

## An Overview of Land Readjustment Case Studies UN-Habitat Documented and Some Lessons Learned

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## Brief Background on LR Work at UN-Habitat

- LR became one of the major areas of focus at UN-Habitat in late 2010 and early 2011
- Urban Legal Research with a focus on LR in April 2011
- LR EGM in June 2011
- Global Assessment of LR experience: 14 countries through desk research
- 4 Detailed Case Documentations (one from each continent): Angola, Colombia, India, and Turkey
- On-site assessment of practices: Turkey and Colombia



## LR in Colombia: the framework

- An elaborate legal framework; the main one law 388/1997 (Ley de Desarrollo Territorial -Territorial Development Law)
- Draws on Spanish experience
- Progressive law: social & environmental functions of land; land not just another commodity
- A hierarchical planning set-up
  - Land use plan (Plan de Ordenamiento Territorial, POT)
  - Plan Parcial (PP)
  - Urban Action Unit (Unidad de Actuación Urbanística, UAU) Readjustment
- Law 4260/2007: National macro-projects of Social Interest (Macroproyectos de Interes Social Nacional): Ministry of Housing, cities and Territorial Development



## Case study 1 - Colombia: plan parciales and urban action units



Source: EDU - Empresa de Desarrollo Urbano de Medellín



## LR related legal framework: national and city levels

### Ley 9 de 1989

- Desarrollo Municipal y otras

### Ley 388 de 1997

- Ordenamiento Territorial

### Decreto 2181 de 2006

- Procedimiento de formulación y adopción de los Planes Parciales y otras

### Decreto 4300 de 2007

- Se reglamentan las disposiciones relativas a planes parciales.

### Decreto 4259 de 2007

- Calificación de Suelo para VIP

### Decreto 4065 de 2007

- Disposiciones relativas a las actuaciones y procedimientos para la urbanización e incorporación al desarrollo de predios.

### Ley 1450 de 2011

- Plan de Desarrollo Nacional 2011 – 2014

### Decreto 019 de 2012

- Ley Antitramite (tiempos)

### Acuerdo 38 de 1990

- Estatuto Municipal

### Acuerdo 62 de 1999

- Plan de Ordenamiento Territorial

### Decreto 1212 de 2000

- Disposiciones sobre Planes Parciales

### Acuerdo 46 de 2006

- Revisión y Ajuste del POT

### Decreto 409 de 2007

- Norma específica

### Decreto 1521 de 2008

- Norma específica

Source : City of Medellín, Subdirección de Planeación Territorial



## Reflections of the LR Practice in Colombia

- LR well embedded in planning practice (PP, UAU, Macroproyectos)
- Local versions of LR different from recognized practice:
  - (within UAU than area or project wide readjustment );
  - slightly bigger than plot by plot; more suited to small scale land supply;
  - may entail huge transaction costs.
- Level of consensus: 51% consensus – can become problematic if the 51% is an individual or a few individuals and the 49% is a larger group/a community
- Land value capture (plusvalias) has not been practiced;



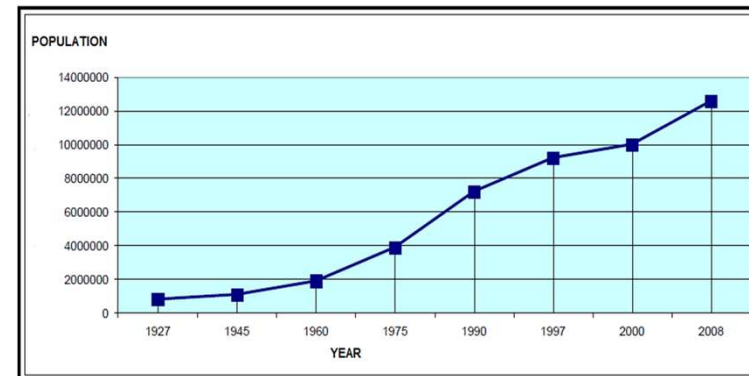
## Case Study 2 - Istanbul, Turkey: rapid urban growth

