

# Tools for Urban Recovery – land policies

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# Purpose and contents



1. Critically understand the role of land policy and its challenges, also during crises, conflict and war.
2. Be aware of relevant tools of land policy and their role in recovery, as well as their success and shortcomings.
3. Reflect on relevant land policy insights for own applications or specifically, Ukraine's context.

# Useful reports



[The myths of property meet the comfort of planning, Chapter 1 in :and Policy: Planning and the Spatial Consequences of Property, Ashgate, Davy, B \(2012\)](#)

[Land policy for affordable and inclusive housing \(Lawson and Ruonavaara, 2021\)](#)

[#Housing2030: Effective policies for affordable and inclusive housing, \(UNECE, Housing Europe, UN Habitat, 2021\)](#)

[Land policy in East Timor Land policy in post-conflict circumstances: some lessons from East Timor, Daniel Fitzpatrick \(UNCHR, 2002\)](#)

[Anisimov, Fedoriv et al \(2023\) Rebuilding a Place to Call Home report – key findings in relation to land policy](#)



## Land policy for affordable and inclusive housing An international review

Julie Lawson and Hannu Ruonavaara



Join at [menti.com](https://menti.com) use code 5220 2326

 Mentimeter



# Instructions

Go to

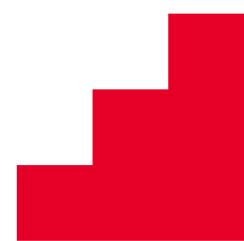
**www.menti.com**

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Or use QR code



# What is land?

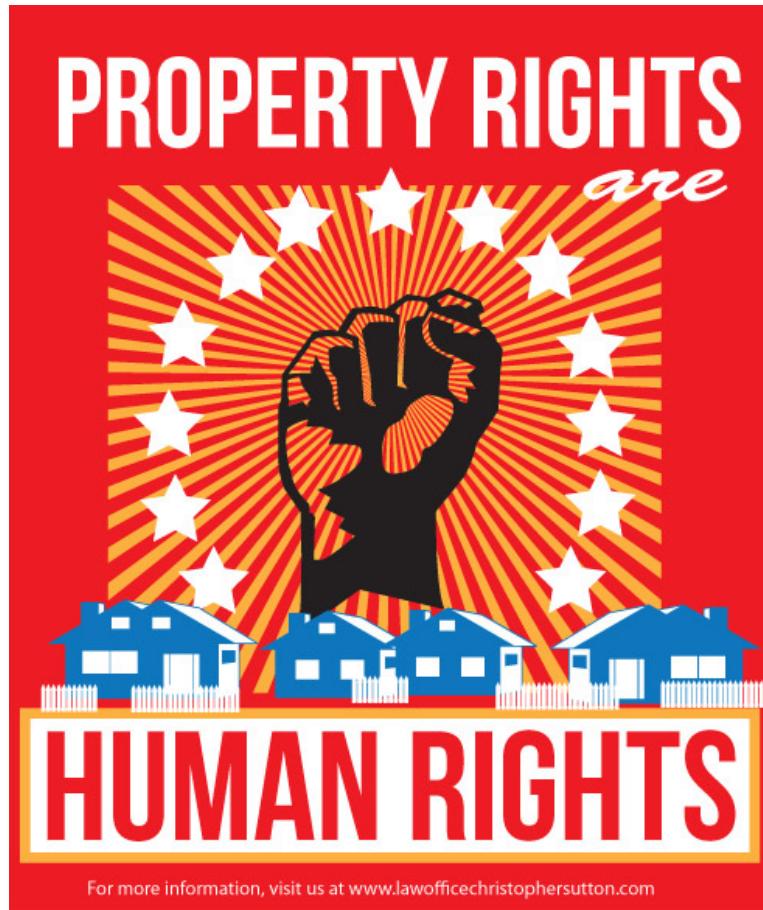


- Land is a critical but also finite resource
- Land is fixed in space
- Varying control over access, use and development and cost
- Integral to social and economic wellbeing
- Often a commodified resource – subject to ownership, occupancy, financial and lease contracts, use and development rights.
- Subject to different relationships – from collaborative partnerships to competing markets or powerful oligarchies
- In some countries land is poorly regulated, leading to haphazard development, land grabs, under serviced or neglected areas and wasteful urban sprawl.
- Good land regulation involves planning for the wider public interest via effective use of land policy instruments.

# And the land market – all just supply and demand?

- Land markets can be considered to be as a political, negotiated outcome of many market players – with public interests playing either a dominant or subordinate role.
- Important moral and ethical issues concerning distributive justice, differential capabilities, equality and emancipation.
- The property rights embodied in a piece of land define the liberties, benefits and costs associated with the use, ownership, development and exchange of this scarce resource
- There are many alternatives to contemporary Western approaches to property rights and the implementation of land policy.
- Differences in these principles may create tensions, for example between traditional custodians of the land, with different inheritance rights, collective and individual resource use and with new settler populations.
- Thus, land markets are neither ‘natural’ or ‘given’, but socio-spatially embedded, practiced and contested.

# What is land policy planning?



Social reform?  
Policy analysis?  
Social learning?  
Re-allocating power?



