

Purchase of No 25-27 Vauxhall Street

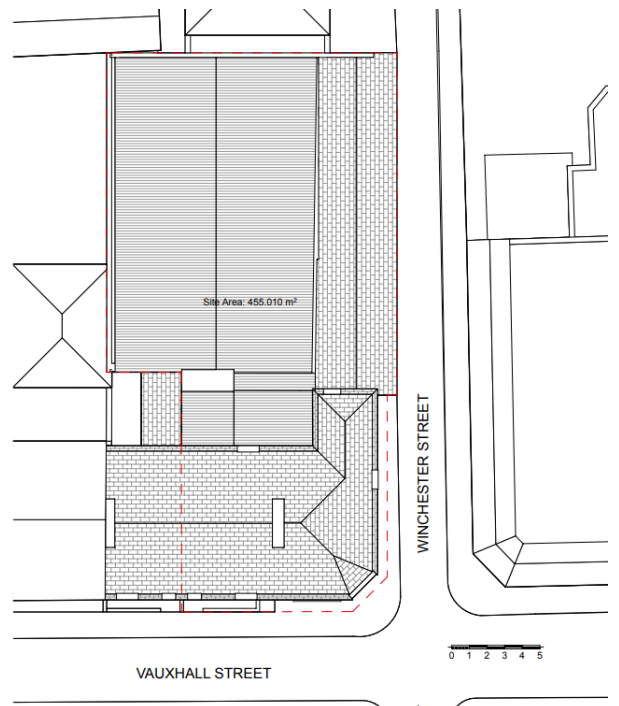
For consideration by the Parish Assembly
on Wednesday 25th September 2024 at 7pm

PARISH OF ST HELIER

P.03/2024



Photo of the former garage



Site plan

PROPOSITION

PARISHIONERS are asked to take into consideration and if deemed advisable:

To approve a recommendation of the Procureurs du Bien Public and the Connétable to purchase No 25-27 Vauxhall Street (formerly the AEA Tostevin building) for the sum of £1,230,000 plus legal fees, plus stamp duty and a further £250,000 to refurbish the ground floor.

The property has been identified as a long-term operational base for the Parish's Street Cleansing Team.

The Assembly is to instruct the Connétable and at least one Procureur du Bien Public to pass a contract, following appropriate and satisfactory due diligence, with the Parish paying its own reasonable legal costs associated with the purchase.

REPORT

Background:

25–27 Vauxhall Street is in a prominent position at the junction of Winchester Street and Nelson Street. The property comprises a 3-storey residential block on the Vauxhall Street side and a two-storey workshop on the Winchester Street side. The commercial element of the property was previously occupied by AEA Tostevin Motor Repairs.

The Parish has been seeking a suitable long-term operational base for the Street Cleansing Team for several years, and, due to the central location and commercial nature of the property, 25-27 Vauxhall Street has been identified in this regard.

This is therefore seen as a unique opportunity and an important long-term operational asset to the Parish.

Currently, the Street Cleansing Team operates from the ground floor of 5 Lemprière Street and occupies part of the adjacent Lemprière Street Car Park. As a converted residential unit, 5 Lemprière Street is not suited to housing a commercial operation, and there are also several known health and safety challenges associated with storing and cleaning street cleansing machinery and equipment in Lemprière Street Car Park.

The workshop is suitable for the Parish's street cleansing function, comprising a large open-plan space with a separate storage area, a small office and a toilet. The property's first floor houses a further office, two workshops and a storeroom, and vehicle access to the Property is via the circular one-way system down Winchester Street. The property also includes two two-bedroom residential flats, currently let.

The property is located to the north of the main commercial centre of St Helier, is a 3-minute walk west of Millenium Town Park and a 15-minute walk north of King

Street and Queen Street, and its central location is optimal for the duties performed by the Street Cleansing Team.

