

City Property Glasgow (Investments) LLP
Space for Growth - Meanwhile Space
Guidance for Applicants



August 2024

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1. Introduction

Glasgow City Councils vision for 2022-2027 is to support a fair and sustainable city where everyone gets to contribute and all can benefit from a flourishing Glasgow. To deliver this vision GCC wish to promote social enterprises, cooperatives and creative organisations to drive a thriving community.

Aligned with this ambition, the vision of City Property Glasgow (Investments) LLP (CPGI) is to positively invest in the inclusive growth of Glasgow's economy' by enabling Glasgow to be the best city to start and grow a business. We can contribute to this by providing affordable property opportunities to start-up businesses, social enterprises, creative organisations, community groups other complimentary SMEs to allow them to provide a platform for sustainable growth, helping to grow local economies and build stronger, more resilient communities with the overall aim of increasing local employment opportunities.

CPGI is launching a second phase of Meanwhile Space, the empty property initiative which was first trialled in 2019 as part of the Space For Growth project that aims to tackle long term vacant properties within Glasgow. It is long recognised that businesses and other groups often face barriers that need to be overcome to ensure the best possible workplace for them to grow and flourish, including:

- the cost of rent;
- lack of, and/or suitability of, space;
- the length of tenancy;
- inflexibility of landlords; and
- lack of opportunities to co-locate with likeminded organisations, which may also include shared overhead costs.

There is a risk that, should these organisations not receive support and assistance to grow, they may not fully reach their potential. Advice and guidance from professional advisers is also critical to help businesses make informed decisions about their existing and future property needs. We have engaged with Glasgow City Council, and a dedicated Business Engagement Advisor is working with us to offer advice to Meanwhile Space organisations who are completing business plans. The Business Engagement Advisor will also be available to advise successful applicants on business matters after they take occupation of the space and will assist us in monitoring the performance of organisation in achieving the aims set out in business plans throughout the period of Meanwhile Space.

Meanwhile Space is a term used to describe the interim temporary use of vacant property or land until such a time as it can be brought back to more permanent use. The principle is based on the fact that empty properties are detrimental to the vitality and commercial success of town centres.

Examples of Meanwhile Space include the temporary use of vacant property or land for the purpose of business incubation, events, exhibitions, 'pop-up' shops, market stalls or temporary office space. Meanwhile Spaces are increasingly used to deliver temporary, creative solutions to the issues of failing retail and empty shops on the High Street.

CPGI have identified a number of units for a Meanwhile Space project within the High Street and Saltmarket areas, which have been identified by the Council as a key regeneration priority. As the vacant units are at different phases of renovation, new tenants will move in on a staggered basis, as and when properties become ready for occupation.

The addresses of the vacant space identified for the initiative are as follows:

1 St Margarets Place
5 St Margarets Place
74-78 Saltmarket
128 Saltmarket
253 High Street
9 Duke Street
15-17 Duke Street

City Property is inviting applicants for Meanwhile Space projects who can help deliver local regeneration and place-shaping activities, meeting local vision and community need. Under the terms of the project, monthly leases will be granted up to a maximum period of one year, with an option to review thereafter. The rent for the first year will be £1 per annum.

The overall benefit of Meanwhile Space is the expectation that it will enhance and underpin the viability and revitalisation of the area, increasing footfall for the existing commercial tenants, potentially attracting visitors, stimulating economic growth and create employment.

Providing affordable accommodation beyond the first year is also important to the sustainability of any new organisation so we have extended the terms of Meanwhile Space in phase 2 to include rent support beyond the first 12 months for those who wish to remain through annual stepped rental increase which will give businesses the space and time to establish themselves and grow through the Glasgow Business Step Up Scheme. For organisations who meet the aims of the initiative, a lease will be offered with rent for year 1 reduced to 25% open market rental value, rising to 50% in year 2, 75% in year 3 reaching market rent levels in year 4 of occupation.

Applications are invited from organisations who -

- **can bring additional economic benefit to Glasgow**
- **can demonstrate viability**
- **have the potential to increase employment in the local area**
- **have the potential to increase footfall in the local area; and**
- **will not have a detrimental or competing effect on existing local businesses**
- **will fully utilise the space by keeping open for business a minimum amount of hours and days per week**
- **will be non-profit making in Year 1 of occupation**

2. Who Can Apply?

- Start-up businesses, social enterprises, creative organisations, community groups and other complimentary SMEs who can demonstrate that they are:
- Properly constituted with strong and open governance arrangements.
- In a position to hold property.
- Able to manage the asset efficiently, including finances, health and safety and other operational issues.
- Non-profit making and exist for community/ social/environmental/ economic benefit, whilst recognising that they may have a business element to how they operate, financial gain will not be the main driver and will not distribute any financial surplus to owners or members but applied to serving core community aims and objectives.
- Open to and demonstrate an inclusive approach to members of the wider community.

