



CREDAI

AFFORDABLE HOUSING COMMITTEE PRESENTS

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Initiatives/Incentives by various States to Promote Affordable Housing- Part-II

(Karnataka,Jharkhand,Rajasthan)

Introduction

The goal to provide Affordable Housing to all has an economic and social significance. Sustainability of environment and development cannot be achieved without adequate & Affordable Housing. Creation of a large stock of housing at affordable prices for all is not a simple technological issue or a mere problem of the finance. It is a complex amalgam of a host of factors, which need to be tackled at all levels and in a synchronized manner. Provision of adequate housing is emerging as a major thrust area for Government of India as well as the State Governments.

With increase in cost of land, building materials, labour and infrastructure, positive encouragement to affordable housing has become necessary for the economically weaker and low income groups. Hence the role and intervention of the state Governments becomes important. It is felt that policy intervention is needed to bridge this gap in housing demand and availability, therefore several State governments have formulated their own affordable housing policies in line with the central government's "Housing for All by 2022" mission.

Initiatives/Incentives by various States to Promote Affordable Housing- Karnataka

KARNATAKA AFFORDABLE HOUSING POLICY 2016:- The Karnataka Affordable Housing Policy (KAHP) 2016 focuses equally on improving existing housing and building new housing. It is made in alignment with existing Government of Karnataka housing schemes as well as the Pradhan Mantri Awas Yojana (PMAY). Delivery models and resource mobilisation are designed in order to enable convergence of current and future state and central schemes to ensure effective implementation.

Objectives

- ❑ The Policy aims to improve existing housing for BPL/EWS/LIG households and build affordable housing stock to cater to the need of future residents.
- ❑ The Policy aims to create effective partnerships between the local, state and central governments by aligning existing housing schemes across them.
- ❑ The Policy aims to work with poor urban households and communities in order to enable sustainable implementation and outcomes.
- ❑ The Policy aims to build effective partnerships with Private Developers to accelerate the supply of affordable housing.

Initiatives/Incentives by various States to Promote Affordable Housing– Karnataka

Implementation Models

- ❑ **Model 1: Beneficiary Led House Enhancement :-**In this model, a grant of Rs. 1.5 lakh will be availed under provisions of the PMAY for beneficiaries living in Kutcha houses. Any remaining cost of the house shall be borne by the beneficiary household. Enhancement shall be done by the beneficiary household on its own.
- ❑ **Model 2: Beneficiary Led New House Construction :-** This model supports households presently living in Kutcha houses that cannot be enhanced or made Pukka, avail direct financial support in order to make a new Pukka house.
- ❑ **Model 3: In-Situ Upgradation:-** To improve living conditions of households residing in slum areas, the Policy envisages that the state government will provide budgetary support to concerned departments to provide or upgrade site level Basic Services i.e. water and sanitation, drainage, roads, street lighting, footpaths and community facilities.
- ❑ **Model 4: In-Situ Slum Redevelopment:-** The Government aims to encourage the vertical redevelopment of slums in urban areas that face scarcity of land. In slums in such urban areas, where the majority of the housing is Kutcha, In- Situ Redevelopment model may be implemented

Initiatives/Incentives by various States to Promote Affordable Housing– Karnataka

- ❑ **Model 5: Plotted Development and Sites with House and Services** :- In this model, the Government will enable reservation for Affordable Housing Units (AHU) in sites in Plotted Development projects undertaken by Private Developers and PDAs. Preference will be given to accommodate relocated slum dwellers and houseless households in sites with a house and services
- ❑ **Model 6: Group Housing and Township Projects:** In order to increase build new affordable housing units at large scale, the Government will enable reservation for AHUs in the built-up area in Group Housing (apartments) and Township (mixed use) projects constructed by Private Developers and PDAs. The Government will provide FAR and TDR incentives to Private Developers and PDAs for the earmarked AHUs in such projects.
- ❑ **Model 7: Affordable Group Housing in Partnership** :- In order to encourage public-private partnerships in building new affordable housing units, PDAs shall enter into partnerships with Private Developers on their land or on identified vacant government land..

Strategies for Developing Other Shelters

- ❑ **Housing for Construction Labour:** To ensure provision of housing to construction workers. The SLECAH may coordinate with the Labour Department to enable it to create transit accommodation and dormitories for construction workers in zones of high construction activity.

