

6.0 SHELTER AND URBAN MANAGEMENT STRATEGIES

Future strategies for development are important since they lay down various mechanisms and systems which will help in making the objectives, aims and proposals for actions stated in the Samtse Structure Plan a reality. These are established rules and regulations which form the non-negotiable components of a Structure Plan, formulated to guide the town managers and local authorities during the implementation of the Structure Plan. These strategies will be elaborated in detail as a part of the Structure Plan in the later stage of the plan preparation process. At this point it should be made clear that a Structure Plan, once cleared, is not negotiable, flexible or easily adaptable. It sets out a rigid “structure” that can be altered only at the highest level. Smaller area plans using Guided Development, or Local Area Plans, based on land pooling, are more flexible, adaptable and indeed more participatory. Yet they have to work within the pattern of the Structure Plan.

6.1 SHELTER STRATEGY

His Highness has defined the goal of Bhutan as Gross National Happiness. Nothing brings happiness to the people like owning their own home. A major element of the Samtse Structure Plan is to bring housing within the reach of common people, moving this from the realm of dreams to reality.

The ‘Housing Shortage’ in Samtse is on account of moratorium over construction activities, in the absence of any proper Structure Plan for the town. With high possibilities of increased population in the town, because of Samtse envisioned as a service center and a town with booming activities, this shortage will grow even more in the coming decades. Hence it is the prime responsibility of the planners to formulate a shelter strategy for the people of Samtse.

The proposed Shelter Strategy has been laid in two distinct parts:

1. Designing and physical Planning aspects of Samtse.
2. Finance, Management and Administration.

6.1.1 Designing and Physical Planning Aspects

As discussed in chapter three ‘Demography and Planning Standards’, population projections and carrying capacity of a place are two inseparable aspects that have a deep impact on the density pattern and hence the shelter strategy. The main physical determinants of the Shelter Strategy, which would determine the carrying capacity and the density pattern in Samtse, would be:

- Rivers and Water bodies (In form of Damdhum Chhu and Sukretey Chhu),
- Land slopes,

- Eco-fragile areas,
- Views and sightlines, and,
- Land cover.

Out of the total land available in and around Samtse town, it leaves a scope for the planners to expand the town only towards the Damdhum Chhu bed. The risks of flash floods are unpredictable and hence it is impossible to propose any intensive construction activities and infrastructure investments in this area. However the land along Damdhum Chhu can be proposed for semi-permanent and temporary structures housing non-intensive activities like play-fields, small-scale industrial sheds, etc. No residential development in form of settlements shall be proposed in this area.

The land slope directly relates to the physical capacity of the land in terms of accessibility to land, the ease of construction, stability of the structure, laying of infrastructure and related costing. Higher the slope, lower is the associated population density. Hence in Samtse town the village square areas have been identified on comparatively flatter land to take up higher density where as the higher slopes are designated as lands with low density. Eco-fragile nature of Samtse town and immediate surroundings give a clear indication to curb the spread of urban development and consolidate it in minimum and least eco-fragile areas, rather than allowing urban sprawls. Since Samtse is rich of scenic beauty it becomes very important to restrict the spread of man-made features especially like buildings in both horizontal as well as vertical manner. The act of restricting building heights would help in minimizing hindrance of scenic views and the sight lines which exist in Samtse. Finally the nature and pattern of land use and hence the activity associated with a place has an impact in the amount of population it attracts.

Taking into consideration the above factors and their implications the Structure Plan advocates ‘low-rise high density’ development as a development strategy. ‘Low-rise high density’ means the maximum height allowed in Samtse Town and its peripheral zone would be ground plus two floors, but to accommodate higher density of population the allowable ground coverage of buildings would be relatively high, and the building setbacks would be less. The details of the same are elaborately discussed in the later part of the chapter.

6.1.2 Finance, Management And Administration

In today’s world the term ‘Housing Problem’ is often understood as a numbers game. The available dwelling units are compared with the number of households and a deficit is



calculated to determine the “housing shortage.” It has been the government’s responsibility to fill this gap, which always seems to be widening.

The solution to this “housing shortage” lies as much in the financial mechanisms we evolve and in the institutional modalities, as it does in the physical plans we prepare. It is important that we facilitate the private sector to become active in the provision of housing, in addition to the public sector agencies involved now. The idea is to get small and medium sized builders into the shelter provision business, which would also provide employment in the construction industry. There is a crucial need to enhance the building skills and crafts in this sector, which can be one of the largest employers of vocationally trained Bhutanese youth. Other long-term loan schemes can be evolved for the buyers of housing units.

For achieving the above said goal two strategies seem to be required.

First, the problem needs to be re-conceptualized from that of a “housing shortage” to one of “facilitating a shelter process.” Next, the problem has to be seen as promoting private sector initiatives. Thus, we are moving from the government producing amounts of minimum standard housing units, to facilitating and promoting an array of private actors to get on with the process of creating shelter in various manifestations.

The strategy proposed views the housing processes from different perspectives.

These could be stated as :

1. Access to land,
2. Access to housing finance,
3. Access to materials and technology,
4. Access to construction; and,
5. Access to design, planning and management.

The main actors in such a scenario are the landowners, the contractors, the potential buyers, the materials suppliers, the skilled labour, the promoters, the designers and the financial institutions. If a housing strategy is to facilitate all of these actors, the barriers each face in meeting its peak performance need to be isolated and actions taken to break those barriers.

In addition to generating more shelter and more options for shelter, another goal of the Shelter Strategy is to increase the utilization of Bhutanese resources to achieve objectives. This involves evolution of more sophisticated financial mechanisms; training Bhutanese youth into skilled blue collar workers, promoting small electrical, plumbing and other specialized contractors and facilitating medium and large contractors.

6.1.3 Opportunity for Access to Shelter

The Shelter Strategy for Samtse envisions a variety of needs on the part of end users. These needs would relate to the users locational preferences, on the level of development of shelter (size, amenities and finishes) required and on the extent to which the users envision shelter to be a function of their social status. There will be those who will walk to work, or who will depend on transport facilities. Others will drive and location may not be so severe a criteria. Some may plan to remain single, or be childless parents, or to have large families or to live in an extended household with several generations. For some households, the dwelling unit may act as a basic functional device, providing shelter and security, while for others it may be a major source of social status. People’s willingness to pay for shelter may not be a direct function of their earning power, as they may prioritize other investments like the education of their children. In the actual design of the range of locations, sizes and potential development of dwelling units in plotted areas and in medium to high-density residential schemes the government must aim for a wide diversity of housing packages. The Local Area Plans will provide the mechanism within which the goal could be achieved.

Landowners require a Local Area Plan under which they can market their land. They need to know the layout and subdivision rules which will determine the density, land use and nearby amenities which will all together set a value and define potential buyers. Individual owners may not have the management skills to develop their land, so a strategy must facilitate “promoters!” Promoters can bring together all of the other actors and manage a physical product within the boundaries of an investment package. Promoters also need to know the prices, the rules and prospects governing each site. A good plan removes the element of the unknown, tying down all of the facts about each parcel of land.

One of the most facilitative processes the government could initiate would be “packaging projects” such that a team of professionals could “bid” a turnkey price to construct and sell entire neighborhoods. For example, the government may provide the bidders with a site plan, a detailed building programme, comprehensive specifications, the public facilities required, including housing units, site development, access roads, walk-ways and landscaping.