- A mega city; Population...2.9 m (1980)...12.6m (2007)...added 250-300 000 people every year (added a medium sized city every year)...explosive growth
- Area ...5400 km<sup>2</sup> (70 km \* 77 km / 100 km\*54 km)
- Density ...about 2400 p/km<sup>2</sup>
- 1 Metropolitan municipality and 39 district municipalities (case studies in three districts)
- Since 1950 experienced
  - Expansion of informal housing (now declining from 27 to 12%)
  - Uncontrolled and uncoordinated intensification of land use ('illegal' subdivisions)
  - mass housing by TOKI



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## Background: rapid urban growth.... ISTANBUL



Source: Sence Turk, Consultancy Report

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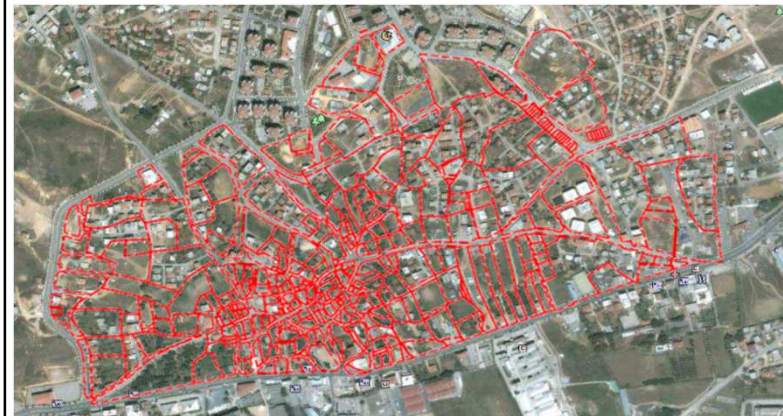
## Land readjustment: application domains

LR is implemented in both expansion areas and inner city to:

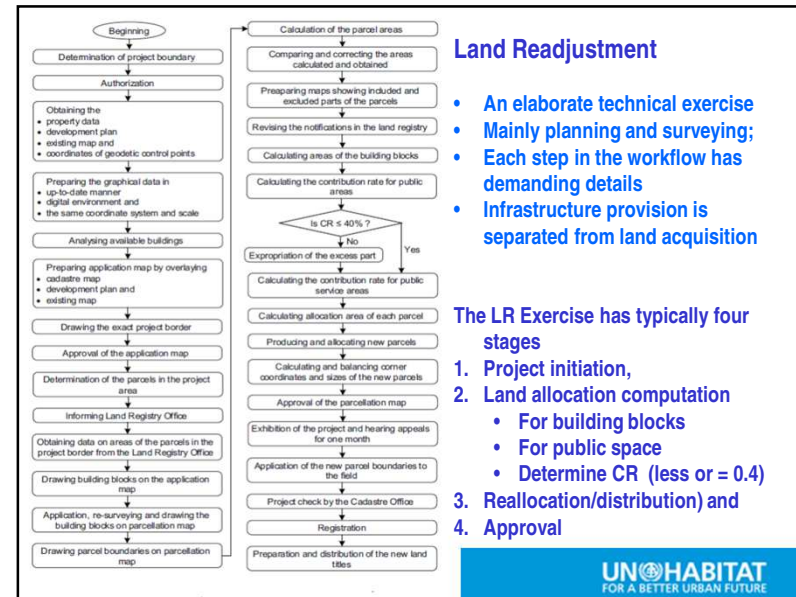
- regularize tenure (additional instrument: amnesty law)
- upgrade Gecekondu (accompanied by amnesty law)
- optimize land use (through densification)
- acquire land for high profile projects
- implement local physical plans
- provide space for city extension: conversion of peri-urban cadastral plots, production serviced urban plots in appropriate size and shape (dismantle too small or too large parcels);
- acquire land for public services (the list of these in Turkey is schools, roads, squares, parks, car parks, children's playground, green areas, worship places, and police/gendarme stations, hospitals, etc)



