

Addressing Urban Planning, Transport and Affordable Housing Issues

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- Genesis of Current Urban Planning System in India
- Overview of the Master Planning Paradigm
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 - Use of Urban Land as a Resource to finance Planned Urban Development

Genesis of Urban Planning System: UK

Housing and Town Planning Act, UK, 1909

- Empowered local authorities to restrict development not in accordance with stated town planning principles.
- Betterment levy at 50% of the increase in land values due to Town Planning Schemes.

Town and Country Planning Act, UK, 1932

- Betterment levy increased up to 75% of the increase in land values due to Town Planning Schemes.

Town and Country Planning Act, UK, 1947

- Legislated that all land use in UK in the future to be in accordance with Plans prepared by local authorities.
- Introduced Unitary Development Plans outlining what kind of development is permitted where, and to mark special areas on Local Plan Maps.

Genesis of Urban Planning System: UK (contd..)

Town and Country Planning Act, UK, 1947

- Nationalisation of the right to develop land; no material development without planning permission from local authority.
- Comprehensive basis for control of development and land uses – Origin of the Master Planning system.
- Levy of “development charge” at 100% of ‘development value (assumed value with planning permission – existing use value).
- Overarching powers to local authority to resort to compulsory land acquisition at “undeveloped value”; liberal Central Grants and long-term Loans to local authorities to implement Local Development Plans.

Town and Country Planning Act, UK, 1968

- Concept of Structure Plan – broad planning framework looking forward up to 20 years – Local Plans in accordance with overall strategy set out in Structure Plan.

Genesis of Urban Planning System: UK (contd..)

Town and Country Planning Act, UK, 1990

- Legalised negotiated development based on agreement under Section 106 between developer and local authority – Planning Obligation including free land assignment, in-kind development, affordable housing, and contribution in cash.

Planning and Compulsory Purchase Act , UK, 2004

- Replacement of Structure Plans by Spatial Strategies and Local Development Documents.

Community Infrastructure Levy Regulations, UK, 2010

- Imposition of Community Infrastructure Levy (CIL) – Supplementing Planning Obligation System.

Genesis of Urban Planning System: Other Countries

United States

- Zoning Regulation in New York City 1916
- Case of Village of Euclid, Ohio vs. Ambler Realty Company, 1926 – established Constitutional validity of Zoning
- Inter-war Years – Special Assessment Districts
- 1950s – Impact Fee System/Tax Increment Financing of New Development – “Growth pays its way”, “Exacerbators pay”/”Polluters pay”
- 1958 - Service Boundary /Growth Boundary Concept (later introduced in Portland, Oregon in 1973)
- 1960s – Transit-Oriented Development & New Urbanism
- 1970s – Inclusionary Zoning/Housing

Genesis of Urban Planning System: Other Countries

Singapore

- 1822 – Raffles Comprehensive Town Plan (land use plan)
- 1920 - Singapore Improvement Trust
- 1927 – Singapore Improvement Ordinance to cope up with the growth of motor transport
- 1959 – First Concept Plan (British Government)
- 1968 – Import Duty on Cars
- 1971 - Concept Plan (finalized in 1991); Master Plan was revised five times between 1971 and 1991
- 1973 - Singapore bus service unified
- 1975 – Area Licensing Scheme introduced
- 1980 – Registration Fee raised to 150% of car price
- 1990 – Vehicle Quota System introduced
- 1998 – Electronic Road Pricing
- 2001 – Concept Plan

Master Planning – Contents and Process

- A 'Base Map' for the City showing latest physical features.
- Present Land Use Map to act as a reference point for future.
- Report containing the statement of current problems and the status of infrastructure and services in the city.
- Report containing projections of populations, employment and economy of the city.
- An analysis of the needs of the future population of the city.
- Land requirements for various uses in future – assuming a target year of say 20 years ahead.
- A Proposed Land Use Plan for the future date.
- Land Use Zoning Regulations, Sub division and Layout regulations and Building regulations.
- Special provisions for conservation of natural and man-made heritage and environment.

Lacunae with current Master Planning

- Lack of integration between spatial and socio-economic planning.
- Lack of a regional planning approach that integrates peri-urban and rural areas with cities /metropolitan areas.
- Rigid and deterministic plans that are too detailed in their requirement and therefore often zonal plans remain incomplete.
- Land use is a more technical and mechanical exercise – plan-led system, not connected with city economics ; Master Plans do not recognise Agglomeration Economies which lie at the heart of cities.
- Inefficient public transport systems and deficient road networks.
- Urban poor left out of planning process - Master Plans did not provide space for the poor for living, working and vending.
- Master plans not in sync with income distribution structure of cities.

Lacunae with current Master Planning (contd..)

- Links between housing location, livelihoods and transport ignored.
- Randomly located new developments such as SEZs and Industrial Townships, often with unforeseen consequences with respect to infrastructure and housing adequacy; slums and squatter settlements around industrial estates/SEZs due to absence of planning for EWS housing, informal workplaces and vending.
- Lack of linkages between the Master Plan and financing and operating strategy.
- Urban finance kept out the model of Master Planning and Urban Development; methods of land taxation, land development financing and value capture financing are ignored.

