



Mackintosh Thomson Mews **Improved Connectivity for Faces, Places and Spaces**

**Regenerating Union and Mitchell Street by Creating
Connections; Cultural, Commercial and Leisure Between
Central Station and Buchanan Street**



Linking and Reinforcing the Combined Architectural
Legacy of Glasgow's Two Greatest Architects

Charles Rennie Mackintosh & Alexander "Greek" Thomson

Mackintosh Thomson Mews

Regenerating Union Street by Creating Connections; Cultural, Commercial and Leisure between Central Station and Buchanan Street.

Introduction

Back in Year 2000 USP opened discussions with NCP regarding integrating the Egyptian Halls with their Mitchell Street Car Park but could not progress due to title unavailability and causal grant funding issues. Again in 2009-2010 discussions also took place but again foundered due to grant funding issues and the overall effects of the recession. However given the fact the Egyptian Halls is now wholly owned, controlled and funded independently, the recent strategic infrastructure developments announced and the fact that 80+ NCP's were recently sold so their commercial/ residential property potential could be developed the opportunity to revisit this project's potential is timeous- see attached historical Support Documentation.

December 2016 Structural Review

The issue of this to both GCC and HES now sets the imperative for a scheme to be agreed, funded and implemented before the Egyptian Halls is defined as being a Dangerous Building.

Mackintosh - Thomson Mews Rationale

Given we now know the options for the Egyptian Halls are

- **Restoration** - now all but structurally undeliverable, has been unfundable since Year 2000 – has become increasingly more so as the years have gone by.
- **Façade Retention** - seems to be a deliverable option, needs some grant funding
- **New Build** - another deliverable option, needs no grant funding.

It's also been documented significantly that the Rennie Mackintosh Lighthouse Building is seriously underused and therefore financially compromised due to its cul de sac like and out of the way location. This project reconciles this by substantially increasing the footfall to and from and past this magnificent architectural treasure, which is just hidden away down a dark wee thoroughfare.

Glasgow Car Free Zone

Glasgow is set to introduce a city centre car-free zone over the next five years, bringing a “European city experience” which will “prioritise people.”

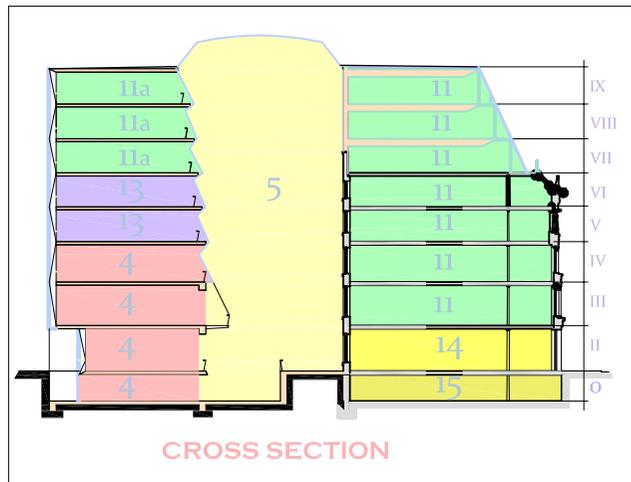
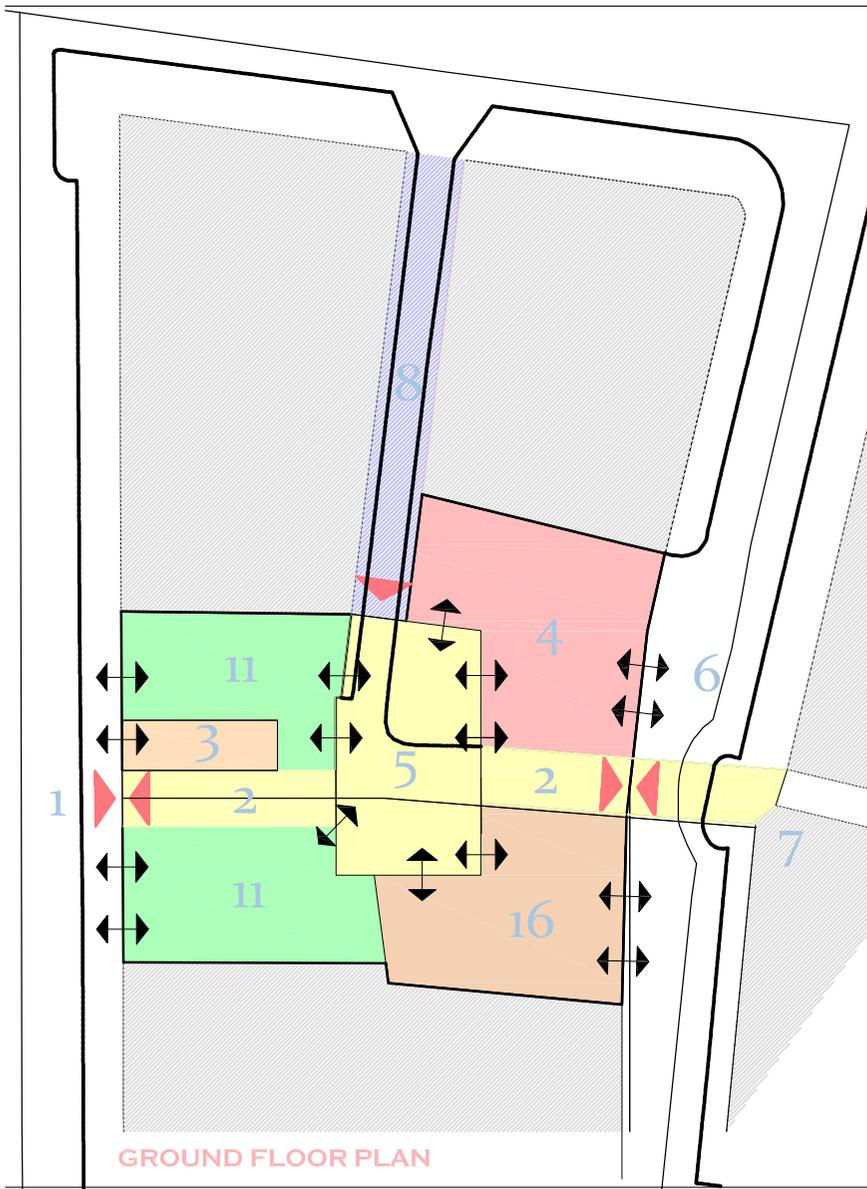
GCC has ambitious carbon reduction strategies, which include its announced core City Centre Car Free Zone the objective being to reduce the cumulative carbon footprint. Also the primary city centre shopping malls; St Enoch Centre and Buchanan Galleries are to undergo massive re-developments to add leisure and housing to complement core retail.



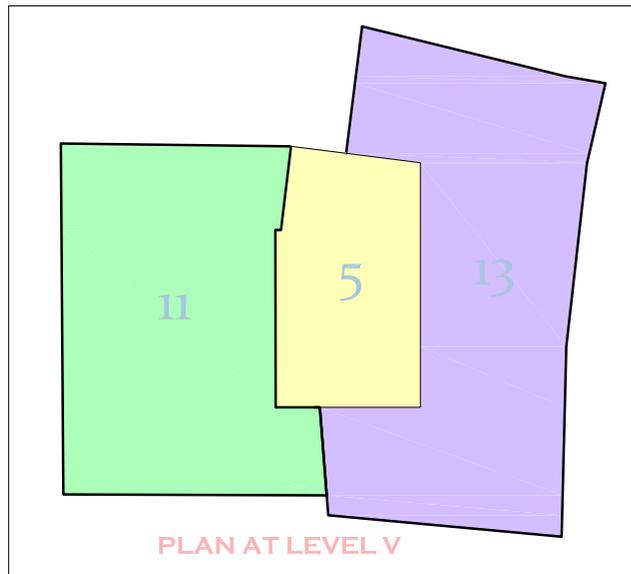


Indicative Plans/Visuals

- **Site Plan**
- **Location Overview Graphic**
- **Night Time Image of Egyptian Halls**
- **Indicative Courtyard Images**
- **Indicative Apart Hotel Images**
- **Light House Images**
- **Indicative Gourmet Food Market Images**



1. UNION STREET
2. CONCOURSE
3. HOTEL RECEPTION
4. RETAIL
5. ATRIUM
6. MITCHELL STREET
7. THE LIGHTHOUSE
8. UNION PLACE ACCESS
9. CORE ACCESS TO UPPER FLOORS/ LIFTS
10. BRIDGE
11. HOTEL
- 11a APPART HOTEL
12. RETAIL
13. LEISURE
14. RESTAURANT/ BAR
15. SERVICES
16. SUBSTATION
17. CENTRAL STATION



- NOTES**
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THE MORRISON PARTNERSHIP
 Chartered Architects and Planning Supervisors
 242 Queensferry Road, Edinburgh EH4 2BP
 Tel: (0131) 343 3114 Fax: (0131) 332 7836

Client: *Union Street Developments Ltd.*
 Project: *Egyptian Halls, Union St, Glasgow*
 Drawing: *Mackintosh Thomson Mews Upper F*
 Date: *Feb'10* | Drawn By: *DDP* | Scale: *NTS*
 Job No: *98/104* | Drawing No: *SK.MTM(03)*



Current Configuration

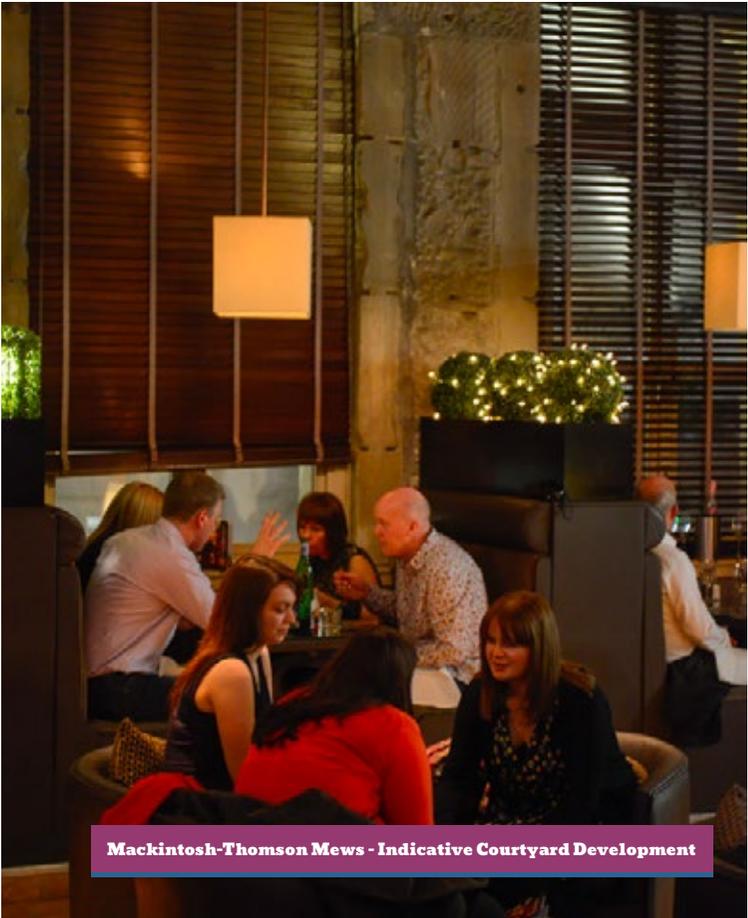
Potential Configuration

The potential to fuse together the Egyptian Halls and a re-modernised NCP would create Mackintosh-Thomson Mews; a vibrant new commercial/retail & leisure thoroughfare to the extremely popular/lucrative Buchanan Street from the hugely busy Union Street and of course Central Station.



