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Mumbai Development Plan 2034 might just save the day, provided it tackles longstanding land-acquisition woes

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The biggest challenge for the Mumbai Development Plan (DP) 2034, to be implemented June 2018 onwards, will be freeing-up space for construction. Land in the hands of the state and the central government will require a change in laws, before it can be claimed, and land in private hands will demand a great deal of lobbying before it can be secured.

Will that prove to be a herculean task considering how land has become a rare commodity in the ever-expanding city?

Ramnath Jha, a former IAS officer, mandated to oversee changes made to the city's DP, doesn't think so.

It can be done with the help of relationship marketing, Jha told *Firstpost*. "Just as a bank's privileged customers are given personalised service, the state and the government too can hand out special privileges to people willing to part with land for the city's development," he said.

The so-called no-development zone (NDZ) spans 16,700 hectares. Of this, around 12,900 hectares has been classified as natural area (NA) and includes parts of the Sanjay Gandhi National Park, mangroves, the Aarey milk colony and some areas under the Coastal Regulation Zone (CRZ).

Of the remaining 3,800 hectares in the NDZ, 3,700 hectares will be used for realty development. Furthermore, 330 hectares of salt pan land in the city will be used for affordable housing. The saltpan land, it is estimated, can house some 10 lakh affordable homes.



Mumbai skyline. Pic courtesy Reuters

But not everyone's convinced about the DP's strategy for affordable housing. There's a 'sure-fire guarantee' that affordable homes build by large private real estate developers will not house the poor, said Chandrashekar Prabhu, a town planner and housing activist. Handing over land under the NDZ, along with the salt pans, in the name of affordable housing, is like handing a bonus to the real estate majors. "Going by past experiences, those plans have never fructified," he said.

According to the DP, 47 percent of a land parcel enjoys full floor space index (FSI) -- the ratio of the total floor area of a building to the size of the land. 20 percent has been earmarked for amenities and 33 percent for affordable homes. When a builder is given 47 percent of the land with full FSI, "why will he jeopardise his chances of making money by building for the poor", Prabhu asked.

He reckoned that a state government saddled with debt, to the tune of around Rs 4 lakh crore, cannot go around building houses for the poor. That provides an opportunity for private real estate developers, who are roped in to build housing complexes in which the poor feel alienated, simply because the rich live in the same areas.

To remedy the situation, the ultimate beneficiaries of affordable homes should be allowed to pick construction contractors directly. "(Large) builders should not be involved in affordable housing projects," Prabhu reiterated.

The DP proposes to increase residential FSI levels in the island city to upto 3 from 1.33 earlier, while in the suburbs, residential FSI will now stand at 2.5 from 2 earlier.

Pankaj Joshi, Executive Director, Urban Design Research Institute, said it's still too early to celebrate. "There has to be a rationale for the increase of FSI. It has to be far-reaching. FSI is only a part of the DP. FSI is not the panacea for all ailments afflicting Mumbai. Builders want FSI and are not bothered about density.

"Increasing FSI in areas that are substantially developed will only [put pressure on railway infrastructure] leading to more Elphinstone-like stampede situations," Joshi said.

On its part, the Brihanmumbai Municipal Corporation (BMC) incorporated the DP into its budget some two years ago. For fiscal 2018-19, the corporation has earmarked Rs 2,665.37 crore for the implementation of the DP. That figure is a whopping Rs 1,913.16 crore increase over the amount earmarked in the previous fiscal. "But how much have they spent? Has there been any analysis of the budget? The DP is only a trailer. We have to watch the entire film before commenting on it," Joshi added.

Post the Bombay High Court's (HC) order, banning new construction from 1 March, 2016, new development has failed to break ground. As such, the freeing up of land that was earlier locked under the NDZ has been welcomed by the real estate sector. "If the approval system for approving building plans could be simplified, the new DP and the Development Control Regulations (DCR) would be effective in bringing about real change. India, the World Bank has said, stands at a low rank of 181 out of 189 countries as far as obtaining construction permits are concerned," said Surendra Hiranandani, CMD, House of Hiranandani for Mumbai Development Plan 2034.

Unlocking of restricted spaces will boost "real estate activity in the island city and in the suburbs," said Anuj Purie, Chairman, ANAROCK Property Consultants. However, he remains skeptical about infrastructure development across Mumbai district. "If infrastructure development does not keep pace with increased construction, the stress on civic amenities and on the roads could worsen things for the city," he said.

However, some builders viewed the DP's emphasis on affordable homes as a positive development. "The new DP has a clear-cut focus on construction of affordable homes and large parcels of land have been allocated for such development. Therefore, one can expect the supply of homes in this category to increase substantially," said Farshid Cooper, Managing Director of real estate firm Spenta Corporation.

The major concern for most stakeholders remains the 'implementation' of the DP. Those concerns were reiterated by BMC Commissioner Ajoy Mehta, who, on Wednesday, said that only 20 percent of what the 1991 Development Plan had envisaged could be achieved.

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