

# SIKKIM URBAN AFFORDABLE HOUSING & HABITAT POLICY

November, 2015

## Final Report



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**UNDER  
SUPPORT TO NATIONAL POLICIES  
FOR URBAN POVERTY REDUCTION  
(SNPUPR)**

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# **Sikkim Urban Affordable Housing and Habitat Policy**



**URBAN DEVELOPMENT & HOUSING  
DEPARTMENT, GOVERNMENT OF SIKKIM**

November 2015

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## ABBREVIATIONS

CPF	Contributory Provident Fund
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
CSS	Centrally Sponsored Schemes
DPR	Detailed Project Report
DU	Dwelling Unit
EMI	Equated Monthly Installment
EoI	Expression of Interest
EWS	Economically Weaker Section
FAR	Floor Area Ratio
FDI	Foreign Direct Investment
FSI	Floor Space Index
GDP	Gross Domestic Product
GIS	Geographic Information System
GoI	Government of India
GoS	Government of Sikkim
GRIHA	Green Rating for Integrated Habitat Assessment
HFC	Housing Financing Company
HIG	High Income Group
HUDCO	Housing and Urban Development Corporation Limited
ICT	Information & Communication Technology
IGBC	Indian Green Building Council
LIG	Low Income Group
MIG	Middle Income Group
MoHUPA	Ministry of Housing & Urban Poverty Alleviation
MSME	Ministry of Micro Small and Medium Enterprises
NGO	Non-Government Organization
NIT	National Institute of Technology
NOC	No Objection Certificate
NPV	Net Present Value
NUHHP	National Urban Housing & Habitat Policy
O&M	Operation & Maintenance
PMC	Project Management Consultant
PMU	Project Management Unit
PPP	Public Private Partnership
PPPP	Public Private People Participation
PSU	Public Sector Unit
R&D	Research & Development

RWA	Resident Welfare Association
SLNA	State Level Nodal Agency
SLTC	State Level Technical Cell
STP	Sewage Treatment Plant
SWM	Solid Waste Management
TPI	Third Party Inspection
UDA	Urban Development Authority
UD&HD	Urban Development & Housing Department
ULB	Urban Local Body
URDPFI	Urban & Regional Development Plan Formulation & Implementation
UT	Union Territory

# CHAPTER 1

## 1. Introduction

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### 1.1. Background

Access to housing facilities, is a basic human need, next only to food and clothing. Effectively, society as a whole and poor in particular, must have access to livelihoods, finance and technology as well as relevant capacities, knowledge and skills for habitat development in order to enjoy the ‘right to shelter’.

The construction sector contributes to the nation’s economic growth through its linkages with the other sectors including the services and manufacturing of construction materials sectors (it supports more than 250 ancillary industries and contributes nearly 10% to the GDP). Both from the perspective of increasing the employment & income generation and augmenting the housing stock in the country, the affordable house construction industry can impart necessary fillip to the economy.

India is witnessing a phase of rapid urbanization primarily fuelled by large scale population migration. This rapid pace of urbanization in turn translates into increased demand for housing facilities and related infrastructure. At present the urban centres are ill-equipped to meet the current & future housing demand. It is well documented that urban centres of the State contribute significantly to the Regional, State and even National economy thereby contributing to continued urbanization. However, the state of planning and preparedness of the urban centres to receive such growth is inadequate creating dysfunctionality (with wider ramifications on the health, safety and well-being of the citizens). Symbols of this is the emergence of slums and squatters with near absence of basic infrastructure.

The State needs to continuously concentrate on the need to provide adequate and quality housing which is **affordable** for sale or rent especially for the **targeted group**. The focus should be on suitable location and a conducive living environment to meet the needs of low income groups, squatters and even the homeless (if any).

The Government of India’s transformation programme is to “raise living standard of low income households” for which Ministry of Housing & Urban Poverty Alleviation (MoHUPA) had come up with the “National Housing & Habitat Policy (NUHHP) 2007, a precursor to the current “Housing for All” by 2022

which is the context of this Policy. Several steps would be needed to overcome problems pertaining to housing specially involving the poor and the ultra-poor.

An important part here is to ensure that only eligible recipient receive housing aid, and that they be identified at their current location through a web portal which has a state wide database for capturing data on low-income households, with arrangements for constant monitoring and updation.

To fulfil these needs, factors such as affordability of the buyers, development cost and selling price persistently influence the supply and demand in the housing sector. Based on the current situation, housing development is concentrated in the urban and sub-urban areas, where the purchasing power is higher and the market is extensive. In Sikkim's case, urbanization is fairly skewed towards making Gangtok a primate city and the other 8 urban centres exhibiting low urbanization level.

In order to address the current housing needs, both the Government and the private sector must play their respective roles to fulfil their social obligations especially to the low-income and economically weaker sections keeping in view limited public resources available and the heavy investments needed for creating housing infrastructure.

The State is expected to pass specific Acts to achieve the housing policy objectives through institutional, legal & regulatory reforms, fiscal concessions, financial sector reforms and innovations in the area of resource mobilization for housing and related infrastructure development including promotion of cost effective building materials and technologies at the State level. The policy would also include an action plan and a pragmatic road map to achieve policy objectives.

## **1.2. Need for the policy**

Sikkim Urban Affordable Housing & Habitat Policy is needed to provide the direction and basis for the planning and development of the housing sector by all relevant State level and local level departments and agencies as well as the private sector.

## **1.3. Vision for the Policy**

**“To facilitate affordable, infrastructure-integrated shelter through the judicious use of available resources.”**



The Government of Sikkim desires to realize the dream of being an affirmative partner State to the GoI for building a sustainable and transformative nation by providing every citizen a decent affordable shelter, by formulating “**Sikkim Urban Affordable Housing & Habitat Policy**” which can be realized by operational strategies that can provide affordable housing reflecting an individual’s and family’s socio-cultural, economic, spatial, basic services and other intangible needs, and imparting a dignified & satisfactory independent as well as community life.

#### **1.4. Aim of the Policy**

The aim of this policy is to create an enabling environment for providing “affordable housing for all” with special emphasis on EWS and LIG and other vulnerable sections of society such as Scheduled castes/Scheduled Tribes, Backward Classes, Minorities and senior citizens, physically challenged persons in the State and to ensure that no individual is left shelter less. The Policy further aims to promote Public Private People Participation (PPPP) for addressing the shortage of adequate and affordable housing.

#### **1.5. Objectives of the Policy**

Since the policy is required to be made operational, a 3 tier framework is perceived as an enabling tool;

##### **A. Broad Objectives**

To create an enabling environment for providing “Affordable housing for all and integrated habitat development with a view to ensure equitable supply of land, shelter and services at affordable prices in Sikkim with special focus on urban poor and excluded groups of society” and to ensure no individual is left homeless. Strategies and opportunities for intervention can help address the shortage of adequate, appropriate and affordable housing.

##### **B. Generic Objectives**

- Promote supply of **serviced land** for housing focusing on **secure access** to EWS/LIG housing.
- Reduce the housing shortage in the State, especially in EWS/LIG categories by taking up large scale construction of preferably **Resource and Energy Efficient** Affordable Housing and ensuring that all dwelling units have access to basic physical and social infrastructure like sanitation

facilities, drinking water, electricity, roads, and other livelihood infrastructure

- **Reduce barriers** to appropriate credit flow and shift from subsidy based housing schemes to cost recovery-cum-incentive based scheme for housing through proactive financial instruments such as micro-finance and related self-help group programmes .
- **Remove** legal, financial and administrative **barriers** in order to facilitate easy access to tenure, land, finance and technology by various stakeholders, primarily concentrating on citizen and service providers
- Promote **investments** in housing in Urban Sector on **PPP Model** and involve private developers in the construction of EWS & LIG categories of houses by offering various attractive incentives.
- Promote affordable housing such that home-owners have easy access to places of employment, and such that local delivery agents are engaged in housing delivery thereby promoting **local employment**.
- Generate awareness about and promote environment friendly technologies for enhancing **energy, cost efficiency, productivity and quality**.
- Establishing a **monitoring and evaluation** mechanism in the housing sector to strengthen the transparency in the building activities of the state.
- Creation of **rental housing** that has provisions of required infrastructure and services and transportation linkages to work areas as transit accommodation for migrants to urban areas, and check creation of new slums.
- Promote repair, renovation, retrofitting, reconstruction or up-gradation of existing housing stock.
- Involve women & weaker section in decision making.
- Promote other forms of partnerships for sustainability & inclusiveness.
- Strengthen public housing agencies.
- Emphasize on Urban Planning Products for integrating housing into the urban fabric (e.g. Master Plan/ Renewal Plans/Micro Plans/ Ward Plans/City Development Plan/ Regional Plan/ Affordable Housing Master Plans etc.)

- Promotion of R&D for building technologies/ standardization / pre-engineered components/ pre fab technologies.

### C. Project Level Objectives

The shelter projects that emerge from this Policy be given a **“created identity”**. The Government prefers to know it as, **from a “Bitter Life” to a “Better Life”**

The Acronym in Hindi saying ‘हमारी बस्ती हमारा सुधार’

- First look for land for building housing.
- Build adequate number of annually targeted permanent houses for all and provide Drinking water, Electricity, Basic sanitation in all.
- Get funds (in addition to the allocated fund sources by the 3 tier governments) if possible from CSR and other sources to meet gaps in funding for enabling Livable Neighborhoods.
- Build brand new communities.
- Give homes that have finished floors, toilet, bath, Rain water Harvesting system.
- **Build an internal community of skilled labor** by mandating & initiating Building Construction related **Skill Development Modules (with certification & rating for each individual using expert institutions)** who will be employed in the labor pool associated with specific sites/ city/location and synergize livelihoods into the housing projects.
- **Build an internal community of Building Construction related Skill Imparting Champions** for continuous upscaling of skilled workers into the housing project.
- **Build an internal community of Micro, Small and Medium Entrepreneurs, MSME Champions**, who can provide Building Construction related goods (cement/steel/bricks/ stone/gravel/sand etc) incentivizing them with **onsite small godowns with checks on daily inventory of materials used and their replenishment.**

In short, the above objectives can be MANDATED and INTEGRATED into the housing project through new GoI programmes, the Skill Development and Entrepreneurship Development of **MUDRA, AIM and SETU** of the Make In India scenario (these pertain to

“encouragement to entrepreneurs”/ “funding the unfunded” small entrepreneur/ “self- employment & talent utilization schemes respectively).