## Before land readjustment: Seyhli



## After land readjustment: Seyhil



### Case study areas: major features of the LR projects analyzed

	Seyhil	Aydinli	Dolayaba	Ayazma
Type of LR	Partly an expansion area	Expansion area	Inner city	Inner city
LR Project Size (ha)	53.7	40.6	12.3	128.7
Settlement type before LR				
No cadastral parcels before LR	341	24	139	102
No of 'serviced' urban plots after	887	32	252	112
Parcel size before (m2)	0.42	32.91	9	35
Min	17,176	88, 284	15, 755	273, 258
Parcel size after (m2)				
Min	113	418	9	361
Max	6,118	40, 831	3719	113, 445
Contribution (%)	29.3	40	32	37
Expropriation (%)	0.9	-	-	6.9
Legal source	Article 18 of recon. law (3194 )and art 1 of 2981/3290 1986	Article 18 of recon law no 3194	Article 10 C of amnesty Law no 2981/3290	Article XX of Municipality law no 5793
Land related outcomes	Illegal subdivisions regularized	urban plots for mass housing	Illegal subdivisions regularized	Urban plots for mass housing

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### Case Study 3 - LR in Gujarat (India): an old and still functional tool

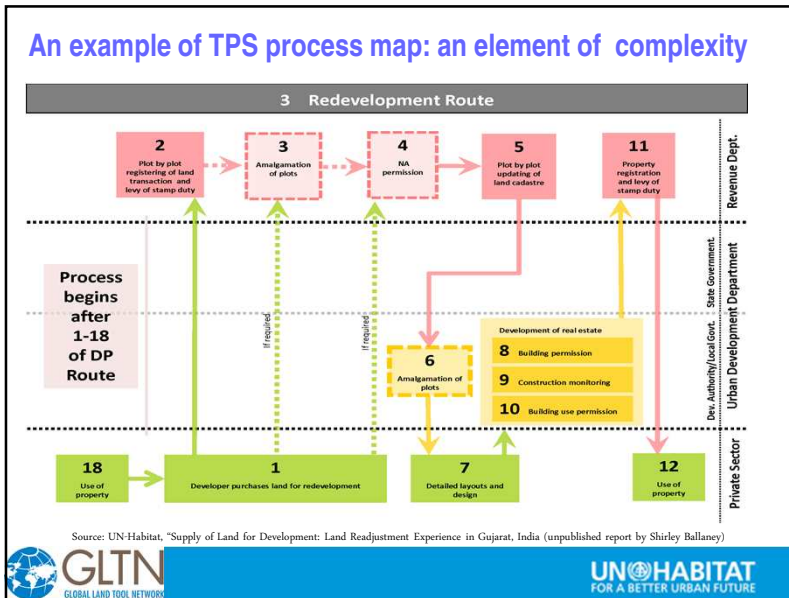
- LR in Gujarat is called Town Planning Scheme (TPS)
- Legislation since 1915 (Maharashtra and Gujarat); law reviews and amendments in 1954, 1976 & 1999
- TPS remains an important planning/land management instrument; about 1/3 of all urban development in Gujarat and 100% in Ahmedabad.
  - infrastructure and public space for peri-urban development including the conversion of rural land to urban,
  - land for infrastructure/public space for “unauthorized development”
  - land for city wide infrastructure: the Ahmedabad ring road (more than 40 integrated LR projects)
  - post-disaster reconstruction including renovation of historic in earthquake-stricken city of Bhuj.



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### An example of TPS process map: an element of complexity



### LR in Gujarat, India: an old and still functional tool

- An elaborate and complex multi-stakeholder exercise: various organs of the city government - from legislative to technical departments; private developers; land owners and / occupiers;
- The steps could be in excess of 30
- Extensive use of land records: establishing and re-establishing rights, responsibilities and restrictions before and after readjustment;



## LR in Gujarat, India: an old and still functional tool

- Weak community processes (the process map does not have a slot for this).
- Underlying systems supporting TPS are yet to develop (land records comprehensiveness in coverage, accuracy)
- Lengthy process which would also benefit from business processes rationalization and re-engineering
- Difficult legal instruments vis-à-vis weak institutional capacity in the face complex issues involving property rights, voluntary land contribution with an element of coercion, and potential conflicts



