

GUIDED LAND DEVELOPMENT FOR PRIVATE RESIDENTIAL AREAS

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THE CONCEPT OF GUIDED LAND DEVELOPMENT (GLD) :

Guided Land Development is a process whereby a public authority assembles numerous small parcels of raw and unplanned urban land without paying monetary compensation to the owners, provides services and subdivides the land for urban use, returns most of the building sites to the original owners in proportion to the value of their land contributions and sells the remaining sites to recover all public costs. Therefore, Guided Land Development is a temporary form of public ownership of private land to achieve unified control over large areas and a means of financing public service installation during the crucial and expensive land development stage of urban growth.

The traditional method of land development through sites and services scheme involves huge public investments in the whole process of land acquisition and compensation land development and site preparation, and in the provision of services and utilities. Since the method of acquisition in most cases is slow, so the development in this method is very slow, and due to high cost involvement, it could not be spread over a wide area. Moreover, in the method of sites and services schemes the original owners of land are deprived from the market value of land, are made to leave the land against their will and are deprived of their occupation. So, the practice of land acquisition and distribution through the traditional method of sites and services schemes has turned to prove too much expensive, time taking and having high displacement effects.

The technique of Guided Land Development (GLD) is one of the powerful tools for development of unplanned land with minimum or no public expenditure. This method of land development is mostly self-financing and can be used for timely development of land in urban areas, specially the fringe areas which are potentially ripe for new urban expansion. It helps to reduce the problem of spontaneous and haphazard growth of

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residential settlements in urban fringe areas. Besides, it helps to cope with the housing problems of rapidly growing urban population with minimum of public expenditure.

Guided Land Development is a technique by which public facilities such as roads, parks, sewerage, shopping centre, educational institute, open space are created and/or improved and individual sites are made easier to use. The landowners included in the project area lose a small portion of their land, but in-exchange, they receive greater benefits through the project by way of land value increase in their sites greatly as the shape, size and orientation of their present sites become more regular and equipped with necessary public facilities with the implementation of the scheme.

In this technique there are procedure for involvement for local people which provides means of achieving the timely completion of a project and also regular and uniform subdivision of land. In this system of land development owners participation is compulsory.

In this aspect where land owners give away a portion of their land for the whole project, is called "contribution" and this contribution is an absolutely crucial element in the GLD project. Similarly, another important element of Guided Land Development technique is "replotting."

The original land minus the 'contribution for public facilities and reserve land' is distributed to the individual owners of land after replotting and all the rights and interests that have existed to the previous sites are transferred to the new replotted sites. These two elements "contribution" and "replotting" are the major characteristics of the technique of Guided Land Development.

BASIC PRINCIPLES AND POLICIES FOR GUIDED LAND DEVELOPMENT

Each Guided Land Development (GLD) project can be seen as a form of compulsory participation and partnership agreement between the landowners and the local government (planning authority). Generally, the landowners contribute a portion of their land for financing the cost of the project. The amount of land contribution is proportional to the expected land value increase due to the implementation of the project. The planning authority provide the necessary technical expertise for the planning and implementation of the project.

Guided Land Development projects are initiated by the public authority with the consent from a qualified percentage (usually two-third) of the landowners in the project. The consultation with landowners is necessary to ensure that they understand the proposed project and how it is likely to affect them, and then support the project. The consultation with other government agencies such as the public utility authorities, in preparing the scheme is also a key step because it promotes their co-operation in implementing the Guided Land Development project. This can be essential when public roads and utility mains have to be extended and connected to the project.

The public authority then prepare a site plan for the entire area, replotting the land to accommodate both private building sites and public uses such as streets, schools, markets etc. The authority also installs all the public infrastructure, such as roads, sewers, water supply and electricity.

The resulting market value of the newly plotted building sites is then estimated, and the authority retains a sufficient number of building sites for subsequent auction to pay for all the public costs incurred in the planning and installation of infrastructure.

The remaining building sites are then returned to the original owners in proportion to the value of each owners' initial contribution of land to the total project areas, and if possible the building sites returned to the owner are within or near the original parcel of land that he contributed in the project. All the 'rights and interest' of the owners that have existed to the previous sites are transferred to the new replotted sites.

Each landowner's share of the costs and returns of the project is based on the official assessment of the market value of his land as at the time of the planning authority's decision to prepare the scheme. There should usually be provision for landowners' objections or appeals against these valuations, or the valuation placed on the new plots. The acceptance of the official valuations is greatly dependent on the professional competence of the valuers and the landowners' awareness of valuations.

In some cases, a part or whole of the 'contribution to' and 'returns from' the project may be allowed to make by money in stead of land. This may be particularly necessary in case of owners of very small sized land. If the value of returned serviced plot is more than the originally contributed raw land, then the owner will be required to contribute an amount of money which will balance the excess value. On the other hand, if the value of serviced plot is lower, then the owner will be compensated by money return. It is desirable to extend the partnership concept of GLD by giving landowners a formal role in the formulation and implementation of projects by establishing a management committee for each project with landowner membership.

The initial fund needed to start the project is required to be provided by the local authority or by some loan giving agency. The larger projects should be divided into stages in order to limit the amount of loan finance needed and to minimise the risk of a possible loss due to a decline in the market demand for housing. This will require efficient professional management.

