

**Robbing the Poor:  
Slum Housing and the Elite Environmentalism  
of Adyar Poonga**

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## **Introduction: Perverted Priorities**

Proposals obtained through Right to Information reveal high-level collaborations between the Government of Tamilnadu and a few favored private consultants and firms to hand over lands reserved for low-income housing in Srinivasapuram and Foreshore Estate to private commercial developers at throwaway prices. The market rate for beach-facing land on the Marina is stated to be Rs. 4500/square feet (Rs. 1 crore/ground), while it is estimated to be at least three times as much. This in itself raises doubts about a land-scam in the making.

Projected as the “Integrated Development in Foreshore Estate,”<sup>i</sup> the scheme envisions malls, luxury hotels and high-end residential complexes for private parties and senior Government officials on lands that will be freed up after slum tenements are demolished. The entire scheme is the brainchild of the Tamilnadu Urban Infrastructure Services Ltd, a public private partnership in which private financial institutions have a significant stake.

Tamilnadu Slum Clearance Board (TNSCB) and Tamilnadu Housing Board (TNHB) together hold 51.01 acres of land (23.5 and 27.51 acres respectively) in Srinivasapuram and Foreshore Estate area, facing the Marina Beach. More than 10,000 working class families, mostly from fishing and other historically oppressed communities, live in the tenements and as squatters on TNSCB lands in Srinivasapuram and Foreshore estate.

If planned and designed well, the 23.5 acres of TNSCB land alone can house about 6000 pleasantly laid out four-storied (G+3) tenements for slum dwellers, according to one architect. Such layout would leave up to 50 percent of the total land area free of construction. Instead, the government proposal, which is in advanced stages of finalisation, plans to evict all 10,000 families and accommodate only 3500 of the tenement families, cramming them into 8-storey buildings within a 7-acre area in Foreshore Estate. The eviction will release about 30 acres of TNSCB and TNHB lands for development as private commercial and elite residential buildings at throwaway prices. All the land that is sought for commercial development is beach-facing, including TNSCB's Foreshore Estate land facing the Marina on the Santhome Bypass Road.

At the behest of TNUIFSL<sup>ii</sup>, the Government of Tamilnadu in January 2010 cancelled the already much-delayed housing scheme under the World Bank-funded Emergency Tsunami Reconstruction Project for Foreshore Estate/Srinivasapuram. Now the Government says it will use its own funds to construct slum tenements as per TNUIFSL's advice and in coordination with other agencies that have their own plans for the area.<sup>iii</sup>

A lot more has to be changed to accommodate the project. As things stand, the project cannot be realised under Development Control Regulations. These rules will have to be changed to facilitate high-density real estate development. One consultant has identified that “Legalities in the form of DCR [have] to be revised to suit the new development as this is one of its kind.”<sup>iv</sup>

The masterplan currently identifies Sreenivasapuram as “Residential” zone. It is unclear yet how this would be changed to allow commercial development.

The scheme raises a number of questions:

- a) At a time when the Government is evicting urban poor to faraway and hostile rehabilitation sites claiming that there are no lands within the city to house them, how can the Government justify giving up urban lands reserved for housing the poor to accommodate commercial interests?
- b) Given that the Government can clearly create more land availability within the city, why isn't it freeing up more such land for accommodating more of the urban poor within the city?

c) Do public private partnerships inherently represent a conflict of interest? Is the public function of the Government compromised in such partnerships, where economic efficiency takes priority over social justice?

### **The Proposal: Salient Features**

The proposal is mooted by the Tamilnadu Urban Infrastructure Services Limited (TNUIFSL), a public private partnership firm which acts as a fund manager for entities like the Tamil Nadu Urban Development Fund (TNUDF) and the Chennai City River Restoration Trust (CRRT, earlier Adyar Poonga Trust). A partnership between the Government of Tamilnadu and three financial institutions – IL&FS, ICICI and HDFC – TNUIFSL has managed to instigate and corner a number of big-budget urban renewal projects in Chennai.

In May 2009, TNUIFSL, along with Adyar Poonga Trust, presented an Integrated Development Plan for Foreshore Estate. (See Annexure 1) In mid-2010, TNUIFSL's consultant Mancini Associates, a city-based architect's firm, submitted a "Conceptual Plan" for the integrated development. (See Annexure 2) Both plans represent a convergence between five separate proposals for luxury infrastructure and beautification projects. These are:

- a) the Adyar Poonga project, designed by the Pitchandikulam Forests Consultants and executed by the TNUIFSL. Projected as an eco-restoration exercise, this project of CRRT intends to "beautify" the Adyar Estuary, including the stretch of river separating the high-end commercial and residential areas of MRC Nagar from the working-class dominated Srinivasapuram. TNUIFSL and their consultants single out Srinivasapuram residents as the main cause for the degradation of the estuary, and call for their removal. No mention is made of the fact that the Government itself has found Metrowater's release of untreated sewage into the River as the major cause of degradation of the river.
- b) the State Highways Department's Elevated Beach Expressway project designed by Wilbur Smith Associates. The expressway will eat into 4.3 acres of Slum Clearance Board lands in Srinivasapuram. The Highways Department has indicated that the alignment cannot be changed, and that the slum redevelopment must be reconsidered.
- c) the Chennai Rivers Restoration Trust's proposal for a High-speed Circular Transport Corridor along the Adyar River designed by Wilbur Smith Associates
- d) Tamilnadu Housing Board's proposal to redevelop 25 acres of its land in Foreshore Estate.
- e) Chennai Corporation's beach beautification project.

