

EXECUTIVE SUMMARY

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) scheme was launched by Govt. of India during December 2005, with an objective of creating economically productive, efficient, equitable and responsive cities. The JNNURM requires the State Governments and cities to undertake the following reforms, in a time-bound manner, to achieve its objectives:

1. Mandatory reforms at the level of State Government (7 reforms)
2. Mandatory reforms at the level of the Urban Local Body (6 reforms)
3. Optional reforms (10 reforms)

Earmarking at least 20-25% of developed land and houses constructed in all housing projects (both public and private agencies) for EWS/ LIG category with a system of cross-subsidization is one among the ten optional reforms proposed under JNNURM. The objective of this reform is to facilitate affordable housing in urban areas, create adequate housing stock for EWS & LIG and shelter for the poorest of the poor.

The GoK has appointed KUIDFC as the nodal agency, which has awarded this consultation work to STEM, Bangalore to evolve a model in order to implement this reform.

The objectives of the study is to evolve a presentable model to enable the GoK to implement this reform of earmarking 20-25% of the developed sites and constructed houses in all the housing projects (both public and private agencies) for EWS/ LIG category.

The key tasks undertaken in the study are:

- Study of the existing housing policies, laws, rules & regulations, master plan provisions, etc. of Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Delhi, Punjab, Rajasthan, Tamil Nadu and West Bengal States.
- Visited few states like Punjab, Haryana, Delhi and Rajasthan and interacted with officers of Housing and Urban Development Departments.
- At the State level consultation is made with Principal Secretary, Urban Development, MD KUIDFC, senior officers from Town Planning, KUIDFC, Housing Board, Karnataka Slum Clearance Board and Developers' and Builders' Associations at Hubli.
- The measures taken to solve urban poor housing in selected developing and developed countries are also studied.

As per 2001 census, the urban population of Karnataka state is 17.92 million (34 per cent) and by 2021 it is likely to reach 28 million (40 per cent). The estimated urban housing shortage, as per the STEM studies for the year 2011 is 14 lakh units. In Karnataka, there are number of agencies like KHB, UDAS, Slum Clearance Board, etc. involved in the delivery of both developed plots and built-up developed units. The magnitude of the housing problem is too big to be solved by Government alone. In order to reduce the intensity of problems, private participation is very much essential.

The review of policies on housing indicate that only Maharashtra and Kerala State have approved housing policies which are in line with the national housing and habitat policy which mentions about earmarking of 20-25% of developed land for EWS/ LIG. The rest of the States have either only a draft policy or yet to come out with a housing policy.

Act provisions for earmarking of developed land or constructed houses are made only in Haryana, Punjab and Gujarat. In rest of the States, the relevant Acts are silent on this issue.

The zoning regulations of master plans of Hyderabad Airport Development Authority and Master Plans for Hyderabad have made such provision. Similarly DRCs of Master Plans in Maharashtra and ZRs of Master Plans of Chennai have also made such provisions for earmarking for EWS & LIG housing. The Master Plan of Delhi has earmarked areas for EWS & LIG housing.

In Madhya Pradesh the Municipal Corporation Act contains provision to collect “Shelter Fee” when a private developer takes up any housing scheme.

The role played by the private developers to solve the urban poor housing, because of the legal provisions made in Malaysia and effort made by the central and state Govt. especially in Singapore and China, have helped to evolve a model in the present study.

The model evolved in the present study suggests that the state Govt. should come out with housing and settlement policy. There is a need to amend relevant sections of KTCP Act – 1961, BDA Act – 1976, KUDA Act – 1987, KM Act – 1964, Karnataka Panchayat Raj Act – 1993 and BMRDA Act – 1985.

The suggested rules and regulation in the model has taken in to account different category of cities & towns like Bangalore, Corporation towns and other towns. The intensity of development, range of plots and flats that are required to be earmarked both in public and private sector, the cross-subsidy, etc. are also part of the model. The procedure for identification of EWS & LIG and allotment of sites or constructed apartments has been suggested.

Apart from the above, the model also suggested incentives to be given in terms of registration fee, income tax concession, etc. The other recommendations contained in the model include regional spatial planning approach, Master Plans of cities, separate housing and infrastructure plan, collection of shelter cess, usage of innovative techniques like TDR, urban redevelopment programmes, upgrading the existing houses, constitution of a regulatory body for town planning at the state level, etc.

The report is finalised, after two presentation meetings held on December 27, 2008 and January 31, 2009 under the chairmanship of Dr. A Ravindra, Former Chief Secretary GoK and Sri. Jothiramalingam, Principle Secretary UD, GoK respectively.