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Subodh Kumar
Municipal Commissioner
Municipal Corporation of Greater Mumbai
MCGM Headquarters
Mahapalika Marg
Mumbai 400 001



26th July 2011

Dear Sir,

Re: Revision of the Development Plan for Mumbai 2014-2034 – HOUSING

As you may be aware the UDRI has initiated a public participation process in order to create a 'People Brief' to inform the formulations of the revisions to the Development Plan for Mumbai 2014-2034. This process has involved a series of meeting of 'stakeholder' groups consisting of NGOs working on the ground, Researchers, Former government officers and Experts coming together to look at the various issues in Mumbai such as Housing, Transportation, Water, Energy, Livelihood, Governance, Environment, Health, Education, Urban Form and Finance.

The intention is to share with the MCGM the suggestions and recommendations made by the stakeholders and we hope that you will allow us to share these also with the consultant commissioned to prepare the development plan.

With this letter the housing group wishes to put before you the following suggestions:

1.0 Background

1.1 Requirement for inclusive housing in Mumbai

The transform report (2008 – 'Comprehensive Transport Study of the MMR' conducted by LEA Associates and commissioned by the MMRDA) estimates population of Greater Mumbai living in slums and wadis in 2005 as 6.5 million people (51% of the population). That is a shortfall of about 15 Lakh dwelling units as of 2005. The 2011 census may show that this figure is nearing 70%.

1.2 Availability of Land for inclusive Housing

The transform report also estimates that "41% of the total land area of Greater Mumbai (438 sq km) is considered as No Development zone for a number of reasons largely related to environmental constraints or for parks and open space preservation. There is less than 10 sq km of designated land yet to be developed in Greater Mumbai". There is an urgent need to increase land availability to accommodate the future growth of the city. This can be done by building more bridges to the

mainland, and by re-visiting the decision on No-Development zones, particularly where such zones do not serve any public interest.

1.3 Over pricing created by Speculative Housing

It is imperative that a large amount of affordable housing stock be created to flood the housing market and break the unaffordable prices created by speculative housing.

2.0 Premise

2.1 Housing as a fundamental right of all humans

The State government needs to recognise that housing is a fundamental right without which no human being can achieve his full potential. The most urgent priority that the City of Mumbai needs to grapple with is the provision of inclusive housing for all who wish to live here.

2.2 No Free Housing

Though housing is a fundamental right, this should be provided through enabling environment that promotes self help and low-cost housing by providing tenure and implementing of policies that will ensure the creation of inclusive housing both for ownership and rent by private players.

2.3 Housing and Land for housing not a profit making venture for government agencies

Real Estate and low-income housing cannot be seen as a financing mechanism for the city. Housing is to be provided at cost and to cover the administrative costs of doing so (MHADA model of 10 to 15 % overhead on cost of construction as sale price)

2.4 Implement Cap less FSI

FSI has been distorted from a planning tool into a commodity. It has been manipulated so as not to lower real estate prices. There is a need to de-commodify/de-construct FSI by completely removing it through a mechanism of form based controls and implementing instead a density cap.

2.5 Political will needed

Without a strong political will from the state government to make housing as the most urgent item on its agenda for Mumbai, and without stringent enforcement from the top down through to all levels of the bureaucracy, the success of any housing initiative will remain a pipe dream.

3.0 Strategy for inclusive housing

3.1 Remove FSI

Remove the cap on FSI completely. Let building control define the building based on factors such as open space, setbacks, plot size and dimensions, access way width etc. Many cities already use such a matrix to define built up area. Also specify a density cap. This would mean that smaller units would be

built at lower FSI while larger units of the luxury market would be built at higher FSI. This is to ensure there is an adequate distribution of public amenities within the density of population.

