

# GETTING THE INFORMATION BASE FOR DHARAVI'S REDEVELOPMENT

( Sheela Patel, Jockin Arputham, Sundar Burra and Katia Savchuk )

This is the third in a series of papers chronicling the evolution of negotiations on plans to redevelop Dharavi, Mumbai's vast informal settlement, from the perspective of practitioners supporting Dharavi's residents in their struggle for inclusive development. This paper highlights progress that took place during 2008, including the completion of a baseline survey, constructive engagement with the government and positive amendments to the plan that emerged from this dialogue. The paper also highlights continuing challenges that residents and civil society face in working with the state to ensure that development benefits Dharavi's residents and enterprises.





## I. BACKGROUND

Dharavi, Mumbai's dynamic inner-city township and one of Asia's largest informal settlements, has been the focus of a multi-billion dollar government redevelopment plan since 2004. Located in the centre of Mumbai, India's financial capital and the city with the largest proportion of slum dwellers in the nation, Dharavi's 590 acres (around 2.4 square kilometres)<sup>1</sup> will be divided into five sectors to be developed by domestic and international firms after a competitive bidding process. Dubbed the "Opportunity of the Millennium", the Dharavi Redevelopment Project (DRP) envisages companies taking advantage of Dharavi's high land values by constructing high-end commercial space for sale on the open market in exchange for providing eligible slum dwellers with free flats and small commercial spaces in multi-storey buildings, and constructing needed infrastructure at no cost to the government.

Our paper in the October 2007 issue of *Environment and Urbanization* outlined the shape and deficiencies of the DRP and our challenge to the state to collectively produce a development strategy that recognizes and supports the investments, entitlements and aspirations of residents.<sup>2</sup> The piece also featured an open letter from Jockin Arputham, president of the National Slum Dwellers Federation (NSDF), offering the government and interested developers a genuine partnership if they were willing to work with inhabitants – or a promise of conflict if they were not.<sup>3</sup> In our second paper, in April 2008, we described negotiations with the government and changes in the plans to redevelop Dharavi between April and December 2007, which took place at least partially in response to the activism of residents, grassroots organizations and a group of Concerned Citizens for Dharavi.<sup>4</sup>

This is the third in a series of reports describing developments in Dharavi from the perspective of practitioners working in a civil society organization that has supported organized federations of the poor in Dharavi for the last 20 years and is committed to ensuring that redevelopment benefits and involves inhabitants. Our purpose is to document the evolution of this process as it unfolds "on the ground" and to generate global awareness of the conflicts and negotiations playing out in Dharavi between multinational corporate interests, state actors and residents of a large informal settlement over land, development and rights to city space.

The form that Dharavi's redevelopment takes has implications not only for its tens of thousands of households and businesses but also for Mumbai's future approach to slum improvement and, by extension, whether the city's development will include, or proceed at the expense of, the interests of a majority of its residents. The DRP has already been promoted as a market-driven model of slum development to other state governments in India and for export to other countries. Its ultimate shape will likely influence the nature of redevelopment strategies adopted in nations around the world, in an era in which the influx of global capital is increasing demand for high-end housing and commercial space in cities and deepening inequality. The ultimate form that development takes in Dharavi will be critical in demonstrating whether government agencies and inhabitants of informal settlements can set a precedent for negotiating a solution that benefits both slum dwellers and the city's economic development, or whether the profit potential of commercial development will push aside the shelter needs and civic rights of the urban poor.

<sup>1</sup> Slum structures occupy around 395 acres (1.6 square kilometres). Government-owned structures, private buildings, a bus depot, a park, railway facilities, a power station and other structures comprise the rest of the area.

<sup>2</sup> Concerns about the DRP included the following: that the scheme was oriented towards maximizing commercial exploitation at the expense of residents' access to land, housing and space for economic activity; that it contravened legal and planning standards; and that it operated without transparency, an adequate informational base or the consent and inclusion of residents.

<sup>3</sup> Arputham, Jockin and Sheela Patel (2007), "An offer of partnership or a promise of conflict in Dharavi, Mumbai?", *Environment and Urbanization* Vol 19, No 2, October, pages 501–508.

<sup>4</sup> Arputham, Jockin and Sheela Patel (2008), "Plans for Dharavi: negotiating a reconciliation between a state-driven market redevelopment and residents' aspirations", *Environment and Urbanization* Vol 20, No 1, April, pages 243–254.



## II. ENGAGEMENT WITH THE STATE AND CHANGES IN THE PLAN

### A. CAUTIOUS ENGAGEMENT AND INFORMAL DIALOGUE WITH THE STATE IN 2007

Since the DRP was introduced in 2004, activists from residents' associations, community-based organizations and civil society have sought to engage the authorities in dialogue to address critical deficiencies in the project and get a seat at the table. In our previous paper, we described the way in which the government, under Officer on Special Duty for Dharavi, Dr T Chandrashekhar, perceptibly shifted its position around August 2007 from complete unresponsiveness and exclusion to informal engagement.

Following a widely circulated letter from a group of Concerned Citizens for Dharavi,<sup>5</sup> a 15,000-strong peaceful "Black Flag Day" demonstration by Dharavi residents in June 2007,<sup>6</sup> and extensive international media coverage about the plan, the authorities began an informal dialogue with stakeholders, including representatives from Concerned Citizens for Dharavi and grassroots groups from the area.<sup>7</sup> Chandrashekhar responded to key concerns about information gaps in the project by commissioning a baseline socioeconomic survey and a transport study. Although this period saw an initiation of discussions and moves to address several key shortcomings in the planning process, dialogue remained irregular, there was no formal role for public participation and the authorities made it clear that, while the outputs of studies and conversations would be considered, the project would fundamentally proceed as planned.<sup>8</sup>

### B. INSTITUTIONALIZED PARTICIPATION AND AMENDMENTS TO THE PLAN IN 2008

The year 2008 has in many ways been a turning point in negotiations on Dharavi's redevelopment. Chandrashekhar submitted his resignation in March 2008 and, following a period of instability until the government accepted his resignation in July 2008, Gautam Chatterjee was appointed as a replacement in August. Chatterjee's appointment was welcome due to his experience as director of the Prime Minister's Grant Programme in the 1980s, an earlier effort to redevelop Dharavi, and as head of the Slum Rehabilitation Authority, as well as his willingness to interface with all stakeholders.