The National Housing Development Corporation (NHDC) could initiate this process by inviting teams including an Architect, Landscape Designer, land owners, Contractor and a financial Promoter, to submit a comprehensive proposal to build, say two hundred houses, and all of the infrastructure and amenities. These bids would be proposals for everything from the design, layout and selling prices of the houses, shops and offices within the project.

The Government could further facilitate this process by assisting in the access to land for Group Housing, private sector projects. The proposed local area plans must designate plots for lower middle class group units, in the layouts. Row Houses must be introduced as a housing typology for higher density locations.



For such a scheme to work the government needs rolling capital for accumulating lands and its overheads. It would recuperate these from the promoter whose responsibility would be to pay all of the actors concerned, maintain a schedule and to sell the units in the open market. For this the promoter would need short-term capital investment of a substantial level. Thus, financial planning and the role of financial institutions like the Royal Insurance Corporation of Bhutan, the Bank of Bhutan, Bhutan National Bank and the Royal Pension Fund is very crucial in increasing the housing stock of any particular place. Consortiums of actors noted above need short term capital loans to “get projects off the ground.”

Facilitative Finance

Finance is another facilitative and promotive element of the housing strategy. Until now, housing finance has been for the end users to buy their homes over some period of amortization and rate of interest. This concept of finance needs to be broadened.

At the national level Bhutan will have to evolve housing policy measures, which create urban and housing financial institutions. In doing so the scale of modest operations and limited human resources available must be formative parameters. On the other hand organizations that are repositories of surplus capital, such as banks, the pension fund and the Insurance Corporation must not act in the shelter sector in an ad hoc and independent manner, skewing the sector toward the internal needs of those organizations. The Shelter Strategy for Samtse cannot await the emergence of this mechanism. At the same time two forms of development finance are urgently needed and the Bank of Bhutan may be entrusted to initiate these. The resources for these may come from a requirement that the insurance and pension institutions invest a fixed percentage of their reserves annually into the Bank of Bhutan's shelter fund. The interest rate paid to these investors would be half a percent less than reaped from current market wholesale investments. The finances required are for seed capital for developers /promoters and long-term mortgage finance for homeowners.

Seed Capital

Entrepreneurs and developers will have to be facilitated during the early project gestation period. Finance must be extended to promoters for medium periods at medium rates of interest to buy property and to construct houses. From the time the land is bought, until the time the dwelling units are sold to end users, they will need seed capital to finance the actual construction of the units, to buy materials and to pay the laborers during the construction process. They need medium term to long term loans to buy heavy equipment.

Financial planning and facilitation through Seed Capital is an essential element of the Shelter Strategy for Samtse. It makes good sense that such an activity be initiated within the organization of an existing financial institution, than within the structure of a new and inexperienced development finance institution, specialized in the housing sector. Such Seed

Capital loans should cover a medium quantity of construction. Performance with the first Seed Capital loan should be the criteria for advancement into further support. A gestation period of three to five years would be the credit period, with amortization running not more than four to seven years. Interest rates for Seed Capital should be considerably higher than the rates charged to homeowners for long term finance of individually owned dwelling units.

Long Term Mortgage Finance

The system needs to consider other channels also. A household may opt to build its house. In this case it needs long-term finance to buy the land and to develop it. To develop a vibrant housing market in Samtse, as well as the country as a whole, a system of long-term mortgage finance is essential.

There are a limited number of perspective homeowners who can afford to make a one-time payment for their homes. The vast majority of potential buyers will be able to muster a maximum of twenty to thirty percent of the total dwelling unit cost as their initial equity share in the project. The Bank of Bhutan may initiate a savings scheme for future homeowners, where youngsters begin to make monthly deposits toward the time when they have accumulated the needed equity to embark on a full fledged housing loan. What is needed is to initiate a culture of savings and borrowing amongst the populace. In mortgage finance the dwelling unit itself becomes the asset held by the bank as surety against potential defaults. It is also essential in this kind of a system that the judicial system favors the banking system when the issue of repossession of property arises, due to defaults in loan payments by borrowers. A housing mortgage finance system cannot function where the potential of eviction and repossession does not exist. It is clear that a mix of buyers will emerge. Some will be in a position to make an outright purchase, extending payments to the developer in accordance with stages of construction. Others will require smaller portions of the total equity in the form of loans. But the majority of homebuyers will require around seventy-five percent of the equity in the form of a loan, and an amortization horizon of between fifteen to twenty years. Monthly payments will have to be profiled against the buyers estimated ability to pay over the amortization period. That ability would rise over time. Therefore a “telescoped” repayment schedule may make more sense in Bhutan than a simple system of equated monthly installments, which equalize the capital and interest over a long period of time, into a static monthly loan repayment, called an EMI in the banking industry. While these modalities must be worked out, there is no doubt that a mortgage finance system must be created urgently, using a rolling fund concept to initiate more and more loan opportunities with a given base of capital and annual investment from other pension and insurance institutions.

The government may promote such an effort by providing landowners with layouts for small plots and giving them support in planning site and services schemes on their land. Potential homeowners may then buy these and build their own houses. By adjusting the building



controls such that small houses do not need any permission, access to shelter becomes that much simpler.

This strategy proposes that the government gets out of the housing design, construction, sales and management of estates and facilitates and promotes other actors to do these things. This would allow the government to “go to scale,” through a facilitative and promotive strategy.

The advantage of this approach is that it off-loads the actual management of house building to the private sector; it facilitates the realization of the Structure Plan in terms of creating high density, compact, mixed-use communities near Neighborhood Nodes and Village Squares. Social facilities and amenities can be built into these packages, by the government including their budget allocations for amenities in the budget for the package. With such limited responsibilities the government could then hone in its capabilities on “project packaging,” coordination and facilitation. Concentrating on the Village Squares and high density precincts proposed in the Structure Plan, the government could initiate at least one such project the first year, and two every subsequent year. As the concerned department would be recuperating its overheads from the bidders, this activity would be self-financing. This also becomes a kind of land pooling scheme, as the government readjusts the land and hands it over to the promoters to develop and market it. The landowners are compensated at market rates, but only as the project is sold to consumers, with a “sunset clause” to protect them from inordinate delays in payment. The same scheme could be used for urban infill projects and Urban Core development projects, where saleable space makes up a sizable component of the works.

This strategy proposes that the government become a facilitator and promoter of shelter development rather than a provider of housing units.

Low Income Group Housing

This is an important part of any shelter strategy especially for any developing nations. Though Samtse currently may not need this, in the near future, when the town starts flourishing, the issue of shelter for the lower income groups may become a very vital element to avoid any kind of unhygienic or unsafe settlements. Almost all flourishing towns attract, support and are also supported by a large number of poor and unprivileged population, which we must bring out into the open, and address as a public policy and planning issue. It is important that the shelter strategy proposed as a part of the Samtse Structure Plan address the issue of shelter for the lower income groups. It is reasonable that the Development Briefs for medium and high-density housing complexes in the Local Area Plans include small housing units, whose market values and selling prices are within the reach of a broader band of users. The creation of neighborhoods with economic diversity, yet cultural homogeneity, would aid bringing new urban immigrants into the mainstream of national life. It obviates the creation of low income ghettos.

