



The President's Office
Regional Administration and
Local Government (PO-RALG)

DAR ES SALAAM METROPOLITAN DEVELOPMENT PROJECT



APPENDIX C

Implementation Report

**Integrated Transport and
Land Use Planning Strategy**
Dar es Salaam Bus Rapid Transit
(BRT) Phase 1 Corridor
November 2018

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1.0 Executive Summary

This report provides **practical guidance on the implementation** of development in the BRT corridor. It builds on the baseline study, stakeholder workshops, secondary research, and the Comprehensive Development Strategy, and is also summarised in a practical handbook, which accompanies this project. It considers numerous commercial, social and **economic objectives associated with the successful development of the corridor**. The report examines the scale of the challenge ahead if the City is to deliver the corridor development proposals and at the same time meet the need for affordable housing. In 15 years it is expected that the corridor will have to house and additional 600,000 people, equating to 120,000 homes. Of this, **there is a pressing need for 76,000 affordable housing units**. Developers could be incentivised to provide 18,000 of these units, adding \$2.5bn worth of stock into the housing market over 15 years. We estimate 22,000 homes to own can be delivered with support from land value capture, which would cost \$940m over 15 years. On the same basis, a further 15,000 affordable rented housing units required over the 15 year period would amount to \$977m investment over 15 years.

It is clear that **any proposals need to be practical**, minimise the need for organisational change, and deliver benefits **without the need to increase taxes** or rely on new government subsidies. We have reviewed current governance and management practices and, considering best practice, reflected on the most appropriate distribution of the responsibilities which range from city strategy to day-to-day implementation and enforcement. An organisational strategy is recommended along with implementation tools which can achieve the goals of the BRT corridor, without implying a need for massive structural change. Practical processes and **the use of technology** can make the delivery of TOD more efficient, and are therefore also examined.

Organisational Context

In this report, the team has analysed how the planning process are currently delivered. The table “Existing Organisational Ecosystem” focusses on how the existing players involved in planning the city interact and perform. Rather than merely considering job titles and what organisations are supposed to do this table records how things are working in practice. We assess clarity, authority and capacity; how clear is an organisation’s role in the planning process; what authority does that body have to exercise powers; what capacity do they have to deliver their mandated role?

It was found that roles and responsibilities are misaligned, that there is potential for conflict, and that there are considerable gaps in capacity and capability. In addition, the whole system lacks a common strategic vision and leadership around city-wide transport and urban development. We also found that the lack of common complete and consistent data together with a need for shared standards for data management and GIS has been hampering efficient and effective management of the city’s planning and development.

The Organisational Task Ahead

The report begins exploring how things might improve by considering a range of approaches and tools to support strategic planning that could be used to help clearer decision making and priority setting, help communication between parts of government and ensure consistent quality. Also, approaches are outlined to assess risk, setting objectives and priorities, and methods to check that activities are properly aligned. Most significantly it is proposed that, for major projects, there is a process to ensure that plans are clearly conceived from the outset and that, at each significant milestone or “gateway” permission is sought for the project to continue. It is proposed that PO-RALG is the organisation with the right level of authority and competence to supervise this project review process. It may take on this role directly or indirectly by commissioning suitably experienced experts.

Funding and Management Implications

In this section, the scale of the task ahead is estimated, and the report examines how to attract funding to Transit Oriented Development. Also, the management implications of adopting these approaches are addressed. The early work on this assignment found that there is little appetite for radical change that would result in increased bureaucracy, new institutions or new taxes. Consequently, the approach has been to examine how the existing bodies, responsible for the city, could be empowered to deliver better outcomes and raise funds to support their activities in other ways. In this section of the report other methods to assemble sites are examined and ways of shaping higher-density developments without having to recourse to large amounts of public expenditure. Land Value Capture is the umbrella term used to describe these methods. It is noted that the city already directly captures land value in the form of property tax receipts which have risen as the city has been developed. Inconsistent approaches to tax collection together with poor data management have made it difficult for the authorities to pinpoint and measure the direct relationship between investment and returns. It is therefore recommended that the City Council takes a central role in understanding this relationship. Proposed reforms to data capture and management would help in this role.

Direct joint-venture developments between public authorities and the private sector have been excluded on the basis that they can cause conflicts of interest and can be perceived as a cause of corrupt practices.

It is recommended that Municipalities use Developer Contributions to obtain contributions from developers for social infrastructure and affordable housing in the city. Where the City Council sees the need for TOD schemes to be done using development rights transfer or land readjustment we recommend methods that will obviate the need for public sector funding or compensation. It is recommended that Dar adopts a City Infrastructure Levy, a flat-rate charge developers will have to pay at an agreed rate per m². This will be used to fund city-wide bulk infrastructure and affordable housing projects. Finally, it is recommended that the City uses a Development Corporation model for major projects in the corridor, whilst keeping planning powers in their current place,

for small to medium projects. This model will allow the public sector to directly capture the value of infrastructure, be compensated for the use of public land and allow for private investors, at any scale, to participate. Full planning powers will be transferred to the Development Corporation for major projects. The government may wish to grant the Corporation additional fiscal benefits to make investment more attractive to funds and to private investors.

The risks associated with these approaches are considered, given the capacity issues and lack of alignment amongst Dar es Salaam's public authorities. It is recommended that a more hierarchical approach to planning and development in the city is adopted. This would clearly separate strategic, tactical and operational roles whilst giving PO-RALG a clear supervisory mandate.

Gap analysis

Following on from the earlier consideration of the capacity of the authorities in Dar es Salaam to manage planning and development more effectively, there is a thematic summary of the areas where there are skills development needs including: independent review, planning controls, investment management, management of common spaces, data analysis and community engagement.

Making it Happen: Tools and Capacity

Finally, the report considers processes for applying the recommended tools and approaches. This includes; the selection of TOD sites for development, at small, medium and large scales where the Development Corporation will be required; building business cases for investment, and aligning the business case, planning and review processes. A number of worked examples of a TOD appraisal and an assessment of the training and development needs of the city authorities are provided. A strategic-level training plan is outlined here, as well, responding to the Gap Analysis in the previous sections with concrete capability-building "next steps" for the Dar public sector.

2.0 Introduction

2.1 Purpose of this section

The purpose of this section is to draw together the findings from the baseline study, the subsequent analysis of the BRT corridor, and consultations with stakeholders to produce an overview of the issues to be addressed in the delivery stage of the projects.

2.2 Overall Governance Objectives

The projects the team has jointly devised for the BRT corridor are neither simple, nor commonplace. The proposed projects are unique and large, and set a new standard of complexity for urban development in the City. These are positive, new directions for Dar es Salaam but will require agencies, companies and individuals to develop new skills, and improve capacity to make them a reality. All this will require the creation of a new type of organisation, with a mandate specifically-related to the projects and sites in question, to ensure they develop according to plan.

The organisational proposal outlined in the following sections is proposed with quality control, transparency, stakeholder-involvement and efficiency in mind. Mixed-use transit-oriented development, brings together a whole host of different systems, – social, economic, environmental, financial, political, civic – and a fragmented governance ecosystem where agencies may not have aligned goals, or overlapping mandates, will struggle to implement quality outcomes on time. To attract international investors and ensure attractive repayments on donor loans and investor contributions, the projects need to demonstrate clear objectives, commercial focus and convincing management.

The commercial considerations of the projects need, however, to be balanced with the needs and interests of the people of Dar es Salaam. The public-sector agencies in the city will need to be able to ensure that the balance between commercial needs and social objectives is maintained. This political economy, balancing financial benefit with market interaction, has led to strong growth, in many developing economies.

This report outlines a governance structure that take a citizen-based approach, where interactions with and participation from residents, users, and citizens is commonplace. Many studies of international development projects in Tanzania have shown that in policy areas which have remained “top-down” and “in the hands of powerful actors”, several specific groups of people have remained marginalised, and not benefited from development or policy initiatives, as intended¹. Typically, these are people living in poverty, women, people living in informal settlements, renters, children and refugees (and any combination of these categories, since they are overlapping).

¹ Combaz, E. (2015). *Urban Governance in Tanzania* (GSDRC Helpdesk Research Report 1231). Birmingham, UK: GSDRC, University of Birmingham

As such, to balance the need to attract large inward investment, whilst ensuring good development for people local and near the corridors, we have outlined a few of the current directions being taken in urban governance, which we feel apply to the situation in Dar es Salaam, and this project, in the section which follows.

2.3 Current Directions in Urban Governance

2.3.1 The Opportunity

Several forces are converging in Dar es Salaam at present, creating a unique opportunity. The scale of the World Bank's DMDP investment programme is such that it simply must be capitalised upon. The new central government has put in place many measures to fight corruption which has plagued it previously. Growth in Dar es Salaam is at an all-time high, in population terms – and whilst this is a force to be reckoned with, it is also an opportunity. There is confirmed, publically-announced funding in place for one more BRT line, we understand there is funding for two further lines, and strategic plans in place for a further two (for a total of six). A master plan and a transport masterplan for the city are both in the pipeline but, yet neither have been endorsed. The transport masterplan and accompanying agency DUTA (Dar es Salaam Transport Agency) are expected soon. Once in place this should help coordinate development and attract investment.

The sections below summarise some general principles relating to governance before we examine practical application in Dar es Salaam.

2.3.2 Good practice in 21st century governance

Decentralisation, Public involvement, collaboration and Servant Leadership

A review of historic urban master planning practice in Dar es Salaam has given us insights into approaches to governance and implementation. The current adopted masterplan for the city of Dar es Salaam, dates from 1979 and expired in 1999. The new draft plan for the city, “Dar es Salaam City Masterplan 2012-2032”, has yet to be adopted and may already be obsolete as the BRT plans post-date this work. This has not helped the promotion of BRT with opponents feeling that “authorities failed to have a current plan for land use”².

One possible governance approach is “servant leadership”³. Here, interactive leadership frees the public sector from having to produce detailed plans of future communities, but rather has them working with these communities to foster the emergence of such plans, in a phased manner, as and when they are necessary.

² Ka'Bange, A., Mfinaga, D., & Hema, E. (2014). *Paradoxes of Establishing Mass Rapid Transit Systems in African Cities – A Case of Dar Es Salaam Rapid Transit (DART) System, Tanzania*. Research in Transportation Economics, 48, 176-183.

³ Project 00:/, (2011). *The Compendium for the Civic Economy*. Calverts Cooperative Publishing, in association NESTA & Design Council CABE, UK. Pg. 170

Dar es Salaam's public sector develop learn new skills, including community leadership, funding methods, and facilitating dialogue between the local private sector and citizens interaction. This has "previously proven difficult [...] for some of the agencies in question"⁴. Servant leadership, is widely agreed to be more suited to the complexity and fast-moving nature of urban problems in the developing economies. Later in this section we will outline a few examples of successful bottom-up development programmes that can be matched with the objectives for the DMDP BRT corridor project.

2.3.3 The use of new technology

Big Data and GIS

Even in the past 10 years, the availability of data for development work, both rural and urban, has increased dramatically. The advent of smartphones, their incorporation of GPS modules, and the miniaturisation of a range of sensor technologies has increased the availability of geographic data. Collaborative mapping platforms such as OpenStreetMap (OSM) have meant that users or citizens can generate quality peer-validated mapping. Large datasets are not an advantage in and of themselves. They need to be well managed, maintained, ordered and cleaned. The project has benefited from the digitisation of the most recent Tanzanian census. Despite examples of incongruous data, formatting variations between agencies, missing data, and data which doesn't face up to scrutiny the overall dataset has proved essential. Data Management needs to be considered as a critical aspect of the governance strategy and structures adopted in the future.

Various public-sector agencies across Dar es Salaam and Tanzania are already successfully deploying GIS or Geographic Information Systems software (such as ESRI's ArcGIS or QGIS) for working with large spatial datasets. GIS software, in tandem with the evolution in mobile GPS sensing, has enabled a step-change in accuracy in geographic analysis. Dar es Salaam needs to adopt common GIS and data standards across departments agencies and local government that meet up with global best practice.

Digitising planning control

Best practice for processing planning, from application through to approval and enforcement allows for improved:

- Transparency
- Accessibility
- Speed
- Accuracy

⁴ Kasala, Dr. S.E. (2015), *A Return to Master Planning in Dar es Salaam: A Misconception of the Theory of Paradigm Shifts?*. Global Journal of Human-Social Science: Vol 15 Issue 2 Version 1.0

- Interrogation
- Interactivity
- Record Management
- Impartiality

This is a low-cost, “quick win”, for the planning agencies in Dar es Salaam, which, if deployed with appropriate protocols and training, will increase the productivity and quality of output.

There are several initiatives at present, which this project ought to be connected to, in due course. For one, the Ministry of Lands is developing an “Integrated Land Management Information System”, which is to be launched in June of this year. This promises to end the use of analogue land titles, and digitise both the records, and the acquisition process. What is currently a 10 month to a several-year process, will take a week, according to a recent press conference by the Ministry⁵.

In addition, as part of component 3b of the DMDP programme, of which this project is part, the Local Government Revenue Collection Information System (LGRCIS) is being developed (at present). This is a system which has been launched in several of Tanzania’s secondary cities, as well as on Zanzibar. According to the project leader, “the LGRCIS is designed to support enhanced local revenue collection with proper identification of the tax payer, invoicing, receipting, demand note (bill) generation, defaulter identification and facilitating electronic or online payment through a single payment gateway”⁶. It is positive to see this current trend in governance already taking shape in Dar es Salaam, as this implies that the kinds of step changes required for this component of the DMDP project will not necessarily be completely unfamiliar to local agencies.

Fiscal Tools & Economic Incentives

This paper will recommend several tools to raise funding for re-investment in urban development and infrastructure. We will not recommend the general introduction of new taxes nor complicated economic incentives as there is little appetite for change or increased bureaucratic burdens. Instead we propose some exceptional measures that can be applied to the transport corridor which should have minimal wider impact.

⁵ “End of the Road for Land Cheats, as Government Goes Digital”; Janeth Muhizi and Rosemary Mirondo, *The Citizen*, November 28, 2017

⁶ E-mail correspondence between Timo Jukka Niemenen, Broadway Malyan and CoLab

3.0 Funding the delivery of City Strategy

We have considered several possible routes for the funding urban development and Transport Oriented Development in Dar es Salaam. Government could continue to fund major projects such as BRT and extend the scope to include the development of surrounding urban areas. We do not consider this to be an appropriate direction to take as the demand for funds for roads, transport and other infrastructure projects is already considerable and such projects have a long lead-in time. The city needs to speed up the delivery of an improved urban environment. There already proven techniques that obviate the need for direct investment which may lead to increased borrowing and increased taxes.

Funding is also currently available both in the private sector and amongst government pension funds for investment in real estate. The lack of a city-wide framework to encourage development in strategic areas has led to a mixture of sub-optimal development of the already congested city core and random investment across other parts of the city. This section considers a how to bring together fiscal tools that can be linked to the development of the BRT corridor.

We have considered and ruled out the use of specific taxes and tax incentives to raise funds or encourage development. We feel that additional taxation or significant complication of tax regulations will be unhelpful for several reasons. Over recent the responsibility property taxation has moved several times between central and local government and needs time to settle down from the last reorganisation.⁷ The city needs to implement higher standards of data management before embarking on more complex approaches to tax. Property taxation and property tax incentives often lead to intended consequences as the market responds in unexpected ways.

Consequently, we have focussed on methods of Land Value Capture and devices to intensify development at strategic sites. We have also considered how to incentivise existing and new investors to participate in TOD without interfering with overall property taxation.

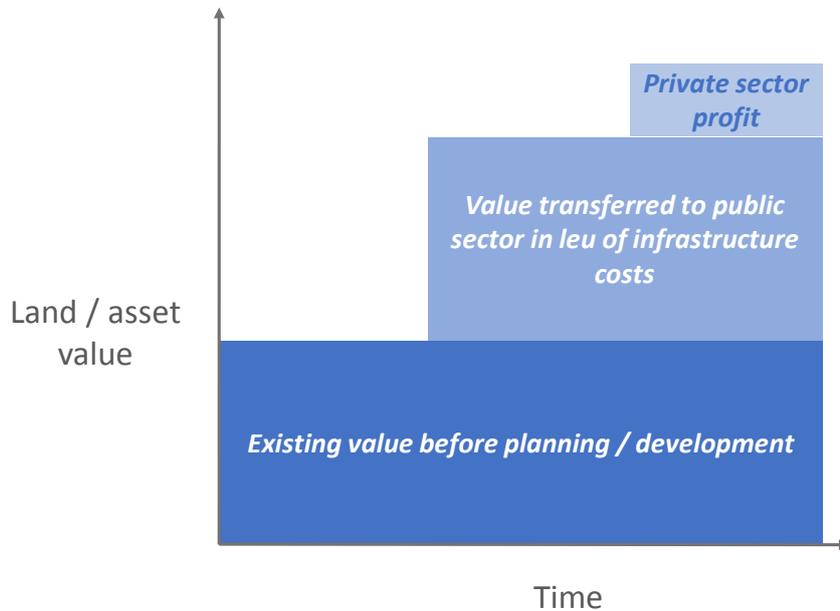
⁷ Taxing the urban boom in Tanzania: Central versus local government property tax collection. Odd-Helge Fjeldstad, Merima Ali, Lucas Katera. CMI INSIGHT JUNE 2017

3.1 Land Value Capture

Land Value Capture (LVC) is an umbrella term used to describe a range of strategic funding measures to ensure that the Public-Sector recoups some of the benefits gained by private sector which are consequent of public investment in infrastructure. These benefits can be:

- **Financial Benefits**, repaid to the relevant public authority to fund future investment in infrastructure or other public benefits.
- **Benefits in kind**, the direct delivery of public assets or infrastructure.
- **Benefits in quality**, where the application of such measures results in higher-quality development than would have otherwise been the case.

The diagram below summarises the concept of Land Value Capture.



3.1.1 Land Value Capture as a Funding Strategy in Dar es Salaam

When selecting the most appropriate land Value Capture mechanisms for Dar es Salaam we have considered what would be practical in terms of organisational capacity and market maturity. We have also considered matters of scale and location; some approaches could be adopted city-wide others would only be appropriate for major developments typified by Transport Oriented Developments associated with new transport nodes or corridors. We have also considered the most appropriate parts of government to administer these schemes and allocate the captured benefits.

3.1.2 Land Value Capture measures considered, but rejected

We have rejected systems that would not be appropriate in Dar es Salaam including:

Joint Venture Developments Between Public and Private Sectors

In some cities there have been successful joint ventures between public bodies, including transport authorities and private developers. We do not think that this is an appropriate approach for Dar es Salaam. Even in cities where there is intense public scrutiny of such projects there is a widely-held suspicion that public assets have been misused to benefit of private investors. Furthermore, for public sector organisations to excel in such joint ventures they must have a wide range of commercial, technical and legal skills to ensure that they can keep up with their private sector partners. Many argue that this is not the core business of government and should be avoided.

Our primary reasons for rejecting this approach are:

The legal structures required are difficult to put in place and can lead to costly and damaging disputes. The public sector needs to have a highly-developed understanding of the risks it is taking on board. We do not think that the City Council or the Municipalities have adequate capacity and capability to stray into this area. Joint-ventures in real estate development can be a source of corrupt practices or, at the very least the suspicion amongst the public that the authorities are not acting in the best interest of citizens. We discuss more appropriate mechanisms below.