Master Planning Model: Consequences

- Housing shortage of 26.5 million at the end of 11th Plan; 99% of housing shortage pertains to the Economically Weaker Sections (EWS) and Low Income Groups (LIG) segments.
- Housing has become unaffordable as a result of the restrictive building bye laws and development control regulations – unrealistic norms.
- Poor urban public transport facilities and limited accessibility to residence and work places.
- Poor linkage between land use and transportation – even in cities going in for MRTS/BRTS.
- Poor management of vertical land – Density and FSI regulations not scientific.
- Land as a resource for urban development largely ignored - “rich cities and poor city governments” syndrome.

Restructuring Urban Planning : Focusing on Public Transport

- Reversing the current paradigm of Master Planning in which conservation and transportation are residuals.
- Conservation of natural and heritage resources to be the first principle of planning - addressing carrying capacity.
- Public-transportation led urban development – need for Integrated Land-use Transport Planning:
 - Transit Oriented development - compact cities;
 - Adoption of Trip Reduction Zoning;
 - Locating poor on urban transit corridors and nodes in addition to part commercial exploitation of land;
 - Strategic densification of cities subject to infrastructure decongestion;
 - Ring towns linked to mother cities with high speed transit networks;
 - Development of Twin Cities – e.g. Bangalore – Mysore;
 - Strategic location of new cities along major Transport Corridors (e.g. Delhi-Mumbai Industrial Corridor).

Restructuring Urban Planning: Focusing on Inclusionary Housing

- Inclusionary Zoning/Housing Strategy:
 - Master Plan-wide reservation for EWS/LIG sections;
 - Master Plan norms for EWS/LIG Housing, Vending and Other Informal Sector activities; removal of planning-related constraints to housing;
 - 10% reservation of undeveloped land for urban poor in new areas for housing, livelihood and vending activities - small lot zoning subject to incentive zoning benefits;
 - Urban renewal/inclusionary housing requiring developers to build a certain percentage of houses for EWS/LIG subject to incentive zoning benefits;
 - Impact fee in new developments to include affordable housing;
 - Shelter fee linked to rezoning/windfall benefits due to planning, infrastructure development, renewal, redevelopment etc.;
 - Mixed land use to accommodate Indian way of living;
 - Graduated Vacant Land Tax to prevent speculative hoarding in land.

Restructuring Urban Planning – Focus on Land-based Financing

A Menu of Options for Land-based Financing:

- Land & Property Taxation: Property Tax, Graduated Vacant Land Tax (Latin America, Taiwan)/Land Value Tax (Taiwan, South Korea, South Africa, Australia, New Zealand, USA), Land Value Increment Tax (Taiwan), Development Land Tax (UK), Real Estate Transfer Tax (on seller/buyer) – Many Countries, Comprehensive Landholding Tax (South Korea), Real Property Gains Tax (Malaysia), Land Gains Tax (Vermont, Ontario), Windfall Tax (Ireland)
- Development Financing Tools: Internal and External Development Charges, Developer Exactions/Impact Fees (USA), Developer Contributions (Australia)

Restructuring Urban Planning – Focus on Land-based Financing

- Value Capture Financing Tools:
Land Value Tax/Land Value Increment Tax (Taiwan, etc), Betterment Levy (Contribucion de Valorization/ Participacion en Plusvalias - Bogota) /Special Assessments (USA), Sale of Developer Land, Sale/Lease of Project Land – Excess Condemnation/Sale/Lease of Development Rights (Hong Kong Metro, Copenhagen Metro-Orestad Township), Monetisation of public land (Mumbai), Land readjustment/ consolidation (Korea, Taiwan, Japan, Gujarat), Urban strategy and land use policy (Singapore), Tax Increment Financing (USA), Value Increment Financing (Australia), Joint Development Mechanisms (USA, UK)
- Ring-fencing of all land-based resources excluding Property Tax: conversion charges, charges for land use institution and changes, other planning and development-related sources like betterment levy, land value tax/vacant land tax etc. to finance development and create value.