Owing to the appointment of a sympathetic DRP head, as well as sustained activism and the strategic opening of space for participation, civil society and grassroots groups have strengthened their relationship with the DRP authorities and substantially widened their scope for involvement in many stages of the planning process in the latter part of 2008. Many of the recommendations have been integrated into the official project framework and have led to specific amendments to the plan. The baseline socioeconomic survey, commissioned in September 2007 and mostly completed by December 2008,<sup>9</sup> will help secure residents' entitlements and serve as an invaluable tool for planning. Assuming continuity in the leadership of the DRP, there is promise that negotiations on the form and execution of the project will continue and that there will be room for public participation at many stages of the process.

<sup>5</sup> Concerned Citizens for Dharavi (CCD) is a self-formed group of activists, professionals, academics and retired civil servants chaired by the retired Chief Secretary of Maharashtra D M Sukthankar, who came together in 2006 to raise concerns about the DRP.

<sup>6</sup> See reference 4, page 250.

<sup>7</sup> Two groups, who have recently joined forces to pressure the state to re-evaluate the DRP, head grassroots activism from within Dharavi. The first is the Dharavi Bachao Andolan (Save Dharavi Movement), a coalition of resident associations, cooperatives and political parties that came together to oppose the DRP. The second is the Dharavi Vikas Samiti (Dharavi Development Committee), a federation that was formed in 1987, when an earlier plan to redevelop Dharavi was announced, as a result of a slum-wide enumeration undertaken by the alliance of SPARC, NSDF and Mahila Milan.

<sup>8</sup> Of the 26 firms that submitted expressions of interest for the DRP in January 2008, 19 were shortlisted, including domestic and global real estate companies.

<sup>9</sup> The survey process is described in further detail later in this section.



### C. CONSTRUCTIVE ENGAGEMENT

Building on the informal consultations of 2007, civil society and grassroots groups have established a more regular and formal dialogue with the DRP authorities, and this has led to greater scope for participation. Within weeks of his appointment, Gautam Chatterjee invited politicians, residents and Concerned Citizens for Dharavi to meet him and agreed to communicate regularly with each of them, thus creating much-needed transparency about the project. Many of the developments discussed later emerged from the information gathered, discussions held and reciprocal feedback shared during the two months following Chatterjee's appointment.

A major move towards more institutionalized participation was the adoption of the self-created Concerned Citizens for Dharavi as an expert advisory group to the DRP. The advisory group – which includes NGO representatives, retired senior civil servants, prominent Mumbai architects and faculty from a local architectural college – meets regularly with Chatterjee to discuss and make recommendations on all aspects of the project. Chatterjee has requested that the government formally constitute the advisory group, and official notification is awaited. The project authorities update the group on the DRP's status with transparency and regularity. Many of the advisory group's recommendations have already been adopted as formal amendments to the DRP.<sup>10</sup>

Members of the advisory group have raised queries regarding a transport study completed by consultants, and there is continuing dialogue about the contours of the transport plan. A retired senior government planner and member of the advisory group reviewed the seven-volume bid document line

by line. The DRP authorities are keen to receive input from the group on the master plans that bidders will submit in the early months of 2009. Chatterjee has also stated that he would like the group to play an advisory role at later stages of the project.

The presence of this advisory group is a crucial ingredient, as no single stakeholder in the DRP has the capacity to produce a solution alone. Residents often become roused only in reaction to a crisis. Private developers are oriented towards profit margins and do not have the experience, capacity or impetus to work with residents. The government is locked in the middle, aiming to produce a viable solution but pressured by developers and consultants, distraught by citizen dissent, hampered by lack of experience in developing solutions at such scale, and coping with party politics. A group of civil society representatives that has its ear to the ground can become a body that is better placed to articulate the common ground.

### D. CHANGES IN THE PLAN

Greater participation of civil society and community-based groups in the planning process has given rise to a number of amendments to the project framework. Many of the expert advisory group's and residents' recommendations have been incorporated as official adjustments to planning standards and resettlement benefits. In October 2008, the DRP authorities adopted into the project a set of urban design guidelines suggested by the advisory group. Although these guidelines are not yet binding regulations, their inclusion is an achievement that promises to go a long way towards seeing that slum dwellers benefit from the DRP. This is a milestone particularly in the context of Mumbai, a city in which the builders' mafia



Dharavi survey – Numbering Houses

<sup>10</sup> These amendments are discussed later.



regularly succeeds in getting planning regulations relaxed in order to pack low-income residents into the smallest possible spaces with minimal standards.

Perhaps the most important urban design guideline adopted was that rehabilitation structures should not exceed a height of eight storeys, or 10 in exceptional cases where the building abuts an open space measuring 25 metres or more. Under the original DRP, rehabilitation structures went as high as 20 to 30 storeys. Lower heights will increase light and ventilation, decrease maintenance costs and reduce densities – and therefore the burden on Dharavi's infrastructure. This change will also allow more people to live on lower floors, which is critical for the accommodation of aged and disabled people, the continuity of livelihoods and other quality of life indicators.<sup>11</sup>

Another major milestone is the new guideline that a minimum of 80 per cent of free-sale buildings constructed by developers should be for commercial use. Previously, half of free-sale buildings were to be residential, and project architects marketed the future Dharavi as a "middle-class suburb". The project also now specifies that these commercial developments should be located on the periphery of Dharavi, near existing and proposed transport nodes, and designates a preferred residential zone in Dharavi's core. The logic behind aggregating commercial spaces near peripheral transport hubs is that this will provide better value for developers and restrict traffic increases within Dharavi. This change is also critical for preventing sky-high increases in Dharavi's density, already one of the densest areas in the world, minimizing the load on Dharavi's infrastructure and restraining processes of gentrification.

<sup>11</sup> Taller buildings produce higher maintenance costs because of the expense of raising water and operating lifts, among other factors.

In addition, constructing tall buildings with little space between them creates a lack of light and ventilation, requiring households to spend more money on electricity.