3.1.3 Proposed Land Value Capture Mechanisms

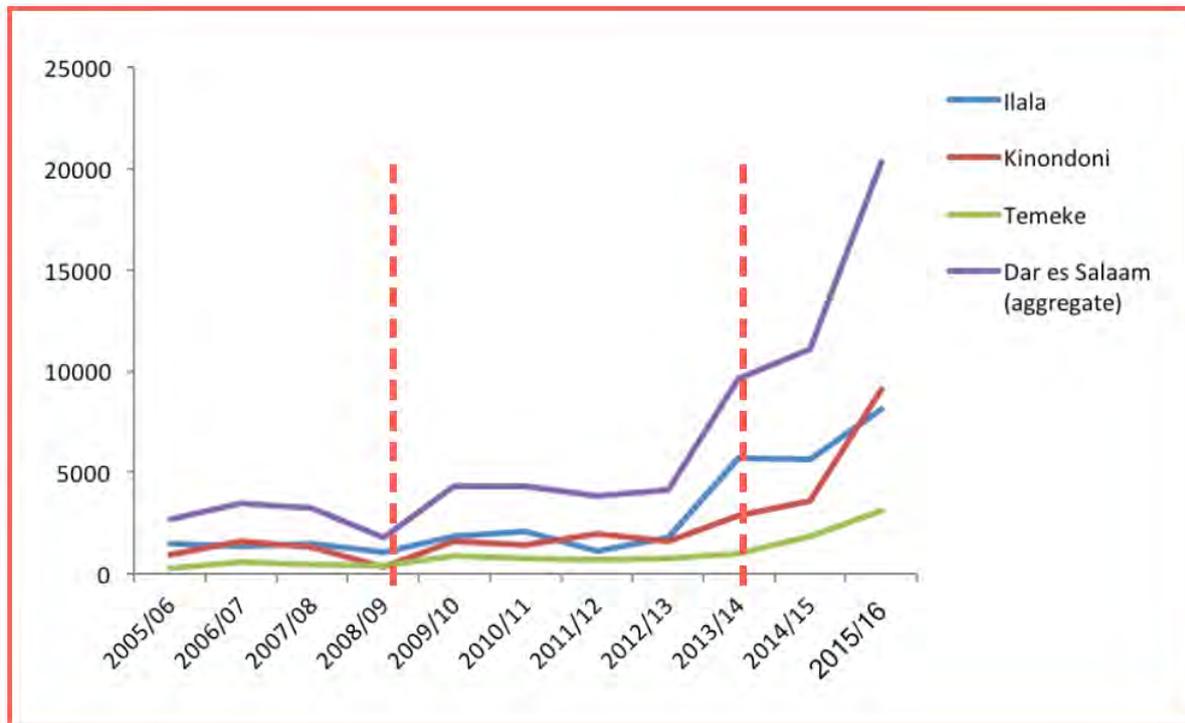
We recommend that the following Land Value Capture mechanisms are appropriate for use in Dar es Salaam, within the BRT corridors. They have been selected because they are appropriate in the way they address the specific needs of Dar es Salaam, its local market conditions and its current management structure.

Passive Land Value Capture

The public sector already captures land value. Development in Dar es Salaam, whether formal or informal, generates taxes. The country has a well-developed system of recording property ownership, assessing the value of assets and collecting taxes. New developments also yield direct taxes.

The chart below shows the increase in property taxation revenues in Dar es Salaam⁸.

Figure 3.1: Revenues from property taxes in Dar es Salaam municipalities, 2005–16 (in million TZS)



(Source: Taxing the urban boom in Tanzania: Central versus local government property tax collection. Odd-Helge Fjeldstad, Merima Ali, Lucas Katera)

It is not, however, possible to assess the benefit of public sector investment in infrastructure owing to a lack of accurate, integrated, spatial data. There is a need to coordinate and analyse disparate information from local government, ministries and the market on a city-wide basis to assess the benefits of major infrastructure projects.

Fjeldstad et al also note that poor (and falling) collection rates since the re-centralisation of tax collection rates is, in large part, due to the poor administration of property databases. Good management of data will lead to better land value capture.

⁸ Taxing the urban boom in Tanzania: Central versus local government property tax collection. Odd-Helge Fjeldstad, Merima Ali, Lucas Katera. CMI Insights, June 2017

It is recommended that Dar es Salaam City Council takes on the role of monitoring land value uplift and the relation to infrastructure investment. It should develop the necessary skills and capacity to assess the benefits of investment and support decision making by ministries, DART and other public-sector bodies.

Developer Contributions

Other cities use Developer Contributions (sometimes called Negotiated Planning Payments) to capture some of the value of specific developments. Unlike CIL, earlier above, it is not a flat-rate tax, but a contribution based on the characteristics of the proposed development. The planning authority will attach conditions to planning permission that require the developer to make contributions for public benefit either in kind or as a financial contribution. The authority determines the impact that the subject development will make on the surrounding area and requires contributions towards improving highways, public open spaces or public amenity. The mechanism is commonly used to take contributions towards the provision of affordable housing. This can be done as; i) direct provision of the housing as part of the development, ii) provision offset on a site in the neighbourhood deemed acceptable by the neighbourhood, iii) a payment to the authority in lieu of direct provision.

It is recommended that the municipalities take on this approach and adopt it as part of the planning process for sites above a certain size, to be determined. The City, with support from PO-RALG, should develop guidance including; the threshold above which this process should be applied, typical target levels of public amenity, suggested financial limits and standards for the provision of affordable housing. For this to be equitable we expect that applicants should be able to appeal decision by taking it to Tribunal.

City Infrastructure Levy

A City Infrastructure Levy would be a charge developers pay, as part of the planning process to reflect the wider pressure their scheme places on the City's infrastructure. In the case of Dar es Salaam the pressing need for affordable housing make it reasonable to extend use of this income to include the subsidy of housing improvement projects. Such projects might include land pooling and the delivery of infrastructure to provide serviced plots for self-build projects. It may also be used to subsidise the provision of affordable rented homes provided by not-for profit organisations.

It is recommended that there is a City-Wide CIL administered by the city Council. It is usual for such charges to be a flat-rate levy per m² of proposed development. There may be different charging bands for zones within the city reflecting the difference in property values.

Land Readjustment and Development Rights Transfer

We recommend a combination of these two techniques to optimise Transport Oriented Development and capture value to help pay for the acquisition of land in the transport corridor.

Land Readjustment

It is reasonable to expect increased development densities at transport nodes and along transport corridors. Rather than simply give these rights away to land owners and developers the authority can sell these rights to pay for the infrastructure. The right to develop at a higher density can be auctioned, affected landowners may be able to buy these rights at a discount or wait for developers to buy their land. This tool should assist site assembly and make the development at higher density more for Transport Oriented Development. The diagram below shows the sequence of steps undertaken in the Land Readjustment process.

Figure 3.2: The Land Readjustment Process



Development Rights Transfer

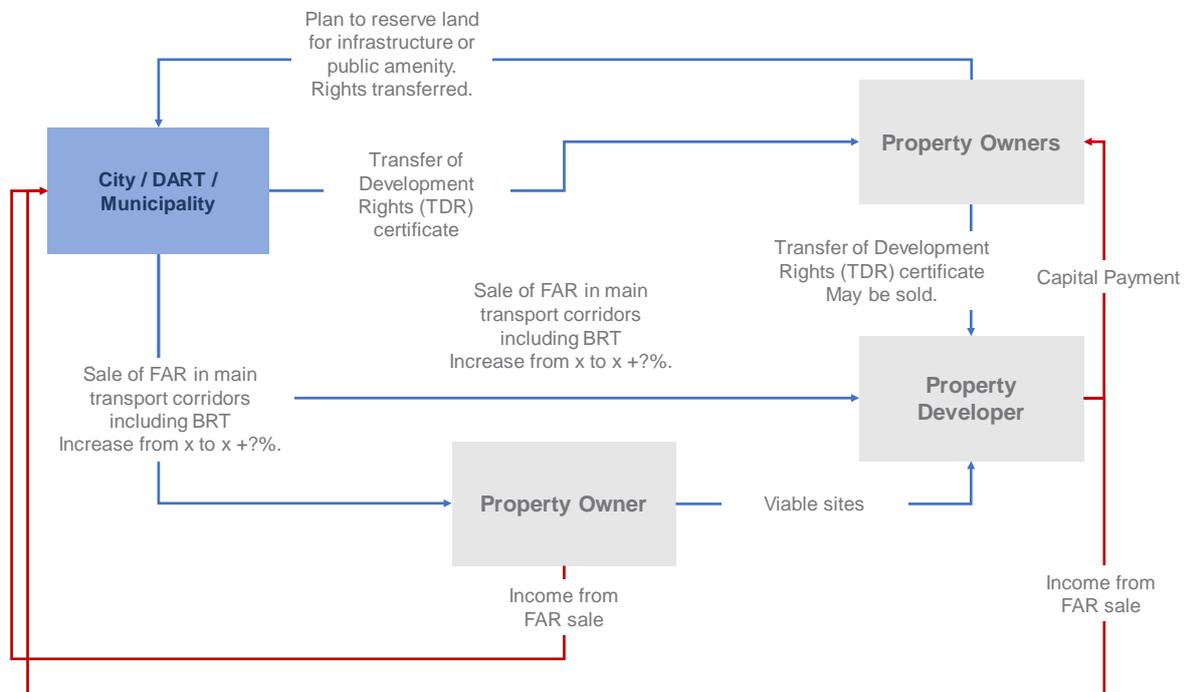
This is an alternative method of compensating the owners of land which must be compulsorily acquired for an infrastructure corridor or other public benefit. Instead of being paid directly to vacate land they are issued a development rights transfer certificate to a value more than their current land holding. These certificates can later be traded with Developers wanting to invest in the designated area. The diagram below illustrates the sequence for development rights transfer.

Figure 3.3: Development Rights Transfer Process



The diagram below illustrates how these two processes could fit together. There may be significant overlap between both tools, and as such we would expect them to be planned and administered together by the same team in the same organisation.

Figure 3.3 – Development Rights Transfer & Land Readjustment processes



It is recommended that the City Council should be responsible for Land Readjustment and Development Rights transfer. Both these tools relate specifically to major interventions around infrastructure and have city-wide implications, as such the land value captured, and its re-distribution should be a City Council responsibility. It is also efficient to have the skills and experience relating to the implementation of these forms of Land Value Capture. The successful use of these tools will depend on the City evolving comprehensive data management and GIS tools, which are currently being developed.

Development Corporation

We recommend that a Development Corporation model is used to capture value where large, contiguous Transport Oriented Developments occur or where several similar sites (for example station sites) are to be developed at the same time. Such a Development Corporation would be an independent corporate entity whose shares could be traded in which the public sector has a majority stake, along the lines of the Hong Kong model. It would have the objective of coordinating large-scale developments to maximise public benefit and capture value. The diagram below outlines a process for setting up such a Corporation. The diagram below illustrates the sequence for setting up and operating a Development Corporation.

Figure 3.4 – Development Corporation Process



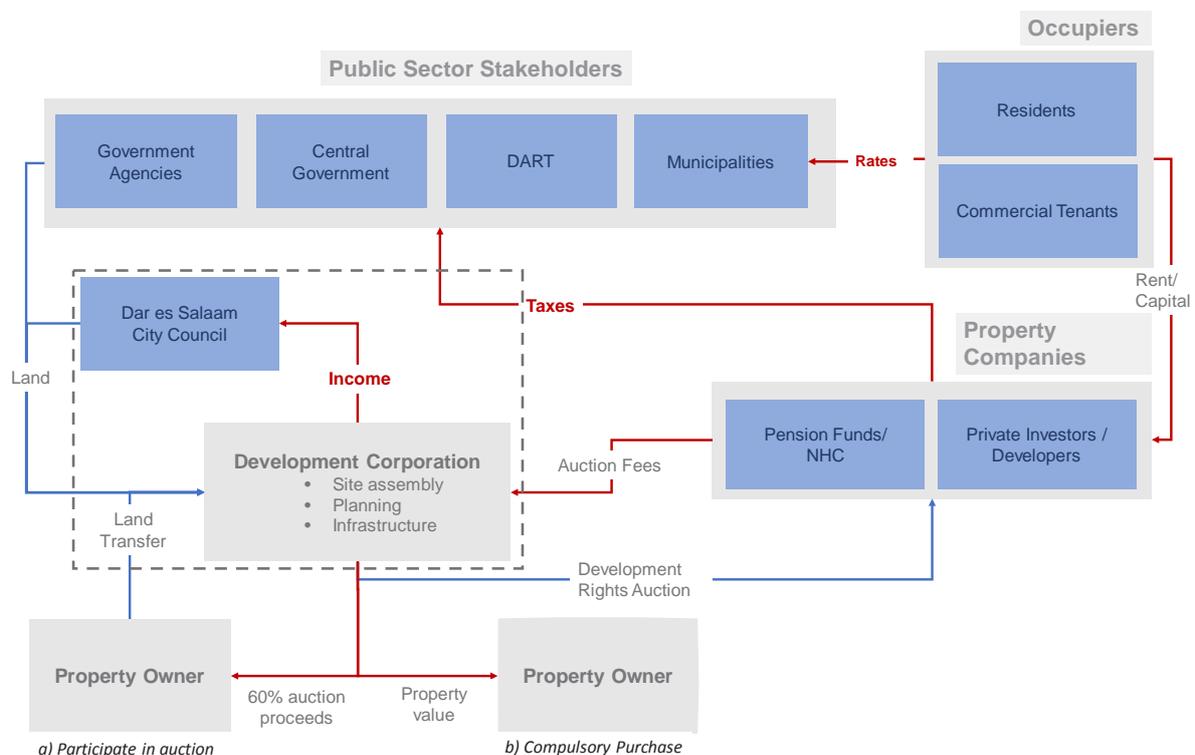
It is recommended that the Development Corporation should primarily be the responsibility of the City Council but should also include representation from PO-RALG, DART and the Municipalities in Dar es Salaam as necessary. Other public-sector organisations, who contribute land to the venture, will also be represented. Donors or NGOs may also be represented. There will be non-executive directors who have no other interest in the activities of the development corporation. Some may be from other countries if they bring relevant skills and experience, and fill possible skills gaps in the short to medium term.

A note on the need for a Master Developer

The use of a Development Corporation removes the need for a Master Developer (NB: this is suggested in the Terms of Reference for this project). The proposal to use a Development Corporation is not the only reason a Master Developer is not suggested. The sheer scale of the corridor, as well as the fact that it would be developed over such a long period of time, simply makes the idea of a Master Developer inappropriate.

By having a Development Corporation with public presence, overseen by the public sector, the City will retain greater control of strategic sites, will control the planning process, and will be able to coordinate the provision of infrastructure (more so than in a scenario where a Master Developer is in charge). The auctioning of development plots in the open market will also ensure that opportunities for Land Value Capture are fully exploited. The diagram below outlines a possible structure for the Development Corporation, in relation to the other agencies working within the BRT Phase 1 Corridor:

Figure 3.5: Development Corporation Functionality



Additional aspects of the Development Corporation Model

The development corporation model brings additional benefits:

- **Speed:** As the development corporation has delegated powers to act as the planning authority and to plan and deliver infrastructure the planning and development process should be speeded up.

- **Liquidity:** As a publicly listed company it allows investors of all sizes, from individual citizens through pension funds to international funds to partake in real estate investment in Dar es Salaam. A company that is majority owned by the government should remain an attractive investment.
- **Land readjustment:** Land readjustment mechanisms could be operated directly by the development corporation within the designated zone.
- **Compensation:** The Development Corporation model will allow the government to compensate land owners, in designated areas, for compulsory purchase of land to make way for infrastructure or to assemble sites for public benefit. They will be offered the choice of compensation at existing land value or the choice either sharing in the receipts from the auction of plots or retaining shares in the development corporation.
- **Taxation:** The government may choose to grant the Development Corporation Area short term tax exemption in order to encourage occupiers.
- **Transactions in foreign currencies:** The government may permit real estate transaction to be made in foreign currencies to attract international investors.
- **Management of Public Space:** The development corporation may take on the management of public space in accordance with condominium regulations. In this way the government can ensure that new public spaces are managed to a high standard.

3.2 Management Implications

3.2.1 Risk

The tools and processes outlined above will have an impact on numerous parts of the public sector tasked with managing the built environment in Dar es Salaam. A useful way of assessing the management implications is to briefly consider the risks inherent in each of the tools and processes, which we have done in the following matrix.

Tool / Process	Risk	Likelihood	Impact	Mitigation
Passive LVC	Lack of available data	High	High	The City Council is given resources to collect analyse and map all relevant data across the City.
	Lack of GIS skills	Medium	High	The City Council recruits and trains sufficient staff to run a city-wide GIS service
	Lack of analytical capability	Medium	High	The Council recruits and trains sufficient staff to run a service monitoring the impact of urban development
	Lack of cooperation from other public-sector bodies	High	High	The Council is supported by PO-RALG to ensure that they are provided with the support they need to discharge their responsibilities.
Developer Contributions	Insufficient city data to assess requirements	High	High	Ensure that the City Council holds and grants access to a comprehensive data set and provides analysis as required. PO-RALG to ensure that the City meets its obligations.
	Insufficient skills or experience to assess opportunity	High	High	Budget. Training staff in Municipalities.
	Insufficient experience to negotiate with developers	Medium	High	Budget. Training staff in Municipalities.
	Insufficient capacity to enforce planning requirements	Medium	High	Budget. Training staff in Municipalities. Recruitment.
Land Readjustment and Development Rights Transfer.	Insufficient data to assess the opportunities and identify land owners	High	High	Ensure that the City Council has data analytics and GIS capability

Tool / Process	Risk	Likelihood	Impact	Mitigation
	Inability to prioritise opportunities	High	High	Ensure that the City Council has capability to make strategic assessments. Support from PO-RALG
	Lack of experience / capacity to negotiate with the Landowners and Developers.	Medium	High	Budget. Training staff in Municipalities. Recruitment. Support from PO-RALG
Development Corporation	Lack of investor interest		High	Offer tax incentives, allow dollar transactions
	Lack of Expertise in Country to establish the senior management team or technical advisors	High	High	Recruit non-Tanzanian experts as interim leaders with an explicit brief to transfer knowledge to the local team, and train on international best practice. Identify and train high-calibre local staff.
	Conflicts of interest	High	High	Ensure that the Board includes experienced non-executive directors who can monitor issues. Ensure that there is a Gateway review process that is administered by an independent body (answering to PO-RALG)
	Lack of cooperation between public sector bodies	High	High	Clear constitution with a disputes mechanism. Role for PO-RALG as an initial mediator.

