

Scheme Guidelines 2018

**SCHEME FOR PROMOTION
OF AFFORDABLE RENTAL
SMART HOUSING (SPARSH)**



UT Administration of Daman and Diu



SCHEME FOR PROMOTION OF AFFORDABLE RENTAL SMART
HOUSING (SPARSH)

I. INTRODUCTION

1.1 The Union Territory of Daman and Diu is a hub for industries. The tax concessions, cheap power and conducive working environment has attracted a large number of industries to the territory. These industries provide abundant employment opportunities to unskilled, semi-skilled and skilled work force. Consequently, a large number of workers from different parts of the country are attracted to Daman and Diu and get employed by the industries. It is estimated that presently more than 85, 000 people are employed in various industries in the Union Territory. Apart from industries, there are other people belonging to economically weaker sections who are employed in construction, domestic work and other professions.

1.2 Presently, the UT of Daman and Diu lacks adequate and quality housing stock. Skewed demand and supply scenario has made the available housing options for the workers unaffordable. Therefore, they are compelled to stay in congested accommodation commonly known as "Chawls". These Chawls lack basic amenities and are unhygienic and overcrowded. Due to high rentals, the workers are also compelled to live a bachelor's life in chawls leaving their families behind. Lack of amenities and poor living conditions have serious adverse impact on the health of workers leading to high prevalence of vector borne and water borne diseases. This affects productivity of the workers and increases the financial burden of ill health on the workers. The condition of the construction workers is even worse. They are compelled to live in small temporary shanties at the construction sites, completely lacking the basic amenities like drinking water, toilet etc.

1.3 Most of the Chawls have inadequate space and poor construction quality. They are also built in violation of the building bye laws. Many of the Chawls are also built unauthorisedly on agricultural land. The unauthorized status of the Chawls is also one of the reasons for poor quality of construction and lack of basic amenities.

1.4 The sub human living conditions of a large number of workers, and the economic loss caused due to loss of productivity and cost of treatment calls for immediate intervention from the State for amelioration of the hardships of these people and for the welfare of the workers and their families. This can be achieved by providing quality and affordable housing stock in the Union Territory in adequate



number to meet the requirements of workers and families from the economically weaker sections. It would neither be prudent nor possible for the UT Administration to build the housing stock in such large number. This mammoth problem can only be tackled by involving the private sector, specially the owners of the present chawls and other people who are interested in engaging in gainful investment in rental housing.

1.5 Therefore, it is proposed to launch a new scheme for affordable rental housing aimed at providing quality and affordable housing stock for the industrial workers and people from other economically weaker sections.

II. OBJECTIVES

2.1 The objectives of SPARSH are:

- (a) To create affordable and quality housing stock for industrial and other workers.
- (b) To build effective partnership with the private sector in creation of housing stock and optimizing the use of government resources.
- (c) To increase the productivity of the industry by improving the health and well-being of workers.
- (d) To reduce the financial burden on workers due to treatment costs and wage loss.
- (e) To increase happiness and quality of life of workers.

III. SCOPE

3.1 SPARSH shall be implemented in the Union Territory of Daman & Diu during the period 2018-2023.

3.2 The primary beneficiaries of SPARSH will be industrial workers, construction workers, domestic workers and workers from other economically weaker sections.

3.3 The UT Administration will provide monetary and non-monetary incentives to private entities interested in construction and renting of affordable housing stock with a prescribed level of amenities.

3.4 Government resources will also be deployed for increasing the supply of rental housing stock. Government land will be used for construction of rental housing units through the public sector corporations. Selected government properties may be converted to rental housing facilities under this scheme. In addition,



incentives/subsidy will be provided for reducing the monthly rentals payable by beneficiaries.

3.5 The Scheme shall be implemented as a UT sponsored scheme.

IV. LAYOUT AND SPECIFICATIONS

4.1 The layout will primarily comprise residential accommodation and common facilities such as a common hall and passages. Depending on the availability of space, it may also include convenient shopping.