- Change laws & legislative framework for rejecting dysfunctional land title/related systems
- Remove disputes over land ownership, Government co- ordination delays, delays in finding qualified staff for projects and other challenging circumstances. Help build safer, healthier.
- Avoid misuse of housing project funds and punish those who misuse them as “money making opportunity”.
- Introduce Business Process Re-engineering, and downscale projects if there are time/ cost over runs.
- Give Roads & internal development to an agency other than the housing construction agency.
- Disclose project details on expenditure on a daily basis.
- Disclose details on overheads and management costs.
- Install theft proofed solar lights in the common areas, roads or paths, green areas and rain water harvesting structures.
- Don’t achieve a status where communities “reject the project”.
- Don’t aim for good publicity for the project, aim for “providing houses”.
- Give a housing layout plan, Revise the plan when necessary, use local talent wherever possible, use local language for communicating with effected communities.

## 1.6. Target groups

The target group for this policy are urban poor classified in Pradhan Mantri Awas Yojana Guidelines, Housing for All-Urban (MoHUPA, Government of India) as persons belonging to the Economically Weaker Sections (EWS) and Lower Income Groups (LIG) based on income criteria as under:

Group	Annual Household Income range
EWS	Up to Rs. 3 lakh
LIG	From Rs. 3-6 lakhs

## 1.7. Target Urban Centres

The policy is applicable to all urban agglomerations, municipal areas and others as listed in the Census of India and/or as notified by the Government of Sikkim in the State Gazette from time to time.

## 1.8. Definitions

### **Urban:**

According to **Census of India 2011**, the definition of urban area is as follows;

1. All places with a municipality, corporation, cantonment board or notified town area committee, etc.
2. All other places which satisfied the following criteria:
  - i. A minimum population of 5,000;
  - ii. At least 75 per cent of the male main working population engaged in non-agricultural pursuits; and
  - iii. A density of population of at least 400 persons per sq. km.

### **Affordable housing:**

Individual dwelling units with a Carpet Area of not more than 60 sq. mt. and preferably within the price range of 5 times the annual income of the household as notified, either as a single unit or part of a building complex with multiple dwelling units.

While there are no precise definitions of “affordability” in the context of housing provision, as a generally accepted norm, it is assumed that a house should cost no more than five times the annual income of a household. The Pradhan Mantri Awas Yojana, Scheme Guidelines, 2015 prepared by Ministry of Housing and Urban Poverty Alleviation, suggests dwelling unit sizes for economically weaker sections (EWS) with household income of up to Rs. 25,000 pm, and for low income group (LIG) with household income between Rs. 25,001 and Rs 50,000 pm.

Group	Area (in Sq.m)
EWS	30
LIG	60

## **Affordable Housing Project:**

An affordable housing project is defined as a Housing project where 35% of the houses are constructed for EWS category<sup>1</sup>.

## **Beneficiary/ End User**

A beneficiary family will comprise husband, wife and unmarried children. The beneficiary family should not own a pucca house (an all-weather dwelling unit) either in his/ her name or in the name of any member of his/ her family in any part of India<sup>2</sup>.

## **Slum:**

Slum as notified by the government vide Gazette notification no 02/ HOME/ 2003 dated 27/01/2003 means:

- a. Areas that are generally **unfit for human settlement** due to subsidence, steep slope, landslide prone, water logged etc., but are occupied by people below the poverty line, including the relocation of such people in other stable areas and providing them low cost housing including distribution of building materials.
- b. Areas that are by reason of **dilapidation, overcrowding, faulty arrangements and poor structure of houses, narrowness or faulty arrangements of avenues, streets and setbacks, lack of ventilation or light** or any composition of these factors which are detrimental to safety, health and morals/social and has sheds/tenements requiring standardization and up gradation.
- c. All **under serviced settlements**, owing to unauthorized occupation of Government land, congested back streets and areas surrounding them, which require introduction of skill development programmes, health care, child care programme including adult literacy and poverty alleviation programmes preferably through area-specific community development.
- d. Any area where the residents or those in the neighborhood are prone to **health hazard** due to poor waste management, lack of inadequate or proper infrastructure, public amenities, utilities, or conveniences due to overcrowding, unsanitary and unhygienic conditions.

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<sup>1</sup> Pradhan Mantri Awas Yojana, Scheme Guidelines, 2015, MoHUPA

<sup>2</sup> ibid

- e. Any area where the **construction are not regulated** in accordance with Sikkim Building Construction Regulation, 1991.
- f. Any area where the **sanitation provisions** relating to toilet, waste management, drainage maintenance etc. are **not in accordance with the Sikkim Sanitation Rules**.
- g. Area **without proper water supply and electricity connection**.

### **In-situ Slum Re-development project –**

It means the project where in existing slum areas will be redeveloped by providing proper access, dwelling unit, open spaces and other basic services to the slum dwellers on land on which the slum exists.

### **In situ development of slum area –**

The process of upgradation of slum area to minimize displacement of the slum-dwellers in the said area and by providing basic services including affordable and decent housing.

### **Slum Resettlement project –**

A project for relocation and settlement of slum dwellers from the existing untenable slums to an alternative site with provision of dwelling space, basic civic and infrastructural services. However resettlement, if absolutely necessary, needs to be taken up as the last resort and with due consideration to minimize adverse impacts on livelihoods of the re-settlers.

### **Objectionable/ Hazardous lands**

Such areas where existence of human habitation entails undue risk to the safety or health or life of the residents themselves or where habitation on such areas is considered contrary to public interest.

### **Built up area and Plinth Area**

As used in this report is, Plinth area shall mean the built up covered measured at the floor level of the basement or of any storey, the same as defined in detail in the IS code – IS 3861 : 2002, “Indian Standard Method of Measurement of Plinth, Carpet and Rentable Areas (Second Revision)”.

### **Carpet Area for an Affordable Housing Dwelling Unit**

The carpet area as used in this report is the usable and habitable rooms at any floor level (excluding the area of the wall). While the method of measurement of

carpet area will be the same as in the IS code 3861:2002, it will include carpet area of the living room(s), bedroom(s), kitchen area, lavatory(s), bathroom(s), and balcony / verandah, if provided, in accordance with the definition of the Dwelling Unit/Tenement as provided in the National Building Code, 2005 which is an independent housing unit with separate facilities for living, cooking and sanitary requirements

### **Economically Weaker Section (EWS)**

EWS households are defined as households having an annual income up to Rs. 3,00,000.

### **EWS House**

An all-weather single unit or a unit in a multi storeyed super structure having carpet area of up to 30 m<sup>2</sup> with adequate basic civic services and infrastructure services like toilet, water, electricity etc.

### **Low Income Group (LIG)**

LIG households are defined as households having an annual income between Rs. 3,00,001 to Rs. 6,00,000.

### **Person with disability or physically challenged**

A person with a condition or function judged to be significantly impaired relative to the usual standard of an individual or group. It refers to individual functioning, including physical impairment, sensory impairment, cognitive impairment, intellectual impairment, mental illness and various type of chronic disease.

Person with disability"(Persons with Disabilities (Equal Opportunities, Protection of Rights and Full

Participation) Act, 1995) means a person suffering from not less than forty per cent of any disability as certified by a medical authority (any hospital or institution, specified for the purposes of this Act by notification by the appropriate Government). As per the act "Disability" means - (i) Blindness; (ii) Low vision; (iii) Leprosy-cured; (iv) Hearing impairment; (v) Loco motor disability; (vi) Mental retardation; (vii) Mental illness.



## CHAPTER 2

### 2. Housing Scenario in Sikkim

Sikkim has experienced low urbanization level (25.15% in 2011 compared to India's 31.16%). The decadal growth rate between 2001 and 2011 has been 12.89% which is well below the national average growth rate of about 17%. In absolute numbers the increase has been from 5,40,851 to 6,10,577. The state has experienced high growth rate in the urban population over the last decade mainly owing to re-delineation of 9 ULB boundaries.

**Table 1: Urban Population growth in Sikkim (1971 – 2011)**

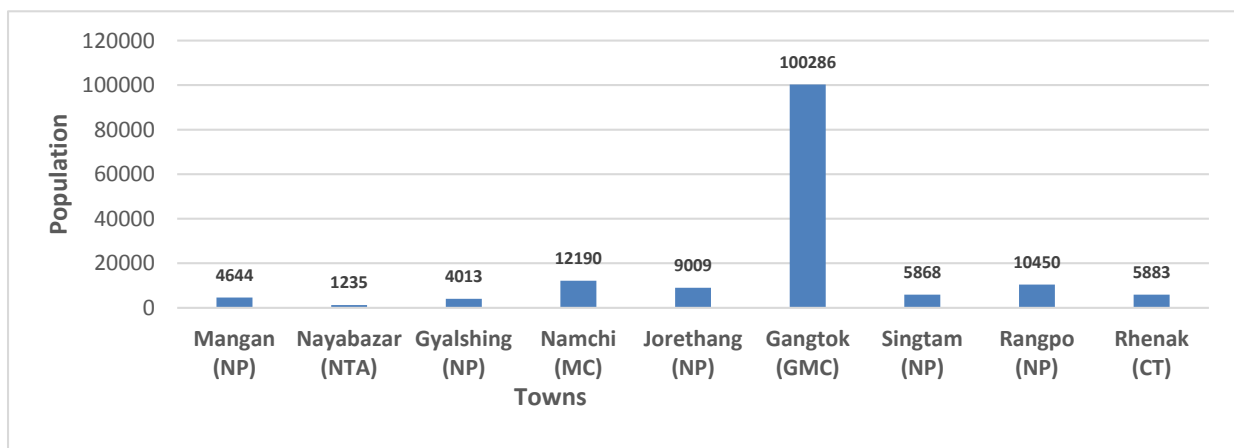
Year	Total Population	Urban Population	Urban Population growth rate
1971	2,09,843	19,668	
1981	3,16,385	51,084	159.73
1991	4,06,457	37,006	-27.56
2001	5,40,851	59,870	61.78
2011	6,10,577	1,53,578	156.52

Source: SFPCoA for Gangtok City, Census of India 2011

#### 2.1. Urban Centres in Sikkim

The growth as shown in table 1 above is mainly attributed to rapid growth primarily in Gangtok with the other 8 ULBs registering very low growth (figure 1). It is clear that their combined population is less than half of Gangtok's population.

