

To the Chairperson and Members of

The South Central Area Committee

Meeting: 18 July 2018

Item No:

**Re: Proposed disposal of site at St. Luke's Avenue and Brabazon Place, Dublin 8,
Purchaser: Summix FRC Developments Ltd.**

Dublin City Council is the owner of a vacant site at the junction of St. Luke's Avenue and Brabazon Place, Dublin 8 having an area of c.306 m². The site which adjoins a larger development site was included in a planning application and was granted permission for a mixed-use development comprising a co-working shared space with associated café/bar, student accommodation, retail/restaurant, conservation and works to the existing brick tower, the retention of the brick and stone walls at ground floor level on Newmarket and Ardee Street and the restoration of windows at ground floor level and the cleaning of the stone façade to the protected structure at the corner of Newmarket and Brabazon Place/Brabazon Row. The development also provides for a high quality pedestrian link from St Luke's Avenue to Newmarket Square. Access and egress will be available on all 4 sides of the proposed development – from Ardee Street, Newmarket, Brabazon Place and St Luke's Avenue. 52% approx (2206 m²) of the site will be open space with hard and soft landscaping including a courtyard. The total area of the proposed development is 4,274 m² of which the council site comprises 7%.

The Chief Valuer has reported that agreement has now been reached with Summix FRC Developments Ltd (the Purchaser), the owner of the adjoining site, for the disposal of the Council's site subject to the following terms and conditions:

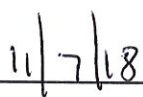
1. That the Council will dispose of the freehold interest with vacant possession in the property at St. Luke's Avenue and Brabazon Place, having an area of 306 m² or thereabouts, as shown outlined in red and map Index no. SM-2017-0727.
2. That the consideration payable for the Council site shown outlined in red on drawing index no. SM-2017-0727 in full and final settlement shall be in the sum of €1,000,000 (one million euro) which shall be payable as follows:
 - a. 70% deposit on signing of contracts, which must be within three months of Council approval.
 - b. 30% on transfer of title.
 - c. Interest at the rate of 12% per annum shall apply to outstanding amounts which have not been paid as they have fallen due.
3. That the Law Agent shall prepare the necessary contract documents, to include a Building Licence, to be ready for execution by the parties within four weeks of the date of issue of the formal approval of the transaction by the Council. The applicant must execute and return such documentation within two weeks of receipt of same.

4. The Council's site and the purchaser's adjoining site are shown outlined in red on drawing index no. PL (99)08 for identification purposes. Planning permission (Ref No. 2812/17) has been granted for a development comprising of 349 student bedrooms, co-working/communal space, café gym and the retention of an industrial building which is a protected structure.
5. That the purchaser must commence work on the site shown outlined in red on drawing no. PL (99)08 within four weeks of the signing of contract documentation. Works by the purchaser on the Council's site will be carried out under a building licence from the City Council and they must complete the development for which planning permission (ref no. 2812/17) has been granted under one building contract within twenty four months from the date of the signing of contracts.
6. That the Council reserves the right to re-enter on the site at no. 1 above and resume possession thereof should the purchaser fail to commence and complete the buildings within the specified period or in the event of the purchaser's bankruptcy or insolvency, save in the case of a Financial Institution, which has entered into a mortgage with the purchaser for the purposes of financing development of the site.
7. That all site investigations (including archaeological investigations), ground works, services connections, planning fees, development and associated professional costs incurred in the delivery of the completed development on the site shown outlined in red on drawing index no. PL(99)08 above, shall be borne by the purchaser.
8. That the purchaser shall ensure that all necessary safety precautions are taken in accordance with Health & Safety Regulations and all other statutory requirements.
9. That the purchaser shall undertake not to use the said site at No.1 above, for or build on the site, anything other than the buildings shown on the approved drawings and for which planning permission (ref no. 2812/17) has been granted.
10. That during the building period, the purchaser will insure the buildings on the site shown outlined in red on drawing index No. PL(99)08 against fire and all other insurable risks with an appropriate insurance policy and pay all necessary premiums.
11. That the insurance will be in the joint names of the purchaser and the City Council and will be for such an amount as will provide cover for full reinstatement value of so much of the building as is erected at any time together with a sum for Professional Fees and removal of debris charges. The purchaser's financial institution may be a mentioned party on this insurance policy.
12. That the purchaser shall be responsible for fully insuring the premises and shall indemnify Dublin City Council against any and all claims arising from its use of the premises. The applicant shall take out and produce Public Liability Insurance in the sum of €6.5million and Employers Liability Insurance in the sum of €13million for any incident with a recognised insurance company with offices in the state and the policy shall indemnify Dublin City Council against all liability as part owner of the property.
13. That the purchaser and its design team shall indemnify the City Council against any claim for compensation which may be made by any party arising out of building works being carried out on the site shown outlined in red on drawing index No. PL(99)08, or any working areas or on any access points thereto.
14. That this agreement is non-assignable or transferable to any other party, save in the case of a Financial Institution which has entered into a mortgage with the purchaser for the purposes of financing development of the site shown outlined in red on the attached drawing index no. PL(99) 08 above which mortgage must be approved by the City Council in writing, and must have been entered into specifically for the purpose of financing the purchaser to undertake the development of the property at no.1 above.

15. That the fee simple title to the lands shown outlined in red on drawing index no. SM-2017-0727 shall be transferred on full completion of the development for which planning permission (ref no. 2182/17) has being granted, as certified by the City Architect and when all monies have been paid by the purchaser.
16. The purchaser shall provide evidence that it holds the unencumbered freehold title with full vacant possession in the site shown outlined in red on drawing Index No. PL (99)08 for identification purposes save for the interest held by the Council in the site.
17. The purchaser shall satisfy the Council that sufficient funds are available for both the payment of the Capital Premium, interest and the undertaking and completion of the proposed development.
18. That each party shall be responsible for their own professional fees arising in this transaction.
19. That all VAT payable and any Stamp Duty liabilities, on this transaction and any proposed development shall be the responsibility of the purchaser.
20. That any of the dates/time frames outlined above may be extended by the Chief Executive at his absolute discretion and all notices must be given in writing.
21. That the above agreement is subject to such additional terms and conditions as the Law Agent deems appropriate.
22. No agreement enforceable at law is created or intended to be created until exchange of contracts has taken place.



Paul Clegg
Executive Manager



Date

