CREDAI - MCHI

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आज प्राप्त झाले
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झोपडपट्टी पुनर्वसन प्राधिकरण
प्रशासकीय इमारत, वांद्रे (पूर्व), मुंबई-५१

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Sub: Effect of increase of carpet area for Slum Rehab Tenements.

Ref: 1. GR No. Zo.Pu.Yo-1203/Sr. no 309/2017/Zo.Pu.S-1 dated 10.09.2018.

2. Meeting held on 23.02.2018 as per letter under no. Zo.Pu.Yo/Desk-1 /Meeting/ 2018/66

The slum rehabilitation authority was constituted with a simple, novel and humanitarian vision of grant of housing for every settler of Mumbai who has in their own way contributed to the fabric of our beloved city. A herculean task of rehabilitating over 65 Lakh slum dwellers was initiated by the Govt. of Maharashtra to ensure that the slum dweller, the city and the developer all have an opportunity to gain in the long run from such development. However a slum scheme despite having novel intentions is often plagued by certain grey areas like eligibility of slum dwellers, vacating of non-cooperating dwellers, ownership of the land in case of private schemes to name a few. With the advent of the elections in 2019 there seems to be a movement towards enhancing the carpet area of the slum tenement, as per Govt. Resolution referred above. While the enhancement of such carpet area would surely be a shot in the arm for easier compliance from slum dwellers in the form of consent and co-operation, it will also bring its own hurdles along the way. Also SR (slum rehabilitation) Schemes already qualify under EWS category of Housing for all Scheme under the PMAY wherein the constructed component for such houses should be up to 30 Sq. Meters Carpet Area, where in minimum carpet area for SR Schemes is 25 Sq. Meters. While enhancing the FSI would prima facie seem like a stimulus to accommodate the additional carpet area, there remains certain stern physical obstacles that affect the psychical viability of such schemes. Some of these are as follows:

1. **Viability of Slum Schemes**
   A 20 % increase in the size of a rehab t/s (i.e. from 25 Sq. Mtrs to 30 Sq. Mtrs), amounts to an increase of BUA of up to 30 % for the component. Additional FSI sounds lucrative on paper, however the consumption and sale on site is a serious unanswered question. To elaborate, over an average of a few schemes the existing Rehab BUA amounts to approximately **1.27 to 1.42** FSI. A 20 % FSI increase would amount to **1.52 to 1.7** FSI being consumed for the purpose of Rehab. The sale on site thereby is mitigated to 1.4 FSI out of a total permissible 3.00 FSI and for schemes in the suburbs which have the largest slum areas i.e. almost 85 % of the entire city slum population, sale on site is important for the purpose of viability. As the TDR generated is not of much use from point of view salability and even cannot be loaded on the same slum scheme area. Furthermore the sale rate in the suburbs is substantially lower in most areas unlike Greater Mumbai City areas, hence adequate sale on site is necessary to keep slum schemes viable to develop .More so TDR as a commodity is made available only at the

end of construction and towards rehab completion and greatly affects cash flows, furthermore TDR is not bankable and one cannot avail of TDR as a security

Based on the construction cost, temporary accommodation/ rent, infrastructure land cost and other necessary payments, the average investment compounded over the development period of Rehab tenements works out to 8,500 Rs / Sq. ft for every incentive proportionate sq. feet. Due to lower quantum of sale permissible, on site as under present guidelines Developers will be forced to increase the prices and this will drive market prices of sale upward, furthermore the increased price point is in direct aversion to the ready reckoner governs that the average sale price in the suburb should be in the vicinity of 14,000 Rs./Sft.

While one might look to offset this increased rehab area by granting more FSI, it is important to consider that higher FSI works based on sale price if the sale price is lower, higher FSI often leads to over-supply and market saturation, a good case study would be MMRDA's Rental Housing policy. Despite sanctioning up to 4 FSI, the same policy has barely tasted success in view of the Ready Reckoner value in locations being approved is often not lucrative enough, thereby causing oversupply.