As a result of concern among the advisory group and residents that the DRP could potentially threaten livelihoods, the authorities included a guideline that a minimum of 6 per cent of the total built-up area of each rehabilitation building should be provided as a multi-purpose community space in consultation with residents, without a corresponding increase in the free-sale component. This addition is an important step towards helping rehabilitated residents sustain home-based income-generating enterprises.

Based on the advisory group's recommendations, the DRP authorities have also increased the minimum open space between rehabilitation structures from six metres to 12 metres, as roads or passages, with roads comprising a 2.5 metre-wide footpath and a seven metre-wide carriageway. They also suggest that the width of open green spaces should be at least 30 metres. These changes will improve quality of life by increasing light and ventilation, enlarging streets and pathways and expanding green open space.

Other recommendations of the advisory group that have been integrated as guidelines into the bid documents include: that no compound walls be permitted around rehabilitation units or buildings, in order to achieve optimum use of space; that green open spaces be evenly distributed around Dharavi; and that housing units for resettled families have separate toilet and bathing spaces.

In response to Dharavi residents' calls for larger rehabilitation units, in September 2008 the government announced an increase in the size of free flats to be allotted to eligible slum dwellers from 269 to 300 square feet.<sup>12</sup> In addition, those who

<sup>12</sup> The size of the rehabilitation units was originally 225 square feet (20.9 square metres), a standard affirmed in the Maharashtra-wide Slum Rehabilitation Authority (SRA) scheme. The flat size was increased to 269 square feet (25 square metres) in July 2008, when the government of Maharashtra issued an order increasing the minimum carpet area for units under future SRA projects.



currently own more than 300 square feet will be eligible for 400 square-foot homes if they pay the extra construction costs. Owners of commercial structures that are larger than 225 square feet will also have the option to pay for more space. The government has also promised to use a portion of the premiums paid by bidders to match the Rs. 20,000 per flat that developers must contribute to a corpus fund, in order to ensure enough money for building maintenance. These changes were meant to satisfy residents' persisting concerns that rehabilitation units were too small and that building maintenance would be unaffordable.

In addition to amending planning standards and improving resettlement benefits, the authorities have made a number of changes in the planning process. In response to concerns that the DRP did not adequately assess implications for land use distribution, amenities, infrastructure and traffic, authorities implemented a baseline survey and a transport study open to review by the advisory group.

Officials have also begun a process of ascertaining official land ownership in Dharavi, as the information upon which the original plan was based is approximate. The Municipal Corporation of Greater Mumbai (MCGM) owns approximately 77 per cent of the land in Dharavi, with the rest held by other government and private parties. Land issues in Dharavi are complex: MCGM-owned land differs in use and occupancy arrangements, with the Corporation variously in a position of owner of land used for a public purpose, landlord or lessor. Land owned by other parties is designated for various private or public purposes (e.g. a bus depot, a power station, railway facilities). Furthermore, some areas within Dharavi are officially notified slums, while others are not, and communities possess

varying types of documentation and levels of perceived or actual legitimacy. As the authorities prepare for a process of land acquisition, it is a challenge to ascertain, involve and compensate the diverse parties that have an interest in land in Dharavi in order to pool land for the project.

At the local level, in response to community activism, Chatterjee gave assurances at the end of 2008 to the residents of Koliwada – an area within Dharavi that is officially recognized as one of Mumbai's original fishing villages – that they would be excluded from the DRP, at least for the time being. This decision followed negotiations with local representatives from Koliwada and was based on the area's gaothan<sup>13</sup> status and documented claims to the land. Koliwada and Kumbharwada, a settlement of potters who migrated to Mumbai from Gujarat and were allocated land in Dharavi, have steadfastly refused to be part of the DRP and have insisted on their right to self-development. Although Koliwada allowed the survey to begin upon receipt of Chatterjee's letter, Kumbharwada has not received similar assurances and continues to resist. The authorities continue a dialogue with these communities. The situation in Koliwada and Kumbharwada highlights the diversity of the nagars (neighbourhoods) within Dharavi in terms of history, culture, livelihoods, urban typologies and interests.

<sup>13</sup> A gaothan is a declared "village site" within the city, subject to distinct planning regulations.



Photo courtesy of SPARC

### III. THE BASELINE SOCIOECONOMIC SURVEY

#### A. COMMISSIONING THE SURVEY

Activists have stressed the need for a baseline survey in Dharavi since the inception of the DRP. When the project was formulated, the exact population of Dharavi was unknown, the



basis for projections of households eligible for resettlement was not transparent or authenticated, and families felt insecure about their entitlements because they were not enumerated. Concerned Citizens for Dharavi and others advocated that a baseline demographic-cum-socioeconomic survey – open to public scrutiny – was necessary to protect residents' entitlements and provide data for planning.

In response to strong pressure, the DRP authorities issued a tender for the survey in September 2007, and awarded the contract to the Maharashtra Social Housing and Action League (MASHAL), a Pune-based NGO. Although SPARC and our partner, the National Slum Dwellers Federation (NSDF), have carried out many community-led slum enumerations used in government schemes, we did not initially apply to undertake the survey out of concern that such a move would signal approval of the state's position, which at the time showed no sign of budging, and because of an unrealistic timetable, insufficient budget and an inadequate questionnaire. However, after residents' associations, local political groups and Chandrashekhar urged us to participate, we reached an agreement in December 2007 under which SPARC and the Dharavi Vikas Samiti – NSDF's local constituent – would correct maps, number structures and carry out the survey, while MASHAL would conduct GIS mapping, tagging and biometric identification. The survey collected information on demographics, income, structure use and existing amenities, among other data.

## B. THE SURVEY PROCESS

Although SPARC entered into a government-approved agreement with MASHAL to carry out the baseline survey in all of Dharavi, in fact we were only able to complete around

11,000 surveys in Sector II. For reasons it is not worth delving into here, MASHAL completed almost 50,000 surveys.<sup>14</sup> Since the surveyors were not attuned to the local situation, some were threatened by residents and had to be rescued by federation members.

