## The Residential Land Development Policy in Turkish Urban Areas

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Key words: Residential Land Development, land administration, land policy.

## SUMMARY

Although there is diversity in the roles and the impact levels of various actors in land development process in different countries, in all cases the intervention of the state to the land development process is inevitable. The invertention points of the state to the residential land development process are related to the land-use planning and development control, land tenure, land taxation, infrastructure policy. These intervention points constitute the frame of the policy related to the residential land development. This paper is to evaluate the residential land development policies in urban areas under headlines as like the urban land-use planning and development process and land infrastructure and service areas, especially, focussing on the local level and to question whether this policy is sufficient to keep pace with the demands of rapid urban growth in Turkey.

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## 1. INTRODUCTION

National policies and legislations relative to land, property and built environments result in diversities in the roles and the impact levels of various actors in the land development process (Dieterich, Dransfeld and Voss, 1993; Larrson, 1997; Nedham and Verhage,1998). These actors are landowners, public agents, developers, consultants, politicians and community groups. The analysis of the relationship between the strategies, interests and actions of these actors provides the understanding of land development process (Gore and Nicholson, 1991; Healey and Barrett, 1990; Gatherton 1994; Racodi, 1996; Winarso and Firman, 2002). Despite this diversity in the roles and the impact levels of actors in different countries, for all cases the intervention of the state to the land development process is inevitable. An understanding of the impact of state intervention is an essential element towards the understanding of the entire process.

The aim of the intervention of state to the land development process is related to the concepts of efficiency and equity (Racodi, 1996). With its intervention, the state acts to reduce the inefficiencies and inequities that may arise in urban land markets due to the monopolistic nature of the landownership. Typically, the state at both central and local levels directly or indirectly intervenes with respect to property rights (tenure), the arrangement of land uses (planning and regulation), land as a potential source of revenue (taxation), the propertyprocess (infrastructure provision, and public sector participation in land supply, development, and renewal) (Racodi, 1996 p.1153). These intervention points constitute the frame of the policy related to the residential land development. The impact of state intervention upon residential land development process at both central and, especially, local government levels are rarely considered systematically. This subject has also been neglected in Turkish literature. There is not any document available related to descriptive evaluation of land administration and policy. This paper aims to evaluate the residential land development policies in urban areas underlines as like the land-use planning, development control, land tenure, land taxation, the urban residential land development process and service areas and land infrastructure policy, focusing on the local level and the question this policy is sufficient to keep pace with the demands of rapid urban growth in Turkey.

The study is organized as follows. Section 1 introduces the context of the study. Section 2 evaluates land use planning in Turkey. This section is divided into three parts. While first part explains hierarchy in urban planning and sort of plans in Turkey, second part examines authority in urban planning. Third part examines the development control. Land tenure, land taxation, the residential land development process, service areas and land infrastructure are respectively explained in section 3, section 4, section 5, section 6. The final section is the conclusion.

## 2. DEVELOPMENT CONTROL

The public in Turkey supplies the development control with the subdivision control and building permission and control. The building permission and control will not be taken into consideration in this paper, because it is closely related to housing. The subdivision control is to be limited the subdivisions that cause to the irregular urbanization. The aim of the subdivision control in urban areas is to supply the development of the plots in the types of land use proposed according to the decisions of the local physical plans. The aim of subdivision control outside of urban areas is to prevent the unplanned development and to protect the agricultural areas.

In Turkey, the subdivisions are carried out as voluntary or without the consent of owners (Keles, 1990). In the voluntary subdivisions, these transactions are controlled whether the subdivisions are carried out according to the decisions of the local physical plans and whether the size of plots is suitable to the decisions of local physical plans or by-laws. Where is separated to areas as road, square, park areas, car parks in the local physical plans, subdivisions are not accepted by municipality or governor office. Then subdivisions have to be approved by the committee of municipalities or province administrative comitee.

The subdivisions without the consent of owners are carried out the land readjustment method. Land readjustment in Turkey is directly linked with an adopted urban plan defined in Title No.18 of Reconstruction Law (Law No. 3194) and its accompanying regulations. The aim of this method is to achieve a development or reorganization of built and un-built areas, produce urban plots of suitable location, shape and size for building or for other utilizations within the framework of the detailed local plans and to supply land for primary and secondary public areas. This title authorizes implementation to be carried out by the municipality without the consent of owners with the delimitation of project area determined by municipalities depending on the detailed local plan.

