

MEMORANDUM BY THE MINISTERS OF JUSTICE
AND PARLIAMENTARY AFFAIRS.

Salina Saltpans.

1. In 1955 Messrs. A. Vella and Fils were granted the lease for 16 years of lands at Salina Bay, shown pink on plan ~~attached~~. These included the Tower, now used as a store for salt, and the Palace, which was even then, already in a quite advanced state of dilapidation.

2. Messrs. Vella and Fils very early claimed that the Palace should be repaired at Government expense. This was being considered. Director of Public Works suggested, however, that it would be more advantageous to grant Messrs. Vella an emphyteusis under the condition that they were to spend £5,000 on the demolition and reconstruction of the Palace.

3. While these negotiations were being held the new road leading to St. Paul's Bay was built. This entailed the dismemberment of part of the land held on lease (as shown ^{on plan} ~~attached~~ in black on pink). Furthermore the new road was, beyond the salt-pans, raised to a somewhat higher level, large culverts being built underneath to allow the passage of storm waters.

4. In 1957 an exceptional cloudburst inundated the area. The culverts under the new road were insufficient to allow the free passage of the flood waters, and the salt-pans were flooded.

5. Messrs. Vella now added another claim to their original demand for the repair of the Palace: a claim for damages resulting from the construction of the new road. This claim ran into the figure of £4,000.

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6. The contention of Messrs. Vella was that even if one were to consider the cloudburst as an act of God, the subsequent flooding was due only to the fact that the new road had been constructed.

7. Messrs. Vella showed that they would waive all claims, and would undertake to rebuild the Palace at an expense of £5,000 if their title to the land held by them were to be changed from that of a lease into that of a 150-year emphyteusis.

8. Negotiations on this point have now been going on for 6 years.

9. In the meantime a request was made by another Company, Wishaven, for the grant on emphyteusis of land at Salina Bay for the erection of a hotel. The western wing of the land indicated by Messrs. Wishaven fell squarely on Plot C, held on lease by Messrs. Vella, this being a plot included in their lease.

10. The Malta Government Tourist Board were informed quite early by the Land Department that Messrs. Wishaven's request touched the lease in question. This notwithstanding the Malta Government Tourist Board went ahead with the project, even going so far as to get approval for the grant-in-aid.

11. Messrs. Vella were approached about their relinquishing their lease as regards Plot C, and were offered instead the lease of a plot (coloured violet on survey sheet) with ex-army buildings on it.

12. This was refused by Messrs. Vella, who insisted that they would consider relinquishing Plot C if Government were prepared to consider granting them a 150 year emphyteusis on the remaining land, plot C being replaced by the plot coloured violet, also however under the same new title.

13. Hon. Minister of Justice agreed in principle that Messrs. Vella be approached with the suggestion of an emphyteusis grant of the land held on lease,

excluding/...

excluding plot C, for a period, however, of 99 years instead of 150 years.

14. Messrs. Vella insisted that the emphyteusis should run for 150 years.

15. The Land Department was then instructed to stop negotiations with Messrs. Vella in terms of an emphyteutical grant, and to put to Messrs. Vella the proposal for an exchange of Plot C with the plot coloured violet on Survey Sheet.

16. Messrs. Vella came back with another suggestion, namely,

- 1) that they could relinquish their lease rights on Plot C;
- 2) that as a quid pro quo an emphyteutical grant be made in their favour over the Palace and the Plot coloured violet on Survey Sheet.
- 3) that the question of damages due to them and the relative grant to them of the remaining land on emphyteusis be dealt with later.

17. Messrs. Wishaven, in the meantime, pressed for the grant to them of the land necessary for the implementation of their project and pleaded that the delay was causing them financial loss.

18. In subsequent interviews with Land Department Officials Messrs. Vella showed that they were inclined to withdraw their suggestion at paragraph 16.

19. The question before the Cabinet is whether to grant Messrs. Vella and Fils the 99 year emphyteusis of the land held by them on lease, excluding Plot C, they on their part, waiving all claims (totalling some £9,000) for damages and repairs, or to grant the emphyteusis only with regard to the Palace and the alternative plot coloured violet on Survey Sheet leaving the question of claims for damages due to flooding to be dealt with later, on condition that Messrs. Vella and Fils relinquish their lease rights over Plot C.

This plot.....

This plot, together with the other land earmarked for the Wishaven Hotel Development will then be made over to this Company on a 150 year lease, as promised.

9th September, 1966.