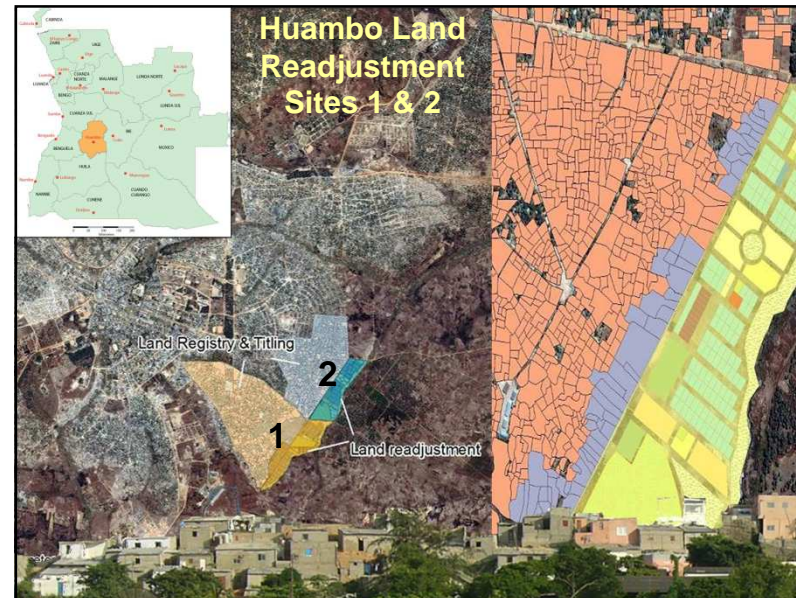
## Case study 4: LR in Huambo, Angola

- LR without a legal framework; LR in a post conflict context
- Two examples were documented; a case of LR by a non-state actor
- Development Workshop coordinated implementation of Bairro Fatima and undertook the technical work;
- Steps
  1. **Creation of multi-stakeholder management group** : provincial govt, traditional leaders, local administration & NGO
  2. **Mobilizing community support**
  3. **Base line study** to create a household census & community diagnostic
  4. **Registry of existing land owners and boundaries** mapped using a hand held GPS and GIS. Meeting with all land owners on a bairro by bairro basis with adjacent neighbors present. Very few cases of overlapping or conflicting claims were found.



## LR in Huambo, Angola: Steps...Continued

- 5. Development of a physical readjustment plan** ( 30% of the land reserved for infrastructure & roads; 35% for redistribution to local land owners; 35% for public plot sale with income to cover basic infra-structure costs)
- 6. Definition of rights:** New and old land owners received 'occupation licenses' & entered land registry/cadastra being developed by the Huambo administration
- 7. Implementation of layout** marking the new property boundaries with wooden pegs using only optical instruments & measuring tape. Plots numbered.
- 8. Redistribution of parcels** with titles in proportion to previous size of land ownership and sale of remaining 152 parcels. Half of all land owners received only one parcel. The remainder received between 2-6. A total of 225 plots were released onto the market.
- 9. Implementation of basic infra-structure.** With the funds acquired by the sale of the public land parcels, boreholes and water-points were installed and the road and service lines were cleared.
- 10. Advocacy** - results of the readjustment project have been presented in workshops, seminars and training events across Angola.



### Synthesis: lessons from global analyses

- LR is about the supply of serviced urban land at scale; used also for regularization of tenure, defraying costs of urban development thru land value capture, etc.
- LR with out increases in land value loses the major incentive that motivates voluntary land contribution; land value increases enable contributions for infrastructure/public space dev't & financing;
- Fragmented, inadequate and complex laws frustrate gains ...(confirmed thru focus group interviews; cost of doing business survey findings); LR works best where there is solid legal framework;
- LR is not always self-financing (a mix of public subsidy, Public Private Partnership, cost sharing);



### Synthesis: some lessons from global analysis

- LR works best linked with planning at local level; LR allows unified project wide planning (when the approach is not parcel to parcel) and avail opportunities to revisit planning regulations and practices;
- LR invariably requires robust land records; else much time is spent on surveying/resurveying lots; determining who has what rights and where;
- Zero or near zero lack of correspondence between input and output parcels is an indicators of dislocation/eviction-worrisome in informal areas.



### Synthesis: some lessons from global analysis

- Community consultations in LR projects have been
  - ONE WAY ('to communicate' decisions or how projects are to be implemented) or NOT DONE at All;
- Community processes too slow to meet the demands of fast growing cities;
- Legal cases often arise (at reallocation stage) and result in delays or termination of projects;
- LR works best when the level of consensus is higher (75%);
- Capacity in cities has been a huge issue; outsourcing LR to private sector has been useful; private sector operations however require strong regulatory capacity; Catch 22?



Case study research and documentation was done by

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Thank You!