4.2 The minimum specifications of a unit of rental housing that would accommodate about five persons will be as follows:

- (a) A minimum covered area of 325 sq. ft. for each dwelling unit .
- (b) Each unit must have two rooms.
- (c) Each unit must have a toilet and a kitchen.
- (d) The rooms must be well ventilated.
- (e) Each unit must have dedicated water and electricity connections.
- (f) Each unit will have an Internet connection and a cable TV connection.
- (g) Solar electricity will be provided for lighting of all common areas, free of charge.

4.3 The construction shall conform to the applicable laws, building byelaws and applicable town planning norms.

4.4 Assistance will not be provided to a housing scheme that does not conform to the provisions of SPARSH.

V. IMPLEMENTATION METHODOLOGY

5.1 The Scheme will be implemented through two verticals:

- (a) Development on Private Land; and
- (b) Development by Government/PSUs

5.2 **Development on private land**



5.2.1 This component would consist of two options, viz.

- (a) "In-situ" Redevelopment; and
- (b) New Construction.

5.3 "In-situ" Redevelopment on private land

In-situ redevelopment would aim to use the private land on which chawls have already been constructed but they are not as per the aforesaid specifications. The UT Administration will provide monetary and non-monetary incentives to private investors for re-development of the existing Chawls.

5.4 New Construction on private land

Private investors would construct and rent the housing units on their own land as per the minimum specifications referred above. The UT Administration will provide monetary and non-monetary incentives to such private investors.

5.5 Housing through PSUs

5.5.1 The UT Administration will construct and rent out affordable housing through its PSUs.

5.5.2 The buildings/ structures that are presently owned by the Administration and are not in use may be converted into housing facilities under SPARSH whenever it is feasible.

VI. INCENTIVES UNDER SPARSH

6.1 The incentives to be provided by the UT Administration under SPARSH will be as follows:

- (a) The FSI will be enhanced by 50% of the applicable FSI.
- (b) The coverage of plot area will be enhanced by 20% of the applicable covered area.
- (c) Upto 20% of the ground space would be allowed for commercial exploitation.
- (d) Non Agriculture use conversion permission will be given on priority.
- (e) The UT Administration will provide rent subsidy up to 50% of the monthly rent per dwelling unit, subject to a limit of up to Rs. 2,500 per month. The

subsidy will be provided for a period of 10 years. The subsidy will be routed through the Aadhar based bank account of eligible beneficiaries.

- (f) In lieu of the aforesaid incentives, the investor shall maintain and rent out all units for a minimum period of 20 years.

VII. ELIGIBILITY OF BENEFICIARIES

7.1 Any person/family having an annual income not exceeding Rs. 2.50 lakh per annum will be eligible for allotment of a dwelling unit for self-occupation.

7.2 The applicant should have an Aadhar number and a bank account.

7.3 The monthly rental subsidy shall be credited directly by the UT Administration to the account of an eligible beneficiary.

7.4 The selection of individual tenants will be done by the owner of registered unit. For getting subsidy, the eligible beneficiary and the owner of the registered unit will submit a joint application to the designated officer which will be considered on first come first serve basis till all the registered units get exhausted. In case a unit remains vacant for more than three months, the UT Administration shall have the right to nominate a beneficiary for the unit.

7.5 No unit shall be occupied by more than five adults, excluding unmarried dependent children.

VIII REGULATION OF INVESTORS

8.1 Any investor who wishes to participate in SPARSH will have to meet the prescribed eligibility criteria including provision of housing units meeting the prescribed level. The investors will have to enter into an agreement and register his unit(s) with the Government in order to make their housing units eligible. Registration shall be revoked if he fails to comply with the terms of the agreement.

IX OTHER MATTERS

9.1 All structural maintenance/ defect rectification as well as painting and whitewashing of the premises once in two years shall be the responsibility of the owner. Day to day upkeep will be the responsibility of the tenant.

9.2 Any complaint made by a tenant to the competent authority shall be forwarded to the owner who shall redress the same to conform with the provisions of SPARSH.



9.3 The owner shall not be allowed to transfer the property before completion of five years from the date of completion. .

9.4 The owner shall not be allowed to alter the building plans without the prior written approval of the competent authority in the U.T. Administration.