# Land policy is ?

*“How any society regards and manages property, and particularly the ownership of land, is a central defining element, which helps to distinguish the collective value system underpinning the institutions of government and policy formations. ... the property system also functions as a profoundly important - though often under-rated - mechanism for the transfer of public and private wealth within society.”*  
*(Badcock, 1994:425).*

**Land policy is a powerful tool that sets the direction of change to address spatial problems and challenges**

**Over time, all countries have established formal or informal policies and practices to influence land markets, in order to increase opportunities for the development of certain goals such as urbanisation or provision of affordable and inclusive housing.**

**Choice of land policy reflects and builds on past practice, also politically contested and sometimes undergoes radical reform.**

**Land policy always operates in a context – including that of natural disasters, conflict and war**

**Land policy is often the source of conflict – but also a source of its resolution and potentially social harmony.**

# Land policy and planning is used to

Economic stability & growth

Provide public services

Invest in infrastructure

Strategically subsidise key industries

Protect owners from unrestrained market activity

Redistribute land development gains

Apply comprehensive and co-ordinated approaches

Protect societal interests against short term private profit

Transfer income to victims of market volatility

Address market failure and turbulence

# Is all land policy good policy?

Many tools are used in policy implementation from land acquisition to zoning regulation.

Land policy and the urban form it generates impacts access to resources. It can ensure public spaces are accessible and encourage different groups to mingle or live in isolation.

It can also promote dispersed urban form, single detached housing, where limited public transport can generate sprawling suburbs dependent on cars.

Such patterns of development may also exacerbate inequality, erode biodiversity, reduce a resident's physical and mental health and entrench social disadvantage.

# smart city expo

WORLD  
CONGRESS

# SMART SUSTAINABLE CITIES



## Ethical Cities:

Urban Innovation Forum

6 July 2016

Recinte Modernista de Sant Pau  
Barcelona, Spain

ADB

Urban Development Series

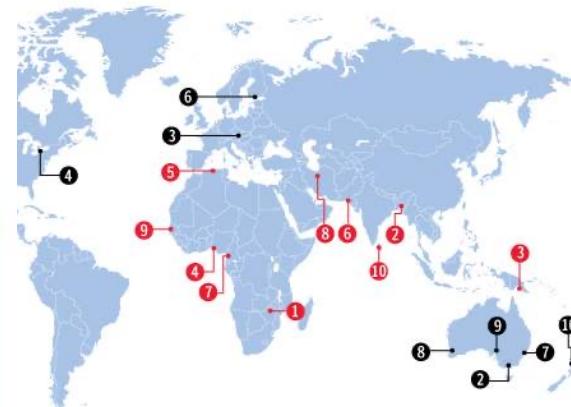
## Green Cities



Asian Development Bank

### WORLD'S TOP 10 AND BOTTOM 10 MOST LIVABLE CITIES

10



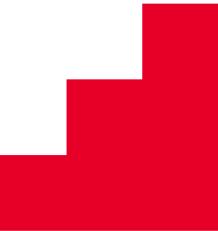
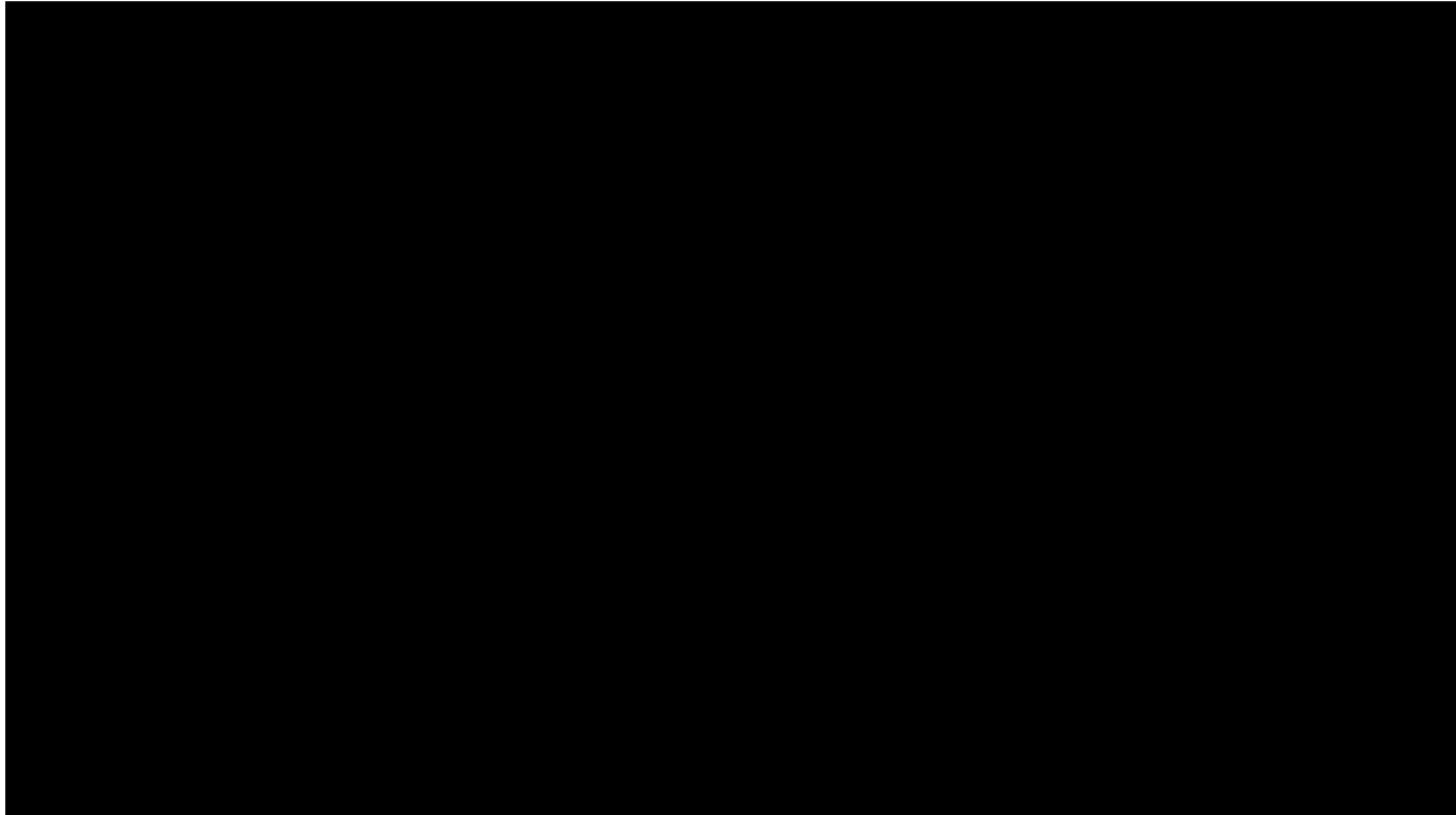
### BOTTOM 10