Mackintosh-Thomson Mews - Egyptian Halls at Night

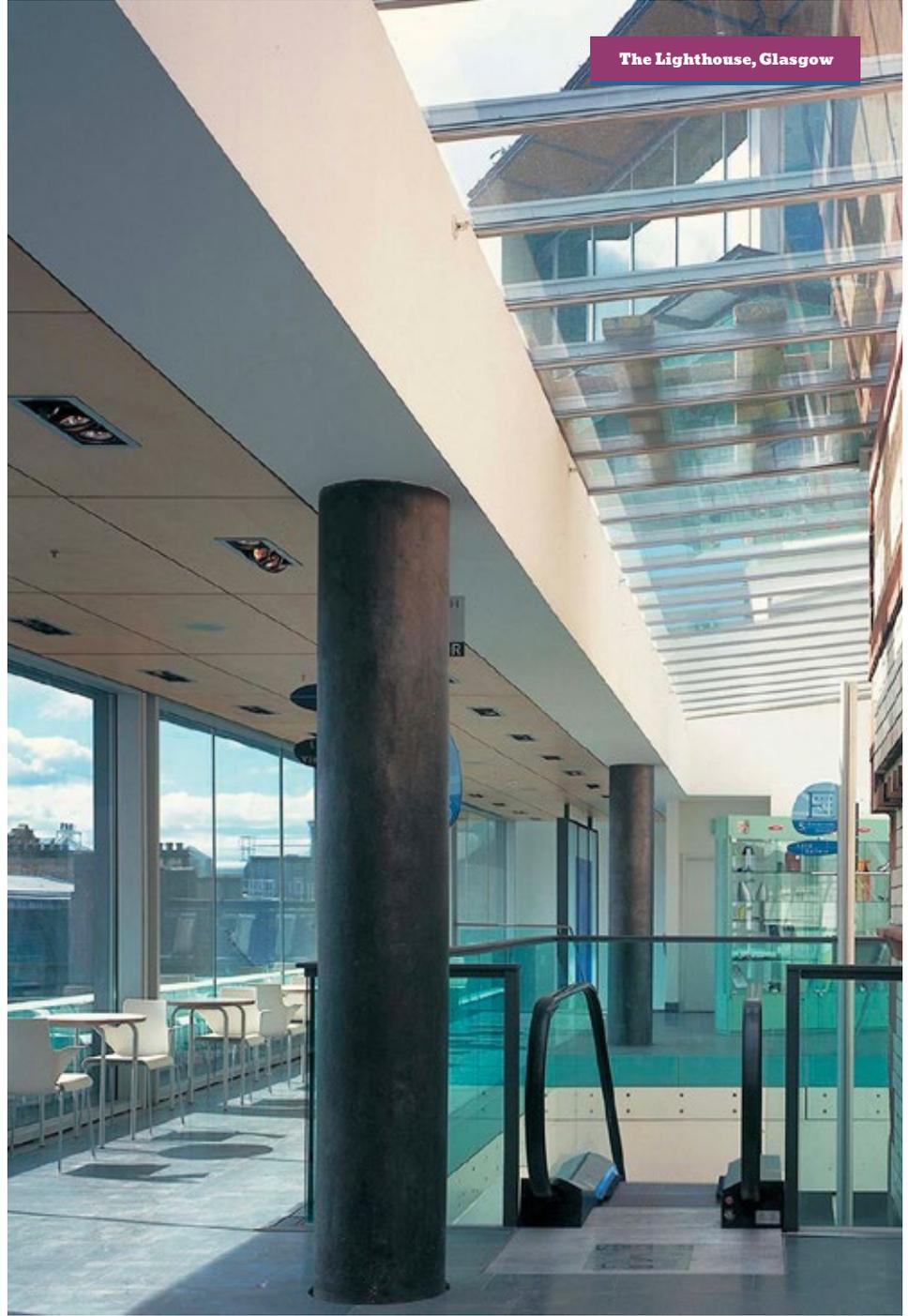




Mackintosh-Thomson Mews - Indicative Courtyard Development

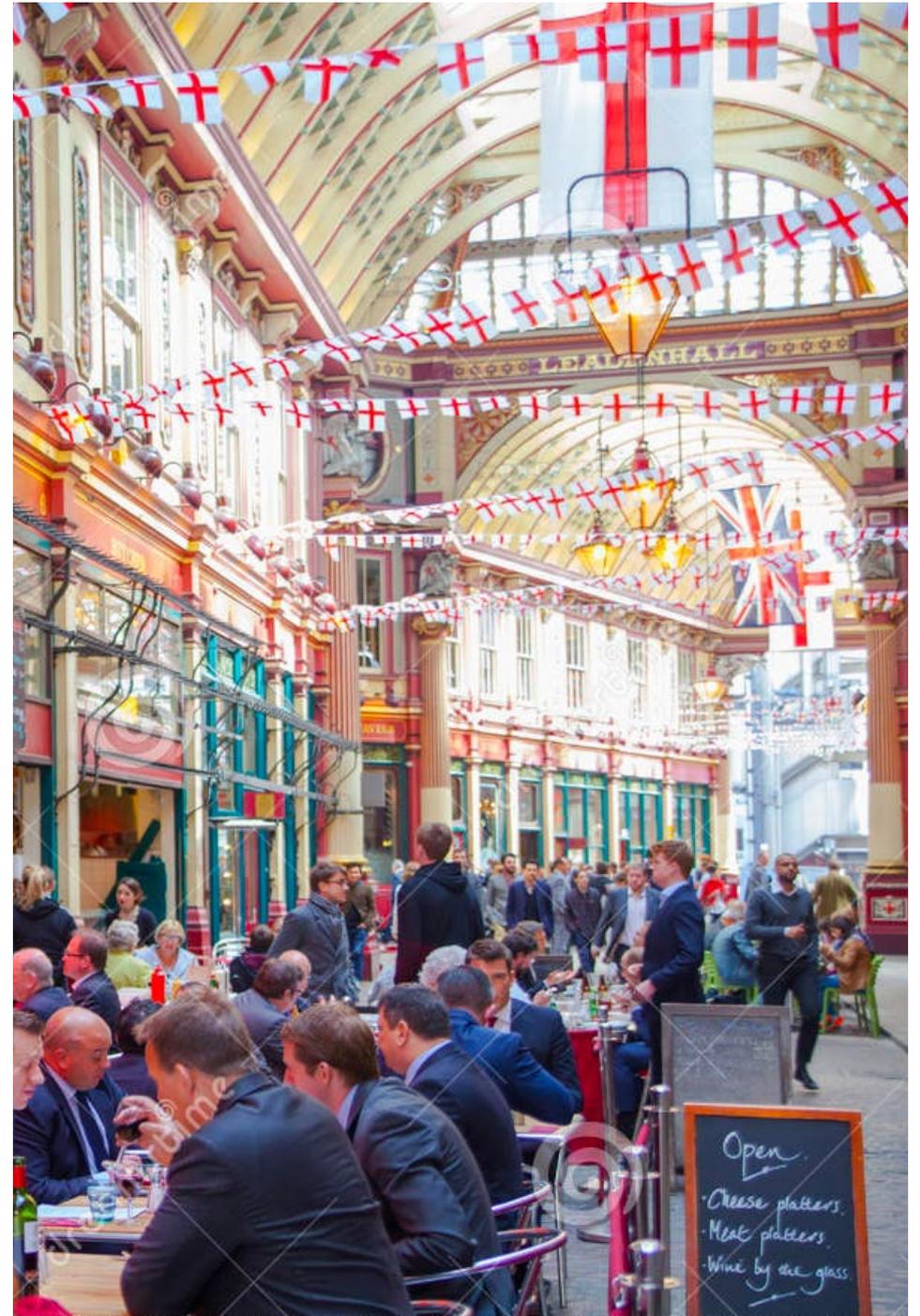


Mackintosh-Thomson Mews - Indicative Apart Hotel Development





Mackintosh-Thomson Mews - Indicative Gourmet Food Market



What strategic frameworks and policies can be leveraged to assist delivery?

1. **“The development of a new city centre strategy will include a comprehensive and collaborative review and specifically a consideration of whether areas like Union Street, should in fact be completely reconfigured.” “We need to find the right sources of funding, and there are various routes.”** GCC’s Bailie Cameron - Evening Times June 2012

2. Glasgow’s £1Billion City Plan is launched and beginning to take shape

3. Plans to create a direct rail link between Glasgow Airport and the city centre have been unveiled.

4. Brian Skinner then of Donaldsons Chartered Surveyors stated June 2006 (now MD BECAPITAL Group).

*The inclusion of the NCP creates a destination scheme, which relies on nothing, **if you can secure planning for the bigger scheme it defines the pitch and will change shopping in Glasgow.***

5. *And these strategic causal investments now strengthen the case for Mackintosh- Thomson Mews given the proximity to Central Station is less than 5M and via a pedestrian crossing- station entrance!*

If achieved this would deliver well in excess of the stand alone Egyptian Halls acknowledged Project Benefits

- The preservation of world famous Egyptian Halls
- £30M+ Development begins much desired Union Street regeneration
- 200+ bedroom, circa 3 - 4 star hotel on the USI owned Upper Floors
- Bars/Restaurants on USP owned Ground Floor
- 200 jobs-30+ Modern Apprenticeships
- Deliver an **EXTRA** £300k-£350k Business Rates p.a.
- Meets GCC - Scot Govt’s Economic Growth, Tourism, Training and Cultural Preservation strategies.

