

8 MYREKIRK ROAD DEVELOPMENT SITE (AN12-2004)

Reference is made to Articles XIV, II and XVI of the minutes of meeting of this Committee of 14th February 2000, 20th April and 14th December 1998 wherein Members approved the sale of the development site at Myrekirk Road to McLagan Investments Ltd (Asda) for the construction of a supermarket at a price of £6.8m.

The developers have formally approached the City Council asking that the time limits for obtaining Planning Permission within the development agreement be extended to 20th December 2006 subject to them using reasonable endeavours to progress their Planning Application throughout the extended time period.

In response to the foregoing requests, the Director of Economic Development has negotiated an increase in the price to £6.95m. External Valuation Consultants to the City Council have confirmed this price fairly reflects the present market value of the site, given that Asda are now also to meet the whole cost of access improvements to the Myrekirk roundabout estimated to cost £1m.

Members are further advised, for information, that Asda no longer currently intend to close their Kirkton store having recently invested approximately £3m in the store's refurbishment.

Members are recommended to approve the foregoing and remit to the Depute Chief Executive (Support Services) to conclude the necessary legal formalities.