

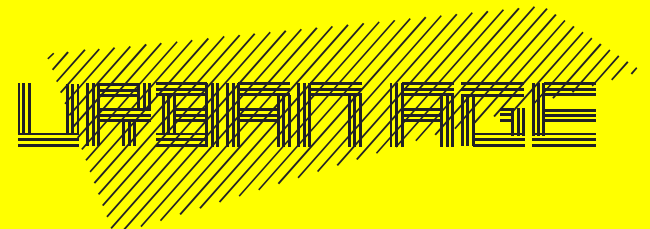
URBAN AGE INDIA CONFERENCE

NOVEMBER 2007

S.S. Kshatriya

Principal Secretary, Housing Department, State of Maharashtra

Reforming the Housing Debate



MAHARASHTRA STATE HOUSING POLICY

Presentation to Urban Age India
Conference

Mumbai- 2nd Nov.2007

S.S.KSHATRIYA

HOUSING POLICY

- **In accordance with the National Housing Policy, the Government of Maharashtra has accepted the objective of affordable housing for the EWS, LIG and MIG.**
- **The need for Reforms and Liberalisation in the Housing Sector is a major challenge**
- **The Draft Housing Policy is an attempt to start this process of reforms and liberalisation so that affordable housing is created on large scale.**
- **The objective is to deregulate Housing Sector and encourage competitive and public private partnership, particularly for LIG and MIG tenements.**

Housing Task Force

- Set up in August 2006
- First meeting 30th August – five meetings.
- Representatives from housing industry, Property owners and tenants association, environmental group, Consumer Protection group and NGOs working in slums were heard
- Core group under the Chief Secretary

Need for a Housing Policy

- Shelter is a basic need
- Housing is a major issue in Urbanisation
- Nationally 27% and in Maharashtra 42% population in Urban areas
- Urban GDP > 60%; rural migration to cities would be more steep
- Sharper migratory trend to Class I cities.
- Shelter is the issue in urban poverty
- Rural poverty is more about income generation
 - *Focus of rural housing at growth centres*
- ⇒ *“Housing implies shelter and livelihood”*

Issues in Urban Housing

- Shortage of affordable housing stock- both ownership and rental
- High Cost of living and business
- Substandard housing stock
- Scarcity of land; Restrictive Development Controls
- Absence of Low Income Housing – slums; 26% Population in Slum in India; 54% in Mumbai
- Lack of supporting infrastructure and services
- **Absence of transit shelters**



Objectives of Housing Policy

- 1) **Affordable housing in urban and rural areas.**
Creation of adequate housing stock for LIG, EWS and Shelters for the poorest of the poor
- 2) To promote **Cities Without Slums** through equitable slum redevelopment and rehabilitation strategy and shelters for the poor.
- 3) **Deregulate housing** PPP in financing, construction and maintenance of houses for the LIG and the poor
- 4) **Liberalize Development Control Regulations** and streamline approval procedures
- 5) **Promote Rental Housing** through amendments in the Rent Control Act; incentivise rental housing for weaker sections

Objectives.....

6. To facilitate **urban renewal** of inner cities and redevelopment of dilapidated buildings; conserve places of historical and archeological importance
7. **Conserve ecologically sensitive areas** and promote environmentally sustainable cities and townships
8. **Create dedicated infrastructure fund** in cities to finance quality infrastructure for housing and economic growth
9. Promote sustainable development of **urban and rural growth centres** and promote employment opportunities
10. **Employment generation through construction** activities-encourage technology innovation, training and capacity building of the construction workers to enhance their productivity and improve quality of housing

Strategy

- Needs assessment and Human Settlement Report
- Land Availability- for LIG/EWS housing in the cities and in peri - urban areas.
 - Higher FSI for LIG Housing.
 - Higher FSI for Rental Housing
 - Redevelopment of dilapidated buildings by cluster approach and PPP
 - Inclusionary Zoning in Layouts.
 - Plots reserved for PH and HD to be developed through PPP.
 - Property Value Index Based Transfer of Development Rights.
 - Zones where higher FSI for LIG can be granted to be identified by ULB
 - Movement of TDR to be permitted beyond Municipal Limits in MM Region.
- Finance and subsidy
 - Subsidised govt. land for LIG
 - Incentives for LIG
- Infrastructure development near housing sites by ULBs and state agencies
- Deregulating housing sector and promote Private Sector in LIG housing
- Policy Reforms

Policy Reforms

- Review of Urban Land Ceiling Act
- Rationalize development controls for more efficient use of land in conjunction with infrastructure
- Revision of Rent Control Act to deregulate rent and facilitate market oriented housing. Fast Track Adjudication
- Fiscal concession for rental and low income housing
- Streamlining building approvals – Self Approvals by accredited architects
- Institutionalized involvement of the NGOs
- Public agencies to be facilitators

Planning for Low Income Housing

- Land acquisition and grant of serviced plots to the cooperatives of the LIG
- **Mandatory Inclusionary zoning provision and Non monetary incentives**
- Public Housing for LIG through MHADA
- **Transit shelters**
- Developing infrastructure and services including transport

Specific Housing Sectors

- Rural Housing
 - Demand assessment in growth centres and other villages
 - Rural housing and shelter under Rajiv Gandhi Nivara Scheme and EGS
- Slums
 - Resettlement of slums on infrastructure land
 - Insitu cluster based development of other slums
 - Security of tenure and hire and purchase option
 - Public bidding of development rights of slums on govt land
 - Credit rating of developers and NGOs
- Urban Renewal Schemes
 - Incentivising redevelopment of old buildings through cluster approach

Institutional Framework

- Institutional framework
 - Housing Regulatory Commission to be established
 - Housing Department to coordinate policy reforms.
 - Urban Local Bodies and PRI
 - State Agencies– MHADA,MMRDA, CIDCO etc.
- Consultative Approach –
- Accountability and Transparency through voluntary disclosures and third party audit

Additional Points

- Dharavi Redevelopment Project providing for in-situ rehabilitation for Slum Dwellers.
- Special Township Policy.
- Satellite Townships.
- Encourage Foreign Direct Investment (FDI).
- Encourage use of modern housing technology.
- Basic Services to the Urban Poor Scheme (BSUP).
- Integrated Housing and Slum Area Development Programme (IHSDP).
- Mandatory Layout for EWS/LIG/MIG.
- Redevelopment of Old EWS/LIG Colonies.
- Redevelopment of old and dilapidated buildings.
- Cluster Approach..

THANK YOU