



CALL FOR PROPOSALS

An Investigation into “Value Capture” in and around Transport Interchanges

August 2009

1. Background

Urban Landmark’s objective is to “make markets work better for the poor”. Within its “Market Issues” theme, Urban LandMark wishes firstly, to identify ways to stimulate and strengthen markets within low income areas and secondly, to identify ways to improve the access of the poor to existing and future, relatively well developed markets within South African Cities. In terms of this second objective, Urban LandMark wishes to explore the potential opportunities presented by the current state infrastructure expenditure programme in facilitating access of the poor to better located places with South African Cities.

The State’s is currently rolling out its Infrastructure Investment Programme. A significant percentage of this programme relates to the provision and upgrading of transport infrastructure such as the Gautrain, BRT and PRASA’s capital expenditure plans. This expenditure will result in new and upgraded transport interchanges across South African Cities, which in turn will alter the accessibility landscape and will potentially create new, better locations within our Cities. Similarly, the values of the properties adjacent to this transport infrastructure could increase as a result of the improved accessibility flowing from the infrastructure investment.

The above scenario however raises a number of issues including that it is not a given that the infrastructure automatically results in increased adjacent property values and the possibility that the higher property prices could reduce the poor’s ability to access these better located areas.

Urban LandMark would like to commission research to test some of the above assertions and to explore ways in which “value-capture” can be used to facilitate the poor’s access to better located sites with South African cities.

2. The Proposed Assignment

The assignment will involve the following:

2.1 Undertaking a local and international literature review with respect to value-capture and the questions 2.2 – 2.7 below.

2.2 Developing a typology of transport infrastructure (E.g. Gautrain, BRT, taxi, metrorail, multi-modal interchanges etc.).

2.3 Developing a methodology to determine the degree, and under which conditions, transport infrastructure provision results in increased adjacent property values.

2.4 Applying the methodology to three selected case-studies to determine the degree, and under which conditions, transport infrastructure provision results in increased adjacent property values. The case-studies are to be selected in agreement with Urban LandMark and should be nationally representative.

2.5 Identifying the different mechanisms that can be used to capture any value increase.

2.6 Investigating if and how value capture can be used to assist the poor in gaining access to property in and adjacent to this transport infrastructure.

2.7 Identifying clear and tangible actions and policies that need to be taken by the various actors to facilitate the poor's access to these sites.

3. Deliverables from the Assignment

The successful service provider will provide Urban LandMark with a research report that includes the following:

3.1 A summary of the key findings.

3.2 A literature review with respect to points 2.1 – 2.7 outlined above.

3.3 A typology of transport infrastructure (E.g. Gautrain, BRT, taxi, metrorail, multi-modal interchanges etc.)

3.3 A methodology to determine the degree, and under which conditions, transport infrastructure provision results in increased adjacent property values.

3.4 Application of the methodology to three selected case-studies to determine the degree, and under which conditions, transport infrastructure provision results in increased adjacent property values.

3.5 The different mechanisms that can be used to capture any value increase. This must include an identification of the agencies involved and the legal implications and restrictions.

3.6 An assessment of whether and how value capture can be used to assist the poor in gaining access to property in and adjacent to this transport infrastructure.

3.7 Clear and tangible actions and policies that need to be taken by the various actors to facilitate the poor's access to these sites.

The research findings will be presented in the form of a report and powerpoint presentation. The service provider will also be requested to present the research findings to a selected audience to be confirmed. All reports and presentations are to be in hard and soft copies and are to include all quantitative data and calculations.

4. Expertise Required

The selected service provider will have the following expertise and experience:

- Expertise and experience in property economics, property markets, development feasibilities, quantitative research, land use planning, property law, and transportation.
- A proven track-record in research in urban land markets.
- An understanding of the characteristics, dynamics and challenges facing the urban poor.
- Extensive networks of government, parastatals, developers, land professionals, academics and non-government organisations, etc. active in transportation and transit-oriented development.
- Proven research and analytical skills;
- Excellent English writing and communication skills;
- Ability to work independently and adhere to deadlines; and
- Ability to work within a broader team of experts.

5. Assignment Timeframe

Appointment: 21st September 2009

Completion of final report: 15 December 2009

6. Basis of Award

Urban LandMark will award the contract based on:

- Appropriateness and quality of response to this call as expressed in the proposal, including proposed method (40%)
- Relevant, demonstrated competence of organisation/s and individuals to undertake this work (20%)
- Affirmative action scorecard: ownership, management, staff development (15%)
- Cost breakdown, professional fees (25%).

Urban LandMark reserves the right to ask individuals, organisations or consortia making proposals for best and final offers should this be deemed necessary.

7. Management and Reporting

The service provider will work in close collaboration with Urban LandMark to develop an agreed approach, common analytical framework and common structure for all the reports.

The service providers will work under the day-to-day supervision of Robert McGaffin, under the overall guidance of Mark Napier of Urban LandMark. The reporting structures may be amended should Urban LandMark partner with other organisations to commission the research. Final approval of the product for the purposes of payment will be at the discretion of Urban LandMark.

In addition, the service provider will be requested to present to a reference group consisting of inter alia experts, officials and decision-makers in the field, to be convened in collaboration with the Cities Network. It is intended that this reference group will provide intellectual and technical input and that the process will assist the service providers in accessing key personnel and information.

8. Submission of Proposals

Interested parties should submit proposals to Jonathan Diederiks at Urban LandMark (jonathan@urbanlandmark.org.za cc: lerato@urbanlandmark.org.za or by fax to +27 (0)12 342 7639 by 12 noon 11 September 2009.

Each proposal must contain an outline of the proposed approach to the work, as well as the CV(s) of the consultant(s) who will do the work, their BEE status, a valid Tax Clearance Certificate as well as complete price quotation.

Evidence of successfully completed similar projects will be very important. A consortium may submit a proposal for the piece of work.

Any queries should be directed to Robert McGaffin (robert.mcgaffin@gmail.com) or Mark Napier (mark@urbanlandmark.org.za).