



# BARBADOS – May 2020

---

## CONTENTS

GOVT CAN'T AGREE ON FIGURE FOR BEACHFRONT PROPERTY .....1

---

### **Govt can't agree on figure for beachfront property**

The Barbados Government is proposing to pay the Mirchandanis up to \$12 million for the Liquidation Centre on Bay Street, and not a cent more. But according to senior members of the administration, the family appears not to be willing to accept this offer which is more than doubled the land tax valuation.

Not only that, the Mia Mottley-led Government has made it clear that while it wants to meet with the owners to resolve this protracted issue, the High Court may have to settle the matter in the absence of an agreement.

The position was made clear this afternoon by Prime Minister Mia Mottley and her Attorney General Dale Marshall during a tour of the site on Bay Street where the Liquidation Centre which was compulsorily acquired by Government to facilitate construction of the Hyatt Ziva Hotel Resort, had started to be pulled down.

The Mirchandanis, the former owners, have been consistently complained that the Government deprived them of their hardware business and has not paid them for it.

But the Prime Minister told reporters that is not true.

“The Government of Barbados is anxious to be able to settle and pay for this building to the owners. But the records will show that over the course of many, many, many, many, many meetings over a 16-month period, that we were unable to reach an agreement that is in the interest of the public,” she stated.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.

She explained that for many years the land tax valuation on the building was \$4.5 million to which the owners have repeatedly objected as being too high.

Mottley said her Government accepted that with the accretion that has appeared on the beach, that old land tax bill does not represent the true value of the property.

She pointed out that her Government therefore asked for a commercial valuation to be done which showed the owners' square footage had almost doubled because of where the boundary stood.

The Prime Minister said while the commercial valuation came in at \$8 million the Government's offer was significantly higher but nowhere near the four or five times it was being asked to pay by the Mirchandanis.

She said while the courts may have to intervene, the Government was not willing to allow the current stalemate to stall the island's development.

"What we can't do anymore is to put this country's development on pause simply because people can't get along or are not being reasonable as to how we reach an agreement. A win-win agreement I would love all the time for everybody," Mottley added.

The Prime Minister said it would be criminal to leave the area in bush for a few more years. As a result, she said the Government has been trying to balance the interests of the owners and those of the Barbadian public.

"I am ready. We are ready to resolve that part of it, but we have to be able to have this site be responsible for a couple thousand people to be able to eat in Barbados again. And that is what this afternoon is about," she declared.

Attorney General Marshall recalled that the Government was willing to pay at one stage \$10 million to the owners if they gave up the site immediately and then negotiate the difference.

"The Mirchandani family had many opportunities to sit with us, to come to the table...we had many meetings; eventually at the point where it became clear that we could not reach an arm's length transaction. Government then had to use its powers under the Land Acquisition Act," he said.

Marshall said the Government even offered to pay as much as \$12 million but still the owners were not accepting that.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.

He said that right now there is no other offer on the table and that the ball was in the Mirchandani's court.

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.