Table 29

Type of Space Required in 1988

Type of Space	No. of Businesses	Range (sq. ft)
Factory Space	16	320 - 45,000
Office Space	9	100 - 2,000
Yard Space	4	100 - 2,000
Storage Space	4	100 - 4,000
Parking Space	3	100 - 1,000
Sales/Display	2	1,000 - 15,000
Other	1	2,000

The two most important reasons given as obstacles to expansion, in order of importance, are: low market demand and availability of credit. The low market demand is a function of inflation, coupled with a policy of wage guidelines, as most of the businesses manufacture for the local market. Since people have less disposable income, this is reflected in lower demand for goods and services. Implied in the reply on availability of credit may be the fact that the steep interest rates prevailing make it difficult or impossible for some businesses to avail themselves of credit.

Table 30

Obstacles to Business Expansion

Reasons Given	No. of Businesses	Percentage
Low Market Demand	39	32.8
Availability of Credit	29	24.4
*Other	22	18.5
Taxation	12	10.1
Lack of Adequate Production Space	3	2.5
No Response	14	11.7
	119	100.0

The crux of this study was to explore willingness to locate or relocate businesses in Downtown Kingston and to ask if the businesses would consider relocating within a circumscribed area bounded as follows:

North - East Queen Street

South - The Waterfront

East - South Camp Road

West - Pechon Street

(See Map, page 2).

Bearing in mind the fact that 20 businesses interviewed are already located Downtown, the non-response rate of 25.2% may in fact be lower. Nearly half (47.1%) stated categorically that they would not consider Downtown for relocation, and nearly a third, 29 out of 119, businesses would be willing to move or would consider moving if certain conditions were met.

Table 31

Willingness to Relocate Downtown Within Defined Area

Response	No of Businesses	Percentage
Unwilling to Relocate	56	47.1
Willing to Relocate	22	18.5
May be Willing to Relocate	7	5.9
Already Located There	4	3.4
No Response	30	25.2
	119	100.0

Most respondents found it difficult to pinpoint an area in which they would relocate their businesses. The following locations are quoted verbatim.

1. Harbour Street/Hanover Street
2. In an industrial estate
3. Downtown
4. Constant Spring Road
5. Uptown
6. Newport West
7. Stony Hill
8. Anywhere business can develop
9. East/South Camp Road
10. Collins Green Avenue
11. New Kingston
12. Between Cross Roads and Half Way Tree
13. Bull Bay (outside Corporate Area)
14. Rural Area
15. Kingston 10

From these few answers, we assume that it is very likely that not much thought has been given to the issue of relocation.

Respondents were asked to rank their preferred areas for relocation Downtown from five (5) specified locations (See Map, page 31). The preferred areas emerged as:

