

# Urban Land Issues



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# URBANISATION ?

Cities are “engines of growth”

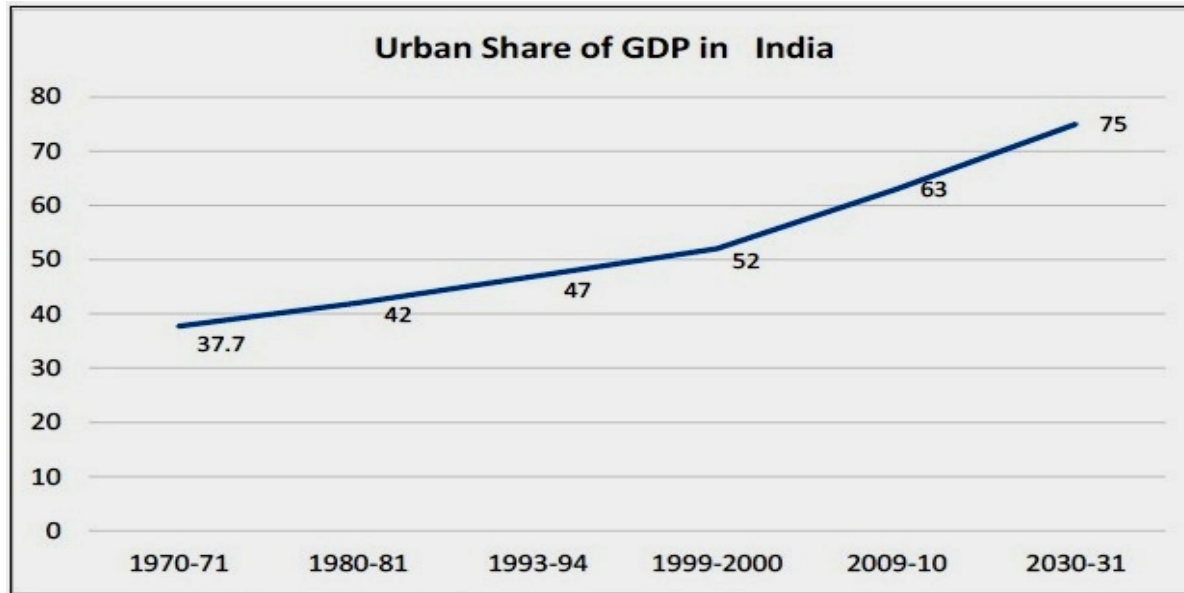


Figure 2: Urban Share of GDP in India

•While the urban population is currently around 31% of the total population, it contributes over 60% of India’s GDP. It is projected that urban India will contribute nearly 75% of the national GDP in the next 15 years.

•Urbanisation adds value

# Cities needed to expand with Proper Urban Planning

## Without urban Planning

- Irregular growth outside city's periphery
- Poor Environment
- Slums
- Common facilities are not available
- Poor Public Centric Services
- Poor Health Facilities

## Requirements for City's expansion

- Requirement of Land
- Land use
- Proper Urban Planning
- To meet the social, economic, and physical needs of Communities
  - Housing needs, Health facilities
  - Park and recreation
  - Roads and transportation Systems
  - Economic development Strategies etc.
- Strategies to implement the plan.

# World experience

- **London**

- Slums as late as 1940s
- Epidemics
- Cholera



- **Singapore**

- A fishing village till 1960s

- **Our Cities**

- Same experience in fast forward mode
- **Timing is critical**



# Master Planning

- Essentially land use planning
- Requirements of a city
  - *Housing*
  - *Green Areas*
  - *Health*
  - *Education*
  - *Community Facilities*
  - *Government Requirement*
  - *Law & Order*
  - *Markets*
  - *Industry etc.*
- Proportions of different land use as per the envisaged character of the city