In Turkey, the subdivisions are usually realized as voluntary. Especially, because of legal, administrative, technical and financial problems in the implementation of the land readjustment method, this method is not often used by municipalities (Turk 2003). The subdivision control in Turkey can not be supplied sufficiently in squatter areas. In these areas, sub standard commercial subdivisions have often emerged.

## **3. LAND TENURE**

Rights in land have both economic and social dimensions. Especially, in developing countries, imported tenure systems were superimposed on pre-existing systems; both have changed in the process. As a result, in the cities, systems of overlapping tenure arrangements exists, including (a) a formal official statutory system, (b) an informal system, (c) customary tenure. People may own and deal with land in more than one system, whereas land itself may be affected by more than one, giving rise to conflict and confusion (Farvacque and McAuslan, 1991) this condition is valid for Turkish tenure system. Tenure system in Turkey, has been influenced from Ottoman tenure system. In the Ottoman tenure system, miri or sultan's property made up 80 per cent of all the land in the country. The transition to private

property was fully established with the 1926 Civil Code. The state inherited substantial amounts of land from the Ottoman system. The lack of long-term policies for administration of public lands, as well as the slow pace of land title registration created ownership disputes throughout the country and making land claims therefore became a profitable activity, especially in urban areas (Yonder, 1998) During registration process, the individuals could claim ownership of holdings they cultivated or on which they lived. This process was called as zilyedlik.

Large parts of urban areas in Turkey have been surveyed and registered. The registration in Turkey have been completed in 79 out of 82 provinces and in 794 out of 950 counties in 2000. In this extent, the registration of 37.987.880.000 m<sup>2</sup> and 5.778.258 unit parcels have been finished. According to this information, the realization percent for registration in urban areas is 94.13 percent (DPT, 1999). Although the success in surveying and registration process in term of quantity in Turkish urban areas, the same success is not valid for the quality. According to Dogan (1999), 42 per cent of the cadastral maps were made by using the old surveying techniques and there are inconsistencies between cadastral documents and current maps. According to Civil Law issued in 1926, in every condition, the cadastral documents registrated is taken as base. Under such circumstances, if a technical mistake is made in registration process, this mistake can be corrected if land owners reach an agreement with each other. However, if land owners do not reconcile each other or there is not any technical mistake, the cadastral document has to be adapted. Because the objection to the cadastral document has became invalid after a certain period.

## 4. LAND TAXATION

Land and urban plots concepts in Turkey have been not exactly defined by laws. In the other words, no definition and classification related to the land and urban plot was been made. According to Real Estate Tax Law issued in 1970, the land being subdivided throughout the border of municipalities was accepted as urban plot. Thus, whether the land not being subdivided inside or outside of border of municipality is accepted as urban plot or not, it can be determined according to the decision the Council of Ministers. According to this law, while the tax rate is 1 per thousand for the lands, it is also 3 per thousand for urban plots. In land taxation, this dual- structure is not sufficient to explain the variations in the value of tax. According to Tekeli (1992), it is need to accept a triple structure as "agricultural land", "urban land" and "urban plot".

On private buying and selling process of land, the land transfer tax is levied both 1.5 % from customer and 1.5 % from seller and thus the determined charge is levied per a transaction. The tax value is realized from sale value of land, however, the value in buying and selling will not be under the declared value of land. Thus, if a land is sold for commercial objective in five years in Turkey, the tax of value difference is levied.

Land taxation is not used effectively for the control of the planned development in urban areas. The transformation of the land from rural to urban and increase in value of land have not been taken into consideration in land taxation in Turkey. There are inconsistencies in use of taxes collected by local governments. Arrangements on tax roles and and tax expenditures should be immediately done (DPT, 2001).

## 5. THE RESIDENTIAL LAND DEVELOPMENT PROCESS

Central and local government may participate directly in residential land markets in order to achieve a variety of aims. Their aims can be grouped in the four ways:

- To ensure an adequate supply of reasonably-priced land development and to advance land banking.
- To ensure a land to prevent squatter housing areas and ensure for mass housing areas.
- To implement the local urban plans by using land readjustment method for producing urban plots and to assemble the fragmented land.
- To ensure the land that is needed for public purposes by purchase, expropriation or land readjustment.

The residential land development process in Turkey can be considered in four ways (DPT, 2001).