1. Harare, Zimbabwe	6. Karachi, Pakistan
2. Dhaka, Bangladesh	7. Douala, Cameroon
3. Port Moresby, Papua New Guinea	8. Tehran, Iran
4. Lagos, Nigeria	9. Dakar, Senegal
5. Auckland, New Zealand	10. Colombo, Sri Lanka

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# Business as usual? A more ethical city?



# What is the justification for intervention in land markets?

Please use [mentimeter.com](https://mentimeter.com) to answer with at least three major land policy related challenges

# International organisations and land policy



- a “framework for determining how land should be used and conserved in order to meet social and economic objectives” (UNECE, 2005:20)
- based on sustainable development goals, good governance, transparency, accountability, fairness and efficiency (UNECE, 2010).
- Urbanisation and consequently planning concerns have risen on the agenda of international organisations in the 2010s.
- The UN’s New Urban Agenda and Sustainable Development Goals emphasises the role of government with civil society and private sector in:  
**addressing urban equality, access to opportunities, liveable renewal, housing affordability and environmental sustainability.**

# #Housing2030 – land policy tools and housing



# Land policy

What kind of tools are outlined and illustrated?



- Public land banking and purposeful development
- Public land leasing and conditional use
- Land re-adjustment guiding effective redevelopment
- Land value recapture reinvesting with purpose
- Planning for affordable, inclusive housing
- Neighbourhood planning agreements – and investment



*“The practice of government acquiring land in advance of need and at lower cost in order to pursue strategic development goals, such as to provide infrastructure or lower cost land for affordable housing”*

*(Lawson and Ruonavaara, 2020)*

*Land as key equity in affordable housing.*

# Public land banking

- Singapore's land banking, resettlement and lease for public home ownership
- Vienna's land banker **Wohnfond** – providing sites for affordable housing to fulfil a strategic plan
- Dutch municipal land companies work strategically with housing corporations
- West Australian Land Corporation long term strategy with a continuum of housing options
- Chinese municipal land bankers as 'growth machine' and promoting public rental housing



# Singapore land banking

**Singapore is a small compact city state with a multicultural population. The government is the primary supplier of public housing accommodating almost 80 percent of households.**

**The government plays a dominant role in the land market, since the establishment of the Land Acquisition Act of 1966.**

**Public land acquisition could have led to major protest. However, a system was designed to compensate land owners for compulsory acquisition, but also prevent windfall gains from public investment.**

**It has resettled businesses and occupants providing suitable alternative accommodation for those affected by its land acquisition programs**



<https://www.adb.org/sites/default/files/publication/648256/adb-wp1191.pdf>

# Wohnfond



The Vienna Land Procurement and Urban Renewal Fund (in German: Wiener Bodenbereitstellungs- und Stadterneuerungsfonds), known as Wohnfonds Wien, was founded in 1984 by the city-government. It is a not-for-profit, financially independent corporation, governed by a trust chaired by the city council and regulated under the Fund Act.

It has taken only a few decades for Wohnfonds Wien to become a powerful public-interest player in the land market of Vienna, thereby ensuring the ongoing production and management of affordable housing for many of the city's residents.

