

Policy

Lahore's Urban Dilemma

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1. CONCEPTUAL ISSUES

The rules currently are too complex, detailed, often self-contradictory, and subject to multiple interpretations. The permissions and procedures written therein can slow down development as envisioned by PM for the welfare of the country.

Building and zoning rules are conflated. Building rules are mainly for safety and curbing environmental externalities. In this regard, setbacks and heights are arbitrarily related to plot size and road width. The land-use rules and zoning regulations continue to favour outdated concepts such as commercial roads based on car access over denser cramped areas, such as Misri Shah and Baghbanpura. The planners also hold Gulberg as a favourite; as opposed to where the people are densely cramped.

Zoning needs to be relaxed. Lahore needs to stop sprawling to suit a car lifestyle that subsequently pollutes and leads to a scrapped congested lifestyle. Zoning should merely differentiate between the city centre and suburbs.

With a large city like Lahore, the city centre might even be from Model Town to the Walled City and from Cantt to Samanabad.

Suburbs are the schemes outside this designated city centre area.

Micro-managing within these areas lacks clear-reasoning and provides a basis for the rent-seeking game through permissions. Building by-laws or regulations written therein should concern themselves only with technical performance demands of a building (safety-fire, structure, etc. and environmental function).

The city's social, economic, and political requirements, which come under 'city planning and zoning,' need to be separated from building requirement.

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Box 1. Dividends from De-regulation in Lahore

Being the second-largest city, will Lahore give us about 0.5 million homes in the next three years?

With PM's vision of building 0.5 million homes, we need people to move to flats. Sprawl is already destroying clean air and a decent life. Will this new regulation give us flats in high rises abundance?

There is also an extreme shortage of office space, leisure space, school space, and space for many other usages. Will this new regulation facilitate that?

The economy is in recession, with per capita incomes declining and unemployment crossing 20%; the country needs a construction boom. There is an urgent need to deregulate so that economic activity can quickly pick up.

Area-specific requirements must be accompanied by a detailed plan/map available on the neighbourhood level, and on the internet for transparency.

We need principles to back the regulations.

Lahore is a sprawl that has not provided for the needs of its citizens. The need for the hour is to recognise that over-regulated city planning has been responsible for the mess. Due to lack of clear principles, overly interventionist, confusing and conflicting regulations in the most inner-city areas which in turn has favoured sprawl, the residents have low slung messy city stretching from Kasur to Gujranwala where there are massive shortages of space.

PIDE and other participants at the meeting, therefore, urged LDA to clarify the principles behind zoning and building regulations and let such principles be the guidelines.

Further, during the consultation, it was agreed that such guidelines by LDA must be minimal, short, and clear. The guiding principle of lengthy detailed LDA guidelines, requiring a lot of interpretation, will slow down work; create an insider market and lead to a lot of court intervention.

1.1. Fragmentation of Lahore

The issue persists across the cities, and Lahore is prima-facie. LDA only regulates and develops a small part of Lahore. Local government continues to elude us. The CM office can proactively help coordinate building and zoning deregulation across Lahore. This will require negotiating across many jurisdictions. If CM office leads; PIDE and our collaborators will extend assistance.

Box 2. The Crying Need to Integrate the City

- LDA represents only 20% of the city.
- 5 entities regulate Lahore with different rules and without citizen participation and representation.
- LDA is to be congratulated for this effort to follow cabinet instructions. Other entities regulating Lahore have not shown any initiative yet.
- Only the Chief Minister's office can coordinate these entities. We are thankful to Salman Shah Adviser finance for taking up this initiative.
- Coordination between these governing arrangements that make city development difficult will have deep repercussions for city development and eventually, economic growth. We urge the government to take up this issue of city fragmentation that slows our economic growth as a matter of national security.

1.2. Cooperation of Agencies

The agencies including LDA, TMA, LMC, PHATA, and DHA consider each other competitors; but to have a constructive Lahore plan, they must be cooperative to establish institutional tools to create high-rise plans for Lahore.

Box 3. Shortage of Needed City Space

The planning paradigm of Pakistani cities is:

- Low rise (4-floor commercial areas) along wide roads
- Single-family houses, and
- A priority to cars: very-widening roads with flyovers and high-speed lanes.