In future there needs to be a strategy for Bago Improvement schemes to provide basic amenities to squatter settlements, such as path paving, street lighting, potable water through common taps, common sanitary and bathing places, and washing areas. To cover these costs the local authority would place user charges on the inhabitants. Here again a fund would be needed to start the process. The user charges would have maintenance and capital formation components.

From an urban design point of view, this is the sector that the public sector should be focusing its limited skills on, while the private sector should be facilitating in the middle and upper income groups.

In every Local Area Plan of the town a small high-density village of low-income units could be constructed for domestic servants who will work in the area. Another strategy would be to require each detached bungalow to provide a “servant’s quarter” within their own compound. But these may not necessarily be inhabited by the household’s own servants in the long run. They may be rented out to young bachelor-workers who are recent migrants. Another strategy would be to layout Site and Services schemes of not more than fifty houses each where basic services (storm drains, paved foot paths, street lights, water, sewerage, solid waste collection and electricity) and the inhabitants would buy these little plots and construct their own modest shelters. Plots could be as small as fifty square meters each and party walls would be allowed. It may also be possible to provide the plinths and party walls in some schemes.

Reception Accommodation

Cities and towns are growing rapidly in Bhutan. Educated youth with Tenth- and Twelfth-Standard “pass” are flocking to towns in search of employment, which they are finding in the service sector, in retailing, in the hospitality sector and in blue collar jobs. On the whole these are single, young male bachelors who team up with relatives or village friends and rent shanty rooms in illegal shacks. The shelter strategy sees a viable investment market in the construction of working women’s and working men’s Hospices in Samtse, as entry point housing. These would be walk-up structures having “triple seated” rooms with a small cooking niche, common toilets and baths and drying balconies. There may be a common mess and T.V. lounge on the ground floor.

Another issue of concern is the need for measures towards improving the skills of the Bhutanese workers in the construction industry. The development of such a force is suppressed by the existence of an underpaid supply of foreign laborers. This must stop! By exploiting Indian labour, which is cheap, the nation is destroying its own labour market. With a per capita income about three times India’s, in the immediate future, Bhutanese working conditions will have to be protected, if there is to be any kind of working force at all. Otherwise Bhutan will be closing the door to its own youth from the potential job market, while creating an underclass of migrant workers. An expanded skill development and construction management



training programme is needed. There must be a guaranteed minimum wage to attract Bhutanese youth into the construction industry, and to build up the national capability. The construction industry has the potential to be the country's largest employer! Any public policy and related programme must include components on regulation of foreign labour, training Bhutanese labour to take over these occupations, upgrading the skills and working conditions of these occupations to bring the dignity that these vocations deserve and to provide a range of housing options to these people. This is a policy area that cannot wait! The nearest Growth Center shall house a "Building Center" which imparts practical training to youngsters in carpentry, masonry, concrete work, plastering and interior finishes. The center will provide workshop based training mixed with on site training. This pattern of training is already well evolved in Bhutan.

6.1.4 Locations for Housing in Urban Villages

The Structure Plan of Samtse will fulfill the future housing demand of the town through designating Medium and High-density Housing Neighborhoods in each self-contained Urban Village identified in the town, further amplified by the preparation of Local Area Plans.

The Urban Villages, which form the basic planning unit of the Samtse Structure Plan, will be dominated by residential areas with varied density patterns to optimize the provision of essential urban services. Conceptually, these units will have amenities, basic services and a convenience shopping core in their center, called Village Squares, surrounded by medium- to high- density walk-up apartments, then with a ring of medium density housing units towards the periphery. The Village Square surrounded by housing neighborhoods, will be basically a convenience center containing social amenities like health unit, police stand, taxi stand, post boxes, convenience shopping, vegetable shop, general store, pub, kindergarten, crèche, garden and public transit stop and will play a instrumental role in attracting and serving the population. The facilitation of the private sector by the government to create these housing stocks in the designated neighborhoods will be a fillip to the entrepreneurs of the town and will generate employment in the construction industry. It is proposed to use students of the National Technical Training Authority, through a local "Building Centre" in the process, in order to create more skilled labour in the nation.

Local Area Plans will be used as the tool towards making the identified Urban Villages as a functional entity of the Samtse Structure Plan. This, together with land pooling techniques, will be used to create motorable access to all house plots, to organize plots into rational shapes, to provide services and amenities to these plots and to create more habitable plots! Thus, access to land for shelter is a key method, made operational in the Structure Plan.

In addition to the medium and high-density housing schemes, which will be identified in the Local Area Plan for the development of compact residential neighborhoods, promoted and facilitated by the government, large plots, of about 1000 square meters will also be created as

a part of the Urban Village Core precinct (UV - 2) to accommodate private parties who wish to construct ground plus two storied apartment buildings. In the precinct called the Urban Village Periphery (UV - 3) a variety of plot sizes will be created to accommodate cottages, bungalows or smaller apartment blocks. Such structures will accommodate one or two households each, plus attached servant's quarters.

First, after the preparation of the Local Area Plans, roads will be demarcated on the sites, indicating all plots. Even before the roads are paved, or before any utilities are laid, the owners shall be entitled to begin their construction. Housing construction and the creation of utilities and services will go hand-in-hand! Only when a tax base is created in an area through the private initiative of plot owners, can support systems come into place. Thus, carving out of the rough roads, giving rudimentary access to the plots is the first priority. The next priority is to provide potable drinking water, first in raw form and later in a processed form. Electricity, telecommunications and rudimentary storm drainage will immediately follow. Finally, sewerage systems will be laid, roads will be surfaced, footpaths built, streetlights placed, solid waste collection bins positioned and other amenities will emerge.

Guided Development and Re-densification

In areas like Samtse town core, where Land Pooling will not be applicable or less feasible tool, densification will be promoted through additions, extensions and the construction of new units. The Development Control Regulations, as applicable to various Precincts, will guide this "infill" process. Guided development will generate densification in areas where it is efficient to extend social infrastructure and amenities. This will make existing infrastructure more efficient.

The existing housing stock in Samtse is of low-density, low rise nature. Some of the easily identifiable areas include the GSI Colony, Daragaon, Gurung Basti etc. which have sparse houses with either one or two storied individual units. The proposed Shelter Strategy shall address these areas and facilitate construction of compact, low rise yet high density housing. The bye-laws shall govern the construction activities and it would ensure that the optimum carrying capacity of land in terms of density is achieved.

6.1.5 Role of National Housing Development Corporation in the Creation of Housing Stock

It is essential that the private sector be catalyzed in Samtse to create housing stock. The National Housing Development Corporation (NHDC) should take a lead role in such an effort. Instead of being a provider of housing, the NHDC can become a Facilitator of the Housing Process.

In each Local Area Plan an area will be designated for the compact residential neighborhood as noted above. The NHDC can identify and prioritize projects according to the market demand, with respect to location, need etc. Housing process in the identified locations will then



be facilitated by “banking” all the private land parcels of the designated area in the form of a common account. As opposed to Land Acquisition, where the owners are losers, their land will be held in escrow for them, and they will de facto become participants in the free market production of housing. Should they decline such participation, acquisition procedure shall begin. Should they join they will have “equity” in the project with the value set as the market value, and they will also accordingly get a proportionate share of the profit.