<https://youtu.be/69mlwvdPTkQ>

# Wol



*“A contract between the lessor and lessee concerning usage and improvement rights responsibilities, over a defined time period. Leasing can make developments more feasible and in the case of cost rent housing, reduce rents.” (ibid, 2020)*

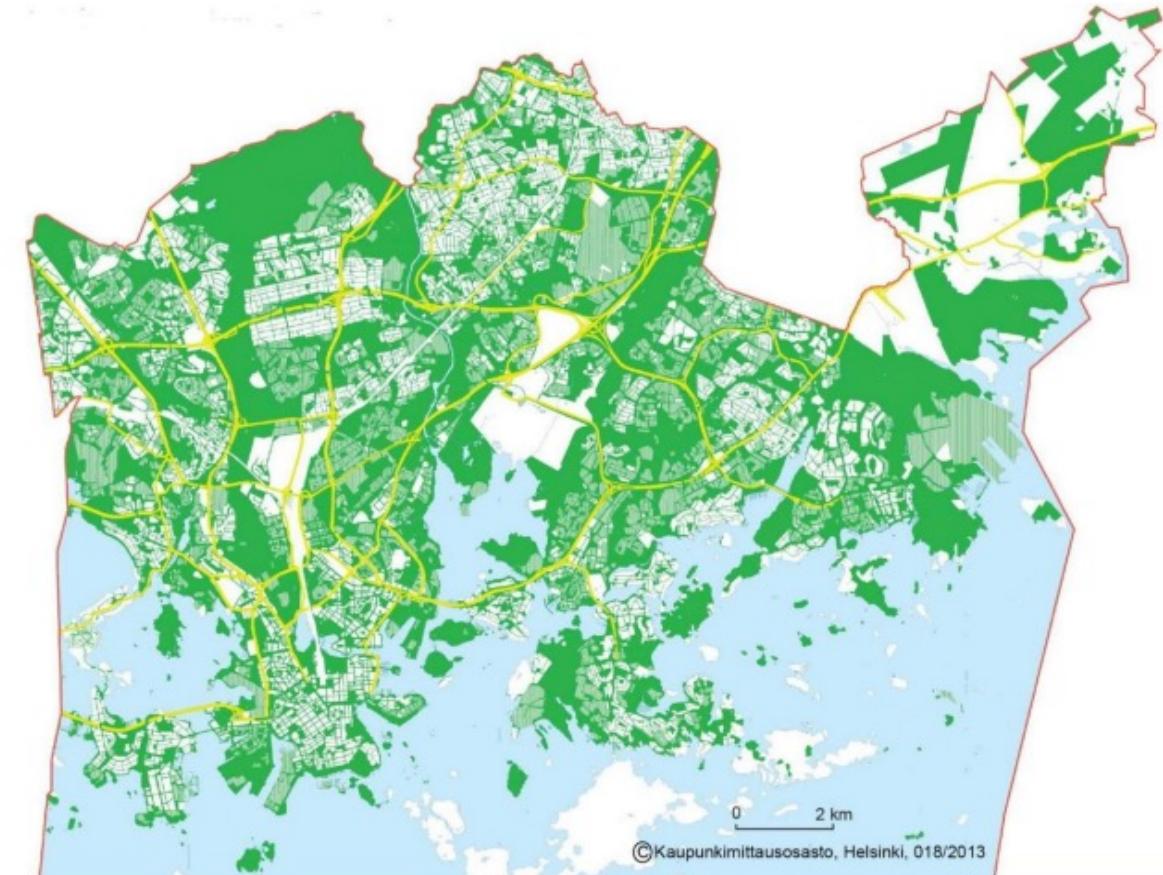
# Public land leasing

- Helsinki, a major land owner, leases land for right to occupy and not for profit housing - keeping development feasible and housing accessible
- Munich, Socially Just Land Policy SOBON, no longer sells land, rather it purposefully leases for defined tenures - no ownership
- Barcelona, Community land trusts – ensuring space for collaborative co-operatives innovation for missing middle, often small scale



# HELSINKI AS A LAND OWNER

- The City of Helsinki owns approx. 63 % of the land areas within its borders (135 km<sup>2</sup>) and approx. 5 000 hectares in other municipalities
- Approx. 70 % of the annual construction is carried out on plots leased or sold by the City
- The City leases or sells plots annually 300 000-400 000 gfa (approx. 300 000 gfa for housing)
- Approx. 80 % of the plots are leased and the City has over 9 000 land lease agreements (approx. 5 700 for housing)
- Annual income from land property 350-400 million euros (approx. 260 million from land lease agreements)



Helsinki

See the 'Talking about Land Series | from the Irish Housing Agency' which includes useful presentation from City of Helsinki



## South West False Creek Vancouver

# Overview and best practices from the South West False Creek



**Created in the 1970s on rehabilitated formerly contaminated industrial land.**

**Community plan used leased land and co-op housing programs to provide a mix of one-third social, one-third mid-market and one-third full market housing.**

**Cars were discouraged, transit was provided and 5,000 residents built a strong, successful, sustainable community.**

**By leasing the land, rather than selling it, the city achieved affordable housing and retained the land value in the city's Property Endowment Fund**