Map Showing Subdivision of Survey Areas Into 5 Sub-Areas

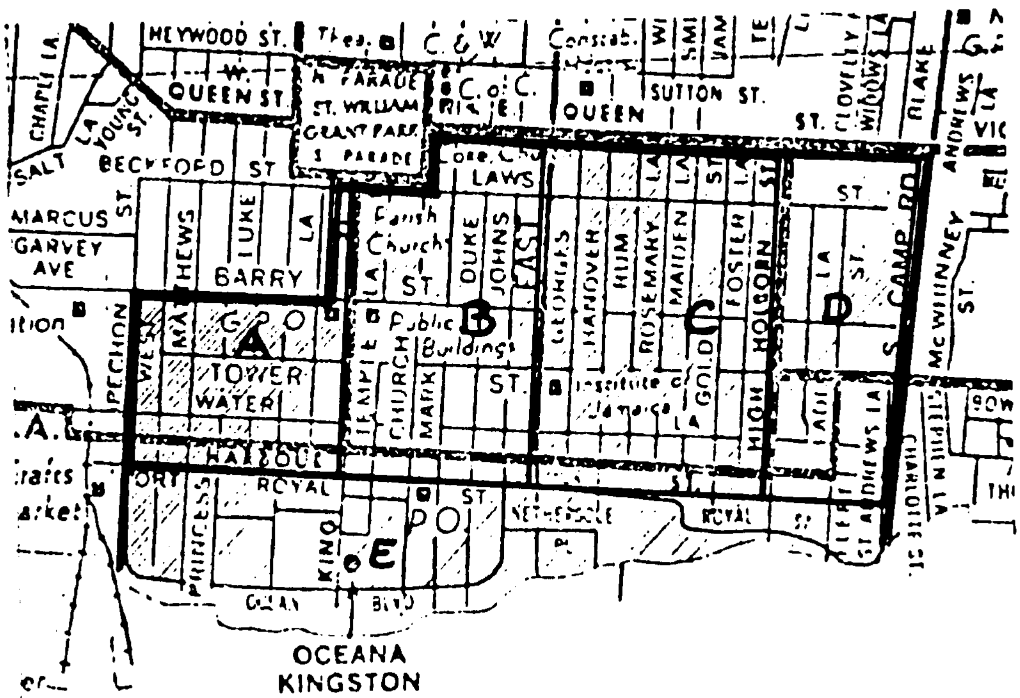

Table 32

Ranked Preferred Areas

		Boundaries
First Preference	Area E	N - Port Royal Street
		S - Ocean Boulevard
		E - South Camp Road
		W - Pechon Street
Second Preference	Area B	N - South Parade/East Queen Street
		S - Port Royal Street
		E - East Street
		W - King Street

Third Preference	Area D	N - East Queen Street
		S - Port Royal Street
		E - South Camp Road
		W - Highholborn Street

It is not surprising that the first choice of area corresponds to the Waterfront Redevelopment Area, as this area is generally considered safer and is better maintained than the other defined areas. It is also not surprising that the area further west was not mentioned in the first three preferences, as West Kingston has traditionally been associated with violence.

The interviewees were asked if they would be willing to rent space in a small business complex Downtown. The non-response rate to this question (52.1%) is in keeping with the percentage (47.1%) that stated categorically that they would not consider relocating Downtown. Having stated that they would not be willing to relocate Downtown, they felt that the question was redundant.

Table 33

Willingness to Rent Space in Small Business Complex Downtown

Response	No. of Businesses	Percentage
Yes	20	16.8
No	30	25.2
Maybe	7	5.9
No Response	62	52.1
	119	100.0

The question on preferred type of facility for relocation showed a preference for occupying separate, as opposed to group facilities. The reasons for this preference were not explored by the enumerators, but it is something to consider in the provision of facilities. Again the high non-response rate to the question had to do with people's unwillingness to consider Downtown as a location for relocating their businesses.

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Table 34

Preference for Type of Facility for Relocation

Preferred Facility	No. of Businesses	Percentage
Separate Facility	28	23.5
Group Facility	6	5.0
Either	3	2.5
Will Not Relocate	12	10.1
No Response	70	58.8
	119	100.0

Another question was asked as to what would constitute a reasonable rental for business premises Downtown within the defined areas. The high non-response rate to this question suggests that not much thought has been given to the matter because of the general unwillingness to consider the Downtown Area as a desirable place to do business. The figures suggested, expressed in ranges, are set out below for the different areas.

Table 35

Area	Price Per Sq. Ft. (Range)	Non-Response Rate
A	\$1 - \$14 (\$30?)	76.5%
B	\$3 - \$15	76.5%
C	\$2 - \$15	78.2%
D	\$2 - \$12	78.2%
E	\$2 - \$12 (\$40?)	76.5%

(See Map, page 31).

As can be seen from the table, there was a very high non-response rate to this question. We query the higher values as being errors in the data.

Interviewees were asked to rate their present business location and their preferred Downtown location. Present locations got better ratings than proposed locations, presumably because people are better acquainted with the locations in which their businesses are presently housed, or because there is a perception of Downtown as a place that is unsafe and lacks proper amenities.

