

ELIZABETH TERMINAL: LEASE OF OFFICE ACCOMMODATION TO C.I. HANDLING LIMITED

**Lodged au Greffe on 19th January 1999
by the Harbours and Airport Committee**



STATES OF JERSEY

STATES GREFFE

175

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Price code: A

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (a) to renew the lease to Channel Islands Handling Limited (Emeraude Lines) of 525 square feet of ground floor offices and 710 square feet of first floor offices (letting number E8) Elizabeth Harbour Terminal, St. Helier, for a period of nine years from 1st November 1998, at an annual rental of £20,270.82 (representing an average rate of £16.41 a square foot), subject to annual review in line with the Jersey cost of living index and an additional out of sequence rental increase of five per cent from 1st April 2003;
- (b) to authorise the Attorney General and the Greffier of the States to sign the necessary contract; and
- (c) to authorise the Treasurer of the States to receive the rent as it becomes due.

HARBOURS AND AIRPORT COMMITTEE

NOTE: The Finance and Economics Committee supports this proposition.

Report

Channel Islands Handling Limited (Emeraude Lines) occupy adjoining offices in the Elizabeth Terminal building which are adjacent to those of Condor Limited.

These offices are used for checking in and handling passengers and for general shipping administration. The lease of C.I. Handling Limited has now expired and was due for renewal with effect from 1st November 1998. A recent review of the rental showed that, despite annual increases in line with the Jersey Cost of Living Index, the rates for both companies would be five per cent below the open market. The lease to Condor was approved by the States in 1994 and does not expire until 31st March 2003, when the intention is to bring the rent into line with market values, that being an increase of five per cent. It is felt desirable that a fair balance in rentals should be maintained in the harbour, particularly between competing port operators. In order to achieve this, an out-of-sequence increase of five per cent will be applied to the rent paid by C.I. Handling Limited from 1st April 2003, thereby ensuring that both companies come in to line with the open market simultaneously.