The NHDC will prepare a Project Brief for each Neighborhood. This will include the gross and net residential densities to be achieved; the amount of open space to be created; the service and utility levels to be provided and the types, numbers and areas of the apartments, row houses and duplexes to be created. The Project Brief will also include the envisioned Specifications and a reference to the Development Control Rules and the Bhutan Building Rules, which must be followed. The Brief will include an investment plan stating all costs and projected profits.

The Promotion of Construction Professionals

In the next phase the NHDC will invite architects to compete in the preparation of designs for the over-all layout; buildings; apartment plans; internal roads parking and footpaths; landscaping; and utilities layouts. Architects from nearby countries may also participate, on the understanding that they will have to enter into collaborations with Bhutanese firms, should their designs be selected. Architects must follow the Specifications in the Brief, but may propose improved specifications, if they desire. A Technical Committee will select the best design and commission the architect as the designer and the Project Manager.

The Promotion of Promoters

The NHDC will make the selected design public. It will invite prospective developers who will act as the legal Promoters of the scheme, to bid for the role as Promoter. In the bids the contenders will have to agree to work under the supervision and the control of the selected Architect; they will have to state the percentage chargeable as their overheads, as the profits, and agree that they will charge future owners on a basis of a factor of the land cost, construction costs, fees, overheads and taxes. Their risk lies in the time they take to produce the dwelling units and on the market demand for the units. They may propose, in their bid, variations in the designs, unit areas and finishes, based on their understanding of the market. They may auction units to establish market prices, if they desire. The fees they will assign for the architect, and for the overhead fee they will pay to the NHDC for their promotion and audit role in the project, will be standardized and a “given” in the package. The amount of money to be paid to the landowners will be a “given” in the package. The base amount to be charged per square meter of built-up saleable area to the buyers will be bid by the competitors.

A Technical Committee composed of the Architect, and representatives of the NHDC will analyze and select the legal Promoter of the project. The promoter takes on the financial responsibility and liability of the project, until it is handed over to the end users. He negotiates with financial institutions, maintains accounts, operates bank accounts, and pays the overheads and architect’s fees to the NHDC. The NHDC pays the architect who also acts as the NHDC’s project manager.

Transfer of Project Ownership to the Promoters

At this stage the facilitative role of the NHDC becomes one of over-all Supervisor and Auditor, on behalf of the future clients. The selected architect and promoter now act as Project Managers, carrying out the preparation of construction documents, tendering documents and standard contracts between the Contractors and Promoters. The NHDC will certify the final selected contractor, but the architect and the Promoter will jointly select a contractor based on criteria given by the NHDC. If all the contractors bid over the estimate based on the Bhutan Schedule of Rates, the lowest bidder must be awarded the work. Wherein contractors bid under the Bhutan Schedule of Rates, the architect and promoter will not be bound to select the lowest bidder, but may use criteria like tract record, compatibility as a team member and other discretionary parameters, which they believe will result in the best final product for the end users.

Transfer of Housing Stock into the Market

After the completion of the project, the promoter, under the direct guidance of NHDC could either sell the housing stock at the market price and distribute the profit among the private land owners according to their respective share or could distribute the housing stock itself to the private land owners, retaining the share, of the promoter as initially agreed. In both the cases the involvement of the NHDC, towards making the housing stock available in the market, is very crucial considering the larger implications of such a nature of project in the housing stock of Samtse. The promoter, and the private land owners, could pay overheads to the NHDC towards the maintenance of the project for a specified period time. Alternatively, each buyer will be required to pay a maintenance fee which goes into a general fund for property management.

6.1.6 Vacant Land Tax

There is an apparent, though not necessarily fundamental, conflict between the regime of planning and the regime of property, especially when a new plan is overlaid upon an existing land ownership system. The structure plan sets down a new rationale. It promotes equal access to shelter and to land for shelter. It alters the value of land upward at the same time. Due to its inherent restrictions, it also limits development options. It disrupts the immediate



plans of landowners at least until they understand and readjust to the new terms of the new plan.

In most societies land is held in the hands of a few longer-term residents of the city. Newcomers to the city and persons with more modest means may find entry into the housing market blocked by artificially high values of land. Unfortunately, in most of the situations the regime of property dominates the land system and most of the time access to land for shelter has virtually been blocked. The Structure Plan attempts to reverse that trend and opens more opportunities. It suggests that methods towards equitably distributing land must emerge in Samtse. The Local Area Plans and the access to dwelling units created under the medium- and high-density residential projects go a long way to guaranteeing each household access to shelter. Guided development through the mechanism of the Development Control Rules adds another dimension to the system's operation. But in the end there must be some mechanism which limits the quantity of land held ineffectively and merely for investment.

There are limited options to control land accumulation. One of them is an effective land ceiling. But the legislation and implementation are cumbersome, means of concealing property ownership are many, and the entire process takes land effectively out of the market, driving up the remaining prices of lands that fall outside of the ceiling still higher. Land banking involves extensive data maintenance, sophisticated financial management and complicated accounting, which will not appear as transparent to the concerned public. It may only work where there are existing highly developed financial institutions.

One possible mechanism is a Vacant Lands Tax. The concept would be to treat vacant land as an unused wealth of the nation and to use a system of taxation to catalyze it into the market. There would have to be a Register of Land Values maintained wherein the value of land in each area of the town is documented based on the actual registered transactions in the area. To assure that the values stated at the time of transaction are correct the Royal Government has a first option to buy lands where the registration is declared for a value less than twenty-five per cent of the Registered Value in that area of the town. Using the Register of Land Values, each area of the town would have a different ratable value, based upon which the town's land tax would be charged to users and also upon which the Vacant Land Tax would be charged.

Generally, land values and the services and infrastructure provided by the local authority are high at some locations and low at some locations. So the Ratable Values also reflect the levels of services provided. Where there are vacant lands a Vacant Land tax of say five to ten per cent of the land value should be charged annually. The tax would tend to move land into the market, and curb the hoarding of land for investment purposes. Another characteristic of the Vacant Land Tax is that it also acts as a Wealth Tax, bringing more equity into the society.

When a property is purchased, there should be a Vacant Land Tax Holiday for three years, allowing time for the owner to initiate construction. There must also be a Land Transfer Tax, of about five to ten percent of the registered property value.

Acquisition of excess lands is a last resort. But the process is slow and the low rates create a good deal of animosity against the government. But acquisition must always be with the Royal Government as a last means to equalize the land holdings.



6.2 URBAN DEVELOPMENT MANAGEMENT SYSTEM

Urban areas are living organisms and a structure plan could be appropriately described as a skeleton, on which the parts of the town can be hung, much as a human body. In a vibrant settlement, there will be a myriad of new developmental projects continuously under execution by various sectors. There are many other social services and amenities which will come up in the town over the next decade. There will be an elaborate shelter system to accommodate the future population of the town. Though, each of these urban developments has its own rationale, regarding its networking and phasing, integrating with each other to form an organized system has manifold advantages including easing of the implementation process. It is important that these networks are planned as a system of main corridors, limbs and fingers in terms of hierarchical organization. In this given context management and planned development of these systems becomes crucial for the proper functioning of urban areas. The success and effective functioning of the urban development lies as much in the physical plans we prepare as it does in the effectiveness of the Development Management Systems we evolve for the town.

