



CHASING THE AFFORDABLE DREAM

A Plan to House Mumbai's Millions

For the nearly 65 lakh people who live in Mumbai's slums with no hope of being able to afford a home in the city, the Central government's goal of achieving "housing for all by 2022" seems like an impossible dream. With the real estate market skewed disproportionately in favour of luxury and high-income housing, India's financial capital is struggling with a shortfall of at least 10 lakh affordable homes to house its masses.

But four urban planners and activists from Nivara Hakk, a non-profit housing rights organisation, believe that if state authorities truly want to, Mumbai can comfortably achieve its goal of building affordable housing for almost all of its citizens.

In their new book, *Chasing the Affordable Dream*, Nivara Hakk's founding members PK Das, Gurbir Singh, Ritu Dewan and Kabir Agarwal argue that Mumbai's dire housing shortage can be wiped out through intentional land regulation, price regulation and thoughtful development of government and slum land. The book, released on September 3, offers an in-depth analysis of the affordable housing crisis in the city with India's largest slum population, and makes a set of comprehensive recommendations on how Mumbai can tackle the crisis.

Chief among the recommendations is prioritising the housing needs of low and middle-income groups over the profits of private developers. Despite laws that make it mandatory for private developers to allocate half the land of a slum redevelopment project for affordable housing at government-regulated rates, builders often stake claim to the majority of the project land – up to 70% or more – for their own profits by selling those homes at competitive market rates.

Chasing the Affordable Dream comes at a time when at least two government policies have promised affordable housing in Mumbai. At the national level, the Bharatiya Janata Party-led government's Pradhan Mantri Awas Yojana plans to achieve housing for all by 2022, and its urban component focuses on building affordable housing either on government land or through public-private partnerships by giving monetary subsidies to developers. But in metropolitan cities like Mumbai, private builders have proposed affordable housing projects under the scheme only in distant satellite towns – a trend that will inevitably push working class populations outside the city limits.

At the state level, Mumbai's draft Development Plan 2034 – a blueprint for the development of the city for the next 20 years – has "affordable housing" as a separate and new category of land reservation for the first time. However, this land is reserved only in scattered pockets, on which the Development Plan envisages building just 25,000 units of affordable homes.

In contrast, PK Das and his co-authors offer a model that would enable building more than nine lakh affordable homes in the city. Scroll.in spoke to PK Das about *Chasing the Affordable Dream* as well as the history and future of building affordable housing in Mumbai.

Why did the real estate market in Mumbai get so skewed in favour of luxury and high-income housing?

Upon Independence, the government pledged to be a socialist state and play a pivotal role in carrying out social welfare projects, including schemes for social housing. With that sole objective, every state set up housing boards. The housing board in Maharashtra [the Maharashtra Housing and Area Development Authority] has two very progressive clauses – regulation of the size and proportion of various categories of housing (low-income, middle-income or high-income) and regulation of real estate pricing.

However, liberalisation [of the economy] in 1991 was a turning point in the sad story of urban underdevelopment. After liberalisation, the government pledged to be a facilitator for private agencies and entrusted the responsibility of social housing to the private sector. Under the guise of privatisation, government land and resources were gifted away to private developers, who did nothing for affordable housing. It was this lack of opportunity that led to the proliferation of slums. The majority of people in Mumbai today have no access to affordable housing or basic social amenities like good healthcare or water supply.



How can one then create access to affordable housing in a city as dense, congested and expensive as Mumbai?

Our book argues that if we want to ensure housing and social amenities for all, we have to look beyond the private sector and the free market. The state will have to step back in and take up the responsibility of housing availability by regulating land use and pricing. So far, Mumbai's development has constantly been undermined by government regulations motivated by individual interests and corruption, undermining the spirit of the Maharashtra Housing and Area Development Act. Our book proposes two ways to move forward now: equitable land distribution and participatory planning.

The Maharashtra Housing and Area Development Authority is the richest and largest state land-owning agency in India, owning over 2,000 hectares of land in Greater Mumbai alone. If this land and slum land are developed with proper pricing and land use regulations, that can easily generate more than nine lakh additional affordable homes. And this can be done without encroaching on any natural land like mangroves or salt pans.



At 65 lakh, Mumbai has the largest slum population among Indian cities.

Your book focuses heavily on slum redevelopment, which is already being done by the Slum Redevelopment Authority in the city? What is wrong with the way slums are currently being redeveloped, and how can it be done better?

The Slum Redevelopment Authority's work is a sham because the emerging built forms are just "slummifying" the city even more, with tall buildings constructed cheek by jowl without open spaces for social amenities. This cannot continue. What we need is a proper town-planning scheme for slum land in Mumbai.

Nivarak Hakk undertook a mapping of the city's slum land for the first time – a total of 2,400 hectares – and found results that throw out the demands of private builders for more FSI [floor space index, or the ratio of a building's total floor area to the size of the plot it is built on]. We found that it is actually possible to house all of the slum population in merely ground-plus-seven buildings, and provide open spaces and other social amenities. To do this, the government needs to intervene, stop giving freebies to private developers and implement the actual rules of the Maharashtra Housing and Area Development Authority and the Slum Redevelopment Authority. The so-called mighty real-estate industry of Mumbai that the government is pampering caters to merely 12% of the city's population, so I do not care if the industry goes down. It will not affect the masses.



With the Pradhan Mantri Awas Yojana (Urban), more private developers seem to be taking up affordable housing projects in partnership with the government, mainly on the outskirts of the city. Do you think this scheme can help create affordable housing for Mumbai?

The scheme will not work in Mumbai. Public-private partnerships for affordable housing projects also involve giving freebies to private builders – this time in the form of cash. The builders buy private land at low rates in places far away, like Parnaver, and additionally get cash subsidies and other concessions to build affordable homes. And they still get to sell 50% of the homes they build at market rates. Anyway, people will not buy homes so far away if they work in the city. So it is speculative investment on the part of the government.



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