# Master Planning

- Critical Connectivities
  - Location of development
  - Commerce
  - Near by towns
  - Need For Upgradation of Highways, Rails, Airports etc.
  - Roads
    - Arterial Roads
    - City Roads
    - Inner Roads
- In case of expansion of existing cities
  - Deficits need to be covered in expansion

# Steps in Master Planning

- **Vision Statement**
  - Consultation is important
- **Regional Plan**
  - Critical Connectivities
  - Region level services – e.g. Airport, Rail Terminus, Metro etc.
  - Common objectives
- **City Master Plan**
  - More detailed
  - City level infrastructure
  - Services – e.g. schools, dispensaries, community facilities
- **Zonal Plans**
  - Even more detailed
  - Specific about type of development
    - Inner Roads, plotting of industrial/residential area

# Master Planning Adds Value

- Differential value addition

- Greens (-)
- Residential (+)
- Industrial (~)
- Commercial (++)
- Roads (-)
- Over all (+)



# Master Planning Adds Value

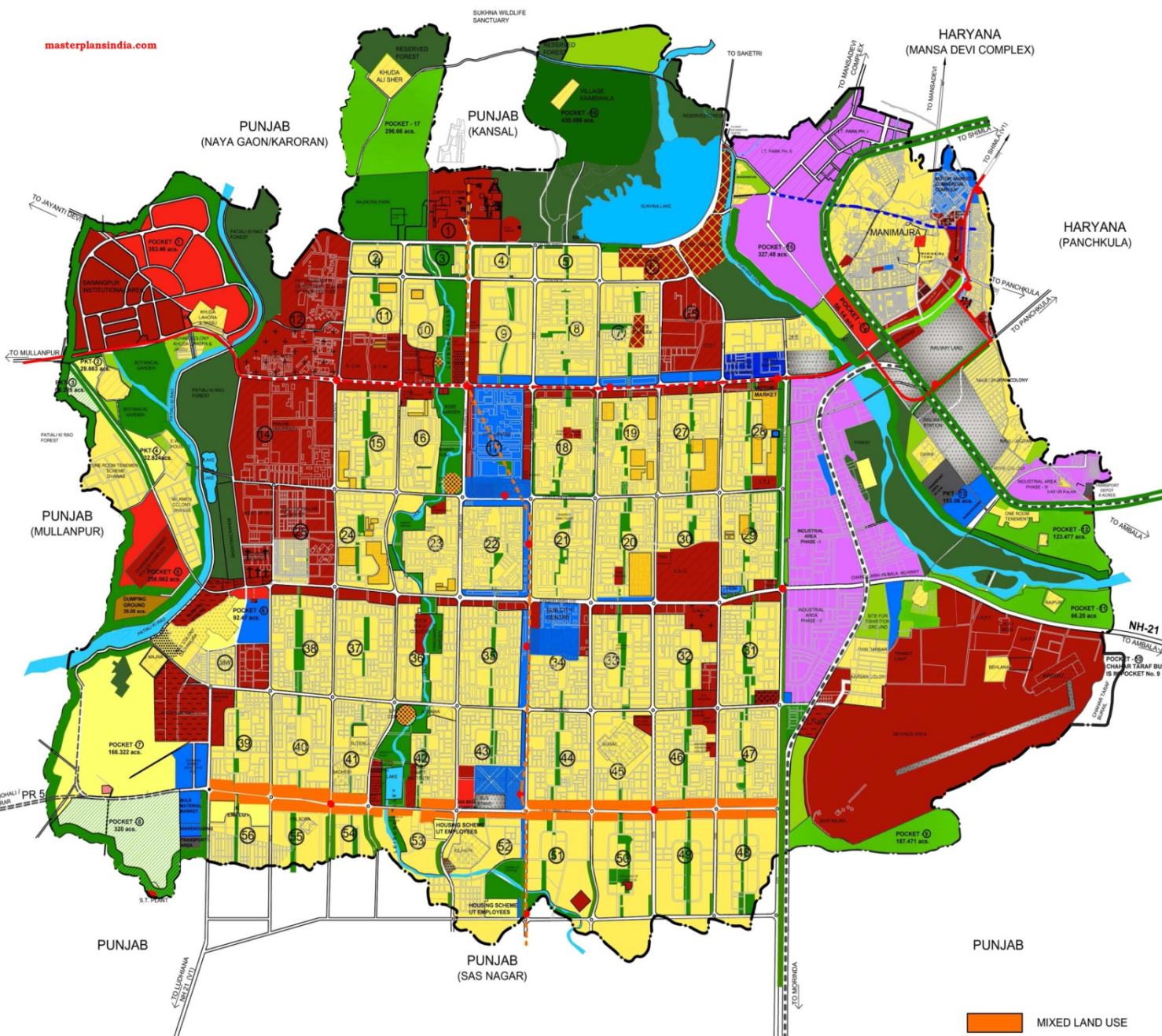
- **Transferable Development Rights (TDR)**
  - Can make planning more equitable.
  - Not used in a major way in India
  - Mumbai
    - Slum Rehabilitation
    - Heritage properties
    - Road widening
- **Govt. can itself acquire and develop**