Before beginning survey work, SPARC altered the questionnaire to make it more responsive to the ground situation and the interests of slum dwellers, after consulting stakeholders and conducting field samples. The final survey format used in all sectors included questions about home-based income-generating enterprises, social infrastructure and upper-floor residents (either extended families or "tenants") – previously missing data that was considered important for planning and protecting residents' shelters and livelihoods.<sup>15</sup> The questionnaire also included a receipt for respondents as a way of providing some transparency and security.

Based on the suggestions of NSDF, for the purposes of the survey Dharavi's five planning sectors were divided into clusters corresponding to existing neighbourhood and community boundaries.<sup>16</sup> In the area where SPARC implemented the survey, community surveyors, who could navigate the physical and social environment of Dharavi and were familiar with community-led slum enumerations, corrected maps provided by MASHAL to correspond to actual structure layout, and then numbered the houses. Surveyors filled out questionnaires for occupants of each structure and collected supporting documentation.

Dharavi's complex physical and social landscape and its large population, as well as a number of challenges complicating the survey process, delayed completion of the survey beyond

<sup>14</sup> MASHAL has mapped 54,114 slum structures in Dharavi. The discrepancy in the number of structures and the number of surveys completed may be due to the fact that a single physical structure is sometimes sub-divided between occupant households, and these are counted if they have a separate entrance and cooking area. In addition, it may have been possible to survey upper-floor residents in some cases.

<sup>15</sup> It proved impossible to collect data on upper-floor residents in practice, as ground-floor residents (typically "owners") did not allow access for fear that their entitlements would be compromised. The Alliance did not force the process out of fear that this would lead to large-scale evictions of tenants. Current guidelines only provided benefits to owner-occupiers, and "tenants" are not recognized as such.

<sup>16</sup> There are 91 clusters designated as "slums" and five "non-slum" clusters.



the government's initial three-month timetable. Surveyors are still collecting data from households who were not present or cooperative at the time of the initial survey. Biometric data have been gathered and photo identification has been completed for approximately 46,300 and 36,100 households, respectively, and is still underway. MASHAL is in the process of tabulating and geo-tagging the data, and proofs of residence will be submitted to the municipal corporation for verification.<sup>17</sup> The advisory group is advocating a transparent framework for evaluating documentation, approving entitlements and redressing grievances.

### C. CHALLENGES IN THE SURVEY PROCESS

The survey process was predictably full of stops and starts due to resistance from some residents because of genuine concerns about the plan, the opportunistic opposition of local political parties and the lack of continuity in the DRP leadership.

There was deep unease about the survey among residents of many of Dharavi's nagars (neighbourhoods) because of the government's unwillingness to address their concerns or clarify details of eligibility and other ambiguities. Many were uncomfortable cooperating with the survey and sharing documents in this climate of insecurity. This fear was especially acute in light of the fact that for the DRP, the government abolished a clause that typically requires the consent of 70 per cent of affected households for Slum Rehabilitation Authority projects.

<sup>17</sup> The Municipal Corporation of Greater Mumbai is the competent authority because this agency owns 77 per cent of the land in question.

Whether or not it will review documents for households in the remaining area is under discussion.

<sup>18</sup> The Shiv Sena is a right-wing political party supporting a Hindu nationalist and pro-Maharashtra agenda.

The survey faced further obstacles when political parties exploited genuine concerns. On 13 April 2008, an important Shiv Sena<sup>18</sup> leader declared his support for the survey before a

huge crowd at a meeting in Dharavi. However, when the survey began, a local leader from the same party initiated a campaign to stop the survey. His opposition was understood to be a political manoeuvre aimed at wresting power from the ruling Congress Party coalition. Other Shiv Sena members then held a counter-rally demanding the survey. Eventually, the Shiv Sena leadership told the local party members to cooperate with the survey; however, this political grandstanding made it necessary to suspend survey work several times.

The progress of the survey was further impeded by changes in the leadership of the DRP, as described above. The period between March and July 2008, during which Chandrashekhar's resignation was pending and a temporary appointee headed the DRP while he was on leave for several months, was one of deep uncertainty. During this time, we were unable to receive formal responses to residents' concerns or to challenges in the survey process, or to continue a productive dialogue with the authorities.

SPARC was aware that the survey was not a neat mechanical exercise but, rather, a deeply political one that was not likely to fall within timelines prescribed in the government contract. Since we were working in partnership with federations of slum dwellers, the pace and nature of our work had to keep a finger on the local pulse. At times, delays in the survey process actually signalled periods of reflection and dialogue.

### D. BENEFITS OF THE SURVEY

The survey will produce authentic data for planning and will help residents secure entitlements. Once tabulated and made public, survey data will provide a wealth of information that can serve as a foundation for careful planning. The number of

The period between March and July 2008, during which Chandrashekhar's resignation was pending and a temporary appointee headed the DRP while he was on leave for several months, was one of deep uncertainty.



families eligible for resettlement and the number of structures in Dharavi, previously disputed figures, will be confirmed. Geo-tagged demographic, socioeconomic and structural information will be invaluable for orienting development towards the requirements of Dharavi's population. Although whether the baseline socioeconomic survey will be used officially to determine eligibility for resettlement is under discussion, being documented will provide some level of security to inhabitants.

The survey was also an important way of expanding dialogue among the authorities, Dharavi residents and their supporters. Negotiations about the questionnaire format and challenges in the survey process brought to light important points of confusion and concern in the DRP and made possible a space for dialogue on these issues. Participating in the survey provided a space for SPARC and the federation to interface between residents and the authorities on larger issues and concerns and paved the way for participation of civil society and residents in other aspects of the planning process.

#### IV. OTHER COLLABORATIONS

As we continue our engagement with the state, we are aiming to mitigate the element of uncertainty in this relationship by pursuing a multi-pronged strategy, including collaboration with academic and professional groups, the promotion of global awareness by facilitating visits for students, government officials and media representatives, and writing and advocacy.

