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**Inner Kingston Development Project
Monitoring and Evaluation Report No. 2**

INNER KINGSTON:

**CONDITIONS AT
BASELINE**

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This paper is the second in a series of reports which are intended to provide information and progress updates on various aspects of the implementation and impact of the Inner Kingston Development Project. Begun in July 1986, the Project is funded by USAID/Jamaica and is designed to help restore Inner Kingston as a center of economic activity and job creation.

TABLE OF CONTENTS

1. Introduction	
Background, Purpose, and Structure	1
Baseline Survey Approach	2
2. Land Use in Downtown Kingston	
Land Use Composition	5
The Spatial Pattern of Business Activity	7
Business Densities	8
Downtown Kingston Buildings	9
Vacancy Rates in Business Buildings	13
3. Businesses in Downtown Kingston	
Definitions	17
Businesses by Sector	18
Length of Tenure in Downtown Kingston	20
Firms Desiring to Move	22
Branches of Larger Firms	25
4. Employment Characteristics and Trends	
The Downtown Workforce	27
Employment Growth	27
Where Inner Kingston Workers Live	31
Higglers	33
5. Real Estate Market Conditions	
Floor Space Demand	35
Tenure Arrangements	38
Rent Levels	41
Public Land Ownership	43
A. Annex A	
Project Description	45
B. Annex B	
Business Survey Methodology	51
Business Survey Questionnaire	53

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1 **INTRODUCTION**

BACKGROUND, PURPOSE, AND STRUCTURE

The Inner Kingston Development Project was initiated in mid-1986 with the aim of helping to revitalize downtown Kingston's economy and provide badly needed jobs for the unemployed in the surrounding area. The project is being implemented by the Kingston Restoration Company (KRC) and the Urban Development Corporation (UDC).

The emphasis in KRC's programme to date has been the rehabilitation of vacant and derelict buildings for occupancy by small and medium scale manufacturing firms. However, KRC is also providing: matching grants to local property owners for building facade and structural improvements; grants to churches and other institutions for job training and community betterment programmes; rehabilitation of buildings for commercial and retail use; and landscaping, lighting and other street improvements. UDC's activities in the project include developing a new downtown bus terminal and the replacement of the Harbour Street trunk sewer as well as other infrastructure improvements. (A more complete description of the project is given in Annex A.)

KRC and UDC (along with USAID which has assisted the project), believed that revitalization activities should be accompanied by a programme of research to reliably measure the changes taking place downtown while the project is underway. This report is part of the documentation for this monitoring programme.

The first step in monitoring was a comprehensive baseline survey of business activity and real estate conditions in Inner Kingston in mid-1987 (the full survey instrument is presented in Annex B). A final wave of monitoring activity is planned for

1990. This will involve a close examination of the projects implemented by KRC and UDC and, by means of a second survey, analysis of the broader market changes that have taken place downtown since 1987.

The purpose of this report is to summarize the data from the 1987 survey on downtown conditions at baseline. It is a descriptive study, designed only to set the stage for further analysis. Nonetheless, the data from 1987 are of interest from two perspectives. First, they offer unusually detailed information about the physical and economic structure of the area (internationally, there have been few downtown surveys as comprehensive as this). Second, they point to several areas of change (or potential change) that are of interest for policy and program planning. This information has been used by KRC in project design since the survey results were first compiled in 1988. The report has four substantive sections as follows:

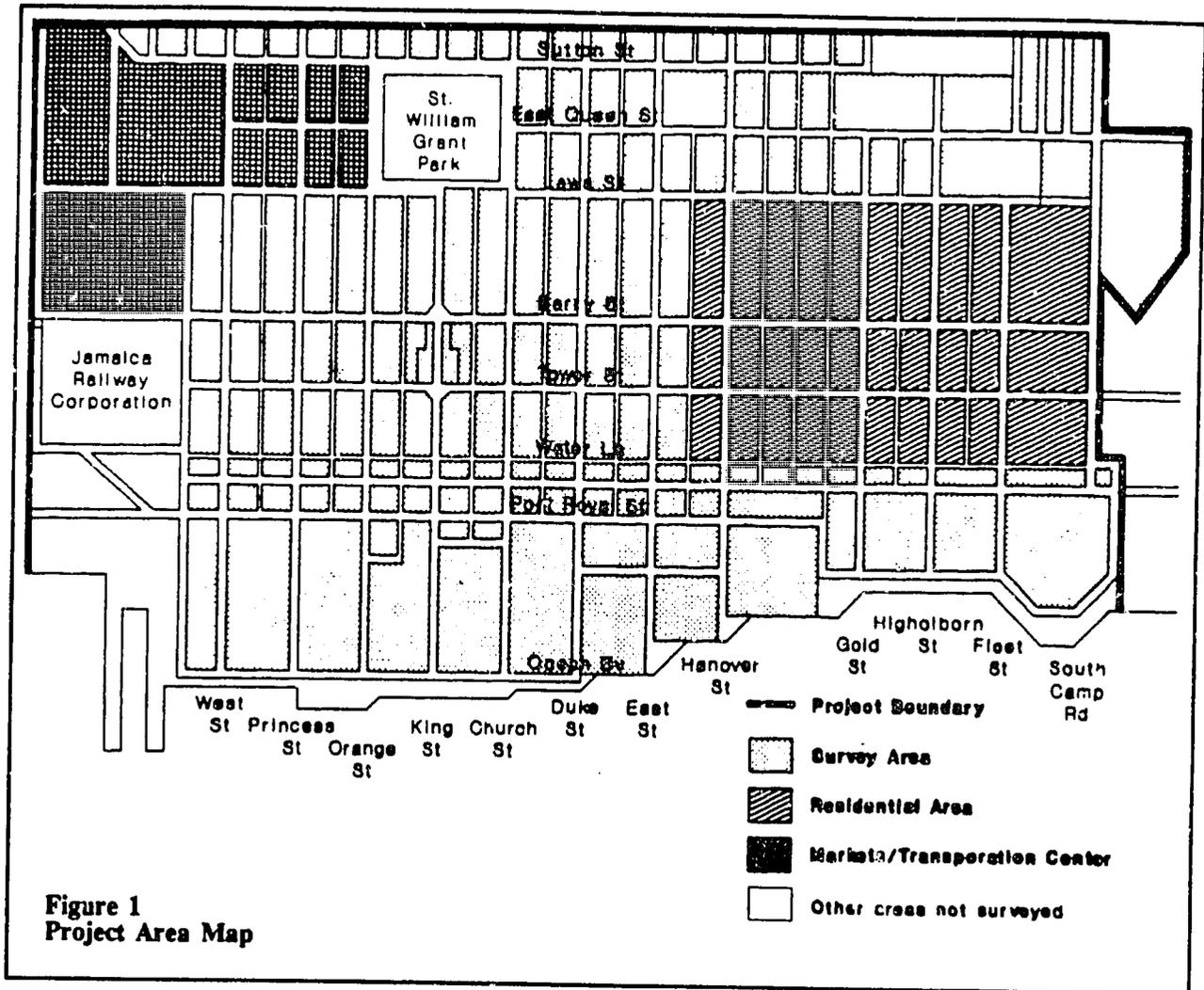
- Section 2 describes the physical setting--the amount of land and floor space devoted to various uses, the pattern of building and employment densities, and the vacancy rate.
- Section 3 offers information on the number of business establishments in the area and their characteristics.
- Section 4 examines employment characteristics and trends.
- Section 5 looks at selected real estate market conditions (ownership patterns and rent levels).

The remainder of this section offers a brief description of how the survey was conducted.

BASELINE SURVEY APPROACH

The map in Figure 1 shows the entire Inner Kingston Project area which incorporates all of what is conventionally thought of as downtown Kingston. It is bounded by a line running north-south through Darling Street on the west, a line running a block above St. William Grant Park on the north, South Camp Road on the east and the Harbour on the south. The baseline survey covered most, but not all, of this total area. Since the circumstances of private businesses were the focus of the survey, we excluded two major sub-areas in which private firms have a negligible effect on development patterns: (1) properties along the western project boundary in government control, including land being developed as part of UDC's West Kingston Markets Project (funded by the Inter-American Development Bank) as well as the proposed bus terminal site and railroad terminal lands to the south of that Project; and (2) a large area east of East Street between Laws Street and Water Lane which is predominantly in residential use.

Urban Institute staff were responsible for the design and overall management of the survey. Caritech Associates recruited the survey staff and managed day-to-day field implementation. Data cleaning and data entry tasks were performed by the Research Division of UDC. The survey itself took place in two stages:



Stage 1: Physical Survey. Before the survey began, the staff obtained 1:2,500 scale maps showing the boundaries of all parcels in the survey area and print-outs of data maintained by the Land Valuation Department on these parcels indicating most importantly: name of owner, address, square footage, and assessed value. This information was used to plan the physical survey which was conducted in early August, 1987. Staff visited every parcel and: (1) recorded the type, use, size, and condition of all structures; (2) talked to occupants and looked at mail boxes to make a list all business establishments located on the parcel. After these data were assembled, aerial photographs and maps were used to supplement site observations in making estimates of the square footage of floor space in each building.

Stage 2: Business Interviews. The master list of establishments created in Stage 1 was the basis for the interview program. The survey, conducted in late August, attempted to interview the managers of all of the establishments located in the survey area. Questions concerned: specific type of business, when established, employment levels, expectations and plans re future growth and movement, tenure arrangements, rent

levels, and floor space use and needs.

Only businesses located in fixed premises were surveyed; higglers and street vendors were not part of the survey population. Other sources (see the end of Section 4) indicate that between 15,000 and 10,000 higglers operate in the downtown area. Government, religious, and other non-profit activities also were excluded from the survey population.

Response Rates. Response rates were generally quite respectable for a survey of this kind. Our attempts to survey all 1,156 establishments in the area, resulted in 758 completed interviews implying a 66 percent response rate overall. Virtually all establishments that were interviewed provided information on the type and age of business, employment levels, future space needs, and business expectations. As expected, response rates were considerably lower for questions relating to financial information. For example, only 31 percent of all renter establishments responding to the survey were willing (or able) to give us full information on the amounts they paid for rent and utilities.

- 5 -

2 **LAND USE IN** **DOWNTOWN** **KINGSTON**

This Section summarizes physical conditions in the survey area in August 1987, reviewing the composition and spatial pattern of land uses, characteristics of buildings, and the pattern of vacancies in the area.

LAND USE COMPOSITION

Table 1 shows that the total survey area (exclusive of streets) comprises 6.76 million square feet of land (155 acres). This land is distributed among 1,009 separate parcels yielding an average parcel size of 6,705 square feet. Of the total land area:

- Two thirds is in active use:
 - 55.7 percent is occupied by businesses
 - 12.0 percent is occupied by non-business uses (government, churches, residential).
- One third is vacant:
 - 8.6 percent contains vacant buildings that could be used (although many would require rehabilitation)
 - 13.7 percent is either totally vacant or occupied by a building ruin (so dilapidated that clearance and new construction would be required to put them to use), and
 - 10.0 percent is vacant land, but in use as parks, sports fields, parking lots.

**Table 1
Downtown Kingston Land Use (August 1987)**

	<u>Parcels</u>		<u>Land Area</u>		Average Sq. Ft./ Parcel
	Number	Percent	Sq. Ft.	Percent	
OCCUPIED PROPERTIES					
Business Use					
Commercial	320	31.7	1,459,096	21.6	4,560
Commercial/Residential	54	5.4	170,033	2.5	3,149
Office	84	8.3	527,595	7.8	6,281
Office/Commercial	56	5.6	343,660	5.1	6,137
Office/Manufacturing	10	1.0	237,426	3.5	23,743
Manufacturing	27	2.7	91,911	1.4	3,404
Other Mixed	106	10.5	938,085	13.9	8,850
TOTAL	657	65.1	3,767,806	55.7	5,735
Other Uses					
Government	12	1.2	430,508	6.4	35,876
Education	3	0.3	31,946	0.5	10,649
Religious	6	0.6	159,827	2.4	26,638
Residential	48	4.8	107,478	1.6	2,239
Other	4	0.4	83,299	1.2	20,825
TOTAL	73	7.2	813,058	12.0	11,138
TOTAL OCCUPIED	730	72.3	4,580,863	67.7	6,275
VACANT					
Vacant (with building)					
Office	3	0.3	18,178	0.3	6,059
Commercial	49	4.9	289,257	4.3	5,903
Manufacturing	11	1.1	211,037	3.1	19,185
Residential	3	0.3	13,198	0.2	4,399
Other/Use Not Known	17	1.7	47,543	0.7	2,797
TOTAL	82	8.2	579,213	8.6	6,978
Vacant (building ruin)					
TOTAL	80	7.9	281,191	4.2	3,515
Vacant (no building)					
Park/Sports Ground	4	0.4	167,528	2.5	41,882
Parking	49	4.9	509,041	7.5	10,389
Other	63	6.2	647,112	9.6	10,272
TOTAL	116	11.5	1,323,681	19.6	11,411
TOTAL VACANT	279	27.7	2,184,085	32.3	7,828
TOTAL	1,009	100.0	6,764,948	100.0	6,705

The average parcel size for occupied properties does not differ much from that for vacant properties, but there are notable contrasts within those categories. Among occupied properties, the average in active use by businesses (5,700 square feet) is about half that for non-business uses (11,100 square feet--government properties are the largest averaging 35,900 square feet). Among vacant properties, the average size of those with buildings (7,000 square feet) is almost 40 percent smaller than the average of those without (11,400 square feet).

THE SPATIAL PATTERN OF BUSINESS ACTIVITY

Downtown is a concentration of many different activities without exclusive boundaries separating them; all manner of businesses can be found throughout the area. However, through the tumult an underlying locational structure for these activities can be discerned. Our data suggest it is useful to think of downtown business activity in terms of four rough spatial zones:

1. **Commercial Activity.** Commercial activity in the downtown area centers around the corridor running south from St. William Grant Park along King Street (see Figure 1): to the west are the central markets (focal point for higglers trading in both foodstuffs and consumer goods) and to the south the traditional commercial center of Downtown runs to the waterfront between Orange Street and Church Street. This zone is dominated by the retail trade; Orange, King, and Church Streets contain 33 percent of the retail establishments in the downtown area. The traditional commercial center is also the home of many prominent government centers (for example, the Supreme Court and Bank of Jamaica).

2. **High Skill Services.** To the east of King Street, legal offices, other high-skill services, and financial operations are the major activities. Church, Duke and East Streets hold 50 percent of the high-skill services (mainly professionals). Duke Street is the focus for these enterprises, holding 30 percent of the high-skill service operations, as well as 50 percent of Downtown's financial concerns.

3. **Wholesaling and Manufacturing.** West of Orange Street, though retail and service concerns can still be found, there are concentrations of wholesale and manufacturing. The area bounded by Orange and Pechon Streets above Water Lane contains about half of the manufacturing operations in Downtown. (There is also a small cluster of manufacturing operations along East Queen Street and the KRC Machado Complex (under construction at the time of the survey) at South Camp Road and Victoria Avenue.) Wholesalers of foodstuffs and dry goods (many of whom also conduct retail operations at the same location) are even more tightly grouped: 60 percent of downtown wholesale establishments are located in the three blocks of Orange and Princess Streets between Water Lane and Beckford Street.