2. **Cost of High Rise construction**

To accommodate such an increase in Tenement size and to consume the FSI in the same plot boundaries it is important to note that construction would have to be vertical in nature. While at the outset rehab buildings were usually 7 floors at the inception of slum rehab schemes. After the increase in tenement sizes as per GR April/May of 2008 the no. of floors, for the no. of floors for slum schemes to provide rehab tenements increased to an average of 14 to 16 Floors. This doubling of height is simply because of stringent open spaces as prescribed in the DCR. Furthermore, with the advent of fungible BUA in 2012, most rehab buildings approved these days are about 18 to 22 Floors. Any further increase in rehab BUA would amount to larger and taller buildings and hence much more open space requirements since the height of such buildings would be beyond 70 Meters and under the provisions of High Rise Norms.

The cost of construction for a 7 story building would usually be about 2200 Rs/Sft inclusive of finishing and development of common areas and amenities. While that for 22 storied or 70 meters building is about 3100 Rs./Sft. For beyond 70 meters the cost for construction and completion increases disproportionately to as much as 4500 Rs/Sft for a 35 storied building. The structural/architectural design for buildings above 70 meters has to conform to the newer and stringent tall building code. The grade of concrete in most cases will be far higher usually M-30 and above and fire and safety requirements will increase tremendously. Windows will require higher wind resistance glass, sprinklers will be required, escape chutes for highly populated rehab buildings, water tanks will increase in size, pumps to ensure water is pumped to a higher heights along with De-pressuring valves for water to ensure that pressure developed due to height does not damage plumbing components, high speed lifts are some of the

design/planning considerations leading to an elevated cost of maintenance to ensure sustainable tenements. It begs the question therefore would re-accommodated slum dwellers be able to afford the maintenance of such structures as they mostly fall under low income groups esp beyond 10 years.

3. **Height of Building to Open space ratio :**
Another ratio which helps govern physical viability would be height to open space ratio. Let us consider an actual corollary before establishing the outcome for the same ratio.

Case no.		Open Space approved			Plot Area			Construction area
	Floors / Height	FOS	Mandatory side open on one side	Other SOS	Total Plot	Plinth Area for consumption	Plinth to Plot coverage	
1	52.35 / 7 Floors	4.5	6.5	3.6	666.23	213.39	32 %	3855.52
2	24 meters / 7 floors	1.5	1.5	1.5	786.225	441.85	56 %	3690.47
3.	68.15 Meters / 22 Floors	4.5	6	6	3088.3	1005.61	32.45 %	24430.80
4.1	Simulated High rise cases of case no. 3	4.5	9	6	3088.3	616.42	19.96 Say 20 %	24430.80/616.42 = 38 Floors
4.2	For 30 Sq. Mt Carpet unit in case no. 3	4.5	9	6	3088.3	616.42	20 %	24,480.64/616.42 = 46 Floors

Hence it may be seen that an increased height to consume the additional BUA does not necessarily increase overall consumption of BUA. As a matter of fact based on the simulation from sample data in order to consume BUA in case no. 3 will require 38 floors to consume the FSI as opposed to 22 Floors wherein this is already achieved. The scenario is further compounded by the fact that if the BUA increases by 20 % approximately so as to accommodate 30 Sq Meter Carpet units, the no. of floors required would then increase to 46 Floors (without factoring fire check floors and additional lifts/staircases as may be necessary)

To summarize going vertical not only increases costs but also reduces consumption ability especially in the case of Rehab buildings where passages are necessary for generating Rehab component as well. Larger plots use their ability to consume the FSI, while smaller plots are mostly not viable for development.

4. Civil Aviation :

A major deterrent in vertical constructions to accommodate carpet area of 30 Sq. Mtrs. is the prevalence of the existing Civil Aviation height restrictions. The airports international and domestic as well as Juhu aerodrome bring with it certain height restrictions falling in each of their 4 Kilometer radius. About 16 Sq Km of Mumbai's suburbs have height restrictions with permissibility up to a meager 28 to 32 Mtrs particularly in the K/E & H/E Wards, and to some extent in the K/W & H/W as well as L ward areas. Every development in these areas requires NOC from Civil aviation department. As of 2016 SRA had mapped 2470 Slum clusters in about 9864 Acres of surveyed lands within Mumbai's extents, it is no coincidence therefore that K/E has the highest slum clusters 281 Nos., while L ward in the Kurla region had 221 Slum clusters, the second highest. It also should come as no surprise then that population as per the 2011 Census data of slum in these 5 wards forms a substantial part of the sub-urban slum population.