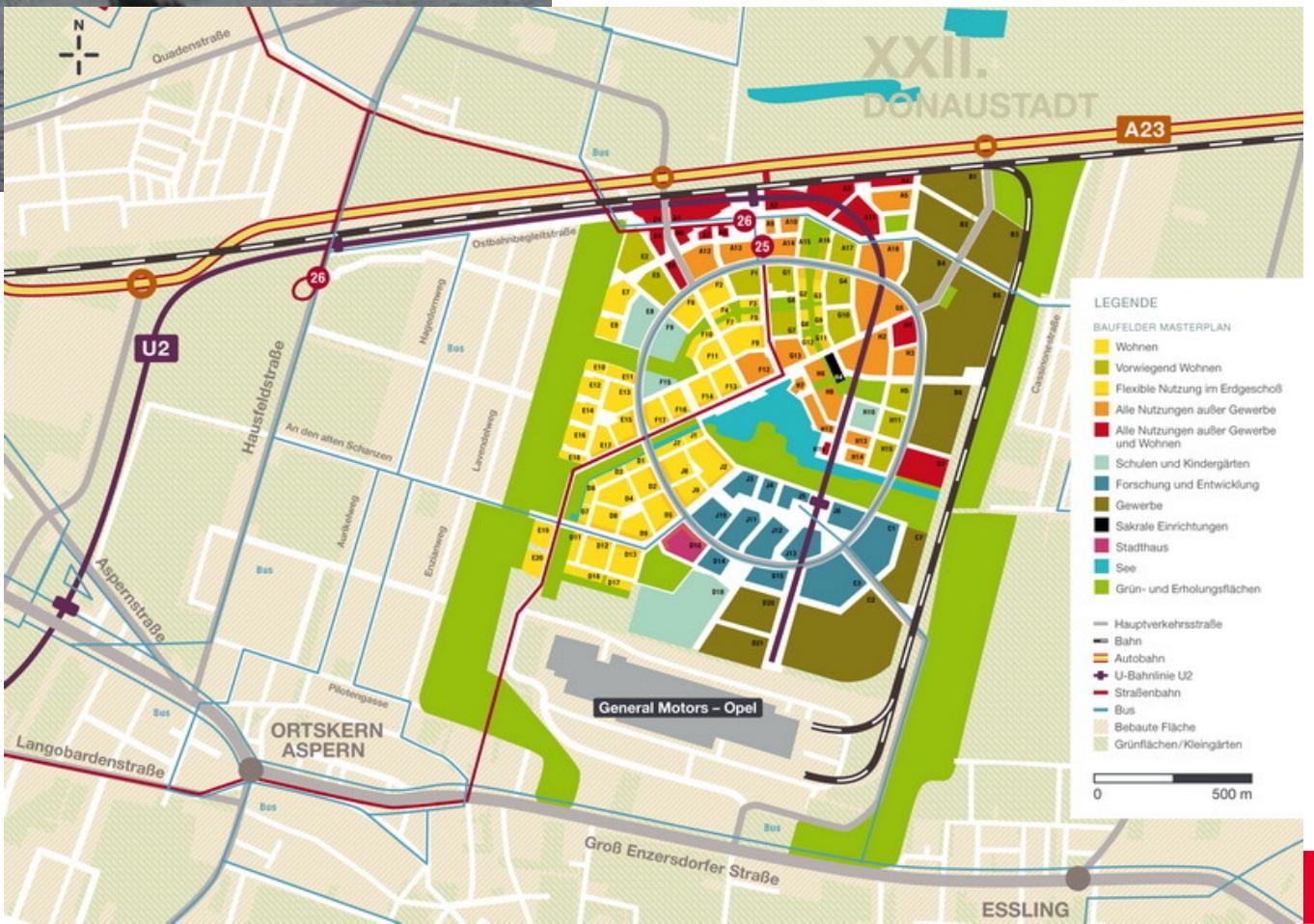
**And by using densities that were considered high in their day — there isn't a single family home in the entire area — the city-driven project sparked all the massive changes we now see around the rest of False Creek.**

**Condo residents on leased land paid monthly charges to the city that could be raised from time to time to market levels.**

**Residents could also pre-pay a fixed amount for the outstanding term of the lease**



# Aspern in Vienna (Europe's new urban development)



# Overview and best practices from Seestad Aspern



**First of three phases completed first residential building inhabited by tenants since September 2014**

**approx. 2,600 dwellings for approx. 6,100 residents and 2,000 workplaces by 2016**

**approx. 260 dwellings for students**

**4,000 sq m for shops, restaurants, cafés and small businesses in the first shopping street with centralised management by Wien 3420 AG and SES Spar European Shopping Centers starting in summer/autumn 2015**

**total area for commercial purposes: approx. 9,500 sq m**

**until 2017: an additional 250 privately financed owner-occupied apartments of BUWOG on a total gross floor area of approx. 28,000 sq m (“Seeparkquartier” zone)**

# Notable features

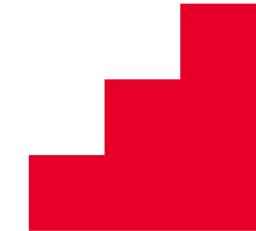
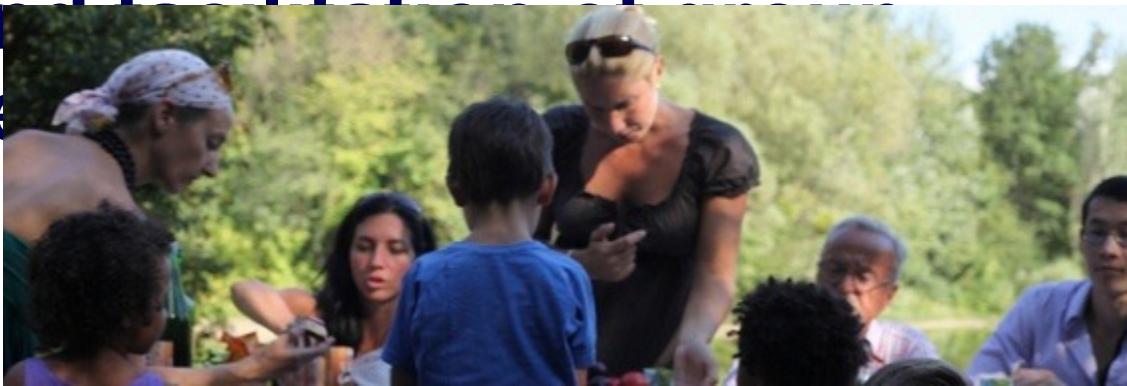


