared to the satisfaction of the City Council.
- 26. That the Lessee shall be responsible for keeping the entire property including, inter alia, the lands, all buildings including external walls/gates/doors and boundaries etc. in good and substantial repair and shall carry out all necessary maintenance/repairs to the Council's written satisfaction.
- 27. That each party will be responsible for its own costs arising from this transaction.

The site to be disposed of was acquired from Franmar Estates and the Commissioners of Public Works

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

The disposal shall be subject to any such covenants and conditions as the Law Agent in her discretion shall stipulate.

This proposal was approved by the Central Area Committee at its meeting on 9th November 2021.

This report is submitted in accordance with the requirements of Section 183 of the Local Government Act, 2001.

Resolution:

"That Dublin City Council notes the contents of Report No. 365/2021 and assents to the proposal outlined therein".

<u>Richard Shakespeare</u> Assistant Chief Executive 24th November 2021



Príomhoifig an Lárcheantair, An Lárcheantar, 51-53 Sráid Sheáin Mhic Dhiarmada Íocht, Baile Átha Cliath 1D01HW44

Dublin City Council, Central Area HQ, 51-53 Sean McDermott Street Lower, Dublin 1. D01HW44 central@dublincity.ie

12th July 2021

Re: Proposed 15 year lease of site at Coleraine St. to Inner City Enterprise

To whom it may concern

Central Area Office has reviewed the proposal to grant a 15 year lease of the site formerly occupied by the Dublin City Council Housing Depot at Coleraine St. to Inner City Enterprise.

This organisation and its track record in providing a range of supports in the areas of social enterprise, small business start-up and entrepreneurship is known to Central Area Office. ICE is one of the 13 members of Dublin City Community Co-op, implementer of the Government's Social Inclusion and Community Activation Programme (SICAP) Implementer in the North Inner City area.

Central Area Office concurs with Dublin City LEO identification of a need for affordable, accessible and flexible enterprise hub in the Dublin 7 area and would endorse occupation of the site at Coleraine St. by Inner City Enterprise for that purpose. Therefore, we have no objection to the proposed disposal of the site in accordance with the terms and conditions presented.

Ursula Donnellan A/Senior Executive Officer Central Area ursula.donnellan@dublincity.ie 086 803 0327

Mr. Greg Swift Head of Enterprise & Economic Development Dublin City Council Block 4, Floor 1, Civic Offices, Wood Quay, D08 RF3F, Dublin, Ireland.

11th August 2021

Re: Proposed lease of the Dublin City Council depot at Coleraine Street Dublin 7 to Inner City Enterprise

To whom it may concern,

I am writing to highlight the support of the Local Enterprise Office Dublin City for the proposed 15 year lease of the former Dublin City Council Housing Depot on Coleraine Street to Inner City Enterprise.

Inner City Enterprise (ICE) provides an extensive range of tangible supports to assist aspiring entrepreneurs and social entrepreneurs to start and grow their enterprises in Dublin City. ICE and the entrepreneurs, enterprises and social enterprises it supports, contribute to various economic benefits such as job creation, community benefits such as social inclusion and policy benefits such as active citizenship. ICE primarily focuses on supporting unemployed people and young people, who often face additional challenges when trying to create their own enterprises. Furthermore, in the context of the COVID 19 pandemic, young people have been disproportionately impacted and there are many more unemployed people in Dublin as unemployment has risen above national unemployment levels.

The proposed lease would enable ICE to expand its supports and support more entrepreneurs, enterprises and also more unemployed people and young people to create their own employment or enterprises in Dublin City. The lease would also enable ICE to provide accessible, flexible and affordable work space and thus overcome a major challenge for young people and unemployed people when trying to create their own enterprise.

In addition, the Economic Development Office of Dublin City Council has conducted research on the distribution of enterprise hubs in which entrepreneurs and enterprises are supported in Dublin. A marked difference is apparent between the south city and north city as the north city accounts for approximately 25% of enterprise hubs in comparison to 75% in the south city. Thus, the proposed lease and subsequent creation of an enterprise hub by ICE would help to address the deficit of enterprise hubs in the north inner city and would provide dedicated and accessible hub space in the Dublin 7 area. The creation of the enterprise hub would help to support and encourage a culture of entrepreneurship and innovation in the local community and directly support many social enterprises which are seeking to address various key issues on both a local community, city and national basis.

As Head of both Economic Development for Dublin City Council and the Local Enterprise Office for Dublin City, I offer my full support for the proposed lease to Inner City Enterprise.