3.2.2 Public Sector in Dar es Salaam – working together for a common objective

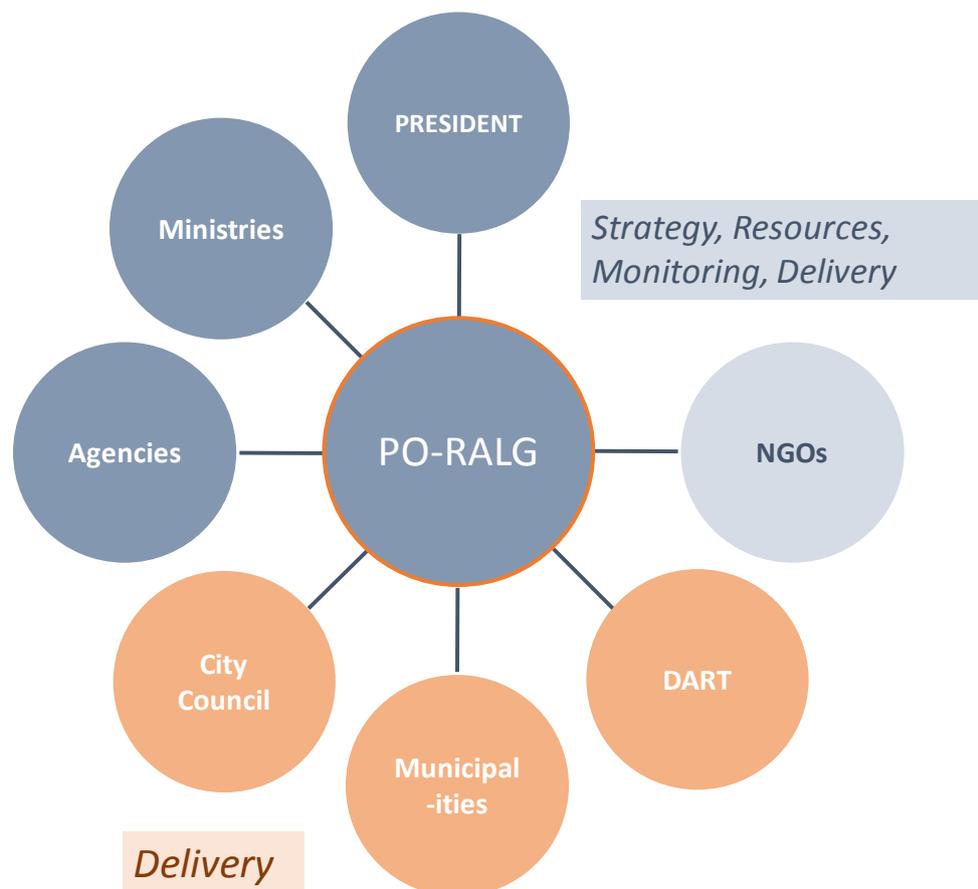
One of the main challenges for planning urban development and transport in Dar es Salaam is the fragmentation and lack of alignment of government within the city. Rather than the usual hierarchy of responsibility there is a more of a hub and spoke model with PO-RALG at the centre. This is summarised by World Bank in PAD 1464 (Transport Improvement Project)⁹.

⁹ WB Transport and ICT Practice, Africa Region: *Project Appraisal Document 1464 – Dar es Salaam Urban Transport Improvement Project*. February 14, 2017.

<http://documents.worldbank.org/curated/en/794251489201242940/pdf/TZ-PAD-02162017.pdf>

“The governance structure of the Dar es Salaam local government is challenging. There are five municipalities, each led by a Mayor and an apex coordinating body called Dar es Salaam City Council (DCC). Each municipality has its own authority and reports directly to the President’s Office for Regional Administration and Local Government (PO-RALG), and therefore the DCC does not have direct authority over the municipality activities. The governance of the transportation sector is equally fragmented with 14 agencies – each with some responsibilities on the same network. The Dar Rapid Transit agency (DART), an executive agency under PO-RALG, is responsible for contracting and managing the BRT operations... The Transport Master Plan of 2008 recommended formation of the Dar es Salaam Urban Transport Authority (DUTA) to strengthen institutional arrangements for a sustainable transport system in Dar es Salaam City. A recent World Bank report emphasizes the critical importance of having a lead institution such as DUTA for developing an integrated and comprehensive urban transport systems.”

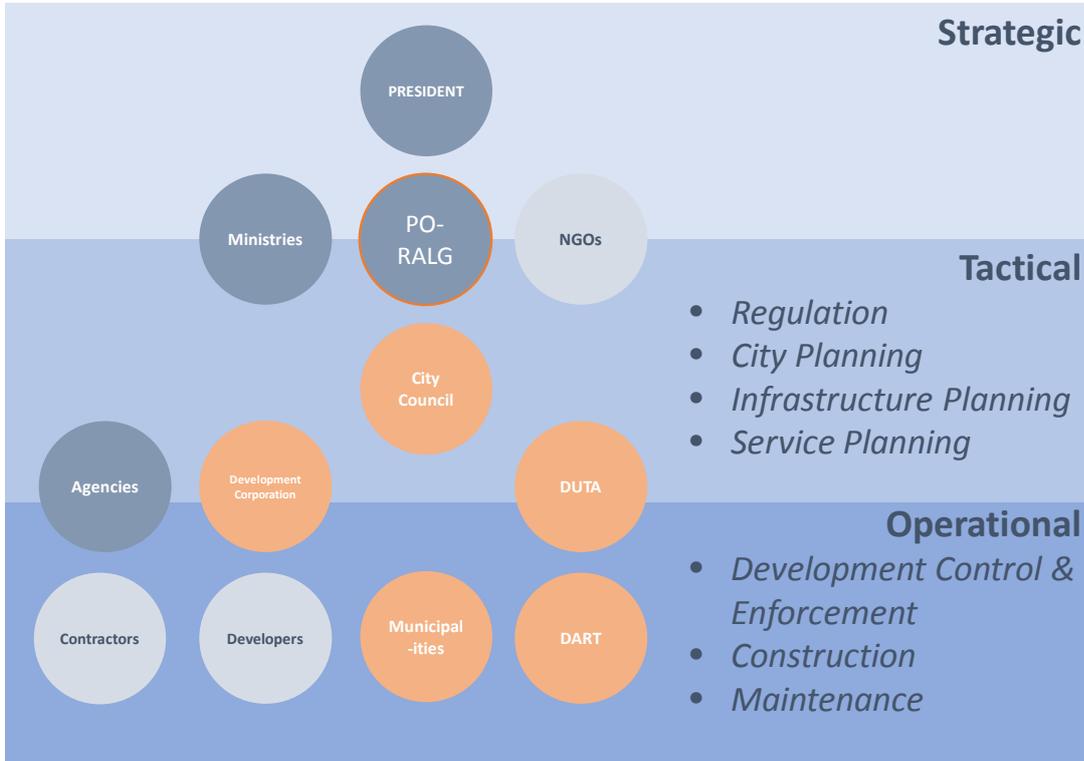
Figure 3.6: Dar es Salaam – Hub and Spoke approach to management



Source: CoLab

This approach is recommended as it is simplified to ensure that there is better alignment of roles and less duplication of effort. We have already recommended earlier above that there is a process to better align strategic plans for the organisations concerned. The diagram and table below summarise how these relationships could work.

Figure 3.7: Proposed Alignment of Roles – Planning & Development



Source: CoLab

Table 3.8: Proposed reporting lines and responsibilities

Organisation	Role	Reporting to	Responsible for
Ministries	Strategy, Budget, Legalisation	President, Government	Dissemination of policies and funding to departments, agencies and local authorities
Local PO-RALG	Support to local government. Coordination between agencies	President	Oversight of local government strategy. Monitoring performance and delivery of local government. Technical support. Mediation between departments, agencies and local authorities
Dar City Council	Representation of the City to central government. Development and implementation of City-wide initiatives. Including Planning Development and Transport	PO-RALG, funding departments.	Developing city-wide strategies. Management of city databases and GIS. Management of DUTA Coordination of transport plans and Transport Oriented Development Oversight of Development Corporations. Monitoring Land Value Capture. Setting city-wide planning guidelines. Monitoring and supporting municipalities in their delivery of planning roles
DUTA	Delivery of Integrated Transport Systems	Dar City Council, Funding departments.	Strategy, Coordination with City and Municipalities on planning and development of transport
DART	Operation of BRT in Dar es Salaam	DUTA, Dart, Funding departments	Operating the BRT
Development Corporation	Development of major strategic sites	Dar City Council, DUTA, DART, Municipalities, other stakeholders	Providing coordinated Transport Oriented Development at strategic sites. Capturing revenue to be re-invested for public benefit.
Municipalities	Representation of the municipality to City Council.	City Council, PO-RALG, Funding departments.	Day-to-day management and delivery of planning process. Monitoring and enforcement of the planning regulations.

Organisation	Role	Reporting to	Responsible for
Mtaas	Representation of the local inhabitants to the Municipality	Municipalities	Communication between the local community and the Municipality and visa-versa.

3.3 The Process

3.3.1 Implementation of TOD

As the body responsible for city-wide development strategy and transport it falls to the City Council to maintain and implement the TOD guidelines. The City will maintain the records of any TOD zones and be responsible for supervising the application of TOD principles through the corridor. The City Council will set the priorities for which zones are to be developed first in order to allow for an orderly flow of development.

The Municipalities will continue to fulfil their normal roles as planning authorities but will also be responsible for applying the corridor guidelines and considering the phasing priorities required by the City Council. The City Council will provide the Municipalities support to ensure that they are adequately interpreting the guidelines. The City will be able to veto planning applications in the corridor that do not comply with the guidelines. In this way the two levels of local government will follow the clear separation of tactical and operational roles. The City Council is also responsible for liaising with PO-RALG and the relevant ministries to ensure that the plans for the development corridor are maintained and progressed. The City will provide all parties with research and analysis to support future decision making. This will require a significant increase in capacity and capability for the City Council

3.3.2 Developer Contributions

The City Council will be responsible for devising and supervising a system of Developer Contributions. This will apply to developments above a certain size in the corridor. The City, taking into account the impact of the development and the benefits to the developer arising from public investment and improved planning standards will determine the contribution required to social infrastructure or affordable housing. The Municipalities, as part of the planning process will negotiate with the developers how this contribution is to be made. The City will be responsible for re-investment of any receipts. The City will be responsible for reporting all payments or other benefits to PO-RALG in their role as monitoring body. The City may require external assistance to draw up the detailed guidelines for the application of NPP. This process will require additional long-term capacity and capability in the City and the Municipalities. PO-RALG may also need some additional capacity to monitor progress.

3.3.3 Special Interventions by the City - Development Corporation Sites, Using Land readjustment and development Rights Transfer

Key strategic sites will be designated by the City Council as potential areas for the Development Corporation to operate. Such sites are likely to have one or more of the following characteristics:

- **Within the BRT corridor and a major strategic site in public ownership**
- **An identified TOD site within a station catchment area with potential for higher-density development**
- **A significant TOD site with fragmented / problematic ownership requiring land acquisition to progress**
- **A site suitable for the provision of large amounts of public open space or other public amenity**
- **Sites designated as suitable for a large proportion of public or affordable housing.**

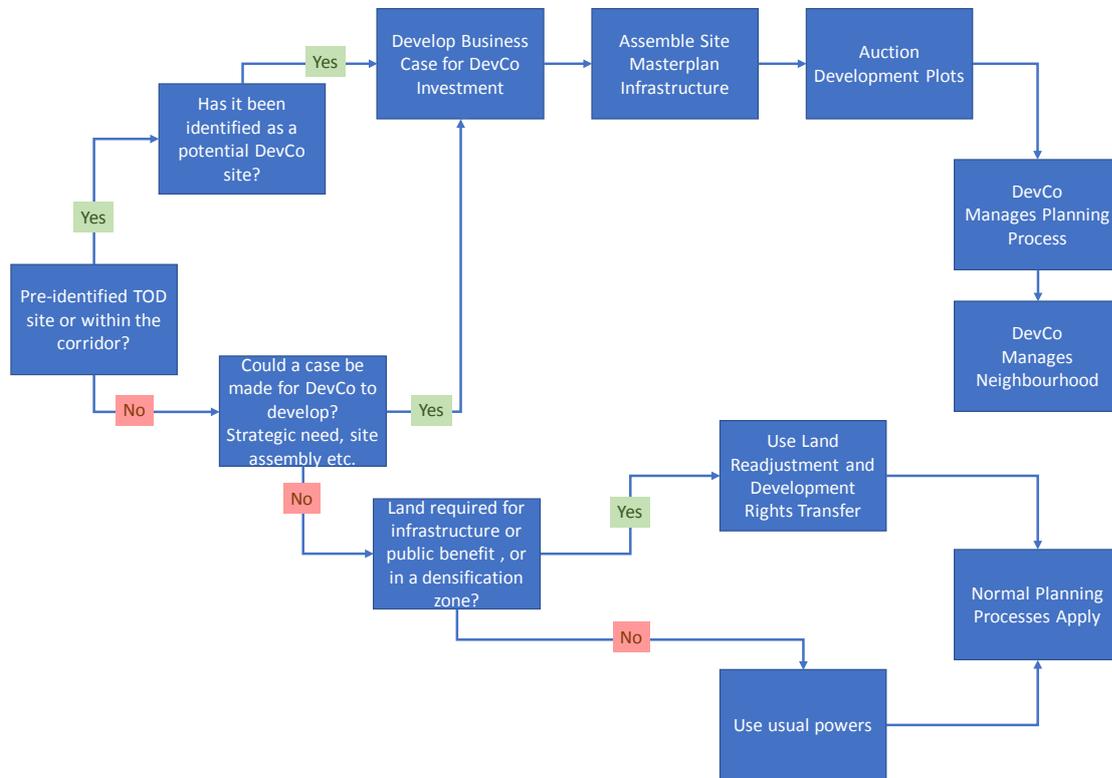
Any site identified a potential Development Corporation site will require a business case to test the financial viability of proposals. The development Corporation will undertake the business case with feedback from the city and review by PO-RALG.

Over time the city may identify other sites, not previously designated as potential Development Corporation sites that show potential. These would be put to the Development Corporation and if appropriate put through the business case process.

The City will consider whether TOD sites or sites in the corridor are appropriate for Land readjustment or development rights transfer.

The following diagram summarises the processes.

Figure 3.9: Selection of Planning and Development Routes

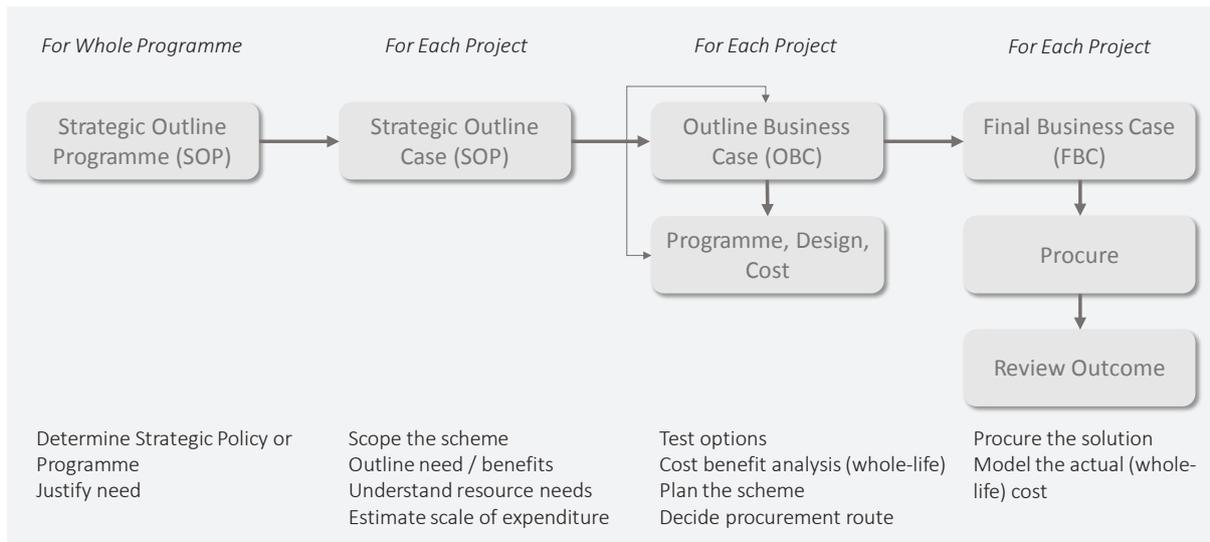


Source: CoLab

3.3.4 Developing the Business Case

Any TOD that will be undertaken by the development corporation will require a business case. This is an iterative process that will follow the five-case model process.

For major initiatives (say the development of multiple station locations) the business case process will start at programme level. Otherwise it will deal with projects separately. The diagram below illustrates the main stages of the process.



Source: CoLab

The five-case model requires scrutiny of a range of issues prior to commencing a project or programme. The diagram below illustrates the rationale for the main topics that should be covered.



Source: CoLab

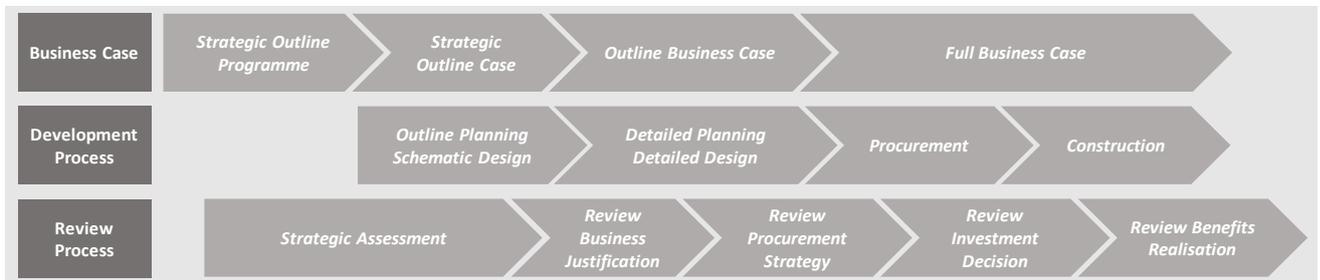
At the centre of the business case are economic models that that illustrate the Economic Case (is it value for money) and the Financial Case (is it affordable). The Economic Case is essential to understand that any public-sector contribution is worthwhile the Financial

Case will test whether public-sector funding is available (should it be required). The financial model will also consider in detail the overall cost of the project, the financial returns, and phasing. Consideration also needs to be taken of risk and uncertainty.

3.3.5 Aligning Processes and Reviews

The business case process should be redefined as the project progresses. The final full business case is a report on outcome of the project and as such a record of out-turn against expectations.

The review process runs in parallel to the business case and development processes. We would expect PO-RALG to be ultimately responsible for ensuring that the review process is in place and prevents a business case being signed off if it fails to meet the appropriate standards.



Source: CoLab

3.4 Worked Example: Single Building Development

3.4.1 Description

A single building constructed on three floors in the Ubungo area. The scheme is half affordable and half market rented housing. The building will accommodate approximately 66 people, 42 in affordable housing and 24 in market rented accommodation. There will be 6 market rent homes and 11 affordable homes.

3.4.2 Economic Benefits

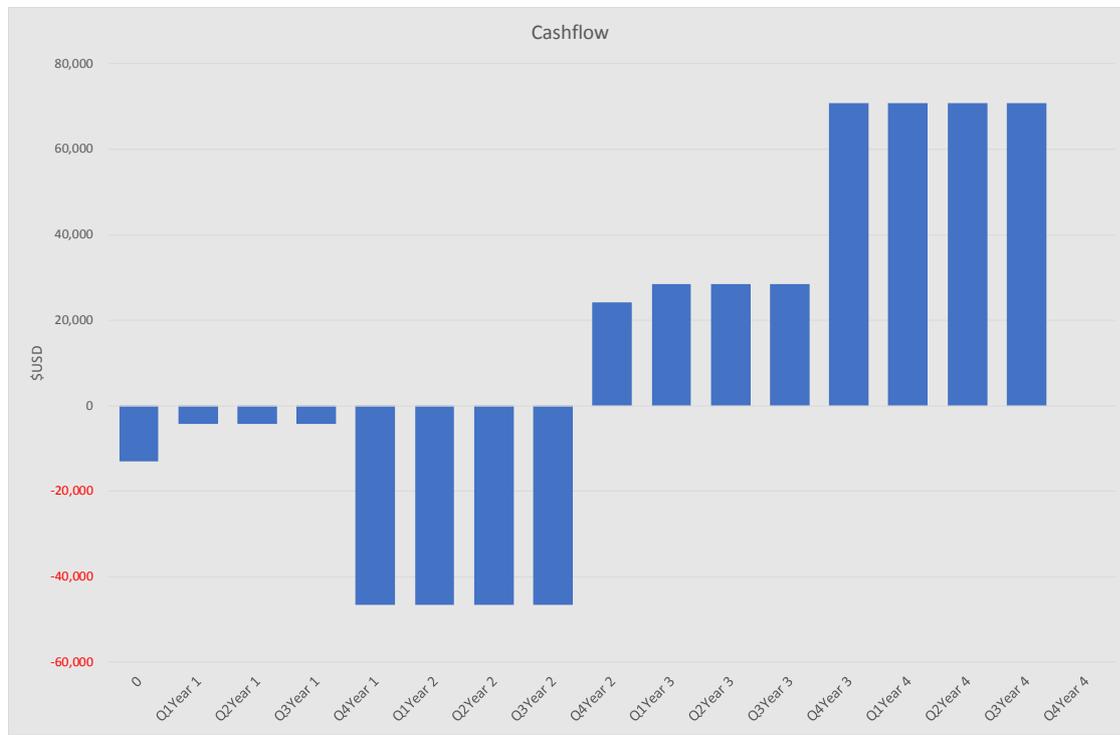
The developer will pay for all local and bulk infrastructure costs and contribute \$20m2 towards the City Infrastructure Levy. He will sell the affordable units to a not-for-profit housing provider at a 20% discount to market value. His overall contribution in terms of land value capture will be \$120,000 which equates to over eight times the original value of the land.

