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MINISTRY PAPER No. 7

URBAN DEVELOPMENT CORPORATION—ESTABLISHMENT OF

Government proposes to establish an Urban Development Corporation which will undertake certain types of development projects in the Urban areas. This Corporation will be a statutory body and a Bill for the purpose has today been laid on the Table of the House.

2. The idea of an Urban Development Corporation springs from the need to have a central organization capable of undertaking, directing and co-ordinating the various physical aspects of Urban development, capable of entering into contracts and agreements with private developers and statutory undertakers and operated altogether as an economically viable unit. The Corporation proposed will include in its directorate prominent persons from the private sector, and representatives of the Government Ministries most closely concerned. It will thus contain a very special combination of business experience, subject matter expertise and a competent acquaintance with the many interests in its areas of operation.

ORGANIZATION

3. Since this idea was conceived, and while it was being translated into the present Bill, it became clear that there were two (2) areas in which the need for Urban renewal was particularly pressing. These areas are:—

- (i) The waterfront area of Kingston Harbour;
- (ii) St. Ann's Bay and Ocho Rios.

As a result of this two private limited liability companies were set up—the Kingston Waterfront Re-Development Co. Ltd., and the Ocho Rios Waterfront Re-Development Co. Ltd.—to initiate primary development in their respective areas, pending the establishment of the Urban Development Corporation. What has so far been accomplished by these Companies is set out in the attached Appendices I-II which are both descriptive and explanatory.

On passage of the Urban Development Corporation Bill the assets and related liabilities of the above Companies as shown in the Appendices will be vested in the Urban Development Corporation. Thereafter the constitution of these Companies will be suitably amended and they will operate as regional agents of the Urban Development Corporation. These agent Companies will be wholly owned by the Urban Development Corporation.

4. The structure described above satisfies the need of the Urban Development Corporation for regional agencies. More importantly, since the agent Companies include in their directorate people who live and work in the areas being developed, there is the considerable advantage of providing thereby a vehicle through which Government can harness the dynamism and capabilities of persons in the private sector, making use of their talents to build up and develop urban areas in a manner economically and sociologically suited to our Jamaican way of life. Altogether, this provides a new approach to the problems of urban growth and renewal, one which is able to draw on the best talents from the public and private sectors.

OPERATIONS

5. The Kingston Waterfront provides an illustration of the manner of operations of the Urban Development Corporation. The area was first surveyed by specialist Consultants and on the basis of their recommendations development plans were prepared in consultation with Central Government agencies and local authorities; thereafter the plans were submitted for Government approval. These plans necessarily provide for:—

- (a) primary development of the area including roads and utilities;
- (b) re-zoning of areas according to prescribed classification;
- (c) the acquisition and disposal of land within the designated area;
- (d) the promotion of secondary development by private developers;
- (e) the direct control or operation initially of such special undertakings as may be necessary for the development of the area.

In doing these things it is envisaged that profits will accrue to the Urban Development Corporation, particularly from the sale of land, sufficient to recoup the initial outlay on primary development and to provide for continuing operations in other areas.

6. The foregoing will be the typical manner of operations. In what has been done so far there has been the fullest collaboration with all responsible agencies, and this will continue. In this regard the Bill stipulates that the Urban Development Corporation must consult with all Local Authorities concerned before submission of its development plans for a designated area for approval by the Minister.

7. The main points to be noted regarding management of the finances of the Urban Development Corporation are as follows:—

- (i) The funds and resources of the Corporation shall consist of:
 - (a) moneys which may from time to time be voted in Parliament;
 - (b) moneys borrowed with the approval of the Minister responsible for finance, for the purpose of meeting any of its obligations or performing any of its functions;
 - (c) all other moneys and other property which may in any manner become payable to or vested in the Corporation in respect of any matter incidental to its functions;
- (ii) The accounts of the Corporation shall be audited annually by the Auditor General or some other suitable person appointed by the Minister for the purpose.
- (iii) The Corporation shall prepare an annual report in respect of each financial year. This, together with the annual statement of accounts and the report of the Auditor shall be laid on the Table of the House of Representatives and the Senate.

8. Government does not propose to provide an annual budget for the Corporation. It is intended that the projects undertaken shall have the requirement of feasibility. This will enable the Corporation to raise loans on the commercial market for the implementation of plans. Government will, however, vest in the Corporation from time to time such Government lands as may be useful in the development of urban areas.

9. The foregoing is now submitted for the information of the Honourable House

EDWARD SEAGA,
Minister of Finance and Planning.
27th February, 1968.