6. **Crucially Current Retail per sq. ft. on Union Street is £30.00 on Buchanan Street its £300.00. And sectoral commentary is now accentuating “that Prime is becoming even more Prime!!”** Ewan Mackay - Ewan Mackay Property December 2016. Further Gordon Street, which is also a parallel thoroughfare some 20M away has headline Rents of **£120.00** per sq. ft. Indicative again of the potential also the massive advantage Mackintosh-Thomson Mews has it would be undercover and not susceptible to the vagaries of Glasgow weather! Therefore capable of offering longer effective trading hours!

7. For comparison only the BAM constructed 110 Queen Street Building with 143,000 sq. ft. office space and 20,00 sqft Retail Leisure cost circa **£40M** to develop and was then sold for circa **£70M** within 18 months.

<http://www.propertyweek.com/news/bam-sells-glasgows-110-queen-street/5070567.article>.

8. Therefore Mackintosh – Thomson Mews could become a potent mix of Hotel/Residential/Leisure creating a thoroughfare from Central Station to Buchanan Street and back. And of course add significant, synergistic commercial benefits to the bottom of the City Centre! The once Z shape has atrophied to become a “**dumbbell**” shape. This then adds commercial ballast and could become a **trident** shape to with the transformative potential that integrating the Egyptian Halls with the conjoined NCP would deliver.

9. Joined up Government combined with effective Public- Private sector collaboration could deliver this project. And it would then become an integral part of the CITY PLAN - Central District project as well. Given GCC have already instructed two firms to assess options
- a) *Commercial opportunities (MVRDV & Austin-Smith:Lord)*
 - b) *Residential opportunities (Savills)*

Therefore why not include the following into any overall assessment project?

Mackintosh - Thomson Mews Recommended Feasibility Study

Review the various core documents including the 2008 Turley Associates report and consider if there is value in considering the integration proposed. To achieve this there should be clear vision for the overall block at the outset, with each element critically appraised in terms of contribution to achieving the overall objective. There are a number of elements, which have different potential uses, which would affect their future viability and success. There are highly indicative plans already but these can be developed further given we already know the following

- The Egyptian Halls can achieve – 200 Bed hotel plus 4 Ground Floor Restaurants?
- What of the Courtyard? Could it become the home for the Glasgow Gourmet Food Market?
- Could it replicate the ambience and style of other courtyards/thoroughfares e.g St Christophers Place West End London - <https://www.stchristophersplace.com/> and Berwick Street Soho - <https://www.thisissoho.co.uk/food-drink/berwick-street-market/>
- Could the NCP site above Ground Floor become an Apart Hotel/ Serviced Apartments/Offices or even Residential?

Scope

1. Review all of the detail available on discussions and proposals to date.
2. Review general market demand, and comment specifically on current proposals.
3. Assess various arcades, thoroughfares and markets.
4. Provide commentary on values, including marriage value with NCP.
5. Visual building inspection (including NCP), and commentary on current costs.
6. Review development appraisal, including grant funding.
7. Carry out independent planning review.
8. Assess various schematics and scaling/ massing options.
9. Put forward options on proposals (mix, scale of uses), structures, end values.
10. Estimate the combined societal, environmental regenerational, cultural and heritage preservation benefits that would accrue.
11. Identify potential sources of funding.
12. Provide a final report with an overall recommendation.

Costs

The selective consultant(s) would provide a detailed fee proposal and for guidance an indicative budget would be circa £10,000.00. If the Study were positive then an overall master plan would be developed which would involve GCC, Scottish Government, heritage bodies and community engagement stakeholders.

The background of the slide features a grayscale photograph of two men in suits, shown in profile from the chest up. They are looking towards the right, where a classical building facade with columns and arches is visible. The image is semi-transparent, allowing the text to be clearly legible.

Support Documentation

- **Ewan Mackay Property/Retail/Leisure Commentary January 2017**
- **Andrew Oswald Chartered Surveyor Feb 2016 Development Appraisal Options**
- **Knight Frank April 2012 Union Street “Decline” Commentary**
- **Turley Associates NCP - 2008 Egyptian Halls Transformation Proposal**
- **Gourmet Food Market**
- **NCP Year 2000 Proposal**



234 West George Street, Glasgow G4 2QF

Derek J Souter
Union Street Properties
26 Foundry Lane
DUNDEE
DD4 6AY

Our Ref: EM/fm
DDI: 0141 226 1662
Mobile: 07917 834912
E-mail: ewan@ewanmackay.com

10 January 2017

Dear Derek

Egyptian Halls, Union Street, Glasgow

Further to our various discussions and on the back of securing a hotel for the upper parts, we would hope that a rental income of £180,000 per annum should be achievable based off an initial yield of 10%.

You would definitely hope that in around eight years' time yields would be a lot sharper and be around 7%. This will depend on lease term and covenant of tenant.

I am hopeful we will secure a couple of good strong tenants, however there may be a couple of independents with slightly weaker covenants and we may therefore need to consider a blended yield.

Union Street is regarded as one of the busiest streets in Glasgow and is close to one of the busiest rail stations in the country (outside London). Therefore, the potential to achieve a rent roll of £180,000 per annum should be achievable and in line with what is being achieved in other similar locations in Glasgow city centre.

Interest during 2016 was still there with several enquiries all of which were followed up, discussed and agreed could be revisited once a funded scheme was in place. In November 2016 we fielded two strong enquiries for the Upper Floors Hotel option and these are in the process of being followed up.

Also, we're now exploring the transformative potential Mackintosh Thomson Mews would offer.

Telephone 0141 226 1662

www.ewanmackay.com

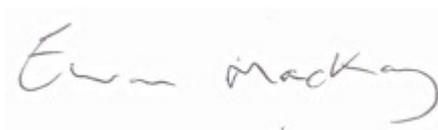
Registered in Scotland Office Number SCC836943

The proposed projections and pricing are in line with what I would advise. Please note that this is not a valuation and our own view of the market from our experience of other projects across the UK.

I hope this assists. Please don't hesitate to give me a call if you would like to discuss this further.

Kind regards.

Yours sincerely

A handwritten signature in black ink that reads "Ewan Mackay". The signature is written in a cursive style with a large, sweeping 'E' and a long, trailing 'y'.

EWAN MACKAY Bsc MRICS
Property Consultant



Andrew Oswald
Chartered Surveyor

21 Blythswood Square, Glasgow, G2 4BL T: 0141 243 4470

16th February 2016

Egyptian Hall, Union Street , Glasgow
Development Options-Summary.

| | 114 Hotel | 134 Hotel | New Build Hotel | New Build office |
|-------------------------|------------------|------------------|------------------------|-------------------------|
| GDV | £15 565 662 | £18 805 435 | £21 588 475 | £15 011 145 |
| Build Cost | £18 381 971 | £19 877 679 | £17 880 000 | £10 586 296 |
| Finance cost | £5 857 289 | £6 374 671 | £5 774 989 | £897 889 |
| Total cost | £30 609 941 | £7 726 907 | £32 025 076 | £15 208 745 |
| Site value | (£10 922 759) | (£10 828 934) | (£969 274) | £1 900 000 |
| (profit/deficit) | | | | £3 422 202 (22.5%) |

Current values (Titles separate)

| | |
|---------------------|---------------|
| Ground Floor | -£6.8m |
| Upper Floors | £2.0m |



Derek Souter
Director
Union Street Properties Ltd
26 Foundry Lane
Dundee
DD4 6AY

30 April 2012

Ref: AO/GMcW/313840/300401

Dear Derek

Egyptian Halls, 84-100 Union Street, Glasgow
Option Appraisal Report
Value Decline

I refer to my Option Appraisal Report of March 2012.

You have asked me to clarify the decline in value since you acquired your interest here, and to give some very brief thoughts to the reasons for that.

We have been valuing property in Union Street for well over 20 years, which used to include holdings by some of the UK's major pension funds, but the character of the street has changed dramatically over that period. It is now seen as very much a secondary retail location.

In my view, there are several reasons for this:

- The focus of Glasgow retail activity has shifted to modern enclosed shopping malls, and in particular, the St Enoch Centre, and Buchanan Galleries. This has resulted in a shift in the prime pitch from the historic 'Z' of Sauchiehall Street / Buchanan Street / Argyle Street to a 'dumbell' centred around Buchanan Street with strong retailing close to the junction with Buchanan Street and both Sauchiehall Street and Argyle Street. The fringes have however fallen away in value due to increased floor space.
- There has also been a substantial increase in out of town retail floor space serving Glasgow suburbs, in particular, Braehead at Renfrew, Silverburn on Glasgow's south side, and Glasgow Fort to the east side.
- There has been a shift in the office market westwards towards the larger floorplate developments on Atlantic Quay and Bothwell Street. This has resulted in the upper floors in Union Street becoming less and less valuable as they fail to meet modern requirements. This has added to a dilapidated feel in the street.
- As the street becomes more and more secondary, the perception of investors changes, and prices as a function of rents, (i.e. yields) have gone up, as greater risk and less rental growth is perceived resulting in lower capital values on falling rents.
- The 2008 recession and its effect cannot be underestimated. There was a massive yield shift on all types of commercial property, and a collapse in bank lending for the purchases of investments which continues to fall. Indeed, our own records show that even in the past 6 months, the value of secondary property has fallen by 15%. Since 2008, it is probably reasonable to say that secondary property values have halved.

Knight Frank LLP 120 Bothwell Street Glasgow G2 7JS
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www.knightfrank.com



- With particular regard to this property, not only have rental values on ground floors collapsed, but there is a Listed Building Repair Notice attached to the property, which in real terms has increased the costs year on year.

The overall combined effect of all these factors results show a significant fall in the capital value for the property on Union Street. While it would be an extensive job to go back in time and look at detail on the capital value, by way of illustration, we have set out below the movement in rental values in Union Street since 1992, ignoring inflation.

| Year | Retail Rents – Ground Floors (expressed as £ per sq ft) |
|-------------|--|
| 1992 | £70.00 |
| 1997 | £72.00 |
| 2002 | £60.00 |
| 2007 | £55.00 |
| 2012 | £35.00 |

I trust this gives some insight into the history of values in Union Street, but if you need any clarification at all, please do not hesitate to contact me.

With best regards.

Yours sincerely

Andrew Oswald BSc FRICS ACI Arb
Senior Partner, Scotland

andrew.oswald@knightfrank.com
D/L 0141 566 6024
M 07836260424

REVITALISING UNION STREET
BY CONNECTING IT TO MITCHELL STREET
AND BUCHANAN STREET.



THE SITE

MITCHELL STREET

POTENTIAL ACTIVE GROUND FLOORS

THE EXTENSION OF MITCHELL LANE, VIA A WELL DESIGNED PUBLIC REALM, TO UNION STREET WILL FURTHER ENHANCE THE EAST-WEST PERMEABILITY OF THE CITY CENTRE.