3.4.3 Developer Revenues

The developer will make a return of 39.45% before tax and interest charges. They will make a net return of over \$150,000. The scheme will take four years and they will break even in year four, quarter one.

The charts below show his cashflow and cumulative cashflow.

Chart 3.10: Single Building development Cashflow



3.5 Worked Example: Station Area Redevelopment Gerezani

3.5.1 Description

A high-rise station area development, up to 15 storeys, in the centre of Dar es Salaam adjacent to the BRT terminal at Gerezani. This is a mixed-use scheme with offices (359,000m²), retail (127,000m²), 1,413 market housing units (accommodating 8,476 people), and 530 affordable housing (accommodating 3,179). There is also multi-storey parking provision on the site for 595 cars.



A rendering of how part of Gerezani might look, regenerated (Source: Broadway Malyan)

3.5.2 Economic Benefits

The developer will pay for all local and bulk infrastructure costs and contribute \$10m² towards the City Infrastructure Levy. They will provide all 503 affordable units to a not-for-profit housing provider at a no cost. Their overall contribution in terms of land value capture will be over \$6m which equates to five and a half times the original value of the land.

3.5.3 Developer Revenues

The developer will make a return of 48.41% before tax and interest charges. They will make a net return of nearly \$46m. The scheme will take fourteen years and they will break even in year four quarter three.

The charts below show their cashflow and cumulative cashflow.

Chart 3.11 - Gerezani Development Cashflow

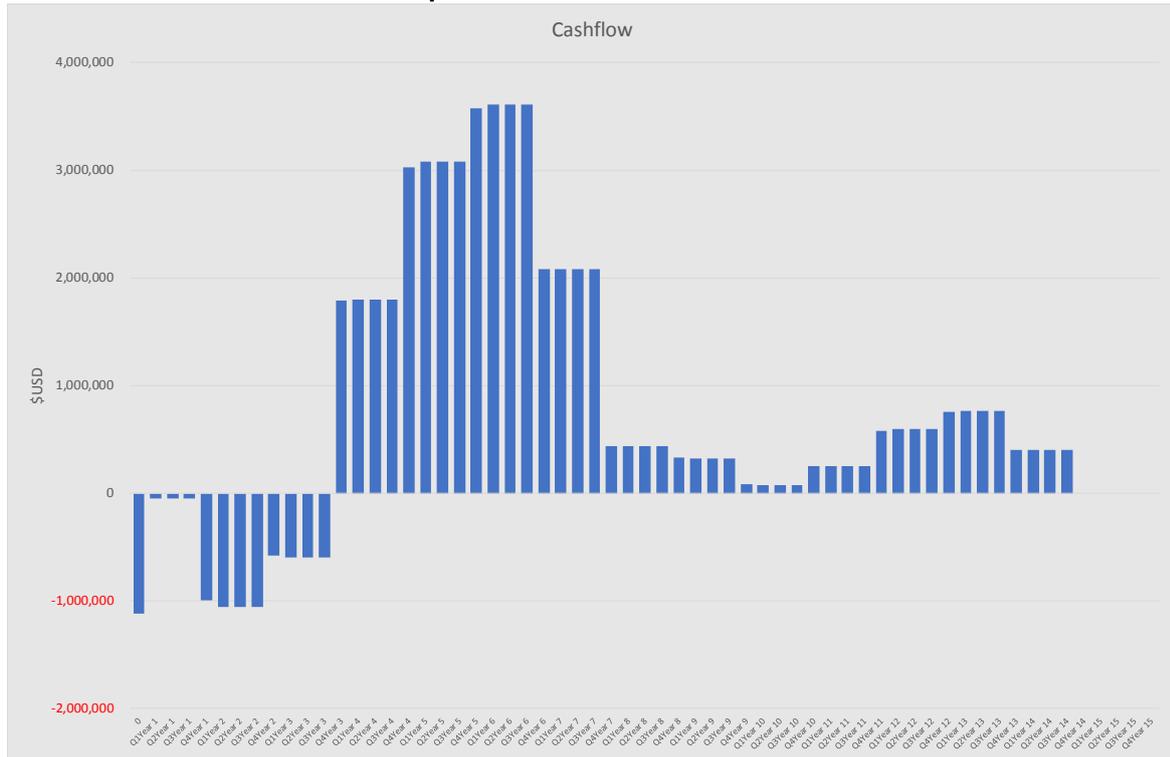
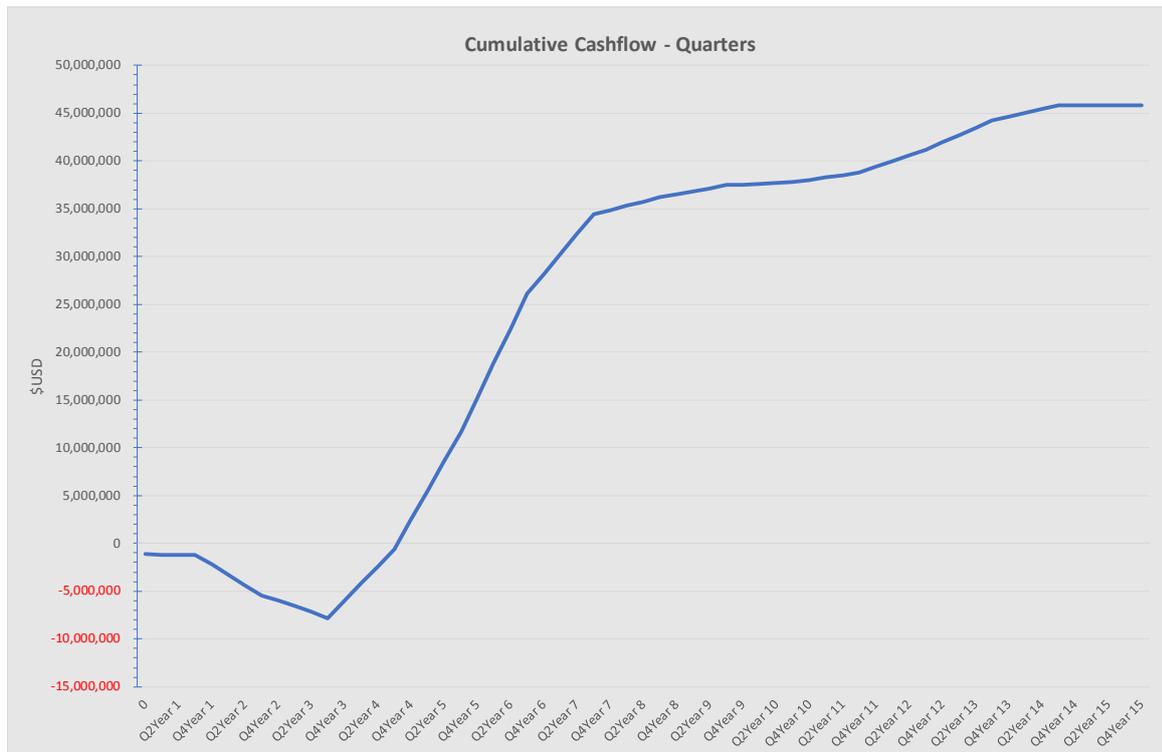


Chart 3.12 - Gerezani Consolidated Cashflow



The table which follows summarises the key data of the development.

Table 3.13: Gerezani Development Key Data

Gerezani			
Development Mix			
Neighbourhood Area Ratio (FAR)	3.461612594		
Neighbourhood Site Area Ha	3.0299		
Gross Developable Area m2	104,883		
	<i>Gross External Area</i>	<i>% GDA</i>	<i>Site Area</i>
Residential Affordable	5,001	4.77%	13,120
Residential Market	20,005	19.07%	13,120
Retail	11,740	11.19%	45,315
Offices	28,756	27.42%	20,157
Community	980	0.93%	2,450
Hospitality	12,936	12.33%	5,390
Parking Max	11,888	11.33%	20,960
Podium Parking	5,630	5.37%	18,510
Transport	7,947	7.58%	30,060
Total	104,883	100.00%	169,082

Infrastructure Costs		<i>Developer Cost \$</i>
Earthworks		213,886
Water		68,179
Cable / Fibre Ducts		40,907
Sewerage		29,717
Stormwater		102,960
Roads		488,663
Electricity		492,793
Bulk Infrastructure		1,127,221
Total		2,564,325
Construction Costs		<i>Cost \$</i>
Residential Affordable		1,500,384
Residential Market		8,002,048
Retail		8,153,254
Offices		20,128,920
Community		294,000
Hospitality		3,880,800
Parking Max		5,944,200
Podium Parking		2,815,000
Transport		3,973,410
		54,692,016
Land Cost \$		1,121,063

Income		Cost \$
Residential Affordable		-
Residential Market		15,003,840
Retail		14,208,102
Offices		43,133,400
Community		-
Hospitality		15,523,200
Parking Max		9,510,720
Podium Parking		4,504,000
Transport		3,178,728
Total		105,061,990
Gross Profit Before Finance	77.42%	
Gross IRR before Finance	48.41%	
Breakeven point	Q3Year 4	

3.6 Worked Example: Station Redevelopment Ubungu

3.6.1 Description

A high-rise station area development of mixed heights up to 15 storeys, in the outskirts of Dar es Salaam adjacent to the BRT terminal at Ubungu. This is a mixed-use scheme with offices (1,860m²), retail (43,600m²), 665 market housing units (accommodating 3,942 people), and 490 affordable housing (accommodating 2,696). There is also parking provision on the site for 698 cars.



A rendering of how part of Ubungu might look, once regenerated (Source: Broadway Malyan)

3.6.2 Economic Benefits

The developer will pay for all local and bulk infrastructure costs and contribute \$25m towards the City Infrastructure Levy. They will provide all 409 affordable units to a not-for-profit housing provider at a no cost. Their overall contribution in terms of land value capture will be over \$36m which equates to nearly twelve times the original value of the land.

3.6.3 Developer Revenues

The developer will make a return of 44.86% before tax and interest charges. They will make a net return of nearly \$46m. The scheme will take nearly fifteen years and they will break even in year four quarter three.

The charts below show their cashflow and cumulative cashflow.

Chart 3.14: Ubungu Development Cashflow

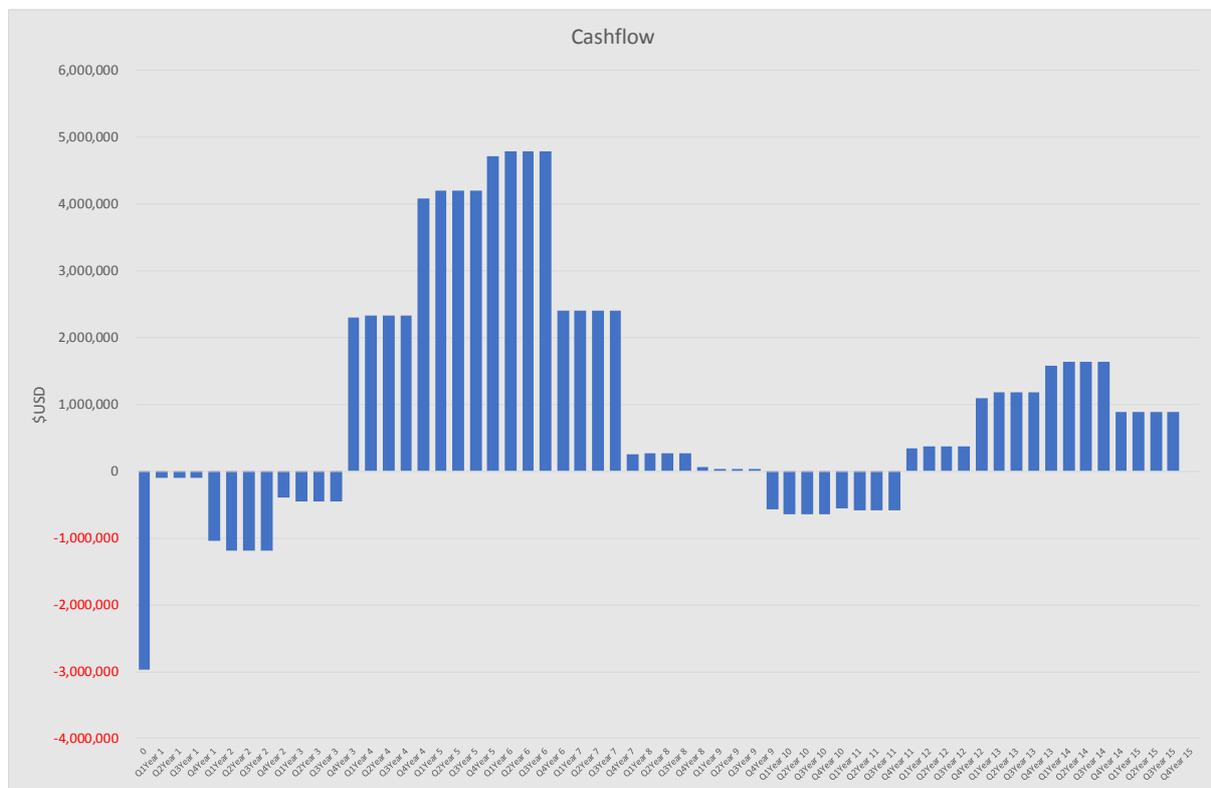


Chart 3.15: Ubungo Development Cumulative Cashflow

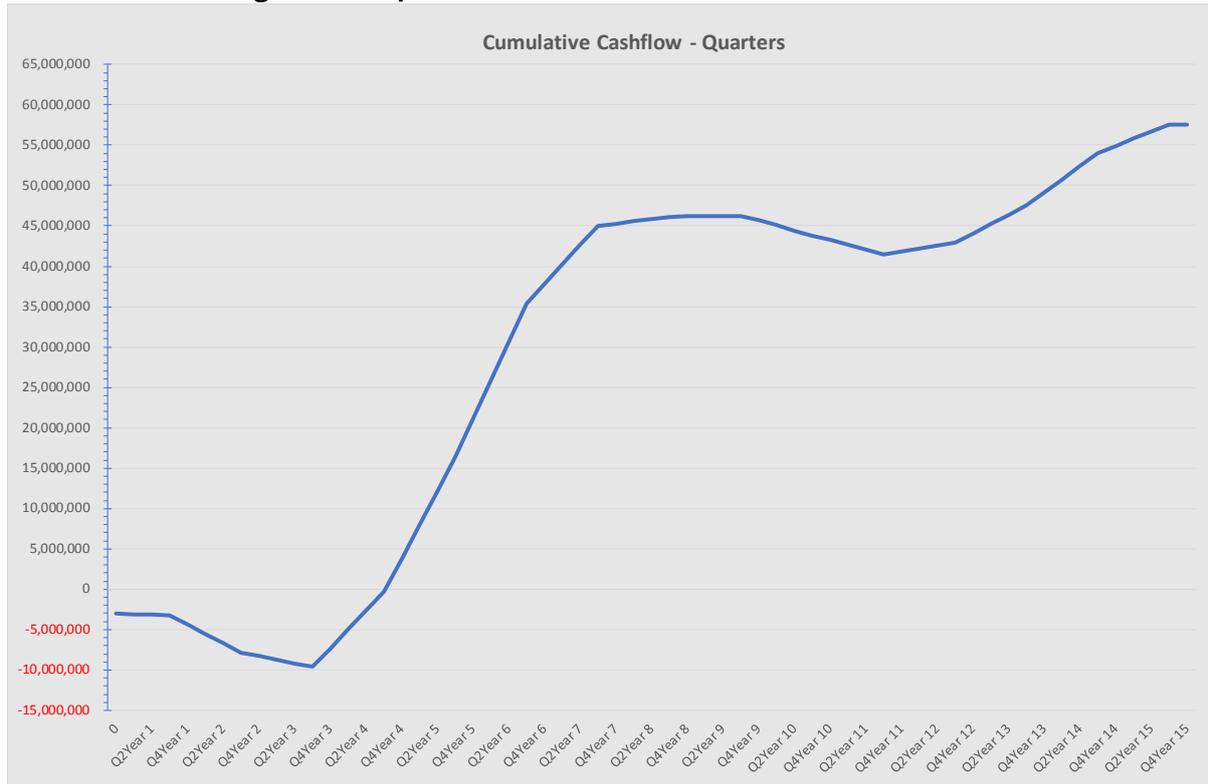


Table 3.16: Ubungo Development Key Data

Ubungo			
Development Mix			
Neighbourhood Area Ratio (FAR)		5.72804383	
Neighbourhood Site Area Ha		8.0304	
Gross Developable Area m2		173,554	
	<i>Gross External Area</i>	<i>% GDA</i>	<i>Site Area</i>
Residential Affordable	34,306	19.77%	7,361
Residential Market	78,582	45.28%	14,477
Retail	43,659	25.16%	22,146
Office	1,860	1.07%	620
Community Facilities	1,240	0.71%	620
Hospitality	5,140	2.96%	948
Park & Ride	11,844	6.82%	2,961
Parking	5,874	3.38%	2,937
Infrastructure Levels	5,462	3.15%	5,462
Total	187,967		57,532

Infrastructure Costs		<i>Developer Cost \$</i>
Earthworks		566,880
Water		180,699
Cable / Fibre Ducts		108,419
Sewerage		78,761
Stormwater		272,883
Roads		1,295,145
Electricity		1,306,092
Bulk Infrastructure		3,955,045
Total		7,763,924
Construction Costs		<i>Cost \$</i>
Residential Affordable		10,538,300
Residential Market		31,520,550
Retail		13,097,700
Office		1,395,000
Community Facilities		372,000
Hospitality		1,542,000
Park & Ride		5,922,000
Parking		1,762,200
Infrastructure Levels		2,731,000
Total		68,880,750
Land Cost \$		2,971,248

Income		<i>Cost \$</i>
Residential Affordable		-
Residential Market		59,024,250
Retail		65,488,500
Office		2,790,000
Community Facilities		-
Hospitality		6,168,000
Park & Ride		4,737,600
Parking		2,937,000
Infrastructure Levels		-
Total		141,145,350
Gross Profit Before Finance	68.88%	
Gross IRR before Finance	44.86%	
Breakeven point	Q3Year 4	

3.7 Public Infrastructure Funding methods

Within the BRT corridor alone the city will have to confront some major demands on public finance. The median population forecast will lead to an additional 771,000 inhabitants over 15 years raising the total population to 1,808,000 inhabitants. The implications for the provision of the cost of bulk infrastructure alone is a cost in the region of \$2.3bn. On top of this the public sector is likely to have to fund additional transport infrastructure and subsidise affordable housing. The affordable housing gap will cost in the region of \$4.4bn to bridge in the corridor alone. Any methods that can be used to lessen the burden on the public purse should be considered. Here we briefly consider some of the alternatives and the issues.

