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Ashit Shah
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Vikas Kothari
PRESIDENT, NAVI MUMBAI
Prakash Baviskar

Ref. No. MCHI/PRES/17-18/014

September 19, 2017

To,
Hon'ble Shri Devendra Fadnavis,
Chief Minister,
State of Maharashtra,
Mantralya,
Mumbai - 400 032

मुख्यमंत्री सचिवालय
मंत्रालय शासन
मंत्रालय, पुणे - 400 032.
दिनांक 20/09/17

Sub: Redevelopment of dilapidated/unsafe buildings as per DC Regn 33(7)(B) of Draft DCPR 2034

Ref: Our letter under no. MCHI/PRES/16-17/091 dtd. 15th February 2017

Respected Sir,

Greetings for the day!

The city of Mumbai has been experiencing a huge impetus of redevelopment of old buildings in Island City.

Many of these buildings of existing residential housing societies and other occupants are in extremely dangerous, dilapidated and unsafe condition and in urgent need of redevelopment. However currently there is no regulation which allows and facilitates redevelopment of such dilapidated/unsafe buildings in the Island City where the existing FSI consumed is higher than currently permissible Zonal FSI.

A much needed new regulation under no. DCR 33(22) had been introduced in the Draft DCR 2034 which permits redevelopment of such dilapidated/unsafe residential buildings where the existing FSI consumed is higher than currently permissible Zonal FSI. We have submitted our suggestions to the said DCR 33(22) vide above mentioned letter under no. MCHI/PRES/16-17/091 dtd. 15th February 2017.

Subsequently, the said new DCR 33(22) has now been renamed to DCPR 33(7)(B) in the revised Draft DCPR 2034 with certain recommendations by the Planning Committee in the same.

However, there are certain points in the said proposed DCR 33(7)(B) which need rectification to make the redevelopment schemes of dilapidated buildings viable where the existing FSI consumed is higher than currently permissible Zonal FSI and enable implementation of such schemes in a fast track manner as envisaged by the State Govt.

In this connection we may suggest the following modifications (underlined and highlighted) to the relevant clauses of proposed DCR 33(7)(B) as detailed below.

Clause	Proposed Suggestion	Justification
1	<p>Incentive Additional BUA in lieu of cost of construction of authorized existing BUA = 1.50 (Rate of construction per sq. m as per ASR rate /Rate of developed land per sq. m as per ASR (for FSI 1))*(authorized existing built up area + area of the balcony if claimed free of FSI as per then prevailing regulation).</p> <p>Provided further that if the existing authorized BUA and incentive thereon as per above i.e. incentive Additional BUA is less than the permissible FSI 2.0 then society shall first avail the 'Additional FSI on payment of premium/TDR' up to limit of permissible FSI up to 2. If the existing authorized BUA and incentive thereon as per above i.e. incentive Additional BUA is more than the permissible FSI of 2.0, then the society shall be eligible for incentive additional BUA in lieu of cost of construction of authorized existing BUA, which exceeds the FSI of 2. <u>Provided further that this incentive Additional BUA, including 'Additional FSI on payment of premium/TDR', if any shall be minimum 50% of existing authorized BUA and the Society may avail the difference of BUA permissible as per formula mentioned above and the minimum incentive of 50% of existing authorized BUA upon payment of premium at the rate of 60% of the land rates as per ASR (for FSI 1) of the year in which the project is granted approval.</u></p>	<p>For dilapidated/ unsafe buildings, Incentive BUA at 50% of the existing authorized BUA (including area of existing staircase and lifts and passages with areas thereto) would be at par with provisions of other Redevelopment Schemes (even if part of it has to be made available on payment of premium) like DCR 33(5), 33(9), DCR 33(7) and 33(7)(A) which are of the same family and will make it viable for such dilapidated buildings to undergo redevelopment. The premium for additional BUA to be at 60% of the ASR is in line with the premium charged by MCGM for 'additional FSI on payment of premium' as per Draft DCPR 30(6). Further, in cases where the existing FSI consumed is almost equal to or higher than FSI 2.0, the projects cannot avail any additional FSI on payment of premium/TDR and the incentive available is limited as per the formula herein which makes redevelopment of such dilapidated/unsafe buildings unviable.</p>
2	<p>If staircase, lift & lift lobby areas are <u>availed</u>/claimed free of FSI by charging premium as per then prevailing Regulation, then such areas to that extent only will be</p>	<p>Such redevelopment is similar to redevelopment under DCR 33(7), 33(9) and 33(10) where existing occupants are rehabilitated.</p>