# *The residential land development process defined with master plan- detailed local plans – subdivision plans- building permission*

In this process, master plan and detailed local plans are produced by the municipalities, these plans are implemented by municipalities and then urban plots are produced. Legally, for the implementation of plans, the land readjustment projects have to be used. In defined process, the expenses of the preparation and implementation of plans are covered by municipalities. If municipalities do not apply the land readjustment method in this process, landowners or developers can prefer to produce urban plots according to local physical plans.

## The residential land development process realized by different institutions with partialmaster plans

- Although there are master plans, there are not detailed local plans in areas being developed. Developers and/or cooperatives take responsibility on the preparation of the detailed local plans. After the plan is prepared by private initiatives, this plan has to be approved by municipalities and the subdivision plans is constituted then they are approved by the committee of municipality. Some amount of land is left for public purposes.
- The land is expropriated as squatter prevention zone, then local physical plans are prepared and these plans are implemented, and then are alloted to individuals or cooperatives.
- The land is expropriated for the development of mass housing area then local physical plans are prepared and implemented, and then they are alloted to individuals or cooperatives.

# The residential land development process with partial master plans outside of municipalities borders

This type resembles to second type. The main difference is that the approval of local physical plans are realized by provincial office. Thus, the approval of subdivision is made by province administration committee.

#### The residential land development process with legalization

Plans for unauthorised built-up areas are prepared by municipalities or province's office and, subdivision plans are constituted and the structure of ownership in areas is re-regulated by legalization and then urban plots are produced.

Municipalities have important responsibilities on the residential land development process. However, it is known that municipalities do not perform these responsibilities because of legal, administrative, financial and technical problems (Turk, 2003).

## 6. SERVIS AREAS AND LAND INFRASTRUCTURE

The provision of service areas and infrastructure for the residential land development has been important problems in Turkish urban areas. The provision of infrastructure is slow and lags behind demand in rapidly growing cities in Turkey. The other important problem is the lack of coordination among different agencies to affect the provision of infrastructure. Each agency makes its own plan without considering priorities of related agencies.

Generally, urban plans are prepared for 20 years periods, however, these plans lose their applicability after a short time. Infrastructure projects are generally prepared for 30 years periods due to the necessity of great investments for infrastructure. Because of the static structure of local physical plans and the changes in decisions, land use type and densities of local physical plans, infrastructure projects have been unsuccessful. The following policies related to infrastructure service for unauthorized built-up areas have aimed to grade up living conditions. However, this approach have caused to the important problems in urban areas. (DPT, 2001) These problem are:

- the expense of the maintenance and operation have increased.
- the existing network has to be renewed .
- the financial problem has appeared while providing new network
- the quality and reliability of services has decreased
- the infrastructure supply to the non-payers who does not give money, has caused damage for the payers.

In the residential land development one of most important subject is the provision of services areas. Servis areas can be divided to two groups. First one is on- site service areas which include public areas as road, park, car - park. Second one is off- site areas which includes public service areas like school area, hospital area, etc. On- site areas in Turkey are provided by landowners with the contribution percentage in the implementation of local physical plans. Off-site areas are provided by public with expropriation. The some problems in implementation of expropriation methods have caused to delays in ensuring of off-site areas (Turk, 2003).

#### 7. CONCLUSIONS

In this paper, it is made a preliminary evaluation of the residential land development in urban areas in Turkey. Although the limited scope of both previous research and data availability, some conclusions can be drawn. The intervention points of the state were examined systematically. There are some bottlenecks in the operation of system. These bottlenecks have resulted in the slowdown of system. In Turkish planning system, with zoning plan approach, a powerful relation cannot be set up between economy and land development issues. Although planning system is basically well organised, in practice, system does not work efficiently. The socio-planning decisions cannot be reflected to the physical plans, because of the absence of regional plans in urban hierarchy. Special plan types causes to the conflicts in both urban hierarchy and planning authority. The various institutions have power on the preparation and approval of special plan types and these power result in conflicts between administrations. In the planning system, special plans should not be considered separately and these plans should be included into existing urban planning. Thus, with special plans urban planning hierarchy has become more complex. Simplification is needed in hierarchical planning system. In land tenure, problem is related to the quality dimension of registration process. Land taxation is not used effectively for the control of the planned development in urban areas. The transformation of the land from rural to urban and increase in value of land should be taken into consideration in land taxation in Turkey. In resident land development process, apart from strengthening public institution and improving the provision and maintenances of infrastructure and service areas, the state's role should tend to be as facilitator rather than provider. The operation of system to keep pace with the demands of rapid urban growth in Turkey depends on these compulsory changes.

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