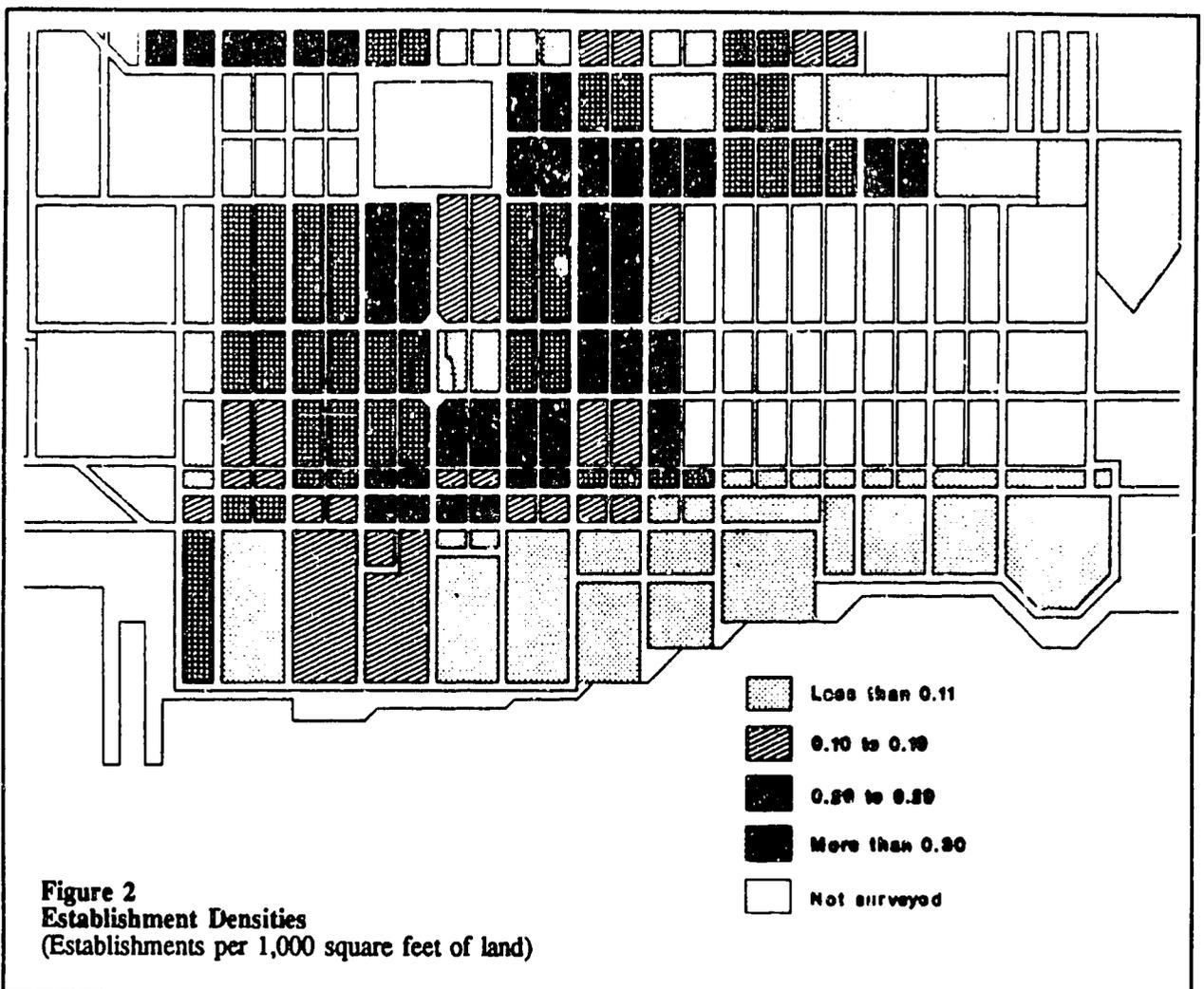
4. **Harbour Front.** The southern band of the survey area (running generally between Port Royal Street and the harbour from the western to the eastern boundaries) was totally cleared for redevelopment by UDC in the late 1960s. Its present character differs significantly from that of central downtown to the north. At present it contains a mix of: (1) large multi-storey structures built since the clearance; and (2) sizeable vacant

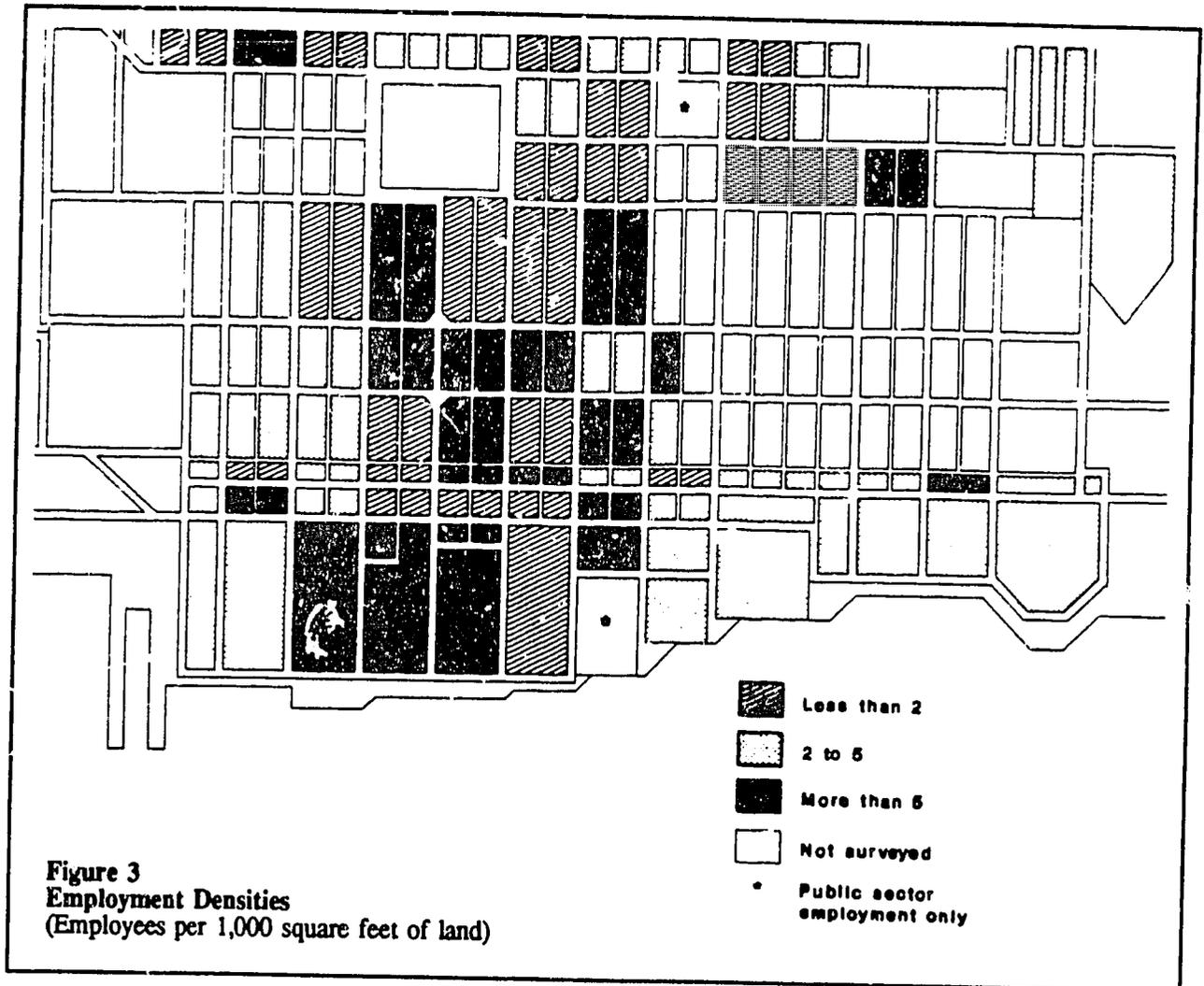
tracts that still await rebuilding. Much of the floor space in the new buildings is occupied by government agencies, but these buildings house a large number of private firms as well. Notable activity centers include the mall complex (between Princess and King Streets), the Conference Centre (between Church and Duke Streets), and the Bank of Jamaica and Bank of Nova Scotia buildings (between Duke and East Streets).

BUSINESS DENSITIES

Overall, the 6.76 million square feet of land (exclusive of streets) in the survey area were occupied by 1,156 private business establishments with a total of 13,000 employees. This implies, on average, 0.17 establishments and 1.92 employees per thousand square feet of land area (or 7.5 establishments and 83.9 employees per acre).

Figure 2 shows that the highest establishment densities (above 0.3 per 1,000 square feet) centered around the key commercial corridor (King Street) and the foremost professional service corridor (Duke Street). Figure 3, shows that private employment





densities are also centered on these corridors but, as would be expected, employment densities are highest on several harbour-front blocks dominated by high-rise buildings and large establishments, and lower in other areas with a high proportion of small firms (for example, the northeastern segment of the survey area, east of St. William Grant Park). Had public sector employment been included (such as the staffs at the Bank of Jamaica, the Revenue Board, and UDC), employment densities in the harbour-front area would have stood out even more strongly.

DOWNTOWN KINGSTON BUILDINGS

In 1987, there were a total of 874 buildings in the survey area, providing a total of 6.16 million square feet of floor space (an average of 7,049 square feet per building--see Table 2). Government buildings were the largest (averaging almost 45,000 square feet). Among business properties, office buildings had the most space (9,000-14,000 square feet). Commercial properties, were comparatively small (about 4,500 square feet on

Table 2
Downtown Kingston Buildings (August 1987)

	<u>Buildings</u>		<u>Floor Area (sq. ft.)</u>		Average F.A.R.
	Number	Percent	Total	per Building	
OCCUPIED PROPERTIES					
Business Use					
Commercial	334	38.2	1,519,283	4,549	1.04
Commercial/Residential	57	6.5	178,568	3,133	1.05
Office	80	9.2	732,634	9,158	1.39
Office/Commercial	63	7.2	598,824	9,505	1.74
Office/Manufacturing	10	1.1	142,272	14,227	0.60
Manufacturing	26	3.0	73,598	2,831	0.80
Other Mixed	140	16.0	1,669,036	11,922	2.23
TOTAL	710	81.2	4,914,215	6,921	1.37
Other Uses					
Government	12	1.4	536,408	44,701	0.86
Education	3	0.3	54,760	18,253	1.71
Religious	6	0.7	41,708	6,951	0.26
Residential	48	5.5	69,672	1,452	0.65
Other	4	0.5	134,798	33,700	1.62
TOTAL	73	8.4	837,346	11,470	0.83
TOTAL OCCUPIED	783	89.6	5,751,561	7,346	1.26
VACANT					
Vacant (with building)					
Office	3	0.3	10,208	3,403	0.56
Commercial	46	5.3	177,242	3,853	0.61
Manufacturing	20	2.3	145,544	7,277	0.69
Residential	3	0.3	5,880	1,960	0.45
Other/Use Not Known	19	2.2	70,744	3,723	1.49
TOTAL VACANT	91	10.4	409,618	4,501	0.71
TOTAL BUILDINGS	874	100.0	6,161,179	7,049	1.19

average). The 91 vacant buildings in the area were considerably smaller on average (4,500 square feet) than occupied structures (7,300 square feet).

It should be noted that Tables 3 to 5 tend to understate the amount of vacant space since buildings which were partially occupied are classified as occupied property and it was not always possible to quantify how much floor space was not in use. (Table 5 gives out estimates of vacant space within occupied business buildings as determined through the survey.) For example, Public Buildings West on King Street, which is only partially in use, has been classified in Table 3 as an occupied property. However, more than half of its 70,000 square feet was not in use at the time of the survey.

The Floor Area Ratio (FAR) is a measure of land use intensity often used by planners. It is the ratio of total building floor space to land area; for example, a two storey building covering half of the area of its parcel would have a FAR of 1.0. Table 2 shows that the overall FAR for downtown Kingston properties with buildings was 1.19. The detailed pattern is as expected: office and commercial buildings (mainly two-storey building occupying most of their site) show the most intensive land use, with FARs over 1.00; buildings which house manufacturing operations (which often need loading facilities and are usually only one storey) show FARs of less than 1.00.

**Table 3
Downtown Kingston Building Storeys (August 1987)**

	Number of Buildings			Floor Area (sq. ft.)		
	1	2	3+	1	2	3+
	(storeys)			(storeys)		
OCCUPIED PROPERTIES						
Business Use						
Commercial	150	167	17	304,555	717,968	497,060
Commercial/Residential	15	40	2	19,784	147,360	11,424
Office	19	37	24	33,048	162,420	537,166
Office/Commercial	7	41	15	9,976	194,900	393,948
Office/Manufacturing	2	8	0	5,960	136,312	0
Manufacturing	18	7	1	27,514	31,876	14,208
Other Mixed	43	71	25	84,502	290,836	1,293,698
TOTAL	254	371	84	485,039	1,681,672	2,747,504
Other Uses						
Government	2	6	4	4,500	257,208	275,400
Education	0	3	0	0	54,760	0
Religious	4	2	0	16,636	25,072	0
Residential	37	11	0	43,360	26,312	0
Other	0	3	1	0	95,648	39,150
TOTAL	44	25	5	63,796	459,000	314,550
TOTAL OCCUPIED	298	396	89	548,835	2,140,672	3,062,054
VACANT						
Vacant (with building)						
Office	0	3	0	0	10,208	0
Commercial	15	28	3	36,848	117,378	23,016
Manufacturing	9	8	3	43,072	52,336	50,136
Residential	2	1	0	4,920	960	0
Other/Use Not Known	4	14	1	5,336	61,604	3,804
TOTAL VACANT	30	54	7	90,176	242,486	76,956
TOTAL BUILDINGS	328	450	96	639,011	2,383,158	3,139,010

Table 4
Condition of Buildings (August 1987)

	Total	Building Condition* (percent)		
		Good	Fair	Poor
OCCUPIED PROPERTIES				
Business Use				
Commercial	100.0	18.5	49.4	32.1
Commercial/Residential	100.0	26.3	15.8	57.9
Office	100.0	56.8	38.3	4.9
Office/Commercial	100.0	41.5	40.0	18.5
Office/Manufacturing	100.0	50.0	50.0	0.0
Manufacturing	100.0	15.4	23.1	61.5
Other Mixed	100.0	32.6	45.4	22.0
TOTAL	100.0	28.6	42.9	28.5
VACANT				
Vacant (with building)				
Office	100.0	33.3	66.7	0.0
Commercial	100.0	17.4	32.6	50.0
Manufacturing	100.0	37.5	0.0	62.5
Other/Use Not Known	100.0	18.8	31.3	50.0
TOTAL	100.0	20.5	30.1	49.3
TOTAL BUILDINGS	100.0	27.9	41.7	30.4

* Building conditions are defined as follows:
 Good: no visible damage to building structure or enclosure;
 Fair: damage to building enclosure only;
 Poor: damage to building structure and enclosure.

Just over half of all buildings were two storey structures (37 percent were one-storey buildings and the remaining 11 percent, buildings with three or more stories--see Table 3). The latter, however, accounted for 52 percent of all floor space. On average, the one-storey buildings had 1,900 square feet, the two-storey buildings, 5,300 square feet, and those with three or more storeys, 32,700 square feet.

As to physical quality, survey staff rated 27.9 percent of all downtown buildings as being in good condition, 41.7 percent in fair condition, and 30.4 percent in poor condition (Table 4). As would be expected, a much larger share of the vacant structures received a poor rating (49.3 percent) than the occupied structures (28.5 percent). Among occupied buildings office buildings generally received the highest condition ratings (less than 18.5 percent rated as poor) whereas more than half of all manufacturing and commercial/residential structures were in poor condition.

VACANCY RATES IN BUSINESS BUILDINGS

Of the 5.3 million square feet of floor space in business buildings about 616,000 square feet (about 12 percent) were vacant in 1987 (see Table 5). Of the total vacant space, 66 percent was in buildings that were totally vacant. These vacant buildings were predominantly suited to commercial or manufacturing use. (The table does not include Public Building West on King Street which had only a small part of its approximately 70,000 square feet occupied in 1987.)

Vacant space accounted for 4.3 percent of all floor space in fully and partially occupied structures. The vacancy rate was highest in office/manufacturing buildings (16.3 percent) and just above the average in commercial (4.4 percent) and other mixed use properties (5.5 percent). Vacancy rates in other buildings were under 3 percent. In these structures, most (59 percent) of the vacant space was above the ground floor. In commercial and commercial/residential buildings, almost all vacant space (96 percent) was on the upper floors.