3.7.1 Annual Budget of Local and National Governments

Using taxation to fund capital projects is initially an attractive option. The argument that capital projects can be done on an “invest-to-save” basis can be particularly compelling. It is unlikely that the capital projects in Dar es Salaam will lead to direct financial savings. They are, however, capable of leading to an increase in tax revenue. The very large size of the informal economy in Tanzania limits the ability of government to use taxation as a source of revenue. Any investment that can be shown to take the population into the formal economy could help. Direct investment in affordable housing projects may help in this respect. The project income survey showed that most of the population are outside the formal housing economy – 97% pay less than the lowest market rents. The inclusion of more of the population in formalised housing could significantly increase the tax base.

3.7.2 Public Loans

Public borrowing is appropriate where a strong invest-to-save argument can be made or where a specific investment can be shown to make a positive contribution to GDP. Where it is simply bridging a gap in public finances it is simply deferring a problem and can be expensive. It is also possible the extended period of low global interest rates is coming to an end. Some public loans are going to be necessary to bridge the \$4.4 affordable housing gap. This will have the benefit of increasing the tax base.

3.7.3 Public Bonds

Public Bonds allow government or local authorities to borrow money at a fixed rate for a fixed period. The cost of borrowing will be determined by the market’s assessment of the ability of the borrower to repay the loan. If there is any risk of default, then this will become expensive or the market will decline the opportunity to invest entirely. Municipalities commonly use public bonds where other forms of finance are unavailable. This is sometimes used as a form of finance where the investment is likely to result in future increases in tax revenue. This pre-supposes that the municipalities can raise tax and that the investment will lead to a larger tax base or other ways of increasing revenue. At the moment this may not be an option.

3.7.4 Concession Payments

Concession payments are used to raise money from the provision of public services. They are used very effectively in public transport and telecommunications. The operators or

service providers pay the government for the right to provide a service for which the public will pay. As the consumers will ultimately pay for the concession cost as part of their charges this is effectively a tax on services. Concessions are usually auctioned to ensure that there is competitive tension between bidders and value-for-money is achieved by requiring minimum service standards. If there is a monopoly service provider, it is harder to ensure that the public will get a good deal. Concession agreements can raise millions of dollars and will, if promoted correctly, will attract international investors.

3.7.5 Direct Private Investment and Operation

This is commonly used for the provision of utilities. Many countries that had state owned monopolies struggled to deliver value-for-money services and struggled to rapidly respond to customer needs. This has often been resolved by transferring ownership to the private operators. These markets must be closely regulated to ensure that the operators do not abuse monopoly or cartel positions, that they are adequately capitalised, and that they meet minimum service standards. This approach can also be used to deliver roads through tolls or operate railways and airports. Direct Private Investment and Operation agreements can raise millions of dollars and will, if promoted correctly, will attract international investors.

3.7.6 Public Private Partnerships (PPP)

PPP, also known as the Private Finance Initiative in some countries, is a concession agreement that also involves the delivery of a public asset. First used to deliver privately financed roads, the operator was paid over the period of the life of the road on condition that it was maintained to a suitable standard. This approach generally works very well with roads and simple real-estate projects but has been found to be problematic where there are very complex service requirements. Contracts typically last 25 years. In the UK this approach has been used extensively to deliver schools and hospitals. In many cases this has been unsatisfactory. The main reasons are:

- **The government failed to create water-tight contracts with the operators and didn't receive the services they were expecting,**
- **There were changes in the government requirement and this led to very expensive penalty charges.**
- **The procurement process was costly and time consuming sometimes resulting in no contract being awarded.**

For internationally tendered contracts it is paramount that the tenderers can be confident that the government will honour the agreement. In China, where there is a lack of confidence in regional government doing so international bidders will either charge a prohibitive premium for their services or decline to bid.

PPP contracts may be suitable for the delivery of roads, municipal buildings or affordable housing. Their success depends on a strong business case that anticipates the market response and an expert negotiating team to ensure that the public sector gets a value-for-money deal. PPP agreements can deliver millions of dollars of assets and services and will, if promoted correctly, will attract international investors.

3.7.7 Developer Responsibilities

Developer responsibilities are basic requirement that are conditions of planning permission. They can include minimum construction standards, provision and maintenance of roads and footpaths and the provision and maintenance of public spaces. Most importantly is the provision of site related infrastructure. None of these benefits will be consistently realised without adequate capacity and capability in the planning and building enforcement teams within local government. The combined benefit derived from these responsibilities could amount to millions of dollars through the corridor as well as the benefit of better quality public realm

3.7.8 Developer contributions / Negotiated Payments

Developer Contributions (also called Negotiated Payments) could take several forms:

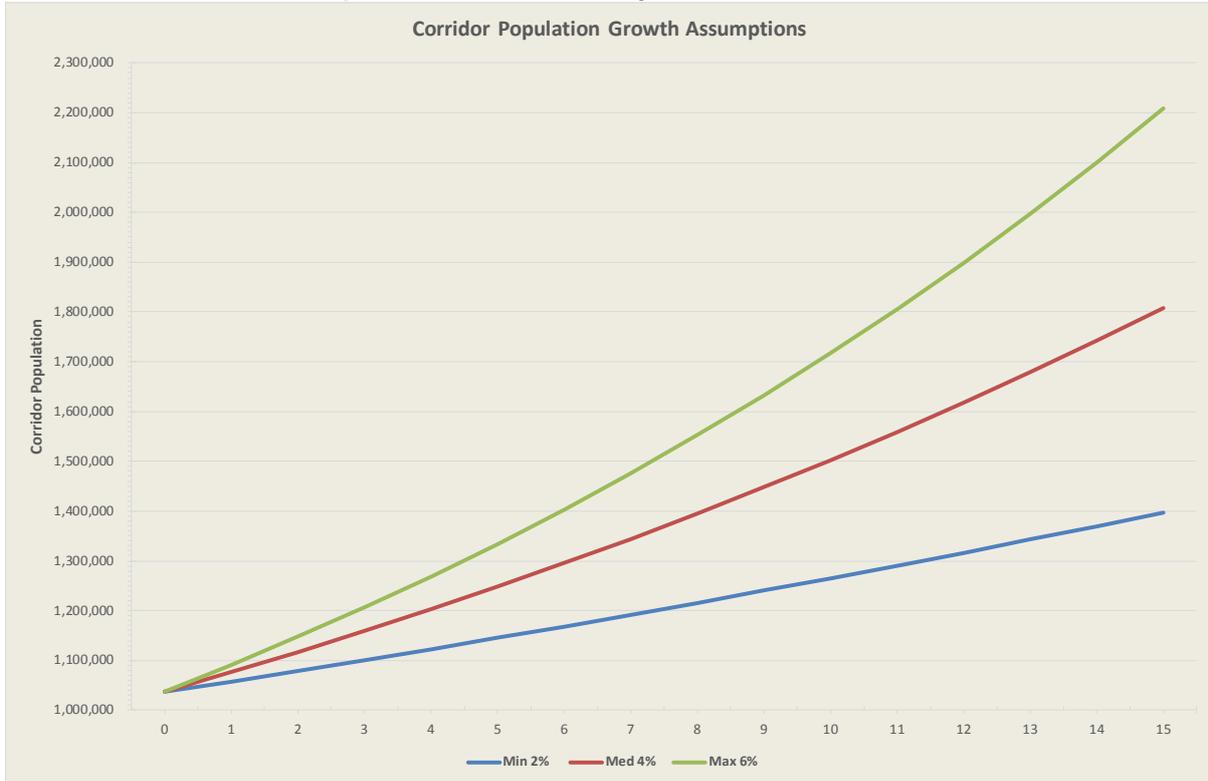
- a) **The direct provision of affordable housing** as part of their scheme or offset on another site in the neighbourhood. The housing would be transferred to a not-for-profit operator.
- b) **The contribution via a City Infrastructure Levy to a fund** to be used to fund the provision of bulk infrastructure in the city or the subsidy of affordable housing.

On the median population growth assumptions there will be a need for 195,680 new market homes (28,368,844m²). If the developers were to contribute a further 20% of this as affordable housing to be granted to not-for-profit operators this would amount to 38,550 homes that would have an estimated cost of nearly \$1bn.

3.8 Housing Requirements

The estimated current population of the BRT corridor is 1,036,987. An analysis of high, medium and low population growth forecasts in the corridor has formed the basis for a projection of housing needs.

Chart 3.17: Corridor Population Growth Projections



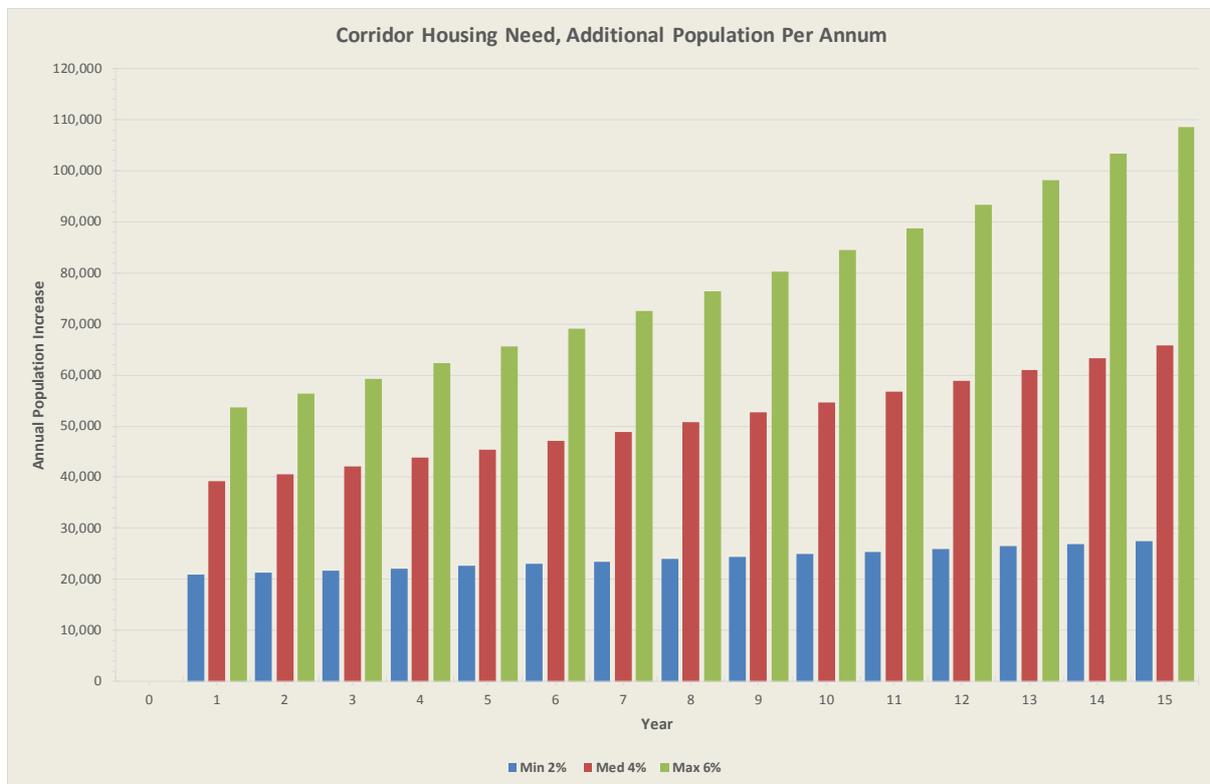
These population projections would lead to additional population over 15 years as summarised in the table below.

Table 3.18: Projected Additional Corridor Population

Projection	Additional Population
Min 2%	360,500
Med 4%	771,000
Max 6%	1,172,750

This chart shows the possible annual increase in population in the corridor.

Chart 3.19 Projected Additional Corridor Housing Needs



Based on the findings of the income survey in the corridor and, allowing for non-responses we would break down their tenure as follows.

Table 3.20: BRT Corridor – Estimated Breakdown of Tenure

Tenure	Breakdown	Estimated Population
Other	5.49%	56,931
Own	56.83%	589,327
Rent	37.68%	390,742
Total	100.00%	1,037,000

Of the rent-paying households 8.81% pay at least the minimum market rent of \$300 per month. This equates to 3.13% of the overall population around 32,500 people. The remaining 97%, 1,004,500 people are paying non-market rents.

To assess the future need for housing provision the following assumptions have been made:

- **The ratio of existing home tenure (ownership: rental)** will remain broadly similar at 60:40
- **The ratio of new home tenure (ownership: rental)** will increase the proportion of rented accommodation changing the ratio to 25:75
- As the corridor is improving the station neighbourhoods **the proportion of new market housing that is sold or rented at commercial rates** will rise from around 3% to around 75%. In this way additional new stock will be of a market standard and will be able to support a further 25% of affordable housing that could not otherwise be provided.
- **The existing housing stock will be replaced / upgraded on a gradual basis** over the 15-year period so that 20% of homes will have been redeveloped.
- **The proportion of market rented houses** in the existing housing stock will rise from 3% to 10%

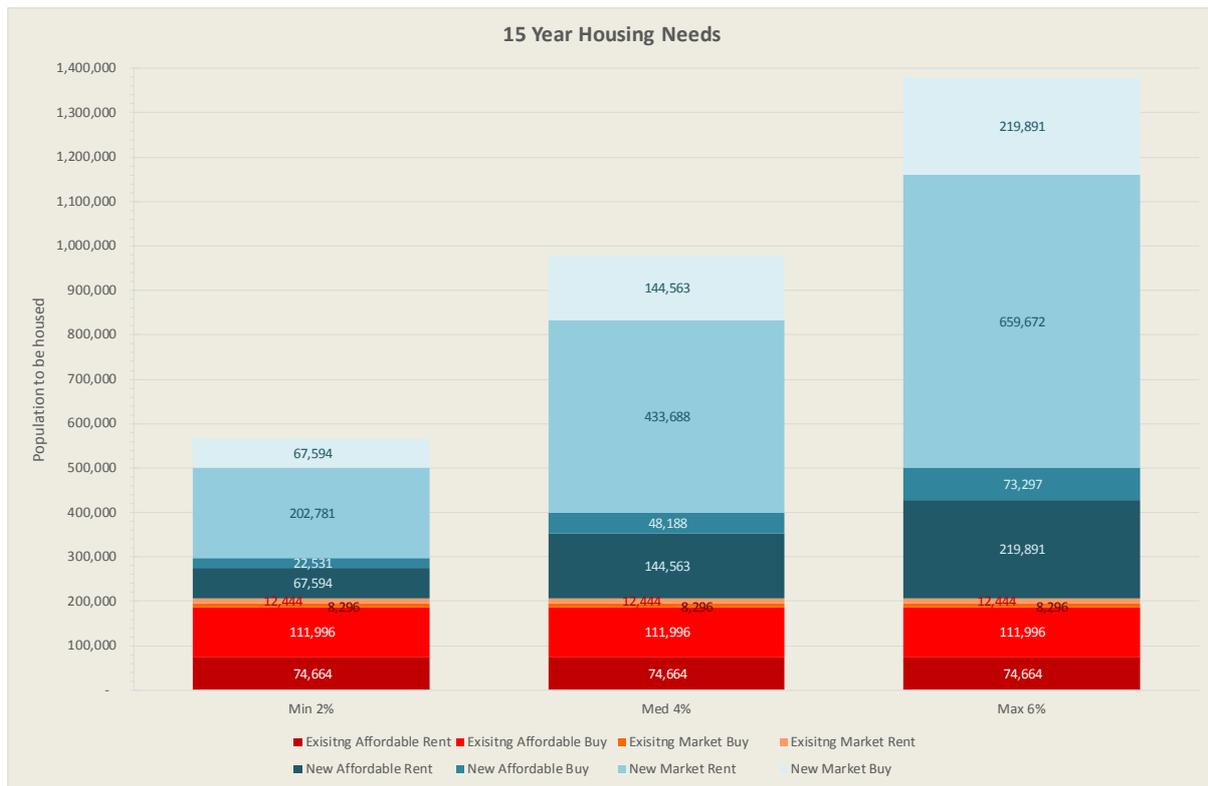
On this basis the distribution of housing against each estimate would be as shown in the table below.

Table 3.21: Proposed Housing Provision and Re-provision in the BRT Corridor

		Provision Level	Tenure	Market
		Proportion of total housing	Rent or Buy	Affordable or Commercial
Existing	Affordable Rent	20%	40%	90%
	Affordable Buy	20%	60%	90%
	Commercial Rent	20%	40%	10%
	Commercial Buy	20%	60%	10%
New	Affordable Rent	100%	75%	25%
	Affordable Buy	100%	25%	25%
	Commercial Rent	100%	75%	75%
	Commercial Buy	100%	25%	75%

This has been used to generate an estimate of the population that will be housed or re-housed over the 15-year development period illustrated in the chart below.

Chart 3.22: Projected 15 Housing Needs in BRT Corridor by Population



3.8.1 Market rate dwelling units needed in corridor over 15 years

The modelling of housing needs assumes a gradual build-up of housing provision over a fifteen-year period. The total population requiring market rate dwellings (MDU) over that period is estimated to be around 600,000. This equates to 17,400,000 m² of space which amounts to nearly 120,000 units.

3.8.2 Affordable dwelling units needed over 15 years

Over the same period the requirement for affordable dwelling units (ADU) will need to accommodate approximately 380,000. This equates to just over 11,000,000m² of space which amounts to nearly approximately 76,000 units.

3.8.3 Targets/goals for MDU and ADU in first 5 years.

Based on the assumptions above, and a gradual build-up of the provision of homes the table on the next page shows the target provision of market and affordable units

Table 3.23 Five-Year Affordable and Market Housing Targets – Medium Growth Rate

	15 Year Needed	1	2	3	4	5	5 Year Totals
Affordable Units	75,882	379	1,226	1,847	2,473	3,103	9,028
Market Units	119,798	599	1,936	2,916	3,904	4,899	14,254
Total		979	3,164	4,766	6,380	8,007	23,282

3.8.4 Methods to build dwellings:

Developer Build

Residential developers will be expected to provide in the region of 20% of gross floor area as affordable housing. This would provide 18,000 units. The system of negotiated developer contributions should not be not rigid but consider other benefits provided by the developer and the overall public amenity provided by the scheme. It is possible that developers may be permitted to provide the affordable housing requirement as a set-off on another site in the neighbourhood. We expect these homes to be transferred to not-for-profit housing operators who will charge an affordable rent. If developers were able to provide this level of housing it would contribute an estimated \$2.5bn worth of stock into the housing market over 15 years.

Affordable Owned

As around 57% of the population in the corridor currently live in homes they own. This is likely to continue to be a dominant form of tenure. The housing needs forecast assumes that 20% of these homes can be formalised over the fifteen-year period requiring over 22,000 units. This will require the co-ordination of land pooling by community groups and not-for-profit organisations. We expect that groups will be able to bid for 50% funding from the City Infrastructure Levy fund paid by developers to sponsor self-build schemes. Further grants may be available from central government. The estimated total cost of this approach would cost \$940m over 15 years.

Affordable Rented

If 20% of the existing rented stock is to be replaced and formalised an estimated 15,000 affordable rented housing units are estimated to be required over the 15 year period. This would also be subsidised from CIL payments and from central government subsidies. Not-for-profit housing companies, possibly including the National Housing Corporation could

build and manage these units letting them at affordable rents. This would cost and estimated \$977m over 15 years.