3.2 All existing tenable slum land to be a DP reservation for affordable housing only

All slums land on tenable land should be reserved in the DP as reservations for affordable housing for existing dwellers. Any remaining dwelling units that are created should also be only for affordable housing. No HIG or commercial development should be allowed on this land. Once land is delineated as slum area this will need to be notified and mapped and demarcated on the ground.

3.3 Slum redevelopment-tenable land through creation of Cooperative Housing Society

For slums located on tenable land, Housing clusters to form Cooperative Housing Society (CHS) and land tenure to be provided to the CHS on long term lease. The CHS will initiate in-situ redevelopment on an incremental basis or through loan from financing institution. If within the specified density cap, any dwelling units can be built over and above the re-housing requirement, 50% of these should be given to MHADA for sale through its lottery system.

3.4 Slum redevelopment – non tenable land and project displaced

For slum dwellings located on Non-tenable land (such as railway/airport reservations, NDZ, CRZ land) or those persons displaced by projects, housing is to be provided by MHADA on rental or ownership basis using the lottery system.

3.5 New Construction to provide 50% all floor space for inclusive housing

All new construction, whether for residential or commercial or industrial development to have 50% of the total built floor space set aside in-situ for housing as EWG and LIG housing units. These units will be built as per DCRs on par with other housing projects (not SRA type). These units will be handed over to MHADA by the developer. MHADA will pay the cost of construction for the same, but not the cost of land. MHADA will sell these through its lottery system or assign to a non-profit rental agency for management.

3.6 Redevelopment of existing societies/buildings

For redevelopment projects - half of all new units to be developed as sale component and to be EWG and LIG housing. These to be handed over to MHADA who will pay the cost of construction of the units that are handed over. MHADA is to sell these through its lottery system or assign to a non-profit rental agency for management.

3.7 Cessed and rent control buildings

For Cessed/Rent control buildings no new tenancy to be created and any transfer of tenancy to automatically invalidate rent control.

3.8 Heritage buildings/precincts with or without rent control

For Heritage buildings or heritage precincts, the Owner is to maintain the building as per the heritage committee guidelines. An incentive based on TDR for transfer within the same area may be considered for the loss of development rights.

3.9 Non Heritage buildings within Heritage precincts with or without rent control

For Non-Heritage buildings or buildings in heritage precincts with cap on FSI and height control – building to be redeveloped as per the restrictions of height and massing for the heritage precinct prescribed by the heritage committee.

3.10 Administration of affordable rental housing

Non-profit agencies will administer the rental housing. Housing is assigned based on the space requirement of the family and the amount of subsidy to be given will be determined by the family's income. This assessment is done family by family. The rental agency maintains and manages the rental housing units and collects rent from tenants as well as a subsidy from the government. A mechanism can also be created for a buy out of the rental space by the tenant over a period of years.

These are our initial suggestions for your consideration. We will be looking at how we can build on these strategies in the future deliberations of the group and will follow up on these suggestions in greater detail. In the meantime we would be happy to have feedback or comments from the consultants in order to engage with them on this process. We will also be happy to further elaborate these suggestions to you in person if you should allow us this opportunity.

Thanking You,

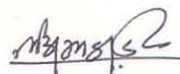
Yours Sincerely



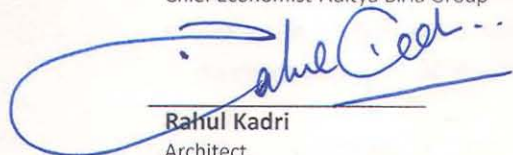
Ajit Ranade
Chief Economist-Aditya Birla Group



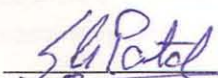
Amita Bhide
Associate Professor-TISS



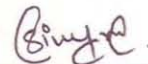
Neera Adarkar
Architect



Rahul Kadri
Architect



Shanti Patel
Former Mayor of Mumbai

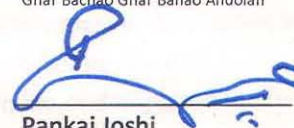


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