The local authorities may also participate in some of these projects on a partnership basis and take a share of the net gain in land value, in recognition of the substantial contribution they make by the use of their government status and powers to promote and advance the project to the benefit of the landowners.

STANDARDS FOR THE PROJECT

The general standard of development in the GLD Project area should be in conformity with the basic character of the area and the socio-economic condition of the landowners and

the residents of the area. If the standard is set too high, it will create great burden for the low-income people. Again, if the standard is set too low, that will create dissatisfaction for the higher income group. So a compromise is needed to be sought through the adoption of varied and flexible standards.

To satisfy the varied requirement of land use for community facilities, services, utilities and roads, usually 20 to 40 percent of total land in the project area is required. Also, 5 to 10 percent of total land is required for the recovery of project cost.

In the determination of the plot sizes and their numbers in the project area, the size of existing landholdings in the study area and also the socio-economic condition of the landowners and the future residents of the area are required to be considered. The proposed roads and access ways should be appropriate to the type of development and the requirements of the traffic in the project area. The requirements of the community facilities should be carefully examined, and should be estimated on the basis of the size of future population of the study area. The provision of community facilities is required to be considered in the context of whole neighbourhood or total environment and it should be tried to strike a balance between what may be desirable and what may appear appropriate for the inhabitants of the area.

WORKING PROCEDURE FOR GUIDED LAND DEVELOPMENT

Guided Land Development (GLD) projects can be initiated and implemented by a City Development Authority, a municipality, a land development association, or a group of individuals. The organization or group of individuals which initiate and implement the project may be designated as "implementing authority." The GLD project is initiated with the preparation of a 'scheme text' which defines the project. The scheme text sets out the objectives of the project, the steps to be taken in the implementation of the project, and the terms and conditions on which the project will be carried out. The planning authority usually prepares the scheme text in consultation with the landowners and after approval it becomes a form of partnership agreement between the landowners and the planning authority.

After approval of the scheme text, the planning authority will conduct a detail survey work in the project area. The survey works will include demarcation of the project area, determination of land levels, land slopes, land uses, land values, existing networks of roads and utilities, identification of shape, size and ownership of landholdings, identification of built structures within landholding and the determination of the socio-economic characteristics of landowners.

After completion of survey work the planning authority prepares the draft proposal containing the project regulation and draft project program, along with a draft outline design or preliminary design. The draft proposal also sets the standards for plot sizes, utilities, services and community facilities, determines the period within which the project will be completed, and also gives the basis for estimating the land value increments, and prepares the schedule of contributions and returns for each individual landowner. The draft

proposal is then placed on exhibition for landowner and public information and for formal objections, if any. The decision of chief of planning authority, with regard to objections arising out of draft proposal is final. The final plan is prepared after review and possible amendment of the objections.

The final plan is submitted to the ministry for approval. Objections and matters arising out of final program are referred to a "Board of Appeal" and its decision is final. The final plan is approved by the ministry and the project regulations become a legal document to authorise and regulate the project.

After approval of the final plan the planning authority installs all the public infrastructure, such as paved roads, sewers, water supply and electricity and also the necessary community facilities such as parks, playgrounds, shopping centres and educational institutions. The replotting plan divides the blocks of areas bounded by streets into plots to be reallocated to the landowners. The resulting market values of the newly created building sites are then estimated, and the planning authority retains a sufficient number of building sites for subsequent auction to pay for all the public costs incurred in the planning and installation of infrastructures. The remaining building sites are then returned to the original owners in proportion to the value of each's initial contribution of land to the total project area, and if possible, the building sites returned to the original owner are within or near the specific parcel of land that he contributed to the project.

CONCLUSION

For a successful Guided Land Development (GLD) project some necessary pre-requisite conditions are required to be fulfilled. The government of the country and the planning authority should be genuinely interested in achieving the proper development of the urban fringe lands in its jurisdiction to a planned pattern of urban land use. There should be provision of laws which authorise the public agencies and approved landowner groups to undertake Guided Land Development Project. In order to formulate a GLD project it must be realised that the majority of the affected landowners, preferably two-third, by both number and area, agree and support the development of their land in this method.

The area selected for (GLD) project should have market demand for planned and serviced sites for building development. The project area should be sufficiently free from building structures. Presence of large number of scattered building structures reduces the possibility of land development through this method. The project area should have physical potentiality for development and the main utility networks i.e. the public roads, water, gas, electricity etc. should be nearby so that these can easily be extended and connected to the project area.

The average size of existing landholdings should be such that after contribution the individual plot sizes remain sufficiently large to provide for potential building sites. Each GLD Project has to generate sufficient increase in land value to recover the project costs

(mainly the costs of local infrastructure works) and to give the landowners an attractive land value gain.

Guided Land Development projects become encouraging when these are implemented successfully, giving the landowners attractive land value gains, saving the local governments the cost of the infrastructure works and public facilities, and providing the residents with pleasant and well-equipped residential suburbs, and doing so within a reasonable time period. However, the projects may be discouraging when the landowners receive little or no land value gain and when the projects are delayed for years due to poor project formulation and management.

This is to be remembered that the benefits are not automatic but have to be achieved by good management, that is, by the formulation of sound projects with the efficient implementation of the projects. This requires skilled, competent and efficient project managers and technical personnel i.e. planners, engineers, surveyors to manage the preparation and implementation of Guided Land Development project.

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