# Master Planning Adds Value

- What in a master plan adds value ??
  - Mixed use of land brings synergy
  - Similarly mixed population
  - Good services make life easier

# Chandigarh Master Plan

masterplansindia.com



DEPARTMENT OF  
URBAN PLANNING  
CHANDIGARH ADMN.



DETAIL OF LAND USE :

<b>RESIDENTIAL</b>	
URBAN VILLAGES	
VILLAGES IN PERIPHERY	
<b>COMMERCIAL</b>	
WHOLESALE	
<b>INDUSTRIAL</b>	
I.T. PARK	
<b>PUBLIC/ SEMI PUBLIC</b>	
INSTITUTIONAL	
EDUCATIONAL	
HEALTH FACILITIES	
SPORTS FACILITIES	
CREMATION GROUND	
CULTURAL FACILITIES	
<b>PUBLIC UTILITIES</b>	
<b>GREEN / OPEN SPACES :</b>	
ORGANISED OPEN SPACE	
FOREST	
AGRICULTURE	
<b>TRAFFIC AND TRANSPORTATION :</b>	
TRANSPORTATION NODES	
ROADS	
RAILWAY LINE	
<b>WATER BODIES</b>	

CHIEF ARCHITECT	SENIOR TOWN PLANNER	
DIVISIONAL TOWN PLANNER	ASSISTANT TOWN PLANNER	
DRAWN BY:	CHECKED BY:	
SCALE : 1 CM : 200 M T.S.		
DRG. NO.	JOB NO.	DATED

**PERSPECTIVE PLAN OF  
CHANDIGARH 2031**

MIXED LAND USE



# Land Acquisition

- **Statutory Process**
- **Stake Holders**
  - Owners
  - Govt./Authority
  - Subsequent Purchasers of developed plots
  - Economy as a whole
  - ??
- **Price of Land ?**
  - Value of a good is what we sacrifice for use of that good
  - The land owner whose land is acquired should be able to purchase an approximately equal portion of similar land in nearby areas
  - As per the Act the compensation is determined on the basis of average sale price of land in the area in last one year

# Land Acquisition

- **Ideally the process is fair**
- **Practically**
  - Sale prices are underreported to evade stamp duty
  - Collector rates don't represent reality
  - Therefore statutory compensation for land acquisition is far below the actual market price
  - Often leads to unrest and agitations

# Land Acquisition

- **“Rob Peter to pay Paul”**
  - Acquiring at less than market price and then selling the land cheaply to a urban dweller results in huge indirect transfer of value from farmer to the urban person
- **In a fair process all stake holders should be satisfied**
- **Different methods have been evolved in different states to overcome this problem**