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- ❑ **Housing for Construction Labour:** To ensure provision of housing to construction workers. The SLECAH may coordinate with the Labour Department to enable it to create transit accommodation and dormitories for construction workers in zones of high construction activity.
- ❑ **Night shelters for houseless households and pavement dwellers:** The Government will develop adequate night shelters in all urban centres in the state by utilizing state funds or funds from the National Urban Livelihoods Mission (NULM).
- ❑ **Housing for Industrial Workers:** The Karnataka Industrial Policy 2014-19 focuses on the need for housing for industrial workers by earmarking certain portions of land in large industrial layouts for housing, infrastructure and Civic Amenities. The relevant departments promoting industries and industrial activities will be responsible for the provision of housing for the industrial workers.
- ❑ **Rental Housing:** Rental housing constitutes a significant proportion of the demand of urban housing in Karnataka. This policy encourages a condition wherein demand and supply of rental housing can be balanced in an environment of mutual benefit for tenants and landlords.

Initiatives/Incentives by various States to Promote Affordable Housing- Karnataka

Incentives/Incentives for Housing Sector by Karnataka Govt.

- ❑ **Amendment in Karnataka Land Revenue Act, 1964:-**It stipulates that, the permission for diversion of Agricultural land for other projects including Housing Projects approved by the State Government shall be deemed to have been granted when permission for purchase of Agricultural land is accorded under Section 109 of the Karnataka Land Reforms Act 1961, subject to payment of prescribed fees.
- ❑ **Stamp Duty registration fees reduced** from 7 per cent to 5 per cent (exclusive of Registration charges and Cess).
- ❑ **Fast Tracking Approvals :-** Under the Karnataka Guarantee of Services to Citizens Act, 2011 and its schedules, fast tracking approvals have been provided for the delivery of various services related to the housing sector in a time bound manner which includes:-
 - a) Change of Ownership in RTC (Record of Rights, Tenancy, and Crop Details)
 - b) Conversion order entry in RTC
 - c) Khata bifurcation
 - d) Sanction of Building Plan
 - e) Occupancy certificate from ULB
 - f) Issue Property Assessment number from Gram Panchayat
 - g) No Objection Certificate from Fire Services dept for OC
 - h) No Objection Certificate from Chief Electricity Electorate to obtain OC

Initiatives/Incentives by various States to Promote Affordable Housing– Karnataka

Incentives/Incentives for Housing Sector by Karnataka Govt.

- Incentives for developers offered for PPP projects under this policy:-**
 - a) Transferable Development Rights (TDR) and additional Floor Area Ratio (FAR) as prescribed under provisions of the KTCP Act 1961.
 - b) The SLECAH may authorise the Private Developer to sell AHUs to eligible beneficiaries, subject to overall upper limit of AHU cost, as decided by the SLECAH as per the guidelines of PMAY.
 - c) Projects shall be exempted from payment of Building Plan Sanction/Approval Fee to the extent of the AHUs.

- Special Planning and Zoning Regulations for Affordable Housing**
 - a) A change of land-use shall be implemented to “Residential” wherever possible for project areas under the models of the KAHP.
 - b) Incremental Zoning Regulations within the Master Plan of the concerned town/city will be framed for Affordable Housing Project.
 - c) Appropriate percentage of land in future urbanisable areas in Master Plans needs to be demarcated and notified.

Initiatives/Incentives by various States to Promote Affordable Housing- Jharkhand

Jharkhand Affordable Urban Housing Policy – 2016 :- The policy was launched in 2016 with a view to create a comprehensive and holistic policy framework to address all aspects of housing for urban poor (EWS and LIG household), including slum rehabilitation and redevelopment as well as new and rental housing.

Models under Housing for All (HFA) Policy in Jharkhand

The Government of Jharkhand envisages nine models for intervention under this policy, which can operate independently or in combination with each other.

Model - 1 : Mandatory Development of EWS Housing

Model - 2 : Development of Affordable Housing Projects

Model - 3 : In-situ Slum Redevelopment

Model - 4 : Relocation and Rehabilitation

Model - 5 : Beneficiary - Led Individual Housing Construction and Enhancement

Model - 6 : Credit Linked Subsidy (under Pradhan Mantri AwasYojna)

Model - 7 : Rental Housing Scheme.