**Community engagement in planning process**

**Early completion of public transport infrastructure**

**Predominantly rental housing, some student and home ownership as well as education, cultural and employment opportunities**

**Also inclusion and facilitation of social housing initiatives**



“consolidating multiple pieces of land into a more orderly pattern and prepare for desired use and development (*ibid*, 2020)

## Public land pooling and readjustment

- German land re-adjustment – national law backs binding implementation of local land use plans
- Korean land re-adjustment finances well serviced mega cities such as Seoul



# Land Readjustment in Germany (Davy, 2007 in Lawson and Ruonavaara)

See also lecture by  
Davy on this in the  
the Talking about Land  
Series | The Housing  
Agency

**Table 4** Steps in German Land Readjustment (Davy, 2007)

Steps Land Readjustment	The Land Readjustment Authority
Step 1 Commencement of Land Readjustment	<ul style="list-style-type: none"><li>Define the area selected for land readjustment according to the recent land use planning.</li><li>Freeze changes of present land uses and transfer of rights in the land.</li><li>Map all properties, and list all landowners.</li><li>Indicate in the land register that land readjustment has commenced.</li></ul>
Step 2 Preparation for Land Readjustment	<ul style="list-style-type: none"><li>Merge all properties into one bulk of land designated for readjustment.</li><li>Assess the present market value of the land.</li><li>Subtract all land designated for public use (e.g., local roads) and allocate this land to the municipality or development company.</li><li>Select relative value or relative size as the standard for the redistribution of readjusted land.</li><li>Determine the share of each individual owner.</li></ul>
Step 3 Value Capture and Reallocation	<ul style="list-style-type: none"><li>Determine the value of the readjustment gain that owners have to pay to the municipality (standard of relative value) or that may be retained in land (standard of relative size).</li><li>Consider the present and proposed uses of the land as well as the needs and suggestions of landowners.</li><li>Allocate readjusted plots of land to each owner.</li><li>Determine the compensation of landowners who have not received their full shares.</li></ul>
Step 4 Readjustment Plan	<ul style="list-style-type: none"><li>Issue a formal decision on land readjustment.</li><li>Determine the rights and obligations of each party, including the municipality.</li><li>Include a map of the new property boundaries.</li><li>Make legal remedies available to all parties.</li><li>Issue a public notice when, upon exhaustion of all legal remedies, the readjustment plan has become legally binding.</li></ul>
Step 5 Implementation of Readjustment Plan	<ul style="list-style-type: none"><li>File the readjustment plan with the land register.</li><li>Monitor the legal and actual implementation of the readjustment plan.</li></ul>

*“Efforts to capture betterment for the broader community are known as land value recapture.” (ibid, 2020)*