Such a management system should guide the development not just confined within the town boundaries, but also in its immediate surroundings. For the effectiveness of such a mechanism, the proposed Development Management System for Samtse could be elaborated and would have its influence in three varied tiers pertaining to various scales ranging from the regional to plot level. The ease and success of implementation specifically depends on the effectiveness in breaking down the scales at various levels supported by competitive administrative set-ups.

6.2.1 The Phuentsholing-Samtse-Sipsu Region

The first tier of the Development Management System proposed essentially governs the area around the Samtse town and its region. The Dzongkhag administration is responsible to see any development within this zone is in accordance with the plan.

The present Samtse town lies in its own small setting bounded by international boundary, water bodies and mountains, in all directions. Given the present development opportunities in the region and the Sipsu-Daiphang National Highway passing through Samtse, in the future, unless the development is rationally distributed along the region, the carrying capacity of the present town will be exhausted and the entire surrounding landscape will become a victim of uncontrolled urban sprawl. We should not wait for this to happen. There must be a well detailed and elaborate development management mechanism to guide the development in the entire region. This will include an Urban Peripheral Control Zone, which controls the development in the immediate surrounding of the town and a Special Economic Development Zone, which guides the future economic development activities of the region.

Urban Peripheral Control Zone

As an influence of the development in the town area, there is a great deal of slow, but nevertheless continual development in the periphery of the town. Hence, municipal boundaries are major issues in planning. Generally the bye-laws for construction within the municipal area are very strict and move through difficult procedures, while just across this magic line clearing plans is rather easy. Land taxes within the boundaries, of course, are comparatively higher than agricultural revenues in rural areas. The latter lands may be only a few meters from the former.

This causes “leap frogging of development” over the municipal boundaries. “Leap frogging” explains the habit of development to jump across the boundary where there are low taxes and few building restrictions. Land is undeveloped across the boundary and therefore cheaper. This causes inefficient urban sprawl. When the fringe areas are absorbed into the municipality service networks, they are then over extended, to accommodate low density, spread out and even inaccessible plots.

“Leap frogging” outside the municipal boundaries results in “patchy development”. This is a situation where suddenly a cluster of structures have developed, surrounded by hectares of empty lands. These small patchy clusters must provide their own storm drainage, water supply and sewerage management. Yet, there will be a pressure on the town governing authorities to provide electricity, telephone and road connections to these patchy developments.

The “leap frogging” also leads to “strip development” along the roads, as these uncontrolled, cheap parcels have both access and potential commercial use facing the roads. This causes congestion along the roads as well as accidents from vehicles pulling on and off the roads.

These fringe or peri-urban areas eventually come under the jurisdiction of the local authority, and eventually these areas need to be provided with infrastructure facilities and services as similar to the urban areas. The existing “strip” and “patchy development” becomes a hindrance during this process, which results in mismatches between the demand and the provision.

The concept of peripheral control zone must be addressed by the structure plan, both in terms of legal and implementation aspects. Thus, an extended area around Samtse’s present boundary has to be declared as within an Urban Peripheral Control Zone. This zone will employ one of the ‘Environmental Precinct’ systems of regulation.

Special Economic Development Zone

The Special Economic Development Zone proposed in the Phuentsholing-Sipsu region will extend from Samtse till Sipsu in the west, bounded by Indo-Bhutan International boundary and the mountain line on the south and north respectively. Towns like Duwarpani, Gomtu Pagli,



etc., between Phuentsholing and Samtse, which have an established industrial base would be also included in this zone. All these settlements, apart from their own Development Control Regulations, will also follow certain special guidelines as per the Special Economic Development Zone within their own confined administrative boundaries. The Zone designated will facilitate higher level economic generation activities envisioned in the Structure Plan, governed by special policies and incentives initiated by the Royal Government of Bhutan.

Apart, from special economic development facilities like the Dry port, Industrial and Economic generation activities, transportation hubs and special facilities/services hubs, hosts of activities which are in-compatible and in-appropriate to be located in the Samtse town, could be planned in this region. At some point a commuter airport serving both Phuentsholing and Samtse would emerge along this corridor. These facilities would function more effectively outside the town than being in the town. These would be noted briefly:

Industries

There are some industries, which could be requested to shift out of the Samtse Municipal Limit. Though the need is not immediate, considering the development potentials of the town, the need will raise after a decades' time, which could be planned now. On the other hand, it is also necessary that we must accommodate them in to the regional plan considering their importance for the urban development. The Bhutan Fruit Products Limited and Army Welfare Project is an example of this.

National Jersey Breeding Center

The National Jersey Breeding Center occupies a lot of flat land highly potential for urban development. Samtse, after a few years, will mature into a full scale town and will find difficulty to expand since there will be no land available. A jersey breeding center does not comply with potential urban land uses and hence it would be necessary to relocate such non-urban activities outside the town limits. Though it is not an immediate need, but in the future some green grazing lands must be identified elsewhere and the breeding center can be established there.

Dry Port and Goods Storage Facilities

The proposed Dry port in Samtse could be located outside the town. This is because Dry Ports require an immense number of delivery trucks to service them. The Dry Port of Samtse would also serve the entire region which would require direct and easy access for the vehicles in to the Dry Port without disturbing the Samtse town.

Army and Police Base

The Royal Government of Bhutan must respect the needs and the requirements of the various security units posted within the town. During the consultation on the Structure Plan there were queries whether these activities would not be served better in more appropriate locations. If this were so they could be placed at strategic "entrances points" to the Royal Kingdom and to the Special Economic Development Region and their present locations should be reserved for other town and national level purposes.

Satellite Urban Villages

The hilly terrain, availability of limited opportunities towards future expansion of the town limits, limitations in types of activities that can be undertaken in the town and its immediate surroundings give rise to the possibility of conceiving various satellite towns around Samtse, forming a larger region, to accommodate spill over activities of the town. The town of Machetrar, located about seven kilometers from main Samtse Town, with flatter land, easy availability of water and electricity, and established accessibility provided by an existing tarred road, sets ideal conditions for the town to be developed as a satellite Urban Village to Samtse in the future. While Samtse could house major institutions including administrative, educational, financial, etc., Machetrar could house the housing stock and a few agro-based low scale industrial activities like food processing, canning, packaging, etc. thus solving the housing problem in Samtse and brightening the economical prospects of the region. Machetrar right from this stage has to be seen as part of the urban region since people working in the region would begin to settle in such settlements. In other words these settlements would begin to grow in an unplanned manner long before planning catches up with them. They may be considered as nascent Urban Villages and developed along the same pattern as other Urban Villages within the main Samtse town. Providing a proper express bus link between these two places would be an important part of the development plan strategy. Other infrastructure could follow. This would take population pressure and hence excessive development pressure off of the Samtse town core over the long term.

There must be a separate Regional Development Plan prepared for the region to incorporate these activities in addition to the Special Economic Development activities and to facilitate their growth and success.