# Land Acquisition

- **Land Pooling in Gujarat**

- A bigger area is taken up for development.
- Common services- roads etc. are planned
- Land owners are given proportionate pieces of land after effecting a cut equivalent to the land used for common purposes
- *Ahmedabad Bye Pass*
  - 60 kms road achieved through the land pooling process

- **Town planning schemes**

- Included in all Municipal & Urban Development Acts



# Land Acquisition

## Haryana Model

- Annuity payments over and above the land acquisition compensation

# Land Acquisition

## Punjab Model

- A very generous compensation
  - Land owner to give an undertaking for no further litigation
  - Cabinet Sub-Committee finally approves land prices

contd....

# Land Acquisition (Punjab)

- Modified land pooling policy
  - Compensation in the form of developed land
  - 1000 sq yards residential land for every acre
  - 121 sq yard commercial land for every acre
  - No litigation undertaking to be given
  - LoI to be issued to land owners, which are transferable immediately
  - Land owner can opt compensation partially in cash and partially under land pooling
  - Even owners of smaller holdings can opt for it

# Land Acquisition

- **Acquisition by way of sealed bids**
  - Gurdaspur Forest Land
- **Acquiring through land aggregators**
  - Controversial
  - Not used so far

# Development in Private Sector

- Private sector to be responsible for
  - Acquiring land
  - Developing land
  - Selling developed land
- Restrictions in terms of size of the development
  - 100 acres in Mohali Area
  - Required so that essential services are catered for
- Govt. responsibility only of licensing and regulation

# Disposal/Usage of acquired Land

Residential Land

- By Lottery

Commercial Land

- By Auction

Industrial Land

- By Lottery
- *“Beauty Contest”*

## Which method should be used ?

- Should be transparent
- Should not be subjective
- Fair
- *Should conform to the objectives !!*

# Types of Auctions

- Sealed Bid – Highest Price
- Sealed Bid – Second Highest Price
- Open auction – Ascending/Descending
- Mixed
- E-auctions

**How to conduct simultaneous auction for multiple properties ?**

# Disposal/Usage of acquired Land

- What should be the price of developed land?
  - Market price ?
  - Subsidized ?
  - “Affordable Housing” ?



# Infrastructure adds value

- Why a project should/shouldn't be undertaken ?
  - Economic value addition
- Road connecting two places
  - Adds value to adjacent lands
  - Links land prices of nodes
- Railway/Airport also add value in a very subtle manner
- This value addition is in excess of normal convenience to people
- Example – *Gurdaspur Bridge*

# Infrastructure adds value

- **How to realise a part of value addition to finance the infrastructure ?**
  - Tolls
  - Betterment charges
    - Provision available in Municipal & Town planning Acts
  - Govt. may exploit some land itself
- **Should infrastructure projects be linked to real estate ?**
  - *Hyderabad Metro*
  - *Noida Toll Bridge*