Overall, vacancy rates for the major categories (commercial, office, and manufacturing) are difficult to establish precisely because such a large proportion of the

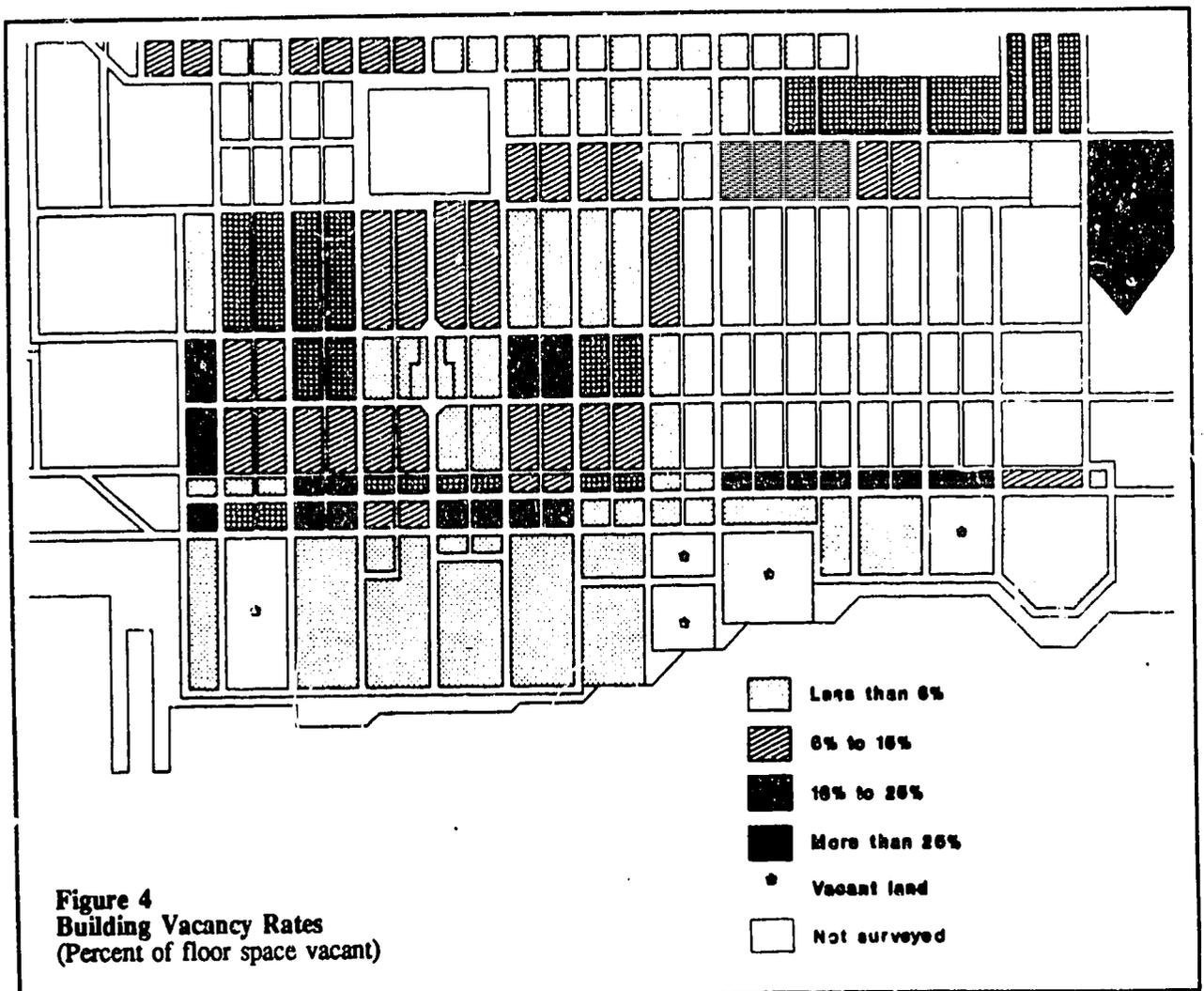
Table 5
Vacancy Rate in Business Buildings (August 1987)

	Floor Area (sq. ft.)				Vacant Area as % of Total	
	Total	Upper Floors	Total Vacant	Upper Fl. Vacant	Total Upper Fl.	Total Upper Fl.
OCCUPIED PROPERTIES						
Business Use						
Commercial	1,519,283	755,577	67,004	63,964	4.4	4.2
Commercial/Residential	178,568	81,296	2,808	2,808	1.6	1.6
Office	732,634	470,894	20,932	12,148	2.9	1.7
Office/Commercial	598,824	457,952	15,704	6,136	2.0	1.0
Office/Manufacturing	142,272	68,156	23,232	0	16.3	0.0
Manufacturing	73,598	26,594	1,404	1,404	1.9	1.9
Other Mixed	1,669,036	1,193,836	80,812	38,310	4.8	2.3
TOTAL	4,914,215	3,054,305	211,896	124,770	4.3	2.5
VACANT						
Vacant (with building)						
Office	10,208	5,104	10,208	5,104	100.0	50.0
Commercial	177,242	74,033	177,242	74,033	100.0	41.8
Manufacturing	145,544	60,052	145,544	60,052	100.0	41.3
Other/Use Not Known	70,744	29,696	70,744	29,696	100.0	42.0
TOTAL	403,738	168,885	403,738	168,885	100.0	41.8
TOTAL BUILDINGS	5,317,953	3,223,190	615,634	293,655	11.6	5.5

properties have mixed uses across the categories. Examination of the data, however, allows for some rough estimates for 1987: office space had the lowest vacancy rate, about 3 percent; about 12% of the space suitable for commercial use was vacant; and almost a quarter of the space for manufacturing was unoccupied.

Table 5 also implies relatively little space is used for manufacturing and that two-thirds of the manufacturing space classified in the survey area was vacant in 1987; however, these figures require some clarification. Many of the manufacturing operations found in the survey area operate out of buildings which have mixed use. (Typically, a mixed use building houses manufacturing with a wholesale commercial or office activity which often is related to the manufacturing activity.) The survey was unable to provide complete breakdowns for space use within buildings and thus the table understates the amount of floor space which is being used for manufacturing.

In addition to the two categories which show manufacturing activity in occupied buildings in the table (for a total of 36 buildings and 216,000 square feet of manufacturing-related floor space), an further 48 buildings and 239,000 square feet of



manufacturing related space is contained within the other mixed use category. Among vacant buildings, 16 buildings (representing 59,000 square feet) could not be classified and may have potential for use as manufacturing space.

Further, in the area bounded by Harbour, Pechon, Beckford, and King Streets, many of the buildings have been classified as commercial because of their current use as wholesale/retail operations. However, such use as warehouse and storage space for clothing and dry goods wholesalers represents very unintensified use of space (in employment terms). Many of these buildings are quite large and could easily be adapted to manufacturing use; 16 of the buildings have floor areas of more than 10,000 square feet.

Thus, the survey indicates that the total space available for manufacturing activity in 1987 was about 900,000 square feet: 450,000 square feet occupied by manufacturing or mixed use (with manufacturing) operations; 200,000 square feet of vacant space with potential for manufacturing use; and 250,000 square feet of space currently used for commercial operations which could be adapted to manufacturing use.

Figure 4 shows that vacancy rates in business buildings were highest along Harbour Street (which contained many vacant buildings) and in the wholesaling/manufacturing area west of Orange Street. Vacancy rates for business premises along the waterfront and the major business corridors, such as King and Duke Streets, were consistently low except for some isolated exceptions. These clusters of comparatively high vacancy rates (above 15 percent) were found in the Duke Street professional services corridor and along the eastern end of East Queen Street.

3
BUSINESSES IN
DOWNTOWN
KINGSTON

The survey identified 1,156 business establishments in the survey area. This Section reviews the composition of these establishments by sector, their size distribution, and their length of tenure in the downtown area. It also examines data on extent and nature of establishment preferences to move from their current locations, and on the degree to which downtown establishments are branches of larger firms.

DEFINITIONS

Establishments were defined in the survey as business concerns (both private and parastatal) operating in a permanent structure. (Higglers and vendors selling from markets or on the streets were not included, nor were the approximately 200 establishments located in the IDB West Kingston Project Area).

The tables in the remainder of this report group business establishments in three categories:

- Activities carried out in office space, including financial services (banks and insurance companies), professional services (such as legal and medical practices), business services (corporate administration, customs brokers, accounting and stenographic services), and other services (real estate companies, education services).
- Commercial activities, including, wholesale traders, retail shops, restaurants, bars, and other commercial services (mainly repair shops and hairdressers).

- Manufacturing activities (including furniture and metal workshops).

BUSINESSES BY SECTOR

Table 6 shows that of the 758 establishments that responded to the survey, 29 percent were office activities, 64 percent were commercial establishments, and the remaining 7 percent were in manufacturing. Office establishments had a much higher number of employees (23.8 on average) than commercial firms (8.5), however. Therefore, commerce is less dominant in the employment distribution: 44 percent in office activities, an equal percentage in commerce, and 12 percent in manufacturing.

In employment terms, office activities are dominated by financial services and business services. (Financial services have by far the highest average establishment size of all categories, 54.4 employees--they are dominated by five large firms which each employs 200 persons or more). Retail trade accounts for about half and wholesale trading for about one fourth of the employment in the commercial group.

Table 6
Business Establishments and Employment by Sector

	<u>Establishments</u>		<u>Establishments</u>		<u>Employees</u>		<u>Employees</u> per Establ.
	Total	Percent*	<u>In Survey</u> Number	Percent	Number	Percent	
Office Activities							
Financial services	49	4.4	31	4.1	1,686	17.3	54.4
Professional services	144	12.9	55	7.3	433	4.4	7.9
Business services	86	7.7	67	8.8	1,475	15.2	22.0
Other services	41	3.7	27	3.6	695	7.1	25.7
TOTAL	320	28.7	180	23.8	4,289	44.1	23.8
Commercial Activities							
Wholesale trade	104	9.3	88	11.6	951	9.8	10.8
Retail trade	298	26.8	206	27.2	2,087	21.4	10.4
Restaurants/bars	154	13.8	120	15.8	547	5.6	4.6
Other services	159	14.3	97	12.8	685	7.0	7.1
TOTAL	715	64.2	511	67.4	4,270	43.9	8.5
Manufacturing							
TOTAL	79	7.1	67	8.8	1,174	12.1	17.5
Others/Not Known							
TOTAL	42	n/a					
TOTAL	1,156	100.0	758	100.0	9,733	100.0	12.9

Establishments reporting employment: 752 (99%)

* Establishments not classified are not included in percentage calculation.

**Table 7
Business Establishments by Size**

	Total	Number of Employees				
		< 6	6-10	11-25	26-100	> 100
PERCENT OF ESTABLISHMENTS						
Office Activities						
Financial services	100.0	25.0	6.3	25.0	34.4	9.4
Professional services	100.0	72.9	6.8	11.9	8.5	0.0
Business services	100.0	58.1	25.8	4.8	4.8	6.5
Other services	100.0	51.9	25.9	7.4	7.4	7.4
TOTAL	100.0	56.1	16.1	11.1	11.7	5.0
Commercial Activities						
Wholesale trade	100.0	37.5	34.1	25.0	2.3	1.1
Retail trade	100.0	55.2	20.9	16.9	5.5	1.5
Restaurants/bars	100.0	73.9	15.1	10.9	0.0	0.0
Other services	100.0	79.4	9.3	3.1	7.2	1.0
TOTAL	100.0	61.2	19.6	14.3	4.0	1.0
Manufacturing						
TOTAL	100.0	40.9	15.2	21.2	21.2	1.5
TOTAL	100.0	58.2	18.4	14.1	7.3	2.0
PERCENT OF EMPLOYEES						
Office Activities						
Financial services	100.0	1.2	0.8	7.1	40.3	50.5
Professional services	100.0	23.3	6.0	23.7	47.0	0.0
Business services	100.0	8.5	9.2	2.9	12.4	67.0
Other services	100.0	5.9	7.8	3.9	15.1	67.3
TOTAL	100.0	7.0	5.3	7.2	28.0	52.6
Commercial Activities						
Wholesale trade	100.0	11.3	24.6	38.5	9.0	16.6
Retail trade	100.0	14.1	15.7	26.4	24.1	19.7
Restaurants/bars	100.0	38.0	23.9	38.0	0.0	0.0
Other services	100.0	23.1	9.3	7.9	38.0	21.8
TOTAL	100.0	18.0	17.7	27.6	19.9	16.8
Manufacturing						
TOTAL	100.0	6.5	6.4	16.8	58.9	11.4
TOTAL	100.0	11.7	10.9	17.3	28.1	31.9

Establishments responding: 751 (99%)

Within the major sectors, there is a surprisingly varied range of services and goods offered. Based on the US standard 4-digit industrial classification, the survey identified 32 different kinds of manufacturers, 28 types of wholesale/storage operations, retail shops in 35 separate categories, 330 kinds of high-skill services (including over 120 establishments offering legal services), 12 types of low-skill services, and 15 sorts of financial and administrative operations. This variety is one of the major distinguishing features of Downtown in comparison to other Kingston-St. Andrew business districts. It is unlikely such a wide range of businesses could be found in such a concentrated geographical area anywhere else in Jamaica.

Although the figures in Table 6 indicate a fairly large average size of establishment in each of the sectors, closer study reveals most businesses are very small. Table 7 shows that 58 percent of the establishments interviewed have less than 6 full-time employees. This pattern of concentration holds true throughout most of the sectors studied: the majority of establishments in all of the retail and service sub-sectors (with the exception of financial services and the wholesale trade) employed less than 6 full-time workers. About 41 percent of the manufacturing firms and 72 percent of the wholesale operations have less than 11 workers. Only the financial services sub-sector can be said to be characterized by large firms; almost half the establishments have more than 25 employees.

The pattern shifts, of course, when looking at this distribution in employment terms. About one third of all employees are in establishments with have 100 or more workers. This ratio reaches as high as two thirds for business and other office based services and 52 percent for financial services. It drops to zero in professional services and bars and restaurants. Manufacturing and other commercial activities have from 11 to 21 percent of their employment in such large firms.

LENGTH OF TENURE IN DOWNTOWN KINGSTON

In recent times, downtown Kingston has been portrayed as a business community whose members have been steadily moving uptown and those that remain wish they could leave also. The survey found this is not clearly the case. The downtown business community in 1987 maintained a solid base of firms with a long and stable tenancy and continues to attract new businesses. Downtown has a strong core of older firms which reflect central Kingston's traditional role as national center for financial, legal, and other skilled services. Almost a third of the businesses surveyed have been operating at their present location for more than 10 years (see Table 8, which shows how long business establishments have been located at their present site). As would be expected, these firms are typically larger than the new arrivals. Firms at their present location for more than 10 years account for almost 60 percent of all employment.

A further 12 percent of businesses interviewed have also been doing business downtown for more than 10 years, though at a different location. These older firms contain proportionally more of the financial and business services and of the retail/wholesale operations than the aggregate population.

Firms in their first two years of existence make up almost 20 percent of the downtown business population. (Table 8 also shows a further 10 percent of firms more

**Table 8
Business Establishments by Time at Present Location**

	Total	Time at Present Location (years)				
		< 1	1-2	3-5	6-10	> 10
PERCENT OF ESTABLISHMENTS						
Office Activities						
Financial services	100.0	3.3	13.3	33.3	6.7	43.3
Professional services	100.0	16.7	14.8	27.8	13.0	27.8
Business services	100.0	7.6	22.7	27.3	9.1	33.3
Other services	100.0	7.7	34.6	19.2	7.7	30.8
TOTAL	100.0	9.7	20.5	27.3	9.7	33.0
Commercial Activities						
Wholesale trade	100.0	11.5	6.1	14.9	9.5	37.9
Retail trade	100.0	12.8	15.3	20.9	12.2	38.8
Restaurants/bars	100.0	15.5	12.9	26.7	16.4	28.4
Other services	100.0	19.1	19.1	21.3	16.0	24.5
TOTAL	100.0	14.4	15.6	21.3	15.2	33.5
Manufacturing						
TOTAL	100.0	13.6	21.2	24.2	13.6	27.3
TOTAL	100.0	13.2	17.3	23.0	13.7	32.8
PERCENT OF EMPLOYEES						
Office Activities						
Financial services	100.0	0.1	7.0	11.6	2.0	79.3
Professional services	100.0	6.0	21.1	28.7	11.1	33.1
Business services	100.0	1.6	4.8	9.3	1.9	82.3
Other services	100.0	0.6	48.6	6.4	2.3	42.1
TOTAL	100.0	1.3	14.4	11.7	2.9	69.7
Commercial Activities						
Wholesale trade	100.0	6.2	8.2	9.4	19.6	56.5
Retail trade	100.0	5.7	9.4	16.4	5.7	62.8
Restaurants/bars	100.0	11.3	9.3	30.8	19.9	28.8
Other services	100.0	6.5	7.4	8.1	15.1	62.9
TOTAL	100.0	6.7	8.8	15.3	12.6	56.7
Manufacturing						
TOTAL	100.0	16.8	15.4	26.4	14.1	27.3
TOTAL	100.0	5.5	12.1	15.0	8.4	58.9

Establishments responding: 735 (97%)

than 2 years old have also moved in the two years prior to 1987.) In this group, commercial services and manufacturing operations are proportionately over-represented, indicating the sub-sectors experiencing above average growth in recent years. However, it is still open to speculation whether Downtown is doing well enough in attracting these new businesses to adequately offset moves and closures by other businesses. Judgements about whether there are enough new firms starting operations or existing firms moving into Downtown (to either maintain a stable business community or fuel growth of the downtown economy) cannot be made without some information on the number of downtown firms which move out or go out of business; unfortunately, data to estimate this turnover will not be available until the follow-on survey is carried out in the summer of 1990.