**Figure 1: Comparative Urban Population in ULBs**



## 2.2. Housing Shortage

Sikkim is facing housing shortage as the supply rate for housing units is low, both through the private sector as well as the public sector. Presently the housing shortage in Sikkim is **10,000 units** as per the Report of the Technical Group on Estimation of Urban Housing Shortage for the Twelfth Plan (TG – 12) constituted by the Ministry of Housing and Urban Poverty Alleviation and the housing condition also needs to be improved. Fragile environment and undulating terrain that limits the possibility of high rise and high density development poses challenges for the housing construction.

A major proportion of houses are being built by individual home owners mainly belonging to HIG & MIG income group. It is primarily because most of the land is privately owned by the residents (Revenue Order No. 1 protected by Article 371F of the Constitution restricts selling of land within closed community groups). Availability of developable land with the government agencies is mere 11%. There are a number of agencies in Sikkim dealing in Housing sector. The main agency concerned with the subject is the Urban Development & Housing Department for providing affordable housing to the people. Other related departments are Building & housing Department and Sikkim Housing Development Board. Private sector participation in affordable housing projects is negligible.

The city experiences huge influx of migrant population from other parts of the state and neighboring states due to availability of economic opportunities. A major proportion of the migrant population live in rented houses.

## 2.3. Housing Delivery Systems

There has not been any significant move towards providing housing by the private sector in Sikkim. Most actions have been limited to plot level interventions. There has been no township development of any note in Sikkim. As far as land ownership is concerned the sole department having some land bank is the Sikkim Housing Development Board, facilitated by HUDCO & Central government which is currently defunct.

Accordingly, various ways in which urban housing is being delivered in Sikkim is outlined in the table below:

**Table 2: Key institutions for Housing Delivery in Sikkim:**

<b>Institution</b>	<b>Mandate</b>	<b>Primary Activity Performed</b>
Urban Development & Housing Department	Physical Planning, General Administration, Implementing Agency	<ul style="list-style-type: none"> <li>• Control over all building construction activity in Gangtok.</li> <li>• Maintenance of the city roads</li> <li>• Maintenance of the drainage system</li> <li>• Supply of social housing under the centrally sponsored schemes (CSS) on Poverty Alleviation under MoHUPA, GoI.</li> </ul>
Sikkim Housing Development Board (being revived)	Provide urban housing	<ul style="list-style-type: none"> <li>• Providing urban housing for LIG, MIG, HIG &amp; Shops, and</li> <li>• Recovering the loans and advances.</li> </ul>
Building & Housing Department	Construction, Maintenance	<ul style="list-style-type: none"> <li>• Construct residential quarters for various levels of government staff and officers,</li> <li>• Carry out rent assessment, valuation of the structure,</li> <li>• Allot quarters to staff as per norms, collect rents at nominal prices to maintain the infrastructure.</li> </ul>

## 2.4. Existing Laws

The existing Laws/ Acts / Policy/ Government Orders which governs housing development in the State are as follows:

### 2.4.1. Important Land Related Orders

- i. Transfer of land - Revenue Order No. 1 dated. 17.05.1917
- ii. Allotment Rules: Sikkim State Site Allotment Rules, 2012

### 2.4.2. Change of Building Use and Land Use

- i. The Sikkim Building Construction Regulations, 1991
- ii. Sikkim Forest Water Courses Road Reserve (Prevention & Protection) Act, 1988
- iii. Forest (Conservation) Act, 1980

### 2.4.3. Other Regulatory Acts

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- i. The Sikkim Housing & Development Board Act, 1979
- ii. Sikkim Municipalities Act, 2007
- iii. The Sikkim Allotment of House Sites and Construction of Building (Regulation and Control) Act, 1985
- iv. Sikkim Public Building Construction Guidelines (for vetting of Detailed Project Report), 2015

Any housing project being developed in the State shall comply with the provisions stipulated in abovementioned Orders/ Rules/ Regulations.

### 2.5. Issues & Challenges

Affordable Housing for all is meant to achieve healthy development and contribute positively to the state's economic growth. Some notable issues that emerged from stakeholder consultation have been listed as under:

- i. The special provisions under article 371(f) of the constitution protecting the old land laws on alienation of land added with the terrain constraints highly restricts the supply of adequate land for housing in the market.
- ii. Land can only be acquired for Affordable Public Housing, or, privately by a developer who is of Sikkim domicile. The state has very few enterprising developers thereby constraining construction of Affordable Private Housing.
- iii. The demand for Affordable Housing is currently more dominant in the public sector for Employee Housing.
- iv. Sikkim is rapidly industrializing. State government has enacted number of policy measures to assist investors. A substantial number of large units (Hydro Power Plants/ Pharmaceutical / Chemical industries) are being set up in the manufacturing and service sectors. Moreover, there exists a large number of small & medium enterprises. Extending industrial base of the state is expected to generate high demand for Labour housing.
- v. There is no inventory of **environmentally suitable land** as the state has undulating topography with steep slopes. Besides, Sikkim falls under Seismic Zone IV. This aggravates the housing supply issue.

- vi. Construction of Affordable Public Housing at **peripheral locations** may create commutation problems.
- vii. Dependence on traditional construction methods (unskilled and cheap migrant labours) may contribute to decline in quality of housing. Low quality construction material is also a factor. Usage of **state-of-the-art technology in construction** can help better quality housing units.
- viii. Application and approval process at the land office and the Local Authority is usually a lengthy process before commencing housing project. Ensuring compliance of **timely service delivery on housing** can act as a positive measure.
- ix. Vulnerable persons/ households including physically and otherwise challenged, elderly, may figure prominently in the data base created through web portal for subsidy/ loan interest subvention.
- x. Integration of social amenities in housing projects to enhance livable environment.
- xi. Creating an institutional arrangement for implementation of Affordable housing Programme at the State, Regional & local level.
- xii. Setting realistic rental rates for Rental Housing with built in provision for enhancing rentals incrementally and on specified year basis.
- xiii. Formulating, improving and enforcing laws, regulations and guidelines pertaining to Affordable Housing.
- xiv. Controlling ownership and sales to avoid speculations.
- xv. Providing financial support for EWS/ LIG groups to own houses.

## **2.6. Areas of Policy Intervention**

This policy advocates the idea of considering a set of probable solutions and using a ‘best-fit’ combination of these solutions. The idea is to deal with each situation in a unique manner and provide a customized solution rather than having a preset approach to affordable housing irrespective of city/project specific conditions.

The policy adopts a citizen centric approach and develop housing and habitat strategies keeping in mind the various housing options detailed below, the

purchasing power of end user, ownership of land, construction agency involved and the type of financing required.

### **Development of Home Owner Profile**

To facilitate the aim of Housing for All, the state first needs to identify its intended home-owners. For this, a probable customer profile has been recommended on the basis of AHI and purchasing power of the intended end user.

In order to successfully ascertain the customer profile the state needs to develop a primary database of the intended home-owners. The database needs to be linked to any one government recognized primary document be it Aadhaar Card/ Ration Card/ Voter ID Card with end user biometrics. Each end user profile which needs to include (besides the primary identification number) the family income, number of earning members, age, occupation, education levels and number of household members. A detailed database may be developed in a consultative manner with the stakeholders. Also, the state needs to introduce the geo-tagging of end user and housing project information to facilitate improvised monitoring and evaluation.

### **Probable models for Access and Ownership**

Given the varied income category and customer profile, the state needs to choose a correct mix of various housing provision models to facilitate accommodation of all intended users. The housing models have been recommended on the basis the objective of the project and the customer profile.

**Welfare:** Concept of providing permanent or transit shelters with suitable living conditions. These shelters could be dormitory type accommodation typically comprising of one room tenement, with basic amenities for Poorest of the Poor. This particular option needs to be available to a very limited section of society comprising of destitute, orphans, senior citizens, widows and any other citizens without a regular source of income. The allotment of shelters is prioritized on the basis of the need of allottees and is done on a vacancy basis. Welfare housing is allotted for a lifetime and the allottees do not have any ownership rights on the property.

**Rental:** Rental or transit housing is an option that can be considered whenever there is a high incidence of migrant population. The housing

facility, complete with the necessary social and physical infrastructure is provided on a temporary basis. The rent may be varied according to the different income groups being accommodated. The target population basically includes labourers, sundry staff, students and domestic workers.

**Rent to own:** Rent to own housing model typically involves the initial allotment of the unit on a leased basis for a fixed number of years. The buyer deposits the monthly rent equivalent to EMI in bank account. The EMI contains 80% rent and 20% thrift. When EMI amount reaches 10% of total unit price, property will be registered on buyer's name and hypothecated to bank and government. In case of non-payment of EMI, bank and government will resell property. Thrift amount will be returned to buyer without interest. Resale powers lie with bank and government till the completion of tenure. Once 100% payment is done, property papers are handed over to buyer by de-hypothecation.

**Purchase:** This type of housing model, the end user owns the housing from the beginning. This set-up involves the housing allotment on a lottery basis. The prospective owner enters into a financial relationship with a pre-approved financing institution and takes a mortgage funding for the housing facility. This mortgage is paid back over a fixed number of years, after which the property papers are handed over to the buyer.

Once these outreach models are defined, the administering ULB may use a mix of outreach models to best address the housing situation on a project basis.

### **Possible Approach for Habitat Development**

The state needs to decide upon an appropriate approach for housing development. Both customer profile and the housing model need to be considered in conjunction to arrive upon a correct mix of approach. The state also needs to consider the total number of home-owners, size of land parcel available for development and the location of land parcel. The possible approaches that the state may consider have been detailed below:

**Multi-Family:** This type of housing includes housing structures that are designed to house several different families in separate housing units living

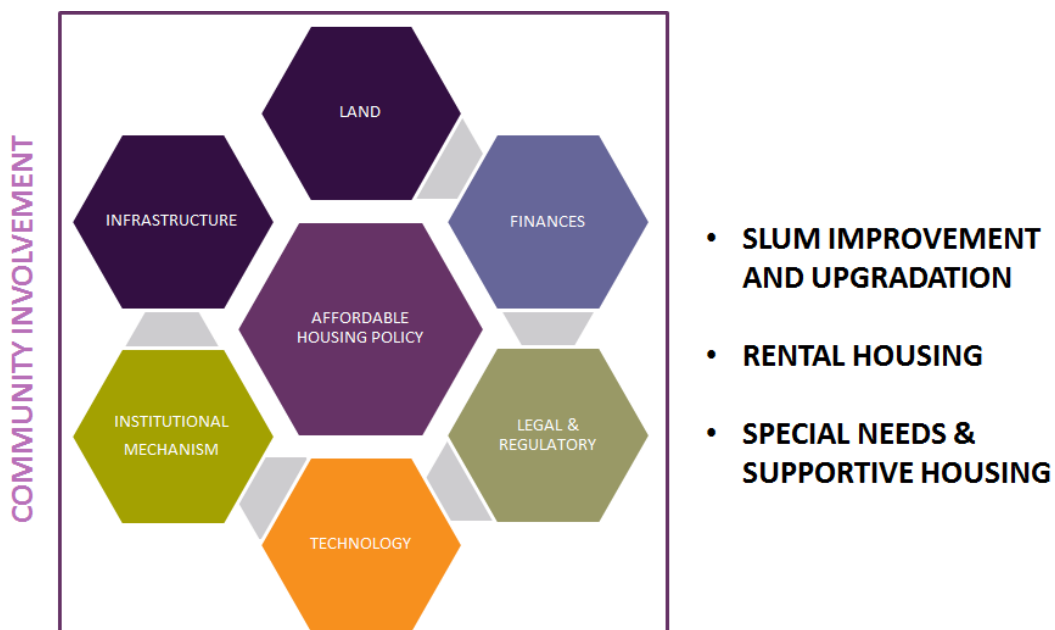
independently of each other. The most common type of multi-family housing is an apartment building. Usually, the multi-family housing facilities are designed for similar income categories.