Restructuring Urban Planning – Focus on Land-based Financing

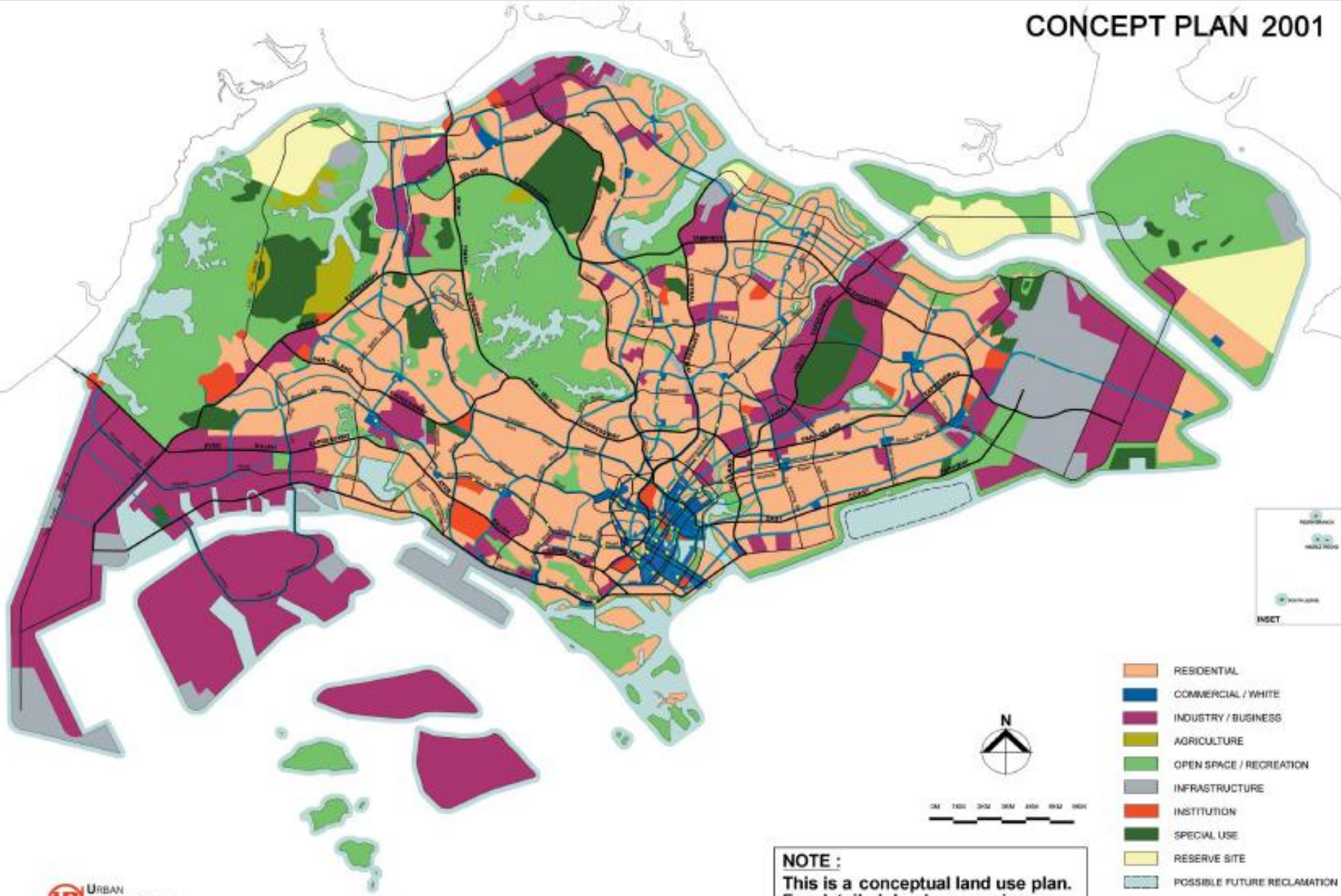
Some Lessons

- Regional and Urban Planning, Transportation-Land Use Integration, Affordable Housing, Inclusive Development Strategy and Urban Development Financing must go hand in hand as part of a process of value creation, capture and recycling in cities and urbanising areas.
- Land taxation, development financing and value capture tools be used in suitable combination - with rates being low but coverage spread over a large number of actors on the principles of “benefit”, “equity” and “ability to pay” and “growth pays”, “users pay”, “beneficiaries pay”, “polluters pay” and “exacerbators pay”.