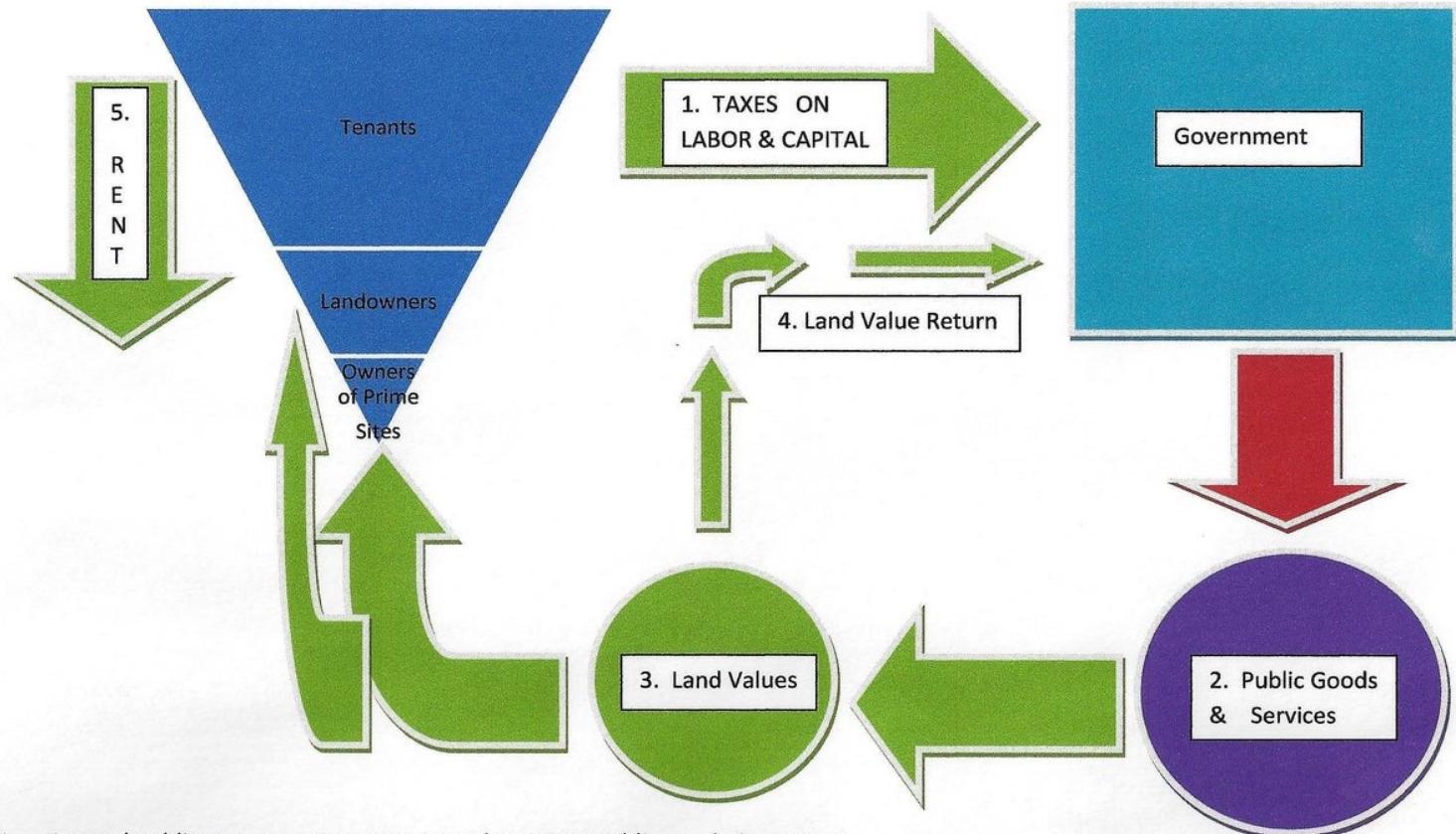
# Land value recapture

- China controls land use to capture and reinvest value in urban development
- UK and Irish planning contributions and the Community Infrastructure Levy - co-funds public transport and affordable housing
- US Tax and Increment Financing – earmarks property tax revenues from anticipated increases in values from investment and makes expenditures to further planning objectives



# Land value capture (Just Economics)

## LAND VALUE CREATION & CONSEQUENCES



1. General public pays taxes to generate and maintain public goods & services.
  - a. Owners of prime sites contribute less than others because most of their taxes are passed through to tenants and consumers.
2. Governments use taxes to produce public goods & services
3. Benefits of many public goods & services are capitalized into higher land values, mainly on prime sites. ("Location, location, location!")
4. Land Value Return: User fees plus access fees (land taxes). Typical property tax returns only 1% or 2% of publicly-created land value.
5. Most land values created by government are windfalls to owners of prime sites who charge premium rents to tenants for the right to access these public goods and services. NOTE: Tenants pay twice for government services. Once in taxes & again in land rent.

*Regulatory planning aims to promote a desired pattern of development in the public interest, ideally to enhance social and economic well-being and environmental sustainability. It may require, negotiate or encourage a proportion of development or redevelopment to be set aside for affordable housing via zoning, planning permission, incentives, fees as well as fines.*

## Regulatory planning - Inclusionary zoning

- US Inclusionary Zoning and Density Bonus schemes now widespread
- French National Law on Urban Inclusion has ensured well located and widely distributed social housing
- England and Scotland's planning contributions provide sites for needed affordable housing
- Vienna's new zoning obligations



# Inclusionary zoning

- US – market based solution
- France – mandatory, at a national level
- Vienna – significant on rezonings

*Needs based assessments, stakeholder participation, agreements and funding are all brought together to make desirable social and economic development happen in local areas.*

## Comprehensive neighbourhood planning and investment

- Finnish Land, Housing and Transport Agreements in which targets for housing outcomes are set and necessary funding provided to make them happen
- Scottish Housing Needs and Demand Assessment, Social Housing Investment Plans coupled with an Affordable Housing Supply Program
- Berlin Social City neighbourhood investment



# Combining land policy goals with strategic investment



## Using evidence, agreements plans and funding

**Scottish Housing Needs  
and Demand Assessments,  
combined with capital  
investment**

**Finnish 30 year agreements  
involving funding from  
central government  
agencies and land from  
municipalities for housing  
transport and land. MAL**

*Taxation instruments (sales, land value, usage) need to adjust to changing circuits of residential investment. New digital technologies also pose challenges for monitoring and regulating housing usage (AirBnB).*

## Taxation and investment regulation

- Land value taxation
- Vacancy Taxation – and using this revenue purposefully
- Regulating the impact of short term letting
- Varying impact of global investors – strength of regulation/consumer/tenant rights also vital, see: Germany and UK ([Korthals Altes, 2020](#))



# What land policy tools are relevant to your recovery context?

Please use [mentimeter.com](https://mentimeter.com) to provide your answers



# Land policy in context of recovery

# Land policy issues (Franklin, 2002, East Timor)

- 1. Ad hoc housing occupation and conflict caused by population displacement and property destruction;**
- 2. Allocation of public and abandoned properties for humanitarian, security and commercial purposes;**
- 3. Re-establishing a form of land administration, to minimise the risks of a developing informal market in private land.**