**Integrated Township:** An integrated township is a self-sustained urban development, which addresses the basic needs of the residents, has the necessary infrastructure for education, health care, shopping and has provisions for offering connectivity to the rest of the city within which it is housed. An integrated township provides the necessary social and physical infrastructure for sustaining the population it intends to house.

**Mixed Land-use:** Mixed land-use development typically refers to an urban development, which comprises of a combination of residential, commercial, industrial, institutional or recreational areas. Allocation of mixed land-use parcels is usually done on a divisional or sub-divisional planning level. Unlike the integrated township approach, this type of planning approach is intended for use by all urban citizens.

**Mixed income housing:** Mixed income housing refers to a large scale housing provision catering to different income groups. Here, clusters of housing facility catering to the needs of different income groups would be developed. Within this type of housing approach, work shed cum home model may also be developed to facilitate the accommodation of such home based entrepreneurs within the target population group.

### Policy Interventions





### 2.6.1. Land

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- A Development Plan shall be prepared for each urban centre and land use shall be demarcated for different activities. Land use zonation will also help in providing NOC for land transaction.
- A robust land inventory to be prepared to identify land fit for development bereft of landslides. An agency shall be hired by the Government of Sikkim to prepare GIS based land inventory to assess the land available with i) Government agencies ii) private players iii) market for ready purchase.
- Land pooling shall be considered as an option to make land available for housing projects. In case of in-situ development projects for slum development, land can be pooled and multi-storey housing units may be constructed. Land available can be utilized to develop community facilities.
- *Earmarking of land for affordable housing:* The State Government including that of its agencies such as the Urban Development Authorities, Housing Boards, other parastatal agencies and Urban Local Bodies (ULBs) will, earmark and provide land for affordable housing projects.
- *Rental Housing and Shelters shall be promoted which will cater the needs of low income groups and migrant labours/ workers.* Rents shall be subsidized through state and central government schemes. The rent lease will be signed between the interested parties for a limited time period. The families that benefit from rental housing are given the option of paying a higher rent, a part of which is earmarked as a partial payment for the house and the lessee can eventually own the house.
- The State shall notify a policy on security of tenure for slum dwellers to provide title to the land and a non-eviction policy for residents of slums with over <5> years of documented stay in a particular location.
- Mortgagable leasehold property rights or land titles for the EWS and LIG categories shall be facilitated by the Revenue Department and UD&HD.
- Infrastructure services including water supply, sanitation, health, education facilities to existing housing colonies where there is absence of such facilities will be ensured.

## **2.6.2. Finance**

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### **Capital Finance**

- Land Monetization
- Optimum utilization of GoI grants, subsidies by aligning state policies.
- Institutional borrowings / debts.
- Affordable housing projects may also exploit the funding available as part of CSR initiatives of major corporate houses based out of the state. Affordable housing projects may also use this type of funding mechanisms for financing infrastructure facilities as well as its O&M.
- Inviting Private investments including FDIs through PPP.
- Access Social security funds for housing.
- Mortgage options.
- Financial institutions would prefer clubbing two or more projects with the housing project for loan disbursement to ULBs for risk reduction.
- Contracting arrangements shall have penalty clause for non-adherence of stipulated conditions such as non-adherence to timelines, quality, fair practice or specification and standards.
- Private investors in Affordable Housing shall avail incentives stipulated by State/ Urban Development & Housing Department (UD&HD)/ ULB/ any other connected Authority. The latter agencies should have good financial health. It is advisable the State Government hire an investment advisor for real estate valuation and determining the financial arrangements and share of profits between the State Govt. and the private partner.
- The state government may explore the possibility of linking other social security schemes to affordable housing.

### **Finance for Buyers**

- To facilitate increased fund flow, monthly housing Thrift scheme can be linked to Jan Dhan Bank account to develop savings habit in the prospective buyer. This would enable the individual to accumulate own contribution to invest in his house. This also helps the financing institution in assessing the individual's financial capacity and intention over a period of time, and thus makes an informed decision about the possibility of extending a housing loan. Some of the provisions can be as follows:

- Minimum savings amount can be Rs. 1000/ month till the minimum requirement for own contribution (down payment) is met from this saving.
  - Beneficiaries to open bank account in PSU banks or State (Sikkim) approved Housing Finance Companies.
  - The savings amount can be only used for housing purpose
  - The Government may consider providing a matching grant equal to the thrift amount
- End users seeking housing loans from Banks, Housing Finance Companies and other such institutions would be eligible for an interest subsidy at the rate of 6.5 % for a tenure of 15 years or during tenure of loan whichever is lower. The Net Present Value (NPV) of the interest subsidy will be calculated at a discount rate of 9%.
  - State Government should release financial assistance to the beneficiaries in 3-4 instalments depending on progress of construction of the house. Beneficiary may start the construction using his own funds or any other fund and GoI assistance will be released in proportion to the construction by individual beneficiary. The last instalment of Rs. 30,000/- of GoI assistance should be released only after completion of the house.
  - The Construction Workers Welfare Fund is set up by States/UTs under the central law of Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. States/UTs collect cess on construction projects and transfer the amount to the Welfare Fund for Construction Workers. Ministry of Labour can be requested to ask States/UTs for creating rental housing stocks to workers as welfare measure.
  - The possibility for financing housing project can be enhanced by including remunerative land use (commercial/ HIG etc.) in the housing project.

### **2.6.3. Legal & Regulatory Response**

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- Establish state level Dispute Redressal Mechanism for settling affordable housing related disputes.
- Setting for a singular authority for implementing Affordable Housing projects.
- Setting for an earmarked budget for Affordable Housing and provision of basic services in it.

- Establish a single window approval system and facilitate all approvals pertaining to Affordable Housing Projects within specified time (45 days).
- Establish a web portal for creating data base of EWS/ LIG individual or household with provision for its monitoring and updating. The same data base shall also carry all finance related data of the above.
- Establish performance benchmarks for sustainability of Affordable Housing projects and private sector participation.
- Tenant lease for Affordable Housing projects shall be similar in all respects as for tenants not in affordable housing projects.
- Title to ownership shall be transferred after the settled gestation period is over (20 – 30 years or as agreed in the mortgage period).
- Fraud sale, resale, registration on false name of affordable housing units shall be severely dealt with under the appropriate state laws.
- Rental housing shall have legal provision for conversion to ownership housing by permanent residents of the state.
- Where the applicants for Affordable Housing projects have more applicants, a lottery system shall be restored to for the allotment.
- Households living in untenable slums shall be relocated to build up houses under Affordable Housing projects.
- Night shelters shall be provided to all homeless population.
- Transit type accommodation, preferably dormitory housing shall be created for migrant workers unable to afford any other type of housing. Suitable safeguards shall be provided to prevent overstay beyond a specified time period placed in the lease contract with the individual.
- Similar transit housing shall be made available to persons/ Households vacating sites to be redeveloped.

#### **2.6.4. Technology**

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##### **Construction Technology**

- Slope/ land stabilization wherever required (steep slopes, river banks) shall be taken up on priority for Affordable Housing Projects. Cost of slope/ land stabilization shall be considered part of the total project cost.
- Project sponsor/ implementing agency shall provide technical guidance for choice of method (Gabion method, Grouting, Step method or retaining walls). Preference to retaining wall technique has been suggested by experts.

Similarly along river banks stabilization may be resorted to wire creating or by constructing retaining wall for protecting against strong current and floods.

- Further environmental safeguards that shall be necessary are detailed reports on river flow study which shall form part of DPR or Action Plan report.
- Minimum (Sikkim specific) specifications for building construction shall be as per the provisions mentioned in the Sikkim Building Construction Regulations, 1991 (as amended from time to time).
- Factors to be considered for constructing houses (especially multi stories house) using cement, burnt bricks will include the following:
  - Thickness of the wall shall be 6 inches while thickness of roof slab shall be 6 – 10 inches. To reduce load on pillars.
  - 30%-40% of the wall area shall be kept open by providing windows and doors/ balconies.
- Additional incentives shall be given for adopting Green features as specified in ‘Green Guidelines for Affordable Housing’ prepared by Indian Green Building Council (IGBC) part of Confederation of Indian Industry or as per the Green Rating for Integrated Habitat Assessment (GRIHA).
- Technology fund at the national level can be created to promote use of new & innovative technology.
- Designing work-shed [community /individual facility for local employment] home-cum-work models to enable opportunities and space for economic activities.

### **IT related Technology**

- Create Central database at state level to ascertain beneficiary/buyer identification. This would help establish transparent and robust beneficiary/buyer database by integrating biometrics / Aadhaar / Ration Card/Jan Dhan Yojana account, etc.
- Geo tagging shall be promoted to keep a tab on the progress of the project status, repayment of loans etc.
- Progress of construction of dwelling units shall be tracked through geo-tagged photographs.
- Online registration and tracking of beneficiaries, builders, finance institutions.
- Online complaints redressal system shall be created for both beneficiaries and developers.
- **For End-users:** registration for housing, online application and tracking mechanism, central database of end-users along with social security ID

documents and bio-metrics, unit allotment through e-lottery, loan disbursement and tracking, EMI status, allotment and re-allotment process and grievance redressal mechanism.

- **For Developers:** developers' selection and registration process, e-tendering and tracking process, clearance of approvals, status of payments, project monitoring mechanism with geo-tagging, grievance registration and monitoring process.
- **Linking to financial institutions applications:** Housing loan application status, verification process, loan disbursement process, EMI payment tracking process, transfer of ownership after completion of loan.
- E-Procurement of construction material through online portal system.