Some Case Studies

Singapore Concept Plan: Land Use Transport Integration

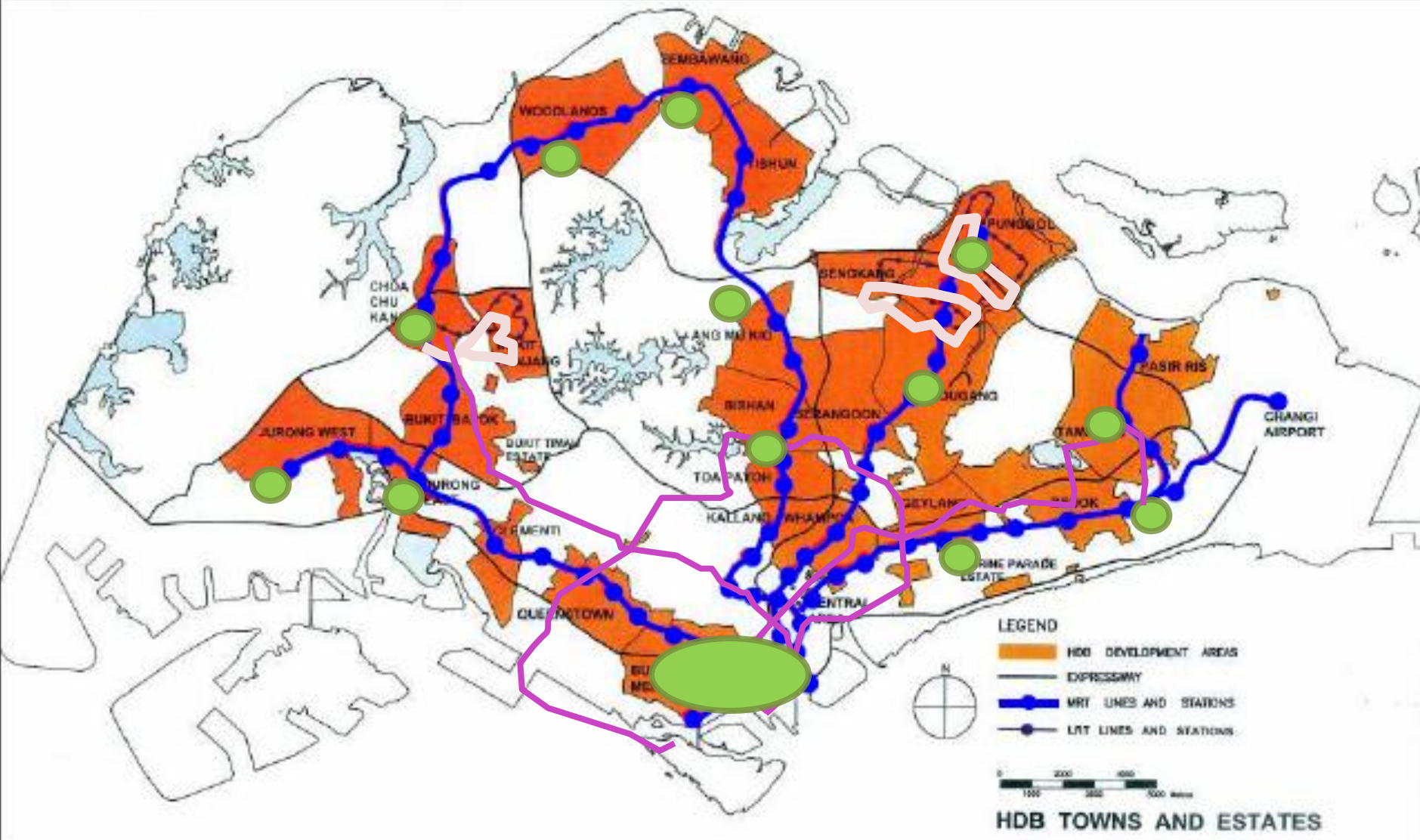
CONCEPT PLAN 2001



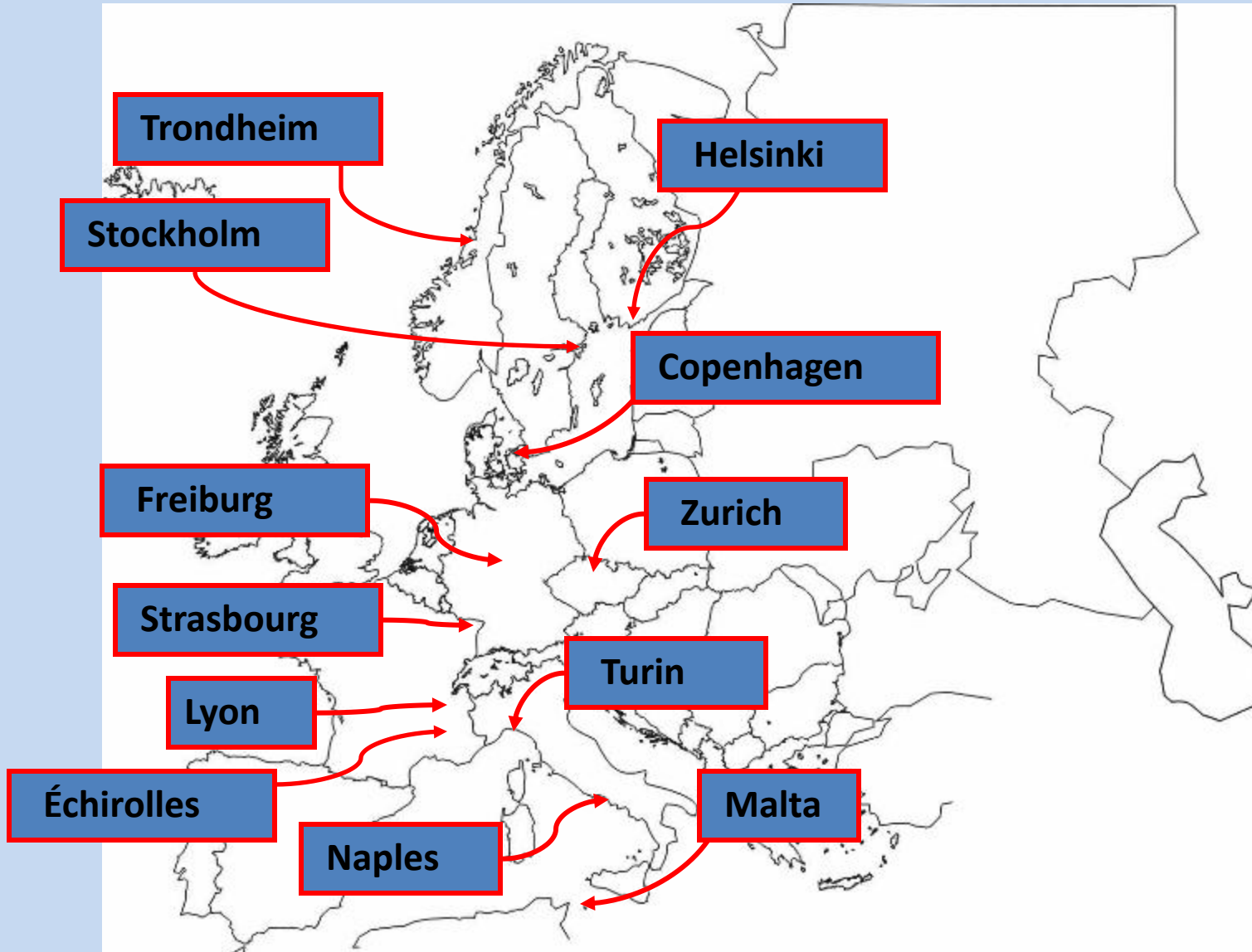
- RESIDENTIAL
- COMMERCIAL / WHITE
- INDUSTRY / BUSINESS
- AGRICULTURE
- OPEN SPACE / RECREATION
- INFRASTRUCTURE
- INSTITUTION
- SPECIAL USE
- RESERVE SITE
- POSSIBLE FUTURE RECLAMATION
- ROAD