3.9 Next Steps for Public Sector to Attract Private Investment

The proposed development of the BRT corridor is going to require considerable private sector investment. To maximise the pool of investor funds international investors could also be attracted to participate. Investor confidence will be supported through the promotion of:

- **Transparent and joined-up strategies**
- **Consistent messages from central and local government**
- **Clear, streamlined, processes for land acquisition and permissions.**
- **Delivery of supporting infrastructure ahead of developments.**

3.9.1 Initiatives to attract investors

The initiatives below will help build investor confidence:

- **Establish separate working groups** at all relevant levels of national and local government with a specific focus on the corridor. The working groups will deliver an agreed joint strategy and clearly demarcated roles and responsibilities, an appropriate allocation of resources to promote the development of the corridor.
- **Establish a team in the City Council** dedicated to promoting the corridor to potential investors. This team will also work with and on behalf of the Development Corporation.
- The City Council and Development Corporation will **organize consultative sessions** with potential investor investors, developers to develop strategies to increase investor activity and accelerate the rate of development.
- **Identify key opportunity sites**, develop marketing materials and organise events and site visits with the investor community where they can learn about the streamlined development process.
- **Use the Development Corporation too secure key sites**, acquire underutilized or vacant land, develop strategic plans and provide key infrastructure then auction development plots to the investor community.
- **Provide a support network for communities**, households and small property owners to join a home upgrading sign-up list to accelerate land pooling. Explain to

these groups the funding opportunities for land pooling and home upgrade schemes.

- **Provide an information service** matching community upgrading initiatives with approved development and construction companies and not-for-profit housing companies. Draft guidance and standards for such developments.
- Create within the City Council **an information and statistics capability** to provide up to date market, demographic, transport and utilities data to support investor decision making. This team will also be responsible for collating and publishing information reporting on progress of corridor investment plans and measuring any payback and benefits realisation.

3.10 Revenue Enhancement Opportunities for DART

DART has various potential opportunities to increase revenue over and above fare income. A range of these options has been explored, and is outlined herewith.

3.10.1 Spectrum of revenue enhancement opportunities for DART

Increased Ridership

Ridership will increase though planned improvements to feeder routes and the extension of the BRT network to increase the catchment area and benefit from more interchanges. Further increases could be brought about by restricting vehicular access to some central zones of the city – making DRART the easiest access route. Similarly, restrictions on on-street parking and limitations to the level of off-street parking will make DART a more attractive option. Advertising campaigns to promote the use of DART, explain the time-savings and the environmental benefits may also increase ridership levels. Such advertising can be particularly effective when coinciding with the introduction of measures to restrict traffic in the city centre.

Advertising

DART has very high footfall in stations and a captive audience on its buses. This provides the company with opportunities to sell advertising space. Monitoring of the economic profiles of passengers and the provision of ridership statistics to advertisers and agencies should help encourage the use of DART for carefully targeted advertising.

Direct Property Development and Leasing

Where DART owns strategic sites for development in future years there is the opportunity to lease land or property for “meantime” uses. This can both provide additional revenue and lessen the likelihood that the property will be occupied by squatters.

Long-term land holdings which do not have a realistic prospect of being used should be considered for sale or transfer to the Development Corporation in return for a share of the investment return.

Property Joint Ventures

Single-story station sites, in parts of the city where land-values are high may be suitable for over-station development. It is unlikely that DART will have the resources or expertise to develop such sites. They should first consider whether the Development Corporation could manage the development process and failing that see if there is appetite in the market for a partnership. The primary purpose of DART is to provide transport services, so any such development should not come at a cost to service provision.

City Infrastructure Levy / General Taxation / Fuel Duties

The City Infrastructure Levy is intended to subsidise the provision of bulk infrastructure and affordable housing. As DART has the potential to be financially free-standing it is not

appropriate that it should be drawing on these funds. Similarly it is inappropriate that DART should rely on general taxation or fuel duties for funding.

3.10.2 DART Actions to Implement Opportunities

Recommended actions to promote the delivery of revenue raising opportunities include:

- **Dedicated Resource:** Appoint a single project manager with responsibility for revenue enhancement. They should establish internal working groups and produce a Revenue Support Strategy for revenue enhancement outlining the resources required together with an action plan for delivery.
- **Investor Relations:** Organise consultations with potential investor groups to understand market appetite and identify possible obstacles to be overcome. The same groups can be later used to monitor progress.
- **Technical Support:** Identify technical support consultants in advertising and property development. Commission advice to support the Revenue Support Strategy

4.0 Capacity Building Strategy

4.1 The Organisational Task Ahead

The Opportunity

Phase One of the BRT in Dar es Salaam has successfully changed the way citizens can move across a large area of the city. It provides clues to how future phases of the planned BRT network can help to transform the city, not only improving journey times but acting as a catalyst for development. The Focus Area projects proposed in this study seek to demonstrate what these benefits could be in terms of urban form, environment, housing, social amenity, resilience, and economic opportunity. As the future phases of the network are completed there is an opportunity to spread the principles of TOD around the city as a whole. In the future, depending on the proposals which emerge from ongoing transport planning consultancy work, these principles could also later be extended to apply the TOD approach to metro or rail projects, should they emerge across the City.

The Challenges

The principles of TOD will, however, remain entirely academic unless accompanied by some practical approaches to strategy, decision-making, economics, planning and implementation. Furthermore, Dar es Salaam is a large and rapidly expanding city, so the administration and delivery of TOD will be complex and expensive. Ways need to be found to fund these improvements to the city that will not place an additional burden on central and local government finances. Delays in the adoption of a City Masterplan have not helped with the development of city-wide strategies.

Whilst Dar es Salaam has a strong framework for governance; with ministries, departments and agencies, the President's Office for Regional and Local Government, the City Council, Municipalities and, at the most local level, Ward Development Councils and Mtaas, all working to manage the planning and development of the City, there are overlapping roles and the opportunity for confusion around objectives and priorities. All these bodies are staffed by highly motivated citizens yet sometimes their work can be frustrated by a lack of clear priorities and insufficient resources.

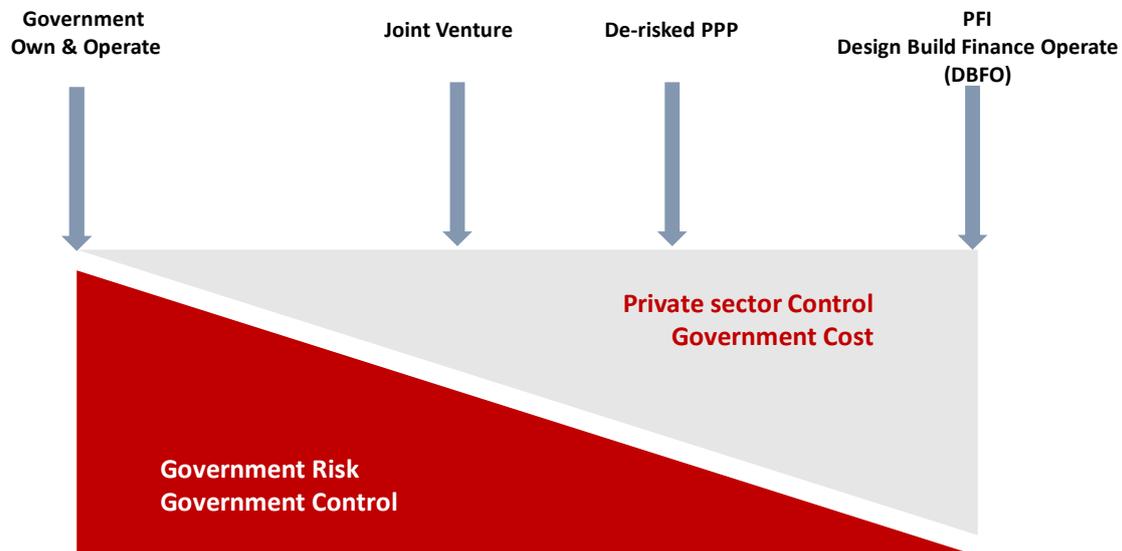
Risk allocation

Ideally risks should be allocated to those most capable of managing them. There are, for example, tasks that the private sector generally does better than government, such as commercial property development, and others where only government can reasonably take responsibility for what is delivered, City Strategy for example. Poor risk allocation, for example, asking the private sector to take on a task over which it has no control will lead to higher pricing, poor outcomes or both. Clear and effective decision-making will be aided by considering risks, their consequences and possible mitigation strategies.

The diagram below illustrates the relationship between risk control and cost. Whilst the allocation of risk to private sector partners may in many ways be attractive it will come at a price and will lead to loss of direct control. When assessing the transfer of responsibility

for public projects to the private sector government bodies need to be fully aware of this relationship. The design of new entities (such as Development Corporations later below), needs to strike the right balance between control and cost.

Figure 4.1 : Risk, Cost and Control in Public-Private Projects



Source: CoLab

Transparency and Accountability

Efficient and effective governance is also promoted by clarity. Questions such as who is responsible for what, what has been achieved and, if things have not gone well, how improvements can be made, are critical, and must be discussed. In part, this requires a culture of openness to scrutiny and possible criticism, and on the other hand, processes to review progress in a constructive manner.

The sections below consider how these issues might be addressed in the context of the BRT Corridor and the eventual application of TOD across Dar es Salaam.

Specific Fiscal Tools and Organisational Structures

The opportunity to deliver carefully targeted TOD at scale can be underpinned using specific fiscal tools and organisational structures which will enhance the ability to capture land value, improve the ability to assemble sites, deliver complex projects and concentrate expertise in dedicated project teams. The adjustments we are proposing to this end, are addressed in section 5 of this document.

Management Tools

The sections below identify some management tools which will help public sector organisations coordinate their approach to city planning in an efficient and effective way.

Based on feedback received from the project stakeholder collective, in several workshops during this project, we have opted for a governance structure which proposes as little significant change as possible and takes best advantage of the current strengths of the

Dar es Salaam public sector. The application of the management tools outlined herewith would require no changes to the structure and operations of government departments, agencies and local authorities, but should produce greater transparency and clarity regarding organisations objectives and responsibilities.

4.1.1 Objectives

We recommend that all levels of Government concerned with the planning and management of the urban fabric of the City are fully aware of their objectives and can see how their roles and responsibilities are distinct from the other government departments and agencies. The table below is a simple template which would make it clear to all, who is charged with what.

Table 4.2 – Sample template for agreeing and listing responsibilities

Policy Area	Responsible Body	Extent of Role	Key Objectives
Housing	The Ministry of Lands, Housing and Human Settlements Developments	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)
Housing	The President's Office for Regional and Local Government	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)
Housing	National Housing Corporation	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)
Housing	Dar es Salaam City Council	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)
Housing	City Municipality	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)
Housing	Mataa	To xxx Reporting to xxx Managing xxx	Deliverable a) Deliverable b)

Many agencies already produce their own strategic plans yet in an uncoordinated way. We recommend that there is a harmonisation of the production of strategic plans on a top-

down basis so that each entity is explicit about how its plans are aligned with those of superior organisations. In this way there will be clarity about exactly where responsibility for the delivery of objectives lies.

Strategic plans should be and revised regularly, such as at five-year intervals. They should also be reviewed annually. Where there are cross-cutting themes, for example between Housing and Transport, there should be cross-cutting objectives to minimise misalignment government departments and agencies.

The table below illustrates how the objectives in the strategic plan might be summarised.

Table 4.3 Template for objective writing in a Strategic Plan

Objective 1.0 To.....						
Outcome 1.1						
Strategy	Action	Role	Measure	Timeframe	Responsibility	Progress
What will happen to achieve this outcome	What will be done to deliver this strategy	How the organisation will ensure the action takes place	Initiatives or funding that will support this	By...date	Named individual	Comments on progress at last review.

4.1.2 Critical Success Factors

Critical success factors can be used to shape key strategies narrow down what is important and think clearly about the desired outcome. In this way the delivery of public strategy can move its focus from activities to outcomes.

The steps below outline a way of retaining this focus, by developing Critical Success Factors:

- Clarify the organisation's mission and strategic goals
- For each strategic goal, ask "what area of the organisation or project activity is essential to achieve this goal?" The answers will help develop a long list of critical success factors
- Evaluate the list of candidate CSFs to find the absolute essential elements for achieving success – these are the Critical Success Factors that will go to form the Outcomes in the strategic plan.

4.1.3 Priorities

Not all outcomes are equally important, and some may have to be dropped. It is good practice to be clear about priorities from the outset. In this way the strategic plan for a government department, agency, or local authority will be able to separately identify, for example, strategic obligations from desirable outcomes, show what must be done most urgently, and allow partnering bodies and stakeholders to see the context of the body's workload. This approach will also help the organisation better plan and manage resources.

4.1.4 Risk Register

The strategic plan should also be accompanied by a risk register. This tool will help organisations be clear about the risks associated with each objective.

The register should be updated regularly by the implementation body. The table below illustrates a template of a typical risk register.

Table 4.4 – Risk Register Template

Objective No.... Objective Name...						
Risk	Outcome	Likelihood	Seriousness	Impact	Mitigations	Responsibility
Description of risk and triggers	Identify consequences	Probability of occurring H/M/L	Importance of risk H/M/L	Combination of likelihood and seriousness	Preventative actions and timing	Who

4.1.5 Independent Review

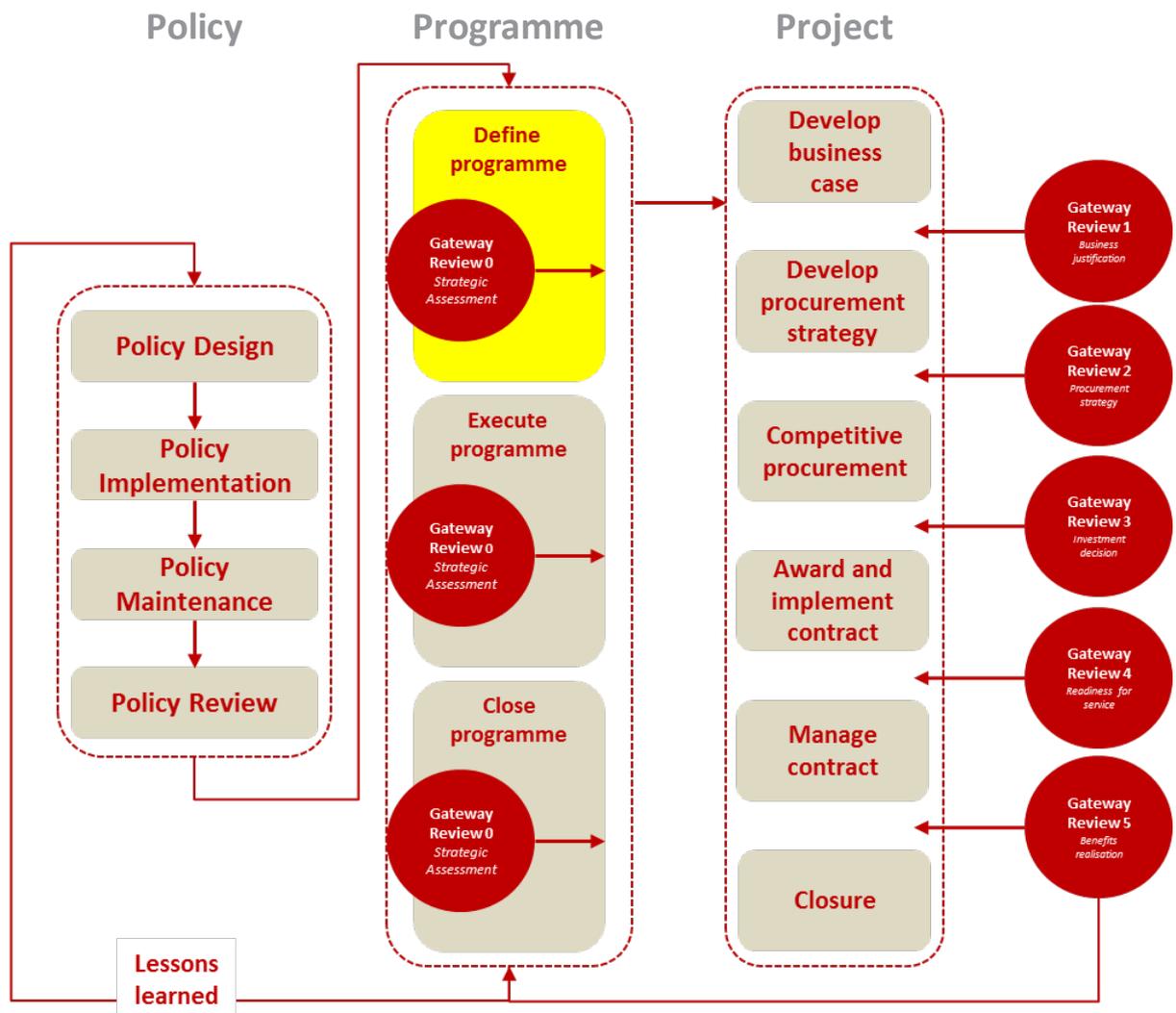
It is good practice to undertake independent reviews of the progress of major projects or programmes. This review process should be undertaken by a department, agency or third-party independent from the process under review and expert in making such assessments. For projects with significant public-sector involvement reviews should take place at regular stages, throughout the project or programme from inception through to delivery. In this way there can be a clear objective account of whether the project or programme is successful against certain criteria such as:

- Having clear objectives
- Identifying specific, measurable benefits that can be realised
- Developing and updating a clear business case
- Demonstrating a clear resource plan
- Showing that risks have been identified and managed

- Showing that any procurement has been market tested and planned
- Showing that the completed project was delivered providing the planned benefits in a value for money way
- Identifying any lessons learned for future projects and public-sector strategy.

The diagram which follows illustrates a typical process for a gateway review.

Figure 4.5 - Gateway Review Process for Major Projects and Programmes



Source: CoLab

At the end of significant stages of the project or programme are gateways. The authority will not be able to proceed to the next stage of the process until the reviewer has signed off the stage as complete, consistent with project objectives and without major risk of failure or cost-overrun. PO-RALG has the skills to run such a review process or to be responsible for reviewers who act on its behalf.

4.2 Key Functions

4.2.1 Assessment of Key Players and Functions – Summary Table

In the table which follows the key players in the organisational ecosystem of the Phase 1 BRT Corridor TOD project are outlined, and described. These are the organisations which the team has determined could play a primary, secondary or tertiary role in the development of the projects outlined in the CDS report.

In the sections which follow, their key functions in relation to urban development at present in Dar es Salaam are examined, and assessed. Also in this section, a series of key roles are outlined, which will need to be played by some or several of the aforementioned organisations. For each of these roles, an assessment, based on interviews and desktop research, of how these roles are currently undertaken, by the current relevant organisations, through three lenses is undertaken. These three lenses are:

- **Clarity:** How well defined is the role of the agency with regards to the role?
- **Authority:** Do they have the power and authority to fulfil the role?
- **Capacity:** Do they have enough of the correct resource to fulfil the role?

The six key roles are outlined here, and described in detail in the sub-sections which follow:

- **Strategic Urban Planning**
- **Development Control**
- **Project and Design Management**
- **Investor Attraction**
- **Revenue Enhancement**

The table which follows lists the agencies which have been examined in this section of the study.

