

**WRITTEN QUESTION TO THE PRESIDENT OF THE FINANCE AND ECONOMICS  
COMMITTEE BY THE DEPUTY OF ST. JOHN**

**ANSWER TO BE TABLED ON TUESDAY 9th NOVEMBER 2004**

**Question**

In the Notification of Standing Order Decisions for 14th October 2004, it was stated that an assignment of a lease 1 year period was entered into with Premier Services Marine Engineering Limited for The Quarry, Gorey Pier, Gorey Road. Would the President advise members of the basis of the Finance and Economics Committee's support proposed lease if no figures were shown?

**Answer**

The Finance and Economics Committee's support for the lease was made exercising powers delegated Committee through Standing Orders Relating to Certain Transactions in Land; under which the Comm powers have been delegated to the Treasurer of the States.

The Treasurer of the States supported the proposed transaction on the basis of professional advice information from the Department of Property Services. That advice was as follows –

the commencing rental will not exceed the current Standing Orders approved limits; and

the rental which the States is entitled to receive will obtain best value for the Public given there are a number of limitations to the site, including: parking and turning circle restrictions, access, the site layout, restrictions on massing, density and construction materials used redevelopment.

The Department of Property Services determined that the most appropriate means by which to calculate a value for the site was a formula-based approach linked to the market value of the rentals received by the over the term of the lease. It is for that reason the Standing Order Notification contains no specific figures respect of the annual rental payable to the States. I can however advise that it will commence at 4% estimated annual rental value of the completed development, and subsequently rise to 6%, subject to a quinquennial review.