*According to the report, taking an integrated approach to implementing all of the above projects "would optimise infrastructure plans, land values and also cross subsidize each other on financing these projects, as these lands are located on prime areas and are thoroughly under utilised. An attractive beach front development can be attempted, by ensuring housing for the existing communities within the same stretch and also promote private sector participation, which will generate revenues to the Government to be used for developing other urban infrastructure projects."*

According to the report, there are currently 2682 tenements and 7000 encroachments in the Srinivasapuram/Foreshore Estate area. The World Bank scheme, under the Emergency Tsunami Reconstruction Project, was to have constructed 3576 tenements – 992 in Foreshore Estate and 2584 in Srinivasapuram. Local residents in both areas have been strident in their demand for more houses to accommodate the large number of people without secure tenure and the natural expansion of tenement families.

TNUIFSL's plan accommodates the same number as was proposed in the World Bank scheme.

But where the World Bank plan conceded residents' demand that Srinivasapuram and Foreshore Estate communities be housed separately in their respective areas, TNUIFSL plans to relocate both Foreshore Estate and Srinivasapuram residents to a new area in Foreshore Estate.

### **Mancini's Conceptual Plan**

The conceptual plan prepared by Mancini Associates has the details:  
(See Table: Excerpts of Conceptual Plan by Mancini Associates)

Tamilnadu Slum Clearance Board has 23.5 acres in Srinivasapuram/Foreshore Estate, including roads, Open Space Reserve and public spaces. Of this nearly 7 acres of residential area is in Foreshore Estate facing the beach along the Santhome Bypass Road; more than 15 acres, also beach facing, is in Srinivasapuram.

Tamil Nadu Housing Board has 27.51 acres in one lot in Foreshore Estate.

The Mancini plan proposes to build all TNSCB and TNHB houses within 21.69 acres of the latter's plot in Foreshore Estate. About 15 acres will be earmarked for 3576 TNSCB tenements in G+7 blocks, and 6.61 acres for 1400 to 2000 TNHB houses in G+17 and higher buildings. That way, 5.82 acres of remaining TNHB land in Foreshore Estate, and the 23.5 acres of beach-facing TNSCB land in Foreshore Estate and Srinivasapuram will be freed up for use by commercial developers.

The Adyar Poonga and TNUIFSL have indicated that TNSCB's lands in Srinivasapuram should be converted to a green zone/Open Space Reserve, and beautified along the lines of the Poonga. But Mancini's plan presents a revenue model that considers the entire 29.32 acres (5.82 + 23.5) as the total land available for commercial development. TNUIFSL has suggested that the commercial development could set aside 40 percent for hotels and convention centres, 40 percent to shopping malls, and 20 percent to theatres, with a fair measure of high-end housing thrown in.

Of the total built-up area of 66,98,627 square feet contemplated, 13 percent will be occupied by TNHB flats, 20 percent for slum tenements, and 67 percent for commercial development through private sector involvement. (See Table)

Documents made available through RTI reveal that the Government is aware of the aversion of tenement residents to buildings more than 4 floors high, owing to the challenges in maintenance. One of the documents also mentions that the four communities – Nochikuppam, Dommingkuppam, Foreshore Estate and Srinivasapuram – prefer to be treated as separate communities and were averse to moving to one housing area. However, local sentiments do not seem to have influenced the manner in which TNSCB's land proposed to be used by TNUIFSL.

Tamilnadu Housing Board has requested an increase in the number of rental quarters in its area “so as to benefit more number of Government and Board employees as the site is very near to the newly constructed secretariat and other Government offices, and it will facilitate Government employees to have easy access to their place of work.”<sup>v</sup>

Curiously, the Government's consideration for the welfare of Government employees does not extend to economically weaker sections. The argument in favour of increased number of houses for Government employees owing to the proximity to their places of work applies equally to working class people. Indeed, the biggest complaint of people who have been evicted to Kannagi Nagar and Semmencheri is the distance to their livelihoods and their children's schools.

If the TNSCB areas (totaling 22.5 acres excluding roads and public amenities) were to be used judiciously and completely only for slum housing, pleasantly laid out four-storied tenements can be built for 5579 families – 2000 more than is proposed currently, according to one architect.

If instead of diverting the 29.32 acres of land to private hands, the Government were to use it for developing tenements for the poor, 7400 houses can be constructed in that area in addition to the 3576 that is to be built on TNHB lands as per TNUIFSL's proposal. Both the above estimates assume a construction footprint of only 50 percent over the total land area, leaving half the area free as open space.

