

REDEVELOPMENT– WITHOUT– FEuidance on life-impacting decision – a New approach

(Redevelopment is a once in life-time opportunity and if seized, one gains lasting peace.)

Currently redevelopment is in fashion and talk of the town. Also municipality is ready to give concessions for new constructions. However, societies are in a dilemma whether they should self-build or entrust it to a builder. In self-redevelopment, you get extra space(corpus) since the builder's profit would now inure to the society and every member can expect to gain 15 % to 20% extra space(corpus). Against this, however, there are difficulties galore. How to raise monies for construction; construction demands supervision/care/alertness/vigilance for 3 to 4 years, who would be responsible for this. In addition, there would be problems of disposing of extra space. The perennial problem of money laundering would also haunt.

Every member is emotionally attached to property and in matters of property usually thinks long - for next two, three generations. The emotional bond is so strong that he is not willing to settle or compromise a bit. He is not willing to trust even his own brother. Also he knows that he has a veto power, though limited, as a member of the society. Thus it becomes well-nigh difficult for the society to proceed further taking everyone along. The question arises, then what is the remedy, how do we go about it. Do we cultivate ostrich-like attitude and give away the project to the builder, relying that he would manage everything and we have to be just prepared to pay his price. Builder is used to face reasonable as also unreasonable demands of the members which has resulted into his becoming extremely shrewd, thick-skinned and always ready to face any intricate problem. if need be, he can be extremely tough and make others' life miserable. The society may then curse the day they thought of him! However, with RERA stepping in, there are signs of gradual improvement.

Thus, choose any option – on one side there is deep sea and on the other a deep valley. In both the options, you have to be prepared to pay a heavy price. However, if we think coolly, the price can be lightened and made bearable. In Redevelopment, we have to take mainly five hard decisions. And the decision to self-build or through builder comes last; its number is fifth and not first in the series. The importance of this decision would not be even ten percent when viewed in context of the other four decisions. The condition at present is that not enough or adequate attention is given to the first four decisions. We are placing the cart before the horse. The matters that should require 90%

attention gets only 10%; and the 10% gets 90%, leading to calamity. In the process we get saddled with buildings and construction which are not to our liking or requirements. And we have no option but to reconcile and accept whatever is offered. At present it is the builder who decides what shall be offered whereas it should be the other way round as to what exactly we require from the builder. Understand, the construction and buildings would stick with us for generations. Hence we cannot leave the decisions to builder. We should not succumb to his bullying or sweet talks. We have to take decisions on our own and stick to them.

Let us now come to "decisions" to move forward and get a clear picture of way ahead. These decisions arrived at after full deliberations and matured consideration would be common for self build or through builder. They are uniformly applicable and if executed with firm determination would result into perennial well-being.

Remember, construction is not child's play. It is a herculean task. It requires constant attention for 3 to 4 years. You are continuously under stress that you will be outsmarted with your little or no knowledge of material to be used or about other technicalities involved. It is said that Construction takes toll of a life – it is that stressful. Obviously we want new construction to be most modern and A1. It should have maximum amenities so that next generations do not blame us. The internal and external decoration should be charming. In short, it should prove blissful so that with passage of time every one grows along.

Thus FIRST decide upon the quality of buildings you are aiming at. Earlier mud-plaster buildings used to last for over hundred years. Now it is the age of cement-concrete-steel. New technologies are coming into use adding to durability and strength and also saving construction time. (In China, by using steel, they could build a hotel just in 15 days!) Now pre-fab technology is also gaining currency. You would have noticed that corporate houses are ranked according to their quality or excellence. Thus we come across symbols like AAA, AA, A+, A, B, B-, ... which give indication of their underlying quality. However, it seems, architects' or engineers' associations have not laid down similar standards for quality of construction. Sometimes, we do meet cluster of buildings labelled A Type, B Type, ... but they refer to area or size and not their quality. If we look around, we can notice buildings built by SRA, Mahada and by small builders as also those huge towers built by capacity builders. Some buildings meet only immediate needs, some are luxurious and take into account future needs, some give indication of opulence and status.

At present the trend is towards buildings which would be eco-friendly, environment-compliant and which would follow Vastu and Green norms. The design should make enough provision for air, light, sunshine with minimum sound pollution and be conducive to wellness. Minimum use of chemicals is desirable. Also surroundings should be clean and pollution free. Pollution is a silent killer and thus an enemy of humanity and hence should be treated accordingly.

Fashions are changing. Technology is also fast changing. Hence there should be no hesitation to refer to foreign magazines or to consult foreign architects-engineers. The building should not become obsolete in a short period of 15-20 years. Also due consideration should be given to interior decoration to avoid alterations later.

At present, with rapid climate change, there is a real apprehension of tsunami, earthquakes, ... occurring often. The intensity of an earthquake is measured on Richter scale. The buildings should either be earthquake-proof or should be able to stand minimum up to 8 on the R-scale.

Let us ask our architect/PMC to give us 2-3 alternatives about the life of the buildings. It is the durability that decides the quality of the material to be used as also the cost. Perhaps more than 500 items are required in construction. We should be clearly guided as to their quantum, quality, prices and also as to from what sources the materials would be procured. If the designated quality material is not available when needed, the details of the alternative material to be used and sources thereof should be on hand. As a result, the book laying down the detailed specifications would run into several pages. These specifications should be got scrutinized in detail by at least four different specialist agencies of architects-engineers to ensure that the final outcome are buildings of our dreams. The specifications should be open to scrutiny by the members of the society to ensure their participation in this far-reaching decision. Due diligence would have to be exercised to ensure that the construction is as per the specifications agreed to. There is always a danger of collusion taking place. Remember, the inferior quality of rivets was one of the causes of sinking of the Titanic. (As against this we have an example of a building in Alibaug which could not be demolished even with a bulldozer!) The quality of construction is the life-line of a building and would determine our peace in future! If the quality is maintained, there would be fewer problems of leakage, repairs, ... for the next 15-20 years.