Table 36

Comparison of Locations

	Present Location			Preferred or Proposed Location		
Codes See Q.22	Highest Value	Best Rating	Non-Response Rate	Highest Value	Best Rating	Non-Response Rate
a.	45	Good	40/119	15	Good	91/119
b.	35	Good	43/119	9	Fair	95/119
c.	31	Good	47/119	8	Fair	97/119
d.	46	Good	43/119	18	Good	92/119
e.	50	Good	40/119	16	Good	87/119
f.	38	Good	43/119	15	Poor	90/119
g.	41	Good	41/119	15	Poor	90/119
h.	37	Good	40/119	19	Poor	89/119
i.	35	Good	42/119	18	Good	88/119
j.	34	Good	42/119	7	Fair	104/119
k.	30	Good	55/119	8	Good	100/119
l.	30	Poor	58/119	5	Poor	108/119
m.	40	Good	40/119	11	Fair	92/119
n.	48	Good	42/119	10	Fair	95/119
o.	30	Good	48/119	10	Fair	100/119
p.	43	Good	42/119	8	Good	100/119
q.	45	Good	48/119	12	Poor	96/119
r.	46	Good	42/119	7	Fair	102/119

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The question asking for a rating of the different services or facilities in terms of the categories: (1) cannot live without, (2) important, but would nevertheless move and try to improve conditions, or (3) not important, was not very well answered as most people saw no point in answering if they were not relocating. The non-response rate was of the order of 65%.

Most businesses consider that they cannot live without the following:

1. Accessibility to goods and services
2. Customer parking
3. Mass transportation
4. Accessibility by car
5. Customer safety
6. Employee safety
7. Security of business
8. Proper building conditions
9. Maintenance of streets and sidewalks
10. Garbage collection
11. Fire protection
12. Loading and unloading facilities.

Things which were considered important but not essential were:

1. Traffic control
2. Employee parking

Things which were considered non-essential were:

1. Accommodation for pedestrians
2. Accommodation for the handicapped

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Most of the respondents did not perceive any advantages to relocating Downtown. Where advantages were perceived, they had to do with proximity to services such as banking and legal services and facilities such as the wharves and railway.

The most commonly mentioned disadvantages were theft and high crime rates, which were also expressed as social problems.

It was thought useful to do a further classification of the businesses into six categories using three criteria:

a. Willingness to relocate

b. Plans for expansion

c. Willingness to relocate Downtown

Group A consists of those businesses that were:

1. Willing to relocate
2. Planned to expand
3. Were willing to consider relocating Downtown

Group B consists of those businesses that were:

1. Willing to relocate
2. Planned to expand
3. Were unwilling to consider relocating Downtown

Group C consists of those businesses that:

1. Want to relocate
2. Do not plan to expand
3. Are willing to consider relocating Downtown

Group D consists of those businesses that are:

1. Willing to relocate
2. Do not plan to expand
3. Are unwilling to consider relocating Downtown

Group E consists of those businesses that:

1. Do not wish to relocate
2. Plan to expand

Group F consists of businesses that:

1. Do not wish to relocate
2. Have no plans for expansion.

The numbers that fall in the different categories are given in the table below:

Table 37

Number of Businesses by Group

		Percentage
Group A	12	10.2
B	7	5.9
C	4	3.4
D	17	14.4
E	24	20.3
F	54	45.8
No Response	1	-
	119	100.0

For purposes of this study it is useful to look at the characteristics of Group A (those who want to relocate, plan to expand, and are willing to consider Downtown) and those of Group C (those who want to relocate, do not plan to expand, are willing to consider relocating Downtown), since these two groups are willing to relocate Downtown.

Of the 12 businesses, from Group A, 7 (58.3%) had been in operation between 5 and just under 10 years.

5 (41.7%) of these 12 businesses employed between 1 and 10 persons.

6 (54.5%) of these 12 businesses did not export.

5 (41.7%) of the 12 businesses reported annual sales of less than $50,000.

9 (75%) of the 12 businesses are currently renting the premises which they occupy.

The space occupied by these 12 businesses ranged from under 1,000 sq. ft. to 20,000 sq. ft.

The two most frequently mentioned reasons as obstacles to expansion are low market demand and non-availability of credit

1 of the 12 businesses answered that they perceived no advantage to relocation, 4 did not answer the question. The rest mentioned that Downtown was more central, near to the Bank of Jamaica (B.O.J.), near to other commercial enterprises, easy to find and provided easy access to materials.

7 did not answer the question on the disadvantages of relocating Downtown. The reasons given as disadvantages were social problems, expense of security, theft and crime, property values (presumably low property values)

5 of the 12 businesses reported that they needed between 100-200% additional space to that which they currently occupy

The areas preferred by this group of 12 businesses in order of preference are Area B (6/12), Area E (4/12), Area A (2/12). These differ from the preferences of the majority of businesses for Areas E, B and D in order of preference.