### **Scent of a Scam**

The hands of private players in this proposal to steal slum clearance board lands are abundantly evident. So are the conflicts of interests that plague every aspect of consultancy and planning. Even a casual reading of the RTI documents indicates that political figureheads – the mayors and Deputy Chief Ministers who articulate the vision of a Singara Chennai – are not the real ideators of a “world-class” Chennai. Consultants like Wilbur Smith, financial institutions and realtors are driving the agenda to change the face and heart of the city. Many financial institutions influence policy with one foot each firmly planted within and outside the Government.

Take TNUIFSL for instance. IL&FS, ICICI and HDFC – three mega private financial institutions – are significant shareholders in TNUIFSL. The Adyar Poonga Trust, now renamed Chennai Rivers Restoration Trust (CRRT), is a fund managed by TNUIFSL. TNUIFSL and the Trust's interest in freeing valuable real estate is manifest. One of the first mega projects undertaken by TNUIFSL-managed CRRT is the beautification of the River Cooum. Nearly 18,000 people living on the banks of the River Cooum will be evicted to free up valuable real estate on the river banks for commercial and elite recreational development.

Adyar Poonga Trust/CRRT singles out Sreenivasapuram residents for the degraded state of the Adyar Estuary, and has convinced the Government of the need to evict them. No mention is made of the fact that most of the sewage pollution load in Chennai's waterways is admittedly from the discharge of untreated sewage by Metrowater. Ironically, the decision to beautify the Adyar Creek, in 2004, coincided with a decision elsewhere in the Government to alter development regulations to allow high-end commercial and residential development in MRC Nagar. Where tidal water spread even as recently as 2007, there now stand several illegal high-rise buildings including Le Meridien, TVH's IT parks, Hotel Leela and other eminent CRZ violations. Adyar Poonga Trust or TNUIFSL mention not a word about how these buildings have encroached into the estuary since 2007, three years after the Adyar Poonga project was initiated. Now, to ensure that the high-class encroachers have an unrestricted view of the Bay of Bengal and realise even higher real estate values, the Adyar Poonga Trust has come up with a plan that will oust Chennai's first citizens – the fisherfolk – from their homes to make way for parks, IT establishments, convention centres and star hotels.

PHOTO: Google Earth Images of MRC Nagar. 2005 and 2010

The Adyar High-speed Circular Corridor, also a project of CRRT, will also displace thousands of slum dwellers. Like the Cooum River project, this project too will free up real estate currently occupied by slums for elite real estate development. This project and the Highways Department's Elevated Beach Expressway project are both enmeshed in the “Integrated Development” proposal presented by TNUIFSL. Curiously, the contract for conducting the feasibility for both these projects was awarded to Wilbur Smith Associates Private Ltd. IL&FS, a stakeholder in TNUIFSL, holds 38 percent of the shares in Wilbur Smith – a clear case of conflict

of interest.

No bidding or transparent process was adopted for selection of architects either. Mancini's principal architect Neils Schoufelder had in 28.01.2009 made a presentation on beautification of the Adyar Estuary and Srinivasapuram areas along with TNUIFSL CEO Phanindra Reddy and Adyar Poonga consultant Joss Brooks.<sup>vi</sup> Less than a year later Mancini Associates was given the contract for a conceptual plan for integrated development. No norms of invited competition or open bidding were followed. Rather, Mancini was appointed arbitrarily by TNUIFSL.

### **Misleading Mathematics**

TNUIFSL has based its revenue model for the integrated development project on market rates of land obtained from Appasamy Real Estates and MARG, both of which are likely to be strong contenders for any commercial development in this stretch.

The revenue model also is of questionable integrity. One ground (2400 sq ft) of land is priced at around Rs. 1 crore (Rs. 4500/square foot), while beach front property at Foreshore Estate could well fetch up to Rs. 3 crores/ground just for land, according to other property experts.

The Elevated Expressway too is of dubious effect. Touted as a solution to congestion along the Marina and Santhome High Road, the expressway is likely to be filled with cars in no time if a high-density commercial district crops up along its alignment. Rather than decongest the Marina, the expressway and commercial development will lead to increased congestion in the area because of the increased density of private vehicles associated with any upper-class neighbourhood.

Chennai's future is clearly not being designed to be inclusive, to respect the interests of the large number of working class population and the homeless. Rather, Chennai as a world-class city is meant to appeal to foreign investors rather than local residents.

- i "Proposal for integrated development in Foreshore Estate." TNUIFSL, May 2009.
- ii Minutes of Meeting held at Chambers of Finance Secretary. 24.4.2009 regarding "Redevelopment of Foreshore Estate, Lloyds Road & Todhunter Nagar tenements."
- iii G.O. Ms. No. 46 Revenue (NC4.1) Department dated 29.1.2010
- iv "Redevelopment of TNSCB/TNHB – Housing Along Chennai's East Coast From Foreshore Estate to the Adyar-Mouth" Mancini Associates. 09.12.2009
- v G.O. Ms. No. 194 Housing and Urban Development [HB5(2)] Department dated 09.9.2010
- vi Minutes of Meeting Held by Chief Secretary to Government to Discuss Issues Relating to Formation of Elevated Link Road Between Light House and ECR. 28.01.2009.