# GERMAN LAND READJUSTMENT – ECOLOGICAL, ECONOMIC AND SOCIAL LAND MANAGEMENT

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#### 1. GERMANY AND FRANKFURT AM MAIN

Germany is situated in the heart of Europe. It covers an area of 357,000 km<sup>2</sup> (South-Korea: 99,263). Germany has a population of about 80 million, the largest in Europe after Russia's (South-Korea: 46.8 million). With 222 people/km<sup>2</sup> it is one of the most densely populated countries in Europe (South-Korea: 471 people/km<sup>2</sup>).

But the population is distributed very unevenly. The western part of Germany is much more densely populated than the so called five new states of the previous German Democratic Republic in the eastern part of Germany. Nearly a third of the population is living in the 85 cities of more than 100,000 inhabitants. But the great majority lives in small towns and villages.

With only a population of approximately 650,000 the city of Frankfurt am Main is the fifth largest city in Germany. It is loated at the centre of the Rhein-Main region which has a total of about 3.6 million inhabitants and 1.9 million jobs on about 7,500 km². Frankfurt am Main is the financial and banking centre of Germany. Its skyline with many skyscrapers is unique in Europe. It is the seat of the European Central Bank. This financial importance, the central location in Europe, the airport and the tradefair are the most important factors for the city and the whole region. The city is the third most important financial centre in Europe after London and Paris.

#### 2. URBAN DEVELOPMENT IN GERMANY

One of the major tasks of the municipalities in Germany is to provide building land. This is not a result of a large number of homeless people or squatter settlements but a sign of a quite great prosperity with an increasing number of individual living space and a trend to singles' households in the metropolitan areas. But there is a very different economic situation between the western part of Germany and the eastern part of Germany (the previous German Democratic Republic). There is not only a great difference between the unemployed rates of both parts but there are also consequences for the urban planning situation. In the eastern part of Germany about one million flats are empty and in a very bad building condition. The reason is that many inhabitants lost their job and moved to the western part of Germany. The result are lots of social problems within these areas and discussions to demolish a great number of residential buildings and even whole residential areas.

# 2.1 Phases of Urban Development

In Germany there are three phases of urban development:

- planning
- land management
- construction of public infrastructure.

# 2.2 Planning

The municipalities have a comprehensive planning authority. The function of urban land-use planning is to prepare and control the use of land for buildings or for other purposes. The legal basis in Germany is the Building Law Code. On the municipal level there are two different planning levels:

- the preparatory land use-plan (in German: 'Flächennutzungsplan' or 'F-Plan')
  which represents the type of land-uses arising for the entire municipal territory
  and
- the legally binding land-use plan (also: local plan; in German: 'Bebauungsplan' or 'B-Plan') making legally binding designations on the specific type and on the degree of building and land use.

The land-use plans are set up in a formal procedure, including an intensive participation of the citizens.

# 2.3 Land Management

In order to realize these planning concepts there are different instruments to achieve the land management.

The instruments of providing building land can be split up into

- models of interim purchase
- land readjustment

#### 3. MODELS OF INTERIM PURCHASE

#### 3.1 Voluntary Interim Purchase

The voluntary municipal interim purchase of the land has to be done for the whole project area. That means the willingness of all landowners and the financial ability of the municipality. By selling the devoloped building land again after the construction of the public infrastructure (streets, sewerage etc.) the municipality can arrange building and using obligations within the contracts with the private purchasers. The voluntary interim purchase of the land can also be done by private companies or private investors, but only on a volutary level.

# 3.2 Special Urban Development Project

A special kind of municipal interim purchase is the special urban development project. In the special declared urban development project the municipality can expropriate the individual landowner if he denies to sell his plot(s).

But the special urban development measure can only be implemented if its special requirements are given.

