



Lahore's Urban Dilemma

Providing low-cost and affordable housing options for lower income groups in the country is one of the promises that were made by Prime Minister Imran Khan and his party during their election campaign. Implementation plans for this have been set in motion with the establishment of Naya Pakistan Housing Scheme. For a city like Lahore, Prime Minister's vision is to provide 0.5 million housing units in the next three years with particular emphasis on high-rise development such as flats and apartment buildings. This construction activity is aimed at not only providing housing options but also in the meanwhile generating jobs, encouraging investment and leading to growth of the economy.

More recently, the Prime Minister's coronavirus response package for the construction industry announced by the government is likely to incentivize investment in the industry. Having said that, tax break, amnesties and subsidies are one only side of the situation, because the current rules & regulations for building are too complex & contradictory and are a significant disincentive to investment in the construction industry. In a city like Lahore, the glut of regulations is compounded by the fact that an agency like Lahore Development Authority (LDA) only controls 20% of the city, with numerous other agencies like TMA, LMC, PHATA & DHA having their own independent regulations and approval procedures. Moreover, the different agencies are often seen pitted against each other in a play of regulatory competition.

On the approval period front, it often takes too long for builders to get permissions and the process is also expensive on top of being lengthy and seriously impedes ease-of-doing business. Furthermore, the current Floor Area Ratio (FAR) & height restriction guidelines for building are too strict and don't favor the like of high-rise development that the Prime Minister and the Cabinet has envisioned.

The FAR & height restrictions along with other regulations have meant that in Lahore, like in most other Pakistani cities, low-rise single-housing units and 4-floor commercial units have become the building standard, leaving the city with box like structures and causing shortage of much needed city space. This

overall space shortage has meant land for public and recreational use has begun to evaporate. If Government's plans of providing pro-poor housing options and generating employment through investment in the construction sector are to materialize there is an imminent need to relax building laws and deregulate. A good starting point would be to relax Floor Ratio Area (FAR) regulations by a factor of at least 2 to go along with complete removal of height restrictions to encourage high-rise development. Most urban planners agree on the superfluous nature of having height restriction along with FAR regulations. Making FAR regulations the singular yardstick to measure building density will bring simplicity to the regulations and encourage high-rise development.

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 neighborhoods, 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.

- 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 the 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.

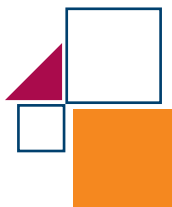
This simplicity can then be complemented with sky exposure guidelines so that environmentally irresponsible high-rise development can be kept in check. In addition to the complex regulation that impedes growth of the construction industry, what is also visible is the lack of strategic urban planning. Lahore's urban sprawl for instance has grown significantly over the past few decades because of low-rise building and an overemphasis on tailoring city infrastructure to suit car-based mobility. There has been an exponential increase in car and motorcycle ownership resulting in congestion in the city, environmental loss and decreasing standards of public transport. This legacy of car-centric urban development is even visible on either side of the Lahore Metro, which arguably is the most talked about public transport story in media's and public's consciousness. Despite the abundance of issues that restrict proper urban development, constructive relaxation of regulations and alignment of regulatory agencies can bring about positive changes to the city landscape in Lahore. This however would mean not repeating the same mistakes of the past and not facilitating above all rent-seeking behavior of regulatory agencies through complex laws. Proponents of stringent height restrictions on building hold that if the rules were to be loosened, it would lead to unabated high-rise development as everyone would go to the maximum height-level of building. This fear is, however, unfounded as

there is no sensible indication that such a scenario will materialize. Market forces present mean that high-rise building is an expensive process and only when greater risks of high-rise building are minimized is then that builders will go for such development. This however can only happen when there are minimal regulations.

One area where the government can intervene is to increase the capacity of organizations such as TEPA, WASA, Sui Gas and LESCO so that they can provide their facilities in high-rise buildings effectively. An integrated approach and inter-departmental coordination here is need of the day.

Another persistent issue reflected in the approach taken by the Naya Pakistan Housing Scheme is the misplaced emphasis on development of housing schemes. Such an approach is detrimental when it comes to incentivizing smaller builders who often construct for self-use. On top of that restrictions on high-rise buildings on smaller plot sizes mean that small land-holders are institutionally discriminated against. This both at a philosophical and practical level is contradictory to the pro-poor housing approach that the government claims to adopt. High-rise mix-use (both commercial & residential) building should be a prerogative of all and not just the big private builders and institutions.

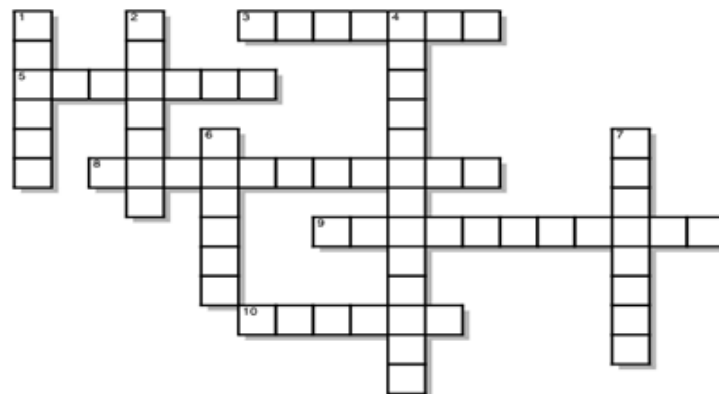
Lahore, the city Iqbal, the man who conceived the idea of Pakistan, is known historically for its gardens and vibrant street bazars. It is now a victim of congestion and poor urban planning. Such poor planning has occurred under the nose of institutions and rules that were designed to protect the city. The need perhaps is to loosen the laws and give market the chance to play out its course. In doing so, we can also encourage construction on all levels, decrease low-income housing shortage, create employment and invigorate the local economy.



Authors: Nadeem Ul Haque, Madeeha Qureshi, Hafeez Ur Rehman Hadi & Fahd Zulfiqar

Summarised by: Raja Rafi Ullah

Cities



ACROSS

- 3 REVENUE
- 5 CYCLING
- 8 ENVIRONMENT
- 9 SMARTCITIES
- 10 PUBLIC

DOWN

- 1 NOCARS
- 2 WALKING
- 4 NOFREEPARKING
- 6 CITIES
- 7 MOBILITY