

The Way Ahead

The pride of the nation pushes forward to face the challenges of the future.

PUTRAJAYA was birthed as a response to the rapid urban development in the federal capital of Kuala Lumpur. In fact, the concept of a planned administrative city in Malaysia was first mooted as early as the 1970s, but it was some two decades later when the idea became a reality, under the leadership of Tun Dr Mahathir Mohamad.

A self-confessed Putrajaya addict, Dr Mahathir would closely monitor the city's growth and development through the big windows of his office on the fifth floor of the Prime Minister's Office. Looking back, on occasion of Putrajaya's 10th anniversary, he muses, 'If there were no Putrajaya and all these government offices are located in KL, imagine the congestion. In KL, what belonged to the Federal Government was very small. The congestion was horrendous; getting from one place to another took you hours. Here, you can walk from one ministry to another because they're just next door.'

Indeed Putrajaya is a far cry from the hustle and bustle of the Federal Capital with its well-planned layout, neatly organised buildings, wide, spacious roads and spick-and-span environment ... a place for everything. 'If you ask foreigners, they are full of praise for Putrajaya,' he adds. 'They have even tried to start their own Putrajaya.'

Such was Dr Mahathir's foresight 10 years ago that many could not even begin to imagine what he had conceptualised. Critics were unconvinced, others were indifferent. Today, some of these may still remain, but many, too, have been won over since or at least admit grudging respect.

'In the past, it was extremely hard to create interest as people were sceptical about whether Putrajaya would take off or just be a white elephant,' says master developer Putrajaya Holdings Sdn Bhd (PJH) Chairman Datuk Ishak Imam Abas. 'I can understand their predicament at that time, and I don't blame them for feeling

that way. However, people are now able to see the reality of Putrajaya, and this has helped to bridge this once major hurdle.'

Agrees PJH's chief executive officer Datuk Ir Mohamad Othman Zainal Azim, 'Originally there was a lot of scepticism even among government servants when they were asked to come to Putrajaya. But now, they have come to like Putrajaya, the way it is and what it would be.'

Former PJH chairman Tan Sri Abdul Rashid Hussain, who was instrumental in raising funds for Putrajaya in the early years, derives great satisfaction from the city's growth. 'The development of the city was a brilliant vision,' he says. 'Despite the work starting at the smack of the 1997 recession, the development was a counter-cyclical force that helped the local construction industry, which was in the doldrums, and the recovery of Malaysia during those downturn years. The critics were proven wrong.'

Taking over the reins from Dr Mahathir in 2003, Prime Minister Datuk Seri



Abdullah Ahmad Badawi paid tribute to those instrumental for building up the 4,931-hectare city. 'Putrajaya is truly a symbol of the success of local professionals and a culmination of a mission of the country's leaders who wanted to see such a city built,' he stated at the launch of Menara PjH, the city's first large-scale commercial development, mid-last year.

But this is just the beginning, the laying of the foundation. Forging ahead, Putrajaya seeks to move beyond its role as an administrative capital and become a place where Malaysians can work, trade, live and raise their families in.

The thrust for the last five years of its development plan (2005-2010) will focus on building the commercial component of the city and build a vibrant and growing community. 'We are not building a city of government complexes and residential projects merely for civil servants,' says Othman. 'Putrajaya will be a city for all Malaysians.'

PjH, incorporated on Oct 19, 1995, had been given the mammoth task of developing the city in record time, a challenge it undertook with its joint-venture partners — Peremba (M) Sdn Bhd, SP Setia Bhd, Hong Leong Properties Bhd and E&O Property Development Bhd — and project manager KLCC Projeks Bhd. The successful completion of Phase 1 in 2000

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Dr Mahathir:
Foreigners full of praise for Putrajaya.



and its 2004 Fiabci Property Award for the best National Contribution for the Putrajaya development add prestige to the feathers in its cap.

'On June 21, 1999, when Tun Dr Mahathir Mohamad moved into his office in Perdana Putra, Putrajaya was ready to accept the influx of government servants to the city,' Othman says. 'From that day onwards, we never looked back. We keep the development momentum high to continue building and make Putrajaya grow into a complete city.'

He adds, 'There is still much to build in Putrajaya, and we are now fast tracking Putrajaya's Phase 2 development, of which one of the emphasis is the commercial

component.'

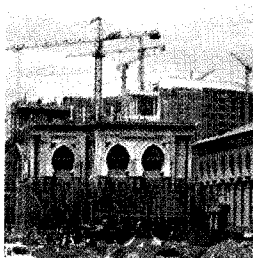
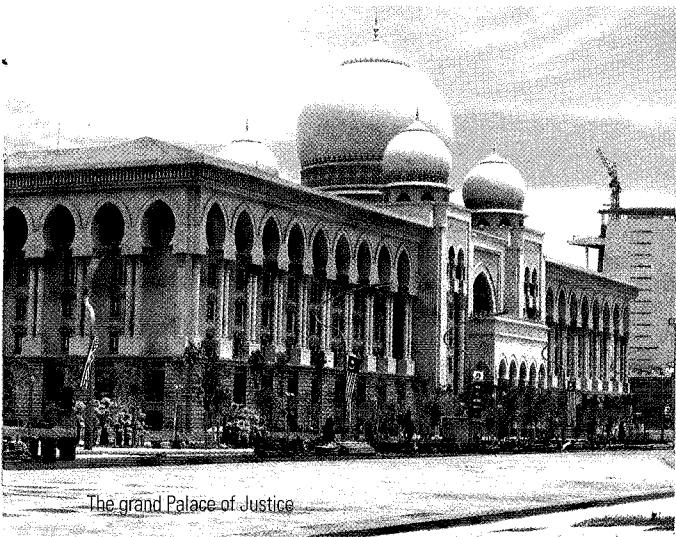
This comprises, among others, two hotels and two commercial blocks, on Putrajaya's core island. Market studies have found a need for hotels to cater for business, tourist and budget clientele, while sector expansion and relocation contribute to strong demand for office space.