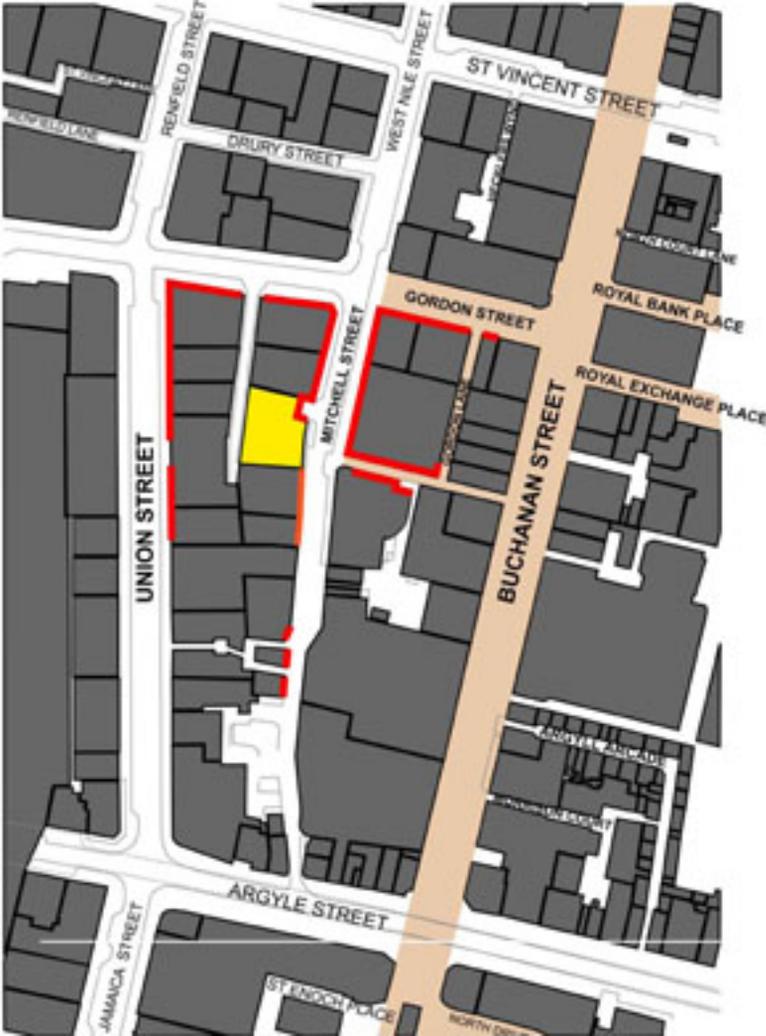
- Existing active ground floors
- Permitted active ground floors
- Potential active ground floors
- Potential new route

THE SITE

MITCHELL STREET

ACTIVE AND PROPOSED GROUND FLOORS
THE VIENNA APARTMENTS WILL PROVIDE
THREE GROUND FLOOR UNITS FOR
POTENTIAL COMMERCIAL OR RETAIL USE.

IT WILL ALLOW UNION LANE TO CONNECT TO
UNION STREET AND MITCHELL LANE
CREATING A NEW ACTIVE RETAIL FRONTAGE.



-  Existing active ground floors
-  Permitted active ground floors
-  Potential active ground floors
-  Potential new route

THE SITE

MITCHELL STREET

EXISTING AND POTENTIAL
GROUND FLOOR USES



- Retail/bank
- Cafe/pub/restaurant
- Nightclub/venue
- Commercial/office
- Cultural/museum
- Tourism/hotel
- Proposed retail/residential
- Site

EGYPTIAN HALLS

UNION STREET

REDEVELOPMENT OPPORTUNITY – TO LINK
WITH SITE AND MITCHELL STREET.

BURGER KING

AvXtreme
Adventure

STUFF

TURLEY ASSOCIATES



VIENNA APARTMENTS

MITCHELL STREET,
CURRENTLY ON-SITE

76 NEW 1,2 & 3 BEDROOM APARTMENTS
WITH GROUND FLOOR RETAIL / COMMERCIAL



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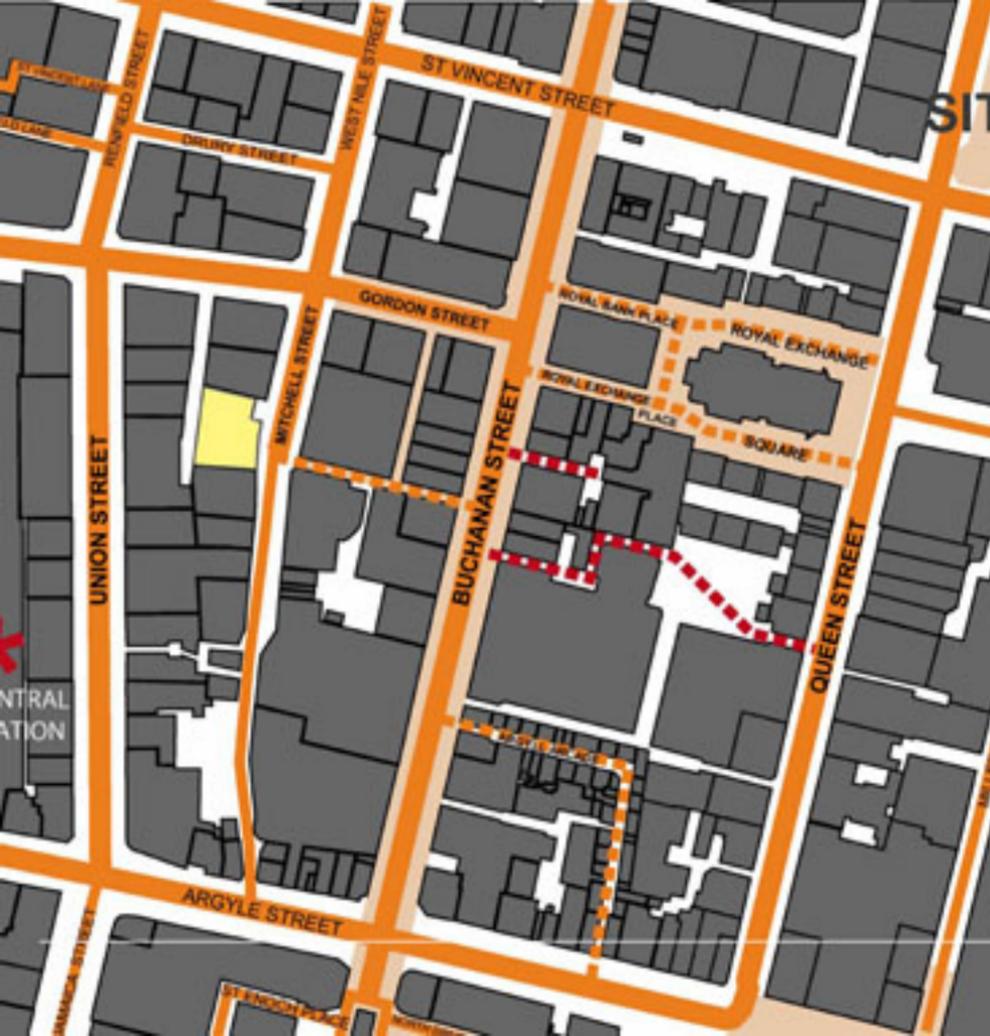
HIGH QUALITY URBAN REALM AND NEW USES
HELP TO CREATE A SUCCESSFUL DESTINATION

TURLEYASSOCIATES



HIGH QUALITY URBAN REALM AND NEW USES
HELP TO CREATE A SUCCESSFUL DESTINATION

TURLEY ASSOCIATES



SITE ANALYSIS

POPULAR LANES

THERE ARE A NUMBER OF WELL USED LANES THAT ADD TO THE EAST-WEST PERMEABILITY OF THE CITY CENTRE.



SITE ANALYSIS

ROYAL EXCHANGE SQUARE

AN EXEMPLAR FOR CREATING A
SUCCESSFUL PUBLIC PLACE.



SITE ANALYSIS

KEY ROUTES AND LANES

SITE ANALYSIS

LISTED BUILDINGS

THE AREA HAS MANY LISTED BUILDINGS WHICH WILL IMPACT ON PROPOSALS AND HEIGHTS THAT CAN BE ACHIEVED.



- Category A listed building
- Category B listed building
- Non listed building



SITE ANALYSIS

PEDESTRIANISED AREA

MITCHELL LANE CURRENTLY
CONNECTS MITCHELL
STREET TO
BUCHANAN STREET BUT
THERE IS NO LANE
CONNECTING TO UNION
STREET



SITE ANALYSIS
FIGURE GROUND

ACCESSIBILITY

400M WALKING DISTANCE

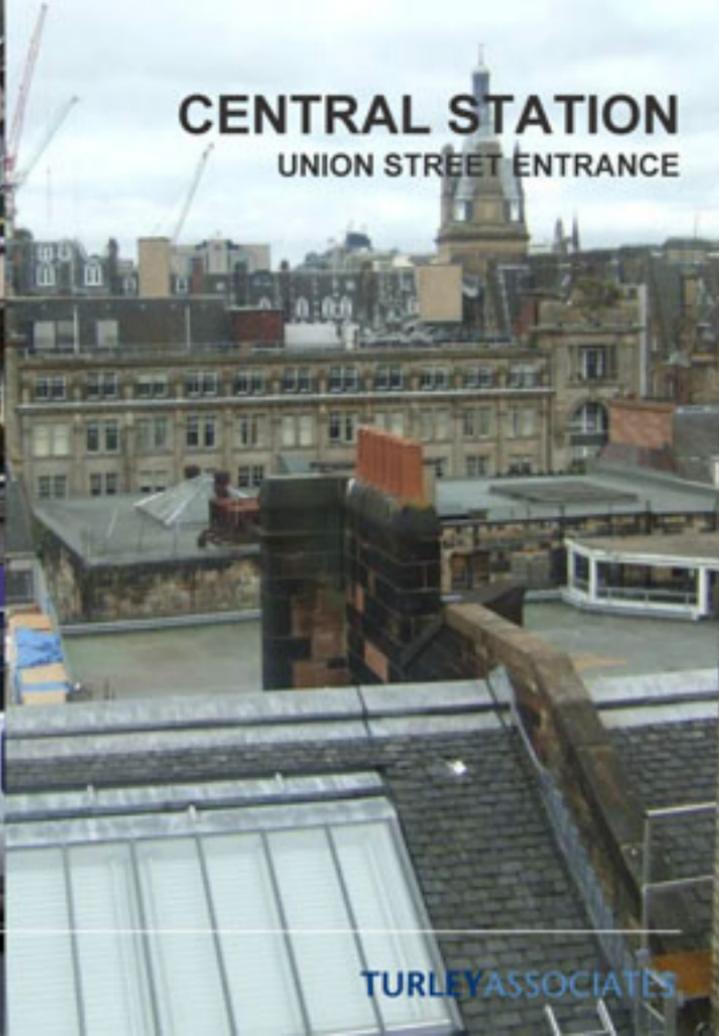


MUCH OF THE CITY CENTRE AND MAJOR OFFICE AREAS ARE CLOSE BY..

