

**THIRD TOURISM DEVELOPMENT PROJECT
SECONDARY CITIES REVITALIZATION STUDY**

Salt
City Revitalization Pact
Attachment B

JOINT VENTURE OF COTECNO WITH ABT ALCHEMIA CDG MGA

Prepared by: **RG**

Checked by: **--**

Rev: **A**

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Provided that:

- The Ministry of Planning and International Cooperation carries the mission of guiding and coordinating governmental socio-economic policies, Programs and priorities as well as enhancing international cooperation for addressing these goals.
- The Ministry of Tourism and Antiquities carries the mission of the sustainable tourism development towards economic prosperity.
- The Ministry of Municipal Affairs carries the mission of providing all assistance to municipalities to build their institutional capacities and to support them in their provision of the infrastructure needed for sustainable development and better services for local communities.
- The Governorate is responsible for maintaining security and public safety, coordinating the work done by the various government departments and institutions in the Governorate and making available the requirements for the economic and social development of the Governorate.
- Greater Salt Municipality as the representative of the local community is the principal beneficiary of the city revitalization program and the guarantor of its sustainability.

The parties listed hereto (the "*Institutions*") have agreed upon the following

SALT CITY REVITALIZATION PACT

TITLE I – OBJECTIVES OF THE PACT

- 1.** The objective of this City Revitalization Pact (the "*Pact*") is to ensure the efficient and effective implementation of a sustainable City Revitalization Program (the "*Program*") by agreeing on the roles and responsibilities of the above *Institutions* concerning:
 - (1) defining and budgeting the financial commitments of the parties involved;
 - (2) management and monitoring of the *Program*;
 - (3) defining the implementation responsibilities and commitments.
 - (4) allowing the *Institutions*, particularly the Municipality, to achieve improved management practices at handover of operations and overall by the end of the *Program* in order to ensure its sustainability.
- 2.** The *Pact* has been contracted amongst the signatory *Institutions* on the basis of the urban, social, economic and institutional analysis of the city. It has been discussed with the representatives of the *Institutions*, in the presence and with the contribution of the civil society, during the City Consultation Workshop held in Salt on December 8th, 2004.
- 3.** By signing the *Pact*, the signatory *Institutions* have engaged themselves formally, in their own areas of responsibility as described hereinafter, to fulfill their commitments to achieve the objectives of the *Program*.
- 4.** The Ministry of Tourism and Antiquities shall be responsible for the coordination and monitoring of the *Program*. Given the innovative nature of the *Program*, the limited implementation capacity of the Municipality itself and the ability of Ministry to satisfy the fiduciary requirements of the international donors, it has been agreed that the Ministry of Tourism and Antiquities shall be the designated project and contract manager on behalf of the Municipality for the whole *Program* and for every project action, including the capacity building.
- 5.** The *Institutions* have recognized that the main challenge that the historic core of Salt is facing is to recover its central role within the city and the surrounding region. Therefore, the objectives of the *Program* include: to reconstruct the social cohesion amongst the population; to improve the quality of the public space for the benefit of residents and visitors; and to increase the existing local economy, tourism activities and local products.

DESCRIPTION OF THE CITY REVITALIZATION PROGRAM

- 6.** To achieve the objectives above, the *Institutions* have agreed upon a *Program* including four main components:
 - (1) **Regulatory actions.** The component will implement a special regulation to control urban growth and changes to the urban fabric, introducing criteria of conservation, integral recovery and comprehensive urban improvement.

- (2) **The heritage fund.** To prevent the complete neglect and loss of the Ottoman heritage buildings the CRP will support the owners with specific financial incentives for the restoration. This incentives will be provided through the Heritage Fund for the Protection of Salt Urban and Architectural Sites, managed, by Salt Municipality. The fund will be available to the owners of buildings qualified as “heritage buildings” by the Salt Historic Core Regulation and located within the area identified as Salt Historic Core.
- (3) **Physical actions.** This component includes a number of urban rehabilitation project actions that would comprehensively upgrade the historic core of Salt, to develop high quality open public multipurpose space and community and commercial facilities. The component will finance: (a) the upgrading of the street network and of the public space; and (b) the creation of the new “central square”.
- (4) **Capacity building.** This component will strengthen the capacity of Greater Salt Municipality to ensure successful implementation of the CRP. The component will support hiring supplementary staff for GMM, providing appropriate training on urban and heritage management, providing technical tools and equipment, and technical assistance, including a traffic management program.