We have been exploring ways in which to develop mutually beneficial and sustained partnerships with local and foreign academic and professional institutions. Two important collaborations have been our partnerships with the Royal University College of Fine Arts in Stockholm and with the Kamla Raheja Vidyanidhi Institute for Architecture (KRVIA) in Mumbai. As a result of several work visits to Dharavi in 2006 and 2007, Swedish students and professionals from the university produced *Dharavi: Documenting Informalities*, an interdisciplinary book on Dharavi; the book will be launched in Mumbai in 2009. The university also profiled Dharavi at *Informal Cities*, an exhibition and symposium held in Stockholm in September 2008. Community leaders from Dharavi spoke at the event, which brought together slum dwellers, academics, NGOs, government representatives and others from around the world.

Students from KRVIA and the Centre for Environmental Planning and Technology, Ahmedabad, documented living/working arrangements in Dharavi and presented alternatives to the proposed plan to government officials and residents after completing studio work in Dharavi in 2006. Faculty members from KRVIA are now members of the expert advisory group.

Besides our partnerships with academic and professional groups, SPARC has facilitated several dozens of visits by student groups, government delegations and journalists to Dharavi. In addition to the above institutions, we coordinated visits for student groups from Yale University, Columbia University, Harvard University and University College, London, among others. Government visitors have included a delegation of Swedish parliamentarians, the mayor of London and the governor of São Paulo, Brazil. We have given interviews and



Map No.



The baseline socio-economic survey (bses) for dharavi.



facilitated field visits for journalists from around the world. Because Dharavi's redevelopment is conditioned by global economic pressures and has global implications, we see these visits as a way of spreading global awareness of the situation in Dharavi and of generating public pressure in favour of residents' concerns.

## V. EVALUATING PROGRESS, LOOKING TO THE FUTURE

Although we are encouraged by the successful dialogue with the authorities and the improvements in the plan, we are unsure about where this experimental relationship will lead. Residents and activists continue to ask many important questions concerning the DRP:

- Will the urban design guidelines that are included in bid documents become binding regulations?
- What will happen to excluded populations, such as upper-floor residents ("tenants"), those who sleep at their workplaces or rent beds by the hour, those who arrived after the cut-off date or those who lack proper documentation? The plight of tenants is particularly severe, as it is estimated that there are up to 10,000 "tenant" households in Dharavi.<sup>19</sup> Currently, only ground-floor residents are entitled to benefits and it has proved practically impossible to document tenants.
- Can the current plan accommodate Dharavi's complex economy? Can an allotment of 6 per cent multi-purpose space accommodate home-based livelihood activities? What will happen to commercial establishments with no official business licenses? Will hazardous or non-conforming

industries receive alternative work sites? How will enterprises with a large ground space requirement adapt? What will happen to traditional trades such as leatherwork and pottery?

- Will the plan allow a role for communities in verifying data, deciding the location of amenities, forming cooperative housing societies and allocating units? Will they be able to contribute to decisions on the design of buildings and neighbourhoods? Will the grievance redress process be effective?
- How exactly will the transition process be handled?
- Will development lead to rapid gentrification, with rehabilitated slum dwellers being bought out under the table?

The advisory group and representatives from Dharavi will continue to raise and explore these critical issues with the DRP authorities.

We are also reflecting on the implications of our involvement in this dialogue. How can we remain accountable to our core organizational mission and constituency while employing a strategy of critical engagement with the state? How can we engage with the government without being co-opted? How can we accommodate the concerns of various strata within Dharavi when solutions will inevitably require compromise? How can we work with professionals, academic institutions and the media in a way that reinforces our primary mission of supporting the poor?

As we look forward, we must also navigate a constantly evolving and uncertain context. In the political sphere, there are impending elections at both central and state levels. The

<sup>19</sup> "Tenants" are upper-floor residents who are not related to the ground-floor occupants. Many such households have lived in Dharavi for 10–15 years. The "owner-tenant" relationship may mirror that of the formal system, with 11-month leases and rent receipts, but tenants are not protected by tenancy laws.



26 November 2008 terror attacks in Mumbai have also led to changes in political leadership and in priorities. The impacts of these political transitions on the DRP or on local politics within Dharavi are unclear. It is also uncertain how long Chatterjee will remain head of the DRP. Three different officials have held the post since 2004 and transfers of officials occur frequently in India. We do not know whether a new DRP authority would continue negotiations. On the other hand, many of our recommendations have already been institutionalized in the project framework, and a shift in political focus might be a good opportunity to regroup.

At the same time, the project will have to navigate the impacts of the global financial crisis that has escalated since April 2008. The crisis has already changed the landscape in Dharavi, where the estimated cost of redevelopment has risen from Rs. 9,250 crores to Rs. 15,000 crores (from around US\$ 1.8 billion to US\$ 2.9 billion).<sup>20</sup> The real estate development and construction industries were the first to feel the effects of the economic downturn, and land values in Dharavi have fallen. Facing a liquidity crisis and unstable markets, it is unclear how many potential developers will pursue the project.<sup>21</sup> It is also possible that the reduced economic pressure may create a more constructive climate in which to explore solutions with the government.

In Dharavi, we are negotiating a process that includes more actors, complexities and ambiguities than any other project of which we have been part. It is a challenge for us to strategize in this uncertain and constantly changing environment. The impact of political, economic and other externalities will only be apparent in retrospect; hopefully, these reports will

assist future reflections. Despite persisting questions, our partners in the federation and Dharavi residents encourage us to stay in the conversation, because Dharavi will continue to remain in the eye of the development investment storm.

<sup>20</sup> In 2004, the estimated cost of the project was around Rs. 5,600 crores (around US\$ 1.1 billion). The current estimated cost may drop because of decreasing prices for raw materials.

<sup>21</sup> The pre-bid meeting took place on 10 October 2008. Firms will submit designs and master plans for review in the early months of 2009. This may be followed by amendments to the scheme, after which firms will submit financial bids. Five will then be selected to develop Dharavi's five sectors.