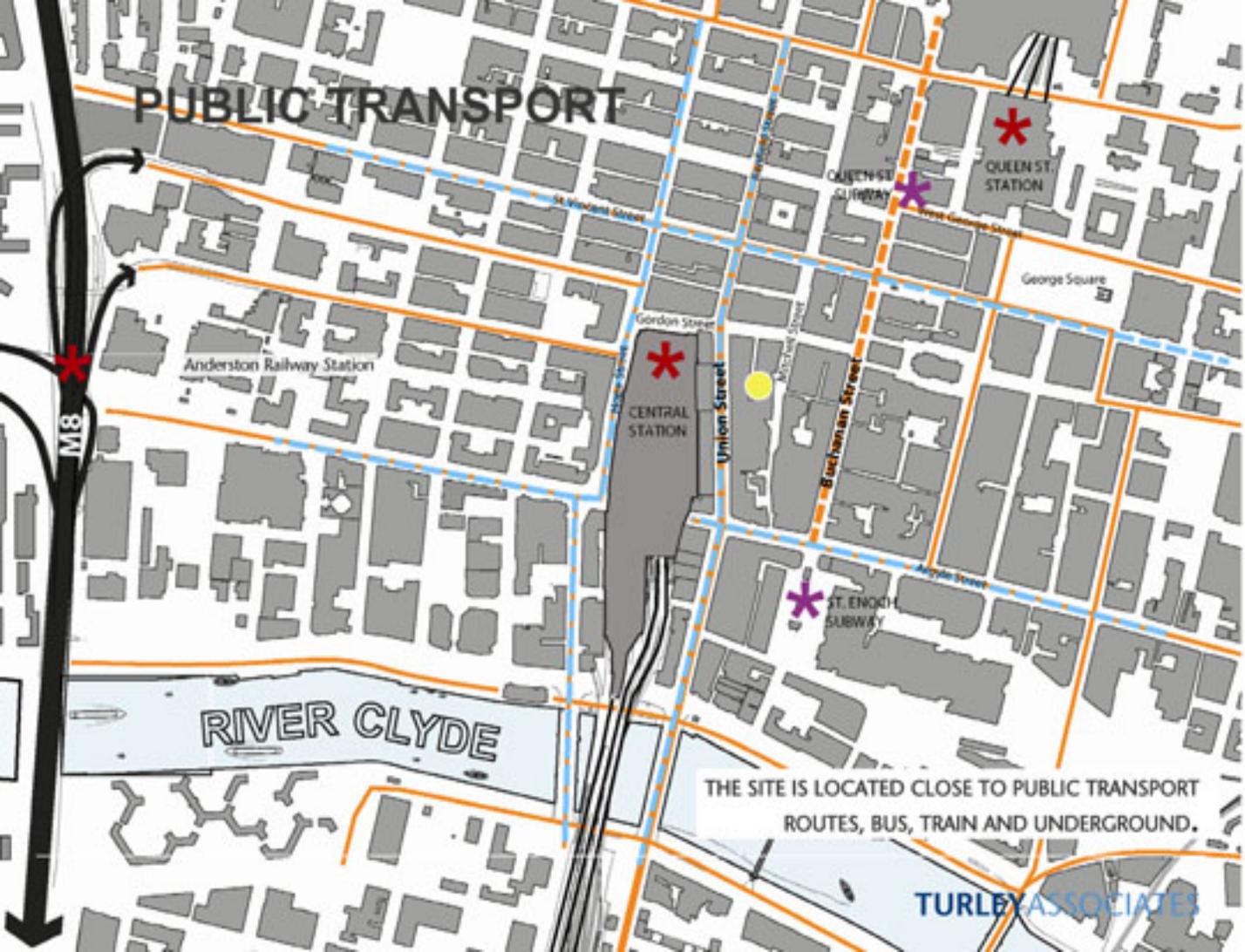


CENTRAL STATION

UNION STREET ENTRANCE



PUBLIC TRANSPORT



Anderston Railway Station

CENTRAL STATION

QUEEN ST. STATION

QUEEN ST. SUBWAY

ST. ENOCH SUBWAY

RIVER CLYDE

THE SITE IS LOCATED CLOSE TO PUBLIC TRANSPORT ROUTES, BUS, TRAIN AND UNDERGROUND.

TURLEY ASSOCIATES

KEY ROUTES

M8

RIVER CLYDE

BUCHANAN STREET IS THE KEY PEDESTRIANISED SHOPPING STREET PROVIDING GOOD NORTH-SOUTH CONNECTIVITY. GORDON STREET PROVIDES A GOOD EAST-WEST LINK BUT THERE IS NO DIRECT LINK FROM CENTRAL STATION VIA UNION STREET AND MITCHELL LANE.

TURLEY ASSOCIATES



EGYPTIAN HALLS

EGYPTIAN HALLS IS A CATEGORY A LISTED
BUILDING ON UNION STREET.

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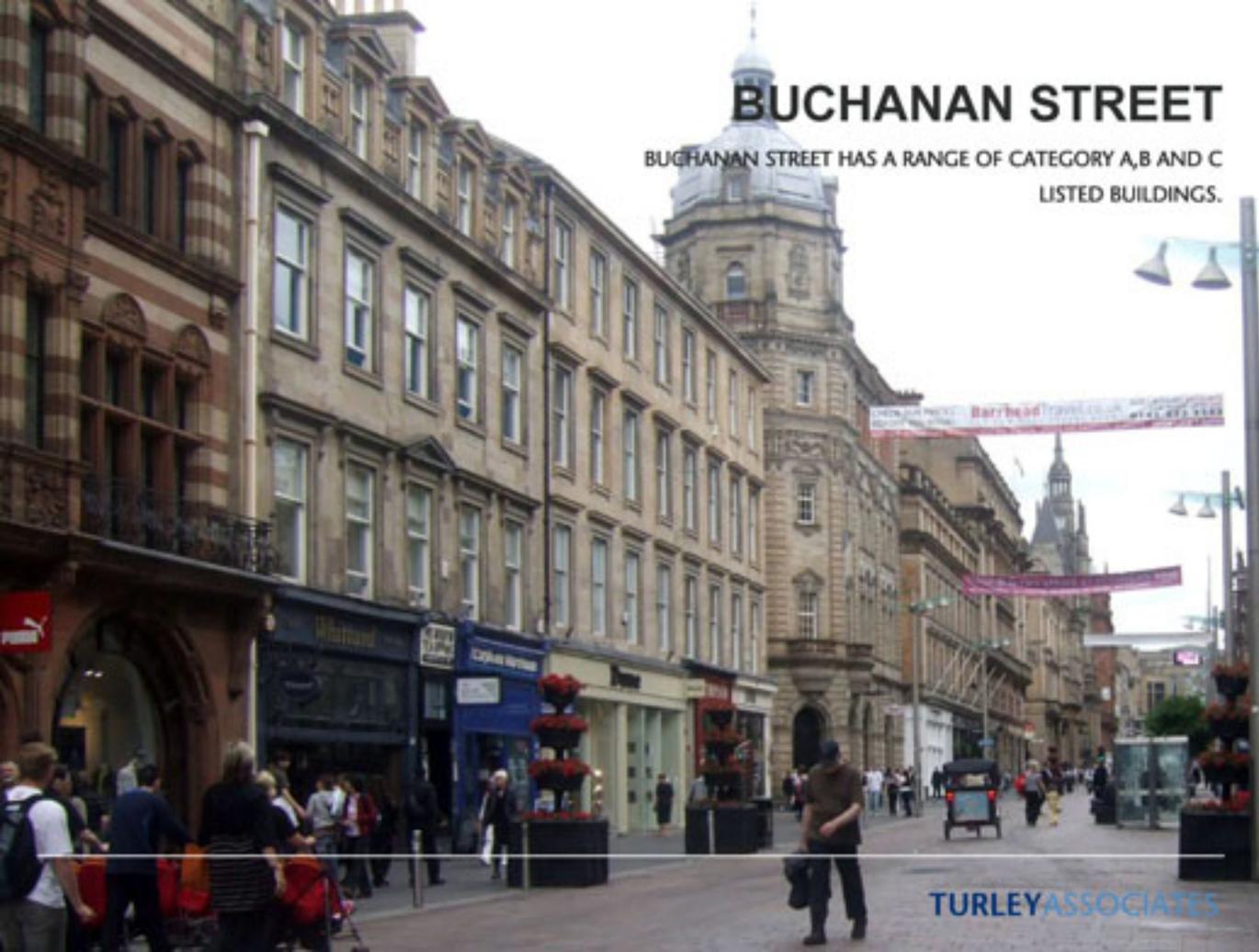


THE LIGHTHOUSE

THE LIGHTHOUSE IS A CATEGORY A LISTED BUILDING LOCATED
OPPOSITE THE SITE

BUCHANAN STREET

BUCHANAN STREET HAS A RANGE OF CATEGORY A,B AND C LISTED BUILDINGS.



TURLEYASSOCIATES

CONSERVATION AREA



Anderston Railway Station

CENTRAL STATION

QUEEN ST. STATION

QUEEN ST. SUBWAY

ST. ENOCH SUBWAY

RIVER CLYDE

THE SITE IS LOCATED WITHIN THE CONSERVATION AREA IDENTIFIED WITHIN THE GLASGOW CITY PLAN.

UNION STREET

UNION STREET OFFERS A RANGE OF SHOPS AND PUBS WHICH INCLUDES DISCOUNT STORES AND FAST FOOD CHAINS. IT SUFFERS FROM A POOR URBAN ENVIRONMENT AND FAILS TO TAKE ADVANTAGE OF ITS PROXIMITY TO CENTRAL STATION.