The next decision to be taken is what and how many amenities we want. The newspapers carry advertisements of internal and external amenities being offered. We can prepare a list of about 120 amenities (though we should

exercise discretion in selection). We should have one or two amenities which would continually generate revenue for the society. Some of the amenities are general - separate area for senior citizens, women, youths, children, toddlers; a large Hall for various activities; Conference Hall; Gymnasium; Auditorium; Solar; Library; Yoga Centre; Mini-theatre; Jogging track; impenetrable Security; Inter-com; CCTV; space for Indoor-Outdoor games; Landscape Garden; Club House (if need be, in collaboration with other societies); Parking- maximum possible and at least one for each flat; ceiling height 10.5' to 11.0'; Guest House; concierge services; tiffin Services: common Washing Machine; Compound Wall; Security Cabins; Common toilet; Metre Rooms; Pump Room; Society's Office; Plumber, electrician, ... for every day services.

Water problem is going to be critical over the period. Hence every flat should have a water-metre. Society should have underground, over-ground tanks; Borings, Storage Tanks-water Harvesting. For this reason, it would be advisable to discourage swimming pools.

There is a demand for Medical-Yoga Centre which offers relief in various ailments. Since this centre charges fees, it is not burdensome.

Normally members are conscious about the amenities they would like to have. Hence decision in the matter should be taken after full discussion and deliberation so that maximum satisfaction is ensured.

The third decision is about the size of flats to be built. One of the aims of Redevelopment was to reunite the separated families. For want of space, the children who have moved out can now come back and experience the warmth of a joint family. Hence at the outset, a survey should be conducted as to the requirements of various members and the size of flats required by them.

It is essential that harmony is maintained in the society. It is not necessary that all the flats be of equal size. But too big or too small size flats may create complex. The common interests, language, religion, food habits, traditions encourage collective activities and celebrations and also add zest to life, according to some.

Small size flats qualify for concessions in property tax. In news papers we see advertisements offering 1 bedroom, 2 bedroom, ...flats. We can interpret these as 500 sq. ft., 650 sq. ft., 800 sq. ft., size flats

The fourth decision to be taken is who will stay where in the new construction. How the flats would be allotted. This is a very complex problem requiring patience, goodwill and spirit of let go in common interest. To eliminate conflict, ask the architect/PMC to draw provisional maps and decide about the principles of allotment.

The above four decisions are common to both – self-build or through builder and should be strictly adhered to without any relaxation. After satisfactory resolution of the above four stages, the question to self-build or through builder would become relatively easy. It would take almost 6 months to clear the 4 stages outlined above.

After arriving at the above 4 decisions unanimously or with majority support, but in any case, with goodwill, every member should view his allotment in 3-d and thereafter give his consent. Kindly remember that we have to pass our lifetime with this place and that our generations are to prosper here.

Is it possible to get these 4 decisions executed honestly without any manipulation?

We have two options for getting the decisions executed.

1. Kindly note we are not leaving any decision to builder. Earlier we used to abjectly surrender to the builder who used to proceed according to his whims and perhaps take us for a ride. Now the builder's role has undergone transformation. (He is presented with a blueprint.) Builder now is the CEO for execution of our decisions. He invests monies for which we can give him 14% compensation. Also for taking our project to fruition, he can be remunerated at 2.5%. Also for selling additional flats over which he has limited control, a further 2.5% can be given as risk-premium. However, all the proceeds belong to the Society. As CEO, he represents the society. If total transparency is maintained, it would result into a win-win situation. The society would have to engage determined CAs and Auditors. Thus under this option there is no scope for jugglery by the builder.
2. The next option is to self-build. Let us consider the problems that arise in this option:
 1. Who would provide supervision/care/alertness/vigilance for 3 to 4 years?
There are several organisations which undertake execution of the project according to our specifications.
 2. How to raise monies:
 - (i) Loan from Banks or other lending institutions against mortgage;
 - (ii) By selling spare space to a corporate house;
 - (iii) By associating with venture capitalists;
 - (iv) The construction cost is Rs.13000 per sq. ft. Members can contribute proportionately to the space taken by them to start construction going. Also each member can introduce one new

member to lighten the burden. Once the construction completed and the total space accounted for, the members can take back monies coming to their share.

Now let us look at some figures (estimated). The architect/PMC would be able to fill in the Table with realistic figures and guide us.

1. The size of the present plot	100%	100000 sq. ft
2. Total space available under new construction ...	346%	346000 sq. ft
3. Builder's estimate of cost (for a period of 4 years) (inclusive of interest, rent, and Other Allowances)	Rs.13000 per sq. ft.	Rs.13,000 per sq. ft.
4. Space to be sold to recover the cost	132%	132000 sq. ft.
5. Remaining space = (2) – (4)	214%	214000 sq. ft.
6. For Amenities	14%	14000 sq. ft.
7. Remaining space = (4) – (6)	200%	200000 sq. ft.
8. Presently occupied	120%	120000 sq. ft.
9. Additional space(corpus)	80%	80000 sq. ft.

Life time maintenance should come out of corpus. Keeping that quantum aside, the rest can be distributed.

New construction is an adventure and a challenge. Even if all factors are favourable and even if enough care is taken, some help is needed from that incomprehensible element called luck for the final result. Amen!

- N K Parikh

(Courtesy: Janmabhoomi Newspapers. They had first published the article Gujarati in their edition dated 01-09-2019.)