

Memorandum by the Hon. Minister of Education, Culture
and Tourism on Hotel Development Projects South of the
Victoria Lines.

In the memorandum submitted on the North of the Victoria Lines I made the point that resort development was preferable to sporadic development. This, however, is only possible where largish areas of land, belonging to the same owner, are involved; hence the expediency of concentrating the major tourist development in the North and North West where Government land is available, extensive enough to permit the construction of a number of hotels of various sizes and the amenities which go with them, forming an essential part of the resort complex.

2. South of the Victoria Lines, two types of tourist development are in progress or proposed: hotels and some ancillary amenities "in town" or in close proximity to urban areas and, again, the "dispersed" type of development along the coast though one or two applications for planning permission have been made in connection with the development of extensive privately-owned sites in the vicinity of Ghar Lapsi and Wied iz-Zurrieq; but it was decided that these areas should be left undeveloped.

3. It might be difficult to conceive resort development - with specific tourist amenities - in the South and South East part of the Island, and although we should not turn down applications indiscriminately, the question of priority comes very much into the argument. This priority will have to be examined, not only from the point of view of the accepted norms of a tourism plan and the suitability of the areas themselves, but also in the light of the availability of funds to provide municipal services to the various sites North and South of the Victoria Lines.

4. Enclosed is a list of applications for fiscal and financial aid in connection with the construction of hotels, etc., south of the Victoria Lines, and an appraisal, where necessary, of the merits of each application.

5. It will be observed that the projects at f, g, h, i and l are planned on land owned by the applicants themselves. These applications are shelved pending the preparation, approval and publication of the development plan for the area South of the Victoria Lines or until "a scheme" for the particular area where the project is to be sited has been approved by the Planning Authorities. I should, therefore, be grateful if Ministers agreed that the Planning Authorities should be requested to decide one way or the other in order that these applications may be written off our books.

6. If the recommendations in the memorandum on the areas North of the Victoria Lines are approved by Cabinet, it will be some time before we can show any further progress in the building of hotels. It is therefore suggested that whilst areas for resort development are being planned in the North, applications in the South of the Victoria Lines for development on owna Government sites should be given immediate and sympathetic consideration subject to planning requirements.

7. Should approval in principle be given with regard to some of the projects, it will be possible to go into the question of expenditure to provide municipal services to the sites. If the expense, having regard to other development taking place in the immediate neighbourhood, proves uneconomic, the applicants will be so informed and approval of the projects will be made conditional to municipal services being provided at the applicants' expense.

8. What is important is that a decision is taken ensuring that Government is not taken to task for sitting on a number of applications at a time when every effort is being made to step up development in order to partly absorb the shock of the Services Rundown.

17th February, 1968.

L-ARKIVJI NAZZJONALI TA' MALTA

List of Hotel Projects

South of the Victoria Lines

Project

I - VALLETTA - KINGSWAY AREA

- | <u>Applicant</u> | <u>Project</u> |
|-------------------------------|---|
| a. A. B. J. Pisani | Fiscal aid in connection with the construction of a 300-bed hotel. |
| b. Malta Developments Ltd. | Fiscal aid and the provision of land for the construction of a 100-bed hotel at an estimated cost of 6600,000. |
| c. Victor Reginaldo | A capital grant and fiscal aid in connection with the construction of a 100-bed hotel estimated to cost 4450,000. |
| d. Malta Development Co. Ltd. | A capital grant, fiscal aid and the provision of land for the construction of a 300-bed hotel estimated to cost 21,000,000. |
| e. Messrs. Fortanier | The construction of a 400-bed hotel. |
| f. Regent Properties Ltd. | Expressed an interest in the development of this site. No details have been given. |

NOTE. The Government has not yet pronounced itself on the use it wishes to make of the Kingsway area, stretching from Kingsway to St. John's Cavalier. Whatever the type of development to be allowed in the area, the fact remains that it is a valuable site. If the Government decides not to grant the land for tourist development, the likelihood is that proposals on the lines suggested in paragraph 7 of my memorandum on the North of the Victoria Lines will be resorted to. It will, therefore, be appropriate to write to the six applicants to inform them that their application cannot be considered for the time being and to re-apply if and when Government decides to grant the site for the construction of a hotel.

