

Resent Practices of Redevelopment of Housing Societies in the Developing Cities of India: A Survey

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ABSTRACT: Slums are areas of population concentrations developed in the absence of physical planning and lack access to life essentials. Slums represent major national challenges in countries where they exist, especially developing countries. Various intervention strategies can be adopted to upgrade and/or replace slums, but are often faced with serious construction challenges, such as lack of access to sites and poor terrain conditions. Moreover, during the execution of slum upgrading projects, resident families can experience significant social and economic disruptions. The objective of this paper is present an integrated urban-construction planning framework for slum upgrading projects. The objective of this research is to investigate whether a relationship exists between development conditions in government land leases and housing supply and to what extent these development conditions affect Hong Kong's supply of private residential apartments. The government conducts regular studies on local housing demand, such as its 1996 study of housing demand model and study on housing demand. Thus, this paper will focus mainly on examining the supply side of private housing in by giving an overview of housing supply situation and, in order to understand Hong Kong's land tenure system, a brief background review of the establishment of leasehold tenure system, as well as a global synopsis of the literature relating to the effects of the leasehold land tenure system, governmental land regulation, development/land use control, and restricted land supply on the housing market. A sample of leases will be randomly chosen to perform an in-depth analysis of the lease conditions to determine commonly specified development conditions in government leases.

I. INTRODUCTION

The process of urbanization has been due to inevitable migration for bread and butter. Due to fast urbanization process, need of houses increased. In the cities it came to experience at every step that by constructing housing projects by the construction professional and to sale the flat to many persons who are unknown to each other and thereafter registering the housing societies by coming together. After few decades the requirement of almost every society members keeps on increasing or changing. There is a problem of scarcity of space or houses become small or the age of the building which gets deteriorated due to bad quality of construction work or materials. Hence the member tries to get a new house which satisfies his requirement or the members of the housing society in which he is staying thinks of demolishing and redevelopment of old residential society which will satisfy his requirements and he need not leave that area where he is staying. Over 20,000 housing societies, 17,000 building are crossed by Municipal Corporations of Pune and Mumbai and 3,000 MAHARASTRA HOUSING AND AREA DEVELOPMENT AUTHORITY (MHADA) structures are waiting for redevelopment proposal. The repair work of a building which is already 30 to 35 years old will only increase the life of the building by 5 to 7 years. Structural repairs is not economically feasible to take care of seepage, weak walls, plastering falling down, foundations leaking, water pipes and sewage pipes, etc. The purpose of this study is to make aware the members of housing society the benefits involved in redevelopment of housing societies, solve problems/provide adequate direction, various laws applicable, different modes of development of immovable property practiced in the market and how to choose the developer.

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II. LITERATURE SURVEY

Detail literature review from various sources has been carried out to understand the background and status of the work carried out on this topic till date.

Paper from various journals, rules, regulations and codes are reviewed in this study.

Maharashtra Regional TownPlanning Act:-1966.(MRTP ACT)

The development work is statutorily regulated by the Town Planning Act and Development control regulation of the state. The Maharashtra Regional Town Planning Act,1966 classifies land onto different Zones viz. residential , commercial , industrial and no development zones and lays down the guidelines for development in those zone.

Development carried regulations :-1991 (D.C.rule)

By any local bodies in which the property to be developed is situated, it is the MRTP Act,1966 And the Development Control Regulations of that controlling body govern development of immovable properties.

Maharashtra co.opsocietiesact :- 1960

The Maharashtra Co- operative Societies Act and the Maharashtra Co- operative Societies Rules, 1961, provide for division of a Co- operative Society. The procedural details are given in the Act and the Rules.

Literature review

Amy V. Ferdinand et.al. has carried out a study on “ Sustainable Urban Redevelopment “Assessing the impact of third party rating system. In this study researcher has explained that due to rapid growth of population aging of infrastructure etc. generates a dire need for urban redevelopment. Redevelopment can increase residential property value by 2-3-% when brown fields are addressed and promote area wide planning. This study focuses on employing the third party rating system using them to prioritize various projects and comparing the out comes from those rating systems to determine which projects have the higher potential for redeployment.

In the study of “Urban Redevelopment past & present “carried by Kevin Fox Gotham has explained that by the late 1970 and continuing into 19801, a new critical approach to the studies of cities and urban redevelopment had developed. The process of redevelopment have been slow to deal with As per his studies from twentieth century areas such as law, transportation, housing policy,& local financing devices are important mechanisms for promoting urban redevelopment.

Kathy Arthur Son (1998) has shared his experience in “Redevelopment of public housing Estates The Australian Experience “as that the action needs to be taken to improve the condition of public housing estates in Australia by going under for redevelopment .The study further states to give attention at redevelopment strategies involving sales demolition or transfer of stock and funding.