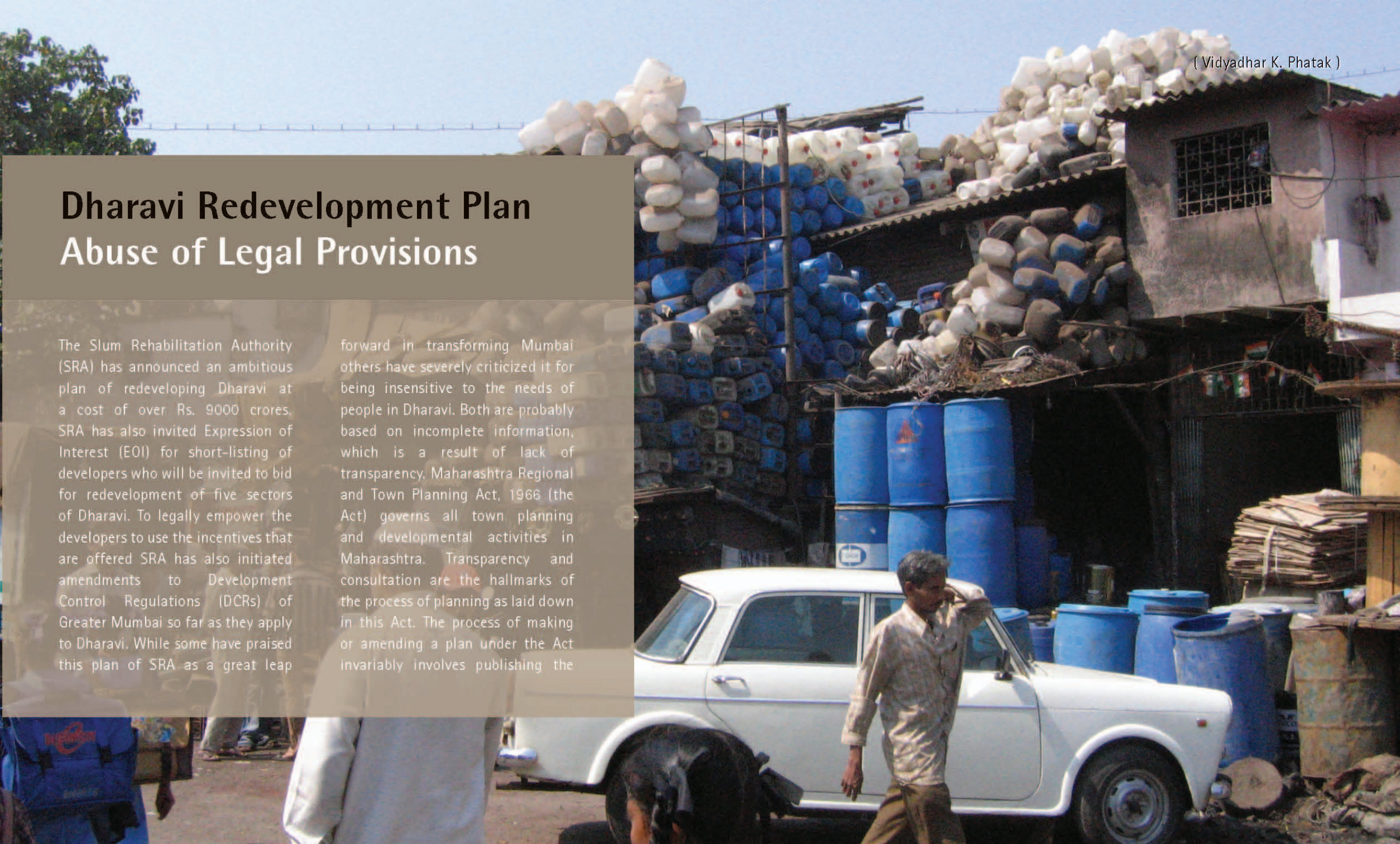




## Dharavi Redevelopment Plan Abuse of Legal Provisions

The Slum Rehabilitation Authority (SRA) has announced an ambitious plan of redeveloping Dharavi at a cost of over Rs. 9000 crores. SRA has also invited Expression of Interest (EOI) for short-listing of developers who will be invited to bid for redevelopment of five sectors of Dharavi. To legally empower the developers to use the incentives that are offered SRA has also initiated amendments to Development Control Regulations (DCRs) of Greater Mumbai so far as they apply to Dharavi. While some have praised this plan of SRA as a great leap

forward in transforming Mumbai others have severely criticized it for being insensitive to the needs of people in Dharavi. Both are probably based on incomplete information, which is a result of lack of transparency. Maharashtra Regional and Town Planning Act, 1966 (the Act) governs all town planning and developmental activities in Maharashtra. Transparency and consultation are the hallmarks of the process of planning as laid down in this Act. The process of making or amending a plan under the Act invariably involves publishing the





draft plan for inviting suggestions and objections not only from the land owners but from citizens at large, considering these suggestions and objections by granting a personal hearing to those who have filed suggestions and objections, and then finalizing the plan for sanction by the Government. This provision that ensures transparency has been given a go-by in case of Dharavi Redevelopment Plan by both SRA and the Maharashtra Government.

Every planning authority (including SPA) is required to prepare a draft Development Plan and submit it to Government for sanction within three years.

The Development Plan for Greater Mumbai that was prepared around 1985 was sanctioned in 1993. But prior to sanctioning of the overall Plan of Greater Mumbai, recognizing the special needs of Dharavi Government appointed Maharashtra Housing and Area Development Authority (MHADA) as the Special Planning Authority (SPA) for Dharavi in 1987. MHADA however did precious little in terms of planning for Dharavi. In the early years of this decade SRA put forward a concept of redeveloping Dharavi by allotting large sectors to developers (instead of voluntary redevelopment of individual buildings) by allowing them to use incentive FSI in Dharavi itself by raising the cap on FSI from 2.5 to 4. In 2004 Government approved this in principle and decided to appoint SRA as the SPA for Dharavi. Accordingly in 2005 SRA was formally appointed as the SPA for Dharavi under section 40 of the Act. Every planning authority (including SPA) is required to prepare a draft Development Plan and submit it to Government for sanction within three years. The preparation of the draft development plan is to follow a survey of existing land use, and has to contain proposals for land use zoning, designation of sites for public purposes, proposals for infrastructure like roads and transport and water supply and drainage and development control regulations. The

draft plan published for inviting suggestions and objections is required to further contain report on surveys carried out for preparation of draft plan, maps, charts and a report explaining the provisions of draft development plan, DCRs, a report on the stages of development and estimates of costs involved in implementation. SPA instead of preparing a draft Development Plan can prepare proposals for development of land that is either belonging to it, or vesting in it, or acquired or proposed to be acquired. The process of preparing and sanctioning the proposals is similar (though less elaborate) to that of preparing development plan. Such proposals are therefore also required to be published for inviting suggestions and objections. In Dharavi private owners, MCGM and Government own land. Whether all such lands already vest in SRA or will be vested in SRA is not known. Consequently, whether SRA is required to Development Plan or Proposals has never been clarified.