This purchase would enable 5 Lemprière Street to be turned back into residential accommodation and would free up an additional 4 parking spaces within the Lemprière Street Car Park. This would generate approximately £20,000 of new income for the Parish and, in addition, the property's two let units of accommodation are currently generating income of £35,000 per annum.

Valuation:

The Parish obtained a property valuation of £1,180,000 from an external property surveyor based on the current use and condition of the property. In addition, the current owner has undertaken digital building surveys and other reports at an advised cost of £50,000; these reports will assist the Parish in refurbishing the property for the Street Cleansing Team.

The property owner has agreed to sell the property for a sum of **£1,230,000**, which is in line with the valuation.

Financial:

The Parish will purchase the property out of cash reserves or through the sale of other property.

The estimated costs are as follows:

- Freehold cost of property: **£1,230,000**
- Anticipated legal costs/reports: **£7,000**
- Anticipated stamp duty: **£30,000**
- * Anticipated budget cost for alterations: **£250,000**

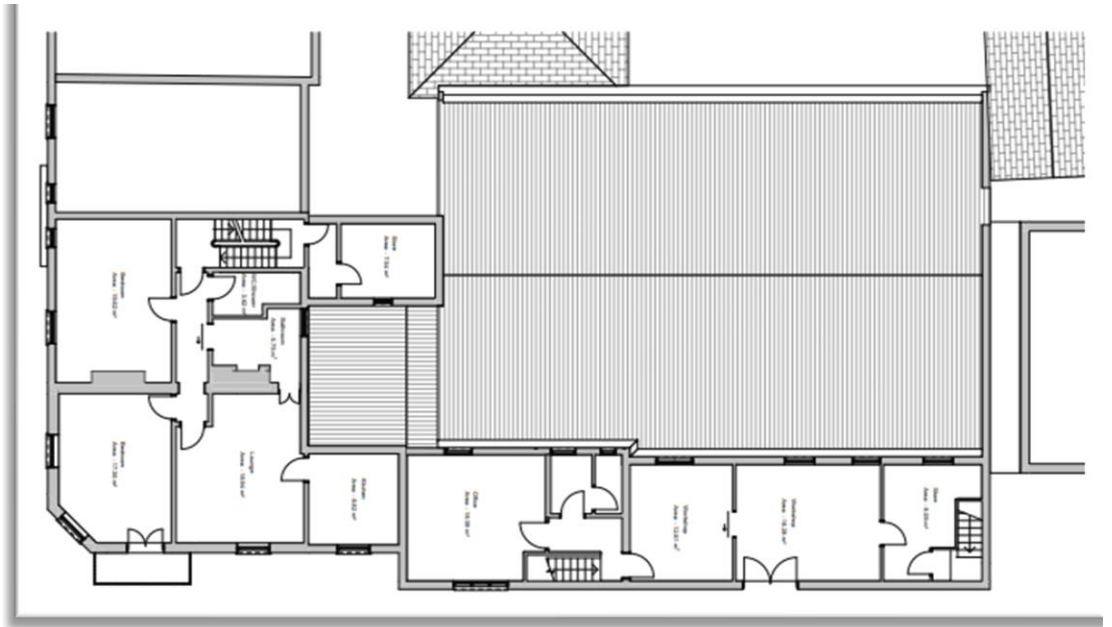
* The commercial unit will require some alterations to meet the requirements of the Street Cleansing Department, estimated in the region £250,000.

Anticipated estimated overall cost = **£ 1,517,000.**

Relocating the Street Cleansing Team from Lemprière Street and obtaining the residential units within the Vauxhall Street property would generate in the region of £55,000 additional income for the Parish, representing a 3.6% ROI on the cost of the property and refurbishment, as well as providing the Parish with a permanent base for its street cleansing operations.

Approval:

If approved by Parish Assembly, the Parish will undertake the required due diligence, including legal checks and condition surveys, satisfactory completion of which will be required prior to passing contract.



First Floor Plan