Michael Greenberg et.al (1999)has published a paper on “Brown fields” redevelopment preference and public involvement :A case study of an ethnically mixed neighbourhood ” In the study carried out in the city of Perth Amboy ,NJ, researcher has found that residents preferred recreation, cultural and other community facilities followed by new housing. As per the survey carried, three quarter of residents responded/desired to participate in the redevelopment process. U S brown fields redevelopment has been promoted as a way to bring industry and commerce back to inner city neighborhood . The findings of this study imply that local government and business interests need to work closely with local communities to build support for commercial land uses.

Si-Ming Li from department of geography, republic of china et.al made an attempt on “Redevelopment displacement ,housing conditions and residential satisfaction “by doing case study of Shanghai. According to them Chinese cities are undergoing messier transformation in the way of glossy office towers and luxurious condominiums. Millions of people have been uprooted & forced to be relocated .The major part of their studies consulted that irrespective of all criticisms and forced evictions ,the housing conditions of displaced residence are some what better than those of other shanghai residents.

“Public Housing Redevelopment as social policy” was the subject of study carried by Christine A. Stevens in 1995.This paper provides a brief review of current challenges of urban policies and public housing provision and examines some of the suggested solutions to this issue. This provides the context of a discussion of the social objectives

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of public housing development projects and their outcome. The paper examines the social implications and its implementation in public housing redevelopment project.

Anthony Gar –ON Yeh, senior Lecturer, University of Hong Kong, for his study on “Public & Private partnership in urban redevelopment in Hong Kong examines the different roles and problems of the public and private sector in urban redevelopment in HongKong in the past and discusses the recent attempt of public private partnership in urban redevelopment through the new and development corporation. As per this study urban redevelopment is an important process in changing land use and improving the building stock and environment of a city. Private Redevelopment will be more active in areas where profit can be made. As per authors view the government may need to play a more active role in redevelopment of areas where the Local Development Corporation does not find redevelopment to be profitable but there is a social need for such redevelopment.

It has been concluded from the literature review that there is a need to understand the problem of tenants of old housing societies or the areas in a city which are at the urge of deterioration of housing and environment conditions and a pressing need for present practices & guidance for the future redevelopment.

Why Redevelopment

A. Redevelopment refers to reconstruction of residential or commercial building by demolition, if necessary, of the existing structure and construction of new building(s) using the full potential of the land including the additional potential granted under the regulations like the Development Control Regulations of Municipal Corporation of Greater Bombay, 1991 (D.C. Regulation) by way of Transferable Development Rights (TDR) .

Advantages / Benefits of Redevelopment

1: There are large number of society buildings are very old and dilapidated requiring extensive repairs and renovation which the societies are not able to do because of lack of resources ,lack of knowledge etc. Redevelopment through persons with knowledge, resources and expertise is an answer to the problem for such societies.

2: Many societies are left with unutilised F.S.I which can be utilised for effective extension of existing building.

3: Societies are able to provide facilities and amenities to the existing members through the process of redevelopment by the developer .

4: Redevelopment involves payment by the developer a corpus fund to the society . Societies are thus enabled to strengthen their financial position.

5: The area, in addition to the existing built up area becomes available to the members without any liabilities for stamp duty and registration fees.

6: Well ventilated ,amenities , parking to individuals.

7: Good elevation and earth quake resistance sound RCC structure.

8: Precautions to be taken / disadvantage

- Not taking the members in confidence in the process of redevelopment.
- There is no transparency in tender process.
- Appointing contractors arbitrarily.
- To work by violating provisions of Co-operative Act, Rules and Bye-Laws.
- No orderliness in the work of Architect and Project Consultant.
- Not planning Redevelopment Project Report.
- Not adopting proper procedure in finalizing tenders.
- There is no similarity in agreements with Developers.

9: Check Points for Redevelopment:

A brief reference guide on what to look and ask for redevelopment:

Check The Handover Timelines: A developer undertaking the redevelopment of a residential building can legally start the construction process only after he obtains the Commencement Certificate (CC). However, there are a host of other permissions and approvals to be obtained prior to that, together referred to as Intimation of Disapproval (IOD) approvals. While the society members and developers mutually decide on when to vacate for facilitating the construction, it should ideally be done after the IOD has been obtained. In fact, the developer would also be more

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comfortable with vacating members only after the IOD has been obtained, since this would minimize his outgoings on the rentals which he would have to pay to members towards meeting their alternative accommodation costs.

