Land Development Contracts
– A Comparative Study in Finland and in the Netherlands

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ABSTRACT

This paper is based on a comparative study made by both authors. The study includes a comparison of public-private co-operation in land development process both in Finland and in the Netherlands.

The land development process involves the acquisition of raw land, detailed physical planning, improvements of soil, construction of the infrastructure and building site disposal. The land developer can be the local government (municipality) or a private enterprise or the two in co-operation. In Finland and in the Netherlands the municipalities have played remarkable roles in producing building sites for the use of housing, retail, offices and industry. Increasing the role of private enterprises is a topical issue in both of the countries.

The adequacy of housing sites in particular has been a problem in the Netherlands, which is a small densely populated country in Central Europe. Finland is a rather large and sparsely populated country in Northern Europe, but because of the movement from sparsely populated rural areas to bigger cities in the south, there is a scarcity of building land in these cities.

The implementation of the Fourth National Planning Report Extra (also known by its Dutch acronym VINEX) of 1990 in the Netherlands was the turning point from the municipal land development to the increase of public-private co-operation and partnership carrying out this task. In Finland private land development and the associated public-private partnership was much utilised in the Greater Helsinki in the 1960's and 1970's. The role of the private enterprises has later been slighter, but during the present real estate boom the question of their role is again becoming more important.

Different alternative contract models are presented, evaluated and classified. In the end a general four-dimensional model is presented. The dimensions are: type of land, owner of land, model of co-operation and type of contract.

ZUSAMMENFASSUNG

Grund dieses Absatzes ist ein Vergleichstudium der Autoren nach der Zusammenarbeit öffentlicher und privater Akteure im Baulandentwicklungsprozess in Finnland und den Niederlanden.


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