

NICKY GAVRON AM

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Boris Johnson
Mayor of London
City Hall
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SE1 2AA

02 May 2014

Dear Mayor Johnson,

EC Properties treatment of Earls Court businesses

I am writing to express my concern about the actions of EC Properties in the Earls Court Opportunity Area.

Five local businesses on Lillie Road are coming under inappropriate pressure to vacate their premises to make way for the redevelopment. Property firm Kitchen La Frenais Morgan (KLM), which has been hired by Capco subsidiary EC Properties, is bullying the traders into surrendering the leases. KLM is threatening these local shops with huge rent increases and the prospect of compulsory purchase orders unless they agree to vacate the premises in return for very low settlements.

One of the businesses, the café Zimazango, was contacted by KLM in December 2012 notifying the owners that EC Properties sought to initiate a rent review and to negotiate vacant possession by June 2015. In further correspondence, Zimazango was told that their rent would be nearly doubled from £26,000 to £55,000pa unless the family-run business accepted an offer of £32,500 to surrender the lease not in 2015 but immediately. They were told that if they did not accept the offer immediately, EC Properties would initiate a compulsory purchase order.

The same manoeuvres were repeated with the other businesses in the cluster. These tactics are unacceptable.

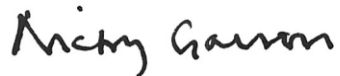
As you know, TfL established a joint venture, Earls Court Partnership Limited, with Capco in March 2014. Although Capco is the business and development manager, TfL owns 37 per cent of the shares and retains the freehold to the exhibition centres known as Earls Court 1 & 2. Your development partners should not resort to such unscrupulous methods, but should instead work collaboratively with local businesses to ensure that a solution amenable to all parties is reached.

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As chair of TfL, I urge you to use this leverage to persuade Capco to desist from treating local businesses in this way. Please could you write to let me know what action you are or will take to address this situation.

Sincerely,

A handwritten signature in black ink that reads "Nicky Gavron". The signature is written in a cursive, slightly slanted style.

Nicky Gavron AM