

The riches to rags story of BMP

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BANGALORE: Imagine a proud owner of 412 properties in Bangalore City buckling under severe fund crunch. The case in question is that of the Bangalore Mahanagara Palike (BMP). The civic body cuts a sorry figure in terms of revenue, as all its properties on lease (spread across 45 lakh sq ft), together fetch meagre revenue of Rs 43 lakh, annually.

To tide over the crisis, the BMP has mooted a new policy for management of leased properties. Recently, a meeting, chaired by Chief Minister H D Kumaraswamy, discussed the various issues pertaining to properties owned by urban local bodies.

BMP Commissioner K Jairaj says, "Some of our lessees pay only token amount (Re 1), while many prime properties fetch a paltry sum of Rs 500. We need to explore the possibility of revising the lease amounts. Overhaul of the lease conditions has become inevitable. Perhaps, we need to redefine the public purpose clause mentioned in the government guidelines (2003) and

PROPOSED LEASE BYLAW (2006)

- No fresh leases to be entertained by BMP
- BMP to take back properties on expiry of lease period.
- No renewal of lease except in case of government-run educational institutions, hostels, hospital, library, playgrounds and public toilets, public infrastructure.
- Lease amount to be a minimum of 10 % of the guidance value notified by the government.
- Lease period for a period of three years and in no case shall exceed 10 years.
- BMP to commercially develop its properties after expiry of lease
- Priority to develop properties into lung spaces, parking complexes.

GOVT GUIDELINES 2003

- Free land - for government-run schools, hostels, hospitals, libraries, police stations etc.
- At 25 % of market value - to govt departments, schools, orphanages and community centres run by registered SC/ST associations.
- At 50 % of market value - to schools, hostels, orphanages, sports complexes run by registered non-SC/ST religious organisations, Rotary, Lion, Press Clubs, and public infrastructure.
- At market value - to schools, hospitals, etc run by individuals and non-religious institutions.
- All lands to be disposed off or given on lease through auction.

properties for 50 years. While, many lay unattended for want of a clear policy for management and maintenance," rued officials.

According to BMP records, as many as 219 leases are still in currency, while in 193 cases, the leases have expired and the occupants need to be evicted. Of the expired leases, there are 59 proposals for renewal, 31 requests for sale of the properties.

However, the BMP has sold only seven leased properties and one property is proposed for public auction.

"We have taken back possession of about 18 properties, evicted unauthorized occupants in 26 properties, recovering property worth Rs 9.6 crore," said the officials.

Way forward ?

BMP is now steering towards change - to safeguard the properties as well as augment revenue.

"We are developing digital maps of all BMP properties for their online monitoring. A BATF survey began in 2004 and we are updating the records before linking the property maps to a server.

The system will generate de-

ties, which insisted on public auction of leased properties. It also

filled.

"At least 66 properties have been