### **2.6.5. Institutional Systems**

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- Affordable housing projects would require various approvals from different agencies as per prevailing rules and procedures in the State. Project development may also require changes in various development control rules. To facilitate such changes and for faster formulation and approval of projects, it is suggested that a single authority should be constituted with responsibility to change planning and other norms and also for according approval to the projects.
- The role for implementing Affordable Housing Project for EWS & LIG population shall be delegated to the UD&H Department of the State, which shall act as the Project Sponsor. The department shall have the overall responsibility for:
  - Determining the target population for Affordable Housing Project. (they may hire the consultants if needed)
  - Project Design and administration.
  - Properties and housing management
  - Support services
  - Community Planning and Coordination
  - Creating project profiles, site maps, publications related to Affordable Housing Projects.
- The 'not in Affordable Housing Projects' shall remain with the Sikkim Housing Development Board and Building & Housing Department, wherein they shall independently be responsible in all respects for the implementation

of employee, labour and similar other forms of housing projects not falling under the overall umbrella of State Affordable Housing Project.

- The Sikkim Housing Development Board shall provide assistance in transfer of lands vested with them to the UD&HD under special circumstances. The UD&HD shall have the responsibility of creating an inventory of land available with the state government, and also acquire land for planned development of Affordable housing Projects. The UD&HD can have Joint Venture or Consortium with the private sector/ other sponsors for Affordable Housing Projects with pre-defined cost and profit sharing arrangements for new construction under Affordable housing projects. Contracting procedure shall be reframed for entry of small builders and consortiums to operate in affordable housing projects.
- UD&HD shall complete all in-complete projects of housing and liquidate the unoccupied housing stock.
- The Building & Housing Department may take the lead role in consolidating land parcels from different government departments and build housing colonies catering to all class of government employees (Class II, III & IV employees) at a common location with shared services and community facilities.
- Location of Affordable Housing Projects shall preferable be within ULB boundaries and ULB made responsible for providing infrastructure and amenities and tax collection.
- Local arrangements for skill development by registered agencies for building construction activities on site (as mentioned in 3<sup>rd</sup> tier of project objectives) shall help to build capacities to suitable occupants from target population with accreditation and rating of those successfully trained with preference for engaging them on the Affordable Housing Project sites.
- Resource centres empanelled under Housing for All Mission/ or empanelled by state shall provide capacity building trainings and other activities.
- Use of local & environmentally sustainable building materials, use of solar panels, Rain Water Harvesting structures, Dewat technologies and recycling water and other green practices included shall be certified as per developed codes and rating system relevant and used by GRIHA/ BEE/ IGBC and suitable incentivised by the state government.
- State Level Technical Cell (SLTC) will be operational by creating a multi-disciplinary team (with 2 – 4 professionals) depending upon quantum of work.

The cell will ensure robust Housing system. This SLTC will be supported by Housing for All Mission.

### **2.6.6. Infrastructure**

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- Affordable Housing Projects located in peri-urban areas shall have ensured accessibility and low cost public transportation system in place to the city's major work centres/ commuter zones.
- The Comprehensive Mobility Plan recommended strategies for Gangtok may be considered for implementation.
- For delivery of water supply, sewerage& sanitation, drainage, SWM and other array of support services to the Affordable Housing Project site/ target population, there shall be a Local Service Provider or coordinator who may coordinate with other organizations for service delivery.
- All black and grey water from Affordable Housing sites shall be recycled from use in horticulture and other use, or in exceptional case may be diverted to the nearest sewage treatment system.
- Segregated waste collection service shall be available at all Affordable Housing Project sites.
- Affordable Housing Projects located in peri-urban areas shall install decentralized STPs of appropriate capacity and design if trunk connection is unavailable.
- Affordable housing projects including those located in peri-urban areas shall have ensured accessibility and low cost public transportation system in place to the city's major work centres/ commuter zones.
- All Affordable Housing Sites shall be integrated to neighbourhoods with available social livelihood and recreational facilities.
- All constructed housing units shall be delivered on a complete functional project built to specifications and complying with all codes and regulations.
- In the transition period, shared or community toilets shall be provided.
- Social infrastructure provisions shall be made either according to Urban & Regional Development Plan Formulation and Implementation (URDPFI) guidelines OR integrated to neighbourhoods with available social, livelihood and recreational facilities.
- Adopting an approach that promotes green buildings in township models and incorporate the local needs of meeting the livelihood requirement would be looked at.



- Designs for both individual units and clusters that incorporate green concepts such as rainwater harvesting, solid waste management, solar energy systems, water conservation technologies, etc. should be adopted.

### **2.6.7. Community Engagement**

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- Prioritize persons/ Households from the ‘Target population data’ as those having a high need for a dwelling unit based on a vulnerability index or those utilizing a crisis system.
- Create an assessment system for shelter for homeless, vulnerable population and those desiring rental accommodation.
- Create rapid rehousing or transitional housing for vulnerable and homeless by matching people and housing and support needed by them.
- Move people quickly through referral system, entrance criteria, applications and wait-lists.
- Post occupancy of target population in Affordable Housing Projects, help establish Resident Welfare Associations (RWAs) to protect their interests.
- Promote community consultations on critical matters (faith, gender, caste and ethnicity issues, chronically ill poor and destitute), safety issues, issues related to quality of services etc. In short, for creating a conducive environment
- Create wherever needed help support Self Help Groups/ coalition and advocacy groups.

### **2.6.8. Slum Improvement and Upgradation**

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- Slum improvement programmes for upgrading the services, amenities, hygiene and environment shall be taken up with a view to make Sikkim a Slum free State.
- Slums, whether on Central Government land/State Government land/ULB land, should be taken up for “in-situ” redevelopment for providing houses to all eligible slum dwellers. Slums so redeveloped should compulsorily be de-notified.
- Slum reconstruction programmes for creating a better environment shall be encouraged by schemes with subsidies. These would be based on the basis of audit of slum areas covering health status, education, sanitation, environment, employment status and income generation.

- 'Land as a resource' would be used while taking up slum rehabilitation. Land sharing and pooling arrangements would be resorted to in order to facilitate development of land and improvement of basic amenities in slums. This will be done through low rise multi-storeyed group housing and cluster planning for optimum and efficient use of land.
- The land or shelter provided to the poor / slum dweller would as far as possible be made non-transferable for a period of ten years.
- Income generating activities in slums have a direct bearing on housing and other environment issues. The various development programmes would be converged to cover the target group completely.
- Formation of multi-purpose housing cooperative societies of urban poor and slum dwellers would be encouraged across the State for providing better housing and environment to improve the quality of life as well as for undertaking multifarious activities for the economic and social development.
- Forced eviction of slum dwellers shall be avoided and in-situ rehabilitation attempted. In such cases appropriate shelter and environment up gradation programmes will be taken up. Where it is unavoidable, alternative shelter options will be given as rehabilitation solution.
- State/ULB shall also consider clubbing of nearby slums in clusters for in-situ redevelopment to make them financially and technically viable. Such cluster of slums shall be considered as a single project.
- A viable slum rehabilitation project shall have two components i.e. "slum rehabilitation component" which provides housing along with basic civic infrastructure to eligible slum dwellers and a "free sale component" which shall be available to developers for selling in the market so as to cross subsidize the project.
- While formulating the project, the project planning and implementing authorities shall also decide the area of slum land which may be given to the private developers. In some cases, the area of slum may be more than what is required for rehabilitating all eligible slum dwellers plus free sale component for cross subsidizing the project. In such cases, project planning authorities shall give only the required slum land to private developers and remaining slum land shall be utilized for rehabilitating slums dwellers living in other slums or for housing other urban poor.

- Slum dwellers shall be consulted through their association or other suitable means while formulating redevelopment projects especially for the purpose of designing of slum rehabilitation component.
- Sale of “free sale component” of project shall be linked to the completion and transfer of slum rehabilitation component to the implementing agency/state. Such stipulation shall be clearly provided in the bid document to avoid any complication.
- Migrant workers have shelter problem and appropriate interventions like rental housing shall be facilitated and encouraged.

### **2.6.9. Rental Housing**

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There is need to initiate appropriate policy measure to increase the supply of rental housing in the State. This policy envisages the following measures:

- Prepare State Rent Control Act so as to adequately protect the interest of the landlords so as to enable them to get their houses vacated after the contracted term and enable release of locked and unused houses for rental purposes.
- Strengthen State agencies to build houses/flats for rental cum ownership basis on the lines of Singapore Model by adopting new initiatives like “Equity Building” and “Rent Cum Ownership basis” etc. specially for the low income segment households. Under such Schemes, the house/flat allotted to the EWS/LIG household will be transferred in the name of the individual only after building 100% equity over the period of 10-15 years. The individual EWS/LIG will have the option to sell his/her house/flat but the sale will be only to the State Agency who will then offer the same to the EWS/LIG household in the waiting list.
- Private Sector agencies/builders will be encouraged to build rental housing stock with appropriate government support.
- Rental housing for migrants on short term lease basis with an agreement between the State implementing agency and building owners.
- Permission for multi-storied flats for EWS/LIG in core city areas along with commercial component and appropriate incentives for PPP.
- Unused or vacant buildings of Building & Housing Department may be considered as one of the options for rental housing.

## **2.6.10. Special needs of single working women, Disabled and Senior Citizens**

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### **Women and Housing**

- a. The issue of title for house / land in favour of women or joint name to be ensured.
- b. The positive role of women in creating, maintaining sustainable housing shall be fully harnessed. Women shall be associated in participative planning process in design, construction and maintenance of houses.
- c. Special housing scheme for single working women as ownership housing units or rental hostel units shall be taken up.
- d. The special problems of domestic women workers has to be kept in view.
- e. The stamp duty charges for women headed housing should be given 1% rebate.
- f. The need for creation of creches/community centers for women construction worker will be kept in view.
- g. Skill upgradation/certification of women construction workers will be specially covered to elevate them from unskilled to semi-skilled and skilled construction workers.
- h. Women headed self-help groups will be encouraged to form saving cum loan groups/ schemes for employment support and shelter options.

### **Persons with Disability (PWD)**

The barrier free and special design features for housing the physically challenged as per NBC will be incorporated and appropriate provisioning in housing scheme shall be done.