In any case, SRA has chosen neither to prepare a draft development plan nor any proposals. Instead in 2006 it wrote to Government to modify the DCRs of Greater Mumbai. Government instead of directing it to first prepare the plan as required by the Act issued a directive to SRA to initiate the process of amending the DCRs of Greater Mumbai including the enhanced cap of FSI under section 37 of the Act. It must be noted that section 37 lays down the procedure for adopting amendments that "do not change the character of the plan". Further the Act considers the DCR as an integral part of the plan and not as an independent entity that could be amended in isolation of the plan. In case of Dharavi, since SRA has not prepared the Plan for Dharavi it has no right to take recourse to section 37 to amend it. What is most objectionable is that

SPA instead of preparing a draft Development Plan can prepare proposals for development of land that is either belonging to it, or vesting in it, or acquired or proposed to be acquired.



while directing SRA to follow the process under section 37 involving public consultation the government declared, "Pending sanction to these modifications by the Govt. under section 37(2) of the said act, the aforementioned modification shall come into effect forthwith." This has reduced the public consultation to a mere formality. Government has also taken recourse to section 154 of the Act that empowers it to issue directives for "efficient administration" of Act. Efficient administration can by no stretch of imagination include overriding or distorting the basic provision of the Act. Government that is suppose to be the custodian of town planning legislation, instead of ensuring that it is followed in letter and spirit has acted in the contrary.

Apparently the Government directive has been included in the document issued for inviting EOI, perhaps to assure potential bidders of the certainty of enhanced FSI. The Act requires that documents explaining the draft plan be available to the public for inspection and certified copies be made available at a "reasonable price". In this case the EOI document that seemingly contained some details of the plan was priced at Rs. 1 lakh, which no Dharavi resident could afford.

Schedule 12 of the Constitution envisages that Town Planning function be reserved to local government. Maharashtra Government has chosen not bring the Town Planning Act in conformity of the spirit of the Constitution. . Now it seems to be making a mockery of the legislative provisions that assure transparency in the planning process.

Legal pundits of SRA and government might argue that their actions are in conformity with the letter of the law. SRA has indirectly recognized the lack of adequate information dissemination by announcing public relation campaign through hoardings, distribution of leaflets etc. But this cannot be a substitute to the process laid down by the law of the land. By ignoring the values of transparency and consultative participation that the Act intends to uphold a gross abuse of law has occurred!

SRA has indirectly recognized the lack of adequate information dissemination by announcing public relation campaign through hoardings, distribution of leaflets etc.



### INCREASED FSI: BANE OR BOON?

Finance Minister of Maharashtra as a part of his budget presentation for 2008-09 announced "The FSI in Mumbai suburban district would be increased to 1.33 and would be brought on par with FSI permissible in Island City. For the additional 0.33 FSI, premium would be required to be paid on the basis of market value as per the ready reckoner." Similarly it is stated that "The State Government will also raise resources for housing programme through levy of a 25 per cent premium on developers undertaking Slum Rehabilitation Authority Schemes and grant of additional FSI for MHADA colonies." Changing FSI is a subject matter of development plan to be prepared by a planning authority under the town planning act and not a matter to be dealt with in the state budget. A close reading of the announcement however shows that increase in FSI is seen as a revenue raising measure.

FSI of 1.00 was prescribed for Mumbai Suburbs first in 1964. Along with the land zoned for development purposes it defined the outer envelope of floor space that could be constructed. Given the income till 80s the actual demand for floor space was less than the outer envelope. FSI therefore did not act as a supply side constraint. From mid 80s the income started increasing, housing finance developed, tax rebates on housing loans were introduced this increased the demand for floor space. But from 1976 the land supply shrunk due to urban land ceiling and the draft plan that excluded the coastal wet lands for development This is more stringently enforced through Coastal Regulation Zone since 1991 and now already developed areas have turned out to be forests. This

effectively shrunk the developable land but FSI remained at 1.00. Demand for floor space exceeded the permissible envelope, giving rise to excessive price rise of housing and real estate. Increasing FSI under these circumstances could have been a way of relaxing the supply side constraint.

However the Finance Minister's proposal to charge premium at the current market price for the extra FSI would nullify that advantage. This therefore deserves closer scrutiny.

Although to "acquire, hold and dispose of property" is no longer a fundamental right there still exists a legal right that states "No person shall be deprived of his property save by authority of law." (Article 300 of the Constitution of India) When property is land it includes the right to develop it subject to reasonable restrictions on health and safety considerations. However the proposal of the Finance Minister implies that development rights are owned by the state and it can sell them to land owners at a price. The basic question is how did the state acquire these development rights in the first place.

Unfortunately, however instead of making efforts to remove supply constraints, the policy has attempted to retain the scarcity of the development rights that keeps prices at high level and then selectively releases the constraint through incentive FSI for slums It is not difficult to visualise that this provides a happy hunting ground for the rent seekers. In fact scarcity and price levels are being kept at high level for the illusory promise of giving free houses to the poor. It is perverse to use maintaining scarcity as a policy of helping the poor. It will obviously be counterproductive, as

Demand for floor space exceeded the permissible envelope, giving rise to excessive price rise of housing and real estate.



it would induce price rise and thereby forcing increasing numbers to seek shelter in slums

The most common argument against the increase in FSI is the inadequacy of infrastructure. However persisting with low uniform FSI does not seem to have helped infrastructure in any way –neither in restraining demand nor in financing infrastructure improvement. Demand for infrastructure at the city level depends upon population and not on FSI. Population of a city grows due to its economy that provides livelihood to population. People come to cities to 'make a living'. Doubling of FSI would not therefore double the population on its own account. Moreover FSI is only a broad indication of population density in a given area. If doubling of FSI doubles floor space per person, it would not change the density and hence would not increase the infrastructure demand. Admittedly the interrelation between FSI and density is more complex and mediated by the prices prevailing in the market. Thus infrastructure demand at the city in terms of total water to be supplied, total waste water to be treated, total solid waste to be collected and disposed of and major transport –transit and highways – will depend upon the total population of the city. Local variation in density and FSI may not have serious implication on such primary infrastructure.

