

Housing and Urban Planning Department

Comments on the Approach Paper to 11th Five Year Plan

Comments on the issues relating to Housing and Real Estate with reference to approach paper to the 11th Five Year Plan are as follows:-

1. Urbanization and Housing Scenario in the State

- 1.1 Uttar Pradesh is the most populous state of India with 16.61 crore population according to Census, 2001. The total urban population of the state is 3.45 crore or 20.78% which registered an increase of 1.0 crore during the decade 1991-2001. About 12% of the urban population of the country live in Uttar Pradesh; however the state ranks 18th in the level of urbanization. The decadal growth rate of the state urban population is 32.88%, which is 1.75% higher than the all-India urban growth rate over the same period. The state has the largest urban system in the country with 628 municipalities. Nearly 2/3rd (62%) of the state urban population is concentrated in 55 Class-I cities. Small towns (especially Class-5 & 6 towns) exhibit a negative rate of growth which is indicative of growing trend of population shift towards larger (5 lac plus) urban centers. Number of metropolitan cities increased from 3 in 1991 to 6 in 2001. About 28% of the total urban population of the state is confined to metropolitan cities which recorded highest decadal growth rate (32%) during 1991-2001. There are marked regional imbalances in the pattern of urbanization with Western region being the most urbanized and the Bundelkhand region the least urbanized.
- 1.2 On-going population growth and increasing urbanization are creating major development problems in relation to provision of urban services and planned housing in large cities of the state. While urban population is increasing rapidly, supply of serviced land and housing units is restricted. Based on Census, 2001, the housing shortage in the urban areas of the state at the beginning of 10th Plan was 7 lac units whereas; additional requirement during the Tenth Plan was estimated at 9 lac units. Thus, the total housing demand during the 10th plan was estimated at 16 lac units which means provision of 3.20 lac units per year. However, the present capacity of the public sector housing agencies is limited to a maximum of 1.0 lac units per year.
- 1.3 State government decided to meet the two-third requirement of total estimated demand of 16 lac units during the Tenth Five Year Plan and formulated a strategy to provide 10.50 lac units with the participation of Private and Cooperative Sectors. Targets for Public, Private and Cooperative Sectors during the 10th Five year Plan were 4.10 lac, 5.40 lac

and 1.0 lac units respectively, against which the achievements up to October, 2006 have been 1.47 lac (35.85%), 1.83 lac (38.89%) and 0.55 lac (0.55%) units respectively.

- 1.4 As per housing shortage and demand survey carried out by the U.P. Housing and Development Board through reputed consultants viz. M/s Rites Ltd. and M/s ORG Pvt. Ltd. in the year 2004 for next 15 years for 50 towns in the Central Zone and the National Capital Region of the state, the total housing demand in 25 towns of Central Zone and 25 towns of the NCR Zone has been estimated at 6.46 lac and 12.09 lac units, respectively. On an average, housing demand for EWS and LIG categories in both the zones would be 24% and 34% respectively, which means that while devising the future housing strategy, more than 50 percent units will have to be provided for these categories alone.
- 1.5 The State Housing Policy lays special emphasis on promoting private investment in the housing sector. However, owing to lack of adequate land, the activities of the private sector have been piece-meal whereas, this sector has inherent competition, professionalism, dynamism, efficiency and capacity to mobilize financial resources, which hitherto has largely been untapped. With the current policy of economic liberalization and stress on privatization, the government is now resuming the role of a catalyst and “facilitator” in housing sector rather than discharging the traditional role of being a “provider”. Therefore, efforts shall be made during the 11th plan to pursue the reform agenda and design policies that spur private sector investment while encouraging competition by guarding against monopolistic practices.