PROJECT ACTIONS

S.01 Upgrading of the street network	JD	458,864	US\$	647,654	11.92%
S.02 The new “central square”	JD	2,005,176	US\$	2,830,166	52.07%
Capacity building			US\$	457,650	8.42%
Heritage fund			US\$	1,500,000	27.60%
<i>1 JOD = \$1,41</i>					
Total cost of Salt CRP			US\$	5,435,470	100.00%

7. Salt historic core regulation. The historic core regulation is designed to control the building activities and ensure that these respect and are compatible with the historic character of Salt core city. The regulation provides also for the protection of monuments, traditional buildings, green areas and open spaces (especially those that fit within a clearly identified archaeological/historical con-text), giving clear indications about the forms of intervention applicable to each context, the restrictions introduced and the level of protection to be achieved in the different cases.

8. Upgrading of the city core street network. This action will reinforce part of the street network, namely Al-Dair Street, Oqba ben Nafè Street and Sa’eed Stable Street. The system of the three streets extends from the Saaha area to Maidan Street and contributes to the urban integration of the eastern portion of the sloped urban fabric with the city center and the refurbished suq.

9. The new “central square”. This project will create a new central urban space by the use of the area freed by the demolition of three existing modern intrusive governmental constructions. The new public space will expand the traditional space of the Saaha, and enhance the urban centrality functions, including also small-scale commercial development. The backdrop of the new urban space is a continuous architectural system, positioned roughly 12 mts. above the topographical level of the Saaha, formed by three significant Ottoman heritage buildings, namely the Sukkar complex, the Khatib complex and the Sakit complex. The implementation of this project will take the form of a public-private partnership, in which the private partner will ensure the development and management of the new commercial facilities.

10. Capacity building. To ensure the appropriate capacity for the Municipality to fulfill the role established in this *Pact*, a capacity building action shall be put in place, including:

- (1) recruitment of personnel for the creation of a “technical support unit” and the reinforcement of capacities of the municipality in urban planning and management in the historic core;
- (2) training on: (a) Historic core regulations and conservation and restoration of historic buildings; (b) the use of GIS and other tools for urban planning and management ; (c) appropriate maintenance and management of urban services and spaces;
- (3) “Adressage” for the improvement of urban planning and management of the historic core;
- (4) technical assistance for: (a) the enforcement of the new Historic Core Regulation; (b) the improvement of the urban management of the historic core; (c) Conception of the “Addressage” ; and (d) setting up of indicators and procedures for the monitoring and evaluation of the urban service delivery.
- (5) delivery of IT equipment (hardware and software) for the department of Urban Planning and Technical Support Unit.

11. For the financing of the *Program*, the *Institutions* have agreed upon the financial plan hereinafter.

	IMPLEMENTATION PERIOD					Year 6	Year 7	Year 8	Year 9	Year 10
	Year 1	Year 2	Year 3	Year 4	Year 5					
Total Financing Required										
Total project costs	1,347,603	2,484,100	842,007	326,880	434,880	0	0	0	0	0
Interest during construction	0	0	0	0	0	0	0	0	0	0
Total Financing	1,347,603	2,484,100	842,007	326,880	434,880	0	0	0	0	0

Financing										
Central Gov	1290103	2,397,944	780,906	306,720	354,000	0	0	0	0	0
Municipalities	57,500	6,720	13,440	20,160	80,880	0	0	0	0	0
Privates	0	79,435	47,661	0	0	0	0	0	0	0
Total Project Financing	1,347,603	2,484,100	842,007	326,880	434,880	0	0	0	0	0

	OPERATIONAL PERIOD					Year 6	Year 7	Year 8	Year 9	Year 10
	Year 1	Year 2	Year 3	Year 4	Year 5					
Total Financing Required										
Total project costs	0	0	3,900	20,200	26,500	58,380	58,380	166,380	58,380	58,380
Interest during construction	0	0	0	0	0	0	0	0	0	0
Total Financing	0	0	3,900	20,200	26,500	58,380	58,380	166,380	58,380	58,380

Financing										
Central Gov	0	0	3,900	17,200	22,500	26,500	26,500	80,500	26,500	26,500
Municipalities	0	0	0	0	0	26,880	26,880	80,880	26,880	26,880
Privates	0	0	0	3,000	4,000	5,000	5,000	5,000	5,000	5,000
Total Project Financing	0	0	3,900	20,200	26,500	58,380	58,380	166,380	58,380	58,380

Amounts in US\$.