Characteristics of Group C, which is willing to relocate, does not intend to expand and is willing to consider Downtown.

3 out of the group of 4 had been in business between 15 and less than 25 years.

3 out of the 4 employed between 21 and 40 persons.

2 out of 4 exported between 1 and 10% of their output.

3 out of the 4 reported in excess of $1,000,000 in sales for the year.

IV. IN-DEPTH INTERVIEWS

Interviews with representatives of the following organisations were conducted:

Jamaica Manufacturers Association

Small Businesses Association

Urban Development Corporation

Kingston Restoration Company

Life of Jamaica

National Development Foundation

Grace & Staff Foundation

Town Planning Department

The points listed below were discussed

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1. Perception of Downtown as a place to live and work.
2. Incentives that can be provided to make Downtown attractive.
3. Are there indicators that some attraction exists for some people in Downtown Kingston. Highlight any develoments that underscore this.
4. Is security a manageable problem or a real problem at all.
5. What facilities exist in Downtown Kingston that are found nowhere else.
6. What can be done to force or encourage development in Downtown Kingston.

Perception of Downtown as a Place to Live and Work

As a place to live - there is uncertainty about this as not enough upper and middle income residential developments exist Downtown and is outside the experience of most of the respondents. Ocean Towers provided the only basis on which to make a judgement, therefore the perception of acceptable residential development in Downtown at present is within an enclave.

There is no uncertainty that Downtown is an acceptable place to work, as daytime commercial activity is within everyone's experience

Incentives that can be Provided to Make Downtown Attractive

Although Downtown is considered an acceptable place to work, there are existing factors which detract from it such as, the shells and ruins of the buildings immediately apparent to the observer which give the impression of a run down derelict district.

It is a fact that only by creating incentives will people be interested in investing in Downtown. Such incentives should include:

- a fast road in and out of Downtown. (Construction of this road has been discussed for the past 20 years or more).

- residential development should take place first, then the demand for services will follow

- reduce property tax

- permit buildings to be written off over a 15-20 year period instead of 40-50 years

- lower rentals

- easy payment financing facilities

- proper street lighting at night

The incentive to be offered is mainly financial.

Attractions for Some People

Downtown does hold an attraction for some people, as obviously many businesses have remained there and it is still an active commercial centre. Those who feel that no attraction exists Downtown limit their interpretation of attraction for a place to the opportunities offered for recreation and entertainment. Many developments have been identified which do underscore the fact that an attraction to Downtown still exists for some people. Such developments and other attractions include:

- The I.A.D.B -funded West Kingston project which provides for upgrading marketing facilities, infrastructure, housing and hostels.

- Some professionals still find it easier to be Downtown, e.g. the attorneys who have to be within a three mile radius of the Supreme Court, for service

- Downtown is near the ports and railway.

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- Dunn, Cox & Orrett, an old firm of attorneys, have just constructed a new building on Duke Street.

- Livingston, Alexander & Levy, another old firm of attorneys have just moved into larger premises on Duke Street.

- Fast food services have come to Downtown: Kentucky Fried Chicken, Mother's Patties, Shakey's Pizza, etc.

- Downtown is still the terminus for the transport system.

- People from all over the city still go to Coronation Market.

- People who live Downtown can live and work within walking distance and have close proximity to clientele.

- Owners of the Pechon Street property are cooperating with the Kingston Restoration Company (K.R.C.), and enquiries from prospective tenants are being received.

- A number of old buildings on Duke Street have been rehabilitated.

- Jamaica Citizens Bank had contemplated relocating from Downtown. They decided to remain and have refurbished their premises.

- St. William Grant Park is being reconstructed.

- The Laws Street Trade Training Centre is newly built and is operating.

- The C.D. Alexander (real estate) building has been restored.

- The Coke Methodist Church has been refurbished.

- There is interest in land at Highholborn Street for community activities. A portion of this land is already designated for a clinic

- Manufacturing is concentrated to the east and west.

- People promenade along the landscaped waterfront.

