



ABSTRACT

Housing – Tamil Nadu Housing Board – Directions for implementation of schemes through Public Private Partnership and cross-subsidization via mixed-use / mixed-income development and framing of detailed scheme and guidelines for land acquisition and utilization – Orders – Issued.

HOUSING AND URBAN DEVELOPMENT (HB3(2)) DEPARTMENT

G.O.(Ms.).No.76

Dated: 13.05.2022.

சுபகிருது வருடம், சித்திரை 30,
திருவள்ளூர் ஆண்டு 2053.

Read :

From the Managing Director, Tamil Nadu Housing Board,
Letter No.PW.7386/2022, dated 10.05.2022.

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ORDER:

In his letter read above, the Managing Director, Tamil Nadu Housing Board has stated that the Tamil Nadu Housing Board was established in the year 1961 by enacting the Tamil Nadu State Housing Board Act, 1961 with the objective to cater to the increasing need for housing throughout the State.

2. It is further stated that while, the Tamil Nadu Housing Board Act, 1961, is in the process of being amended, primarily to bring it in tandem with the evolution of housing needs in the State. Many of the provisions envisaged therein are already provided for the existing Act or in various other Acts and Government Orders. To enable Tamil Nadu Housing Board to bring these provisions into immediate implementation, especially in the context of the announcements made for the previous and current financial years, and in order to facilitate concerted action to achieve various policy objectives of the Government such as Public Private Partnership (PPP), Land consolidation, Land Pooling, affordable housing, climate and disaster resilience, the following proposals are sent for the approval of Government:-

I. Implementation of schemes through Public Private Partnership (PPP):

The housing sector has witnessed increase in investment from the private sector, especially in the Middle Income Group (MIG) / Higher Income Group (HIG) segments. This has led to capacity addition for

(P.T.O)

provision of more housing stock in the State and hence, the Tamil Nadu Housing Board would like to co-ordinate with the private sector through PPP mode to usher in synergy of growth in the real estate sector in Tamil Nadu. Section 31(A) of the existing Tamil Nadu Housing Board Act enables Tamil Nadu Housing Board to undertake housing and improvement scheme through PPP. However, the current schemes being implemented by Tamil Nadu Housing Board requires realignment to enable private entrepreneurship to come on-board for the Tamil Nadu Housing Board projects in the Lower Income Group (LIG) and Economic Weaker Section (EWS) segment. Such Tamil Nadu Housing Board schemes may be complemented with additional housing units in the MIG-I segment, however without subsidies. Also, the Tamil Nadu Housing Board schemes may include MIG-II, and HIG segment, as well as other non-residential land uses for revenue generation, such as commercial or office spaces.

(ii) Currently, there is a large stock of unsold units as saleability in this segment is a big issue due to affordability. Therefore, Tamil Nadu Housing Board may collaborate with Tamil Nadu Urban Habitat Development Board for the EWS segment, either, by allocation of an adequate portion of land for development or by handing over developed housing stock so that respective units would be under the subsidy scheme of the Tamil Nadu Urban Habitat Development Board. The benefit would accrue in the form of a mixed use, mixed-income, 'adequate habitat', primarily in the EWS segment.

(iii) Besides the existing schemes, which are either Self Financing Schemes in which the allottees make full payment on market rate basis after development by Tamil Nadu Housing Board or Hire Purchase Scheme in which the allottees make payment on installment basis over a longer period of time, Tamil Nadu Housing Board proposes to take up new projects in this segment through PPP mode and to cross-subsidize via mixed-use / mixed-income development to bring down the cost in LIG and, especially, EWS segment.

(iv) Hence, it is proposed to take up project in collaboration with private entities and Tamil Nadu Urban Habitat Development Board, on priority basis, using a cross-subsidization model wherever feasible. The projects to be taken up under this mode can be decided by the Board on a case to case basis from time to time. For this purpose, Tamil Nadu Housing Board would frame requisite guidelines for deciding the scale, greening of design and construction techniques, quantum of subsidy and other modalities required, depending on factors such as location and land cost.

II. Acquisition and utilisation of land for projects:

(A) Land Acquisition: Tamil Nadu Housing Board has been implementing its schemes mostly by way of acquiring private patta lands through the Land Acquisition Act, 1984. However, acquisition of land for

implementing affordable housing schemes has become more difficult and burgeoning litigation involving land acquisition has hindered TNHB's ability to implement new schemes. The last land acquisition under this act was in the year 2010. With the enactment of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 the current model of acquiring and utilizing land for affordable housing needs to be re-examined to explore acquiring land through alternate means which provide for speedier, more affordable, less coercive, more participative and less litigious mode of land acquisition.