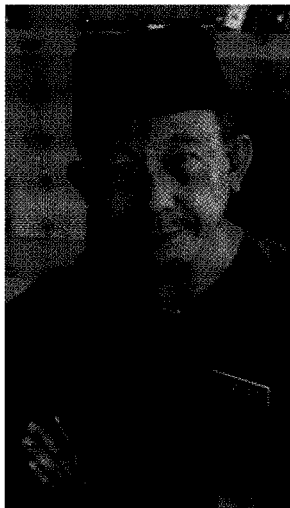
With its state-of-the-art infrastructure and strategic locality, Putrajaya is also poised to be a service centre, a hub for brokerages, law firms, financial institutions, regional headquarters, professional service providers, as well as high-value retail and commercial activities.

Othman is confident these will serve as catalysts or a seed to fuel growth and interest for other such developments in the future. 'It's a chicken-and-egg analogy,' he says. 'You need development and infrastructure to spur activity and demand, while you need adequate demand to sustain such development. For example, to have vibrant night-spots in Putrajaya, you need to build the infrastructure first to support such activities.'

'Once they (investors) start moving in, the city will start pulsating with office complexes, shopping malls, hotels and restaurants,' adds Rashid.

Much has been done, and more work lies ahead, but strategic planning and careful execution is key to ensure the city matures gracefully. The development, says





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Ishak: People can now see the reality of Putrajaya.



Othman: Building a city for all Malaysians.

Ishak, cannot be rushed and will be planned according to market demand. 'We would have a better feel of the market when all the government agencies have moved into Putrajaya,' he says. 'We will also be in a better position to judge commercial demand then.'

Ishak also wears the hat of group chief executive officer of KLCC (Holdings) Bhd, the property arm of Petroliaim Nasional Bhd (Petronas), which is also PJH's major shareholder. For the national oil giant, its investment seems to be paying off as PJH has gone from a RM8.38 million pre-tax loss in 1999 to post a healthy RM95.07 million profit for the financial year ended March 30, 2004.

'PJH profit margins are good, above the market rate of 10% over revenue,' says Othman. 'That has worked very well with the shareholders; I believe that the shareholders are happy, and so far, nobody is complaining.'

While making a profit is essential, Ishak stresses that the main motivation of PJH is to realise the Government's vision to turn Putrajaya into a truly vibrant Government administrative capital in the shortest time.

Othman adds, 'Our ultimate vision is to deliver Putrajaya as a vibrant and cosmopolitan city. To achieve this, we need a critical mass.'

Putrajaya's population currently stands

at more than 50,000. 'We expect the population to grow further by next year when we plan to deliver another 12,000 homes,' he says. 'This increase will definitely boost the demand for the commercial and service sectors, as well as for houses.'

Besides the private sector and private homebuyers, the developer is also wooing the diplomatic corps with its 364.5-hectare Diplomatic Precinct, which offers some 61 embassy lots for sale. About 22 foreign missions, so far, have indicated an interest in moving to the area. Last year's opening of the city's own mall, the Alamanda Putrajaya, also sets the tone for Putrajaya as a shopping destination.

Local authority Perbadanan Putrajaya President Tan Sri Samsudin Osman, who is also Chief Secretary to the Government, believes Putrajaya is headed towards becoming not just an administrative capital but also a place that attracts tourism and business activities. Perbadanan, he adds, is actively promoting activities in the city and building up Putrajaya as a premier water sports centre nationally and regionally.

'We see the same vision,' says Samsudin. 'We are well on the way of making Putrajaya realise its vision of becoming a world-class city.' **mb**

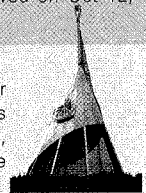
A JOURNEY THROUGH TIME

June 2, 1994

Prang Besar declared the site of the new Federal Government administrative capital; a change of name followed on Oct 12, 1994.

Aug 29, 1995

Prime Minister Tun Dr Mahathir Mohamad officially launches Putrajaya's development, planting a time capsule at the 20m-high steel Mercu Tanda.



Aug 30, 1995

Master Developer Putrajaya Holdings Sdn Bhd officially incorporated.



Mar 1, 1996

Perbadanan Putrajaya (Putrajaya Corporation) formed to carry out executive decisions related to Putrajaya and to act as local authority.



Oct 8, 1997

Putrajaya launched as an 'intelligent' garden city.



Jun 21, 1999

Dr Mahathir starts his first day of work at his new office in Putrajaya. Two days later, the Cabinet held their first weekly meeting at Perdana Putra.



Feb 1, 2001

Putrajaya is declared as the country's third Federal Territory, after Kuala Lumpur and Labuan.



June 15, 2001

Following the completion of Phase 1 in 2000, then-Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi launches Putrajaya's commercial component.



Aug 31, 2003

The National Day procession was held for the first time at the Putrajaya Boulevard.



Sept 24, 2004

Putrajaya Holdings received the FIABCI Property Award of Distinction Special Award for National Contribution for the city's development, while joint-venture partner Peremba Jaya Holdings Sdn Bhd received the Best Masterplan award for Putrajaya's Precinct 11.