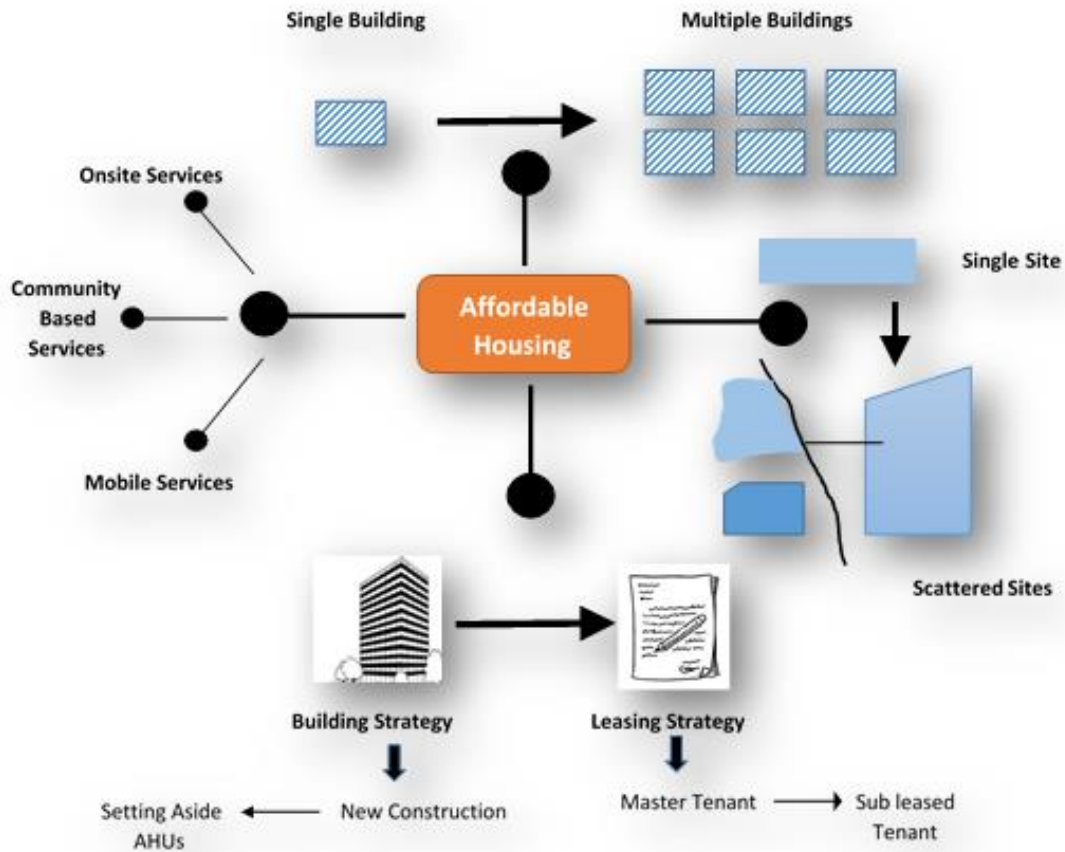
### **Senior Citizens**

The needs of senior citizens housing shall be taken up through various agencies with sensitively planned shelter options providing for dignity, caring concern and special geriatric consideration with health and paramedical support facilities. The new initiatives for Reverse Mortgage scheme benefiting senior citizens shall be encouraged.

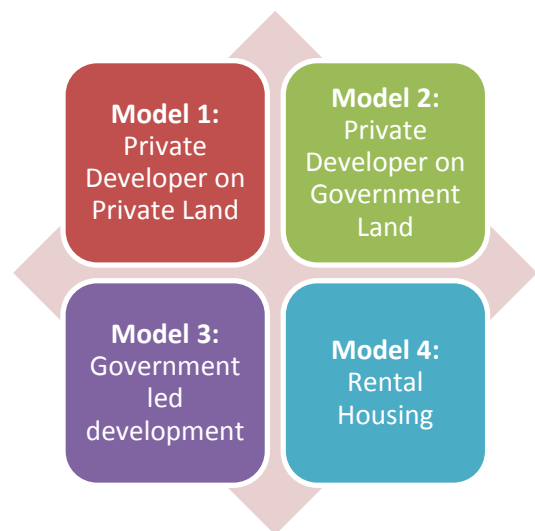
**Priority for allocating ground and first floor during allotment shall be given to senior citizens and persons with disabilities.**

# CHAPTER 3

## 3. Models of Affordable Housing



To execute the action Plan for providing housing to all the citizens by the year 2022 the State seeks to address housing shortage through the following housing models:



### 3.1. Model 1: Private Developer on Private Land

This model aims at incentivizing private developers to develop affordable housing scheme on their own private land. Under this model, three modes of private development are proposed.

The first mode refers to the mandatory provision of ear-marking either 10% of the total built up area or 25% of total number of units, in all Group Housing and Group Development Scheme Projects, whose land extent is more than 1 acres.

- Under this mode, demand side interventions such as capital and interest subsidy provided by the Central Government under various existing schemes, may not be applicable unless the housing scheme adheres to norms with respect to minimum no. of dwelling units, unit sizes and prescribed price etc.
- The total built up EWS/LIG houses/flats will be handed over to the nodal agency at pre-determined prices for allotment to eligible applicants.
- In case the developer is unable to build the affordable housing component in the same site, the Authority may on case- to- case basis permit the EWS/ LIG component to be built in some other site of the private developer, provided that the selected site is conducive in terms of economic activity, proper connectivity, availability of basic infrastructure and other such criteria which the Authority may feel necessary.
  - In case of Gangtok Municipal Corporation, the EWS/LIG units may be provided within the site or within the radius of 10km of the project site, or within 5kms from the nearest aerial route boundary of the municipal limits subject to approval of the Authority.
  - In case of other Urban Local Bodies, the EWS/LIG units may be provided within the site or within the radius of 5 km of the project site, or within 5kms from the nearest aerial route boundary of the municipal limits subject to approval of the Authority
- Maximum three builders may be allowed to provide (with respect to proportionate area of their main projects) the specified number of EWS / LIG units as prescribed with all civic amenities but the occupancy for the main projects will be released only after completion of the EWS / LIG

projects. Separate undertakings shall be obtained from the builders concerned by the Local Body.

- In lieu of providing EWS / LIG units, registration fee will be exempted for EWS / LIG units area by the concerned local body/UDA provided the EWS/ LIG units are provided in- situ within the project site.

The second mode of private development refers to group housing schemes aligned to requirements of the AHP Scheme of GoI, with minimum 50 dwelling units. The DUs would be a mix of EWS/LIG/Higher Categories/Commercial of which at least 60% of the FAR/ FSI will be used for dwelling units of carpet area of not more than 60 sq.m., or 35% of the total number of dwelling units constructed should be for EWS/ LIG category.

- The developer should develop a housing scheme under this model on a minimum of 1.0 acres of land.
- The developer is free to undertake any kind of construction on that portion of land which is other than the land used for affordable housing. On this extra land the developer is eligible to make commercial construction up to 10% of the total construction.
- The private developer may advertise and call for applications from eligible beneficiaries as per income limits laid down under the policy for EWS and LIG. The applicants for EWS/ LIG housing units may submit their interest through the Common Application Form through the e- portal. All verification regarding eligibility of beneficiaries will be done through online e- portal maintained by UD&HD and by the housing finance institution/ commercial bank which will be providing loan options to the beneficiaries. Post verification, the final list of eligible beneficiaries will be posted in the e- portal.
- The sale price for the dwelling units in the affordable segment may be determined by the private developer, with due approval from the Authority. The developer will be free to sell the balance area on which HIG/commercial houses/flats are constructed, as per his choice, to the open market.
- The height of the dwelling units building/blocks covered under the Affordable housing component shall not exceed 15 m (Cellar and / or Stilt as + maximum up to 5 floors) (non- high rise).

- The expenditure on all internal development works shall be borne by the developer and will not be allowed to charge the internal development cost to EWS/LIG flats.
- Free sale development can be started by the developer only after completion of at least 25% of the affordable housing scheme.
- The Nodal agency/ULB would ensure that maximum subsidy amount is claimed from relevant Government of India schemes for the project.
- All external development charges will be borne by the nodal agency/ ULB/ statutory body to be recovered from Impact Fee imposed upon applicable non- affordable components in the scheme, and partly from subsidy available from Government of India and state fund.
- Due care should be taken for selection of site which should be close to existing infrastructure and transport network so as to reduce the burden on the ULBs.
- The developer would be duly assisted in obtaining fast- track clearances through innovative approaches such as Common Application Form/ Single window mechanism and e- approval system within 15 days of filing the duly filled applications through an e- portal operated by SLNA.

Under both the above modes the developer will be exempt from land use conversion charges, building plan approval fee, any other municipal charges for the EWS/ LIG component of the scheme.

The third mode of private development refers to construction of affordable housing units by the private developer as a stand- alone project or with other MIG/ HIG units with no conditions on number of units, pricing, size specifications etc.

- The developer is free to sell such units in the open market as per market requirements and market pricing.
- In case the developer does not possess own land, he can take up the project on acquired land under the possession of ULBs/ UDAs/ Statutory bodies. The land would be made available to the developer on payment of compensation (Land Acquisition cost + 10% Administration charges). All other parameters, incentives, penalties remain the same as elaborated above.



### **3.1.1. Incentives to private developers under Model 1**

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- Up to three builders may jointly undertake affordable housing projects through land pooling if the project mandates a minimum site requirement of 5 acres, to leverage upon maximum demand side benefits such as subsidies for beneficiaries.
- In lieu of providing EWS / LIG units, registration fee will be exempted for EWS / LIG units' area by the concerned local body/UDA, provided the EWS/ LIG housing units are provided in-situ within the project site.
- The developer is free to undertake any kind of construction on that portion of land which is other than the land used for affordable housing. On this extra land the developer is eligible to make commercial construction up to 10% of the total construction.
- The developer will not have the flexibility to determine the sale price for the dwelling units in the affordable segment. The developer will be free to sell the balance area on which HIG/commercial houses/flats are constructed, as per his choice.
- Based on the guidelines proposed under existing Building Construction Regulations of the State, the developer may propose construction of multistoried building based on stability map of the area.
- The developer is entitled to benefits such as zero conversion charges for land use modification for the whole project, 100% waiver on levy of Development charges for the affordable housing component, zero building plan approval fee for the affordable housing component
- Fast- track composite clearance certificate through simple streamlined online process for commencement of project construction.
- Transparent online process for speedy and efficient allotment of affordable housing component to eligible beneficiaries.