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THE KINGSTON WATERFRONT RE-DEVELOPMENT COMPANY LTD. APPENDIX I

The Kingston Waterfront Re-Development Company was established towards the end of 1966. It was assigned the function of undertaking and spearheading the re-development of the waterfront area from Paradise Street to Newport East pending the creation of the Urban Development Corporation. The Company is working closely with Shankland, Cox and Associates, a team of Physical Planners who, as a result of a grant of £70,000 from the United Kingdom Ministry of Overseas Development have been engaged to prepare the plan for the project area. To date the Kingston Waterfront Re-Development Company has—

- (a) agreed with Shankland, Cox and Associates the form of development for the central area—i.e., Myrtle Bank to the Railway Pier;
- (b) completed acquisition of some 258,702 sq. feet of waterfront lands;
- (c) arranged with Government for some 1,504,710 sq. feet of waterfront lands to be vested in the new Corporation;
- (d) entered into an option with a United Kingdom firm of developers—Block Office and Shop Investments Ltd., for the sale of 400,000 sq. feet of land in the western section of the central development area. Plans for this site stipulate the erection by secondary developers of:—
 - (i) convention hotel of approximately 400 rooms with restaurants, banqueting and public rooms;
 - (ii) shopping areas including showrooms, restaurants, cafes, night clubs a supermarket and a department store of approximately 230,000 sq. ft.
 - (iii) 300 apartments;
 - (iv) parking garages.

It is estimated that the cash flow resulting from this sale will enable the Company to undertake without any further Government Assistance the re-development of the entire eastern section of the central development areas. Many enquiries have already been received by other secondary developers regarding the re-development of this section, and it is expected that the Company will soon be in a position to complete other contracts.

It is estimated that the Block Office and Shop Investments Ltd. project will bring to the area an investment of between £8 to £10 million. Development of the entire area, which is expected to take over 10–15 years, will bring an investment of £60 million of private investment.

DEVELOPMENT OF OCHO RIOS

APPENDIX II

Ocho Rios is undoubtedly one of Jamaica's most attractive resort areas. It is centrally placed and readily accessible from all parts of the island. In fact it forms the hub of a holiday area stretching from St. Ann's Bay to Oracabessa and already attracts to the existing hotels and resort cottages many tourists and Jamaicans. In addition Ocho Rios possesses a good natural harbour which, although sheltered from the prevailing north-east and easterly winds by an extensive and exceptionally well developed coral reef, is sufficiently deep to admit large ocean going ships.

Because of the great potential of this area, a Development Order was promulgated in 1964 providing for the creation of a public promenade and beaches by reclamation from the shallow waters of the Bay and also for the provision of a pier to accept passengers from visiting cruise ships. Recent investigations of the possibilities of implementing this Development Order revealed that lands along the Bay were available for purchase. This, together with the fact that there is urgent need for greatly increased resort hotel and cottage development, indicated that the time was ripe to implement at least in part the recommendations set out in the Development Order.

Government accordingly established the Ocho Rios Waterfront Re-Development Company pending the establishment of the Urban Development Corporation to undertake re-development of the Ocho Rios Bay and its surrounding areas. The Company has acquired the major portion of the lands surrounding the bay to the south of the main street of the town, and will undertake the development on the basis of a plan which provides for:—

- (i) the creation of a beach by reclamation some 50–70 feet wide along the length of the Bay;
- (ii) the construction of a paved promenade walkway 20 feet wide surrounding the beach complete with balustrade on the seaward face and steps at various locations down to the beach;
- (iii) the construction of groins to help retain the reclaimed beach area. These groins will also be used for the construction of boat marinas;
- (iv) necessary drainage and road improvements within the area purchased;
- (v) landscaping, planting and fencing as is desirable.

It is estimated that the project will cost approximately £700,000. Of this amount £258,000 has been provided by Government as a loan for land acquisition. The remaining £442,000 is being obtained from the Commonwealth Development Corporation. Both loans are repayable over a five-year period from proceeds from sales of developed lands.

It is considered that the project should bring to Ocho Rios a total investment of approximately £6 million in private capital.

Since the formation of this Company, Government has been able to purchase Belmont property which includes Dunn's River Falls for an amount of £284,000. This property will be vested in the Urban Development Corporation and the Corporation will supervise its development through the Ocho Rios Company which is shortly to be renamed the St. Ann Development Company.

A firm of Architect planners has been engaged to prepare the necessary development plans. A preliminary submission from the firm includes proposals for a national park and a carefully controlled cottage development. Basic to these proposals is the concept that Dunn's River Falls and Beach are an important national recreational centre and should continue so to be.