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Plan to boost low-income housing

CMDA to come out with new norms

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CHENNAI: The Chennai Metropolitan Development Authority plans to ensure that all private housing developments, including layout, group development and multi-storey building built on sites exceeding one hectare, will have to reserve 10 per cent of the area for middle and low-income groups.

The built-up area of each of such reserved apartments must not exceed 450 square feet, and the apartments should not be amalgamated later to make them a larger apartment. Such smaller apartments must be provided on the same site and, wherever it is not possible, at an alternative site within 2 km. The new rule will be part of the second master plan.

Furthermore, any housing project dedicated to the low-income group will enjoy an

- **Projects involving over one hectare will have to reserve 10 per cent of area**

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additional Floor Space Index (FSI) of 0.25. In other words, if a commercial housing project has a Floor Space Index of 1.5, the low-income group housing project will have 1.75. The reservation is aimed at increasing the supply of low-income housing and reducing the housing shortage in this category. By passing this rule, the State government has complied with the National Urban Housing and Habitat Policy, 2007, approved by Parliament.

The policy says the housing shortage was about 24.7 million units by the end of 2007 and 99 per cent of it in the low-income group. It has rec-

ommended that any private or public housing project must reserve up to 25 per cent of the built-up area for housing for the poor.

Prakash Challa, president, Confederation of Real Estate Developers' Association of India, Tamil Nadu, says his organisation has moved the government to modify this rule. He argues that such reservation will not be viable, and the minimum extent should be mandated only for projects on 20 hectares.

What is more, he says, developers should be given incentives such as exemption for these projects from sales tax and stamp duty.