One aspect of the age structure of firms does stand out: the number of firms 6 to 10 years old is substantially lower than the indicated trend. One explanation might be that during 1977-81, the uncertain social climate in the area strongly discouraged new businesses from starting up or made them more likely to fail. Across sectors, the age structure of businesses follows the pattern of the whole population, except for finance operations, which have far fewer new operations (3 percent in their first year) and a stronger concentration of old firms (43 percent more than 10 years old).

Downtown firms are also marked by locational stability: the large majority of establishments located in downtown in 1987 either originally set up there (60 percent) or moved to their present site from some other downtown location (31 percent). As noted above, the less-than-expected number of "middle-aged" firms highlights the decline of downtown during the late 1970s. However, the older businesses which remain, having withstood past severe conditions, do not seem likely candidates for abandoning the area. (One exception here is the financial service sub-sector, where the highest proportion of establishments wishing to leave downtown is found (see Table 9 below). Many of these firms argue that they would be better served by a location nearer to other financial institutions in New Kingston.) As for younger, less-established firms, two other pieces of evidence seem to run counter to the recent popular image of businesses migrating uptown.

First, of the firms interviewed, 216 (or 29 percent) were new businesses which opened downtown in the past five years. More than half of these began operations in 1985-87. Though it is not known how many firms left Downtown in this period, certainly the area still holds attraction to business. Half of these firms cited the availability of space as the major reason for choosing their locations, with stronger demand (18 percent), lower rent (9 percent), and better facilities and infrastructure (5 percent) mentioned by most of the others. Second, a further 67 of the businesses participating in the survey moved Downtown from locations outside the area (two thirds of these have arrived in the past five years). About 35 percent of these recent arrivals indicated the availability of floor space was the main reason for choosing downtown, while 20 percent chose downtown on the basis of better facilities and infrastructure or better demand prospects.

FIRMS DESIRING TO MOVE

It is clear, then, many downtown businesses have stayed on through difficult conditions. But is this due to a desire to remain in the area or difficulty in leaving? For

example, firms might desire to leave, but be unable to afford the move or not have sufficient information to properly assess the costs and benefits of moving out of their current market. Information from the survey suggests "fleeing" downtown is not a strong motivating force behind the desire to move. Of the firms interviewed, 29 percent expressed a desire to move from their present location. However, only 12 percent stated they wished to leave downtown (13 percent wished to move a new location within downtown and the remaining 4 percent did not express a preference).

Size of firm (in terms of employees) had little effect on a firm's desire to move. The size distribution of the whole downtown business community was matched by the firms desiring to move and these establishments were fairly evenly split between leaving and staying downtown across all size categories. Manufacturing, retail, and high-skill service operations wishing to move showed about a 2 to 1 preference for remaining in Downtown. Conversely, wholesale, low-skill service, and financial establishments desiring to move showed an equally strong propensity to choose locations outside of Downtown as their desired destination.

A similar pattern emerges when firms are classified by how long they have been operating at their current location: firms at their location five years or less and wishing to move are almost twice as likely to want to remain downtown, while older firms are just as strong in their desire to leave the area.

Businesses which preferred to relocate outside of Downtown were more likely to cite falling demand or lack of customers, poor security, or traffic problems (which can be classed as area-wide problems) as reasons for moving. Conversely, those wishing to move elsewhere in the area were motivated mainly by dissatisfaction with their current premises; being too small, too expensive, or somehow unsuitable (site-specific problems). In general, Downtown emerges as a competitive alternative with locations outside the area. Table 9 presents the data in more detail.

Two additional points are worth noting. First, across sectors, manufacturing operations were almost twice as likely (67 percent versus 39 percent on average for other sectors) as other sectors to cite problems with their current space as one of the two major reasons for desiring to move. Other sectors were equally motivated by market or security concerns (each quoted by about 30 percent of the respondents) as space problems. Manufacturing operations saw these as minor concerns. Second, although it has long been thought that traffic and parking problems were a considerable concern of downtown businesses, only 4 percent of those desiring to move suggested this was a major consideration in their decision (these were concentrated in the retail sector).

Businesses were also queried on when they planned to move to differentiate between "firm" migrants (those planning to move within the coming year) and "soft" migrants (those who planned to move farther in the future). For those who foresaw moving within the coming year (77 out of the 219 desiring to move), poor security and problems with their current space emerged as the most critical "push" factors. However, those who gave security concerns as their reasons were evenly split between staying and leaving Downtown. A large majority of those requiring new space wished to remain in the area. For "soft" migrants, falling demand and security concerns were the main reasons given for wanting to move. For those who foresaw declining demand, the new

**Table 9
Establishments Desiring to Move**

	Establishments Desiring to Move (% of all establishments)			Reasons Cited (% establishments desiring to move)			
	Total	Remain Downtown	Leave Downtown	Not Specified	Falling Demand	Security/Traffic	Space Unsuitable
BY SECTOR							
Office Activities							
Financial services	25.8	6.5	19.4	0.0	12.5	12.5	37.5
Professional services	18.2	10.9	7.3	0.0	10.0	70.0	30.0
Business services	29.9	19.4	9.0	1.5	5.0	5.0	70.0
Other services	25.9	14.8	11.1	0.0	42.9	57.1	57.1
TOTAL	25.0	13.9	10.6	0.5	13.3	28.9	53.3
Commercial Activities							
Wholesale trade	23.9	6.8	9.1	8.0	33.3	57.1	14.3
Retail trade	26.7	14.1	8.3	4.4	34.5	36.4	38.2
Restaurants/bars	25.8	5.0	16.7	4.2	41.9	45.2	19.4
Other services	41.2	16.5	16.5	8.2	45.0	27.5	42.5
TOTAL	28.8	11.2	11.9	5.7	38.8	38.8	32.0
Manufacturing							
TOTAL	40.3	22.4	13.4	4.5	11.1	37.0	66.7
TOTAL	28.9	12.8	11.7	4.4	30.1	36.5	40.6
BY AGE OF ESTABLISHMENT							
Less than 1 year	28.3	18.2	7.1	3.0	25.0	25.0	46.4
1-2 years	35.2	18.0	13.3	3.9	22.2	35.6	57.8
3-5 years	37.6	20.6	11.2	5.9	29.7	25.0	51.6
6-10 years	19.8	4.0	11.9	4.0	35.0	40.0	15.0
More than 10 years	24.6	7.0	13.5	4.1	36.7	58.3	23.3
TOTAL	29.2	13.1	11.9	4.3	30.0	37.8	41.0

Establishments reporting: Sector - 752 (100%)
Age - 742 (98%)

locations desired were about evenly split between Downtown and other areas. Those concerned about security strongly favored leaving Downtown.

Across sectors, those providing low-skill services have the highest preference (82 percent) for leaving downtown among the "soft" migrants; other sectors show about 60 percent of their "soft" migrants wanting to leave the area. Conversely, "firm" migrants display the opposite pattern: 60 percent of these firms desiring to move wish to remain Downtown. These replies seem to indicate an imprecise uneasiness, not concentrated in any particular sector, about the future of downtown as a viable market. However, the lack of immediate response on the part of the firms indicates that Downtown problems are not now perceived as critical.

BRANCHES OF LARGER FIRMS

Another hypothesis about Downtown is that businesses with branch systems have been abandoning the area, both moving headquarters operations uptown and closing downtown branches. The survey provides some evidence that branch operations currently located in the area are satisfied with their business prospects. (Of course, the survey does

Table 10
Branch Systems

	<u>Establishments (%)</u>		<u>Percent of Downtown Branches Which Expect Activity To</u>			
	<u>Branch System</u>	<u>HQ Downtown</u>	<u>Increase</u>	<u>Decrease</u>	<u>Remain Same</u>	<u>Don't Know</u>
Office Activities						
Financial services	54.8	22.6	58.8	0.0	17.6	23.5
Professional services	7.3	5.5	50.0	50.0	0.0	0.0
Business services	20.9	13.4	57.1	7.1	14.3	21.4
Other services	25.9	14.8	42.9	14.3	28.6	14.3
TOTAL	23.3	12.8	54.8	9.5	16.7	19.0
Commercial Activities						
Wholesale trade	18.2	14.8	25.0	0.0	37.5	37.5
Retail trade	23.3	15.5	39.6	0.0	29.2	31.3
Restaurants/bars	10.0	4.2	8.3	16.7	66.7	8.3
Other services	18.6	13.4	44.4	0.0	27.8	27.8
TOTAL	18.4	12.3	34.0	2.1	35.1	28.7
Manufacturing						
TOTAL	17.9	14.9	58.3	8.3	16.7	16.7
TOTAL	19.5	12.7	41.9	4.7	28.4	25.0

Establishments responding: 757 (100%)

not give any indication about the numbers of headquarters which left downtown in the past.)

The survey identified 148 establishments--19.5 percent of all establishments--as being part of branch systems. Of these businesses, about 65 percent were headquarters operations themselves and a further 18 percent were branches of groups with headquarters downtown. There was some variation across sectors: 83 percent of branch operations in manufacturing had their headquarters in the downtown area, but only 41 percent of branch establishments in the financial sector showed similar arrangements.

Within sector as a whole, Table 10 shows that financial service establishments are the most likely to belong to a branch network, due mainly to the presence of many national banks and insurance companies in Downtown. All other sectors--except restaurants and bars, which are predominantly independent operations--show about the same rates of participation in branch networks, ranging from 18 percent of wholesale operations to 26 percent of miscellaneous office-based services.

In terms of activity within the branch system, prospects for Downtown branches were seen as slightly poorer than for the overall operations of all the branches of the firm. Nonetheless, conclusions about Downtown branches remained fairly optimistic. Of the branch system establishments, 42 percent thought activity in their downtown branches would increase over 1987-88. In contrast, 5 percent foresaw their downtown branches decreasing their activity. Just under 3 in 10 of the downtown branch firms (28 percent) saw business staying about the same. About one fourth of the respondents did not have an opinion on future prospects for their downtown branches.

4
EMPLOYMENT
CHARACTERISTICS
AND TRENDS

This Section reports on the level of employment downtown and its growth over the 1986-87 period. It also provides information on where downtown workers live and some data from another survey on higglers in the downtown area.

THE DOWNTOWN WORKFORCE

The information in this section is based mostly on the survey responses from the 717 establishments that provided data on their workers accounted for a total of 8,880 employees. From an analysis of these firms, we estimate that the total employment of all business establishments operating in downtown buildings was about 13,000.

It is important to note that this figure does not represent total downtown employment. In addition to the above are: (1) public sector employees (no estimate of that number is available, although we hope to gain some data on the topic in later phases of our monitoring program); and (2) the vendors working in the West Kingston Markets along with higglers on the street (an IDB study estimated the total of these categories at about 10,000 in 1984).

EMPLOYMENT GROWTH

In the survey, all firms were asked to report on the number of people they employed as of August 1987 and the change in that number over the preceding year. These data are useful in comparing growth among downtown sectors. They cannot be

used in making comparisons with Statistical Institute estimates of employment growth rates for Jamaica and its Parishes, however. The latter accounts for employment losses in establishments that have gone out of existence where the survey does not. Thus the data reported here overstates actual net growth rates. (Comparable information will be provided when the follow-on survey is conducted in 1990.)

With this caveat in mind, Table 11 compares the employment growth in downtown firms over 1986-87 by sector. In total, the 1987 firms had increased their employment by 779 workers over the year. Variations are significant. Among the major sectors, manufacturing employment grew by far the most rapidly (20 percent), followed by office employment (10 percent) and commercial employment (7 percent). In the office category, other services had the highest growth rate (40 percent), whereas the rates for financial and business services were quite low (5 percent and 3 percent, respectively). Wholesale had the highest growth rate in the commercial group (10 percent), followed by restaurants and bars (8 percent) and retail trade (7 percent).

In 1987, 53 of the businesses interviewed had opened within the preceding year. These new operations created 240 new jobs. The highest proportion of these positions (33 percent) were in the manufacturing sector; retailing and non-financial services

Table 11
Employment Growth (August 1986-August 1987)

	Workers 1987	Increase 1986-87		Annual Growth Rate (%)*
		Number	Percent	
Office Activities				
Financial services	1,653	71	9.1	4.5
Professional services	367	42	5.4	12.9
Business services	1,233	41	5.3	3.4
Other services	691	198	25.4	40.2
TOTAL	3,944	352	45.2	9.8
Commercial Activities				
Wholesale trade	921	81	10.4	9.6
Retail trade	1,683	107	13.7	6.8
Restaurants/bars	500	37	4.7	8.0
Other services	678	13	1.7	2.0
TOTAL	3,782	238	30.6	6.7
Manufacturing				
Total	1,154	189	24.3	19.6
TOTAL	8,880	779	100.0	9.6

Establishments responding: 717 (95%)

* Excludes employment losses from firms going out of business or leaving Downtown.

Table 12
Percent Distribution of Employment Growth by Time at Present Location
(August 1986-August 1987)

	Total	Time at Present Location (years)			
		1-2	3-5	6-10	> 10
Office Activities					
Financial services	100.0	-1.4	2.8	n/a	98.6
Professional services	100.0	43.9	41.5	2.4	12.2
Business services	100.0	32.6	4.7	2.3	60.5
Other services	100.0	79.6	6.1	-1.0	15.3
TOTAL	100.0	53.3	9.4	0.0	37.3
Commercial Activities					
Wholesale trade	100.0	65.4	0.0	27.2	7.4
Retail trade	100.0	55.6	23.1	5.6	15.7
Restaurants/bars	100.0	105.4	-10.8	0.0	5.4
Other services	100.0	144.0	-4.0	-12.0	-28.0
TOTAL	100.0	74.9	8.0	10.0	7.2
Manufacturing					
TOTAL	100.0	101.1	7.9	6.3	-15.3
TOTAL	100.0	71.6	8.6	4.7	15.2

Establishments reporting: 717 (95%)

contributed 129 new jobs in these newly-established operations. Table 12 indicates that younger establishments--which are newly started or have recently moved to new quarters within the past three years--are the primary source of employment growth. Most of the commercial activities (with the exception of the retail trade where employment growth was spread out across all age categories) and manufacturing follow this pattern. Employment in the office-based services are dominated by the older, traditional downtown financial and business services, which generated most of the job creation in these sub-sectors. Employment losses by the responding firms were concentrated among older commercial services and manufacturing operations.

Analysis of growth by firm size (as shown in Table 13, which categorizes establishments by size based on their workforces in 1986) indicated that the strongest growth was registered by establishments with less than 6 employees. Firms with more than 25 employees showed the next largest shares of growth, while medium-sized establishments had the smallest increases in their workforces. Across sectors, the experiences are quite different. In manufacturing, almost all the gain in employment was registered by firms with 10 or fewer employees; employment in firms with 11-100 workers actually declined. Among retail and other commercial establishments, employment increases were concentrated in the smallest firms: 94 percent of new retail jobs; 93 percent of new wholesale jobs; and 84 percent of new jobs in restaurants and

bars. In the financial sector, employment gains were concentrated in larger firms (the share of new jobs increased steadily with firm size): 86 percent of new jobs created were in establishments with more than 25 employees.

Taken together, these data imply that growth in the downtown manufacturing sector is coming from fairly small-scale operations which are newly set-up, not from larger, established manufacturers. In the financial and business service sub-sectors, the opposite scenario appears to be true: larger, established firms are the primary sources of new jobs. The retail trade shows a mixed patterns: their employment growth is mainly among younger establishments, but is not so tightly confined to the smaller firms. The other sub-sectors follow the manufacturing sub-sector pattern, but less rigidly: employment growth is somewhat more spread out across firms of different size and age.