Table 4.6 List of agencies assessed in the Capacity Building Strategy

AGENCY / FIRM	ROLE
PO-RALG	Authority over all levels of planning and transport. Authority over special projects of national importance. Authority over budgets for lower tier agencies and departments.
DCC - Dar City Council	Restructured in 2000, to bring a "coordinated approach" to planning to the city. Meant to be the "glue" between the Municipal Councils, and take leadership of strategic cross-boundary projects.
DUTA - Dar Urban Transport Agency	Strategic leadership for transport planning and management issues city-wide. Coordinator role, like Dar City Council, across the Municipal councils. Proposed in 2008, a recent World Bank report once again states the importance of this agency, but it has not yet been created.
MoLHHS	Responsible for National Planning Policy, Regulations, Standards and planning appeal decisions. Leading the Dar City Masterplan (de facto - this should in fact be being led by DCC). Also leading the development of a digital land titling system.
Municipal Councils	Implementation of City Plan and Preparation and Implementation of Municipal level General Planning Schemes and Detailed Planning Schemes. Tax levying, collection. as well as Processing, Approval and Enforcement of Planning Permits etc
NHC	Exists under auspices of MoHLLSD, to develop property in "government approved schemes". Undertakes Planning, Consulting and Design, and also manages rental and maintenance of some schemes it has built. No strict social housing mandate per se, though has built some schemes with affordability in mind. Some role in developing mortgage products for Tanzania, as well.
DART	Responsible for the implementation, management and operation of BRT Line 1 (at present).

AGENCY / FIRM	ROLE
Ward Development Committees	The urban and rural ward development committees are headed by Chairmen who are councillors representing the ward in the urban or district council. The functions of the ward development committees include functions such as formulating and submitting proposals for making of by-laws for the district, village and urban councils, discussing initiatives received from the sub-ward levels and the principal local authorities with councils, promoting enterprise activities and industry within the ward, monitoring revenue collection and promoting gender issues.
Mtaas	Street-level, or micro-community-level boards, consisting of elected members, who discuss community level issues, before forwarding them to the Ward Development Committee and on to urban councillors.
Tanzania Investment Authority	Exists as a “one stop shop” to make the setting up and registration of businesses, obtaining of different required certifications and business ID numbers, and acquiring of incentives packages easier.

4.2.2 Strategic Urban Planning Role

Description

The goal of those playing this role is to ensure that Dar es Salaam is achieving its high-level objectives, with regards to the country and the central government, as well as keeping an eye on the general direction of the city in relation to urban, regional, national and global trends, across the social, environmental and economic. It is not a small job, it is broad in scope, and it is strategic in terms of its level of detail.

Those in the public sector playing this sort of role will be undertaking critical tasks such as allocating budget to city-level players in lower roles, and checking past performance against objectives, providing advice, helping keep projects on track, and acting as a bridge to or liaison with, the central government, NGOs, international agencies, and occasionally private sector interests working on very large projects of high importance. Elements of the private sector might also become role-players at this level, in a review capacity, in the case of a review board which might be made up of individuals from academia, or experts-in-their-field from related sectors, locally, nationally or internationally, who can provide advice.

The task of managing data in large urban projects such as this, is critical to efficient working, and quality of output. Much of the strategic role will be about ensuring that critical relevant data is distributed equally to various members of the organisational ecosystem working on different facets of the BRT Phase 1 Corridor, and the future corridors. A single data protocol will need to be developed, and issued to all of those involved, explained and adhered to, uniformly, by all participants. This sort of uniform behaviour is analogous to a project team made up of different nationalities agreeing on a common working language, and just like a working language, it will need to cascade down from the strategic top, to those working at 'ground level'.

How success could be measured (Strategic Urban Planning)

The table below outlines a series of Key Performance Indicators (KPIs) which could be used to measure achievements in this role. They may not all be measured currently in Dar es Salaam, and are not all required, and it is like that in earlier years, only a few of them might be measurable, due to shortages in data. In any case, the most critical thing is that something be measured, and that it be measured consistently over time, in order to create a comparable indicator of progress.

KPIs	Description
Change in Value of Commercial Property	The change in the value of commercial property, measured in the same way each period, indicates the current state of the commercial real estate market in a municipality. This measure is also correlated with the condition of the municipal economy.
Unemployment Rate	The percentage of individuals who are of working age, who are (a) not in school, and (b) actively seeking work, provides a snapshot of the economic health of the people in the community. Measured over time, compared to the data in this report, as a baseline, will give a view of progress in the corridor.
Number of Jobs in Municipality	Counting the number of jobs in the municipality reveals growth or decline in employment opportunities. If the income survey conducted for this project, for example, is repeated in a few years, a comparison over time can be obtained.
Real Gross Domestic Product (GDP) of Municipality	Real GDP measures the economic production of a municipality over time, adjusting for inflation by setting a standard year's prices to compare levels in different years. This is a measure that is likely to be difficult to obtain in early years, because of the paucity of data, but could be a useful indicator in future.
Municipality-Wide Commercial Vacancy Rate	The municipality-wide commercial vacancy rate reports on the availability of commercial property, and reflects on the state of the economy.
Number of people living in informal housing	If this is measured, again most likely as part of a reprise of the income survey, or a World Bank Household Survey, the change in the formal vs informal housing balance over time could offer a view on progress in the corridor.
Number of New Businesses	The number of new businesses is a measure that sizes up economic development. To a certain extent, this could also be a proxy for the formalisation of businesses, which is a difficult measure to obtain.
Number of Business License Renewals	Monitoring renewing businesses is a way to evaluate the business climate and commercial retention rate.
Number of New Jobs Created	The number of new jobs created is an indicator that shows growth in the economy of a municipality; it's directly linked to the unemployment rate (if one discounts informal employment).
Percentage of Residents with secondary school achievement (or above)	Following the percentage of residents who have obtained high school diplomas (or university level, or both), and tracking change in this indicator over time, would be a good way of monitoring social and economic progress in the corridor.
Housing Opportunity Index Percentage	This measure requires observing the number of new and existing homes which were affordable to families earning the area median income and dividing that by the total number of homes using income and sales prices. It implies conducting the kind of analysis which has been undertaken by this project team on affordability, on a regular basis, to create a comparable indicator over time.

Number of Strategic Plans, Objectives lists, and Risk Registers completed	This measure will examine whether the stakeholder agencies have completed their Strategic Plans, and reviews thereof, as outlined in 4.2, 4.5 and 4.6 of this document.
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Observations re existing practice (Strategic Urban Planning)

The observations collated from meetings, consultation, stakeholder workshops and research have been summarised in tabular format below.

AGENCIES ASSUMING ROLE (1 = Main, 2 = Sub)	EVALUATION		
	CLARITY	AUTHORITY	CAPACITY
1 DCC	Weak - mandate is to have a cross-agency coordinating role, and this is largely misunderstood, and has resulted in its having minimal control over projects like BRT & Masterplan	Weak - Despite 18 years in existence in current "coordinating" role, compared to agencies which have leadership roles, it has suffered in delivering on its tasks.	Strong in numbers (approximately 300 staff). In terms of capability (skill), they will be expected to take on a far greater role developing city wide strategies for planning and development, and may need to build skills in these areas.
1 DUTA	Mandate defined in principle, but the agency has not been constituted. DUTA, the acronym for the strategic transport authority proposed by JICA in the 2008 edition of their Transport Masterplan for Dar es Salaam ¹⁰ , still does not exist. A recent World Bank report ¹¹ again reiterated the need for such an authority.	Agency not yet constituted	Agency not yet constituted - It is assumed that DUTA, if it indeed does come into existence, will also shift some of the burden of responsibility relating to the city's transport strategy from PO-RALG and

¹⁰ JICA, Dar es Salaam Transport Policy and System Development Master Plan, Technical Report 3, Chapter 6, June 2008, http://open_jicareport.jica.go.jp/pdf/11897584_02.pdf

¹¹ Kumar, A. & Agarwal, O.P., *Institutional Labyrinth - Designing a way out for improving urban transport services: lessons from the current practice*. World Bank; 2013

			Ministry-level to the city level. To achieve these goals the City Council and DUTA may require external resource on an interim basis to help develop a suitable skills base and deliver training to existing/start-up staff.
2	PO-RALG	Clear - while PO-RALG has a clear mandate, they are having to do more work, which should in theory be being handled by DCC, if DCC were more empowered to do so.	Medium – it could be said that PO-RALG is slightly under-resourced, however if it were able to hand over projects to DCC which should be in their remit, this might be addressed de facto. That said, there may be a need to increase capacity in this strategic overview remit, as they are called upon to conduct gateway reviews (or similar) of projects.
2	MoLHSD	Weak - MoHLLSD is essentially leading the Master Plan project, not DCC. They also have planning-granting authority on change of use and subdivision matters, whilst the Planning Act makes this MC responsibility.	Strong , based on their accomplishments, and capacity to run projects for others
2	DART	Clear	Strong , as per the requirements of BRT Line 1. Will need additional resource as new lines, rolling stock and developments emerge.

Requirements (Strategic Urban Planning)

The requirements, in terms of Data, Software, Hardware, Human Resource and Training are outlined in tabular format, as follows.

Role: Strategic Urban Planning	Data	Software	Hardware	Human Resources & Training
Needs	Demographic data for the corridor, including that which has gone missing from NBS 2012 census ¹²	There will be GIS-linked software proposals from the consultant teams currently working on developing the City Database – these will include plug-ins for connection into existing ESRI, QGIS or other GIS systems currently being used by MCs. Simple, web-based platform, for the sharing of this data to both the public, and stakeholder organisations. Could be powered by Google Earth, OpenStreetMap, or ESRI equivalent.	PCs capable of running current GIS and data analysis packages. Secure and resilient data storage facilities. These could be cloud based but will require adequate and reliable connectivity.	For this role, most of the organisations in question require more resource (i.e. more people), rather than specific skills training. The skills, for the most part, exist in Dar es Salaam. There are urban planners, designers, architects, engineers, economics, analysts, developers and surveyors. A few very specific training exercises to do with new IT processes, or protocols to share data and regularise data inputs across agencies could be required here, to harmonise information.
Challenges	Data management and analysis is critical to the success of any coordinated strategic approach	Cost and Specification, as well as maintenance over time	Cost and Specification	The challenge here is getting the right people, in the right places, to enable the stakeholder organisations to

¹² Please refer to the 2017 Baseline Report from this project, for maps indicating wards in the Phase 1 BRT Corridor area which are missing key demographic and population data. The NBS has assured the project team this data exists, but it has yet to make it into the hands of the project team, or the Municipal Councils.

	to TOD in Dar es Salaam. This would include the linkage of GIS, land registration, valuation data and any statistical information held by the government. The City Council is the best place for these activities to be coordinated.			fulfil their mandates. There is a large leadership coordination challenge here. There will certainly be “power plays” between agencies, if re-alignments of mandates are attempted, and these must be negotiated skilfully.
Actions	Synchronisation between the various data management projects going on across the city, to do with land titling, taxation, boundaries, etc. This would best be achieved by a cross-governmental panel examining the data requirements of the city as a whole.	Obtain expert advice and put in place a dedicated budget	Obtain expert advice and put in place a dedicated budget	Unless significant investment is made in city-wide data management and analysis it is going to be very difficult for the coherent, evidence based, strategies to be formulated or progress monitored. This is likely to require interim support from outside the country as local capacity is developed and training rolled out.

4.2.3 Development Control / Construction Permitting

Description

The key activities of this role are the making of plans, the interaction with design teams making plans, and the interaction with central or higher-level authorities to make clear the objectives for such plans. Success in planning control requires the understanding of strategic plans for the city, and the implementation of controls, regulations and approvals. In many cases, a mentoring or support role, which at times will involve understanding incentives and developer motivations, will also be required, to shape non-compliant development proposals to comply with strategic objectives.

It is apparent that there is a lack of capacity in the municipalities to effectively manage town planning and development control. We expect this to improve with better guidance from the city, with city-wide management of data, with the removal of large strategic sites to be managed by the Development Corporation, or with strategic support from the City Council. We recommend that there is a detailed study of the capacity of municipalities to discharge their duties in the matters of planning and planning control.

How success could be measured (Development Control / Construction Permitting)

The table below outlines a series of Key Performance Indicators (KPIs) which could be used to measure achievements in this role. They may not all be measured currently in Dar es Salaam, and are not all required, and it is like that in earlier years, only a few of them might be measurable, due to shortages in data. In any case, the most critical thing is that something be measured, and that it be measured consistently over time, in order to create a comparable indicator of progress.

KPIs	Description
Value of Commercial Projects Constructed	The value of new commercial projects constructed is a key measure that allows local government to trace the amount of new commercial investment in a municipality. It is calculated by adding all of the estimated costs of construction values on building permits in a given time frame. This could become a good progress indicator over time.
Total Number of Permits Issued	The total number of building permits issued indicates the amount of construction occurring in any given year in a municipality.
Total Number of Inspections Performed	This metric relates to pre-completion inspections, in which a project is examined to ensure it meets building codes, and therefore gives an idea of the number of construction projects completed (legally / formally) in any given year in a municipality.
Total Permit Revenue	Summing permit revenue aggregates the monies a municipality brings in from building permits, and other related costs. It provides a proxy indicator for the level of development ongoing in a zone.
Percentage of Plans Approved After First Review	This measure looks at the rate at which plans are approved on the first attempt, in order to better understand the speed of the review process.
Percentage of Plans Approved After Second Review	This measure looks at the rate at which plans are approved on the second attempt, in order to better understand the effectiveness of the advice of the MCs, and their ability to get developers working towards the goals of the corridor.

Observations re existing practice (Development Control / Construction Permitting)

The observations collated from meetings, consultation, stakeholder workshops and research have been summarised in tabular format below.

AGENCIES ASSUMING ROLE (1 = Main, 2 = Sub)	EVALUATION		
	CLARITY	AUTHORITY	CAPACITY
1 Municipal Councils	Medium - some lack of clarity with regards to interactions with DCC, but MCs continue to do what they have largely done, since birth of DCC. Municipal Councils have the power to grant or deny planning applications, but the Town Planning Act also states that the MoLHHSD has the power to grant permission for change of use and subdivision applications.	Strong - the authority to handle development control is in place, for the Municipalities, it has simply been taken on by some other agencies including MoHLLSD in some cases.	Weak - development control is very weak in most of the MCs. It is not detailed, it is generally low on detail and enforcement.
1 DCC	Weak - mandate is to have a cross-agency coordinating role, and this is largely misunderstood, and has resulted in its having minimal control over projects like BRT & Masterplan	Weak - Despite 18 years in existence in current "coordinating" role, compared to agencies which have leadership roles, it has suffered in delivering on its tasks.	Strong in capacity terms (approximately 300 staff). In terms of capability, it is hard to be sure, since the authority and power of the agency is so weak.
2 DUTA	Mandate defined in principle, but the agency has not been constituted	Agency not yet constituted	Agency not yet constituted
2 MoLHHSD	Weak - MoHLLSD is essentially leading the Master Plan project, not DCC. They also have planning-granting authority on change of use and subdivision matters, whilst the Planning Act makes this MC responsibility. The division of roles and responsibilities related to planning matters could be simplified	Strong , but overlapping with Dar City Council and MCs in some cases	Strong , based on their accomplishments, and capacity to run projects for others.

Requirements (Development Control / Construction Permitting)

The requirements, in terms of Data, Software, Hardware, Human Resource and Training are outlined in tabular format, as follows.

Role: Development Control	Data	Software	Hardware	Human Resources & Training
Needs	Harmonised, up-to-date, searchable and clean data on permits, permissions, applications and development progress must be obtained by the public sector agents working in development control.	An effective, shareable, cross-agency database, in GIS format, for the permissions data referred to in the adjacent cell.	Computers capable of running current GIS and data analysis packages. Secure and resilient data storage facilities. These could be cloud based but will require adequate and reliable connectivity.	Detailed knowledge of the strategic plans for the city, the CDS for the corridor, and the requirements of developments put forward for planning permission within these areas.
Challenges	Obtaining data is notoriously difficult in Dar es Salaam, and maintaining it in a joined up way across agencies and urban geographies has so far proven to be a major challenge.	Cost, specification and maintenance	Cost, specification and maintenance	The city masterplan is still not finished. The skills of the development control departments of the municipalities are mid-quality, and the capacity is low. The data management skills of the municipalities and the other agencies must all be improved in order to ensure that the information database which powers any good development control process is kept up to date and functional.
Actions	Cross-governmental working group to address the City's data needs	Expert advice and a dedicated budget	Expert advice and a dedicated budget	The Ministry of Lands must push the city masterplan to completion. PO-RALG must make an effort to spread the word and educate the relevant urban agencies about the content of the CDS once it is approved. The TOD guidelines which are part of the project ought to be a key teaching and operational aid for people working in Development Control in the corridor.

4.2.4 Project Coordination and Design Management

Description

This role is likely to vary in the level of detail and intervention, depending on the parties and project, but essentially it is about keeping the programme on schedule. Local experts may need additional support as capacity is built.

How success could be measured (Project Coordination & Design Management)

The table below outlines a series of Key Performance Indicators (KPIs) which could be used to measure achievements in this role. They may not all be measured currently in Dar es Salaam, and are not all required, and it is like that in earlier years, only a few of them might be measurable, due to shortages in data. In any case, the most critical thing is that something be measured, and that it be measured consistently over time, in order to create a comparable indicator of progress.

KPI	Description
% of Capital Projects Completed on Time	Observing the percentage of capital projects completed on time is a way to see how successful the municipality is at completing projects on time, but also how well the development community, in concert with public sector agencies, can get things done.
% of Capital Projects Completed Within Project Budget	This is a critical measurement that relates directly to maintaining the municipal budget. Applied to projects with the corridor, it is also a good indicator of how well projects by the private sector are managed, in concert with public sector agencies, as well as a measure of the health of the development market in the corridor.
% of Projects Initiated Within 12 Months of Funding Authorization	The percentage of projects initiated within one year shows the speed and efficiency with which capital projects move through the appropriate pipelines and go into construction phase.
Total KMs of Municipal Streets Paved	This performance indicator is a good measure of the formalisation of informal neighbourhoods.

Observations re existing practice (Project Coordination & Design Management)

The observations collated from meetings, consultation, stakeholder workshops and research have been summarised in tabular format below.

It is important to note however, that in the case of Design and Project Management, is not the business of government to be directly involved in the delivery of construction projects. Therefore, to a certain extent, aside from liaising with developers or the Development Corporation in the case of a major project (such as the Ubungo Pilot project), it would not be expected that the public sector take on direct project or design management.

For major projects, the DC will have to be able to manage at programme level and set up Programme Management Offices (PMO) to coordinate and deliver major projects. The project management and construction of schemes will, however be the responsibility of the Developers who win the competitions for the delivery of plots within the masterplan. The Development Corporation will be responsible for ensuring that it has adequate resources to run the PMO.

In that DART and the Municipal Councils are the two agencies most likely to engage on project and design management, they have been assessed for their clarity, authority and capacity on the issue in the table which follows:

AGENCIES ASSUMING ROLE (1 = Main, 2 = Sub)		EVALUATION		
		CLARITY	AUTHORITY	CAPACITY
2	DART	Clear	Strong	Strong, as per the requirements of BRT Line 1. This was however limited to transport-related real estate, and the agency will likely be entering a new realm of large projects, done in partnership with the private sector, and is currently mostly unfamiliar with more “traditional” real estate development.
2	MCs	Medium - some lack of clarity with regards to interactions with DCC, but MCs continue to do what they have largely done, since birth of DCC.	Strong, though usurped in some cases by MoHLLSD	Weak – following on from the weakness outlined in Development Control, the MCs are very weak in liaison with projects of any size, and large projects are mostly unheard of in Dar, so this opens up a whole new are of weakness.

Requirements (Project Coordination & Design Management)

The requirements, in terms of Data, Software, Hardware, Human Resource and Training are outlined in tabular format, as follows.

