

You asked me to do a few notes for the Board meeting tomorrow. I hope the attached will be sufficient. If there is more needed, do let me know.

Irene

LONDON FILM AND VIDEO DEVELOPMENT AGENCY BOARD

NOTES ON GRAND UNION HOUSE

Andrea Wonfor has asked me to provide the Board of the LFDVA with a few notes about the BFI's progress in its negotiations for the lease on Grand Union House, and the offer we are making the LFDVA.

1. The plan would be to take a 20 year lease on premises in Kentish Town Road which are owned by Sainsburys to relocate the London Film-Makers Co-op, London Video Access and the LFDVA. We are discussing Heads of Terms with Sainsburys with a view to them contributing £350,000 for the construction of a shell (cinema and offices etc.) with £100,000 from the BFI Development Budget. The rental would be £80,000 per annum with a service charge of £10,000. The premises would provide office space and room for meetings for the LFDVA.

2. The BFI would prefer that the head lease be taken by the LFDVA which would be afforded rent free accommodation. The relevant section in the Heads of Terms reads:

Lessee: London Film and Video Development Agency, a company limited by guarantee and having no share capital, funded by the BFI who will guarantee the performance of the LFDVA's covenants. BFI are to be released from their guarantee upon an approved assignment of the LFDVA's Lease provided that JS may (if reasonable) require an acceptable guarantor for the assignee's obligations.

3. The BFI would subsidise the rental of the LFMC and the LVA in the form of additional grants from the BFI Development Budget. The service charge would be divided amongst the three groups on sq.m. basis (which would mean that the LFDVA would be unlikely to incur costs of more than £2000 ).

4. The BFI would expect the LFDVA to act as licensee for the premises and to act as "honest broker" between the two groups. LVA is currently funded by the LFDVA and a paper which will go to the next meeting of the BFI's Governing Body suggests that the LFMC, currently directly funded by the BFI, is devolved to the Agency.