6.2.2 Development Control Regulations for Samtse Town

At present all the development in Samtse follow the Bhutan Building Rules, which are a set of basic guidelines applicable across the entire nation in a variety of settlements. On the other hand, the Bhutan Municipal Act enables municipal authorities to prepare plans for their respective urban settlements and adopt relevant development control regulations to direct development within their jurisdictions. Thus, the set of Development Control Regulations



focused towards guiding development within the Samtse Municipal Limit forms the second tier of Development Management System.

The relevance of Development Control Regulations for any settlement in a given context follows a system of established guidelines and relationships with the Bhutan Building Rules. These could be summarized as below .

The Bhutan Building Rules, in general are applicable to urban areas across the country, in the absence of any structure plan for the urban areas in question. The operation of the Bhutan Building Rules is thus imperative, in urban areas where no structure plan exists.

Wherever a structure plan is sanctioned, the provisions of the accompanying Development Control Regulations, which are an intrinsic part of the concerned structure plan, will be applicable in that urban area. The provisions in the Bhutan Building Rules itself enables this.

Wherever a local area plan has been notified, its specific regulations, if any, shall be applicable within that local area alone. Generally, local area plans conform to the Development Control Regulations of the urban jurisdiction in which they fall.

Thus, in the absence of local area plans, the provisions of the structure plan for that urban settlement shall prevail. In the absence of a structure plan for any given urban settlement, the Bhutan Building Rules shall prevail.

This tiered set of Regulations reflects the fundamental policy of the Royal Government of Bhutan to decentralize governance, administration and development, enabling and facilitating strong responses to local conditions and aspirations.

The Development Control Regulations for Samtse, apart from proposing new regulations considering the local conditions, will also supplement the Bhutan Building Rules by adopting the guidelines and providing some additional directives needed in a larger urban context. These same provisions may be extended to the other settlements as plans are prepared and conditions warrant.

The Development Control Regulations will be an imperative set of rules which all the new and proposed developments in Samtse should follow . It shall be elaborated in detail as a separate document in the later part of the structure plan preparation process. Regulations regarding procedure for obtaining building permission, precinct schedule and plot sub-division are presented briefly in the following sub-chapter.

6.2.2.1 Procedure for Obtaining Development Permission

No person shall change the use of a land or carry out development without the written permission of the Implementing Authority.

Provided that no such development permission shall be necessary for the following:

1. Carrying out works for the maintenance, improvement or alteration of a building, being works which affect only the interior of the building without altering the structural members of the building or which do not materially affect the external appearance thereof – such as providing or closing of a window or a door or ventilator not opening towards other's property, providing intercommunication door, white washing / painting, retiling, plastering and patch work, re-flooring and replacement of flooring. Provided further that no built up area shall be added to the existing work without seeking the Implementing Authority's permission. Provided however that no such exemption shall be available in the case of heritage buildings / structures in heritage precincts.
2. Carrying out the following works by / in compliance with an order or direction made by an authority under a law for the time being in force:
 - a) Required for the maintenance or improvement of highway, road or public street, being works carried out on land within the boundaries of such highway, road or public street including repairs, extensions, modifications to existing service installations, culverts, bridges, tunnels, drains, foot over bridges, subways, pavements, pedestrian railings along pavements, medians, etc.,
 - b) For the purpose of constructing, laying, inspecting, repairing or renewing drains, sewers, mains, pipes, cable, telephone or other apparatus including breaking open of a street or other land for that purpose,
 - c) Falling in the purview of the operational constructions by Government departments/bodies, such as water tanks—over head or underground, pumping stations, sub stations, traffic signals, bus stop shelters, overhead electrical equipment for electrification, etc.,
 - d) Excavation (including) wells made in the ordinary course of agricultural operation,
 - e) For the construction of a road intended to give access to land solely for agricultural purposes; and,
 - f) For an occasional use of land such as exhibitions, fairs, etc., but shall obtain temporary permission from the Implementing Authority.

6.2.2.2 Procedure to Obtain Permission for Land Development/ Subdivision

A person or body intending to carry out layout development as defined in these Regulations in or over a land and/or subdivide land or a building within the limits of the Samtse Municipal Corporation shall obtain prior permission for the same from the Implementing Authority by applying on the prescribed form and furnishing all information in forms, formats and plans



prescribed under these regulations and as may be amended from time to time by the Implementing Authority.

The application shall be signed by the legal owner of the plot or authorized signatory. The applicant shall submit signed plans and drawings along with the application and pay the requisite scrutiny fees, development charges, betterment charges, and other charges and dues if any to be leviable under the Regulations.

A. Documents and Particulars to be furnished with the Application

The following particulars and documents shall be submitted along with the application.

1. Copy of the Land Ownership Certificate issued by the SMC.
2. Copy of the Site Plan certified / issued by the SMC.
3. Copy of Precinct Certificate substantiating " Use Conformity".
4. Three copies of proposed layout plan drawn to a scale of not less than 1:500 showing all the details of the development. In the case where plot is more than ten hectares, scale shall not be less than 1:1000. All the drawings shall be prepared in metric system only.
5. Certificate of undertaking in the prescribed Form by the registered Architect/Developer.
6. The applicant shall also submit a copy of N.O.C. / clearance from relevant Authority wherever applicable.
7. Plans / Drawings and Specifications prepared by a Registered Architect.
8. The applicant shall pay the requisite scrutiny fees, development charges, betterment charges, and other charges and dues if any to be leviable under the Regulations.
9. The proposals submitted for certain projects shall be in conformity with other Acts / Regulations and wherever applicable the Applicant / Registered professional must submit the 'No Objection Certificate' (NOC) from the respective authorities for conformity.

B. Approvals

The approval of a layout proposed to be developed, or subdivided will be given in two stages:

- Preliminary approval; and,
- Final approval.

The preliminary approval is only to enable the commencement of work on the site and to facilitate other preliminary activities related to subdivision and transfer of land. The preliminary approval shall be given only after inspection and verification of the demarcation of all the roads, individual lots, and other provisions required as per the relevant standards and proposed in the layout plan submitted by the applicant.

The final approval for the layout and / or subdivision shall be given only on the completion of all the requisite development on the site and after inspection and verification of the performance of the services and other common facilities / amenities provided as per the relevant standards and after handing over of the roads, common open spaces, area for public amenities and for public utilities to the Implementing Authority.

C. Validity of Approval

The validity of the approved layout development and/or sub-division plan shall be for one year from the date of approval. The development should start within 365 Gregorian calendar days from issue of development permit.

D. Revalidation / Renewal

Development permission granted under these Regulations shall be deemed to have lapsed, if such development work has not commenced till the expiry, of 365 Gregorian calendar days from the date of development permission, provided that, the Implementing Authority may on application made to it before the expiry of above period extend such period by a further period of 365 Gregorian calendar days at a time, on the payment of revalidation/renewal charges as decided by the implementing authority.

E. Rejection of Application

If the plans and information given do not contain all the particulars necessary to deal satisfactorily with the development permission application, the application shall be rejected.

F. Cancellation / Revocation of Approval

The development permission if secured by a person/body by a misrepresentation or by producing false documents is not valid and such development permission will be treated as canceled/revoked.