NOTE :
This is a conceptual land use plan.
For detailed land use zonings,
please refer to the Master Plan 2003

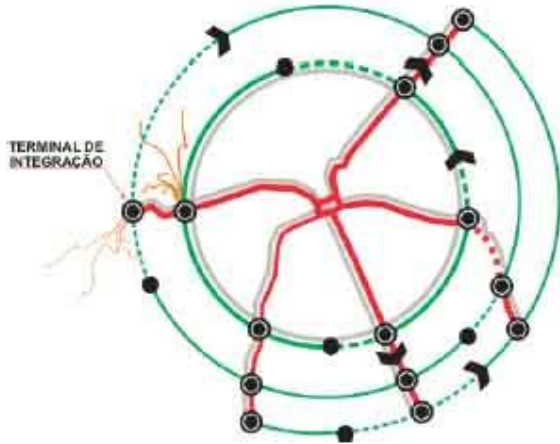
Integration of transport with housing – Singapore



Transit Oriented Development in European Cities



CURITIBA: Transit and land use Integration



Radial and Circular bus routes

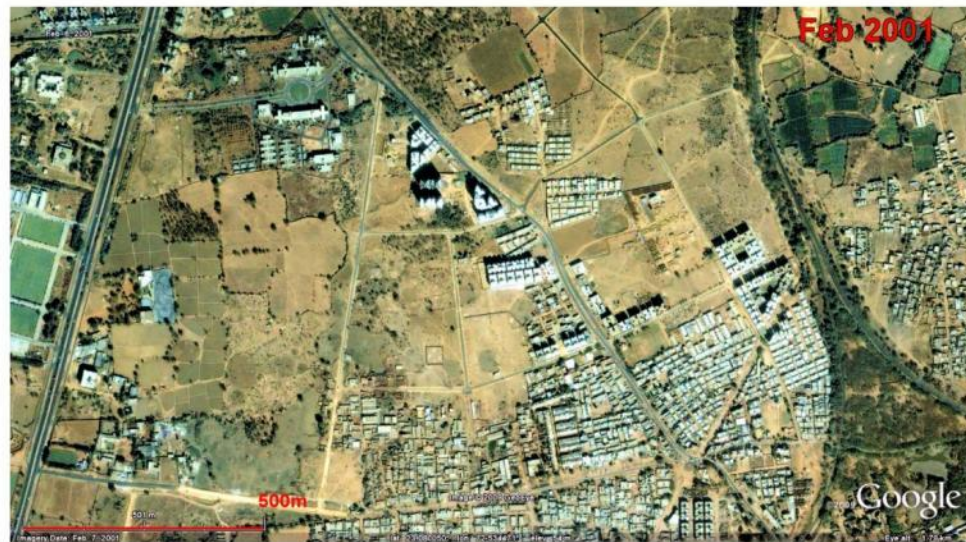
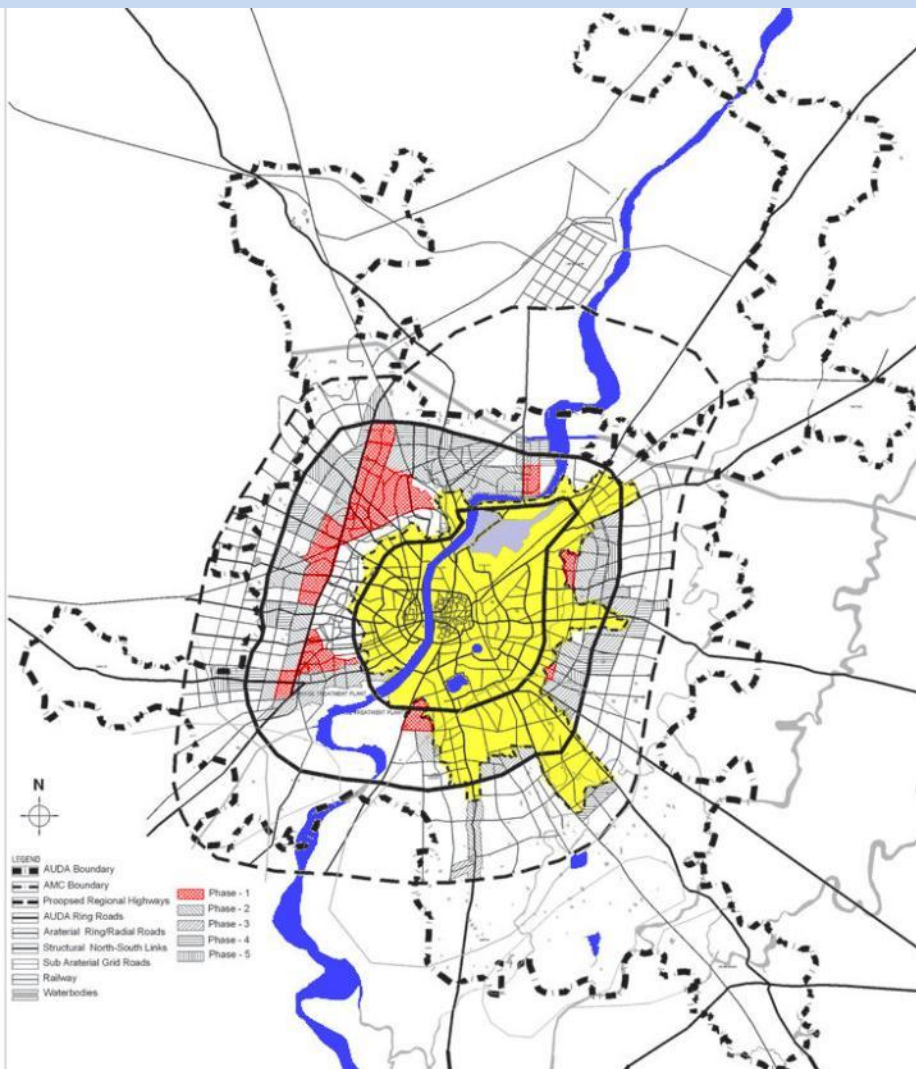
Table 1: Residential Densities in Curitiba's Structural Axes and Adjoining Neighborhoods, 1992