(ii) Hence, besides acquisition of land through the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 wherever feasible, Tamil Nadu Housing Board now proposes to also obtain land for implementation of schemes in collaboration with private and non-private land owners, by way of reconstitution / reconsolidating of its scattered land, land pooling, private negotiation, etc., as provided for in other relevant extant rules and regulations. Such schemes would be developed in consultation of all the stakeholders involved, particularly the current land owners, land users and also along with representation of envisaged future land users.

(B) Land Utilisation: The current model of land utilization for implementing housing schemes has largely been one of '**acquire-develop-sale**'. However, due to the dwindling stock of land resources coupled with the increasing difficulty in acquiring cheaper lands, Tamil Nadu Housing Board needs to look at a more judicious policy of land utilisation so that scarce and costly land resource could be reused in the future by way of retention of ownership and redevelopment, as and when required. Therefore, in addition to the existing projects, Tamil Nadu Housing Board also proposes to develop / redevelop housing projects, moving down-market with focus in LIG, and especially, EWS segments - to be mixed with other income groups and land uses to ensure mixed-income, mixed-use adequate habitats. Tamil Nadu Housing Board will allot the houses / flats with (i) long term tenure of occupation or ownership to individual housing units and (ii) long term undivided long term leasehold of the land to resident associations (of more than 30 years), which, at the end of the lease period can be subsequently redeveloped in accordance with the Tamil Nadu Apartment Ownership Act and Redevelopment Policy or other legal provisions as may be in vogue at that point of time. A detailed scheme with relevant guidelines will be formulated at the Board level to take up such a scheme.

III. Disaster/Climate Resilience:

The Tamil Nadu Housing Board adopts relevant standards for such requirement as for adoption of green design principles, innovative construction techniques, modern building technology, energy conservation, urban flood management, disaster and climate resilience,

etc., for example, Indian Standard Code of practice and design concepts with the latest provisions in National Building Code of India for earthquake, cyclone, flood, Fire safety etc., are also being followed. Besides this, the Tamil Nadu Housing Board also adheres to the environmental norms as may be issued by MoEF from time to time. Recently, the Government of Tamil Nadu issued a Government order vide G.O.(Ms).No.57, Housing and Urban Development [UD4(1)] Department dated 19.04.2022 for ensuring compliance of energy efficiency and climate resilience in Tamil Nadu Housing Board buildings which is under initial stage of implementation. Tamil Nadu Housing Board will abide by such rules and guidelines as may be in force from time to time in order to achieve sustainability, disaster and climate resilience in its buildings.

3. In order to facilitate concerted action by Tamil Nadu Housing Board to achieve the various policy objectives of the Government and to facilitate implementation of the various schemes by Government, the Managing Director, Tamil Nadu Housing Board Government has requested the Government to issue necessary directions and approvals for the above proposals of Tamil Nadu Housing Board as below:

(i) To take up new projects on priority in the EWS, LIG and lower MIG segment through PPP mode and to cross-subsidize via mixed-use / mixed-income development for enhancing affordability and promoting sustainability, and also for Tamil Nadu Housing Board to frame requisite guidelines for deciding the scale, quantum of subsidy and other modalities required for the same and

(ii) To formulate detailed schemes and guidelines for land acquisition and utilization as proposed in para II (A) and II (B) above for which the guidelines would include provisions to manage and mitigate any possible environmental impacts associated with the land utilization / development process.

4. The Government after careful examination has decided to accept the proposal of the Managing Director, Tamil Nadu Housing Board and directs Tamil Nadu Housing Board as below for the implementation of the various schemes announced by Government, subject to the condition that Tamil Nadu Infrastructure Development Board (TNIDB) may be consulted at an appropriate time while detailing out the proposal.

(i) Taking up of new projects on priority basis in the EWS, LIG and lower MIG segment, through PPP mode and to cross-subsidize via mixed-use / mixed-income development to enhance affordability and promote sustainability, and Tamil Nadu Housing Board to frame requisite guidelines for deciding the scale, quantum of subsidy and other modalities required for the same and

(ii) To formulate detailed schemes and guidelines for land acquisition and utilization as proposed in II (A) and II (B) in para 2 above

for which the guidelines would include provisions to manage and mitigate any possible environmental impacts associated with the land utilization / development process.

(BY ORDER OF THE GOVERNOR)

HITESH KUMAR S. MAKWANA
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Managing Director, Tamil Nadu Housing Board, Chennai – 107.
The Managing Director, Tamil Nadu Urban Habitat Development Board,
Chennai – 05.

Copy to:

The Office of the Hon'ble Minister (Housing and Urban Development
Department), Chennai-9.

The Private Secretary to Principal Secretary to Government, Housing
and Urban Development Department, Chennai-9.

The Finance(Hg) Department, Chennai-9.

The Housing and Urban Development (Budget/OP1/LA1/LA2/HB1)
Department, Chennai-9.

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// FORWARDED BY ORDER //


SECTION OFFICER.

07/07/22
13/05/2022

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