Check the Reimbursement Parameters: The housing society members of a project that is to be redeveloped are entitled to monthly rental payments from the developer undertaking the project. The extent and limit for these payments must be clearly outlined in the agreement drawn up between the members and developer. Usually, it will be equivalent to the applicable rental for a similar-sized apartment in or around the same locality. The developer must also reimburse members for the cost of packers and movers and minor interior alterations in the rented accommodation they occupy during the redevelopment process, as these are also counted as expenses incurred while relocating to a new accommodation. **Clearly Define the Rental Escalation Clause:** In a city like Mumbai, there have been several cases where members' backs have been put to the wall because of poorly-framed rental clauses. It is important for the rental escalation cost to be included in the agreement between a developer and the housing society members. Typically, rentals tend to rise by 10% every year, though this can vary depending on locations, category/type of buildings and some other aspects. Society members should do their due diligence on this subject and negotiate for rental escalation terms that best fit their location and building type.

Consider Increased Maintenance Costs Post Redevelopment: The maintenance costs for a project are bound to rise after it has been redeveloped, proportionate to the additional amenities that the developer has provided. These amenities would include but are not limited to recreational facilities, garden, swimming pool, gymnasium, covered parking, air-conditioned lobby, open areas, etc. The housing society members need to calculate and assess the financial implications, keeping in mind the interests of all members. Depending upon the average financial capacity and everyone's common interests, members should ask the developer to only provide amenities that everyone has agreed on.

Often, developers offer maintenance-free periods to members, wherein the developer is willing to bear the maintenance charges which would otherwise have been borne by the society members. In the case of such an arrangement, the society should ask the developer to deposit this amount in a separate account prior to giving him permission to sell the surplus flats in the newly redeveloped building. **Ensure a Strong Delay Clause In The Agreement:** The terms and conditions in the agreement between a developer and the housing society must clearly capture all the details regarding the construction time-frame. The developer should be asked to specifically mention the date by which he would be handing over the completed structure to the society members

10: Models (Frame work):

Where the property to be redeveloped belongs to the cooperative Housing Society, additional steps are involved in obtaining the consent of the members whose interest are vitally affected. It is the member who have to take decision about going through the redevelopment process. The society has to call a Special General Body Meeting (SGM) of the society along with their scheme and suggestions for redevelopment. In the SGM as decided has to finalize the name of one out of the names of consultants suggested by the committee and finalize the items of work to be done by him and terms and conditions for the same. The secretary has to issue a letter to Project Management Consultant (PMC), whose name was approved during SGM. The consultant makes a feasibility report about the redevelopment and submits to the secretary. Then this is again put in front of meeting of society and discussion is don and doing lots of filtration the society comes out with a proposal or benefits they want from the developer.

III. CASE STUDY

A case study related to the redevelopment of housing societies is discussed as under:-

Name of existing society: Gangavas co-operative housing society CTS no.159, S.no. 363/3/3, Evandavana, Pune.

Salient features of the society

- | | |
|---------------------------|-----------------|
| • Plot Area | : 1177.27 sq.m. |
| • Deduction | : 46.45 sq.m. |
| • Balance Area | : 1130.82 sq.m. |
| • FSI available | : 1 |
| • Number of members/ unit | :21 |
| • Year of construction | : 1970 |

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- Completion sanctioning authority : PUNE MUNICIPAL CORPORATION
- Existing road width : 9m.
- Society has a clear title with conveyance and property card in societies name.
- G+3 existing structure
- Details of area statement is given in table 1.0 for the redevelopment of the society.

IV. CONCLUSION

The study on “REDEVELOPMENT FOR HOUSING SOCIETIES “ has been carried out by selecting case study and as part of project stage –I the conclusion are drawn as Present practices of redevelopment of housing societies need to be reviewed so that these can be more technically and commercially viable. Planned redevelopment of the existing old part of the society can help in solving the problem of the congestion and can provide better services. Planned redevelopment can be an alternative to the unlimited horizontal growth of the city Study indicate that redevelopment of the housing society can give cost effective , alternative to the user and also beneficial to Government and local Municipal Corporation. At the planning and implementation stage of redevelopment of housing society members should be aware about all the rules and regulations of the government. In many cases due to less understanding from society member builder have taken undue advantage. Rules and Regulations for development should be in the favour of the society. It should become a bottle neck for growth. Such rules need modification with reference to the location, plot size , width of the approach road, length of the road etc.

- Various models / framework for various countries like China , USA , Hong Kong etc. are available for redevelopment of commercial / Residential / Industrial area government played a role of redevelopment.
- It is also concluded that to prepare a model / frame work for redevelopment of core part of the city, it is important to take opinion of builders, experts from redevelopment industry , architect , government officials and members of the society.
- In this study in stage II opinion shall be taken by conducting a survey using well designed questionnaires.

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