S.S. Kshatriya
Principal Secretary, Housing Department, State of Maharashtra

Reforming the Housing Debate
MAHARASHTRA STATE HOUSING POLICY

Presentation to Urban Age India Conference
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S.S.KSHATRIYA
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
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<th>Number</th>
<th>Objective</th>
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<td>To facilitate <strong>urban renewal</strong> of inner cities and redevelopment of dilapidated buildings; conserve places of historical and archeological importance</td>
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<td>Conserve <strong>ecologically sensitive areas</strong> and promote environmentally sustainable cities and townships</td>
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<td>Create dedicated <strong>infrastructure fund</strong> in cities to finance quality infrastructure for housing and economic growth</td>
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<td>9.</td>
<td>Promote sustainable development of <strong>urban and rural growth centres</strong> and promote employment opportunities</td>
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<td><strong>Employment generation through construction</strong> activities—encourage technology innovation, training and capacity building of the construction workers to enhance their productivity and improve quality of housing</td>
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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