THE SIGNATORY INSTITUTIONS

For the Ministry of Planning and International Cooperation

For the Ministry of Tourism and Antiquities

For the Ministry of Municipal Affairs

For the Governorate of Salt

For Greater Salt Municipality

Date and place

TITLE II - EXECUTION OF THE CITY REVITALIZATION PACT

REFERENCE DOCUMENTS

12. The *Institutions* have acknowledged that the complete description of the overall city revitalization *Program* and of the project actions described herein is to be found in the following technical reference documents, which shall be considered as integral part of this *Pact*:

- (1) Salt – City revitalization Program – Annex 1 – Detailed description of the City Revitalization Program
- (2) Salt – City revitalization Program – Implementation plan.

MANAGEMENT

13. The Ministry of Tourism and Antiquities shall be responsible and accountable for the financial management of the *Program*.

COORDINATION AND MONITORING OF THE PROGRAM

14. The *Institutions* have agreed that the coordination and monitoring of the implementation of the *Program* shall be managed by a joint coordination and monitoring committee (*Lajnat tansik wa Ishraf*). The meetings of the committee shall be called by the Ministry of Tourism and Antiquities, to inform the municipality and the other *Institutions* and facilitate the solution of problems, at critical stages of the *Program* implementation, including the finalization of public/private partnership agreements, the approval of designs before tendering for works and the handover of operations to the Municipality. The meetings shall be organized according to the following procedure:

- (1) Not less than thirty days before the date of the meeting, the Ministry of Tourism and Antiquities will inform in writing all the *Institutions* on the place, date and agenda for the gathering. At the same time, the Ministry of Tourism and Antiquities will send hard copies of all the related technical documents to the *Institutions* for their preliminary analysis.
- (2) The *Institutions* may ask only once to postpone the meeting, for no more than fifteen days.
- (3) On the day agreed, the *Institutions* will participate at the meeting, which shall be moderated by Ministry of Tourism and Antiquities. The *Institutions* shall express their advice concerning the points under discussion, with their suggestions for the addressing of any issue that could have been raised. All the participating *Institutions* shall be committed in finding solutions that could be agreed upon for any problems that could have been individuated.
- (4) Upon completion of the meeting, the Ministry of Tourism and Antiquities shall circulate within the *Institutions* (even those that did not, for any reasons, take part to the conference) the minutes of meeting within no more than seven days from the conference itself;
- (5) If the *Institutions* did not reach an agreement on the subject of the meeting, the Ministry of Tourism and Antiquities shall work to address the issues, find a reasonable solution and call a new meeting with the same procedure described hereto.
- (6) If even this second meeting does not reach a satisfactory agreement, the final decision shall be referred to the Ministry of Planning and International Cooperation, which shall notify its decision to all the *Institutions* within thirty days from the second meeting.

Any decision taken following the procedure described hereto shall be considered as ratified, confirmed and binding for all the *Institutions*, with no further objection.

MUNICIPAL UTILITIES

15. Acknowledging the particular situation of the historic core, the *Institutions* have agreed that a pre-condition for the achievement of the objectives of the *Program* is to put in place an appropriate coordination with the providers of utilities including water, sewerage, electrical power, telecommunications, etc. The coordination above shall be part of the pro-

ject/contract management commitments of the Ministry of Tourism and Antiquities, acting on behalf of all the *Institutions*. The other *Institutions* shall facilitate and give support to achieve the most effective collaboration and coordination with the providers.

TITLE III - DURATION, CANCELLATION, REVISION OF THE PACT

16. The effectiveness of the *Pact* shall begin at the date of the signature and shall continue until the end of the *Program*.

17. In case of inactivity of the Municipality or of any other of the *Institutions*, the Ministry of Tourism shall call a meeting of the coordination and monitoring committee (*Lajnat tansik wa Ishraf*) to address the situation. If after the meeting the situation of inactivity will continue, the *Program* will be cancelled, and the inactive Institution shall be held economically responsible of the damages deriving from their neglect.

18. No revision or modification to this *Pact* shall be effective, unless approved and subscribed by all the *Institutions*.