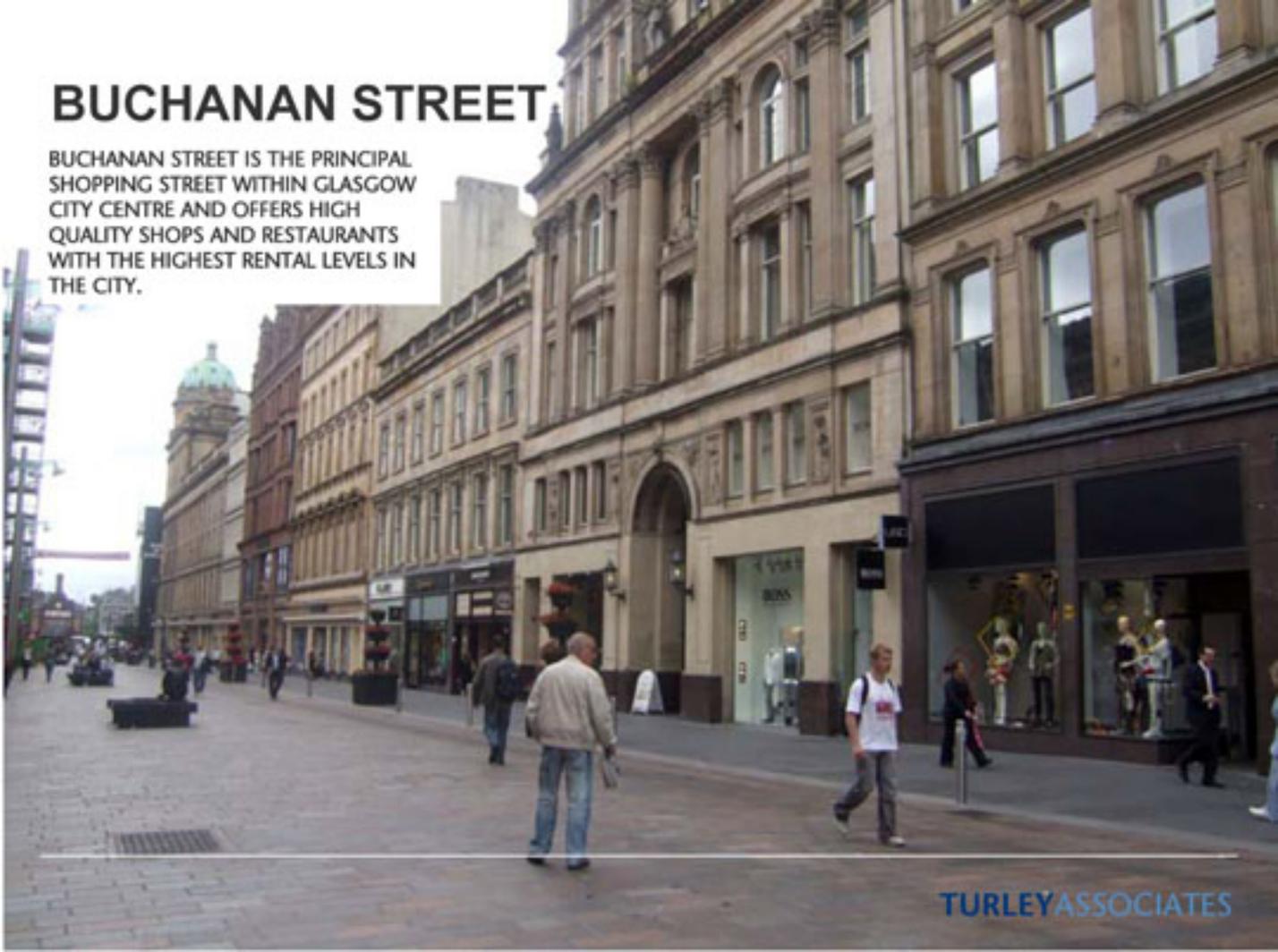


QUEEN STREET

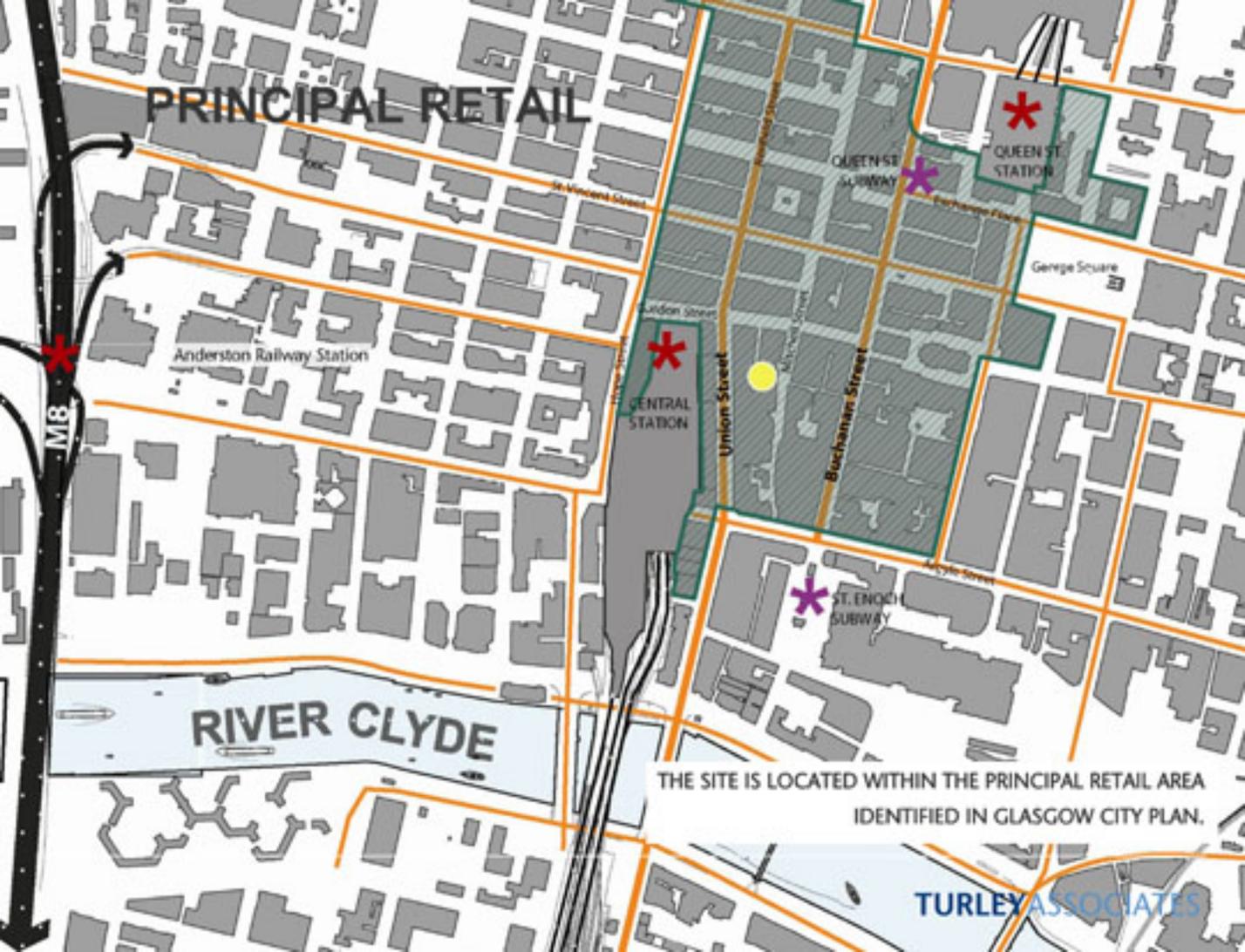
QUEEN STREET OFFERS A DIVERSE RANGE OF SHOPS, RESTAURANTS AND OFFICES. AN EXEMPLAR FOR HOW UNION STREET COULD LOOK IN THE FUTURE BY TAKING ADVANTAGE OF ITS LOCATION NEXT TO A MAINLINE TRAIN STATION.

BUCHANAN STREET

BUCHANAN STREET IS THE PRINCIPAL SHOPPING STREET WITHIN GLASGOW CITY CENTRE AND OFFERS HIGH QUALITY SHOPS AND RESTAURANTS WITH THE HIGHEST RENTAL LEVELS IN THE CITY.



PRINCIPAL RETAIL



Anderson Railway Station

QUEEN ST
SUBWAY

QUEEN ST
STATION

George Square

Union Street

GENERAL
STATION

Buchanan Street

ST. ENOCH
SUBWAY

RIVER CLYDE

THE SITE IS LOCATED WITHIN THE PRINCIPAL RETAIL AREA
IDENTIFIED IN GLASGOW CITY PLAN.