2. An Overview of 10th Five Year Plan

The total agreed outlay for the 10th Five Year Plan was Rs. 400 crore for two schemes i.e. (i) Urban Housing and (ii) Urban Development with a break up of Rs. 170 crore for Urban Housing and Rs. 230 crore for Urban Development. Urban Housing comprises of two schemes i.e. Housing Co-operative and Assistance to Local Bodies, Urban Development Authorities and Town Improvement Boards. Urban Development includes following three schemes:-

- (i) National Capital Region (NCR)
- (ii) Integrated Development of Small & Medium Towns (IDSMT)
- (iii) Other Urban Development Schemes

A brief description of above schemes is as follows:-

2.1 National Capital Region (NCR)

Loans were granted earlier for the integrated development of towns/cities of national importance falling within the NCR. However, at present the state government does not release any amount for these cities, because Urban Development Authorities of the respective towns are getting loans directly from the National Capital Region Planning Board (NCRPB).

2.2 Integrated Development of Small & Medium Towns (IDSMT):

This scheme is a Centrally Sponsored Scheme under which 206 towns have been covered in the state and various projects have been executed. Now this scheme has been merged with another centrally sponsored scheme known as UIDSSMT. No new town is being covered under the IDSMT scheme and grant is to be released only for the ongoing towns. This scheme has been transferred to the Urban Development Department and is now being monitored by it only.

2.3 Other Urban Development Schemes:

2.3.1 Construction of Ambedkar Smarak:

Construction of Ambedkar Smarak has been completed and budget provisions under this scheme are made in non-plan head.

2.3.2 Construction of Dr. B.R. Ambedkar International Library for Social Change & Museum:

This scheme is proposed on 25 acres and is under implementation. The project period is 5 years i.e. from 2003 to 2008 and implementation of the scheme was commenced in April 2003. Most of the works under this scheme have been completed. However, site development and furnishing works are yet to be completed. As per the proposal submitted by U.P. Rajkiya Nirman Nigam Ltd., there will be an additional requirement of about Rs. 23.38 crore for completion of this scheme.

2.3.3 Construction of Civil Services Institute:

Under this scheme, the C.S.I. Towers have been constructed. This scheme has been transferred to non-plan head under which the maintenance budget is released.

2.3.4 Indira Gandhi Prathisthan:

This scheme is proposed on 25 acres and is under implementation. The project period is 3 years i.e. from 2005 to 2008 and implementation of the scheme was commenced in February 2005. The total project cost is estimated at Rs. 158 crore and a budget provision of Rs. 41.47 crore has been made in the current financial year (2006-

07). Under this scheme, construction of Conference, Banquet, Plenary Halls, Library, etc. have been completed. The remaining works comprising auditorium and Stambh are expected to be complete by the year 2008. The additional fund requirement for remaining works is estimated at Rs. 19.24 crore.

2.3.5 Construction of Jai Prakash Narain International Centre:

It is proposed to construct an International Auditorium, Conference Hall and Library on 12.98 acres of land under this scheme. The estimated cost of the project is Rs. 193.00 crore and the project period is 3 years i.e. 2006-09. For the execution of the project, a budget provision of Rs. 50 crore has been made in the current financial year (2006-07) and construction of boundary wall is in progress.

2.3.6 Integrated Rail-cum-Bus-Transit Project (IRBT):

There is a proposal to link Delhi (Shahdara) with Ghaziabad through IRBT system and a token budget provision of Rs. 1,000/- was made in the last financial year (2005-06). However, no budget provision has been made in the current financial year. Thus, implementation of the project has not started yet because there is an alternative proposal to extend Metro-Rail from Delhi to Ghaziabad. The issue relating to suitability of IRBT vis-à-vis metro rail in terms of cost effectiveness is under consideration of the Planning Commission and the National Capital Region Planning Board. In any case, either of the projects will have to be taken up during the 11th Five Year Plan to provide rapid mass transportation system between Delhi and Ghaziabad.