6.2.2.3 Procedure to Obtain Permission for Construction Activities

A Person, firm, body or developer intending to erect a building, or carry out additions and alterations, or carry out civil construction activity, in or over land owned by him or it, within the limits of the Samtse Municipal Corporation (SMC) or the Urban Peripheral Control Zone (UPCZ), shall obtain prior permission for the same from the Implementing Authority by applying on the prescribed form and furnishing all information in the forms and format prescribed and as may be amended from time to time by the Implementing Authority.

All the applications for the above specified works, except applications for temporary permissions for public telephone booths, milk booths, and newspaper stalls of maximum dimensions two meters by two and a half meters, which shall be permitted only in specific locations, and shall be furnished through authorized registered professionals including Architects, Engineers, Structural Engineers, and Developers as under the regulations.

A. Documents and Particulars to be furnished with the application

1. The applicant shall sign all forms, plans, sections or written particulars or cause them to be signed by him and his duly authorized registered Architect, Engineer, Developer etc. as the case may be. Such person or authorized registered Architect, Engineer, developer shall furnish documentary evidence of his authority. If such notice or other document is signed



- by such authorized registered Architect, Engineer, Developer it shall state the name and address of the person on whose behalf it has been furnished.
2. The forms, plans, sections and descriptions to be furnished under these Regulations shall all be signed by each of the following persons:
 - a) A person making application for development permission.
 - b) A person who has prepared the plans and sections with descriptions, and must be a registered Architect.
 - c) A person who is responsible for the structural design and supervision of the construction i.e. a registered structural designer or civil engineer.
 - d) A developer.
 3. A person who is engaged either to prepare plan or to prepare a structural design and structural report or to supervise the building shall give an undertaking (accepting full responsibility for all of the above and liability in case of direct or indirect damage or loss) in the prescribed form.
 4. A person / body who under the provisions of the relevant sections of these regulations is required to furnish to the Implementing Authority, plans or other documents, shall furnish three copies of such plans and other documents. One copy of each plan and document shall be returned, on approval, to the applicant duly signed by the Implementing Authority or authorized officer.
 5. It shall be incumbent on the person/body whose plans have been approved, to submit amended plans, if any, for deviation leading to increase in built-up area, building height or change in plans, he proposes to make during the course of construction of his building work, and the procedure laid down for plans or other documents hereto before, shall be applicable to all such amended plans.
 6. Approval of drawings and acceptance of statements, documents, structural report, structural drawings, progress certificate, or building completion certificates shall not discharge the Owner, Engineer, Architect, Structural Designer, Developer, from their responsibilities, imposed under these Regulations and other local laws.
 7. A certificate of structural capability of the building in terms of ultimate number of floors it is designed for, and the soundness of the structural design for the seismic actions from the licensed structural designer in regard to the proposed building shall be submitted in the format prescribed under these Regulations. He shall also submit the detailed design and plans for office record.
 8. Three copies of the site plan of the area proposed to be developed shall be submitted to a scale not less than 1:500, as the case may be, showing all the details of the proposed development. All the drawings shall be prepared in metric system only.
 9. Three copies of the detailed drawings showing the plans, sections and elevations of the proposed building work to a scale of 1:100 showing all the details of the proposed development shall be submitted.
 10. The plans / building drawings and particulars prescribed under these Regulations shall be prepared by a registered Architect.

11. All building applications shall enclose an "ultimate structural capability of the structure" statement from the architect or structural engineer, in terms of the total number of floors.
12. The applicant shall pay the requisite scrutiny fees, development charges, betterment charges, and other charges and dues if any to be leviable under the Regulations.
13. The application shall be signed only by the legal owner of the plot or authorized signatory. A building permit shall be issued only to the legal owner of the land or plot.

B. Scrutiny, Services and Amenity Fees

Permission for carrying out development shall be granted by the Implementing Authority only on payment of Scrutiny fees for processing the submitted application, service and amenities fees for execution of works as decided by the implementing authority. These fees and maintenance charges shall be revised on review by Implementing Authority from time to time.

C. Security Deposit

To ensure compliance with these regulations and the directions given in the sanctioned plan and other conditions, a security deposit shall be charged at the rates prescribed by the Implementing Authority from time to time for the due observance and performance of the conditions of the Development Permission. The amount shall be deposited on intimation before issue of "Development Permission".

1. The amount of security deposit shall be paid only in the form of a demand draft payable in Samtse
2. Government, semi-Government, local authorities are exempted from this provision.
3. The security deposit shall be refunded without interest within one year after grant of the occupancy certificate, on written request from the applicant.
4. The security deposit shall be forfeited either in whole, or in part, at the absolute discretion of the Implementing Authority for breach of any of the provisions of these regulations and conditions of the "Development Permission". Such forfeiture shall be without prejudice to any other right of the Implementing Authority.

D. Grant of Development Permission

Grant of Development Permission shall mean acceptance by the Implementing Authority of the following requirements:

1. Permissible built-up area.
2. Height of a building and its various storey.
3. Permissible open spaces enforced under regulations, common area, marginal spaces, other open spaces, set backs, etc.
4. Permissible use of land and built spaces.
5. Arrangements of stairs, lifts, corridors and parking.
6. Minimum requirements of buildings with more than three floors, including certificate of soundness of structural design, N.O.C. from Fire Officer/Fire Safety Consultant as appointed by the Appropriate Authority.
7. Minimum requirement of sanitary facility and other common facility.



8. Adequate structural design, including all seismic precautions.
9. Required light and ventilation.

It shall not mean acceptance of correctness, confirmation, approval or endorsement of and shall not bind or render the Authority liable in any way in regard to:

1. Easement rights.
2. Variation in area from recorded areas of a plot or a building.
3. Structural reports and structural drawings.
4. Soundness of material specifications used in construction of the building.

E. Validity of Approvals

The validity of the approved building plan shall be for one Gregorian calendar year from the date of approval. The construction should start within one Gregorian calendar year from issue of building permission.

F. Revalidation / Renewal

Building permission granted under these regulations shall be deemed to have lapsed, if such development work has not commenced till the expiry of one Gregorian calendar year from the date of development permission, provided that, the Implementing Authority may on application made to it before the expiry of above period (one Gregorian calendar year) extend such period by a further period of one Gregorian calendar year at a time by charging a renewal fee as decided by the implementing authority.

G. Liabilities and Responsibility of the Applicant

Notwithstanding the development permission granted under these Regulations, a person/body undertaking any development work shall continue to be wholly and solely liable for any injury or damage (direct or indirect) or loss whatsoever that may be caused to anyone in or around the area during such construction and no liability whatsoever in this regard shall be cast on the Implementing Authority. Neither the grant of development permission nor the approval of the plans, drawings and specifications shall in any way absolve the applicant of the responsibility for carrying out the development in accordance with requirement of these regulations.

H. Rejection of Application

If the plans and information given as per these Regulations do not give all the particulars necessary to deal satisfactorily with the development permission application, the application shall be rejected.

On receipt of the application for Development Permission, the Implementing Authority after making such inquiry as it thinks fit may communicate its decisions granting or refusing permission to the applicant as per the provisions of the Act. The permission may be granted with or without conditions or subject to general or special orders issued by the Royal Government in this behalf.

The Development permission shall be in the prescribed form and it should be issued by an officer authorized by the Implementing Authority in this behalf. Every order granting permission subject to conditions or refusing permission shall state the grounds for imposing such conditions or for such refusal.