# Land policy in crises and conflict (Fitzpatrick, 2002)



## Chaos of destruction and displacement

## Centrality of land policy in peace building

- Effective land administration a mechanism for security, stability, public purpose
- Establishes overarching norms for social and economic development
- Sets rules for ownership and the restitution of property
- Shapes direction of development, social and economic structures and investment flows
- Impacts resource use, protection and allocation - justice, (in) equality
- Impacts spatial patterns and quality of development, overcrowding, health, mobility, agricultural productivity
- Ecological and environmental biodiversity (mineral, marine, forestry)

# Many other land policy challenges and issues

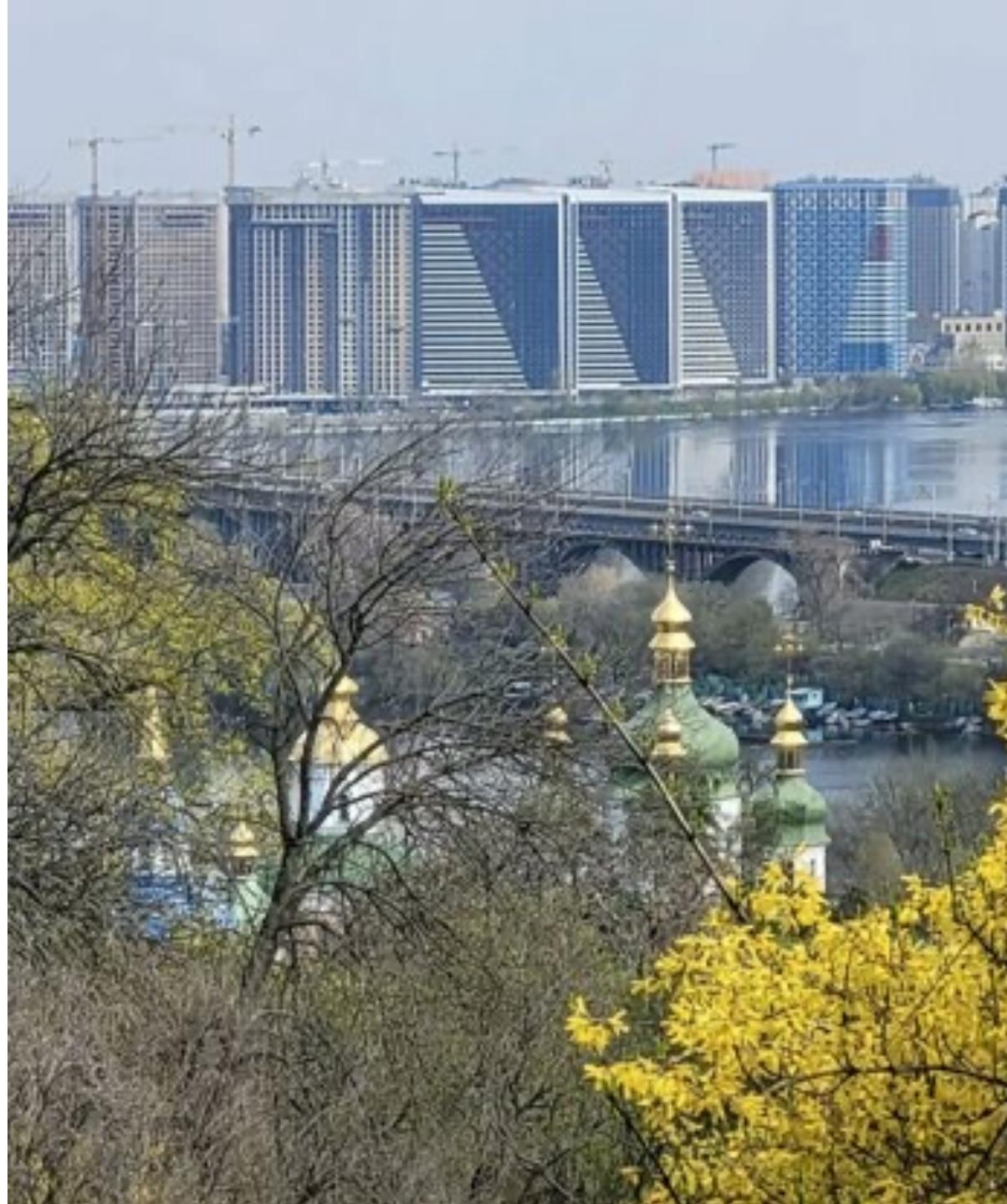
**Contamination and ecological damage (previous sessions)**

**Lack of municipal capacity for active land policy (partly taken up by Anisimov)**

**Declining land value and its consequences for land-based tax revenues**

# Specific challenges and tools

- Relevant tools have been put forward in the PBL report 'Rebuilding a Place to Call Home' (Anisimov, Fedoriv, Tkachenko et al, 2023).
- Hand over to lead author of this report Oleksandr Anisimov, New Housing Policy



# What land policy tools could be useful for Ukraine's recovery?

Please answer via mentimeter