Looking to the future, the survey asked firms to project what their workforce would look like in 1988. The results, given in Table 14, show some parallels with the recent experience of the establishments during 1986-87: manufacturing shows the largest increase, almost three times the average for all firms; most commercial activities (wholesale, retail, and restaurants and bars) expect employment growth to continue at about the same rate. Among office activities, there are important variations: business services, the slowest growing sub-sector over 1986-87, expects tremendous growth in the following

Table 13
Percent Distribution of Employment Growth by Establishment Size
(August 1986-August 1987)

	Total	Number of Employees				
		< 6	6-10	11-25	26-100	> 100
Office Activities						
Financial services	100.0	-7.0	4.2	16.9	25.4	60.6
Professional services	100.0	76.2	23.8	n/a	0.0	n/a
Business services	100.0	58.5	12.2	-17.1	7.3	39.0
Other services	100.0	6.6	5.1	-1.5	73.7	16.2
TOTAL	100.0	18.2	8.0	0.5	47.4	25.9
Commercial Activities						
Wholesale trade	100.0	92.6	-2.5	4.9	13.6	-8.6
Retail trade	100.0	94.4	1.9	10.3	-18.7	12.1
Restaurants/bars	100.0	83.8	29.7	-13.5	n/a	n/a
Other services	100.0	261.5	0.0	-138.5	-15.4	-7.7
TOTAL	100.0	101.3	4.6	-3.4	-4.6	2.1
Manufacturing						
TOTAL	100.0	90.5	10.1	14.3	-14.8	0.0
TOTAL	100.0	61.1	7.4	2.7	16.4	12.3

Establishments responding: 717 (95%)

Table 14
Estimated Employment Growth (August 1987-August 1988)

	1987	Projected Increase 1987-88		Annual Growth (%)	
		Number	Percent	Total	Aged < 2 Years
Office Activities					
Financial services	1,251	-29	-5.6	-2.3	60.0
Professional services	284	-13	-2.5	-4.6	-5.6
Business services	1,119	224	43.1	20.0	213.3
Other services	599	-128	-24.6	-21.4	-57.5
TOTAL	3,253	54	10.4	1.7	0.7
Commercial Activities					
Wholesale trade	547	65	12.5	11.9	9.6
Retail trade	1,191	120	23.1	10.1	5.8
Restaurants/bars	397	16	3.1	4.0	8.6
Other services	461	46	8.8	10.0	34.7
TOTAL	2,596	247	47.5	9.5	12.1
Manufacturing					
TOTAL	1,037	219	42.1	21.1	54.3
TOTAL	6,886	520	100.0	7.6	20.2

Establishments responding: Total - 497 (66%)
Aged < 2 years - 150 (66%)

year; the other sub-sectors (finance, professionals, and other services) all expect to reduce their workforces, despite recording gains in the previous year.

Among the youngest firms, this pattern (with a couple of exceptions) is reinforced. In total, establishments operating less than 2 years expected to increase their workforces at a rate almost three times that of all firms combined. The recently started manufacturing establishments expected to increase their workforce by almost half again their present number of workers. Most commercial activities in this age category expected steady growth in the future with the exception of low-skill commercial services, which foresaw a third more workers in the coming year. In the office category, newly-started financial and business service concerns expected large increases in their workforce (though the inflated numbers may reflect somewhat overly optimistic expectations by a few firms). The other new firms in the service sector expected to reduce their workforce in 1987-88.

WHERE INNER KINGSTON WORKERS LIVE

The survey also investigated where persons working downtown live. Overall, a

Table 15
Place of Residence of Downtown Workers

	Total	Percent of Employees Residing			
		Downtown	Adjacent Area	Other KSA	Outside KSA
Office Activities					
Financial services	1,116	1.0	5.0	69.1	24.9
Professional services	316	4.2	8.1	76.0	11.7
Business services	867	4.1	22.2	60.1	13.6
Other services	565	7.7	25.4	49.1	17.9
TOTAL	2,864	3.6	14.5	63.2	18.6
Commercial Activities					
Wholesale trade	624	14.0	24.9	42.6	18.5
Retail trade	1,400	12.7	18.4	49.9	18.9
Restaurants/bars	498	26.1	13.2	46.2	14.5
Other services	415	16.2	12.1	48.7	22.9
TOTAL	2,937	15.8	18.0	47.6	18.7
Manufacturing					
TOTAL	767	17.9	17.2	33.6	31.3
TOTAL	6,568	10.7	16.4	52.8	20.1

Establishments responding: 618 (82%)

small proportion (10 percent) of the Inner Kingston workforce is drawn from people living within the project area (as defined in Section 1). Residents of adjacent areas (outside the project area but within one mile of St. William Grant Park) make up a slightly larger share (16 percent) of the downtown workforce. The largest group, comprising just over half of those employed, live in other parts of Kingston-St. Andrew (KSA). Surprisingly, a full fifth of the workforce reportedly commutes to downtown from outside KSA (reflecting the rapid growth of Portmore and other areas in St. Catherine during the late 1970s and early 1980s).

Table 15 shows the distribution of workers' residency across the sub-sectors. Of the major sectors, manufacturing has the highest relative concentration of Inner Kingston residents (18 percent) in its workforce. Despite being one of the smallest sectors in terms of total employment, it offers the strongest hope for employing workers from the immediate area.

The distribution of local employees across the sectors is by no means even. Within the commercial sector, restaurants and bars draw 26 percent of their workers from the project area. Project area residents account for from 12 to 16 percent of the employees in the other commercial sub-sectors. Office activities are the least likely to employ downtown residents (4 percent overall). Financial services within this group is

lowest of all, drawing only 1 percent of its workers from the downtown area. This no doubt reflects the mismatch between the low skill levels of area residents and the specialized abilities required by these firms.

HIGGLERS

Apart from the formal sector establishments identified by the business survey, another major source of employment in downtown is higglering (vending in markets or on streets). A survey carried out for the Inter-American Development Bank in 1984 estimated about 10,000 higglers were active in the Downtown-West Kingston area on peak days, up 40 percent over the number observed in 1981. Since 1984, the number of vendors has probably continued to increase (mostly manufactured goods vendors), though at a slower rate. Approximately half of the vendors are "career higglers" (vending is their stable occupation and main source of income). Among these, about two thirds sell foodstuffs and one third offer manufactured goods and crafts for sale. About 45 percent of the full-time vendors have their business operations in existing markets, while the rest occupy fixed spots on adjacent streets. The other 5,000 part-time higglers operate with small stocks exclusively on the streets; their profit comes from low overhead and choosing strategic locations based on customer preferences.

For the majority, higglering offers employment and income with typical informal sector characteristics: self-employment, low capital requirements, competitive markets, flexibility in operations, and ease of entry. However, some higglers have economic turnover and profits which surpass many established businesses--29 percent of informal commercial importers and about a tenth of fish/meat and farm produce vendors had sales revenues in excess of J\$10,000 per week. Current investments by the UDC in West Kingston and Downtown are aimed at improving and controlling the environment in which this sizeable commerce takes place (see below).

Approximately 30 percent of food vendors (representing a quarter of all higglers) and most of the non-food vendors (about one sixth of all higglers) are KSA residents; the others travel in from outside Kingston for temporary stays in the city to sell their goods. Non-food vendors generally have higher skill levels than food vendors. In fact, 23 percent of the vendors of manufactured goods were previously skilled artisans, white collar workers, or even professionals. Among the food vendors, residents of KSA showed the lowest skill levels (almost one third had less than 4 years of primary education).

5
REAL ESTATE
MARKET
CONDITIONS

This section presents summary data on only four aspects of the real estate market in Inner Kingston: floor space demand; private tenure arrangements; variations in rent levels; and the extent and pattern of public land ownership. (Later reports will examine these topics in greater depth and cover other market conditions as well.)

FLOOR SPACE DEMAND

Table 16 shows information collected through the business survey on the square footage occupied by establishments in various sectors. Unsurprisingly, financial services (which include several headquarters for banks and insurance companies), wholesale operations (requiring large warehousing space), and business services (including two large accounting firms and two administrative offices for large corporations) show the highest average size. Restaurants and bars and professional offices have the smallest average size. Many restaurants and bars are small, streetfront spaces within buildings used for other purposes (i.e., a residence upstairs, perhaps a workshop in back). Professional offices are small, on average, since many are offices of a single lawyer or doctor in private practice, rather than partnerships or corporate groups. Manufacturing establishments average only 3,200 square feet, reflecting the fact that the majority of manufacturing establishments have 10 or fewer employees.

Examination of the space use differences between older and younger establishments (i.e., establishments operating less than two years) indicates younger firms tend to occupy smaller spaces (except for those in professional services) than older firms. Though this mainly reflects the natural growth process of firms over time, the data also indicates

Table 16
Existing Floor Space

	<u>Square Feet per Establishment</u>			<u>Square Feet per Employee</u>		
	Total	Aged < 2 Yrs.	Aged > 2 Yrs.	Total	Aged < 2 Yrs.	Aged > 2 Yrs.
Office Activities						
Financial services	18,005	10,000	20,292	290	333	285
Professional services	2,027	2,980	1,670	216	248	199
Business services	7,939	351	11,277	263	86	271
Other services	5,491	967	7,750	126	11	234
TOTAL	7,067	2,029	9,155	235	104	264
Commercial Activities						
Wholesale trade	6,009	1,380	7,093	475	245	497
Retail trade	4,349	1,790	5,297	403	331	414
Restaurants/bars	1,747	1,066	2,041	368	355	378
Other services	1,262	564	1,627	203	182	177
TOTAL	3,772	1,275	4,799	397	285	412
Manufacturing						
TOTAL	3,219	3,204	3,226	147	114	170
TOTAL	4,432	1,642	5,607	294	161	324

Establishments reporting: 366 (48%)

younger firms tend to be slightly more intensive in their use of floor space per employee. (The very low square feet per employee figure for business services results from an establishment with many employees who operate out of a small office.) These patterns of space use may be further explained by the rental data which shows that younger firms (across all sectors) pay net rents per square foot which are almost twice as high as rents paid by firms which have been at their location for a longer period (see Table 17 below). Thus, younger firms may also be reacting to the higher cost for space which they face compared to their older competitors.

The survey also questioned firms on their future demand for space compared to the space they now occupied. (The data are presented in Table 17.) In total, approximately 71 percent of the establishments interviewed stated that they had no desire to change the amount of space they occupied. This figure was broadly constant across sectors (with the exception of manufacturing operations) and age groups, showing less than 10 percentage points of variation. Manufacturing operations deviated from this pattern, with only 50 percent wishing to retain their current amount of space. Very few firms--less than 2 percent--expressed a desire to reduce the amount of space that they occupied.

Among the remaining firms, commercial firms were more optimistic about the scale of their future expansion. Three of five commercial firms wanting to expand their

space thought they would need two or more times the space they presently occupied; manufacturing operations equally optimistic about the scale of their desired floor space increases. Office based firms were almost evenly split between less than a 100 percent increase and an increase in floor space of 100 percent or more. Interestingly, firms in their first year were the least likely to be thinking of expansion--only a fifth wished to expand their space. However, after the first year, firms aged 5 years and less showed the highest proportion of establishments wanting to increase their floor space (and the highest percentages of firms who wished to more than double their current space).

Table 17
Estimated Floor Space Needs

	Total	Floor Space Needs (as percent of current space)				
		50% or less	51% to 99%	100%	101% to 199%	200% or more
BY SECTOR						
Office Activities						
Financial services	100.0	3.8	3.8	76.9	11.5	3.8
Professional services	100.0	0.0	1.9	75.5	13.2	9.4
Business services	100.0	1.5	0.0	63.1	16.9	18.5
Other services	100.0	0.0	0.0	73.1	15.4	11.5
TOTAL	100.0	1.2	1.2	70.6	14.7	12.4
Commercial Activities						
Wholesale trade	100.0	1.1	0.0	70.1	9.2	19.5
Retail trade	100.0	1.0	0.5	74.0	10.7	13.8
Restaurants/bars	100.0	0.0	0.0	77.8	7.7	14.5
Other services	100.0	0.0	0.0	72.3	10.6	17.0
TOTAL	100.0	0.6	0.2	73.9	9.7	15.6
Manufacturing						
Total	100.0	3.0	0.0	50.0	19.7	27.3
TOTAL	100.0	1.0	0.4	71.0	11.8	15.9
BY AGE OF ESTABLISHMENT						
Less than 1 year	100.0	0.0	0.0	79.2	8.3	12.5
1-2 years	100.0	0.8	0.8	65.1	8.7	24.6
3-5 years	100.0	1.8	1.2	64.0	15.9	17.1
6-10 years	100.0	0.0	0.0	74.0	12.5	13.5
More than 10 years	100.0	1.3	0.0	73.4	12.4	12.9
TOTAL	100.0	1.0	0.4	70.6	12.0	15.9

Establishments reporting: Sector - 730 (96%)
Age - 715 (94%)

TENURE ARRANGEMENTS

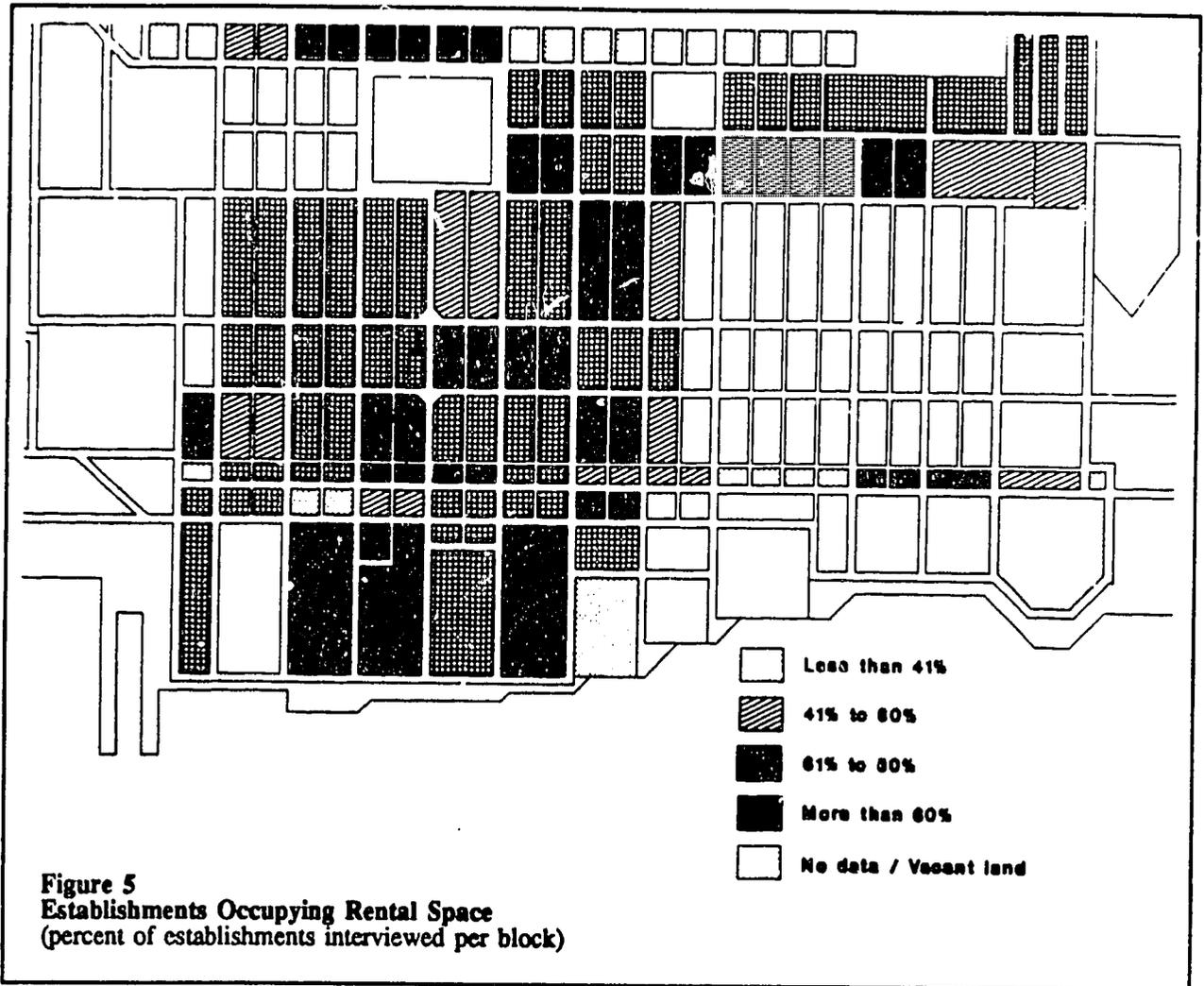
Very little information is available about land transactions in Downtown, but some comparisons based on project experience can be made. To obtain its development properties between 1986 and 1988, KRC has paid prices ranging from J\$10 to J\$25 per square foot for land and buildings. In the first half of 1988, New Kingston property was changing hands at J\$120 per square foot for land only.