TURLEY ASSOCIATES

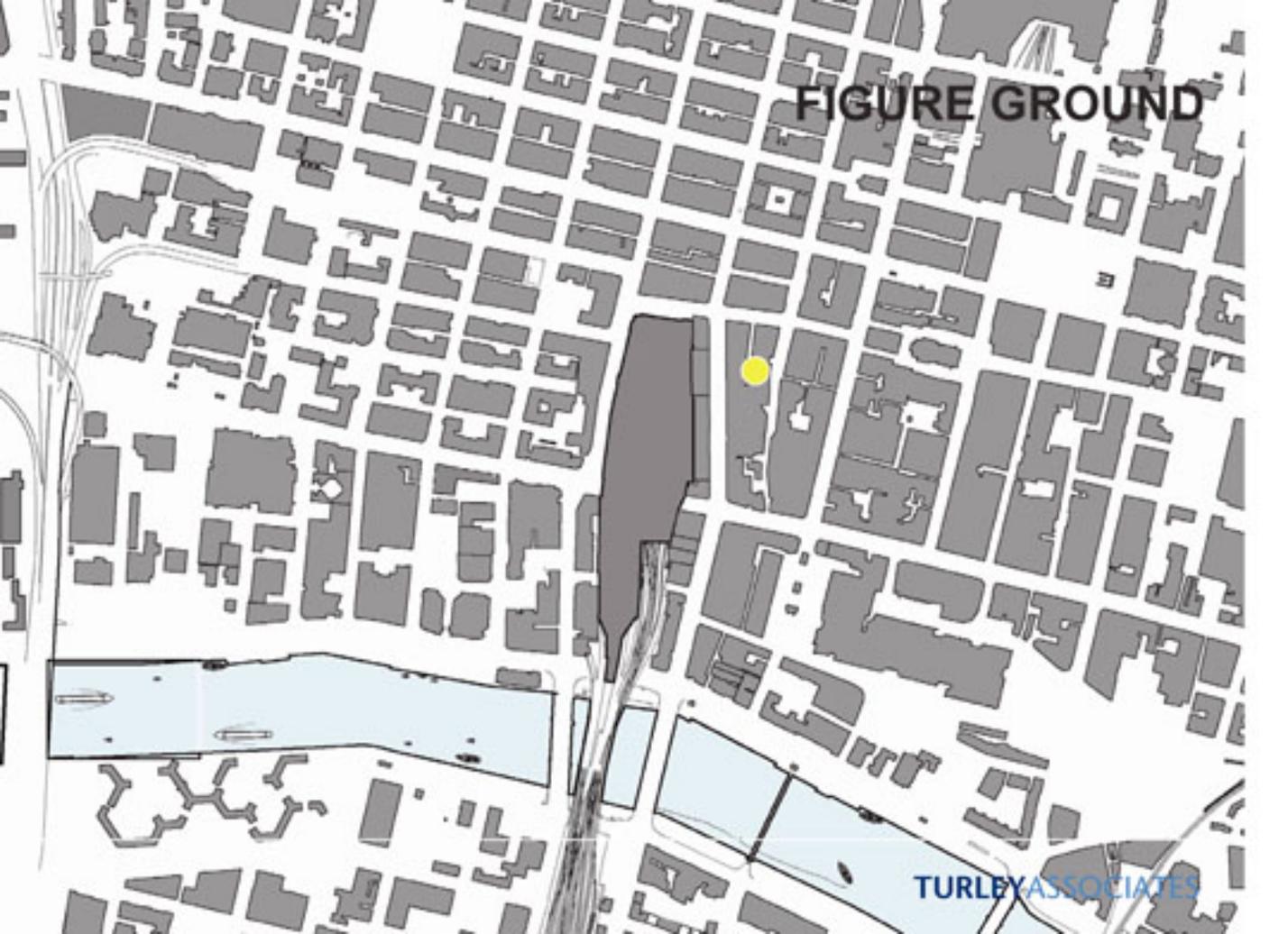
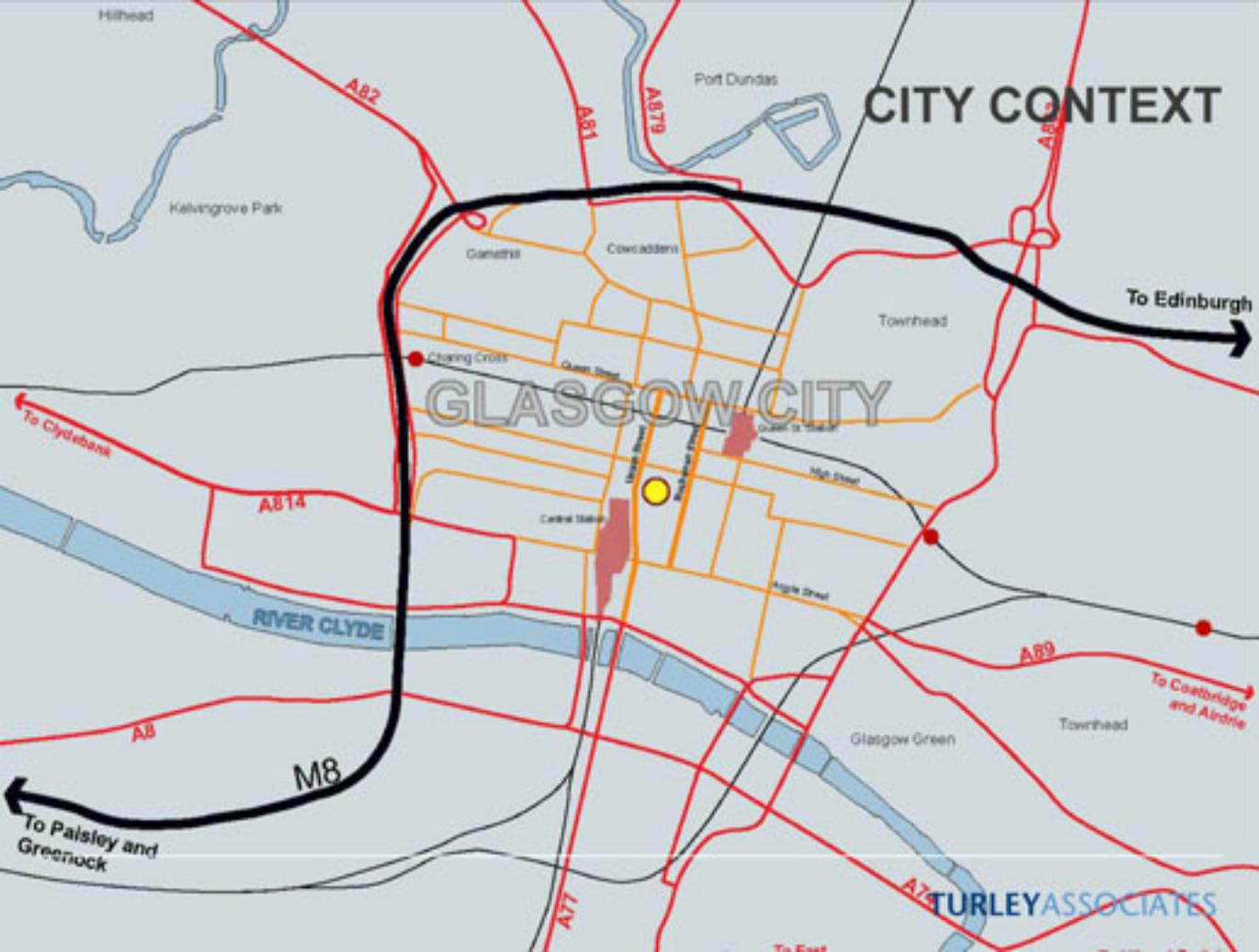


FIGURE GROUND

TURLEY ASSOCIATES

CITY CONTEXT



Gourmet Market Scotland



In June 2013 I visited the Spanish city of Cordoba, a mid-sized city of 350,000 inhabitants.

Cordoba city is the capital of the province of Cordoba, one of the eight provinces of Andalucía.

Cordoba has been declared a World Heritage Site, and is also gaining a reputation for being the most exciting 'foodie' destination in Andalucía.

In April 2013, 'Mercado Victoria' opened for business in Cordoba. Situated in the centre of Cordoba, this market is located in the middle of some leafy gardens in a 19th century building that has been restored to preserve its wrought iron structure and zinc covered roof.



The 2000 m² building hosts thirty different market 'stands' offering a wide variety of gourmet products including breads, meats, tortillas, shellfish and fish, cheese, ice creams, pastries, wines and sherries.

In addition to shopping, visitors to Mercado Victoria are offered a range of activities including cooking demonstrations by some of the region's top chefs, cooking workshops, wine pairing events and a variety of artistic events such as concerts and recitals.

Background

Mercado Victoria has rapidly become established as one of the most popular eating places in Cordoba. Each stand offers their produce to eat in – either as a ‘small plate’ or as a larger ‘main plate’ size. Small plates typically cost €3-5 (£2.60 - £4.30) and larger plates start at €7 (£6).

Visitors to Mercado Victoria can select food from the variety of food stands and drink from the selection of local beer, sherry, wine and champagne stands. During a lunchtime visit I noticed that people typically select one or two ‘small plates’ and a drink to eat on the premises, and larger groups tend to buy a selection of ‘large plates’ from various stands then sit together and share.

In addition to the food and drink stands, there are newsagent, florist and fruit and veg stands.

Mercado Victoria is open from 9.00 am until midnight every day meaning that the target market changes throughout the day from people coming in for breakfast before work, to morning coffee, lunches, afternoon shoppers, late afternoon drinks and evening visitors.

There are very basic ‘breakfast bar’ type tables around the market where people can sit in to eat, and all of the prepared food and produce can also be bought to take away – either ready prepared or to cook at home. In the evening the outside area surrounding the building which has a slightly more formal restaurant layout, becomes busy as families and friends meet to eat and socialise.



Interior of Mercado Victoria



Exterior of Mercado Victoria

Concept

The concept of Mercado Victoria is:

- It is a showcase for the best of Spanish produce – there were 300 applications for 30 stands.
- No two stands sell the same produce
- Produce is carefully selected – it is fresh, local and high quality
- People can buy produce to take away and cook at home, or choose prepared produce to eat in or take away
- Pricing is fairly consistent across all stands, with prepared produce being available as ‘small plate’ or ‘large plate’
- Mercado Victoria is seen as a casual dining experience and a shopping experience, appealing to both locals and tourists

A similar venue – Mercado de San Miguel – was established in Madrid in 2008.

Unfortunately, although they are listed on MINT there is no financial data for either Mercado Victoria or Mercado de San Miguel that would be helpful.



Mercado de San Miguel

I understand that similar venue is currently being developed in Malaga. Malaga has in excess of 85,000 visitors per month during the summer, most of them from the UK, and my guess is that once the Malaga venue opens it will be a matter of time before someone introduces the concept to the UK.

Potential in Scotland

I believe the overall concept would work well in Scotland. Given the right location – certainly in both Glasgow and Edinburgh – it will be a showcase for the best of Scottish produce, an attractive place to eat and shop for both locals and tourists, and an affordable way for suppliers and producers who don't currently have a retail presence to enter this market in an affordable way.

The concept sits well with a number of Scottish Government topics including:

The Health & Social Care aspirations of Healthy Eating:

<http://www.scotland.gov.uk/Topics/Health/Healthy-Living/Food-Health>

The aim of the Arts, Culture & Sport topic to encourage participation in a diverse cultural life:

<http://www.scotland.gov.uk/Topics/ArtsCultureSport/arts>

The Education & Training objectives for young people aged 16 – 24 in developing their skills:

<http://www.scotland.gov.uk/Topics/Education/edandtrainingforyoungple>

The separate elements of Tourism and Food & Drink which are part of the Business, Industry and Energy topic:

<http://www.scotland.gov.uk/Topics/Business-Industry>

There is an opportunity with this concept to influence food and drink in relation to healthy eating, support visual and dramatic arts by using the venue for art exhibitions and recitals, provide training opportunities for young people in the hospitality industry, and make a positive contribution to tourism in Scotland.

As all of these support the aspirations of the Scottish Government it may be that funding is available for one or more of these elements.

Clearly there is a lot to consider if this concept were to be introduced in Scotland.

I believe there are sufficient suppliers of quality produce in Scotland to sustain a similar venture to Mercado Victoria, but a proper feasibility study needs to be carried out.

Finance

I have had a confidential discussion with the St Enoch shopping centre in Glasgow, who have advised me that the Retail Merchant Units (RMU) which they rent to traders in the centre of the shopping mall are 2.8m wide x 1.2m deep x 2.2m high (see image below).

Traders at these units typically sell small food or gift items – cup cakes, candles, greetings cards, mobile phone covers etc.



The rental for one of the above units on the ground floor of the St Enoch Centre is £25k per annum. In addition to this the trader has to pay rates to Glasgow City Council of £7,800 per annum.

