

**50 COLOMBERIE AND 1 LITTLE GREEN STREET,  
ST. HELIER: CONDITIONS OF SALE**

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**Lodged au Greffe on 21st November 2000  
by the Public Services Committee**

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**STATES OF JERSEY**

**STATES GREFFE**

180

2000

P.217

Price code: B

## PROPOSITION

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

to refer to their Act dated 11th July 1995 in which they approved the sale of an area of land situated at the south-west junction of La Colomberie and Little Green Street, St. Helier to Mr. Andreas Sophianou, and to their Act of 11th May 1999 in which they agreed to enter into a contract or deed of arrangement with Mr. Sophianou modifying the relevant condition contained within the contract of sale by the public dated 24th May 1996 in order to extend by one year the original three year period within which Mr Sophianou was contractually bound to develop the land, and -

- (a) to agree that Mr. Sophianou be permitted to sell the land to Kindle Limited for such sum as may be agreed between them, notwithstanding that the said contract of sale dated 24th May 1996, as amended by a deed of arrangement dated 10th September 1999, bound Mr. Sophianou -
  - (i) to develop the land before 24th May 2000, (being four years after the date of sale of the land by the public) and he has not done so;
  - (ii) not to sell or alienate in any manner whatsoever the whole or any part of the land within five years of the date of sale;
- (b) to agree that the public should be party to the contract of sale to Kindle Limited which contract shall specify that the sale should be on the following terms -
  - (i) that Kindle Limited shall apply within six months of the date of sale for permission under the Island Planning (Jersey) Law 1964, as amended, to develop the land and, if such permission is granted, will apply forthwith for permission under the Regulation of Undertakings and Development (Jersey) Law 1973, as amended, to develop the land, and will complete the development of the land within two years of the date of issue of the latter permission;
  - (ii) that the public shall be entitled to purchase the land from Kindle Limited for the sum of £35,000 in the event that Kindle Limited, or any successor in title of Kindle Limited, fails to comply with all or any of the conditions set out in sub-paragraph (i) above, and in such circumstances Kindle Limited, or any successor in title, shall pay all reasonable legal fees incurred by the public in exercising this option;
  - (iii) that if the public becomes entitled to exercise the right to purchase the land in the circumstances set out in sub-paragraph (ii) above, and Kindle Limited, or its successor in title, fails or refuses to sell the land for the said sum of £35,000, Kindle Limited, or its successor in title, will pay to the public the difference between the sum of £325,000 (or the open market value of the land at the date of such refusal, whichever is the greater) and the sum of £30,000, being the sum paid by Mr. Sophianou for the purchase of the land from the public;
  - (iv) that if Kindle Limited should sell the land prior to the completion of the development, the contract of sale shall contain such provisions as are required to ensure that any subsequent purchaser is bound by the conditions set out in sub-paragraphs (i), (ii), and (iii);
  - (v) that Mr. Sophianou will pay all reasonable legal fees incurred by the Public in connection with the transaction;
- (c) to authorise the Attorney General and the Greffier of the States to pass the necessary contract on behalf of the Public.

### PUBLIC SERVICES COMMITTEE

Note: The Finance and Economics Committee's comments are to follow.

## Report

The States, by their Act dated 11th July 1995, adopted a proposition of the Public Services Committee and approved the sale of an area of approximately 2,000 square feet of land, situated at the south-west junction of La Colomberie and Green Street, to Mr. Andreas Sophianou, for a consideration of £30,000, plus the ceding of an area of land from Mr. Sophianou to the Public at the front of No. 7 Francis Street, measuring approximately 200 square feet. Contracts were subsequently passed before the Royal Court on 24th May 1996.

The land sold was surplus to the Public's requirements following the widening of Green Street between La Colomberie and Green Street car park. The land acquired was required for the widening of Francis Street.

A condition of the transaction was that Mr. Sophianou would agree to develop the land in accordance with plans which were to be approved in advance by the Planning and Environment Committee, within three years from the date of transfer of ownership (24th May 1996). Failure to comply would give the Public the right to buy back the land for the sum of £35,000.

Mr. Sophianou was unable, for various reasons, to conform to this timescale and requested an extension of one year to enable plans to be drawn up and development completed. The States were asked and, on 11th April 1999, gave their approval for an extension of one year to expire on 24th May 2000.

Mr. Sophianou has informed the Public Services Committee that he has been unable to develop the site for a combination of reasons, including the constraints of the site and difficulty in obtaining finance.

As the land has not been developed within the contractual period, the Public now has the option of buying back the land for £35,000.

The prime objective of both the Public Services Committee and the Planning and Environment Committee, in selling the site, is to see a visually enhanced corner site by developing it with an architecturally acceptable building.

Both Committees believe that the most effective way of achieving this is to allow Mr. Sophianou to sell the land to a third party who has the ability and commitment to develop the site in combination with other adjacent sites.

In this way, Mr. Sophianou would be able to recover some of the expenditure he has incurred in seeking professional advice over a lengthy period, and an unsightly area of land will be developed.

Mr. Sophianou has received an offer from Kindle Limited to purchase the land (for £325,000) in order that a comprehensive development of both this and the adjacent sites can take place. That sale can only take place with the agreement of the Public, and would be subject to the terms and conditions as set out in the Proposition.

It is considered that to enable the States to achieve their prime objective, that the corner site is developed with an architecturally acceptable building, this proposal is the most suitable way of achieving the goals desired for all concerned, and to ensure that Mr. Sophianou recovers any loss and expenditure incurred by him in attempting to develop the site in isolation over the past four years.