TITLE IV – SUMMARY OF COMMITMENTS

GENERAL COMMITMENTS OF THE INSTITUTIONS

19. By signing the *Pact*, the *Institutions* have engaged themselves in:

- (1) facilitating, by any means, the achievement of the objectives of the *Pact*;
- (2) participating in the meetings of the coordination and monitoring committee (*Lajnat tansik wa Ishraf*) called for the implementation of the city revitalization *Program*, and accepting the results of the conferences as ratified and confirmed with no further objection;
- (3) undertaking any other action appropriate for the achievement of the objectives of the *Pact*;
- (4) the *Institutions* have agreed and engage themselves to implement the actions listed hereto as described hereinafter and in the reference documents, within the timeframe established by the implementation plan and respecting the related technical details.

SPECIFIC COMMITMENTS OF THE MINISTRY OF PLANNING AND INTERNATIONAL COOPERATION

20. In the framework of this *Pact*, the Ministry of Planning and International Cooperation engages itself in the fulfillment of the following activities.

- (1) ...

SPECIFIC COMMITMENTS OF THE MINISTRY OF TOURISM AND ANTIQUITIES

21. The Ministry of Tourism and Antiquities shall be the delegated project and contract manager on behalf of any other party, while the other *Institutions* are engaged to facilitate the achievement of the objectives of the *Program* and the resolution of the problems.

22. For the fulfillment of the objectives of the *Program*, the Ministry of Tourism and Antiquities shall provide and be accountable for the following activities:

- (1) overall coordination of the *Program*, including the operation of the coordination and monitoring committee (*Lajnat tansik wa Ishraf*);
- (2) financial coordination and management of the *Program*;
- (3) monitoring and six-monthly reporting activities, in compliance with the approved monitoring and performance indicators;
- (4) quality control of technical services and works;

- (5) ensuring appropriate operational levels of the Technical Development Department for the duration of the *Program*;
- (6) promoting effectively the tourism activity and image of Salt, within the framework of the national tourism development policy;

23. For the implementation of the physical actions described herein, the Ministry of Tourism and Antiquities shall provide and be accountable for the following activities:

- (1) management of the agreements with appropriate private partner(s) for the public/private partnership actions;
- (2) putting in place an appropriate coordination with the providers of utilities including water, sewerage, electrical power, telecommunications, etc.
- (3) technical activities needed for the realization of the project actions listed herein, including, but not limited to: (a) preparation of Terms of reference for the surveys, architectural and engineering design and works supervision; (b) award of technical services; (c) management of the design stage; (d) final approval of the design.
- (4) procurement of works needed for the realization of the project actions listed herein, including but not limited to: (a) tendering procedures, in compliance with the reference World Bank regulations and standards; (b) award the construction contract; (c) manage the execution of works; (d) handover the works to the Municipality or the private partner(s), as required.

24. For the implementation of the “Capacity building” action, the Ministry of Tourism and Antiquities shall provide and be accountable for the following activities:

- (1) general management and coordination of the capacity building action;
- (2) procurement of goods and equipment, including but not limited to: (a) tendering procedures, in compliance with the reference World Bank regulations and standards; (b) award the procurement contract; (c) manage the execution of works; (d) handover the works to the Municipality or the private partner(s), as required.
- (3) procurement of technical services to deliver to the Municipality the training and technical assistance described in the project;

SPECIFIC COMMITMENTS OF THE MINISTRY OF MUNICIPAL AFFAIRS

25. The Ministry of Municipal Affairs shall contribute to the financing of the *Program* by making available the funds for the acquisition, as described in paragraph **Errore. L'origine riferimento non è stata trovata.**above.

26. For the fulfillment of the objectives of the *Program*, the Ministry of Municipal Affairs shall provide and be accountable for the following activities:

- (1) immediately passing of the decree for the approval of the new Salt Historic Core regulation;
- (2) collaborating with the Municipality to improve the current fiscal, budgeting, staffing, and other relevant issues for empowering the Municipality to assume the management of the renewed assets upon handover from the Ministry of Tourism and Antiquities;
- (3) collaborating with the Municipality to ensure financial and budgeting stability during the implementation period of the *Program*, also by appropriate management of transfers.