Despite the apparent low cost of owning property, approximately 7 of 10

Table 18
Tenure Arrangements

	Total	Owner Occupied	Renter Occupied		
			Total	Written Lease	Other
BY SECTOR					
Office Activities					
Financial services	100.0	41.9	58.1	41.9	16.1
Professional services	100.0	22.2	77.8	27.8	50.0
Business services	100.0	16.9	83.1	18.5	64.6
Other services	100.0	25.9	74.1	25.9	48.1
TOTAL	100.0	24.3	75.7	26.6	49.2
Commercial Activities					
Wholesale trade	100.0	44.3	55.7	26.1	29.5
Retail trade	100.0	32.0	68.0	29.1	38.9
Restaurants/bars	100.0	20.0	80.0	14.2	65.8
Other services	100.0	18.6	81.4	19.6	61.9
TOTAL	100.0	28.7	71.3	23.2	48.0
Manufacturing					
TOTAL	100.0	22.4	77.6	17.9	59.7
TOTAL	100.0	27.1	72.9	23.5	49.3
BY AGE OF ESTABLISHMENT					
Less than 1 year	100.0	12.2	87.8	20.4	67.3
1-2 years	100.0	11.7	88.3	34.4	53.9
3-5 years	100.0	12.9	87.1	28.2	58.8
6-10 years	100.0	28.0	72.0	24.0	48.0
More than 10 years	100.0	50.0	50.0	16.5	33.5
TOTAL	100.0	26.8	73.2	23.8	49.3

Establishments reporting: Sector - 752 (99%)
Age - 738 (97%)



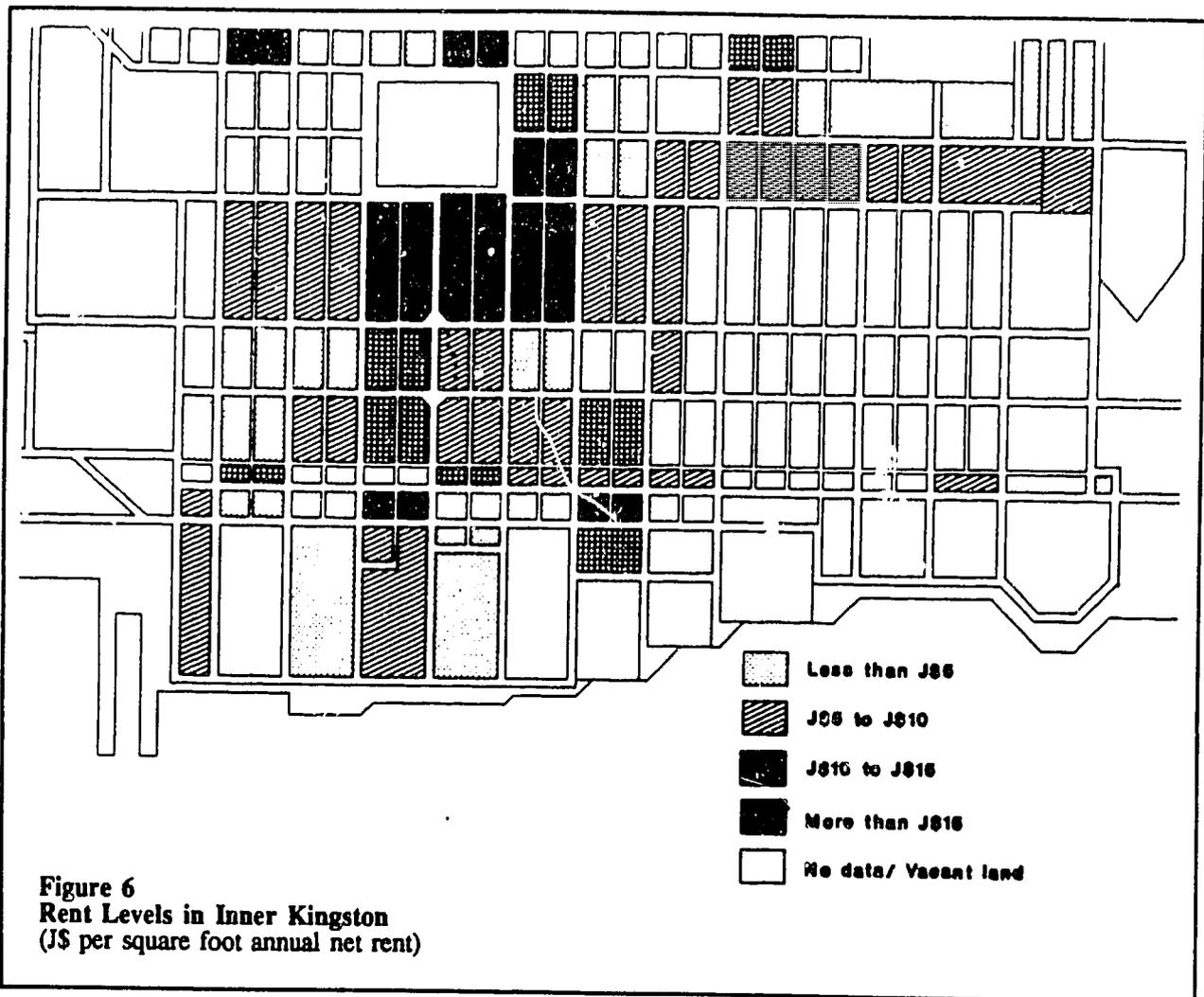
businesses Downtown obtain their space through the rental market. Of the establishments interviewed, only 27 percent owned their premises. Unsurprisingly, those firms which have been at their location the longest were the most likely to own their property; half the firms at the same location for more than 10 years were owner-occupiers. Sectors with the older age structures (financial services, wholesale and retail operations) also had above average ownership rates--see Table 18).

In spatial terms, most of Downtown is occupied by renters. Figure 5 shows only small, isolated parts of the downtown area where owner-occupiers of properties make up as much as 40 percent of the establishments located there. The prime business areas--along King, Duke, and East Queen Streets--all show a majority of blocks where the proportion of renters exceed 80 percent. A similar situation exists along the waterfront, where the commercial space is owned by UDC and thus is only available through leasehold arrangements.

Two possible explanations might explain the prevalence of renting. First, although

the observed land price is very low, downtown establishments are unable to purchase property because it is unavailable. Current owners of property may not be willing to place it on the market because of the low prices or expectations of future appreciation. Second, the low level of rents downtown may make renting an economically viable alternative to owning property.

Within the rental market for commercial and industrial space, there is very little "informal" occupation of buildings (informal is defined here as those paying zero or negligible rent). Only 3 percent of the renters claimed to have no arrangement with, or pay no rent to, their landlord. Of the remainder, about one third have written leases, while two thirds rely on unwritten agreements with their landlords. Written leases are used mainly by the larger establishments. The average number of employees for a tenant with a written lease is 20.8 while the average tenant without a written lease has only 5.1 workers. Thus, financial establishments--which tend to have many employees--favor written leases while low-skill service operations--which tend to be small--do not often have written leases. Even non-financial office establishments do not use written leases for their rented space--including 21 of the 35 legal offices interviewed!



In terms of the structure of the leases, there were differences, but most were not significant: tenants without written leases remained as stable in their locations as tenants with a written lease; tenants with written leases were much more likely (by a factor of 10) to have an agreement with their landlord on rent increases, though tenants without written leases had their rent raised less frequently and expected, on average, slightly lower rent increases in the future than tenants with written leases; 39 percent of written leases were gross leases (net rent plus operating charges) while only 27 percent of unwritten leases were gross leases. The most significant difference between the two types of lease arrangements was in the annual net rent per square foot: unwritten leases averaged J\$9 per square foot, while written leases average J\$23 per square foot (see below for a general discussion of net rent levels). It may be that landlords who operate with written leases are more financially sophisticated and try to achieve market-level returns. Those who do not use written leases may only hold their property as a secondary income source and pay less attention to its earnings. Alternatively, written leases may be introduced mainly when new buildings are opened for occupancy. The survey did not find any bias toward or away from written leases in terms of the length of occupancy by tenants. However, the data on the age of buildings is not sufficiently precise to fully test this hypothesis.

RENT LEVELS

Interpreting information about net rent levels through the survey proved difficult since respondents sometimes could not give the square footage of the space they were renting or gave unclear or contradictory answers about what was included in their rental payments to the landlord. However, sufficient data was collected from about a third of the renters to calculate net rent figures (rent paid for space use only, excluding amounts for utilities or other services). This information is shown in Figure 6 and Table 19. (The survey was unable to determine net rental figures for financial service firms as they failed to provide adequate gross rental information on which to base net rent estimates.)

Net rent levels (on an annual basis) can broadly be broken down in the following manner: restaurants and bars pay very low rents (about J\$5 per square foot)--this may be because many of these establishments operate in a manner closer to the informal sector, often out of premises also being used as a residence; manufacturing and warehousing activities, which required large, unimproved spaces, were paying less than J\$10 per square foot in rent; ordinary office space averaged about J\$11 per square foot, while higher quality space used by professionals averaged J\$18; retail space showed the highest rent levels, reflecting the premium paid for ground floor space in good locations.

As might be expected, the spatial structure of rent levels in Downtown is centered on King and Duke Streets near the Parade (see Figure 3). Commercial rents in excess of J\$15 per square foot are clustered closest to the square, with slightly lower rents (J\$10 to J\$15 per square foot) along the King Street corridor down to the UDC developments on the waterfront. This compares with contemporaneous commercial rents of J\$35 per square foot in New Kingston. Data from the business survey for the rest of Downtown is more sketchy, but the general level of rents along secondary commercial streets (East Queen and Princess Streets, for example) is less than J\$10 per square foot. The southwestern end of Downtown has rents of less than J\$5 per square foot; this is the same area in which KRC is receiving over J\$13 per square foot for industrial space.

**Table 19
Rent Levels**

	August 1987 Net Rent (J\$/sq.ft.)	Increase in Rent (percent)	
		Actual 1986-87	Expected 1987-88
BY SECTOR			
Office Activities			
Financial services	n/a	18.4	31.0
Professional services	18.30	25.7	32.1
Business services	11.01	10.8	49.1
Other services	10.99	0.0	27.5
TOTAL	13.12	16.5	37.9
Commercial Activities			
Wholesale trade	9.11	13.5	19.1
Retail trade	22.96	13.2	51.3
Restaurants/bars	5.07	28.5	60.0
Other services	12.73	25.0	33.6
TOTAL	15.66	16.9	44.6
Manufacturing			
TOTAL	5.00	36.6	36.8
TOTAL	13.89	18.6	42.0
BY AGE OF ESTABLISHMENT			
Less than 1 year	18.69	54.3	10.0
1-2 years	26.04	21.6	30.9
3-5 years	10.26	11.3	49.1
6-10 years	8.03	32.5	53.3
More than 10 years	9.40	15.5	42.1
TOTAL	13.97	18.6	42.0

Establishments reporting: Sector - 171 (31%)
Age - 170 (31%)

Most establishments faced rent increases during 1986-87 in the range of 15 to 25 percent. Renters in the manufacturing sector faced the largest increases with rents rising by more than 35 percent during the year. All sectors were expecting even heftier rent increases over the following year, perhaps reflecting a perception of increasing demand for space in Downtown (exacerbated by the high proportion of unusable or substandard properties) and the relatively low rents charged by downtown landlords. By comparison, rents for high-quality office space in New Kingston ranged from J\$30 to J\$35 per square

foot at the beginning of 1988.

PUBLIC LAND OWNERSHIP

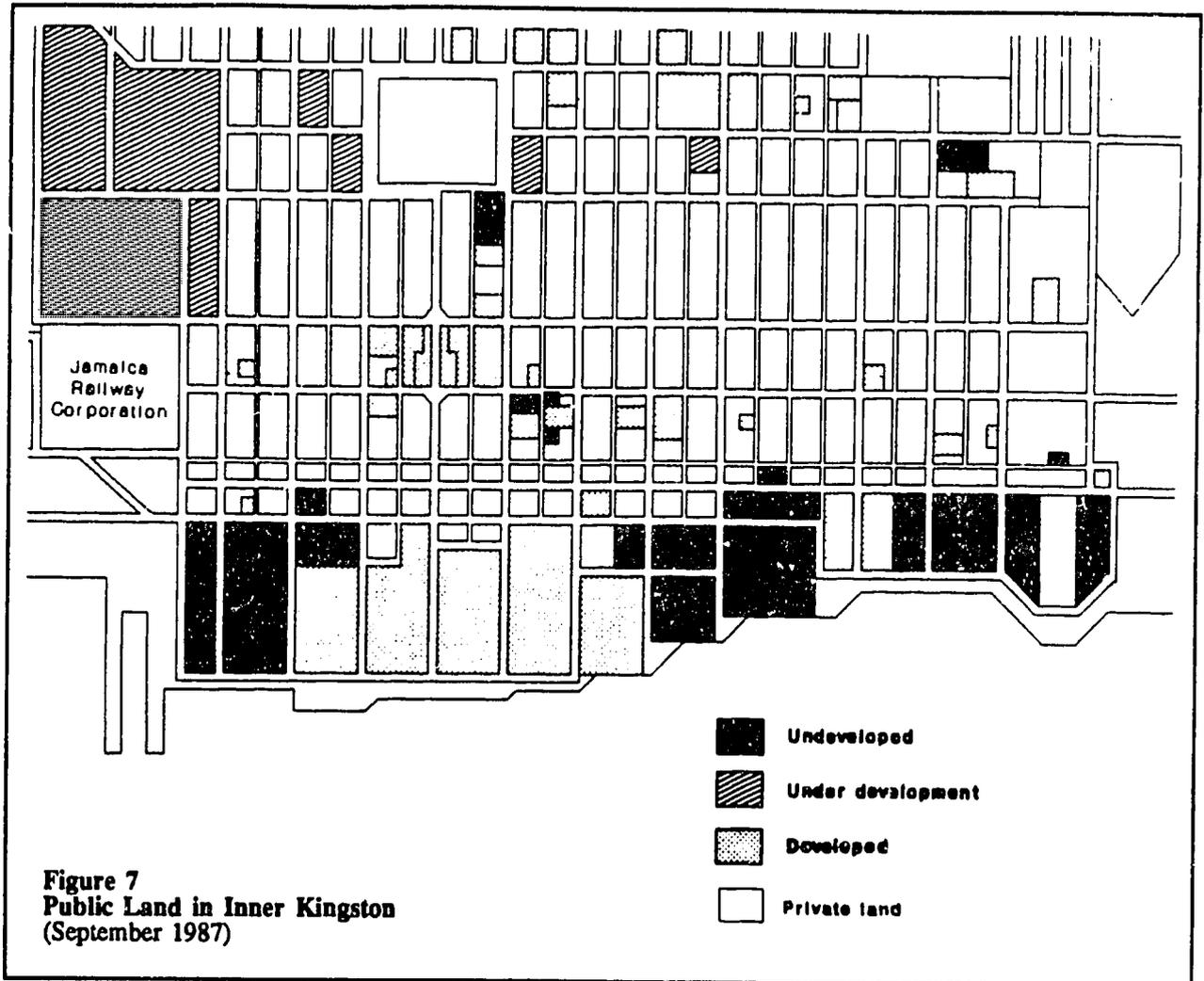
Within the project area, 76 properties were registered with the Land Valuation Division in September 1987 as being owned by government agencies, local government, or parastatal enterprises, comprising 2.32 million square feet valued at J\$35.5 million (see Table 20). (It should be noted an additional 71 parcels, with a total area of 635,000 square feet and a total valuation of J\$2.6 million, had been acquired by UDC for the transportation terminal component of the Inner Kingston Redevelopment Project and the new markets of the West Kingston Redevelopment Project.) More than a third of the land owned by public agencies is undeveloped (though some of this land is currently used as playing fields or parking lots).

UDC is the largest landowner in the downtown area, controlling large areas of undeveloped or unused property on the waterfront (see Figure 6). UDC owns 62 percent of all public lands in Inner Kingston. The balance is held mainly by the Commissioner of Lands and other ministries and parastatal corporations; a small amount is held by the Kingston-St. Andrew Corporation (KSAC). UDC controls 87 percent of all undeveloped public land within the project area (and practically all of the vacant, readily developable lands. KSAC is the next largest holder of vacant public lands with 10 percent of the

Table 20
Public Lands in Inner Kingston

	Number of Lots	Total Area		Value* (J\$)
		Square Feet	Percent	
Developed Land				
UDC	12	633,356	27.4	13,049,000
Commissioner of Lands	24	504,941	21.8	3,677,500
KSAC	1	15,200	0.7	136,000
Statutory Bodies	8	232,700	10.0	4,157,000
TOTAL	45	1,386,197	59.9	21,019,500
Undeveloped Land				
UDC	18	806,055	34.8	13,650,000
Commissioner of Lands	4	23,144	1.0	215,000
KSAC	6	93,812	4.0	559,000
Statutory Bodies	3	6,157	0.3	49,000
TOTAL	31	929,169	40.1	14,473,000
TOTAL	76	2,315,366	100.0	35,492,500

* Value is for unimproved land as assessed by Land Valuation Department in 1987.



undeveloped total.