Model - 8 : Housing Projects by Cooperative Societies.

Model -9 : Development of EWS/LIG Housing on whole of Private Land by private developers.

Initiatives/Incentives by various States to Promote Affordable Housing- Jharkhand

Incentives and Relaxations to Developers under this policy:-

- ❑ **Market pricing:** The developer shall be at liberty to determine the sale price of EWS and LIG dwelling units over and above the mandatory reservation under Model 1, subject to maximum price decided at ULB level notified by the government.
- ❑ **Fast track approval process:** The projects under this model shall be eligible for fast track approval process.
- ❑ **Exemption from various fees, Charges & Security Deposit**
 - a) Exemption from sanction fee of building plan sanctioning authorities.
 - b) Exemption from payment of external/peripheral development charges of Urban Local Bodies etc.
 - c) Exemption from keeping of security deposit by building plan approval agencies.
- ❑ **Exemption from Building Plan sanction fee:** The projects under this model shall be exempted from payment of building plan approval fee to the extent of EWS housing in terms of FAR used, over and above the mandatory reservations under Model 1
- ❑ **Exemption from External/Periphery Development Charges** to the extent of EWS housing in terms of FAR

Initiatives/Incentives by various States to Promote Affordable Housing- Jharkhand

- ❑ Minimum FAR of 3.5 allowed for projects under the model In-situ Slum Redevelopment.
- ❑ Site identified for relocation will be provided free of cost to the PDA by the state government.
- ❑ Slums on lands where record of rights is in the name of slum dwellers will be re-developed in situ.
- ❑ In Rental Housing units will be given to EWS families for a particular period. For this, an initial deposit would have to be made to PDA in addition to monthly rent.
- ❑ Co-operative Housing societies will procure/ acquire housing sites from government or other authorities for distribution among members of the society.
- ❑ Mandatory development of EWS housing by project developers and project development agencies. Several incentives to private developers for constructing houses for EWS category.
- ❑ The private developer shall be entitled to receive compensatory FAR equivalent to 100% of the built up area utilized for EWS units within the jurisdiction of same ULB under various models of this policy.

Initiatives/Incentives by various States to Promote Affordable Housing- Rajasthan

CHIEF MINISTER'S JAN AWAS YOJANA - 2015 :- In September 2015, the Rajasthan government launched the Chief Minister Jan Awas Yojana,2015; this is primarily a revamped version of affordable housing policy introduced in the state in 2009.

Goals of Chief Minister's Jan Awas Yojana

- To achieve the objective of Affordable Housing for All creation of EWS/LIG housing stock to fulfill housing shortage in the State.
- To attract private investment for construction of houses for EWS/LIG segment of the society, by giving incentives to the private developers.
- To motivate govt. agencies and private developers to take up construction of Affordable Housing.
- To identify land for affordable housing which can be monetized by inviting private participation on a large scale.
- To expedite the process of construction,developers shall be facilitated by fast track approvals.

Initiatives/Incentives by various States to Promote Affordable Housing- Rajasthan

Key Provisions

- ❑ The policy mandates the Rajasthan Housing Board to reserve 50% of houses in case of plotted colonies for EWS/LIG income group.
- ❑ The urban improvement trusts, development authorities and other ULBs are required to reserve 25% plots or flats for EWS/LIG category in their schemes.
- ❑ Private developers constructing flats entirely for EWS/LIG will get relaxation from government on land conversion charges and building approval plans. The saleable price can be decided by the developer.
- ❑ For Private developers developing EWS/LIG houses on government land, 75% of such government land shall be used for EWS/LIG housing units.
- ❑ The policy mandates developers to reserve 5% houses for EWS/LIG in the Rajasthan State Industrial Development and Investment Corporation (RIICO) and private industrial areas.
- ❑ For private developers involved in plotted development; those which undertake this on two hectares of land have to earmark a minimum of 50% for EWS/LIG and those undertaking plotted development on more than two hectares land are required to earmark 10% of residential saleable areas for EWS/LIG (with plot areas ranging from 30-45 sq m for EWS and from 45-75 sq m for LIG)

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