27. By signing the Pact, the Ministry of Municipal Affairs declares that the financial engagement of the Municipality (paragraph 30.) and the organizational measures (paragraph 36.) shall be considered immediately and expressly approved and ratified with no further objection.

SPECIFIC COMMITMENTS OF THE GOVERNORATE OF SALT

28. The Governorate of Salt shall ensure the mobilization of the companies and *Institutions* responsible for providing goods and services to the city (as the Water Authority and the Electricity Company) so to ensure their active collaboration to the *Program*, their participation to the service conferences, when needed, and the coordination of their actions and activities on the municipal territory with the Municipality.

SPECIFIC COMMITMENTS OF GREATER SALT MUNICIPALITY

29. The Municipality shall be the principal owner of the *Program* on behalf of the population.
30. The Municipality shall contribute to the financing of the *Program* with the following provisions (expressed in US \$):

Year 1	Year 2	Year 3	Year 4	Year 5
57.500	6.720	13.440	20.160	80.880

The provisions stated above shall cover 50% of cost of the equipment that the program shall deliver to the Municipality itself in the framework of the capacity building action as described at paragraph 10. (5), and a progressive share of the cost of the new personnel recruited as described at paragraph 10. (1), as per the following table.

Year 1	Year 2	Year 3	Year 4	Year 5
0%	25%	50%	75%	100%

31. The Municipality shall develop and implement, under the supervision of the Ministry of Municipal Affairs, an action plan to progressively improve, within the timeframe of the project, the collection the tax and fees of which as the right to collect, particularly the taxes and fees related to:

- (1) building and construction licensing;
- (2) planning and development, and specially those connected to the improvement of the historic core.

32. For the implementation of the historic core regulation described herein, immediately after the Ministry of Municipal Affairs has passed the new "Salt Historic Core Regulation", the Municipality shall immediately mobilize itself to ensure strict application and immediate enforcement of the new historic core regulation.

33. For the implementation of the pilot parking meters plan, the Municipality shall:

- (1) in strict coordination with the executions of works in King Tallal Street, provide for the installation of the parking meters in the area indicated in the project documents;
- (2) after the handover of the works from the Ministry of Tourism and Antiquities, ensure the management and enforcement of parking meters, according to the pilot parking management plan described in the project;

34. For the implementation of the traffic management program, the Municipality shall collaborate with MOTA for the preparation of the program, Immediately after the final approval of the program, the Municipality shall immediately mobilize itself to ensure strict application and immediate enforcement of the new traffic management program.

35. For the implementation of the physical actions described herein, the Municipality shall:

- (1) ensure, through any means including expropriation, the acquisition of the land and/or of the buildings required for the implementation of the project actions, as summarized at paragraph **Errore. L'origine riferimento non è stata trovata.**above;
- (2) receive the handover of the renewed public assets from the Ministry of Tourism and Antiquities and immediately mobilize itself to ensure proper maintenance and management.

36. For the implementation of the capacity building action, the Municipality shall:

- (1) establish the cross-departmental municipal unit and mobilize the concerned municipal services;
- (2) establishment the local committee of consultation and follow-up of revitalization with the local stakeholders and civil society.
- (3) recruit the personnel required for the creation of the "technical support unit" and for the reinforcement of capacities of the municipality in urban planning and management
- (4) ensure the implementation of the "Adressage" action, namely: phase (I) - establishment of (a) coordination arrangements between TSU and urban planning dept.; and (b) establishment of the work methodology. Phase II : surveys, codification, cartography, construction of a database. Phase III: installation of signs with names of streets and buildings.
- (5) actively collaborate with the Ministry of Tourism and Antiquities to ensure the successful implementation of the capacity building action as described herein and in the project.

37. Recognizing its role as the principal owner of the *Program*, Greater Salt Municipality has committed itself in the continuous and measurable improvement of the delivery of urban services, recognizing that the highest priority is to be attributed to the following areas of responsibility:

- (1) management, maintenance and cleaning of the renewed public spaces;
- (2) management and maintenance of the public utilities networks;
- (3) solid waste collection and management;
- (4) traffic and parking management;
- (5) control of private building activities, including restoration, alteration and new buildings (if allowed);
- (6) technical and administrative management of building permits;
- (7) implementation and management of an appropriate geographic information system;
- (8) control of commercial activities;
- (9) control of signage, billposting, shop windows and showcases;
- (10) sanitary and food control of restaurants, cafes, etc.