Decisions about the use and development of public lands have an important role to play in the future development of Downtown. The public sector owns over a third of all developed and developable land (approximately 6.76 million square feet). Control of this land presents a great opportunity for the public sector to become more active in the land market to promote further development in the project area.

In addition, the public sector controls two major components of Downtown which will shape the future direction of development in the area: the West Kingston redevelopment and the waterfront. The markets and transportation terminal have the potential to greatly alter the current structure of downtown by changing the distribution of commercial activity and imposing a new traffic pattern (both vehicular and pedestrian) on the area. On the waterfront, opportunity still remains for future developments to enhance the connection between Downtown and the water rather than isolating the center behind a wall-like enclave.

ANNEX A

PROJECT DESCRIPTION INNER KINGSTON DEVELOPMENT PROJECT

Introduction

The Inner Kingston Development Project is a USAID-assisted program aimed at revitalizing downtown Kingston. The downtown zone deteriorated markedly through the 1970s as economic and social conditions in the area declined rapidly. However, it was felt by many Kingston business people and by AID that Downtown still offered many advantages, in terms of location, infrastructure, and the existing business community. A joint partnership between AID and the private and public sectors was proposed to stimulate economically viable investment and job creation to reverse the negative economic trend of the area and make Downtown an active center of production.

Project Background

Over the past ten years, Jamaica has undergone significant changes, both economic and social. The economy has endured some of the most wrenching structural and policy changes ever experienced under a democratically elected government in so little time. In an effort to lower its cost structure and enhance its international competitive position, the country has severely devalued the Jamaican dollar, reduced government work forces, and transferred some functions from the public to private sector.

Private investors were expected to respond to these initiatives by increasing production, especially for export, and by creating jobs to absorb unemployed workers. The strategy in fact has succeeded in boosting Jamaica's exports of manufactures and non-traditional agricultural products, but the precipitous decline of bauxite production--for reasons almost entirely beyond the government's control--has more than offset these advances. Jamaica has been left with an austerity policy that has been frustratingly slow to produce an aggregate economic turnaround.

However, there are now signs of improvement in Jamaica's economy. The rate of inflation has fallen substantially. Interest rates are moving lower. Substantial aggregate manufacturing growth is projected for the first time in several years. There has been some improvement in the world bauxite market. The GOJ has completed a tax reform that has boosted take-home pay for many workers and increased incentives to production by lowering marginal tax rates. In short, the Jamaican economy and Jamaican government is at a critical juncture that will determine if the country can reap the benefits of its economic restructuring.

The social strife which peaked in the two years before the 1980 national election had a particularly devastating effect on Downtown and neighboring areas. The area surrounding the city center was the focal point of much disorder during the 1976-82 period. In the two square kilometers west of Downtown, over 21,000 persons were deprived of shelter through fire, eviction, or violence; 4,000 thousand buildings and residences were destroyed. Some fifty hectares, home to 6,600 persons and encompassing

twenty-seven streets, were totally razed. From an initial population of 55,000, 23,000 persons left the area during this period--14,000 as a direct consequence of the conflict. Similar stories can be told about other areas adjacent to the Downtown core.¹

These surrounding areas were already, like core areas in many large urban centers, experiencing economic deterioration, a process which had begun in the 1970s. The suburbs and new business centers (like New Kingston and Halfway Tree), offering low-priced fresh land and residential land turned over to commercial use as strong incentives for relocation, were the focus of growth. Many of the largest employers Downtown, the banks, insurance companies, and business headquarters joined this movement uptown. This decline is underlined by the general fall in local population levels during that period. Between 1970 and 1982, the population in residential areas within a two miles of the Parade (St. William Grant Park) declined from 156,000 to 123,000. In the meantime, the population of Kingston-St. Andrew metropolitan area grew from 391,500 to 463,900 over the same time period.²

This central area of Kingston also contains Jamaica's most serious unemployment. The destruction caused by the conflict (estimated, at a minimum, to total US\$20 million in the area surrounding Downtown) and the resulting loss of some 1,500 jobs greatly accelerated the loss of jobs. In 1982, 36% of the labor force in the area within two miles of the Parade was out of work--a rate 50% higher than the unemployment rate for the rest of Kingston-St. Andrew and 24% higher than the national average. The labor force is characterized by low education, training, and skill levels. Current unemployment rates in many of these neighborhoods are difficult to determine, but are estimated to range upward from 60%.³

Private investment in Downtown also declined in the 1970s, following the trend of urban decay and matched by the slowdown of public investment after the completion of the first phase of the Urban Development Corporation's (UDC) waterfront development. UDC's development on the harbour injected significant investment, but did not exploit positive linkages with the existing Downtown business community or surrounding residential areas. Rather, the development, in both design and use, seemed to turn its back on the traditional commercial role of Downtown. With the completion of the Conference Center in 1981, Inner Kingston would receive almost no public investment until the West Kingston Markets project began in 1986.

Against this background, the Inner Kingston Development Project has been designed to address two key constraints limiting Jamaica's capacity for economic recovery and growth: (1) the country's shortage of production space needed to accommodate the expansion of business and relieve unemployment; and (2) the economic and physical

¹ Figures quoted in this section (except where noted) are from Eyre (1984), "Political Violence and Urban Geography in Kingston, Jamaica", *Geographical Review* 74, 1: 24-37, and Eyre (1986), "The Effects of Political Terrorism on the Residential Location of the Poor in the Kingston Urban Region, Jamaica, West Indies", *Urban Geography*, 7, 3: 227-242.

² Census data from the Statistical Institute of Jamaica.

³ Eyre (1986).

deterioration of Inner Kingston (see Figure 1 for a map of the project area), the heart of the nation's capital, which has deterred investment in Jamaica by both foreign and domestic investors, and has produced extreme rates of urban unemployment.

Goals and Strategy

The goal of the Inner Kingston Development Project is to contribute to Jamaica's needs for increased investment and employment opportunities. Its purposes are: (1) to provide additional work space in Inner Kingston suitable for the expansion of light manufacturing and mixed commercial activity; and (2) to help restore Inner Kingston as a center for economic activity and job creation.

Several studies have indicated that the lack of suitable work space (particularly factory space) is a fundamental obstacle to business expansion in Jamaica at present. One segment of the need is already being addressed by factory construction in the Free Zone, mostly for large-scale foreign owned firms. The project addresses a second segment by focusing on the provision of space for indigenous small and medium scale enterprises.

The project is clustering its activities in or near Inner Kingston for three reasons. First, Jamaica's greatest concentration of unemployment is located around the Downtown area. If jobs are to reach these pockets of severe unemployment, they will have to be located within easy access of where unemployed workers now live.

Second, the physical and economic deterioration of Inner Kingston, and concomitant social discord, have become a discouragement to investment throughout Jamaica. If this area, which continues to house key government and financial institutions, recovers its economic vitality, it could help rekindle economic expectations nationwide. Signs of incipient market recovery are already evident in increasing private rehabilitation of commercial space. Major complementary investments, such as the IDB-financed West Kingston Markets project, are now being launched. In addition, rehabilitation of key historic sites and institutions in the area is also under way: St. William Grant Park and the Ward Theatre have already been renovated; work is being carried out on the Supreme Court Building. The prospect of strategically located factory investment, supported by infrastructure improvements and related commercial development, should add substantial impetus to the area's recovery.

Third, the area offers significant opportunities for cost savings in development. While they need improvement, basic infrastructure networks are in place and have excess capacity. The area also contains a large number of vacant buildings that are structurally sound and well configured for rehabilitation for light manufacturing and commercial use. Emphasis on rehabilitation implies costs for new work space significantly below what would be required for new construction elsewhere.

Implementation

Two institutions have primary responsibility for implementing the project: the Kingston Restoration Company (KRC), a private public interest corporation formed by leading insurance companies, building societies, and developers in the area; and the Urban Development Corporation (UDC), a parastatal with considerable experience in large

project development. AID responsibility for the project will be held by the Regional Housing and Urban Development Office for the Caribbean (RHUDO/CAR). The Urban Institute, a Washington-based firm, has been selected by AID to serve as the project's Management Support and Monitoring Contractor. It will assist the implementing agencies and AID in monitoring project performance, providing technical assistance, and undertaking market and other analyses needed both to guide project design decisions and to evaluate the project's impact.

Since the project concept was first discussed, all parties have agreed that the urgency of the unemployment problem demanded unusually rapid project formulation and implementation. Project planning began in earnest in February 1986. Only four months later, the plans were complete, and on July 30, KRC and UDC both signed agreements with USAID, formally initiating project execution.

The Kingston Restoration Company is responsible for implementing the following activities:

- The rehabilitation and construction of 324,500 square feet of space for manufacturing and light industrial use.
- The rehabilitation of 71,500 square feet of space for mixed commercial use.
- The implementation of an outreach program to involve the local community effectively in the development process.
- The operation of a small grant program to facilitate business expansion by small entrepreneurs (to yield 100,000 square feet of refurbished space for manufacturing and commercial use).

KRC elements of the project have been designed to maximize the role of the private sector. KRC is itself a private entity. It is developing some properties on its own, and on others it is working with existing private owners to help them make improvements. Private entities are responsible for essentially all construction work and subsequent property management. Community programs channel capital to small business owners and non-governmental community groups.

Cost recovery is also emphasized. Apart from AID's capital grant, KRC relies on rent streams generated by new and improved properties and appreciation of its capital assets to finance its continuing operations.

The Urban Development Corporation is responsible for implementing the following activities:

- The development of a new Transportation Terminal with bus terminal facilities for both inter- and intra-urban use.
- The provision of supporting infrastructure and related improvements, including: improvements to feeder sewers and the Harbour Street trunk sewer; water main replacement; new traffic signals at key intersections; and road resurfacing.

- Convening and chairing and Annual Planning Process in which UDC and KRC jointly plan activities for the year ahead and involve representatives of community groups, governmental agencies, and private firms in broader planning for the area's development.

The total cost of the project is estimated at US\$25 million. AID financing includes a loan of US\$5 million and a grant of US\$10 million. KRC is contributing a total of US\$1.6 million from its own resources and will reinvest an additional US\$3.9 million it expects to earn in reflows from the first round of AID- and KRC-funded rehabilitation and construction. UDC will finance US\$2.2 million of the construction cost of the new Transport Terminal and an additional US\$2.1 million to cover staff costs and some supporting infrastructure and park improvements.

ANNEX B

BUSINESS SURVEY METHODOLOGY INNER KINGSTON DEVELOPMENT PROJECT

Introduction

An important aspect of the monitoring program associated with the Inner Kingston project is the measurement of project impact on the downtown area. Apart from the direct impacts of the activities carried out by KRC and UDC, the monitoring program also seeks to identify the indirect benefits engendered by the project. These indirect benefits include: private investment influenced by changing conditions in the area; changes in employment by downtown firms (in terms of the number of employees, the types of jobs, and where the employees are drawn from); and trends in the land and space rental market in Downtown. To evaluate how these variables might change over time, the monitoring program had to establish the conditions which obtained at the start of the project.

In order to create the data baseline from which to measure changes in the project area, The Urban Institute (in conjunction with UDC and KRC) designed a survey of businesses located within the project area to collect information on the numbers and types of businesses, employment levels and characteristics of the downtown workforce, the amount of vacant and occupied space, rent levels and leasing arrangements, and employment levels. In addition to constructing the data baseline, the survey also aimed to assess the potential for business expansion within Downtown and assist KRC in assessing how it is perceived in the downtown area and identify project opportunities.

Survey Scope

The survey area incorporated the entire project area with the exception of the IDB West Kingston Markets project area (where most of the area was to be rebuilt) and the predominantly residential areas of East Kingston. (A map of the survey area can be found in Section 1 of this report.)

The survey population was defined as business establishments operating out of permanent, primarily non-residential structures. This population included, for example, storefront businesses with residential quarters behind or above the shop, but not artisans working in their home. Vendors operating in the streets or public markets were not included in the survey. In general terms, purely public institutions were not included in the survey; these encompassed ministry offices, the courts, police stations and post offices, primary and secondary educational institutions and bodies which serve government (the Government Printing Office). Statutory bodies or para-statal organizations (Air Jamaica) were included in the survey, as were private, non-profit organizations (Chamber of Commerce) and private educational institutions operated on a commercial basis (secretarial schools). Ecumenical institutions and associated activities were excluded from the survey.

Survey Methodology

The survey was conducted by Caritech Associates Limited of Kingston. Twenty

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interviewers and four supervisors conducted interviews in the downtown area during July and August 1987. The interviewers identified 1,156 business establishments in the survey area and successful interviews were conducted with representatives of 758 of these firms. (Interviews were conducted mainly with the owners or managers of the businesses.)

The survey instrument (reproduced in this annex) consisted of three parts:

- **Building census form:** This form notes the physical characteristics of each building. At the same time, interviewers enumerated the business establishments located within the building and attempted to identify the appropriate contact person for the later interviews.
- **Business interview:** The interviews covered the type of activity in which the business was involved, expansion plans, tenure arrangements, and rent levels. Each interview took between 20 and 30 minutes to complete. Follow-on spot checks were made by supervisors to verify the accuracy of the information recorded by the interviewers.
- **Data form:** At the conclusion of the interview, a form was left with the business asking them to provide details of employment and space use by the firm. This form was then collected by the interviewers at a later date.

The survey plan envisaged a concurrent set of interviews to be conducted with the owners of rental properties identified through the business survey. However, this questionnaire turned out to be infeasible to administer given the difficulty in locating many of the landlords and the time and financial constraints of the survey budget.

Following completion of the survey, the data entry from the questionnaires was carried out by the Research Unit of UDC under the direction of Dr. Vincent George. In January of 1988, an initial set of response frequencies and cross-tabulations were produced UDC. This report served as a valuable starting point for the baseline report and also outlined some minor inconsistencies within the data set. Eight respondents to the questionnaire had to be dropped from the data file because of a large number of incomplete or inconsistent responses in their set of answers. In cases where respondents gave incompatible responses within subsections of the questionnaire, these respondents were not included in the analysis.

UDC/KRC DOWNTOWN KINGSTON
BUSINESS DATABASE
QUESTIONNAIRE

PART A
[TO BE COMPLETED PRIOR TO INTERVIEW]

1. Questionnaire Number:.....!_____! [1]
2. Date of interview: (DD/MM/YY).....!___/___/87 [2]
3. Interviewer number:.....!_____! [3]
4. Supervisor number:.....!_____! [4]

BUILDING STOCK

5. Reference codes:
 - (a) Grid:.....!_____! [5]
 - (b) Enclosure:.....!_____! [6]
 - (c) Parcel:.....!_____! [7]
 - (d) Zone number:.....!_____! [8]
 - (d) Block number:.....!_____! [9]
 - (e) Address:.....!_____! [10]
6. Building characteristics:
 - (a) Number of stories:.....!_____! [11]

What is the predominant use of each storey in the building?

- | | |
|--------------------|---------------------------|
| 01 - Housing | 11 - Vacant housing |
| 02 - Commercial | 12 - Vacant commercial |
| 03 - Office | 13 - Vacant office |
| 04 - Manufacturing | 14 - Vacant manufacturing |

(Please encircle the appropriate number for each storey.)