### **3.2. Model 2: Private Developer on Government Land**

- As per this model, Government land / ULB land would be identified for allotment to developers for construction of EWS/LIG/MIG/HIG flats through an open bidding process.

- Developer offering maximum built-up for EWS/LIG type of affordable houses to be surrendered free of cost to the concerned authority will be selected. The built-up area offered cannot be less than at least 60% of the FAR/ FSI used for dwelling units, or 35% of the total number of dwelling units constructed should be for EWS/ LIG category. The remaining built up can be utilized for free sale by the developer.
- Two options of selling the affordable housing component would be available:
  - Government will sell the EWS/ LIG directly to eligible allottees through computerized draw of lottery, upon due verification based on proofs submitted online by the applicant such as income proof, ration card, aadhar card, property tax receipts, and any other relevant document, at Government pre- determined rates for EWS/ LIG units. Two levels of verification may be carried out, one by the Government and second by the HFC/ bank lending to the beneficiary
  - Government may authorize the private developer to sell the EWS/ LIG directly to eligible allottees upon passing due verification, as elaborated in Model No. 1, at pre- determined and approved rates for EWS/ LIG units. Selection may be done through computerized draw of lottery.
- Government land shall be allotted free of cost to the selected developer for construction of the housing scheme on a 33 years lease basis (extendable to 99 years on basis of the merit of the case). The developer can take up construction of EWS/LIG/MIG/HIG flats & commercial flats (high rise permitted) and would surrender the EWS/LIG flats free of cost to the ULB.
- The Government land allotted shall be free of all encumbrances, with all relevant clearances in place such as land use conversion etc.
- All incentives and penalties shall be as per Model No. 2.
- The expenditure on all internal development works shall be borne by the developer and will not be allowed to charge the internal development cost to EWS/LIG flats.

### **3.2.1. Incentives to private developers under Model 2**

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- All incentives applicable in Model 1 hold well under Model 2.

- The private developer will receive land free of cost as a 33 year lease (extendable to 99 years on basis of the merit of the case), free of encumbrances, with all clearances in place such as land conversion etc.

### **3.3. Model 3: Government led development**

- All government led housing schemes for affordable housing shall earmark at least 60% of the FAR/ FSI for affordable housing units of carpet area of not more than 60 sqm, or 35% of the total number of dwelling units constructed should be for EWS/ LIG category.
- Government land shall be allotted on priority basis for affordable housing projects in the state. The Authority will be entitled to get government land at the applicable benchmark price or at a further concessional rate as may be decided by the government on a case to case basis.
- The Government land allotted shall be free of all encumbrances, with all relevant clearances in place such as land use conversion etc.
- In order to derive maximum subsidy, the group housing scheme shall be as closely aligned to the requirements of Central & State Government Housing & Habitat Schemes.
- The project undertaken by the ULB/ Statutory Body will be implemented through UD&HD. For the purpose of clarity, UD&HD as the State Level Nodal Agency shall be responsible for procurement of developer and the beneficiary allotment for all affordable housing projects undertaken by ULB/ UDA/ Statutory Body in the state.
- Other responsibilities such as project inspection and monitoring, shall be conducted jointly by the implementing agency and/ or through Third Party Inspection, and the PMU unit under UD&HD.
- Selection process of contractor or developer shall be done on basis of lowest-quoted tender bid and the entire process shall be open and transparent.
- Lump sum contracts may be adopted to de-risk the project from cost escalations due to delays and other reasons.

- Double verification of the applicants documents, first level done by the Authority based on proofs submitted online by the Applicant, and second level verification by the HFC/ bank lending to the beneficiary.
- The implementing agency will authorize payment to the selected developer for construction on getting quality and progress related certification from the appointed PMC/TPI by the lending bank for different phases based on pre- determined prices.
- Allotment and sale of dwelling units will be done through the online e-portal based on lottery system.

### **3.3.1. Incentives to private developers under Model 3**

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- Streamlined transparent procurement process for selection of developer/ contractor; Standardized documents for procurement through Lump sum Method.
- Time- bound payments as per progress of construction based on inspection reports submitted by professional Third Party Inspections reducing government bureaucracy involvement.
- Grievance redressal system to address issues raised by developers.

### **3.4. Model 4: Rental Housing**

- Rental housing may be the preferred choice to accommodate tenants of slums, laborers, floating population and urban homeless.
- In projects for rental housing and dormitories, rent would be fixed by States/UTs either on no profit-no loss basis or through open and transparent procedure, as the case may be.
- For projects involving rental housing units and dormitories, the following aspects are specified:
  - Smaller projects having a mix of rental as well as ownership housing units can be considered.
  - Management of rental housing and dormitories including collection of rent shall be with ULBs/Parastatals as designated by them.

- Carpet area restrictions shall not be applicable for projects involving rental housing and dormitories and mix of EWS/LIG can be designed based on actual needs.
- State government can design and construct rental housing for new migrants through PPP. This can include both big and small contractors, housing co-operatives / NGOs etc.
- Private developers may also chose to build a mix of rental as well as ownership housing units.

## CHAPTER 4

### 4. Benefits to Target Population

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Benefits to be given to beneficiaries/developers by Government of Sikkim so as to have cost of EWS/LIG units to Affordable limits:

- Prescribed ceiling cost of various categories of affordable housing or government intervention in sale price fixation by private developer, to ensure “affordability” of the dwelling unit
- 100% exemption of stamp duty for the affordable housing component.
- Streamlined application and receipt of capital and interest subsidies as per various central and state government schemes through efficient online system
- Simplified and transparent application, verification and allotment procedure for all affordable housing projects whether announced by the ULB/ UDA/ Statutory Body/ or Developer, through a single online e- portal system maintained by State Level Nodal Agency (SLNA).
- Assistance from SLNA in filing application through e- seva centres opened at every urban centre
- Assistance from SLNA along with representatives from the financial institutions/ banks to coordinate and facilitate loan sanction for purchase of dwelling unit
- Grievance redressal system under SLNA.
- Quality infrastructure including roads, water supply, sewerage/ drainage, street lighting, community open space etc.
- In the case of government and private sector employees, advances and withdrawals (monthly with drawl to be paid as EMI) from the Contributory Provident Fund (CPF) may be permitted as per the CPF Rules for:
  - Building or acquiring a suitable house, or ready-built flat for his residence including the cost of the site.
  - Payment towards allotment of a plot or flat by State Housing Board or a House Building Co- operative society.

## **Benefits to Developers/ NGOs engaged in providing Affordable Housing**

### ***Non – monetary incentives***

- Special status to Affordable Housing After submission of plans for execution of scheme, developer will be allowed to start construction of houses after 45 days. (within building parameters) - Fast track approval.
- Permitted to plan 60% of the area for MIG/HIG flats for cross subsidizing cost of low cost housing.
- 5-10% units permitted for commercial use

### ***Monetary incentives:***

- Cost of external development charges – Zero
- Building plan approval fee – Zero
- Waiver /subsidy in registration fee
- Interest subsidy on Project Finance loans
- Exemption – Central Excise/ Custom on the procurement of material / machine
- Exemption – Service Tax applicable to contract/ consultancy/ rental income for DUs size (affordable housing) as determined by State Government.
- Exemption – Income tax on capital gain from whole of the project land under affordable housing.

## CHAPTER 5

### 5. Role of Various Stakeholders

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Stakeholder plays a critical role in ensuring the provision of houses and maintaining the momentum for delivery by providing an appropriate implementation vehicle. It will be vital to identify the synergies that exist between the stakeholders and thereby defining the role of each stakeholder. It is necessary to identify the various stakeholders and define their roles and responsibilities for smooth and effective implementation of housing policy and programmes.

#### 5.1. Role of central Government

In order to supplement the efforts of the State Government, it is anticipated that the Government of India support will be forthcoming in the following aspects:

- Provide support through National Policies, Programmes and Schemes and act as a facilitator in the creation of affordable housing stock.
- The Central Government will also on one hand provide for capital grants support to Affordable Housing projects under various schemes to act as a lever to boost the supply of affordable housing and also provide for greater channelization of credit to the urban poor to enhance their purchasing power on the other.
- Ministry of Housing and Urban Poverty Alleviation from time to time will provide inputs to the Ministry of Finance for providing fiscal and financial incentives to this segment.
- The Government of India shall also strive to accord industry status to the real estate segment.
- The Government of India shall also consider making Viability Gap Funding available for Affordable Housing projects.
- Facilitate greater flow of capital through external sources like the External Commercial Borrowings and Foreign Direct Investment.
- The Central Government will encourage development of new avenues for project financing for Affordable Housing including that from the insurance and pension funds.



- The recent initiatives of Government of India like the Credit Risk Guarantee Fund Trust and Urban Housing Fund needs to be further promoted.

## **5.2. Role of State Government**

- To ensure that 25% of the Government land available with ULBs is utilized for construction of EWS/LIG housing.
- To ensure that various notifications for land acquisition are issued well in time, so that negotiations are conducted in a time bound manner.
- As far as possible and feasible concerned Department to set up Primary School/Dispensary/Angan Wadi etc., in the scheme of EWS/LIG Flats or in nearby area.
- Establishment of occupational training centers for up gradation of skills.
- Ensure that EWS/LIG housing is exempted from paying stamp duty as per order issued by finance Department.
- Encourage NGOs, self-help groups in housing activities & involvement in micro finance to assist the beneficiaries meet cost of dwelling units.
- Promoting various incentives in private section & cooperative sector to undertake housing & infrastructure projects.
- Ensure creation of land bank in various ULBs.
- Preparation of action plan & programmes to meet housing shortage & augment supply of land for housing particularly for EWS/LIG group.
- Advice related agencies to take up housing for industrial laborers and other such groups.
- State government shall empanel Resource Centers to develop capacity building training modules customized to the needs of the state.

## **5.3. Role of Urban Development & Housing Department**

- UD&HD will invite expression of interest from developers and bids wherever required and will scrutinize the EOIs and bids.
- Invite applications for registration from beneficiaries and to charge non-refundable as well as refundable registration amount. UD&HD to utilize this amount towards administrative cost.
- Scrutinize the applications received from beneficiaries

- UD&HD to assist/guide beneficiaries so that they can get loans through banks.
- Verification of progress and cash flow and issuing instructions to banks for release of funds to developers.
- To ensure and monitor construction/development works executed by developers.
- To facilitate the developer in timely payment, against progress of work at site after recommendation by the third party.
- Monitoring of (through third party agency) construction of flats as per guidelines of GoI/GoS, appointment of third party agency for the quality supervision of project.
- If required to get the work done on the cost and risk basis of developer.
- Monitor and to ensure that ULBs take up external development works well in advance and are in pace with internal development works/ completion of scheme.
- Monitoring of progress of construction of flats & to monitor quality of development & construction works at site through third party.
- Ensure with association of concerned ULB that in case of default by allottee in repayment of loan to Bank, the possession of the flat is taken from the defaulter & it is re-allotted to other applicant in the same category and to ensure repayment of the loan by the next allottee.
- Ensure that original Allotment letter of the flat is mortgaged directly to the Bank against the loan obtained by the allottee.
- Preparation & implementation of Apartment Ownership Act.