The result has been that the Single-Family home has become the unit for the economic activity taking on all activities such as:

- | | |
|-----------------|---------------|
| • Schools | • Offices |
| • Leisure space | • Restaurants |
| • Shops | • Warehouses |

Hence it can be concluded that masterplans for cities within Pakistan have failed to recognize the variety of human needs or the growing population in cities. Instead, the preferred approach has been to force people into tight fantasies of planning divorced from emerging needs, technologies, or changing lifestyles. The result is that neighbourhoods, needs, and requirements wage a constant battle against the poor planning standards that are set up.

Courts have jumped into the game without any idea of what the sociology or economy of a city is. A developing country like Pakistan is, therefore, wasting real resources with businesses and livelihoods being destroyed and transaction costs inordinately rising as courts and planners try to enforce unrealistic and fantastic standards. This thoughtless planning is detrimental to economic growth.

2. LEGAL FRONT

The advertent court decisions have impeded the execution of the project, one of getting around these things is to simplify rules with no ambiguity; thus, not giving courts to interpret differently.

The government must consider taking a jibe at pending bills. As discussed in the meeting, the Condominium act and others are in process to be passed. These are to be addressed and moved efficiently as per recommended in consultations.

3. OUR PRINCIPLES FOR SIMPLIFICATION

We defined four principles for building regulations.

- FAR.
- Building Intensity.
- Sky Exposure and Air Flow Guidelines.
- Car and Mobility.

4. FARS AND HEIGHT RESTRICTIONS

In the regulations, it was agreed at the discussion that FARs are too tight to meet with what the cabinet has in mind. The recommendation of this group is at least to relax them by at least a factor of 2, i.e., double them.

Like most jurisdictions in the world, it is time that LDA must give up height restrictions. There are many reasons for this, such as

Height restrictions lead to box-like building structures as builders seek to use maximum space. There is no room then for diversity and beauty.

Maximum use of the plot is then utilized leaving no room for green spaces.

The city has a uniform skyline with a uniform sky exposure plane with areas that are not exposed to the sun. This leads to health and environmental issues.

Rather than boxes we recommend FARs only with Sky exposure guidelines.¹

5. BUILDING INTENSITY AND SETBACKS

The regulation does not explain the need for setbacks. It merely states them quite arbitrarily.

If road widening setbacks are to be kept, they should be uniform in an area and not by plot size. Then there should be no boundary walls.

Road widening setbacks and all location-related provisions should be a function of land use and zoning “controls” or regulations and not of building by-laws.

5.1. We need to Define Building Intensity Use!

The city must define the percent of land that is usable for construction with zoning determining setback for the area with released land for use as sidewalk (no walls) and let architects and builders decide.

¹Please refer to upcoming Section 6 for details.

6. SUN EXPOSURES AND FLOW PROVISION

Sun Exposures and Flow provision of sun exposure angle should be included in the building regulations, and its implementation should be ensured through building approvals for new construction. A building has to be built within the intersections of these angles. Adoption of this approach would eliminate the need to link road width with building rules.

7. CARS AND MOBILITY

There is no reason to link denser construction by street width. We need density in areas and not according to car use.²

Previous laws have created a city for cars; given the liberal space, they allow for cars, even in buildings. Law of induced demand is not considered that if you build more roads to tackle congestions, soon people will be inclined to buy more cars.

We need to liberalize parking within the building because we want to let more poor people purchase flats. In our view, the minimum parking requirement should be 4000 sq. ft for a parking requirement. This will allow some parking and builders to sell it separately from flats, or we need to introduce the city's mobility and parking policy without which we are dedicating cars parking spaces.

Instead, the city needs a car policy beginning with paid street parking in designated zones, congestion, and speed tolls. Safe city cameras will facilitate this policy easily to raise revenue for cities, and rationalize street usage.^{3,4}

²Please refer to upcoming Section 9 for details.