Zone	Population	Residential Population		Dwelling Units	
		Per Hectare	Per Acre	Per Hectare	Per Acre
Mixed High-Rise Residential	130,700	294	119.0	93	37.6
Medium-to-High-Density Residential (ZR 4)	217,300	164	66.4	40	16.2
Medium-Density Residential (ZR 3)	240,800	76	30.8	22	8.5
Low-Density Residential (ZR 2)	416,506	63	25.5	17	6.9

Source: Instituto de Pesquisa e Planejamento Urbano de Curitiba (IPPUC), Advanced Planning Section, data files.

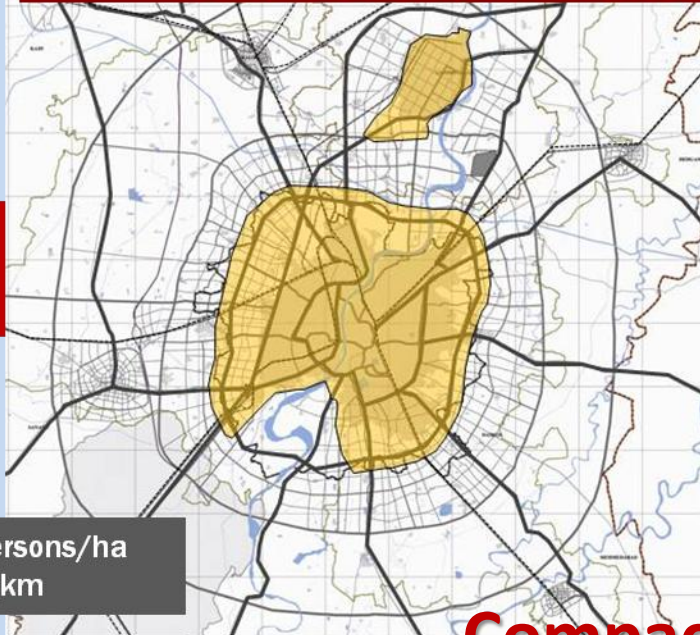


Town Planning Scheme: Inclusive Urban Expansion in Gujarat

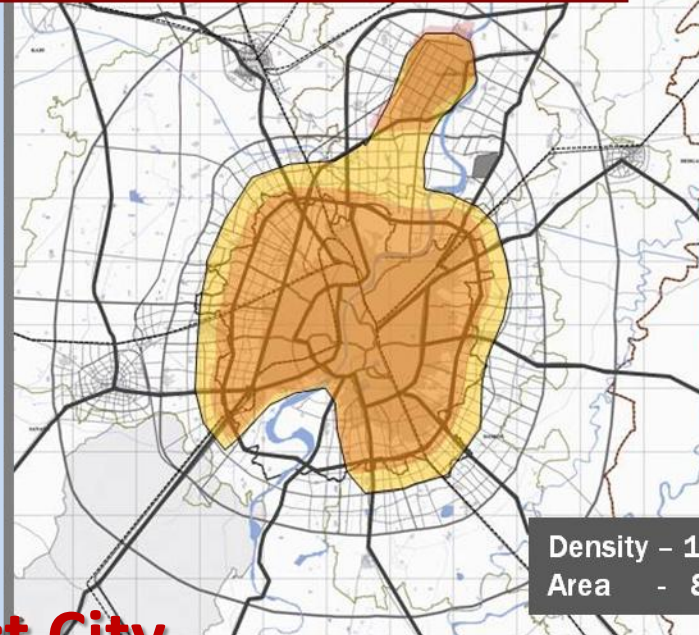


CEPT STUDY OF AHMEDABAD
1 CRORE POPULATION PROJECTED FOR AHMEDABAD AND GANDHINAGAR

INR 2000
Crores/yr

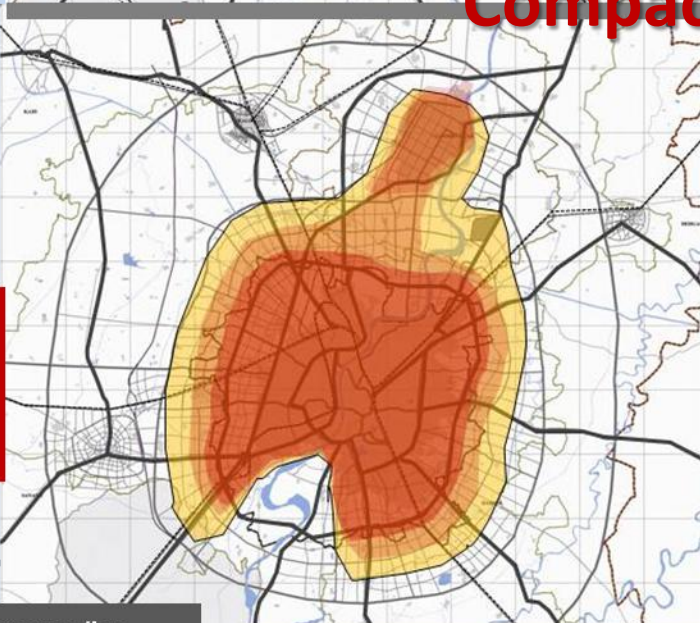


INR 3000
Crores/yr

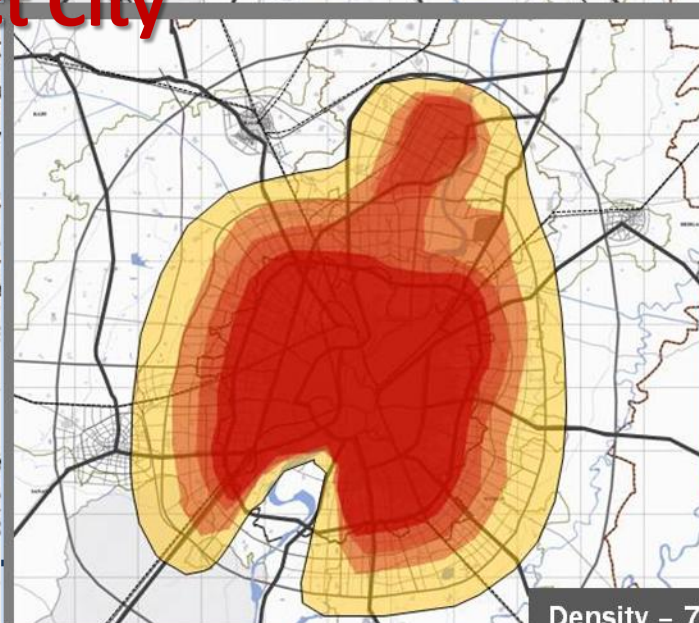


Compact City

INR 4500
Crores /yr



INR 6075
Crores /yr



Density - 100 persons/ha
Area - 1000 sqkm

How much area would we like to urbanise?

Density - 75 persons/ha
Area - 1333 sqkm

Urban Growth Boundary/Service Area Concept, Portland

- An urban growth boundary, also called an urban service boundary, is an officially adopted and mapped line beyond which the local or regional government does not support development for a specified period of time.
 - Two most “fundamental purposes:
 - promote compact and contiguous development patterns that can be effectively served by public services and;
 - preserve open space, agricultural land, and environmentally sensitive areas that are not currently suitable for urban development.
 - Urban services boundaries help communities in:
 - Managing leapfrog or sprawling development;
 - Managing expenditures for urban services including road maintenance, water and sewer service provision, and police and fire protection.
-

February 4, 2010

Portland City Limits and Urban Services Boundary

Legend

- City Boundary
- Urban Services Area within Incorporated City
- Urban Services Area Unincorporated