I. Cancellation / Revocation of Approval

The development permission if secured by a person/body by a misrepresentation or by producing false documents, is not valid and such development permission will be treated as canceled/revoked.

J. Change of Ownership

Development permission granted under these Regulations shall be deemed to be suspended / cancelled / revoked, in cases of change of ownership, unless the 'original' owner who applied for, and obtained the development approval submits a letter to the Implementing Authority about the change in ownership giving details of the transaction and the new owner submits an application duly attaching copies of all the official records of such a transaction and an undertaking that he accepts the transfer to himself, of all the responsibilities and liabilities of the previous owner that relate to the development on the site.

K. General Requirements of Site

Land shall not be used as a site for the construction of a building.

1. If the Implementing Authority considers that the site is in-sanitary, or that it is dangerous to construct a building on it, or no water supply is likely to be available within a reasonable period of time;
2. If the site is not drained properly or is incapable of being well drained;
3. If the building is proposed on an area filled up with carcasses, excreta, filthy and offensive matter, till the production of a certificate from the Implementing Authority to the effect that it is fit to be built upon from the health and sanitary point of view ;
4. If the use of the said site is for a purpose which, in the Implementing Authority's opinion may be a source of danger to the health and safety of the inhabitants of the Urban Village;
5. If the Implementing Authority is not satisfied that the owner of the building has taken the required measures to safeguard the construction from getting damp or flooded ;
6. For assembly use, for cinemas, theatres, places of public worship, residential hotels, lodging and boarding houses, unless the site has been previously approved by the Implementing Authority and other relevant Authorities;
7. Unless it derives access from an authorized street/means of access described in these Regulations;
8. If the proposed development is likely to involve damage to or have deleterious impact on or is against urban aesthetic of environment or ecology and/or on historical / architectural/aesthetical buildings and precincts or is not in the public interest;



9. If the site is in a flood prone area, within 20 m. right-of-way for the natural storm water drains or an environmental conservation precinct, as laid in these Regulations, or the Forest Act, or an executive directive of the RGoB;
10. Within the “no build zone” prescribed in the structure plan document or a Heritage site, or an ecologically fragile zone; or,
11. For other reasons, to be communicated by the Implementing Authority in writing.

L. Demolition and/or Reconstruction of Dangerous / Unsafe / Dilapidated Buildings

Wherever it is necessary to demolish a dilapidated / unsafe structure in the interest of public safety, such demolition shall be carried out by the applicant wherever so directed by the Implementing Authority. However, if the same is to be reconstructed, it shall be done in conformity with these Regulations with due approval from the Implementing Authority.

M. Temporary Permission

Applications for temporary permissions need not be submitted through the registered professional. A scrutiny fee shall be paid as decided by the Implementing Authority. These temporary permissions shall be permitted only for:

1. In the case of private premises - temporary sheds to be used for storing construction material / as watchmen's cabin during construction phase,
2. On public premises – public call booths, milk supply booths, newspaper kiosks.
3. On public roads, highways - temporary sheds to be used for storing construction material / as watchmen's cabin / workmen's shelter during construction/ repairs/ maintenance of public roads.

N. N.O.C. From Referral Authorities for Special Projects

The proposal submitted shall be in conformity with other Acts / Regulations and shall, wherever applicable submit the NOC, from the respective authorities for conformity with;

1. The Department of Power's Electricity Grid Lines and the horizontal and vertical clear distances to be kept open to sky.
2. The provisions of Environmental Assessment Act, 2000.
3. The provisions of NEC Secretariat's, 'Regulations for the Environmental Clearance of Projects, 2001'.
4. The conservation/ preservation of monuments and cultural heritage.
5. The Department of Industry, Ministry of Trade and Industry, RGoB for the establishment of industries.
6. The Department of Trade, Ministry of Trade and Industry, RGoB for the setting up and operation of fuel stations.
7. The Department of Geology and Mines, Ministry of Trade and Industry, RGoB for the setting up and operation of:
 - Quarrying and mining activities on less than 3 hectares (only in the Urban Peripheral Control Zone).

- Mineral exploration for verifying mineral deposits(only in the Urban Peripheral Control Zone).
 - Emergency responses to natural disasters/ hazards.
 - Clearance for the seismic design criteria's of the development.
8. The Department of Forestry Services, Ministry of Agriculture, RGoB for:
 - Surface collection of sand and boulders;
 - All other activities governed by the Forest and Nature Conservation Act, 1995 and Rules, 2000, except sections that require NEC's clearance.
 9. The Department of Research and Development Services, Ministry of Agriculture, for:
 - Farm roads;
 - Irrigation channels;
 - Activities related to agriculture research and development.
 10. Wherever there is an underground cable, conduit, pipe, drain, or similar channel for the purposes of a public utility, service, amenity, security, etc., belonging to a public agency, a NOC from that agency must be obtained.

Development Permission granted by Implementing Authority on the basis of a document/NOC received is not final and conclusive. It shall be considered in true sense and meaning of concerned issuing Authority. This Authority has no legal responsibility for such development permission.

6.2.2.4 Development Undertaken On Behalf Of The Government

The Office-in-Charge of a Government Department shall inform in writing to the Implementing Authority of the intention to carry out development for its purpose along with the plans of proposed development or construction.

1. An official letter of Government Department addressed to the Authority or as the case may be to the authorized officer giving full particulars of the development work or an operational construction.
2. Building plan confirming to the provisions of Development Control Regulations for the proposed development work to a scale of not less than 1:100.
3. Plans confirming to the provisions of Samtse Structure Plan showing complete details of the operational construction, such as detailed alignment, layouts, locations and such other matters with measurements.
4. Statement indicating the use of land confirming to the Precinct Sanctions, proposed to be made by the Government Department, for carrying out the development work.
5. The proposals of the Samtse Structure Plan affecting the land, if any.
6. A Site Plan (three copies) of the area proposed to be developed to a scale of not less than 1:500.
7. Detailed plan (three copies) showing the plans, sections and elevations of the proposed development work to a scale of 1:100.
8. In case of layout of land or plot:



- a) A site plan (three copies) drawn to a scale of 1:500 showing the surrounding land and existing access to the land included in the layout.
- a) A layout plan (three copies) drawn to a scale of not less than 1:500 showing subdivisions of the land or plot with dimensions and area of each of the proposed subdivisions and their use.

6.2.2.5 Procedure to Obtaining Building Permission

A person / firm / body or developer shall not erect a building or carry out additions and alterations or carry out civil construction activity without obtaining a **building permit** from the Implementing Authority. A building permit shall be issued only to the legal owner of the land /plot.

The procedures for obtaining building permission and also those procedures that are to be followed during construction are different for the two classes of buildings or construction:

1. Residential structures not exceeding two dwelling units and / or not more than two floors (Ground plus one floor) in sites up to 1000 square meters.
2. More than two residential units / building on more than 1000 square meters of land and / more than two floors / buildings for non-residential uses.

The procedures for the different classes of buildings / constructions are described in the following charts :



Procedure for obtaining building permissions and also the procedure that is to be followed during construction of Residential structures not exceeding two dwelling units and / or not more than two floors (Ground plus one floor) in plots up to 1000 square meters.