#### **5.4. Role of Sikkim Housing Development Board**

- Ensure preparation of action plan and programmes to meet the housing shortage and augment supply of land for housing particularly for EWS/LIG.
- Ensure that minimum 35% of the total dwelling units constructed are reserved for EWS/LIG Housing.
- Cross subsidize the land cost of EWS/LIG so as to bring down the cost of these category of houses to affordable limits.
- Creation of Land Bank
- Deposit works of various Government Departments related to housing & habitat activities.unsu

- Unused or vacant buildings of Building & Housing Department to be considered as one of the options for rental housing.
- The Sikkim Housing Development Board shall provide assistance in transfer of lands vested with them to the UD&HD under special circumstances for affordable housing projects.
- Establish building centers and adopt proper technology and eco-friendly building materials.
- E-governance for all activities.

### **5.5. Role of Developers**

- Take up housing projects for EWS/LIG category as per provisions of the scheme.
- Ensure quality control, safety measures, facilities for workers at the work site.
- Execution of all internal development works including Rain Water Harvesting and Sewerage Treatment Plant.
- Undertake adequate tree plantation works.
- Ensure testing of quality of materials & use of latest machines at construction site.
- Ensure compliance of all the procedural guidelines issued under this policy.
- Handover possession of completed units of EWS/ LIG to UD&HD/ Housing Board for allotment to the beneficiaries.
- Maintain the scheme for at least 3 years after completion of the project
- Create a corpus for maintenance fund immediately after completion of project. Amount to be kept in a separate bank account and handed over to the Resident Welfare Association.
- Developer to help in the formation of RWA.
- Structural design of the buildings to be got approved from NIT/other government engineering colleges in the State.

## CHAPTER 6

### 6. Monitoring and Evaluation

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For effective habitat development, it is imperative to address the issues and problems that occur in the implementation of the policy through consistent monitoring and evaluation mechanism. Transparent information flow and an integrated information system related to land, pricing, resources, etc. is critical for implementing and measuring effective programmes.

Successful implementation of reforms within the committed timeframe is critical for the success of the policy. There is a need to strengthen monitoring mechanism and ensuring that milestones for reforms are achieved during the project period and not extended beyond the timeframe. Benchmarking the areas or sectors identified in the policy is critical in order to monitor the level of progress. For monitoring and implementation of the project and reforms at the local level, a Project Implementation and Monitoring Cell may be established within the respective ULBs. The mechanism/system is critical to ensure that the incentives provided to both the developers/suppliers and the buyers are correctly targeted and utilised. An ICT based monitoring and evaluation system can help streamline the process. Further adopting a procedure to incorporate grievances redressal is also critical in order to strengthen the entire policy implementation process.

A High Level Monitoring Committee at the central government would be established that comprises of members from the government, NGOs, CSOs, banks, etc. The function of this committee would be to periodically monitoring, reviewing, and overseeing the process of planning and implementation of the housing policy. Conducting social audits during the entire project cycle, to ensure transparent allotment project is also an aspect that would be looked at.

## 7. ANNEXURE

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### **Selection Criteria**

The policy aims to encourage good quality construction in Affordable Housing Projects and shall assign conditions for the selection of private developers.

#### **7.1.1. Selection criteria for private developers:**

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Any developer fulfilling the following criteria will be eligible to apply under various models.

- i. At least three years of experience in building construction work and should have a good track record of quality construction works.
- ii. Total net worth (Reserve & Capital) of last three years (of the company or its sister concern or consortium) should be equivalent to at least 10% of the project cost (excluding land cost) i.e. cost of proposed EWS/LIG houses.
- iii. The developer should have the ability to pay compensation for acquired land as fixed by the concerned authorities in case the developer does not under model no.3.
- iv. The developer should have executed minimum 2.0 acres of Residential or other type of Development in a single project during the last 3 years. (As a developer or builder or as construction agency).
- v. Joint venture or Special Purpose Vehicle by private developers will also be eligible under the Policy.

#### **7.1.2. Selection criteria for Beneficiaries:**

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- i. As per the criteria laid down by Government of India the annual income of applicant should be as follows:-

<b>Income Group</b>	<b>Annual Income (In Rupees)<sup>3</sup></b>
Economically Weaker Section (EWS)	Up to Rs.3,00,000
Lower Income Groups (LIG)	Rs.3,00,001 to 6,00,000

- ii. The applicant should not own any leasehold or freehold house or plot either in his own name or in the name of spouse or any dependent member (including unmarried children) of his family in any urban area of Sikkim. An affidavit certified by the Notary Public shall be submitted to this effect.
- iii. One person can submit one application only.

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<sup>3</sup> Pradhan Mantri Awas Yojana, Scheme Guidelines, 2015, MoHUPA

- iv. A person who has already been allotted a housing unit by the Government shall not be eligible to apply for another Government housing unit.
- v. Beneficiaries eligible for availing housing benefits through UD&HD/ULBs shall be identified as per the criteria fixed by the state Government.
- vi. Before determining eligibility, applications will be invited from prospective beneficiaries. The implementation agency shall allot houses to only those beneficiaries who qualify the annual income criteria.
- vii. The Income certificate is to be produced as proof towards eligibility by the applicant. Income certificate to be certified by concerned Employer in case of salaried individual.
- viii. For identification as an end user (EWS or LIG beneficiary) under the scheme, an individual loan applicant will submit self-certificate/affidavit as proof of income.
- ix. The flat allotted to him must be occupied with in one year of taking over the possession of the same.
- x. Every incumbent will have to become member of society, which will maintain common services and regular up keep of housing property. An undertaking form to this effect will have to be signed by incumbent before possession is handed over to him.
- xi. The developer shall maintain the complete housing complex developed under the provisions of this policy for 3 years after the completion of the project. Thereafter it may be transferred to RWA or ULB. One time maintenance amount as decided by the Government in consultation with developer, will have to be deposited by developer as a corpus amount in a separate maintenance fund after completion of the project, so that maintenance work is taken care of.
- xii. On allotment of the affordable housing unit, the beneficiary will have to pay 10 % of total price of the total price as down payment.
- xiii. Beneficiaries of EWS/LIG housing will not be permitted to sell their allotted houses or sublet them for at least 10 years.

### **7.1.3. Selection of site & approval of project**

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- i. Site to be selected / approved should preferably be in the vicinity of existing infrastructure, so as to minimize delay and cost in extending various services to the scheme area.
- ii. Nodal agency shall invite expression of interest for construction of houses in various towns (EOI) from interested developers from all over the country.

- iii. UD&HD will be the nodal agency for affordable housing scheme which will be responsible for fund devolution and monitoring and supervision of work. The urban local body will act as the implementing agencies. In case of Sikkim Housing Development Board they can develop housing project adopting PPP model as per Model 2. The houses shall be constructed by the developers in coordination with the nodal agencies, as per the guide lines issued by the State Government.
- iv. After scrutinizing the proposals received from the private developers, these shall be placed before State Level Sanctioning and Monitoring Committee for approval.
- v. The State Government based on recommendation of State level Sanctioning & Monitoring Committee would issue an in- principle approval for commencement of the project.
- vi. The private developer shall submit the Detailed Project Report to the concerned Nodal Department within 30 days from the date of in-principle approval given by the State Government. The concerned Department will scrutinize and will obtain all approvals including change in land use, layout plan and building plan, structural plan, soil test report etc which are to be included in the DPR in accordance with the prevailing rules / regulations from different agencies and submit it to the Project approval Committee within 15 days from the date of receipt of the DPR.
- vii. Since the projects of the private developer would have an in – principle approval of the State Government, all the sanctions of land use change and approval of layout plan/maps may be issued by the concerned local authority/ department within a period of 30 days by adopting summary proceedings.
- viii. A Project Approval Committee would be constituted under the Chairmanship of the senior most officer of the local authority. The project approval committee will sanctioned the DPR which is to be technically sanctioned prior within 1 week from the date of receipt.
- ix. Once the DPR is approved it has to be sent to the concerned implementing agencies like ULB, UD&HD or the Housing Board for early implementation of the project.

### **Project Approval Committees -**

Commissioner/ Secretary UD&HD	Chairman
Commissioner/ Chief Municipal Officer of concerned ULB	Member
Secretary Housing Board	Member
Secretary, Building & Housing Department	Member
Representative from Mines, Minerals & Geology Dept.	Member
Chief Town Planner	Member Secy.

#### **7.1.4. Housing**

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Features of housing for EWS/ LIG

- **Houses in in-situ development shall be developed on ‘as-is where- is-basis’** where settlement layouts allow the development of adequate infrastructure. In the few settlements that are dense or where pathways are too narrow to bring in the required infrastructure, some land adjustments may be required and shall be undertaken through a process of community consultation and prior to retrofitting the house.
- **Housing in in-situ development shall also be upgraded incrementally based on demand, skill, economic resources and affordability.**
- All households shall get property rights in the joint names of the wife and the husband in case of family, in the name of the woman in a women-headed house and in the name of the adult male of the house in case of single men.
- Nominal property tax will be collected.
- Housing Cooperatives to be formed who will monitor allotments, maintenance and any other issues.

#### **7.1.5. Repair & Maintenance Provision**

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The developer shall maintain the complete housing complex developed under the provisions of this policy for 3 years after the completion of the project post which it may be transferred to the relevant ULB/ UDA/ statutory body or the Association formed for the Housing Colony. A corpus fund shall be created which shall be utilized by the Association of the Housing Colony as maintenance deposit for upkeep of the colony, the buildings and facilities. Structural defect liability period for affordable housing scheme developed by the developer shall be for 3 years from date of completion certificate of the housing scheme.



### **7.1.6. Allotment Priority**

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**First priority** - destitute –senior citizens, People with disabilities, single women, widows, deserted women, orphans etc. who cannot earn for themselves and depend only on government pensions.

**Second priority** – people living in hazardous /objectionable/ slum areas.

**Third priority** – all slums having higher density, poverty and infrastructure deficiencies.