Other recent developments not mentioned in the interviews are:

- The Jamaica Conference Centre

- The Pirates Cove Restaurant

- The refurbishing of the Oceana Hotel

Security

Security appears to be a perceived rather than a real problem.

Facilities Unique to Downtown

As previously mentioned, Downtown is the terminus of all public transportation in Jamaica. It is also closer to the seaports and the airport than other commercial centres.

How to Force Development in Downtown

There are two approaches which if combined can force development in Downtown: Government can invest seed money in Downtown and halt development in New Kingston.

The I.A.D.B.-financed West Kingston Project is an example of the type of Government investment needed to act as a catalyst to development.

The Kingston Development Order now under review seeks to reverse the trend to establish commercial development in the residential neighbourhoods of upper St. Andrew. Areas that have already succumbed to commercial activity will be permitted to remain as such and limits to further similar development clearly defined. New Kingston is at present almost saturated and any spillover beyond the boundary will not be permitted under the Development Order.

These combined activities should in time have the effect of redirecting commercial development to Downtown Kingston.

V. CONCLUSIONS AND RECOMMENDATIONS

The survey and in-depth interviews indicate that no great pull exists in Downtown at the present time. Downtown is perceived as unsafe and this image is reinforced by the many shells and ruins of buildings which cause the area to have a derelict appearance.

All the factors found to be important to the operation of a business exist Downtown. Further, Downtown is seen as viable to a few businesses, both from the survey and an assessment of development activity now taking place. The most immediate need is to alter the perception of Downtown and create the pull which is missing. This can be done in a number of ways.

1. Implement a pilot project and try to involve the few businesses, identified from this Survey, which see Downtown as viable

2. Publicise the developments taking place Downtown, such as the West Kingston Markets project, St. William Grant Park, and other private sector developments taking place.

3. Enlist the help of Metropolitan Parks and Markets to clean all empty lots and shells, demolish ruined buildings and publicise the clean-up campaign.

4. The Town Planning Department must rigidly enforce the proposed revised Development Order which imposes limits on manufacturing and commercial activity uptown.

Downtown must be made attractive so that the perception of the area as derelict and unsafe will be c'tered accordingly.

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SURVEY TO DETERMINE THE DEMAND FOR MANUFACTURING AND COMMERCIAL SPACE IN DOWNTOWN KINGSTON

QUESTIONNAIRE

Date of Interview ____________________

Name of Enumerator ____________________

Length of time of Interview ______________

1. Name of Company ____________________

2. Address (include telephone No. ____________________

____

3. How long has the Company been in operation? ____________

4. Name of contact person ____________________

   Position in the Company ____________________

5. Type of Business. Please state products manufactured, wholesaled or retailed or type of service offered.

Manufacturing		Wholesale		Retail		Service		Other (please state)	
Items	%	Items	%	Items	%	Items	%	Items	%

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6. How many people are currently employed in the business:

a. Management ________

b. Supervisory ________

c. Sucretarial/ Clerical ________

d. Operators ________

e. Labourers ________

f. Others ________

7. If you manufacture, do you manufacture for:

a. The local market

b. Export

c. Both (state percentage for each)

	1984	1985
i. Export	________	________
ii. Local	________	________

8. If you manufacture for Export, do you manufacture for:

a. CARICOM

b. CBI

c. Other (please state)

d. No export

If you manufacture for more than one market state percentage for each:

	1984	1985
i. CARICOM	______	______
ii. CBI	______	______
iii. Other	______	______

9. Please state the amount of Annual Sales:

1984	1985
$	$

10. What type of accommodation do you currently operate from:

a. Rented/leased

b. Owned

c. Home

d. Publicly provided facility

e. Other (please state)

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11. Which type of accommodation do you prefer?

    a. Rented/leased

    b. Owned

    c. Home

    d. Publicly provided facility

    e. Other (please state)

12. Amount currently paid for accommodation:

	$/mth	% of Total Expenses
a. Rent/lease	________	________
b. Mortgage	________	________
c. Rent free	________	________
d. Other (please state)	________	________

13. Cost of utilities

	$/mth	% of Total Expenses
a. Water	________	________
b. Electricity	________	________
c. Telephone	________	________
d. Total of a, b & c	________	________

14. How much of the type of space mentioned below do you presently occupy?

		Sq. ft.	
a.	Factory space	______	
b.	Office space	______	
c.	Yard space	______	
d.	Storage space	______	
e.	Parking space	______	
f.	Sales/display space	______	
g.	Other (please state)	______	
	Total	______	sq. ft.