# Case – Chandigarh Int'l Airport

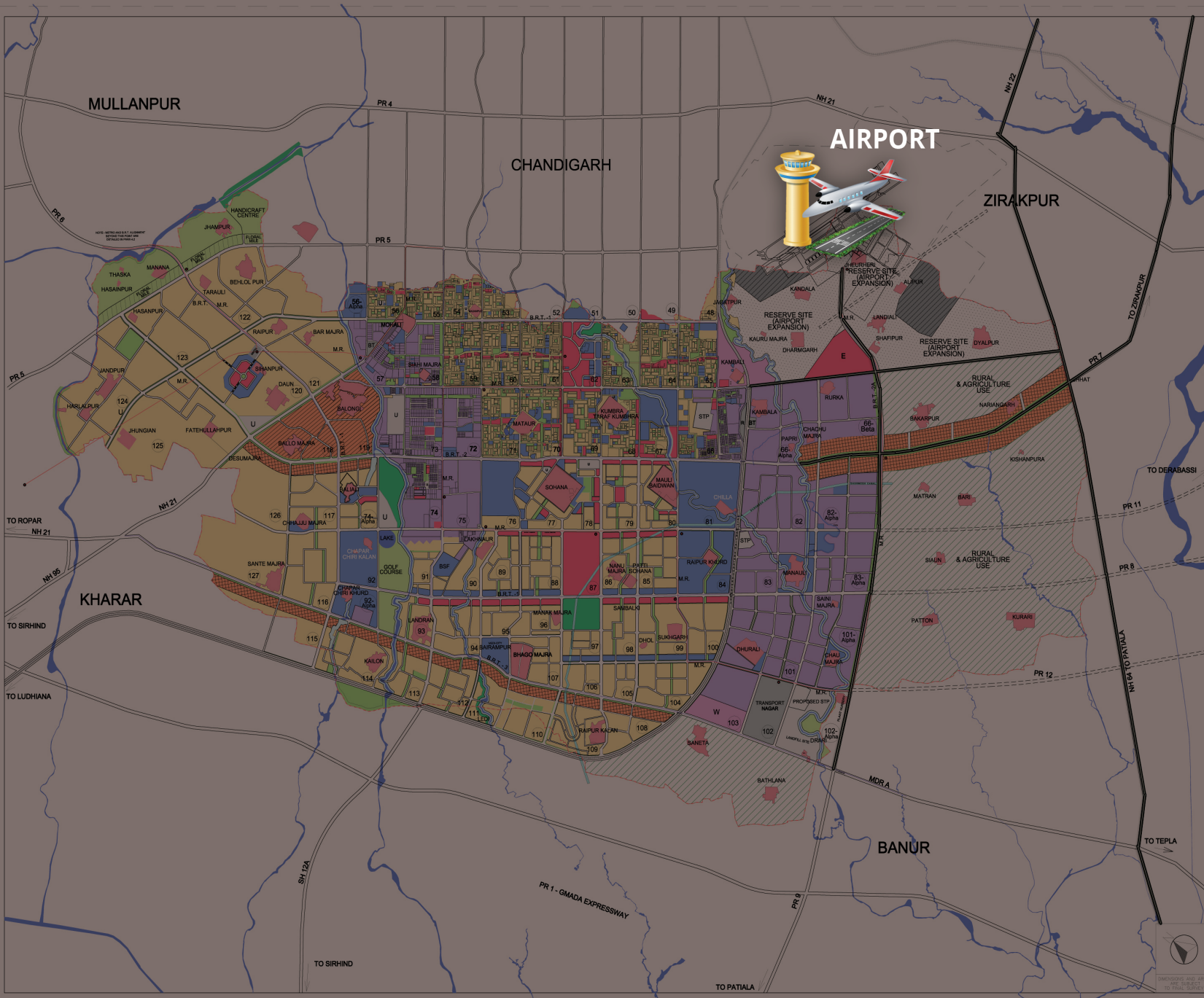
- **Existing Airport to be upgraded to an International Airport**
  - Requirement of 306 acres additional land
  - Acquired by GMADA
  - Expenditure of approx 460 crores (1.50 crore/acre)
  - Other facilities including terminal building to be constructed by AAI at their cost
- **Connectivities**
  - Approximately 455 crore for land for the roads
  - Approximately 280 crore for construction of roads

# Case – Chandigarh Int'l Airport

- “Aerocity”
  - 300 m width on both side of connecting road
  - Approximate area – 810 acres
  - Acquired by GMADA at a cost of appx. 1200 crores
  - Development cost appx. 240 crores
  - Land pooling implemented- 20% of land acquired through land pooling
  - Compensation 1.5 cr/acre – non litigation undertakings from land owners

# Case – Chandigarh Int'l Airport

- Financed through a loan of Rs. 1200 crores from SBI
  - Project land hypothecated to bank
  - Escrow mechanism
- 2/3<sup>rd</sup> land was utilised for residential scheme named “Aerocity”
  - 4000 residential plots sold for appx. Rs 1230 crores
- A 100 mt wide strip on both sides of the road remained with GMADA
  - Commercial land use
  - Conservative value Rs. 2500 crores



