



THE VISION OF RAWABI NEARS FRUITION

The American businessmen and women appeared transfixed as they listened to the man behind the first Palestinian planned city depict his journey from vision to reality. Bashar Al-Masri was describing the day in 2008 when in Qatar on the first stop on a planned investment tour of the Gulf States to raise money for the project, he had asked for “between one and ten million dollars,” but “came away with a commitment for hundreds of millions of dollars” – enough to cover both the equity and financing. Rawabi – “hills” in Arabic – would soon be more than a dream.

“It was the best day of my professional life,” Masri, a chemical engineer-turned-real-estate-developer, proudly explained to those he sat with inside the striking state-of-the-art visitors and sales center overlooking the massive construction-under-way and breathtaking West Bank vista. Although Rawabi remains months away from welcoming its first inhabitants, “We’re already the largest project employer in the Palestinian territories,” with more than 3,000 people working on-site.

From its hill-top perch some six-miles north of Ramallah, the city where world leaders come to visit the seat of the Palestinian government, the clear day offers a spectacular view of the coastline, including Israel’s metropolitan city of Tel Aviv and the Mediterranean beyond. Rawabi is being developed in three phases: the first presently under construction featuring 1,400 apartment units, one-third of the commercial center, several public schools, all infrastructure, a park and amphitheatre that will seat 20,000.

On any given day, a visitor to the building site is bound to encounter a constant parade of would-be home-buyers experiencing the sales center’s ultra-modern 3-D overview, multi-media tunnels that offer a peak into finished units through video technology, and life-like renderings of what living in the Palestinian utopia will look like; in addition to the visiting dignitaries, multinational groups, study and interfaith missions – a virtual “Who’s Who” of curiosities and interests coming to see what the fuss is all about. Notables also include newly-appointed US Secretary of State John Kerry and UN Secretary General Ban Ki-moon.

United States Consul General in Jerusalem Michael Ratney, also a recent visitor, told The Media Line that he found Rawabi to be “truly remarkable private-sector-led Palestinian development.” He opined that, “Rawabi can help answer a genuine need for quality housing in the West Bank, create employment opportunities – potentially for thousands -- and serve as a major generator of private sector-led growth in the Palestinian economy.”

Rawabi’s master plan, which takes into consideration the ancillary housing opportunities that the main project will attract, demonstrates how it is destined to be a city of more than 40,000 inhabitants within about seven years according to Masri, who says the first residents will take up occupancy at the end of the summer of 2013. Masri is CEO of Massar International which, he says, with backing from the Qatari government has “thousands of people working on the site” to make it all happen as planned. Masri told The Media Line that, “The first two neighborhoods are almost completed and you can see the construction of the city center, the town center, the theaters, the cafes and the offices. That’s where the permanent jobs will be, where the Rawabians will go to work every day.”

In addition to offering a number of housing options to perspective buyers, Rawabi also offers a number of “firsts.” “A complete home where you just move-in and live does not exist in Palestine,” Masri explains. “Also a first for Palestinians [whose average family-size is five members] is the availability of middle income families to afford a

circumstances [whose average family size is five members], is the availability of middle income families to afford a home and a mortgage" in the planned city whose motto is "live, work and play." The city's planners promise "green and healthy living" -- also a new experience for Palestinians. One of the tweaks in deference to local culture is to stress walking over jogging, which is considered "Western."

The six thousand housing units that will sit upon 25-per cent of the land forms the core of the community that will eventually be larger than Ramallah or Al-Bireh. Prices range from \$75,000 to \$150,000 for the majority of units between 130 and 230 square meters, 2-per cent of which are high-end apartments. Sixteen penthouses will cost up to \$600,000 apiece.

In a historic note, the Palestinian cabinet will soon vote on a resolution to create a new municipality for the master-planned city. A 14-member Rawabi Municipal Council will be appointed from among the private sector, civil society and public sector bodies to govern until general elections are held once the city crosses the legal threshold of 5,000 residents necessary for holding municipal elections, at which time a mayor will be elected.

