

## **An Assessment of Redevelopment of Cessed Properties in the Island City of Mumbai, India**

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**Abstract :** Mumbai is one of the largest cities of the country with a population of 12.44 million over 437 Sq.km, and it is known as financial hub of India. In early 20th century, with the expansion of industrialization and growth of port, a huge demand for housing was created. In response to this, government enacted rent controls. Over a period of time, due to rent controls, the existing rental housing stock has deteriorated. Therefore, in last 25 years, government has been focusing on redevelopment of these rental buildings, also called 'Cessed buildings', in order to provide better standard of living to the tenants and also, to supply new housing units in the market. In India, developers are the main players in the housing market as they are the supplier of maximum dwelling units in the market. Hence, government attempts are inclined toward facilitating developers for the cessed building redevelopment projects by incentivizing them through making special provisions in the development control regulations. This research focuses on the entire process of redevelopment by the developers and issues faced by the related stakeholders in the same to reduce the stress on housing. It also highlights the loopholes in the current system and inefficient functioning of the process. The research was carried out by interviewing various developers, tenants and landlords in the island city who have already gone through redevelopment. From the case studies, it is very evident that redevelopment is undoubtedly a huge profit making business. In some cases, developers make profit of almost double the amount of the investment. But yet, satisfactory results are not seen on ground. It clearly indicates that there are some issues faced by developers which have not been addressed. Some of these issues include cumbersome legal procedures, negotiations with landlords and tenants, congestion and narrow roads, small size of the plots, informal practicing of 'Pagdi system' and financial viability of the project. This research recommends the up gradation of the existing cessed buildings by sharing the repairing and maintenance cost between landlords and tenants and also, income levels of tenants can be traced and housing vouchers or incentives can be provided to those who actual need it so that landlord does not have to subsidize the tenants. For redevelopment, the current interventions are generalized in nature as it does not take on ground issues into the consideration. There is need to identify local issues and give area specific solutions. And also, government should play a role of mediator to ensure all the stakeholders are satisfied and project gets completed on time.

**Keywords :** cessed buildings, developers, government's interventions, redevelopment, rent controls, tenants

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