II - OTHER AREAS

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|-------------------------------------|--|
| g. The Rockvale Co. Ltd. | Fiscal aid in connection with the construction of a 200-bed hotel (capital expenditure 2250,000) at the Rockvale.
The land in question is private property. The Company has applied for a P.A.P.B. permit. It is suggested that the permit applied for be issued. The Tourist Board will consider the application for fiscal aid when building permission will have been granted. |
| h. Breathey (Malta) Ltd. | A capital grant, fiscal aid and the provision of municipal services at Government expense in connection with the construction of 150-bed hotel (capital expenditure 2145,000) on a site owned by the Company at Marsaxlokk.
I understand that a letter of intent has been issued by the Planning Board to the Company: fiscal approval is pending the publication by the Government of the Development Plan for the South and South East. |
| i. Wellman Development (Malta) Ltd. | Fiscal aid and the provision of municipal services at Government expense in connection with the construction of a 144-bed hotel (capital outlay 2145,400) on a site owned by the Company at St. Thomas Bay.
This application is held up pending the approval by the Government of the overall plan for the South and South East. The cost of providing municipal services will also have to be determined and related to other development in the area. |
| j. Dolphin Construction Ltd. | Fiscal aid in connection with the construction of a hotel, bungalows and maisonettes (total accommodation for 320 on a site owned by the Company at Kishalek, in the limits of Rabat.
I understand that planning permission is still awaited. If permission is granted, fiscal aid would only be recommended in respect of the hotel and not on the real estate element of the project. |

Applicant

Project

k. Construction Promotion Ltd.

Assistance in connection with the provision of visitor accommodation for 640 persons (capital expenditure £2,000,000) on government property at Birgana. The site is not indicated as a tourist development area and it is suggested that the application be turned down. The applicants appear to have lost interest in the project.

1. Marsaxlokk Land Development & Trading Co. Ltd.

Financial aid in connection with a resort development project (capital outlay £251,000) which will provide accommodation for 200 persons in chalets and holiday apartments. The land required for the project belongs to the Company. The Company would undertake to develop the square on the seafront as a public area and to provide a number of moorings for private yachts. I understand that the Company has applied for building permission.

MALTA GOVERNMENT TOURIST BOARD
APPLICATIONS FOR HOTEL PROJECTS

Sites applied for with reference number of application marked 9

L-ARKIVJI NAZZJONALI TA' MALTA

- No. 1. -- Salvatore Vella
2. -- Real Estates Malta Ltd.
3. -- Marsovin Ltd.
4. -- A.R. Pattison
5. -- White Tower Dev. Co.
6. -- H. Brake
7. -- Charles Forts
8. -- Emrak Assoc. Inc.
9. -- Malta Steel Dev. Co. Ltd.
10. -- Kenneth Thorne Ltd.
11. -- Inland Securities & Finance (Malta) Ltd. (Dr. Cassar Galea)
12. -- Ocean Park
13. -- J. Attas
14. -- Mr. Moses Fenech
15. -- Basil Eyston
16. -- King, Milton & Assoc. (Real Estates Malta Ltd.)
17. -- Dr. S. Camilleri LL.D.
18. -- D.G. Smith
19. -- Gnejna Bay Dev. Co. Ltd. (Project B)
20. -- Mondial Travel Agency
21. -- Gnejna Bay Dev. Co. Ltd. (Project A)
22. -- Dolphin Const. Ltd.
23. -- Valtur
24. -- J.H. Madin
25. -- Falcon Nest Co. Ltd.
26. -- J. Byrnes M.B.E.
27. -- Coleiro Bros. Ltd.
28. -- Marsovin Ltd. (St. Paul's Bay)
29. -- Mediterranean Airways (Malta) Ltd.
30. -- M. Bamber & L. Hyams
31. -- Mrs. A.S. Hyman
32. -- Real Estates (Malta) Ltd.
33. -- Malta Properties Ltd. (F.C. Chambers)
34. -- Malta Projects Co. Ltd.
35. -- J.A. Dean
36. -- Cost Smeralda Hotels
37. -- Mediterranean Airways (Malta) Ltd. (Bahar ic-Caghaq)
38. -- Construction Promotion Limited
39. -- Rockyvale Co. Ltd.
40. -- Residentials Ltd. (Col. S.T. Borg)

41. -- Mediterranean Hotels (Malta) Ltd.
42. -- Hotel Sliema Ltd.
43. -- St. George's Park Co. Ltd.
44. -- President Hotels Ltd.
45. -- Malta Developments Ltd.
46. -- Messrs. Portanier
47. -- Messrs. A. & J. Pisani (Corinthia Hotel Co. Ltd.)
48. -- Malta Developments Ltd. (Kingsgate Area)
49. -- V. Reginiano
50. -- Melita Dev. Co. Ltd.
51. -- Brentby (Malta) Ltd.
52. -- Wellman Dev. (Malta) Ltd.
53. -- M'Xlokk Land Dev. & Trading Co. Ltd.

MGTB/262/65/3

13th February, 1968.