Ward no.	Slum population 2001	Slum population 2011
H/E	457622	241006
H/W	138541	112294
K/E	472226	403800
K/W	316065	108800
L	658972	490400
Total	**1727361**	**1356300**

Considering the total suburban slum population of 43,47,600 an unprecedented 31.19 % of the slums are prevalent in these 5 wards i.e. wards majorly affected by civil aviation restrictions. Furthermore the data obtained by the efforts of the Dept of the CTSO (SRA) the following are the no. slum clusters in these majorly affected wards.

Ward No.	Slum Clusters
K/W	146
K/E	281
H/W	66
H/E	101
L	221
Total	807

The above two tables one can to infer that there has been a lack of slum development in these wards, for which the restrictions from civil aviation as one of the larger contributing factors, thereby inhibiting overall development of infrastructure and amenities in these highly populace wards/areas.

It may also be noted that civil aviation also affects another 19 Sq. Km beyond the directly affected 16 Sq. Km, where in the civil aviation height permitted is usually around an average of 50 meters. While greater height is permissible, one has to apply for specific NOC and in most cases appeal for heights above 90 Meters before the Appellate Committee of the MoCA. This in many cases causes in-ordinate delay and project uncertainty and a ceiling limit to BUA that can be consumed by an increase in FSI.

5. **Delay of existing schemes / Transition policy.**
It may also be noted that in the past in view of the GR in May of 2008, bringing about increase in slum tenements minimum size from 20.90 Sq Mtrs to 25 Sq. Mtrs increase in slum tenement size caused significant delay to the ongoing existing schemes. There are well documented cases of units of 20.90- Sq. Mtrs. carpet built for existing slum dwellers going vacant and possession being not opted for by the slum dwellers, who previously consented. In certain cases slum dwellers expressed discontent to move into smaller premises, some even filed legal proceedings as they were aggrieved by the developers inability to hand over flats of 25 Sq. Mtrs. carpet area, in view of the policy of the Honorable Urban Development dated May 2008, wherein if the building was constructed beyond plinth then one may not avail of option to undertake scheme under 3.00 FSI or 25 Sq. Mtr carpet norms. There were even attempts made to offer some sort of corpus as compensation, yet slum dwellers refused to comply and co-operate in such cases.

While the additional area may seem as a boon to the existing slums, they impair progress on the ongoing slum schemes. One must carefully consider the hindrance caused by such erratic decisions.

In view of the above it is evident that the enhancement of carpet areas for slum tenements while beneficial at face value, the actual reality is that such a haphazard area/FSI increase has many hidden conundrums from point of view of viability of execution of ongoing and to be approved schemes. There remains a possibility of driving up sale prices due to lack of sale quantum to ensure developers maintain necessary turnover to complete projects. The very viability of consumption of FSI in slum schemes in situ is something that under present constraints needs to be addressed. Apart from those points mentioned above, the risk involved with each scheme are further compounded considering individual issues like title of land, slum clearance, costal regulatory zones, Eco-sensitive zones and until recently SR schemes in the vicinity of Defense lands along with development of reservation lands. A carefully drafted transition policy so as not to ensure a slowdown of rehabilitation will also be of utmost priority before even looking to implement such a scheme. There also remains the final juxtaposition that Affordable housing as per MHADA, is defined as a unit having area having 27.88 Sq. Mt carpet area, where in an allottee/beneficiary has to pay as per Construction cost + additional fees proportional to land value as per Ready reckoner usually totaling to an average of about 8000 Rs/ Sq.ft carpet area in western suburbs, while a slum dweller while originally being and

encroacher today stands to own free of cost and liability a tenement of roughly the same area (compensated for by fungible FSI).

Hence, on behalf of CREDAI-MCHI, I would like to request you that if developers increase the carpet area for slum rehab tenements, then it would adversely impact on the development of SRA projects. You may thereby please take the note of these concerns and suggestions, which are mentioned above and consider our request to avoid **increase in the size of tenements in SRA** be brought up and materialized.

Kindly do the needful and oblige.

Yours

(S. S. Hussain)

To,
Shri Deepak Kapoor (I.A.S.)
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Slum Rehabilitation Authority
Bandra (E),
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CC To,
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Additional Metropolitan Commissioner – 2
Mumbai Metropolitan Region Development Authority
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Shri A. L. Jarhad (I.A.S.)
Additional Municipal Commissioner
Municipal Corporation of Greater Mumbai
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अति. आयुक्त (शहर) यांचे कार्यालय
27.3.18