Demand for infrastructure at the city level depends upon population and not on FSI. Population of a city grows due to its economy that provides livelihood to population.

Although a uniform FSI is proposed for the entire suburban area, it would be desirable to vary it in conjunction with planned transport network –particularly metro. Over 70 % of travel demand in Mumbai is satisfied through public transport. Metro and suburban railway stations – particularly the points of their intersections such as DN Nagar, Andheri and Ghatkopar on the Versova Ghatkopar

metro line and Bandra and Kurla on the Charkop-Bandra-Kurla corridor could have higher FSI. The contours of city's land use intensities have to be decided with reference to its transport network and varying degrees of accessibility. This would help reduce the travel demand by road. Not varying FSI in this manner and prescribing uniform (and low) FSI would make the city inefficient in terms of transport and sub optimal in terms of its use of land.

FSI is usually defined for net plot areas. But city also requires land to be allocated to public purposes – roads, footpaths, schools, hospitals, playgrounds etc. If in a local area such public spaces are inadequate and increased FSI gives rise to increased population (though not proportionate) due to price of real estate, it may lead to some problems. But it should be possible to take care of these by linking increased FSI to increased land for public purposes through mechanism of planned land assembly. Finally striking a balance between per capita built space, per capita space for schools and hospitals, per capita recreational open spaces, and per capita space for roads and footpaths is the real planning challenge FSI is only one piece in the jigsaw puzzle!

This explains why determining FSI is essentially a city planning function and not a matter to be covered by budget announcements. Major risk is that if the notion of charging 'premium' because all 'development rights' are owned by the state is accepted auctioning such rights to the highest bidder for state budgetary deficit may not be far away. This certainly would not be in the interest of Mumbai and its 'aam aadmi'.



Thus the announcement of increasing FSI in the state budget is half-baked, made by the wrong authority, for wrong reason in the wrong document.



Residents of dilapidated buildings are demanding more space

## Redevelopment stuck in FSI limbo

Sandeep Ashar

There are more problems in store for families residing in dilapidated buildings. After the apex court's order last month, which set aside a cap on the permissible floor space index (FSI) for redevelopment, it was believed that most ailing buildings will initiate the reconstruction



mother Kailash said, "I have stayed in this one room kitchen house for most part of my life. There is no room for privacy. When the municipal water comes at 4.30 am, the whole family is forced to get up. I want to spend the last few years of my life in a comfortable and bigger home."

Both civic and Maharashtra Housing and Area Development Authority (MHADA) of

THE ECONOMIC TIMES ON SATURDAY MUMBAI 11 OCTOBER 2008 \*

THE POLITICAL THEATRE

## Dharavi may not reach for the skies

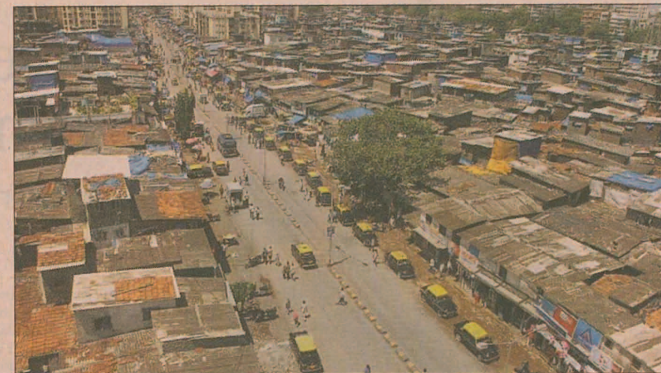
Govt Puts a Ground-Plus-Seven-Floor Ceiling On Homes For Slumdweller; Wants 'Green' Buildings

Our Political Bureau  
MUMBAI

IT APPEARS that the Maharashtra government's Rs 9,350-crore Dharavi redevelopment project may upset the real estate sector. According to the revised bid documents, builders will not have an opportunity to build high-rises to house slum-dwellers.

The fresh bid document, revised on Friday, also puts a ceiling of G+7 (ground plus seven floors) on most buildings that will come up. Only in exceptional cases where the building has 25 metres or more of open space around it, the state will allow G+10 structures. The revised documents also lay emphasis on 'green' buildings, much to the chagrin of the builder community.

On Friday, Maharashtra Housing & Area Development Authority (MHADA) revised the conditions for bidding and explained the revised parameters to bidders. The Slum Rehabilitation Authority (SRA), which is the designated nodal agency for the project, has shortlisted 19 consortia comprising three companies each for the technical bid round. But now the technical bids will be called only when the revised parameters are finalised.



Developers who have submitted bids for the project were hoping for a bonanza from the state government in terms of permission to raise high rises. This would have given builders more sur-

plus space for commercial exploitation, sources said. Vertical growth in Dharavi was expected more since the government has allowed an incentive floor space index (FSI) of 4 for the project.

Also, the size of each tenement that a beneficiary would get has been increased to 269 square feet from 225 square feet.

MHADA has incorporated mandatory housing norms in the revised document to ensure sustainable development. The other changes by MHADA indicate the state government's recent emphasis on cluster development approach.

According to this approach, the developer is asked to provide not only for redevelopment of old buildings but also create infrastructure. In context, the bidders have been provided BMC's reports on infrastructure like roads, supply, sewerage and storm water drains. The selected bidders will have to plan and design the infrastructure based on these reports in consultation with Municipal Corporation of Greater Mumbai (MCGM).

For instance, the 12 metre distance between two rehabilitation buildings should be covered as road or passages for access to these buildings, when the length of the access way exceeds 50m. Besides, individual house unit should be provided with separate toilet and bathing, living room, kitchen and bedroom, the document says.