³Private housing schemes rules in Pakistan still favour single plot making (low-density development) and have a provision of only 10 percent of housing units to be accommodated in apartment buildings. In contrast, a model for a sustainable development project in Germany (Kronsburg Ecological District, Hannover) provided 90% housing stock in high rise apartment buildings and only 10 percent as single plotting housing units. This policy not only created the options available for everyone (poor and rich), but the results afterward show a significant improvement in the reduction of carbon emissions. It must be noted in Pakistan exactly a reverse case has been promoted of horizontal rather than vertical spread.

⁴This is easily visible when you see the number of such activities housed in single-family homes—a clear indicator of the shortage of dedicated space.

Box 4. Parking Requirement is Anti-Poor and Ill-Conceived

People must have the option to buy a flat without parking. PM and Cabinet's vision is for the poor and middle class to have a house. In opposition to this vision, the parking requirement raises the cost.

- Parking in building costs developers \$5,000 or more per space.
- Underground or structured parking from \$20,000 and 50,000 per space.
- A tighter parking requirement forces all to pay for parking.
- Even poor or middle class who may not want to own a car are forced to pay for space

—Estimates from Builders

Box 5. City authorities must recognise that a car is not the only form of transport. Others include

Walking,
Bicycles,
Elevators in mixed-use,
Market responses like Rickshaw, Wagons, Uber and Swvl,
Motorcycles,
Carpooling,
Buses and public transport,
Other private arrangements.

In Pakistan, the Planning paradigm ruled out everything else but cars. These different forms of transport should share the street. Yet here only cars are given street space.

8. URBAN SPRAWL

The proposed rule does little to curb sprawl that is stressing infrastructure, air quality, and city life. The sprawl has been hugely costly (even though the ostrich-like cost of it has been ignored). Most housing schemes have taken decades to develop, many have folded up, leaving fraud and litigation behind, and most have been nothing more than mere single-family homes for the rich. Not to mention the enormous load on city infrastructure that is stretched out far more than would be manageable without adding to fiscal stress in the medium term.

Given the experience with sprawl and poor performance and housing schemes at a huge cost to consumers, LDA should make public an independent evaluation stakeholder of its sprawl policy as well as its excessive inner-city controls.

The new guidelines do not commit to stopping the sprawl. Should new housing schemes not be stopped? Builders are heavily invested in sprawl and find it easy to deal with LDA using consumer funds for decades without consequence. Should the situation be allowed to continue?

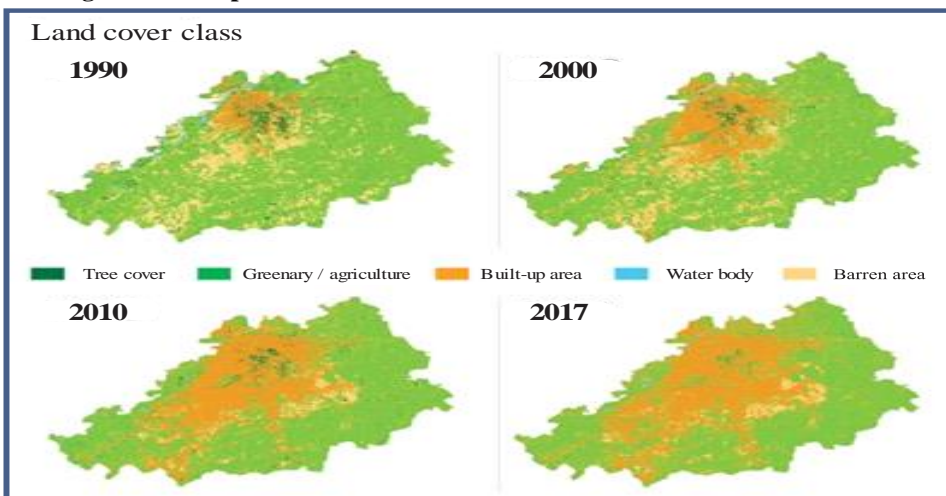
Previous LDA policies have created a huge shortage of commercial, office, public, leisure, education, and community spaces. A policy of promoting compact development cannot work alone if we are not discouraging policies for sprawl development.

Given that the consumer is bearing the cost of urban sprawl, and hence the utmost priority of contractors remain towards sprawl.

