

# India Smart Cities Challenge

## IDEAS CAMP: FINANCING SMART CITY PROJECTS SESSION WORKSHEET

1. What is the effort that your city is considering to consciously include revenue generating components in your smart city proposal?
    - 2a. Do you have a sense of the expected (tentative) costs of the smart city projects in your city? If so, what do you expect the costs to be?
    - 2b. Has your city identified other non-productive investments/capital expenditure that can be cut down to generate funds for smart city proposal?
    - 2c. Has your city done any analysis to separate projects that only the city can take up and those where private sector can invest and recover?
  3. What are the sources of financing you expect for financing your Smart City Projects (besides GOI contributions) – from State Govt.? From the ULB's own funds? From other sources?
  4. To what extent would the ULB be able to generate own source funds towards smart city projects and what are the potential avenues that can be identified – local property taxes? Impact fees? Tariffs? Other sources?
  5. Is the city planning to monetize the increased real estate value and private construction activity in the smart city area? If so, how?
  6. Do ULBs plan to borrow to meet part of the costs of Smart City Projects? What is the current level of borrowing and how much capacity do they have to borrow?
  7. Most States are increasing the SFC grants and devolutions. Central Finance Commission grants will also increase. Has the city identified how much of these funds can be earmarked for Smart City Proposals?
  8. How do ULBs plan to operationalize the Smart City 'SPVs' in the context of financing – would ULB(s) be able to assign all their own source revenues from Smart City Area(s) to the SPV?
  9. What is the current level of tax coverage and collection efficiency from the smart city area. Has the political leadership committed to enforce compliance atleast in smart city area?
  10. Is the city exploring differential (and higher) tax and charges for better services in the smart city area?
  11. What local and state level policy and other approvals are required to make the financing of Smart City projects work?
- 