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 2

Questionnaire No. _____

Interviewer No. _____

- 6. (b) Ground floor:..... 01 02 03 04 11 12 13 14 [12]
- (c) First floor:..... 01 02 03 04 11 12 13 14 [13]
- (d) Second floor:..... 01 02 03 04 11 12 13 14 [14]
- (e) Third floor:..... 01 02 03 04 11 12 13 14 [15]
- (f) Fourth floor:..... 01 02 03 04 11 12 13 14 [16]
- (g) Fifth floor:..... 01 02 03 04 11 12 13 14 [17]
- (h) Sixth floor:..... 01 02 03 04 11 12 13 14 [18]
- (i) Seventh floor:..... 01 02 03 04 11 12 13 14 [19]
- (j) Eighth floor:..... 01 02 03 04 11 12 13 14 [20]
- (k) Ninth floor:..... 01 02 03 04 11 12 13 14 [21]
- (l) Tenth floor:..... 01 02 03 04 11 12 13 14 [22]
- (m) Eleventh floor:.... 01 02 03 04 11 12 13 14 [23]
- (n) Twelfth floor:..... 01 02 03 04 11 12 13 14 [24]

- 7. Condition of building:
 - (a) Existing structure:
 - Building, intact..... 01 [25]
 - Building shell (basic structure intact)... 02
 - Ruin (reconstruction required)..... 03
 - Vacant lot..... 04
 - Other..... 05

 - (b) Building occupied or vacant:
 - Vacant..... 00 [26]
 - Occupied..... 01

Questionnaire No. _____

Interviewer No. _____

7. (c) What is building constructed of:

Concrete frame.....	01	[27]
Steel frame.....	02	
Masonry walls with steel frame roof.....	03	
Masonry walls with wood frame roof.....	04	
Wood frame.....	05	
Other.....	06	

(Please explain)

8. Visible damage:

	<u>No</u>		<u>Yes</u>	
(a) Cracked, buckled, or partially destroyed frame.....	00	.....	01	[28]
(b) Roof has visible holes or leaks.....	00	.....	01	[29]
(c) Walls have large holes or cracks....	00	.....	01	[30]
(d) Doors or windows missing or broken..	00	.....	01	[31]
(e) Estimated age of structure:				
Less than 15 years.....			01	[32]
15 to 50 years.....			02	
More than 50 years.....			03	
Indeterminate.....			04	

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 4

Questionnaire No. _____

Interviewer No. _____

BUSINESS IDENTIFICATION

9. (a) Business Name: .! _____ ! [33]
- (b) Address:! _____ ! [34]
- (c) Business number:! _____ ! [35]
- (d) Telephone:92-! _____ ! [36]
- (e) Contact person: ! _____ ! [37]
- (f) Position:
- Owner 01 [38]
- Manager 02
- Controller/Accountant 03
- Other 04
- (Please explain)

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 5

Questionnaire No. _____

Interviewer No. _____

PART B
[INTERVIEW]

Good morning/afternoon/evening, I am [name] and I am assisting the Urban Development Corporation and the Kingston Restoration Company to conduct a survey among businesses located in Downtown Kingston.

We are particularly interested in learning what type of businesses are located in the Kingston downtown business area, how business people there perceive the area generally, and what recommendations you might make in order to improve conditions in this area.

First, I would like to begin by asking you some questions about your business.

1. (a) When did this business start operating overall?

- No response..... -2 [101]
- Don't know..... -3
- Less than a year ago..... 01
- 1 to 2 years ago..... 02
- 3 to 5 years ago..... 03
- 6 to 10 years ago..... 04
- More than 10 years ago..... 05

(b) When did this business start operating at this location?

- No response..... -2 [102]
- Don't know..... -3
- Less than a year ago..... 01
- 1 to 2 years ago..... 02
- 3 to 5 years ago..... 03
- 6 to 10 years ago..... 04
- More than 10 years ago..... 05

2. (a) Where did you move from or did you start this business at this location?

- No response..... -2 [103]
- Don't know..... -3
- Downtown [See Key Map]..... 01
- Area adjacent to Downtown [See Key Map]... 02
- Other Kingston/St. Andrew areas..... 03
- Outside Kingston/St. Andrew..... 04
- Started business at this location..... 05
- Other..... 99
(Please explain)

(b) What was the main reason for locating this business here?

- No response..... -2 [104]
- Don't know..... -3
- Lower rent..... 01
- Labour readily available..... 02
- Better facilities/infrastructure..... 03
- More customers/demand..... 04
- Space readily available..... 05
- Other..... 99
(Please explain)

3. (a) What is the principal type of business activity you carry out here?

- No response..... -2 [105]
- Manufacturing..... 01
- Wholesale..... 02
- Retail..... 03
- Service..... 04
- Financial..... 05
- Other..... 99
(Please explain)

Questionnaire No. _____

Interviewer No. _____

3. (b) What is the principal type of business activity your firm is involved in?

- No response..... -2 [106]
- Manufacturing..... 01
- Wholesale..... 02
- Retail..... 03
- Service..... 04
- Financial..... 05
- Other..... 99
(Please explain)

(c) What is/are the major product/s or service/s provided here?

_____ [107]

No response..... -2

(d) (Standardized industrial codes - If NO RESPONSE, enter -2.)

- (i) | _____ | [108]
- (ii) | _____ | [109]
- (iii) | _____ | [110]

4. (a) Are your current type of business activity and major products and services the same as they were a year ago?

- No response..... -2 [111]
- No..... 00
- Yes..... 01

(If YES: enter same responses for [105], [107]-[110] in [112]-[116] and go to Question 5.)

4. (b) What was the principal type of business activity you carried out here a year ago?

- No response..... -2 [112]
- Manufacturing..... 01
- Wholesale..... 02
- Retail..... 03
- Service..... 04
- Financial..... 05
- Other..... 99
(Please explain)

(c) What was/were the major product/s or service/s provided then?

_____ [113]

No response..... -2

(d) (Standardized industrial codes - If NO RESPONSE, enter -2.)

- (i) ! _____ ! [114]
- (ii) ! _____ ! [115]
- (iii) ! _____ ! [116]

5. By what arrangement do/did you occupy these premises:

	<u>At Present</u>		<u>In July/86</u>
Not applicable.....			-1 [118]
No response.....	-2 [117]		-2
Owned.....	01		01
Rented with a written lease	02		02
Rented without a written lease.....	03		03
No formal arrangement.....	04		04
Had formal arrangement but no rent collected now.....	05		05
Other.....	99		99

6. (a) (If paying RENT): To whom do you pay rent?

Name:.....! _____! [119]

Not applicable..... -1

No response..... -2

Don't know..... -3

Address:.....! _____! [120]

Not applicable..... -1

No response..... -2

Don't know..... -3

Telephone:.....! _____! [121]

Not applicable..... -1

No response..... -2

Don't know..... -3

(b) Is he/she the owner of this building?

(If YES: enter answers for [120]-[122] in [123]-[125].)

(If NO): Do you know the who the owner of this building is?

(If YES, owner is):

Name:.....! _____! [122]

Not applicable..... -1

No response..... -2

Don't know..... -3

Address:.....! _____! [123]

Not applicable..... -1

No response..... -2

Don't know..... -3

Telephone:.....! _____! [124]

Not applicable..... -1

No response..... -2

7. (If WRITTEN LEASE): What is the length, in total, of your lease?

- Not applicable..... -1 [125]
- No response..... -2
- 12 months or less..... 01
- 13 to 24 months..... 02
- 25 to 36 months..... 03
- More than 36 months..... 04
- Other..... 99
(Please explain)

8. (If RENTED):

(a) How often does your rent increase?

- Not applicable..... -1 [126]
- No response..... -2
- Don't know..... -3
- Irregularly..... 00
- More than 6 times a year..... 01
- About 4 times a year..... 02
- About twice a year..... 03
- Every year..... 04
- Every 2 years or more..... 05
- Other..... 99
(Please explain)

(b) Do you have an agreement with your landlord about future rent increases?

- Not applicable..... -1 [127]
- No response..... -2
- No..... 00
- Yes..... 01

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 11

Questionnaire No. _____

Interviewer No. _____

8. (c) The next time your rent increases, how much of an increase, in percent, are you expecting?

(%) | _____ | [128]

- Not applicable..... -1
- No response..... -2
- Don't know..... -3

9. From your experience here, what do you think are the minimum necessary security arrangements for businesses in this immediate area? (2 choices)

- No response..... -2 [129]
 - Don't know..... -3
 - No security arrangements..... 00
 - Grills or shutters..... 01
 - Electronic alarm system..... 02
 - Day-time hired security..... 03
 - Night-time security..... 04
 - 24-hour hired security..... 05
 - Other..... 99
- (Please explain)

10. (a) Do you have other branches of your business in Kingston, St. Andrew, and St. Catherine area? If so, how many?

| _____ | [130]

- Not applicable..... -1
 - No response..... -2
 - Don't know..... -3
 - No branch locations..... 00
- (If NO BRANCH LOCATIONS, go to Question 11.)

10. (b) Is this place a branch location or the head office of your business?

- Not applicable..... -1 [131]
- No response..... -2
- Don't know..... -3
- Head Office..... 01
- Branch location..... 02
- Other..... 99
(Please explain)

(c) (If BRANCH LOCATION): Where is the head office located?

- Not applicable..... -1 [132]
- No response..... -2
- Don't know..... -3
- Downtown [See Key Map]..... 01
- Area adjacent to Downtown [See Key Map].... 02
- Other Kingston/St. Andrew areas..... 03
- Outside Kingston/St. Andrew..... 04
- Other..... 99
(Please explain)

(d) Do you think you will be increasing or decreasing activity in any of your branches over the next 12 months?

- Not applicable..... -1 [133]
- No response..... -2
- Don't know..... -3
- No change..... 00
- Increase..... 01
- Decrease..... 02

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 13

Questionnaire No. _____
Interviewer No. _____

10. (e) (If INCREASE or DECREASE):
Will these changes involve increasing or decreasing
activity Downtown?

- Not applicable..... -1 [134]
- No response..... -2
- Don't know..... -3
- No change..... 00
- Increase..... 01
- Decrease..... 02

11. (a) Is there a building or vacant lot nearby that, if improved
or developed, would have a strong impact on this business?
If so, where is this property located?

- No response..... -2 [135]
- Don't know..... -3
- No..... 00
- Yes: (Give location)
- (Address):: _____!

(b) From your point of view, would this impact be positive
or negative?

- Not applicable..... -1 [136]
- No response..... -2
- Don't know..... -3
- Negative..... 00
- Positive..... 01

12. (a) Would you like to move from your present location?

- No response..... -2 [137]
- Don't know..... -3
- No..... 00
- Yes..... 01

(If NO, go to Question 14.)

12. (b) Where would you move to?

Not applicable.....	-1	[138]
No response.....	-2	
Don't know.....	-3	
Somewhere else Downtown [See Key Map].....	01	
Area adjacent to Downtown [See Key Map]...	02	
Other Kingston/St. Andrew areas.....	03	
Outside Kingston/St. Andrew.....	04	
Other.....	99	

(Please explain)

(c) Are you making plans to move within the next year?

Not applicable.....	-1	[139]
No response.....	-2	
Don't know.....	-3	
No.....	00	
Yes.....	01	

13. What are the 2 major factors influencing your desire to move?
(2 choices)

Not applicable.....	-1	[140]
No response.....	-2	
Don't know.....	-3	
Falling demand or fewer customers Downtown.....	01	
Lack of suitable labour.....	02	
Poor security or feel unsafe.....	03	
Poor parking arrangements or traffic problems..	04	
Present space too small.....	05	
Present space too expensive.....	06	
Present space unsuitable.....	07	
Other.....	99	

(Please explain)

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 15

Questionnaire No. _____

Interviewer No. _____

14. (a) Do you want or need to change the amount of space you now have? If so, would you increase or decrease the amount of space you now have?

No response..... -2 [141]

Don't know..... -3

No change..... 100

(DECREASE): What size space do you require?

3/4 the present size..... 75

1/2 the present size..... 50

1/4 the present size..... 25

(INCREASE): What size space do you require?

1/4 more space than present size..... 125

1/2 more space than present size..... 150

Double the present size..... 200

Three or more times the present size..... 300

(If NO CHANGE, go to Question 16.)

(b) When do you plan to increase or decrease the amount of space you now have?

Not applicable..... -1 [142]

No response..... -2

Don't know..... -3

Within the next year..... 01

Between 1 and 3 years from now..... 02

Beyond 3 years from now..... 03

15. How much monthly rent would you be willing to pay for the space you just indicated you want or need to change to?

(\$)! _____! [143]

Not applicable..... -1

No response..... -2

Don't know..... -3

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 16

Questionnaire No. _____

Interviewer No. _____

16. (a) Are you making plans to take on any more employees?
If so, how many do you think you will hire?

! _____ ! [144]

Not applicable..... -1

No response..... -2

Don't know..... -3

(b) Where do you think most of these new employees would
come from?

Not applicable..... -1 [145]

No response..... -2

Don't know..... -3

Downtown [See Key Map]..... 01

Area adjacent to Downtown [See Key Map]... 02

Other Kingston/St. Andrew areas..... 03

Outside Kingston/St. Andrew..... 04

Other..... 99
(Please explain)

17. (If planning to HIRE NEW EMPLOYEES):
When do you plan to take on these new employees?

Not applicable..... -1 [146]

No response..... -2

Don't know..... -3

Within the next year..... 01

Between 1 and 3 years from now..... 02

Beyond 3 years from now..... 03

(For OWNER-OCCUPIERS, go to Question 20.)

18. (a) How much was your monthly rent in July 1986?

(\$)! _____! [147]

Not applicable..... -1

No response..... -2

Don't know..... -3

(b) How much is your monthly rent now?

(\$)! _____! [148]

Not applicable..... -1

No response..... -2

Don't know..... -3

19. (a) Is this monthly rent for space only or does it include other charges paid to the landlord for utilities or services, such as water, electricity, or maintenance?

Not applicable..... -1 [149]

No response..... -2

Rent only..... 01

Includes other charges..... 02

(b) (If RENT ONLY):

Do you pay any other charges to the landlord for utilities or services? If so, how much do you pay in a typical month?

(\$)! _____! [150]

Not applicable..... -1

No response..... -2

Don't know..... -3

(c) (If INCLUDES OTHER CHARGES):

Please estimate how much of your rent is the charge made by the landlord for utilities or services.

(\$)! _____! [151]

Not applicable..... -1

No response..... -2

Don't know..... -3

Questionnaire No. _____

Interviewer No. _____

20. What are the typical monthly charges which you pay directly to utilities or companies for:

	<u>N/A</u>		<u>N/R</u>		<u>D/K</u>		
(a) Water.....	-1	...	-2	...	-3	(\$)! _____!	[152]
(b) Electricity..	-1	...	-2	...	-3	(\$)! _____!	[153]
(c) Cleaning.....	-1	...	-2	...	-3	(\$)! _____!	[154]
(d) Maintenance..	-1	...	-2	...	-3	(\$)! _____!	[155]
(e) Parking.....	-1	...	-2	...	-3	(\$)! _____!	[156]
(f) Security.....	-1	...	-2	...	-3	(\$)! _____!	[157]
(g) Other.....	-1	...	-2	...	-3	(\$)! _____!	[158]

(Please explain)

(- OR -)

(h) Total utility charges paid.....(\$)! _____! [159]

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 19

Questionnaire No. _____

Interviewer No. _____

PART C

We would greatly appreciate your completing this form and having it ready to be collected by your interviewer in a day or so. Thank you.

Business name:.....! _____!

Business address:....! _____!

Telephone:.....92-! _____!

Form completed by:

Name:.....! _____!

Position:.....! _____!

EMPLOYMENT

1. How many persons are currently employed in your business in the following categories

	<u>Full-time</u>	<u>Part-time/ Casual</u>	
(a) Management/professional...!	_____!	_____!	[202]
(b) Supervisory.....!	_____!	_____!	[204]
(c) Secretarial/Clerical.....!	_____!	_____!	[206]
(d) Skilled workers: Technicians, machine operators, tradesmen, craftsmen, etc.....!	_____!	_____!	[208]
(e) Other workers: Labourers, messengers, cleaning staff, etc.....!	_____!	_____!	[210]
(f) Other:.....! (Please explain)	_____!	_____!	[212]
(g) Total employees.....!	_____!	_____!	[214]

2. (a) How many full-time employees did you have a year ago?

! _____! [215]

DOWNTOWN KINGSTON
BUSINESS QUESTIONNAIRE
Page 20

Questionnaire No. _____

Interviewer No. _____

2. (b) How many full-time employees do you think you will have a year from now?
! _____! [216]
3. Please estimate (in percentages) what proportion of your employees live:
- (a) In the Downtown Area [See Map].....(!) ! _____! [217]
- (b) In areas adjacent to Downtown [See Map].(!) ! _____! [218]
- (c) In other Kingston/St. Andrew areas.....(!) ! _____! [219]
- (d) Outside Kingston/St. Andrew.....(!) ! _____! [220]
4. In square feet, how much indoor space does your business have, in total, at this location?
! _____! [221]
5. How many parking spaces does your business have on the premises at this location? (Do not include street parking.)
! _____! [222]