Rawabi's brief history is already peppered with stories of unexpected bonuses that flowed from the project. "Rawabi stone," hewed from the vast yellow slabs dug out of Rawabi's hills and used in all of the nascent city's building facades; and "grey stone," which is used for steps and indoors have emerged as valuable commodities.

Feeling both local and global economic stresses, Masri says that due to the political situation, job creation is the biggest challenge for this year. But, he says, "Every time we make progress, some political setback scares the international companies. The latest one was the Gaza attack which scared many of the investors."

IT technology companies, an outsourcing company, a telecommunications company, a call center, and a number of banks constitute the businesses already on board. It is estimated that Rawabi needs 1,500 jobs secured as the city becomes inhabited and 5,000 additional jobs will be needed over the next three years according to Amir Dijani, deputy managing director of Bayti Real Estate Company, a subsidiary of Massar, who oversees the project.

Access is the other major challenge. In 2012, Masri received approval from the Israeli government to build a temporary access road for construction vehicles. But despite what they describe as gargantuan efforts to receive that permission, the road is already insufficient to handle the flow of construction vehicles so they are seeking approval to build a longer, permanent road to Ramallah -- a project the Rawabi brain trust fears will be very difficult to achieve. Part of the land touched by the project is located on what the 1994 Oslo Accords designate as "Area C," where Israel maintains both security and administrative control and such permissions are hard to come by.

Another political hurdle has been water, for which Israel's cooperation is also required. Masri complained that the quantity Israel has allocated is barely enough to accommodate the construction needs and the initial part of the first phase through 2013. Masri said they are urging the Palestinian Authority and the Israeli government to allocate a sufficient initial water quota for Rawabi along with a new water line.

The issues of access roads and the allocation of water has "drastically increased pricing for the project," according to Masri. "The alternative [system] for [bringing in] water, using tanks, is very expensive," he told The Media Line.

Typical of construction costs pushed higher by politically-driven shortages and the ensuing ingenuity necessary to solve the dilemma is the use of huge on-site storage facilities containing between \$60 and \$70 million worth of raw materials, costs that will eventually be paid for by the consumers.

When asked who comprises Rawabi's target market, Masri says it's the local population first; followed by current

residents of the Gulf States, North America and Latin America once the first 10,000 Rawabians have taken-up residence. Sensitive to the negative impact the “ghost-town” phenomenon -- where foreign residents buy units but fail to live in them -- could have on the briskly-selling project, the second-tier target group is not expected to make up more than 5% of the population during the next five years.

In addition, foreigners are not allowed to buy in Rawabi without first obtaining permission from the Palestinian Authority -- even if you are a Palestinian living in Dubai -- or even Jerusalem. A young couple, both pediatricians, who currently reside in east Jerusalem and are excited about moving to Rawabi, told The Media Line that they put down a \$500 reservation fee and later encountered a different problem. They both work for the Israeli health care organizations and their incomes are tied up in Israeli banks. The Cairo Amman Bank told them that their payments had to be directed to Palestinian banks only. Bashar Masri told The Media Line they were aware of such specific situations, but that the banks would resolve them.

Masri says a number of Israelis have “just walked in here and said they wanted to see what they’ve been hearing about.” Pleased by the attention from Israelis, he says, “We want to show we’re not about destroying Israel. We are about building Palestine. We are about having a better life for ourselves and our people.”

Jewish leaders who have seen Rawabi seem to share Masri’s hope and have become a source of encouragement for the project. Rabbi Kenneth Chasen, of The Leo Beck Temple in Los Angeles, told The Media Line that, “a funding coalition doesn’t come together unless there is a great confidence that there are tens of thousands of Palestinians who will make the venture profitable -- Palestinians who long to live in such a community peacefully alongside an Israeli state just a few kilometers away.” Rabbi Ammiel Hirsch, of New York’s Stephen Wise Free Synagogue, asserted that, “This is the best way to make peace: a peace of common economic and cultural interests, where people engage in construction, not destruction.”

As for Bashar Masri, he plans on living in a penthouse apartment in Rawabi’s town center. “I want to be with my people where the hustle and bustle is, and enjoy it.”

By Felice Friedson on Monday, February 04, 2013