**LEGEND**

- SAS NAGAR BOUNDARY (GIS)
- OTHER LOCAL PLANNING AREA
- RESIDENTIAL
- MIX USE 1
- MIX USE 2
- COMMERCIAL
- WHOLESALE CENTRE
- EXPO
- INSTITUTION
- INDUSTRY AND WAREHOUSE
- FOREST & OPEN SPACE
- PARK
- SPORTS & RECREATION
- FLORAL MILE
- WATER BODY
- RIVER RESERVE
- ROAD
- AIRPORT FACILITIES
- TRANSPORTATION
- RAILWAY
- UTILITY
- RESERVE SITE
- RURAL & AGRICULTURE
- EXISTING BUILT UP
- EXISTING VILLAGE
- METRO ROUTE
- B.R.T. ROUTE
- METRO STATION (M.R.)
- M.M.T.A. MULTIMODAL TRANSPORT HUB

DEPARTMENT OF TOWN & COUNTRY PLANNING, PUNJAB  
 Drawing No. D.T.P. (SAS NAGAR) 2008/09  
 Dated: 03.06.2009

PROJECT TITLE:  
**MASTER PLAN DEVELOPMENT FOR GREATER MOHALI REGION**

CLIENT:  
**GREATER MOHALI AREA DEVELOPMENT AUTHORITY (GMADA)**

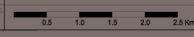
CONSULTANT FOR MASTER PLAN:  
**JURONG Consultants Pte Ltd**  
 (a member of JURONG International)  
 8 Jurong Town Hall Road  
 #08-03 THE JTC SUMMIT  
 Singapore 639434

