
STATES OF JERSEY



FORMER SUNSHINE HOTEL AND SUNSHINE COTTAGE, ST. HELIER: PROPOSED SALE

**Presented to the States on 27th March 2009
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

Background

The sites were purchased in 1999 with the intention of redevelopment as social rented housing. Planning consent was obtained in 2004 for a 36 flat development, with semi-basement parking. However, the final build cost of the scheme was considered to be unfeasible for social rental development, and a decision was made to dispose of the sites.

In 2006 the sites were tendered for sale for development as residential use, limited to sale on the first-time buyer market. Jersey Property Holdings received 4 tenders from prospective purchasers of the sites, the highest being for £2,100,000. The Minister accepted this tender on 5th January 2007.

The highest tenderer subsequently withdrew its tender due to the discovery of a significant arithmetical error.

During that same period, the Housing Department reconsidered its position with the sites due to the decision to demolish Ann Court, and the associated deficit of social housing units that would arise. However, after further investigation it has been decided that the impact on the value of the sites resulting from retaining a number of units in Public ownership for social rental purposes was too great. It is therefore being recommended that the sites be sold on the open market with no restrictions other than a requirement for residential development.

The sites have been in Public ownership for nearly 10 years and remain undeveloped to the detriment of the surrounding residential area. The sites have been granted planning consent for residential development and are likely to be of strong interest to developers, with the prospect of a significant number of housing units being made available within approximately 18–24 months.

Ministerial Decision

The Minister has agreed to –

1. rescind his previous decision MD-PH-2006-0109 of 5th January 2007 to accept the highest tender received on 21st December 2006 for the purchase of the sites;
2. instruct Jersey Property Holdings to re-tender the sites for sale on the open market for residential development, with the intention that a further decision will be made in due course regarding their sale.

The Minister decided to notify the States of this decision as the original decision to sell the site had been notified to the Assembly in 2007 ([R.1/2007](#)).