Who Cannot Apply?

Organisations that operate solely for commercial, political or religious activities

3. Key Stages

Key stages in the application process, including submission and assessment are as follows:

1. Interested party completes a **Meanwhile Space Submission Form** and submits supporting documents (including full business plan). Deadline will be detailed on our website at www.citypropertyglasgow.co.uk/space-for-growth
2. Application evaluated by CPGI and deemed unacceptable. Interested party is advised of the decision.
3. Application evaluated by CPGI and deemed acceptable. Interested party is advised of the decision.
4. Our agents, Graham & Sibbald, will assist with completing lease documents with the successful applicants to conclude matters
5. A photographic schedule of the condition will be compiled before the successful applicants takes occupation to record the condition of the space on date of entry. Occupiers will be expected to maintain the leased area throughout the duration of occupancy and return the premises to us in the same condition.

4. Submission Process

Interested parties will be requested to submit a Meanwhile Space Submission Form and provide supporting documents (including full business plan).

The Submission Form requires detailed information and supporting documents about the organisation wishing to occupy the property and how they will use it including -

- Summary of the proposal as to how the property will be used including operating plan, staffing details, and opening hours. etc.
- Details of outcomes to be delivered – how the use of the property will support CPGI's objectives and benefit the community, create jobs, support the local economy etc.
- Cash flow and budgeting details.
- Capacity of the interested party to manage the property.
- Experience and skills of the interested party.
- Any particular property requirements that are essential to operation.

Business Plan advice for applicants is available from Glasgow City Council's Business Engagement Advisor. For details, please contact meanwhile@citypropertyglasgow.co.uk

By submitting an application, organisations agree to take part in relevant publicity and promotional activity to promote the launch of the Meanwhile Space initiative.

5. Assessment Process

The assessment will be undertaken by appropriate officers within CPGI and further information may be requested of you to satisfy our audit requirements and due diligence processes. In certain circumstances, supporting evidence may be required to confirm responses given on the submission form.

The location of any space offered under the initiative will be determined by CPGI and not the applicant with consideration given to existing businesses and the organisations suitability for the location.

During the assessment period, CPGI may enter into a dialogue with the interested party who has submitted a Submission Form to seek clarification and additional information/evidence in support of the organisation's aspiration to occupy the property. In certain circumstances CPGI may ask a number of organisations to explore a collaborative bid for the asset.

Recommendation will be submitted to the Space For Growth working group for consideration and final approval.

Submission Forms will be assessed on a first come first served basis.

The application deadline can be found at citypropertyglasgow.co.uk/meanwhile-space

6. Next Steps for Successful Applicants

The successful organisation(s) will be required to enter into a Lease Agreement in relation to the occupation of the property. Once the lease is completed, the interested party becomes responsible for:

- Payment of any rent.
- Payment of annual block management fees and building insurance
- Trading within the property as agreed and to enhance the vitality of the local area
- Operation of the asset in accordance with the terms of the lease and with all other legal obligations. This will include insuring the contents, along with any plate glass within the asset,
- rates, maintenance, repairs, cleaning, all outgoings and relevant health and safety requirements and all utility costs.
- Meeting all statutory requirements and obligations including asbestos, gas and electricity.
- Compliance with any Legal Agreement and any other agreements.
- Delivery of agreed outcomes.

Failure to comply with any of part of the lease could result in CPGI ending the lease and the organisation having to hand the property back to CPGI – details of the other possible sanctions available will be contained in the signed legal documents, along with the details of CPGI's agreed representative(s).

At the end of the lease, CPGI reserves the right to:

- Review the property and decide it is no longer available for Meanwhile Space
- Negotiate a new lease with the occupier

6. Monitoring and Evaluation

The successful party will have to submit an Annual Report to CPGI's agreed representative which must cover the agreed outcomes as per the lease. They will also have to comply with a periodic assessment conducted by CPGI of them complying with their statutory obligations and any other conditions of acquiring the asset.

If you require further information, please email meanwhile@citypropertyglasgow.co.uk or see our website at www.citypropertyglasgow.co.uk/space-for-growth

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