Thus, during the 11th Five Year Plan financial assistance would be required for the following four schemes:-

- (i) Dr. Ambedkar International Library of Social Change & Museum
- (ii) Indira Gandhi Prathisthan
- (iii) Jai Prakash Narain International Centre
- (iv) Integrated Rail-cum-Bus-Transit Project

3. Policy Initiatives and Strategy for the 11th Five Year Plan

3.1 Land Use Policies:

Master Plans and Zonal Plans are the major land use policy documents to promote planned development of urban areas. Master Plans for urban areas are prepared in Uttar Pradesh under the provisions of various urban planning acts and planning norms and guidelines are taken into account in the preparation of Master Plans. Since these norms and guidelines have not been updated since a long time, therefore, keeping in view the changing

requirements of the cities and advancements in information technology, computer applications, etc. there is a need to review the existing practices and techniques. Guidelines are being prepared to make Master Plans and Zonal Plans more objective, practical, transparent, and time-bound while taking advantage of new technological advancements. Urban Land Policy needs to be framed to optimize the use of scarce land and to ensure easy access to land for EWS and LIG housing.

3.2 Joint Ownership of Urban Housing:

This provision has already been made by the State Government in the year 2001. It is now mandatory to include the name of spouse at the time of registration of plots/houses.

3.3 Land Use Conversion Process:

State Government has issued a policy in 2001 for conversion of land use wherever Master Plans are in vogue. To make the conversion process more logical and rational, this policy is under revision at present. Necessary amendment in the U.P. Urban Planning and Development Act, 1973 is also under consideration of the Government to provide for realization of conversion charges.

3.4 Affordable Housing:

Housing and Urban Planning Department through its agencies viz., U.P. Housing & Development Board and Development Authorities provide plots/houses to various sections of society. The state government has issued directions to the U.P. Housing & Development Board and Development Authorities to provide serviced plots with all necessary infrastructure services like roads, water supply, drainage, sewerage, power, etc. at affordable price to EWS & LIG. Moreover, built-up houses may also be provided by these agencies keeping in view the demand of EWS and LIG income groups. Besides, State Urban Development Agency (SUDA), which is under the administrative control of Urban Development & Poverty Alleviation Department, provides houses to urban poor under VAMBAY scheme, now subsumed in IHSDP scheme under the JNNURM.

3.5 Promotion to Private Investment:

The state government has announced following two policies to promote private investment in housing and infrastructure development:-

- (a) Policy on promotion of private investment in the development of Hi-tech Townships.

- (b) Policy on Land Assembly and Infrastructure Development (Integrated Townships) for housing schemes through private investment in urban areas.

Both these policies are under implementation in major cities of the state. So far 10 Hi-tech Townships have been sanctioned and it is expected that the development of these townships would result in an investment of about Rs.20,000 crore, generation of employment opportunities for about 4 lac persons and a housing stock of about 2.50 lac dwelling units during the 11th Five Year Plan. Similarly development of Integrated Townships would attract an additional investment of about Rs. 2,000 crore. These policies would also support and enable private investment in other sectors of the state economy.

3.6 Foreign Direct Investment (FDI) in Housing Sector:

The Approach Paper to the 11th Five Year Plan clearly mentions that necessary actions are required from Central Government and SEBI; hence no action is needed from the state government end at this stage. However, FDI shall be permitted in the development of Hi-tech Townships and Integrated Townships under the automatic route as per the FDI Policy and guidelines of Government of India.

4. Protection and Improvement of Environment

Future urban development strategy will be sensitive to environmental considerations to ensure overall human well being. Therefore, in order to promote environmentally sustainable development of urban areas, major emphasis will be laid on effective implementation of following measures and provisions during the 11th Five Year Plan:-

- 4.1 Conservation, augmentation and management of water through implementation of Rainwater Harvesting System.
- 4.2 Increase in the green space/areas through enforcement of Master Plan Guidelines.
- 4.3 Conservation of energy through promotion of non-conventional energy sources and adoption of green building concept.
- 4.4 Promote the use of local building materials and use of renewable materials.
- 4.5 Conservation of prime agricultural land through rationalization of planning norms and building bye-laws.
- 4.6 To evolve systems for solid waste management with community participation for segregation, recycling and safe disposal of waste.
- 4.7 Integration of living and working areas to minimize traffic generation and auto exhaust emissions.