Role: Design & Project Management	Data	Software	Hardware	Human Resources & Training
Needs	Largely similar to the data needs outlined in the development control section, but also including up-to-date, accurate, spatial and non-spatial data on design and project management progress.	Similar to the needs outlined in the previous section (development control), but extending the software to include project management packages (e.g. MS Project, Primavera, etc)	PCs capable of running current GIS and data analysis packages. Secure and resilient data storage facilities. These could be cloud based but will require adequate and reliable connectivity.	It is likely that comprehensive and large project management skills are not found in many parts of the public sector in Dar at present.
Challenges	The sheer amount of constantly-changing data required to be managed when coordinating large development projects can be overwhelming. This must be handled by skilled professionals.	Cost and specification, as well as maintenance and the current lack of skill in Dar for PM work at this scale.	Cost and specification.	It ought to be fairly easy to obtain people with the necessary skills to undertake this role, from abroad, during an interim period.
Actions	Ensure that project and design management data needs are worked into any data requirements discussed by the aforementioned city-wide data panel, so that these needs are integrated into the whole.	Obtain expert advice, and budget.	Obtain expert advice, and budget.	Get training and staff, likely from out-of-country, to up-skill public sector staff in project management, design management, and liaising with private sector project managers on large development sites.

4.2.5 Investor/Investment Attraction

Description

To attract vital international, regional and domestic investment, leaders in Dar es Salaam will need to understand the full investment ecosystem, including the key economic incentives and fiscal mechanisms deployed to attract funding, whilst also meeting TOD objectives. This will require an understanding the investor's perspective on risk and reward, and the interplay of private sector involvement, with public benefit.

One of the key roles of the corridor Municipalities, DART and DCC, as well as the development corporation (in the case of large projects like the Ubungo Pilot Project for example) will be to attract investment in public-private initiatives. The aforementioned agencies will need staff who are capable of liaising with ministries, government agencies and the investment arms of private sector entities, at a high level, about partnerships and possible incentives.

Whilst there have a been a few pilot projects, such as the Slum Upgrade Facility and a few Public-Public-Partnership projects relating to water and sewerage improvements, the level of development of a civic economy, per se, is low at present, in Dar. Despite this role being primarily about attracting investment, there is a role to be played by the citizen-level stakeholders such as Mtaas and Ward Development Committees.

In the case of previous projects in Dar which have obtained investment, often in the form of micro-finance or assemblies of many micro-finance loans, this role, which consists of identifying skill and interest in community improvement projects within (mainly) low-income communities, has been taken on by the NGO community. It is important that the skills needed to liaise between micro-finance recipients and micro-financiers, be fostered in the citizen-level organisations. This is in the interest of ensuring the benefit of the corridor is felt on its edges, where settlement is largely informal, and incomes are very low, as well as in the areas directly abutting the BRT line, which are more likely to house those already involved in the formal economy in some way.

How success could be measured (Investor/Investment Attraction)

The table below outlines a series of Key Performance Indicators (KPIs) which could be used to measure achievements in this role. They may not all be measured currently in Dar es Salaam, and are not all required, and it is like that in earlier years, only a few of them might be measurable, due to shortages in data. In any case, the most critical thing is that something be measured, and that it be measured consistently over time, in order to create a comparable indicator of progress.

KPI	Description
Number of Supported Affordable Housing Units Created per Year	The number of affordable houses created by any of the mechanisms outlined in this report, since these are a critical part of almost every investment opportunity in the corridor, is an effective measure.
New opportunities for investors prepared and packaged for dissemination	This represents the number of project briefs made ready for involvement from the private sector. TIA currently does this very well for other types of investment, and have a portfolio of investment opportunities for other sectors in country. This will need to be done for the various investment opportunities within the BRT corridors.
Investors signed up to specific opportunities	This measure represents investors who have committed to invest in a certain part of the corridor in a certain way, and signed a contract to this effect.
Number of relevant potential investors who have met with, or visited the authority / corridor	This measure relates to the “marketing and business development” strand of work related to investor acquisition. Whilst it is important to meet as many investors as possible, it is important that this be a measure of relevant investors – i.e. ones with a high likelihood of investing, or a history of investing in similar types of project. Otherwise as a measure it is not effective or motivational.

Observations re existing practice (Investor/Investment Attraction)

The observations collated from meetings, consultation, stakeholder workshops and research have been summarised in tabular format below.

AGENCIES ASSUMING ROLE (1 = Main, 2 = Sub)		EVALUATION		
		CLARITY	AUTHORITY	CAPACITY
1	TIA	Clear - well skilled at promoting specific initiatives	Strong	Strong
2	DCC	Weak - mandate is to have a cross-agency coordinating role, and this is largely misunderstood, and has resulted in its having minimal control over projects like BRT & Masterplan	Weak - Despite 18 years in existence in current "coordinating" role, compared to agencies which have leadership roles, it has suffered in delivering on its tasks.	Strong (approximately 300 staff)
2	MCs	Medium - some lack of clarity with regards to interactions with DCC, but MCs continue to do what they have largely done, since birth of DCC.	Strong , though usurped in some cases by MoHLLSD	Varies between councils, depending on skill and resourcing

2	DART	Clear	Strong	Strong, as per the requirements of BRT Line 1. Will need additional resource as new lines, rolling stock and developments emerge. Also, they are so far, unfamiliar with practical implementation of real estate development – only transport.
3	NHC	Clear	Strong	Strong
3	Ward development comms	Clear	Strong, though limited in scope	Numerous - hard to confirm, but likely to be weak to medium - whilst each position will be filled (since they are elected), they face a large number of issues, yet they have little power to effect change.
3	Mtaas	Clear	Strong, though limited in scope, and path to outcome is via the WDCs	Likely to be weak on the whole, as dependent on skills and participation from local residents, who are otherwise engaged, and often unskilled.

Requirements (Investor/Investment Attraction)

The requirements, in terms of Data, Software, Hardware, Human Resource and Training are outlined in tabular format, as follows.

Role: Investment Attraction	Data	Software	Hardware	Human Resources & Training
Needs	Data on the investment opportunities within the BRT corridors, obtained and recorded using the same	A digital platform, perhaps similar to, or integrated with, that of the TIA, in a GIS package compatible with all other work within the city,	PCs capable of running current GIS and data analysis packages. Secure and resilient data storage facilities. These could be	There is likely to be a scarcity of these skills in country, as they are concentrated in the TIA at present – non-Tanzanian

	measures, and stored in such a way so as to be searchable, easily understood, shared, etc.	which can provide a searchable, easily updatable database of investment opportunities within the BRT corridors over time. This needs to be detailed, but at the same time user friendly enough to enable investors to understand the panoply of opportunities quickly and efficiently.	cloud based but will require adequate and reliable connectivity.	expertise may be required at least in the interim. Education exchange programmes with other counties may help improve the level of expertise.
Challenges	Coordination between all of the stakeholders who would be producing data, descriptions, analysis and information on investment opportunities within the BRT Corridors, which represent a significant amount of space, and a large number of investment opportunities on various scales.	Cost, vs the specification outlined above. Maintenance.	Cost, vs the specification outlined above	The most relevant skills are concentrated within the TIA at present, and it may be difficult to “tempt” some of this talent into a less developed entity such as the major players in the BRT corridor development. Community-level, skills development in dealing with micro-investment or assemblies of micro-finance managed by NGOs, is a skill – and Mtaas and Ward Development Committees should be given training on dealing with these enquiries, fostering entrepreneurialism, etc.
Actions	Cross-governmental working group to address the City’s data needs	Expert advice and a dedicated budget	Expert advice and a dedicated budget	Begin to develop job specifications for people to be sought in country or from outside of Tanzania, to fulfil role.

4.2.6 Revenue Enhancement

Description

The organisations most involved in Revenue Enhancement in the Phase 1 BRT Corridor as it is built out will be the Municipal Councils, Dar City Council, and DART. They will need to be familiar with Land Value Capture measures, and able to implement them, for different scales and types of development, as the corridor is built out. There are four broad measures that will enhance Land Value Capture in the BRT corridor, which they will need to understand:

- **The steady migration of property from the informal to the formal property sector.** This should increase the size of the taxable base and increase the value of property assets to be taxed
- **Developer contributions in the form of affordable housing** will in part address the city's acute housing needs.
- **City Infrastructure Levy to be charged** as part of the planning process, the revenue hypothecated to the delivery of infrastructure and affordable housing.
- **The Development Corporation, run by the city** speed up the development process, to assemble sites, plan developments and deliver infrastructure before auctioning plots to developers.

How success could be measured (Revenue Enhancement)

The table below outlines a series of Key Performance Indicators (KPIs) which could be used to measure achievements in this role. They may not all be measured currently in Dar es Salaam, and are not all required, and it is like that in earlier years, only a few of them might be measurable, due to shortages in data. In any case, the most critical thing is that something be measured, and that it be measured consistently over time, to create a comparable indicator of progress.

KPI	Description
Increased Tax Base	A measure of the additional property tax payers in a given ward derived from the Transit Oriented Development in the BRT corridor.
Increased Tax Collection	A measure of the additional property tax paid in a given ward derived from the Transit Oriented Development in the BRT corridor.
Developer Contributions Quantity	Measures of the number of affordable housing units, m2 of housing provided and the likely resident population in a given ward derived from the Transit Oriented Development in the BRT corridor
Developer Contributions Value	Measures of the number of affordable housing units, m2 of housing provided and the likely resident population in a given ward derived from the Transit Oriented Development in the BRT corridor
CIL Payments	The amount of CIL recovered from a given ward.
Development Corporation Planned Schemes	The size and value of proposed schemes
Development Corporation Receipts	The income derived from plot sales
Development Corporation Return on Investment	The rate of return produced from completed developments.

Observations re existing practice (Revenue Enhancement)

The observations collated from meetings, consultation, stakeholder workshops and research have been summarised in tabular format below.

AGENCIES ASSUMING ROLE (1 = Main, 2 = Sub)		EVALUATION		
		CLARITY	AUTHORITY	CAPACITY
1	MCS	Weak There is a lack of clarity about planning roles between authorities	Weak. The City Council does not have a strong strategic role. Central government acts directly	Weak The city appears to have neither the capability nor the capacity to deliver strategic planning, nor land value capture in the corridor. It appears that the city has insufficient funding to deliver these roles.
2	DCC	Weak There is a lack of clarity about planning roles between authorities	Weak. The municipalities do not have a strong role. Central government acts directly	Weak The municipalities appear to have neither the capability nor the capacity to support the planning, and land value capture in the corridor.
3	DART	Medium. There appears to be a lack of cohesion between the city, municipalities and DART	Strong DART appears to have the authority to deliver the services it mandated to provide.	Strong DART appears to have the capacity to deliver the services it mandated to provide.

Requirements (Revenue Enhancement)

The requirements, in terms of Data, Software, Hardware, Human Resource and Training are outlined in tabular format, as follows.

Role: Revenue Enhancement	Data	Software	Hardware	Human Resources & Training
Needs	<ol style="list-style-type: none"> 1. Developer Contributions. A database of all proposed and approved schemes. Recording existing and possible developer contributions. 2. CIL. A PC based system in the City Council to record and manage assessments for CIL and monitor. approvals and payments. 3. Development Corporation. Access to detailed market, demographic and economic data at a detailed level through the development corridor 4. General. Comprehensive market, demographic and economic data at a detailed level through the development corridor 	<ol style="list-style-type: none"> 1. Developer Contributions. PC Based software, compatible with other city-wide systems. 2. CIL Suitable database software compatible with other city-wide systems. 3. Development Corporation. Full business-wide systems. 4. General. A standard platform for data analysis using GIS. Capable of analysing disparate data and in the future using real-time data gathering. 	<ol style="list-style-type: none"> 3. Development Corporation. Comprehensive business hardware. <p>All. PCs capable of running current GIS and data analysis packages. Secure and resilient data storage facilities. These could be cloud based but will require adequate and reliable connectivity.</p>	<ol style="list-style-type: none"> 1. Developer contributions. Suitably trained resource in City Council to develop Developer contributions strategy and policies. Suitably trained resources in municipality planning departments to negotiate with developers. 2. CIL. Suitably trained administrators in the City Council to set CIL levels across the City, develop strategy and policy and monitor and report on performance. 3. Development Corporation. Senior management team with adequate skills and expertise to build a comprehensive new business. 4. General. Resource and Training, to do with: Strategic oversight to ensure that the right data is being collated and analysed. Analysts to gather, process and collate data. GIS specialists to ensure that spatial

				data is appropriately analysed and mapped.
Challenges	<ol style="list-style-type: none"> 1. Developer Contributions. A lack of expertise and experience of a new planning tool. 2. CIL. A lack of expertise and experience of a planning related revenue-capture tool 3. Lack of clarity on common approach across the city. Incomplete census data. Slow provision of data from government departments. 	All -Cost and specification	All -Cost and specification	All -Lack of local expertise
Actions	Cross-governmental working group to address the City's data needs	Expert advice and a dedicated budget	Expert advice and a dedicated budget	<p>Development Corporation recruit a CEO with adequate skills and expertise to establish new Corporation. Will need to consider international market.</p> <p>Interim recruitment of outside strategy , planning ,data and GIS and financial/ economic expertise to develop the City capacity and help with training and development, etc.</p>

4.3 Evaluating the Training Programme

Like the various roles outlined above, as part of the Capacity Building Strategy, the programme must also be evaluated periodically, to ensure it is performing according to its objectives, and continues to be fit for purpose.

KPI	Description
Number of applications received	Number of applications received for new positions for local government positions helps weigh the level of interest and success that new job postings are generating.
Percentage of Positions Filled Internally	Dividing the number of promotions by the number of positions filled reveals the availability of advancement opportunities and the success of internal talent development.
Total Hours of Training Attended	Aggregating combined training hours can indicate how much employee development took place in a given period of time.
Absenteeism Rate	This rate reveals the percentage of lost work hours due to worker absence.
Percentage of Performance Evaluations Completed on Time	Percentage of performance evaluations completed on time is a critical component to a successful performance management process.
Employee Retention Rate	Employee retention rate can be calculated by dividing the number of avoidable separations by the number of regular full-time employees on the staff.
Training Needs fulfilled	Employees should be surveyed during their performance evaluations, in order to determine training needs. In their subsequent evaluations, their needs ought to have been fulfilled by the training programme, to ensure the workforce has the appropriate skills.

5.0 Conclusions

5.1 The capability building imperative in Dar es Salaam

Kasala's research¹³ into the failure of more strategic planning efforts in Dar es Salaam, during the period between 1992 and 2007, found that there was a skills gap in the planning agencies, whereby

“the majority of professionals charged with the responsibility to coordinate and implement the SUDP process were simply mainstream land use planners. These [sic] were not trained as strategic planners, but rather as master planners. These [sic] considered themselves incompetent to practice Sustainable Urban Development Planning”.

Here we see an acknowledgement from the very people charged with implementing urban change in Dar es Salaam, that there was a training deficit at fault here. It is important to acknowledge that the blame in this case was not being directed at the nature of strategic planning itself – but at a lack of preparedness for its leadership and implementation.

“Among those revolutionary changes of this century, perhaps those that go deepest are the changes in the mental methods we can use for probing the world. I do not mean new mechanical brains, but new strategies for thinking.”

- Jane Jacobs, *The Death and Life of Great American Cities*¹⁴

In section 5, above, we identify the risks associated with the use of new tools to deliver a coherent strategy for TOD with Land Value Capture in Dar es Salaam. Mitigation of these risks requires clear separation of roles and responsibilities between public sector bodies. We also recommend that the hub and spoke system of governance, with PO-RALG at the centre, is inhibiting well-aligned planning and development in the city. We recommend a more hierarchical approach with strategy, support and resources coming from the top. Planning, analysis and coordination ought to be the responsibility of the City, whilst day-to-day delivery, enforcement and feedback are the job of the municipalities, in this kind of structure. This will have capacity issues for all the organisations concerned.

¹³ Kasala, Dr. S.E. (2015), *A Return to Master Planning in Dar es Salaam: A Misconception of the Theory of Paradigm Shifts?*. Global Journal of Human-Social Science: Vol 15 Issue 2 Version 1.0

¹⁴ Jacobs, J. (1961) *The Death and Life of Great American Cities*, London, Pimlico Press. pg.442

5.2 Short term actions

The tasks below will prepare stakeholders in the BRT TOD projects, for implementation.

5.2.1 Organisational Change from the centre

In ensure that the City planning moves away from the hub and spoke model described earlier we expect to PO-RALG an MoLHHSD to take “centre stage” in announcing, promoting and fostering the governance adjustments proposed in this document. The most important changes are less like structural changes, and more like moves to return to fulfilling the mandates set up for the agencies in question, to begin with. The hierarchical structure described earlier in the document, where things like development control are happening at the level of the MCs, and not taking up the time of Ministry-level agencies, are of prime importance.

5.2.2 Mandates – how to ensure clarity of mandates between agencies?

Facilitated joint exercises

This report contains an illustration of a hierarchical planning organisational chart, that would be ideal, for the agencies involved in delivering the BRT TOD projects. That said, despite its simplicity, arriving at consensual agreement on the content, will not necessarily be easy, for the agencies involved. At present, distractions such as resource limitations have meant that certain agencies are filling resource gaps in others. Whilst this means that tasks get completed which might otherwise have been left unfinished, the outcomes are not necessarily ideal (see section 4.2 on Critical Success Factors, for discussion regarding outcomes).

We would suggest that the development of the kinds of data and documentary tools (Strategic Plans, Objectives, Risk Registers, City Data pools) outlined in section 4, be developed jointly, in a facilitated exercise (or several), by the agencies in question. The result would be a shared set of project priorities, a clear mandate for each agency involved in achieving those priorities, a set of critical success factors (not just tasks) for each agency, and a better understanding of the risk for each agency.

With this mutually agreed documentation in place, these sessions would ideally be rounded off with the establishment of the kind of independent review board also proposed in Section 4. Clarity of purpose and priorities would help the project team find ideal advisors to populate the independent review board, who in turn would impart their experience to further increase the momentum of the project.

5.2.3 Leadership – finding the right people to lead

Like in any major project, leadership is critical to ensuring effective implementation of the BRT TOD projects. Whilst the possibility exists that an ideal leader for the proposed development corporation, or for the BRT TOD project leadership post within each of the

participant agencies could be found internally, an opportunity exists here to bring in skill from outside of the country. Such a recruitment process could only be begun once the steps had been finished, and the advertised roles would need to be scoped to include capacity building, such that these temporary posts could be filled by locals or permanent Dar residents in the long term. An alternative model might involve a quasi-independent board, possibly with private sector participation.

5.2.4 Training and development

The capacity building exercise would be best kick-started by seeking out the most appropriate people who currently exist in roles within the set of agencies who are most involved in the BRT project. Identifying people who could lead certain aspects of the training, or the training programme as a whole, either from within the Human Resources departments of these agencies (people who have demonstrated themselves to be good at growing the skills of others), or people who are content experts or leaders in their fields, who take an interest in sharing their knowledge with others. It would be key to find as many of these people from within the Dar agency ecosystem as early on as possible, before moving to hire from outside (although this will no doubt be necessary).

Another “low hanging fruit” within the capacity building theme would be to begin to draw together the various data-related initiatives going on in Dar, to create the embryo of a city-wide data platform – something which will be incredibly useful for the Phase 1 BRT Corridor project, as well as all other development in Dar.

5.2.5 Establishing a presence

Digital

The creation of a digital presence for the project, the development corporation, and any other related initiatives, is imperative, once the work outlined above has been completed. This must first be outward-facing, outlining the plans, but ought to quickly be followed by the more administrative aspects such as an online portal for planning applications, as referred to earlier when we discussed transparency, and digital improvements.

Physical

The development corporation will of course, require physical premises, as it grows. Flexible space will be required to accommodate staff seconded from other agencies, consultants and other interested parties, as the project moves forward. Ideally, this building or buildings will include some space open to the public, where the vision and progress for the project can be exhibited.

**DAR ES SALAAM
METROPOLITAN
DEVELOPMENT
PROJECT**



Produced for
The President's Office
Regional Administration and
Local Government (PO-RALG)