The mission of LDA must not be reductivist; to issue permits and allow sprawl.

Therefore, perhaps this is the time to call a halt to more housing schemes.

Fig. 1. Urban Sprawl in Lahore Credits. Hammad Gillani and Adeel Ahmad



9. ENHANCING MOBILITY

For the last 40 years, city-planners' romance with the car has destroyed a reasonable working bus system that most citizens of Lahore can remember. Roads have been widened, flyovers, and underpasses have been liberally sprinkled across the city. Pedestrians and other forms of mobility have been killed to make room for the car.

Subsidizing the car as we have done for the last 40 years only taxes these other forms.

As noted above, Lahore needs a car policy beginning with paid street parking in designated zones and congestion and speed tolls. Safe city cameras will facilitate this policy easily to

- Raise revenue for cities, and
- Rationalise street usage.

Even the metro has been poorly designed to favour cars.

A complete redefinition of an informed mobility policy will help the residents and city and national budget.⁵

10. PERMISSIONS

LDA has provided a provision that a developer may go to provide apartment buildings on residential plots (by application), but the procedure is complicated, costly (as to provide NOCs from TEPA for TIA studies and WASA) and thus discouraging. There is no reason for such permissions for individual buildings. This should be across zones that various authorities must make the infrastructure provisions.

In a high-rise building, along with ease-of-doing-business, the cost-of-doing business must also come down that includes the permit fees, registrations, and time-cost of the procedure.

11. MIX USE BUILDINGS

Why are high-rise buildings classified in different categories such as apartments, commercial buildings, and public buildings? High-rise buildings can be multi-purposed or mixed-use buildings and should collectively serve all purposes so as to reduce ambiguities.

Currently, families are congested. Extended families live in one or two-room accommodation thanks to stifling LDA rules. Mixed-use buildings can be a solution to this problem.

This liberalization should not be as in the past to favour the rich. LDA insisted on only favouring Gulberg as well as only 4 Kanal plots when CM Shahbaz Sharif agreed to a high rise on Nadeem Ul Haque's recommendation. We should not repeat the same mistake. Let all small plot-holders also benefit from liberalisation.

Contrary to the Cabinet's objective of creating pro-poor housing options, the plot size with height suggestion is merely favouring the rich against the poor. We must allow all to go to a certain floor area ratio in large zones. But the reason for defining zones must be clear.

Box 6. Legal Framework for a Real Estate Market

Regulatory agencies like LDA should give us the legal framework for developing a real estate market.

- Even in 2020, there is no clear property titling arrangement. As a consequence, transacting in real estate remains very costly in time and money. Regulation should develop a credible and low-cost property titling and exchange framework.
- There is no multiple ownership or condominium law.
- The rental framework needs to be strengthened to allow the market to favour all, especially the poor.

⁵The car subsidy policy has resulted in excessive road expenditure as well as a poorly designed and expensive public transport policy.

The critical issues anticipated with the culture of high-rise buildings are that of sanitation and amending the LESCO rules about establishing grid-station. A coordinated approach is a prerequisite to creating any plan concerning the development of Lahore or any part of this city.

In the planning process, it is crucial to loop-in the pollution factor proactively. The cost of pollution will come down with lesser average transportation costs by virtue of high-rise.

Energy efficiency must be the key decisive factor in designing of high-rise buildings, as it can prove to be the most critical cost-effective factor, amongst others, against urban sprawl.

12. MARKET RESPONSES

Like all planners, our city planners fear that inducing loose controls will create mayhem. For example, allowing height would mean everyone will immediately go to maximum height. They forget that:

- It takes time and money to build;
- Costs rise exponentially as height goes up. Hence not everyone will go up to maximum.
- The market will indicate what should be built in every location and owners and builders will have to take the market risk.
- Regulations must be such to give people enough room to make decisions and not go to the maximum of all regulations. The former is what killed the Soviet Union; the latter leads to growth and employment, the crying need of the time.

13. MULTIPLE OWNERSHIP

After the incident of Margalla towers, Islamabad unfortunate fall-down in the wake of the 2005 earthquake, there is a rising concern to promote multiple ownership.