Kind regards

Greg Swift Head of Enterprise & Economic Development - Dublin City Council 3rd August 2021

Re: proposed 15 year lease of the former depot at Coleraine Street to Inner City Enterprise

Dear Brendan

The Department of Housing and Community Services had earmarked this property as a suitable facility (Hostel) for use as emergency accommodation for single homeless persons. However a decision was taken not to proceed as only eleven units could be achieved on the site.

The Department has also a strong role in Community Development and Social Inclusion, and a facility that will promote job and Enterprise creation in an area of social disadvantage is very welcome and in my view it can be very beneficial.

The proposal from ICE is a very worthy one in the context of this I consider such use as the best option for this site/property.

Brendan Kenny

Deputy Chief Executive Dublin City Council Designated Public Official under the Regulation of Lobbying Act 2015

Breandán ó Cionnaith Leas Priomhfheidhmeannach Comhairle Baile Atha Cliath Oifeageach Poiblí Ainmnithi faoin Acht Um Brústocaireacht a Rialáil 2015 To the Lord Mayor and Members of Dublin City Council

Planning and Property Development Department



With reference to the proposed lease of the former depot at Coleraine Street Dublin 7 to Inner City Enterprise in accordance with the criteria for disposing of City Council sites/properties.

The criteria for disposing of City Council owned sites/properties has been agreed with the Planning and Urban Form SPC and the elected members of the City Council. It is now proposed to lease the former depot at Coleraine Street Dublin 7 to Inner City Enterprise as it has met the criteria as demonstrated below:

1. Site description:

The property is a former housing maintenance depot and is located at 46 Coleraine St, Inns Quay, Dublin 7

a. The property is shown outlined in red in the figure below and on Map Index No.SM-2020-0202.



Figure 1: 46 Coleraine St, Inns Quay, Dublin 7

2. Site Context:

- a. A former depot adjacent to Kings Inn Park situated in Dublin's north-west of the city centre
- b. The areas are as follows: Ground Floor – 736.1 sqm.
 First Floor – 536.8 sqm

3. Planning Status:

The property is located in an area zoned objective Z1, in the Dublin City Development Plan 2016- 2022. This land use zoning is designed to "*To protect, provide and improve residential amenities.*"

Permissible uses include: Buildings for Education, Enterprise Centres and Training centres.

4. LAP or SDRA or Framework Plan: No NA

5. Site Condition:

The property is in excellent condition and in occupation by the DRHE until October 2021.



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Figure 2 Internal images, February 2020

6. Site Constraints:

a.	Access:	NA
b.	Services:	NA

c. Other: NA

7. Valuation of site:

The open market value of the property is approximately €1,500,000 The open market rent is approximately €160,000 p.a

8. Site Capacity/Development Potential

Is the site considered suitable/viable for Housing

Reasons: The property was considered for use as emergency accommodation for single homeless persons or developing permanent social housing on the site. However a decision was taken not to proceed with such proposals as only eleven units could be achieved on the site.

Is the site considered suitable for Commercial Development Y

Is the site considered suitable/viable for Community use Y

9. Proposed Use for site and rational for recommending same.

ICE in partnership with the Dublin City Local Enterprise Office have identified the need for an affordable enterprise hub in the Dublin 7 area.

ICE propose to create a space to meet a wide range of co-working and individual office requirements, including meeting and training rooms, artist and craft business studio space, media rooms and shared back office facilities. In addition social media and marketing, finance and HR services will be available.

It will operate as a social enterprise by allocating up to 40% of the space to clients at abated rates for social enterprise use and the remaining 60% will be offered to anchor tenants and other start-ups at standard rates.

The enterprise hub will add to the economic regeneration of Dublin's inner city post covid-19 and foster a local enterprise culture by supporting sole-traders, micro-enterprises and social enterprises based in the area.

10. The initial rent shall be €60,000 as long as the property is used as an enterprise hub by ICE. The rent shall be subject to five yearly rent reviews, gradually increasing to eventually reflect the full market rental value. The rent reviews will take into consideration the financial performance of the hub.

Reports from the following accompany this report: Housing Manager Area Manager Head of Economic Development and the Local Enterprise office

Conclusion:

It is now proposed to grant a lease of the former depot at Coleraine Street Dublin 7 to Inner City Enterprise, as it has met the criteria as demonstrated above and subject to the terms and conditions, which the Chief Valuer has recommended as fair and reasonable.

<u>Richard Shakespeare</u> Assistant Chief Executive