	<p>granted free of FSI without charging premium.</p> <p>If staircase, lift & lift lobby areas are counted in FSI in earlier development, then <u>the same shall be allowed as existing FSI / Built up Area and</u> incentive FSI as stated in Sr. No 1 shall also be given on such area.</p> <p>Such areas may be availed free of FSI <u>for the entire building by</u> without charging premium as per these Regulations, <u>as applicable for the Redevelopment Schemes under DCR33(7), 33(9), 33(10).</u></p> <p><u>Further areas of 2 mtrs wide common passage shall be allowed free of FSI without charging premium as applicable for the Redevelopment Schemes under DCR33(7),33(9), 33(10).</u></p> <p><u>The concessions w.r.t. other provisions including providing physical RG and premiums for Open Space Deficiency, parking spaces, etc. shall be as applicable for Redevelopment Schemes under DCR 33(7), 33(9), 33(10).</u></p>	<p>Hence while allowing the areas for Staircase, Lift, Lift Lobbies, Passages for Rehab etc., free of FSI for such redevelopment projects, the same should be permitted without charging premium for the said areas.</p> <p>Further, relaxations in charging the premium for Open Space Deficiency should also be allowed as is permissible under other DCRs governing redevelopment since the development has to comply with the present rules, regulations and fire bye-laws.</p>
3.	<p>This regulation will be applicable for redevelopment of existing authorized buildings which are of <u>thirty twenty</u> years of age or more.</p>	<p>Such buildings which are more than 20 years old do not meet with the present day requirements of firefighting and other seismic norms. Also, the nature of use of a building changes rapidly as per economic growth and hence there is a need for redevelopment of such type of buildings (whether dilapidated or otherwise) and hence the age of a building of 20 years is suggested for the same.</p>

In contention of above we enclose herewith an illustration showing that the incentive as per proposed DCPR 33(7)(B) that would be available for various locations ranges from appx. 7% to 11% where Ready Reckoner Rates are on the higher side whereby it is clear that the project cost would not be met with the available incentive and thus such projects will not be viable and the envisaged

objective of the State Government will not be met with if an incentive of at least 50% is not permitted for such redevelopment schemes.

Further we may humbly mention here that a minimum incentive FSI of 50% over the existing authorized BUA is permitted under all schemes of redevelopment like DCR 33(7), 33(7)(A), 33(5) and 33(9) (considering incentive FSI and as per LR/RC Ratio).

Hence we suggest that incentive of at least 50% should be made available for redevelopment of existing Society buildings (even if part of it has to be made available on payment of premium).

We at MCHI humbly request to favourably consider the above and request that necessary modification under section 37(1AA)(C) may be urgently carried out for redevelopment of dilapidated/unsafe buildings to be undertaken as per proposed DCPR 33(7)(B).

Further we would also request for a meeting with your kind self to explain the justifications for the above modifications.

We shall be highly obliged with your favourable action in the above mentioned matter at the earliest.

Thanking you,

Yours faithfully
For **CREDAI-MCHI**



Mayur Shah
President




Domnic Romell
Hon. Secretary



S. S. Hussain, I.A.S. (Retd.)
Chief Executive Officer

To,
Dr. Nitin Kareer (I.A.S.)
Principal Secretary - I,
Urban Development Department,
Government of Maharashtra,
Mantralaya, Mumbai - 400 032



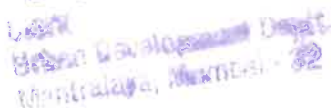


Illustration for Incentive Additional BUA as per Draft DCPR 33(7)(B)

		August Kranti Marg	B G Kher Marg	Walkeshwar	Napean Sea Road	
1	Plot Area	2,000	2,000	2,000	2,000	sq. mtrs.
2	Authorized Existing BUA incl. balcony	4,180	4,180	4,180	4,180	sq. mtrs.
2	Existing FSI Consumed (2 cases)	1.90	1.90	1.90	1.90	
3	Rate of Developed Land (RR of Land)	338,100	396,100	428,600	475,400	Rs / sq. mtr.
4	Rate of Construction as per ASR	25,000	25,000	25,000	25,000	Rs / sq. mtr.
5	Incentive Additional BUA = 1.5 x (Rate of Construction as per ASR / Rate of Developed Land) x (Authorized Existing BUA incl. balcony) ASR = Rs. 25,000 / sqm	464	396	366	330	sq. mtrs.
6	Additional Incentive BUA %	11.09%	9.47%	8.75%	7.89%	

Note:

- From the above illustration it can be seen that the Incentive Additional BUA in locations where the Ready Reckoner Rates are on the higher side would range from appx. 7 to 11%.
- In cases where the existing FSI consumed is almost equal to or higher than FSI 2.0, the projects cannot avail any additional FSI on payment of premium/TDR and the incentive available is limited as per the formula.
- The above factors makes redevelopment of such dilapidated/unsafe buildings unviable.