An essential aspect of the special urban development project is the evaluation of the original plots. Purchasing the original plots the municipality has only to pay a special low landprice (without expectations to the special urban development project). The land value increase caused by the development can be used to finance the project costs and the construction of the public facilities

Many landowners refuse the project because they want to make a higher profit by the land value increase for themselves. That makes this instrument very unpopular.

In 1997 two special urban development measures with together about 350 ha have been started in Frankfurt. Some landowners appealed for the court but (until now) they failed.

#### 4. LAND READJUSTMENT

# 4.1 Concept of Land Readjustment Project

Land readjustment is a special method to exchange the plots in a project area for building and other use in a special procedure. The man who influenced the law very much was Franz Adickes the previous Lord Mayor of the city of Frankfurt am Main. The basic idea of land readjustment is to add all plots of the project area to the so called readjustment mass. Out of this readjustment mass there have to be excluded the areas for public streets and green spaces including children's playground, provisions for protection against environmental conditions (e. g. walls for noise prevention) and for purification and overflow basins for rainwater. All those spaces are intended primarily to serve the requirements of residents of the readjustment area.

All plots have to be evaluated twice: before and after land readjustment. By land evaluation the land contribution rate as well as the entitlements of the landowners and financial adjustments have to be determined.

In accordance with the purposes of land readjustment landowners receive as far as it is possible plots out of the so called redistribution mass with an equivalent location to the plots which have been contributed. With the consent of the landowners (and in some special cases without their consent) as a settlement may be provided:

- money,
- porperty outside the project area or
- the establishment of joint ownership of a plot.

The land readjustment department is able to withdraw, alter or re-establish all real property rights as well as any other entitlements to a plot.

# 4.2 Information and Participation of Landowners

Early information and participation of the landowners is one of the most important things in urban development process to involve the landowners in the project. In the planning procedure there are two different levels of information and participation of the landowners. In a very early phase of the planning procedure the public is to be informed about the general aims and purposes of planning. In a second phase the draft of the landuse plans with the accompanying explanatory report or statement of grounds are to be put on public display for a period of one month. During this period suggestions can be made.

In land readjustment procedure the participation of the landowners is much more intensive than in the planning phase. First every landowner is invited to discuss his wishes and claims as well as the possibilities and limits to carry them out. Competing wishes have to be decided. The concept of the land readjustment plan as the result of the whole land readjustment procedure has to be discussed again in detail with the individual landowner. The involved parties whose rights are affected get relevant extracts from the land readjustment plan.

# 4.3 Organisational Aspects

In Germany the competence to decide on a land readjustment project (project-area, redistribution criteria, land value, payments etc.) is delegated to an independent commission. This commission is called land readjustment board, usually existing out of a jurist, a land surveyor, a land evaluator and two members of the local parliament. The land readjustment board is assisted by an administrative office that prepares all decisions.

#### 4.4 Skills and Education

To prepare and implement a successful urban development and urban redevelopment it is very important to have a qualified staff in private companies as well as in the municipal offices. In Germany most planners have studied town planning, regional planning or architecture at the university. The people working in the field of land readjustment usually studied land survey (geodesy). It is not only the university study but also a necessity of further education. So in Germany there are a lot of seminars of public or private institutions to train the people working in this field.

#### 5. CASE STUDIES

# 5.1 Land readjustment for urban development - Project 'Preungesheim'

The first case study is an example for urban development from rural land to building land.

(Photos and maps not included)

# 5.2 Land readjustment for urban redevelopment – Project 'City West'

As second case study of land readjustment I would like to present to you a very special example of urban redevelopment. Its dimension is unique in Frankfurt am Main and probably in Germany.

(Photos and maps not included)

Both case studies show the possibilities and variety of land readjustment to be implemented for urban development and urban redevelopment.

# 6. IMPLEMENTATION OF LAND READJUSTMENT IN THE EASTERN PART OF GERMANY

A different experience that was made in Germany according to the reunification of the Federal Republic of Germany and the former German Democratic Republic (East Germany): We had to implement land readjustment in Germany by ourselves.