SHEET TITLE:  
**SAS NAGAR PLANNING AREA ZONAL DEVELOPMENT PLAN**

PLANNER: SEETHO K C / RISHIBA PURI  
 CHECKED: RISHIBA PURI APPROVED: SEETHO K C  
 DRAWN: SITI HAILD

SCALE: 1 : 25,000 (A0) DATE: 03 JUNE 2009  
 VERSION: 3

PLAN : SAS NAGAR ZONAL DEVELOPMENT PLAN





- LEGEND**
- SAS NAGAR BOUNDARY (GIS)
  - OTHER LOCAL PLANNING AREA
  - RESIDENTIAL
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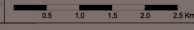
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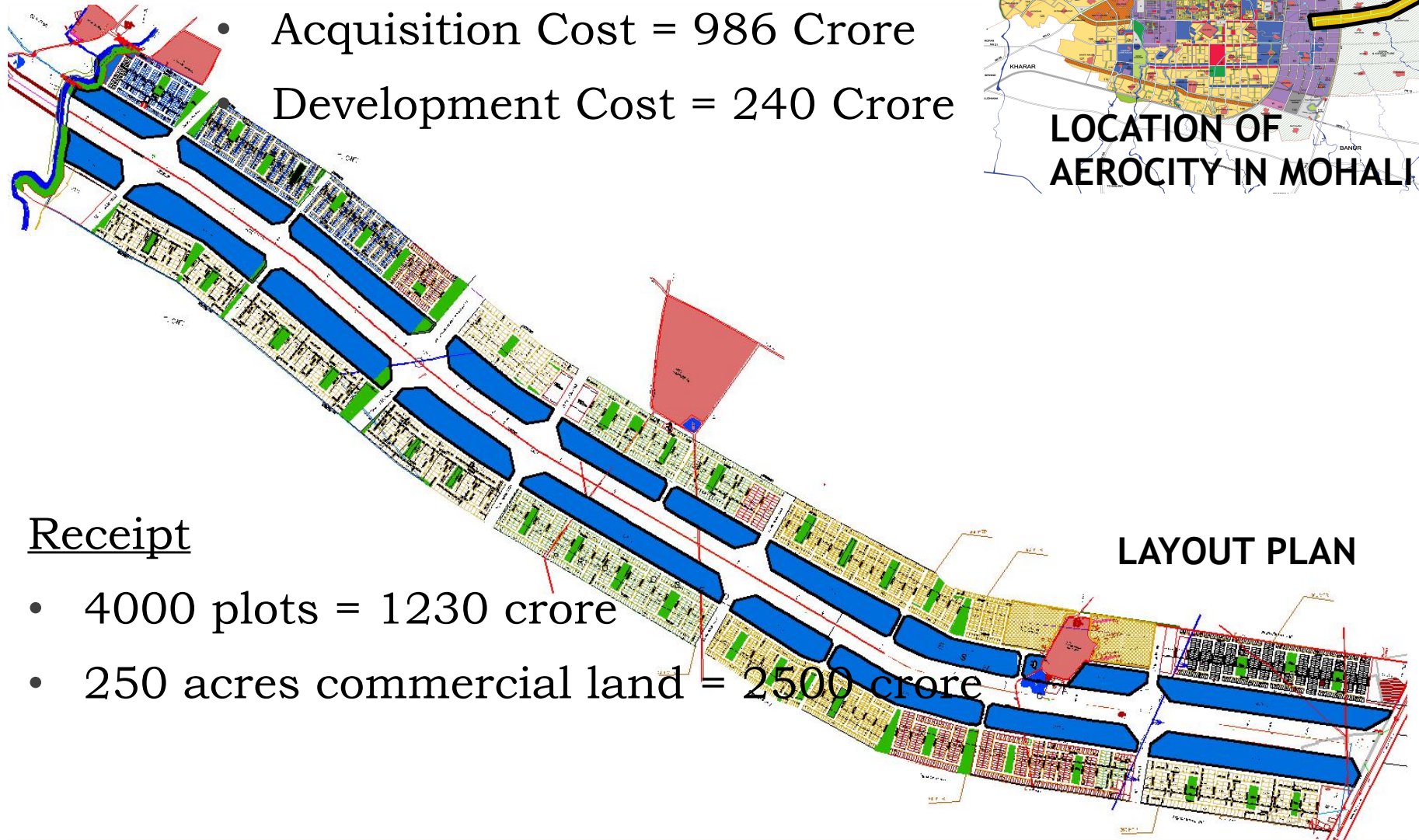
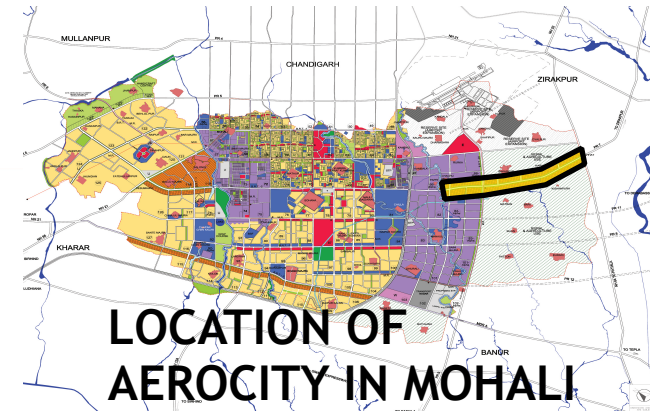
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PLAN : SAS NAGAR ZONAL DEVELOPMENT PLAN



- Total Area = 900 Acres
- Land pooling = 232 Acres
- Area acquired = 668 Acres
- Acquisition Cost = 986 Crore
- Development Cost = 240 Crore