Multiple ownership is undeservedly missing and under-supported. In order to increase the investment in high-rise buildings, the state must facilitate the mechanisms to promote this mode of ownership.

Box 7. Legal Framework for Encouraging Commerce through Mix-use Buildings

Urban centres should not be just a place of residence but of trade and economic activity. To promote such commercial synergies through mix-use high rise zones, regulatory authorities, such as LDA, should impose a positive legal framework on such zones:

- That is, a law should be framed that makes all sorts of commercial and industrial activities permissible within high rise zone except those that are negative and harmful,
- What should be negative and restricted by law can be debated and implemented after deliberation with the necessary body of technocrats.

Source: Minutes of PIDE's consultation with LDA at Chief Minister Office.

14. EMPLOYMENT

If parking is not provided in building and street parking is charged, the business of parking will start to create employment.

A building boom following deregulation will give a much-needed boost to investment and employment.

There will be many multiplier effects of this liberalisation as complementary products and services will create new markets.

City regeneration which has been on hold for decades will trigger off many supply-side effects that are critically needed.

We can already see market responses like Uber, Foodpanda, Swvl developing to serve density. We need to unleash such creativity, which city deregulation will foster. But for that to happen, planners must loosen restrictions to allow the market to work. Let investment happen liberally. This is the crying need of the day.

15. PRO-POOR DEVELOPMENT

If the supply of flats is increased, low-cost flats will happen. This will alleviate the middle-class housing shortage. The very poor may still not be served. For that policies might need to be developed based on the market.

We need not only poor housing but room for “commerce for the poor” such as street vending and micro-vending spaces.

LDA and agencies like it need to step away from land development and develop a good legal framework and regulation for the development of the market. Work must begin in earnest to develop the laws listed in the box above.

In LDA’s attempt to high rise and ensure the provision of housing space for the citizens along with creating employability, following impediments to high-rises were identified:

- (a) Fire safety standards do not allow the high rise on roads less than 40 feet.
- (b) Infrastructure development agencies such as TEPA, WASA, Sui Gas, and Electrification have operational limitations.
- (c) Rescue 1122 is not willing to make part of high-rise buildings.
- (d) Strong criticism from the media and professionals to promote a high rise.

In the light of the above-stated issues, it was proposed in the meeting that

- (1) Integrated approaches are needed among organisations such as TEPA, WASA, Sui Gas and Electrification to ensure changes that facilitate high rises.
- (2) For the 20 percent area of Lahore which is amenable to dense high-rise, the supply of services (such as water and electricity) should be ensured.
- (3) Liberalisation and de-regulation are essential for making the landscape of Lahore and other cities more inclusive and eclectic.
- (4) The square feet requirement for the room has to be revisited.
- (5) The contradictions within the regulatory frameworks need to be rectified.

TAKEAWAYS

- (1) If we want growth in the country, liberalize FARs and real estate.
- (2) The real dilemma is that in Pakistan, cities are planned for cars, not for people.
- (3) There must be a car policy in Pakistan.
- (4) Mixed-use high-rise should be encouraged.
- (5) Urban regeneration is missing in the LDA documents.
- (6) Infrastructure should not be a bottleneck for the growth of the city; it should be an engine of growth.

- (7) In high-density areas, rules/regulations should be clear and short. In such areas demand clearly shows people want dense and mixed-use living. Let them have it.
- (8) There should be no superfluous regulation. Simplification can be achieved if we follow four simple guidelines.

Floor Area Ratios (FARs) not heights. For example, when Floor Area Ratios (FARs) are specified, why have building height requirements? Most architects and informed people recommend only FARs and no height restrictions.

No detailed building setbacks are required. Let us think of building intensity, i.e., percent of plot that can be covered. This too should be area by area not building by building.

In high rise areas, Sky Exposure and Air Flow Guidelines are given to ensure sunlight and airflow.

Cars are the city's problem as is mobility of people. Imposing parking requirements to be borne by builders and buyers is anti-poor. City urgently needs a Mobility policy to accompany building and zoning regulation. Cars should not be linked with housing and business.