During more than 40 years of socialism in East Germany

- great parts of land register have been destroyed,
- private ownership has been reduced in an enormous rate,
- land management problems have been solved by expropriation, sometimes without adequate compensation,
- there has been none practice and experience in land readjustment.

After the reunification of Germany in 1989 the social market economy had been transferred to East-Germany as well as the legislation. So from one day to the other the Building Law Code as the main urban development law (including land readjustment) was valid in East Germany and noone had any experience and knowledge in that field. Land readjustment has become an important tool also in this part of Germany, to create or to improve public facilities and forming building sites for industrial and residential areas. Expropriation as the previous tool is not allowed in its previous way.

Therefore a great number of seminars have been held to transfer the knowledge and experience to implement land readjustment in the eastern part of Germany. A few survey engineers have moved to East Germany to work in the field on land readjustment. Some have been there for a few weeks or a few months and others have moved to the cities of East Germany, to introduce land readjustment. Also the academical education had to be renewed. A short time ago the first institute on land management, land readjustment and land evaluation at the University of Dresden was established to teach the students these new topics.

Special difficulties by implementing land readjustment in East Germany were

- buildings were constructed on plots of different landowners without considering the land ownership situation,
- cadastre and land registration were in a very bad condition.
- uncleared ownership situation with thousends of claims of expropriated people to retransfer their land.

#### 7. LAND READJUSTMENT IN SEOUL

Land readjustment also played a significant and very successful role in coping with the problems created by rapid urbanisation in Korea, and particularly in Seoul. It is recognized that Seoul's attempts to accommodate the increase in population, which used to exceed half a million per annum, and to deliver basic urban services for them would have been impossible without the help of the land readjustment programmes.

Entering the 1980s, however, the land readjustment programmes were assessed from a different viewpoint and and the government policy preferred the purchase method. This tendency has run parallel with the central government's involvement in urban land development under the provision of the Residential Land Development Promotion Act of 1980. From 1934 until 1984 in Korea there were 397 land readjustment projects with an total area of 43,580 ha.

The Gaepo land readjustment project is located in the southern periphery of Seoul's existing built-up areas with an area of 9 km² to be developed for residential purposes. It had been realized within three different districts organized by different bodies. The biggest one was realized by land readjustment (6.5 km²) the others had been realized by purchase. The land readjustment area had to be developed for a population of 170,000.

The switch towards the direct purchase method or the frequently discussed idea of building satellite towns likewise appears as a worthy proposition. In the meantime, however, land readjustment will continue to be regarded as a viable means of land development in most Korean cities. Particularly in the development of smaller plots of vacant high-priced land, land readjustment appears to be the most suitable method to use. Also, considering the financial difficulties prevalent within the municipal governments of the regional urban centres outside Seoul, the land readjustment method will still play a major role in land development and town planning schemes.

#### 8. CONCLUSION

In Germany as in many other countries there are different ways for providing building land. But there is no way with a success guarantee.

Land readjustment is a very elegant and economic way for urban development and urban redevelopment. Land readjustment is able to equalize the advantages and disadvantages of urban planning and to finance great parts of the urban development. In Germany land readjustment has a very long tradition and really many projects have been completed with thousands of hectares of new building land for residential, commercial, industrial and other use as well as public infrastructure. With land readjustment implementations in redevelopment areas lots of urban deficits have been alleviated by an increase of living standard, of infrastructure and the improvement of the traffic situation.

Land readjustment is able to implement a planned urban development and a socially equitable utilisation of land for the general good of the community, and can contribute to securing a more human environment and to protecting and developing the basic conditions for natural life.

So German land readjustment is an excellent tool for ecological, economic and social land management as an essential part of sustainable urban development.

#### **CONTACT**

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Mr. Rainer Müller-Jökel graduated as a land surveyor from the University of Bonn, Germany with main subjects concerning land management and land evaluation. He is working for the Municipal Survey office of Frankfurt am Main as the Head of the Department of Land Readjustment.

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