15. Do you require additional space for your business in 1986?

a. Yes

b. No

If yes, how much additional space?

		Sq. ft.	
a.	Factory space	______	
b.	Office space	______	
c.	Yard space	______	
d.	Storage space	______	
e.	Parking space	______	
f.	Sales/display space	______	
g.	Other (please state)	______	
	Total	______	sq. ft.

16. How soon will you require this space? ______________________

17. Do you foresee requiring more space in 1988?

    A. Yes

    B. No

If yes, how much additional space?

		Sq. ft.	
a.	Factory space	____	
b.	Office space	____	
c.	Yard space	____	
d.	Storage space	____	
e.	Parking space	____	
f.	Sales/display space	____	
g.	Other (please state)	____	
	Total	____	sq. ft.

18. What do you regard as the major obstacle to your expansion at this time?

    a. Low market demand

    b. Availability of credit

    c. Lack of adequate production space

    d. Lack of skills

    e. Lack of labour

    f. Taxation

    g. Other (please state)

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19. Where would you prefer to relocate?

20. If adequate facilities were provided would you be willing to relocate to Downtown Kingston in the area bounded by:

North - East Queen Street

South - The Waterfront

West - Pechon Street

East - South Camp Road

a. Yes

b. No

c. Already there

d. Maybe (please state conditions)

21. Within the defined area would you prefer a location as identified in the Table? Give three choices ranked in order of preference.

TABLE

Area	North	South	East	West	Choices
a.	Barry St.	Port Royal Street	King St.	Pechon St.	
b.	S. Parade & E. Queen Street	"	East St.	King St.	
c.	E. Queen Street	"	High Holborn Street	East St.	
d.	E. Queen St.	"	South Camp Rd.	High Hol-born St.	
e.	Port Royal St.	Ocean Bld.	South Camp Rd.	Pechon St.	

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8.

22. Please rate your current location and preferred area in Downtown Kingston in terms of the factors listed below: Excellent (E), Good (G), Fair (F), Poor (P).

Next, rank these factors in terms of how important they are to your business.

a. Cannot live without so would not relocate there if non-existent.

b. Important but would move there and try to bring about improvement or adapt.

c. Not important and would move there if non-existent.

d. Does not apply.

Factors	Present Location	Proposed New Location	Factors in terms of importance
a. Accessibility to goods and services	/4 E		
b. Customer parking			
c. Employee parking			
d. Mass transportation			
e. Accessibility by car			
f. Customer safety			
g. Employee safety			
h. Security of business			
i. Commercial area identity			
j. Building conditions			
k. Pedestrian accommodations			
l. Handicap accommodations			
m. Maintenance of streets and sidewalks			
n. Regular street cleaning			
o. Garbage collection			
p. Fire protection			
q. Traffic control			
r. Loading and unloading facilities			

23. If you are willing to relocate in Downtown Kingston, would you be willing to rent space in a business complex to be located Downtown?

    a. Yes

    b. No

    c. Maybe (state conditions)

24. If you are a small business would you prefer to locate in:

    a. a group facility

    b. separate facility

    c. Other (please state)

25. If adequate facilities were provided in Downtown Kingston what, in your opinion, would be a reasonable rental to ask in the areas listed in the Table of Question 21?

Area	$/sq. ft.
a.	________
b.	________
c.	________
d.	________
e.	________

26. What do you think would be the advantages of relocating to Downtown Kingston?

    Advantages

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Disadvantages

27. If you were to relocate your business to Downtown Kingston, would you:

a. Purchase more machinery

b. Employ more persons

i.	Management	________
ii.	Supervisory	________
iii.	Secretarial/ Clerical	________
iv.	Operators	________
v.	Labourers	________
vi.	Other (please state)	________
	Total	________

c. Increase output and by what percentage__________

d. Go for export market if not presently exporting

% Export   % Local

e. Other (please state)

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