# AEROCITY



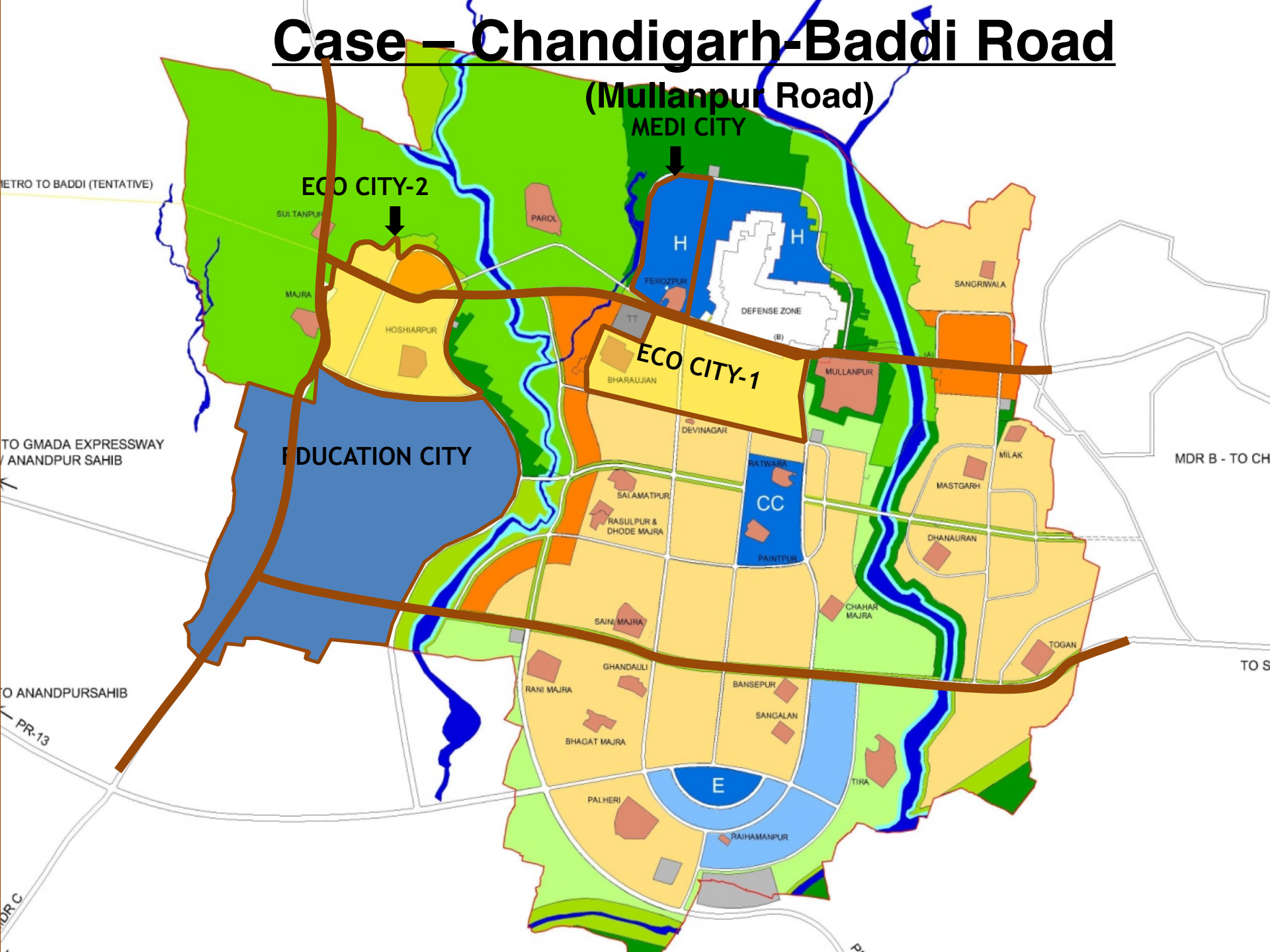
## Receipt

- 4000 plots = 1230 crore
- 250 acres commercial land = 2500 crore

## LAYOUT PLAN



# Case – Chandigarh-Baddi Road





**Thank You**