



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Proposed disposal of Primrose Street Former Civic Amenity Site
<b>Date:</b>	22 February 2013
<b>Reporting Officer:</b>	Gerry Millar, Director of Property & Projects Department, Ext: 6217
<b>Contact Officer:</b>	Cathy Reynolds, Estates Manager, Property and Projects Department, Ext: 3493

<b>1</b>	<b>Relevant Background Information</b>
1.1	At its meeting of 24 January 2008 the Strategic Policy and Resources Committee declared the former civic amenity site at Primrose Street as surplus to Council requirements and granted approval to placing the premises for sale on the open market. The property was placed on the open market with O'Connor Kennedy Turtle Estate Agents in June 2008.
1.2	The premises were originally marketed at £225,000 for both the Council premises and the adjoining area of land owned by Ligoniel District & Homing Pigeon Society Social Club, with the value apportioned to the Council's land approximately £165,000. The Pigeon Club subsequently withdrew their portion of land from the market in February 2011 and from this time the Agent has marketed the Council's property independently. The property consists of old dilapidated buildings and a service yard, on a site area of 0.087 acres. A location map showing the site outlined in red is attached at Appendix 1.
1.3	The property has been continuously marketed from June 2008, however its value has fallen significantly due to the economic downturn and difficulties for potential buyers securing finance which has resulted in limited interest. Nevertheless several offers have been received, however all have been withdrawn or have been considerably less than the Agent's recommendation of current market value. Due to the lack of interest and level of offers to purchase, the property was also being advertised to let through the same Agent, as approved by the Strategic Policy and Resources Committee at their meeting on 21 January 2011. This has also generated some interest, however interested parties were unable to provide the required references and business details.
1.4	The Council have now received an unconditional cash offer of £30,000 to purchase the property from a private individual.

<b>2</b>	<b>Key Issues</b>
2.1	The Agent feels this offer represents the best value achievable in the current economic climate. The property has been on the market for over 4 years, during which time the premises have been extensively advertised in newspapers and on relevant websites. There have also been several mail shots to developers and housing associations and continuous presence of 'for sale/to let' signs on the property.
2.2	The bidder is proposing to refurbish the property to office use with some storage and on-site parking. In order to ensure the premises are brought back into economic use as soon as possible, as a result of this sale, the purchaser will be required to undertake the proposed refurbishment works and to take-up occupation as a condition of this disposal. In the event that the purchaser fails to comply with the sale conditions the purchase contract may be rescinded, subject to a further report being brought back to Committee, and the property returned to Council's ownership.

<b>3</b>	<b>Resource Implications</b>
3.1	<p><u>Financial</u></p> <p>The sale of this property will result in a total capital return to the Council of £30,000 which could be directed to the Council's Investment Programme or other priorities. However, if the purchase contract is rescinded and the property returned to council's ownership Council will be required to reimburse the purchaser.</p> <p>Should the sale complete the Council will be liable to pay the Agent's sales fee.</p>
3.2	<p><u>Human Resources</u></p> <p>Staff resource, primarily from Estates Unit and Legal Services required to progress any disposal.</p>
3.3	<p><u>Asset and Other Implications</u></p> <p>Disposal and redevelopment of this vacant property will bring this former Civic Amenity Site back into economic use.</p>

<b>4</b>	<b>Equality and Good Relations Considerations</b>
	There are no known equality or good relations issues associated with this proposal.

<b>5</b>	<b>Recommendations</b>
	As the initial preference of Committee was to dispose of the property by way of an outright sale rather than letting, it is recommended that the Committee approves the disposal of this property for £30,000, subject to detail of the terms and conditions outlined above being agreed with the Estates Management Unit and Legal Services.

<b>6</b>	<b>Decision Tracking</b>
	The Director of Property and Projects to ensure the disposal process is commenced within one month of Committee decision.

<b>7</b>	<b>Key to Abbreviations</b>
None	

<b>8</b>	<b>Documents Attached</b>
Appendix 1 – Primrose Street Former Civic Amenity Site Location Map	