

## Rebuilding Property Tax Assessment Systems – The Case of Port-au-Prince, Haiti

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The devastating earthquake that rocked Haiti in 2010 did more than physical damage; it also damaged vital government systems, too. One of the systems damaged was the property tax assessment system in the City of Port-au-Prince, the capital of Haiti. Since the earthquake, the city government has not been able to mail tax bills, to track those who paid their taxes, and to maintain a database of property owners. Certainly there are land tenure implications here as well, but the main focus of this project is to provide a comprehensive solution to the City's needs. By partnering with a software vendor and local on-the-ground technical support, our team is putting in place a solution that has the flexibility to account for different revenue streams (property tax, business licensing, signage tax, solid-waste fee collection, etc.) put in place by the City of Port-au-Prince. By the end of the project, we expect to provide enough capacity building so that the City can take over the complete administration of its revenue systems. Additional implications of our project include capacity building with respect to fire and police services, garbage services, and water/sewer infrastructure.

Ralph Youri Chevry, the Mayor of Port-au-Prince, is determined to make the city an attractive place for its citizens and new investors alike. His focus on trash removal as a key component or first step in attaining this vision is not without its merits. Trash has become a serious problem within the City and by helping solve this one issue the effect will be felt in many different areas of the City. The revenue generation project will be used to finance many of the trucks needed to pick up solid waste on a regular basis. Cleaning up the streets of Port-au-Prince will remove a serious health risk by eliminating a breeding ground for mosquitos and vermin, it keeps flood control canals open reducing the risk of flooding, and will ultimately increase the cities property values. The first step in making this a reality is for the City to take back control of its revenue generation capacity.

The project will be comprised of three distinct phases. The first is the data collection phase. The data collection phase will consist of the project team building out the fiscal cadaster for the City to allow it to efficiently manage the entire revenue lifecycle going forward. The second phase is the technology phase. The technology phase will provide for a software as a service (SaaS) program that will provide the City access to appropriate technology without the need to expend monetary resources, up front, on hardware and software licenses, personnel to manage the systems, etc. The project will also deliver a set of new imagery that will be used to track project progress, provide visualization into the Cities tax billing and collection efforts and can later be used to help develop an informal legal cadaster. All technology will be hosted in a secure Level 1 facility which will ensure that the data collected will be secure on the occasion of another catastrophic event in Haiti. The third phase is the capacity building phase. The capacity building phase will ensure that the project team adequately trains and integrates the City employees into the process to ensure that they will be able to run the process on an ongoing basis. The project team anticipates that it will employ over 100 Haitian citizens locally, providing job and skill training programs that will allow for continued employment once the project is complete.

The project is unique in that the project team will not be paid by the City directly but instead by splitting new tax revenues generated and collected by the City on an ongoing basis. The City of Port-au-Prince currently generates very little revenue within its current operational state. The project budgeting

numbers have been conservatively estimated that the City will generate revenue billings of over \$130 million dollars USD within the first 36 months of project operation. This funding arrangement allows for two very important concepts. 1) The City is not responsible for a cash outlay at the front end of the project. As mentioned earlier, the City is currently generating very little income and does not have cash on hand to pay for a project that will not generate monetary benefits for months or years. 2) The project team is incentivized to quickly and correctly build out the fiscal cadaster for the City, issue bills and ensure that the communication to the ratepayer(s) is clear and well thought out. The project team relies upon the City to be a partner in this project working closely to ensure that all work is carried out according to Haitian law. In short, our customer value proposition is unique for the local government sector in developing countries. The Haiti project solution resolves the Cities need to generate revenue without any up-front cash outlay. The project does so in a way to allow for a transition of revenue, skills and timing that meets the needs of the City.