

UDA seeks partners for Pudu project

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"We need to find the most suitable model that will attract investors and bring in funds for the project," said UDA chairman Datuk Nur Jazlan Mohamed. UDA, whose assets are estimated to be worth RM2 billion, has a debt of more than RM900 million. Its cash in hand is about RM90 million.

Nur Jazlan had said in June that the Pudu Jail redevelopment project would bring in new sources of recurring rental income to UDA, estimated at between RM200 million and RM300 million a year, and more importantly, a secure future.

The 8ha Pudu Jail site became Kuala Lumpur's main prison from 1895 until its formal closure in 1996.

An integrated commercial and transport hub is being planned for the site, which will comprise office towers, serviced residences, a mall and shoplots worth more than RM6 billion overall. The project is part of the Economic Transformation Programme (ETP) under the New Economic Model (NEM) to turn Klang Valley into the Greater Kuala Lumpur economic district and Malaysia into a high-income nation by 2020.

It was reported that China's Everbright International Construction Ltd had submitted a bid to develop the hub for around RM3 billion.

UDA had also recommended Everbright as its partner for the redevelopment after a shortlisting process but it was rejected by the Ministry of Finance (MOF).

The MOF then instructed UDA to set up a steering committee to oversee the redevelopment and split the 8ha land into three parcels.

MOF wants two parcels to be given to Bumiputera companies to boost their participation in land development projects in the country. One parcel is to be given to a non-Bumiputera firm.

Deputy Finance Minister Datuk Dr Awang Adek Hussin said the government would be flexible in allowing the Bumiputera companies to partner non-Bumiputera firms to develop the two land parcels.

"But there must be full Bumiputera participation in the land development," he said at the launch of the 3-star Ancasa Express Hotel at Pudu Sentral and UDA's own 40th anniversary corporate stamps yesterday.