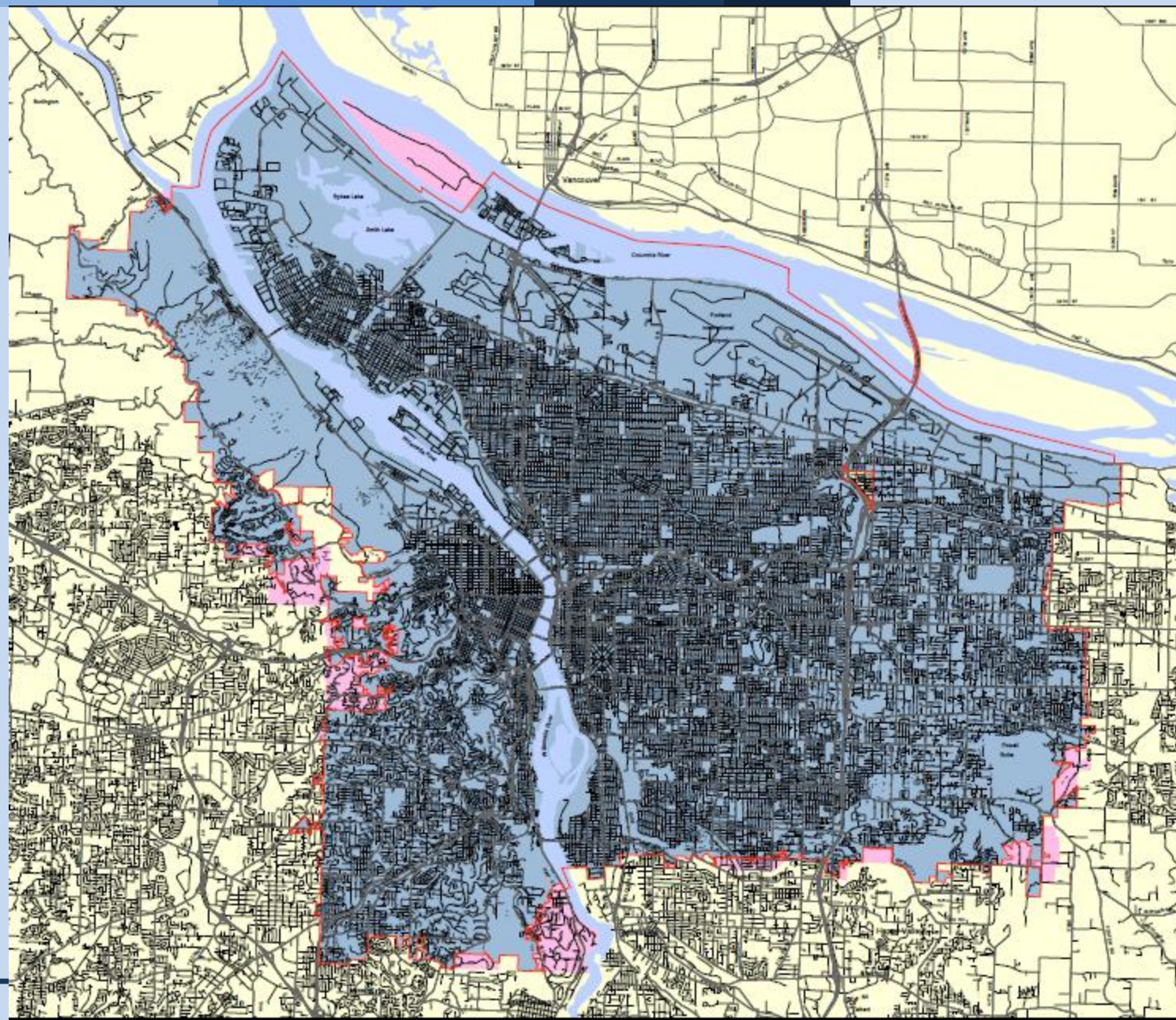


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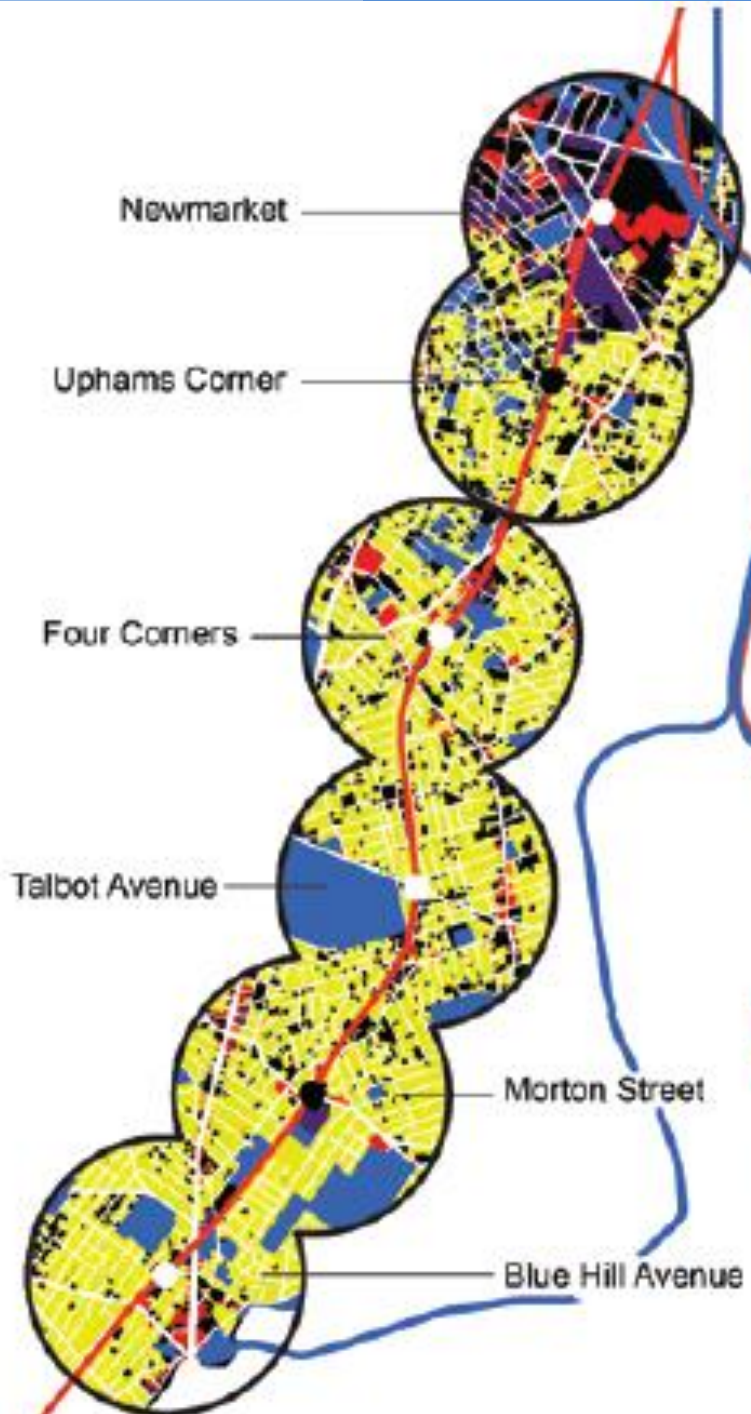


City of Portland Bureau of
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www.portland.gov/planning



Under-utilized Land for Mixed Development, Boston



**Underutilized Land
Fairmount/ Indigo
Boston, Massachusetts**

Legend	
● Existing Commuter Rail Stop	Residential
○ Proposed Commuter Rail Stop	Commercial
— Heavy Rail Transit	Industrial
— Commuter Rail Transit	Civic
	Vacant/Misc.
	Underutilized Land

Underutilized Land includes parcels where the value of built improvements is less than the value of the land. Also for the Boston Case above, civic property which was less than an acre and a half is included.

Thank You