Given that the stands required for the gourmet market concept would be considerably larger and need to have electricity, running water, refrigeration, dishwashing facilities and cooking facilities, my guess – and it is a guess – would be that the potential rental income from a market stand could be somewhere between double and triple that of an RMU – i.e. £50 - £75k per annum per stand.

There are a number of things to be factored into what rental income is potentially available:

- What would the level of business rates be for tenants?
- What would the management charges be?
- Some suppliers may have a single stand, some a double
- The position of each stand in the venue may require a variance in the rental
- The profit margins delivered on the overall potential rental income for the owner/landlord of the venue

Conclusion

My belief is that a successful model for this concept in Scotland would be for an entrepreneurial individual to locate and develop a suitable venue to be marketed to high quality Scottish food and drink suppliers.

When the venue is developed the owner/landlord would be responsible for setting the ethos and brand of the venue, marketing the venue and its tenants, introducing cultural and training experiences and the cleaning, maintenance and repair of the building.

Carol Vanzetta

3 July 2013

24 April 2000

Private & Confidential

Stephen Litherland
Regional Manager
National Car Parks Ltd
8th Floor Bridgewater House
58-60 Whitworth Street
Manchester
M1 6LT

Dear Stephen

Egyptian Halls / NCP Mitchell Street

The idea of creating a mall or thoroughfare from the front of the Egyptian Halls through to Mitchell Lane via the NCP car park in Mitchell Lane is one that I think we both agree is worth exploring. I'm of the opinion that a scheme could work along the following lines.

Option A

Take only the ground floor and basement of the NCP. The rest is left alone but modernised where possible. (No.100 Union Street is not crucial to our plans but it would give us a cleaner scheme and we are currently making progress with this potential acquisition).

Option B

Combine NCP, Egyptian Halls and three shops (including No.100 if it is available). This might also need the Scottish Power sub station?

We are also of the opinion that whilst the approved refurbishment scheme would see the incumbent Listed Building and Planning Notices lifted on the Upper Floors of the Egyptian Halls. Any second phase involving the NCP Mitchell Street car park would be in part influenced by certain of the work carried out in the first phase.

If a deal can be agreed with NCP the further option of looking at creating another entrance in Union Place could also be assessed.

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Next Stage

Discuss outline options with NCP and try to secure access to drawings of the NCP car park. Also try and find out who the structural engineers were on the original build.

Once we get this information we can develop a very rough outline scheme based on both Option A and B, or any other alternatives that develop.

I'll give you a call to progress.

Yours sincerely

A handwritten signature in black ink that reads "Derek J Souter". The signature is written in a cursive style with a large, stylized 'D' at the beginning.

Derek J Souter
Director



Media Commentary

- **Glasgow Herald Article 18:10:09**
- **Evening Times Article 18:11:09**

Plans drawn up to link the legacies of a city's greatest two architects

EXCLUSIVE

GRAEME MURRAY

AMBITIOUS plans have been unveiled for a thoroughfare that would finally link the legacies of Glasgow's greatest architects – Charles Rennie Mackintosh and Alexander "Greek" Thomson.

The Mackintosh-Thomson Mews would run from Thomson's Egyptian Halls in Union Street to Mackintosh's hidden jewel, The Lighthouse, in Mitchell Lane.

Union Street Properties, which is behind the plan, believes it would increase awareness of both architectural treasures and create vibrant commercial shopping and leisure space opposite the Union Street entrance to Central Station.

The move would involve creating a shopping and parking centre using NCP's Mitchell Street car park.

It also depends on the first phase of the Egyptian Halls being completed and either a retailer or hotel operator occupying the historic halls,

which have lain empty for decades.

Derek Souter, of Dundee-based Union Street Properties, said: "Already there is quite strong interest in the Egyptian Halls. However, there is a one-off opportunity to think out of the box and speculate whether Thomson's architectural masterpiece can be merged with NCP's Mitchell Street car park to create a new, combined retail and car parking asset.

"We can create a thoroughfare from Union Street through to NCP's car park in Mitchell Street.

"The fusion of the NCP car park and the Egyptian Halls pivotally links this new architectural entity to The Lighthouse, and to Buchanan Street, Glasgow's prime shopping area."

The Lighthouse, which was designed by Mackintosh as a home to the then Glasgow Herald, is facing a battle for survival after a cash crisis.

Culture Minister Michael Russell said yesterday he was committed to basing an architecture centre in the building



Two giants of Scottish architecture

Alexander "Greek" Thomson

- Born in 1817 in Balfour, Stirlingshire, he was the ninth of 12 children.
- He married Jane Nicholson in 1847 and had 12 children, but later lost five of them to an epidemic.
- He developed his own highly idiosyncratic style from Greek, Egyptian and Levantine sources.

- He was an elder of the United Presbyterian Church of Scotland.
- His Glasgow buildings include three of the world's celebrated Romantic Classical churches – the Caledonia Road Free Church, Queen's Park United Presbyterian Church and St Vincent Street Church – and the Egyptian Halls, above left.

Charles Rennie Mackintosh

- Born in Glasgow on June 7, 1868, the fourth of 11 children.
- He met fellow artist Margaret MacDonald at the Glasgow School of Art. The two married in 1900.
- His first grand architectural project was the design of the Glasgow Herald Building, above right, in 1893.

- His designs gained in popularity following his death in 1928.
- His House for an Art Lover was built in Glasgow's Bellahouston Park in 1906.
- The Glasgow School of Art building, erected between 1897 and 1909, is regularly cited as among the finest buildings in the UK.

and that staff would transfer their employment from The Lighthouse Trust to Architecture and Design Scotland.

USP has invested £5.5 million into restoring the Egyptian Halls and has also now started marketing the historic building to potential occupiers.

Talks have been held with NCP about the Mackintosh-Thomson Mews blueprint, which is now being given more consideration.

No lane currently exists between Union Street and Mitchell Lane but developers believe the move would bring together Glasgow's most

famous architects in a project that could benefit all parties involved and help regenerate a down-at-heel Union Street.

The bold proposals could also see the creation of a landmark meeting place or 'Lightbox' on Buchanan Street, which would mark the entrance to the new mews.

Mr Souter added: "Outline discussions have been held with NCP over the past few years and they would now be revisited."

It is claimed a re-modernised NCP car park at the rear of Egyptian Halls and the creation of the mews would increase aware-

ness of The Lighthouse and help it achieve commercial sustainability.

Car park operator NCP yesterday confirmed it was investigating the feasibility of USP's proposals.

A spokeswoman said: "NCP recognises this opportunity and we are looking into it."

New vitamin pill against blindness

Scientists have unveiled a new vitamin pill that could help prevent blindness in children. The pill, developed by researchers at the University of Glasgow, is expected to be available in the next few years.

Plans drawn up to link the legacies of a city's greatest two architects



'Slow learner' Susan Boyle bullied and beaten at school

Online neologism 'unfriend' is dictionary word of the year

Town first in the UK to make WiFi free for all

Hamilton & Inches

CITY LINK Developer proposes new lane linking two of Glasgow's architectural masterpieces

IT'S THE WORD ON THE STREET



The revamped Egyptian Halls in Union Street, above, could be linked to Mitchell Street car park



Mitchell Lane, right, is already home to stylish bars, a boutique and a trendy hairdressers

By GRAEME MURRAY
THE owners of one Glasgow's forgotten architectural gems believe it could form part of a 'cultural corridor' bringing together two of its most famous architects.

The "Mackintosh-Thomson Mews" would create a new path connecting Alexander "Greek" Thomson's Egyptian Halls on Union Street with Charles Rennie Mackintosh's Lighthouse building in Mitchell Lane.

The ambitious proposals hinge on the first phase of the Egyptian Halls being completed and either a retailer or hotel operator occupying the historic halls which have lain empty for decades.

The move would involve creating a "combined retail and parking asset" using NCP's Mitchell Street car park which would link with The Lighthouse via a newly-created lane leading from Union Street via Mitchell Lane to Buchanan Street.

Union Street Properties believe the idea offers a one-off opportunity to increase awareness of both architectural treasures and create a vibrant commercial retail and leisure route opposite the Union Street entrance to Central Station.

Derek Souter for Dundee-based Union Street Properties (USP) said: "Already there is quite strong interest in The Egyptian Halls, however there is a one-off opportunity to think out of the box and speculate whether Thomson's architectural masterpiece can be merged with NCP's Mitchell Street car park to create a new retail and car parking asset."

"Basically, we create a thoroughfare from Union Street through to NCP's car park in Mitchell Street. The fusion of the car park and the Egyptian Halls pivotally links this new architectural entity to The Lighthouse and to Mitchell Lane which exists on to Buchanan Street, Glasgow's prime shopping area."

The Lighthouse, which was once the home of the Evening Times and latterly a centre for design and architecture, is facing a battle for survival after a cash crisis.

But Culture Minister Michael Russell yesterday said he was committed to retaining an architecture centre in the building and staff would transfer their employment from The Lighthouse Trust to Architecture and Design Scotland.

USP, which has invested £5.5million into restoring the Egyptian Halls, has now started marketing its historic building.

Bosses today admitted talks had been held with the car park operator about the ambitious Mackintosh-Thomson Mews blueprint which is now being given more consideration.

No link currently exists between Union Street and Mitchell Lane, but developers believe the move would bring together Glasgow's most famous architects in a project which could help regenerate down-at-heel Union Street.

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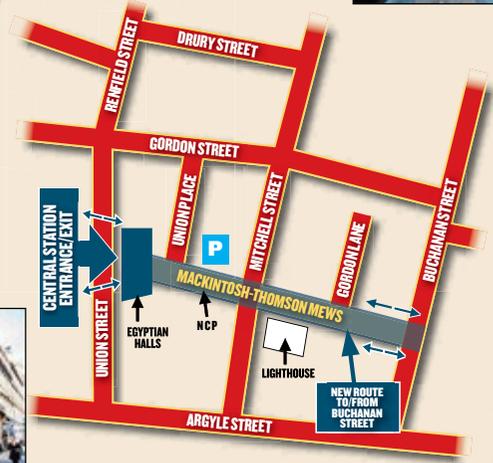
years and they will now be revisited."

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Car park operator NCP today confirmed it was investigating the feasibility of USP's proposals.

A spokeswoman said: "NCP recognises this opportunity and we are looking into it."

graeme.murray@eveningtimes.co.uk



The new route would offer a direct link between Central Station, the Egyptian Halls, the Mitchell Street car park, the Lighthouse and stylish shops and boutiques of Buchanan Street



Contacts

To note an interest or request further information please call or email

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