

What is my Ph.D. project about?



An example where the municipality increases property value

To "kick start" the development process the municipality increased the floor space ratio from max 200% to between 230-490%.

That made the project profitable for the developer, that otherwise would not have developed the area.

(Nielsen, Christensen and Pedersen 2004)

Disposition

- The Municipality's role in development
- The Developers role in development
- Economical effects of planning
- From the developers perspective
- Model understanding and approach
- Expected results

The Municipality's role in development



- Municipalities plan and give areas the usage possibilities (cf. Danish planning act)
- In general they must rely on others to develop and implement their planning

The Developers role in development



- It is the developers' job to develop land (i.e. implement planning) – and to make a profit of it.
- Therefore the most interesting development area is that which gives the best profit

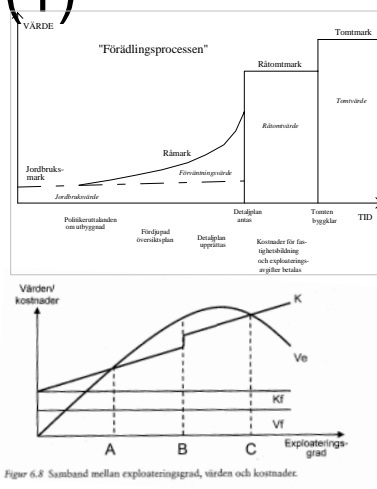
The Municipality vs. the Developer



- The municipality needs the developer to implement
 - and focuses on sustainable development of society
- The developer needs the municipality to plan
 - and focuses on profit

Economical effects of planning

(1)



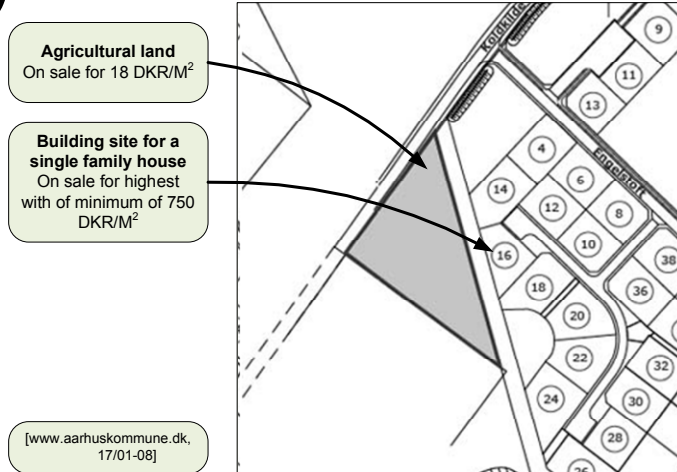
Figur 6.8 Samband mellan exploateringsgrad, värdet och kostnader.

There are different points on how planning effects value in literature:

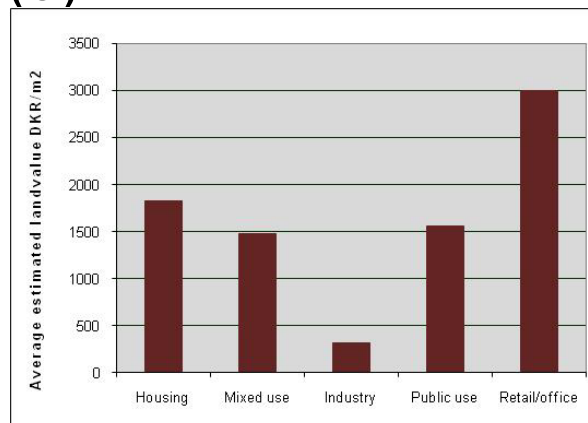
- (Evans, A.W. 2004);
- (SBI, 2008);
- (Kalbro, T. 2007);
- And others

Figures are examples from (Kalbro, T. 2007)

Economical effects of planning (2)



Economical effects of planning (3)



- Land values in center of Aalborg (Estimated values)

(Nielsen, Christensen and Pedersen 2005)

Economical effects of planning (4)



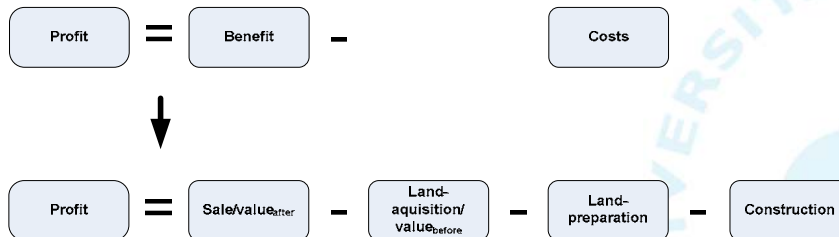
- We know that planning has an influence:
 - The allowed use influences on the land value.
 - The allowed floor space ratio influences on the land value.
- It is however unclear:
 - How much does planning change value
 - How is this value change used by developers

From the developers perspective



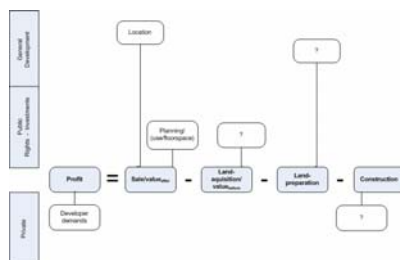
- How do developers evaluate which area will generate the best profit?
- Is usage options given in municipal planning a part of this evaluation? – and to which extend?
- Do the municipality make plans that makes it hard for the developer to make a profit?

Model understanding and approach



- Supporting literature: (Healy, P. 1991); (Healy, P. 1992); (De Sousa, C. 2000); (Ratcliff, J., et.al., M. 2004); (SBI, 2008) and (Kalbro, T. 2007)

Expected results



- To identify which key factors effects the developers possibilities to make a profit in housing development.
- To say something about the key factors individual weight
- To identify the influence which municipal planning has on the housing development process from the developers point of

INTERNATIONAL ACADEMIC ASSOCIATION ON PLANNING, LAW AND PROPERTY RIGHTS

Third Conference
Aalborg-Denmark • 11th - 13th February 2009

INVITATION

The International Academic Association on Planning, Law and Property Rights (IAAPLR) was founded in Amsterdam 2007 as an offshoot of a theme group under ESOP. The second conference was held in Warsaw 2008 and the third conference will take place in Aalborg in February 2009. The IAAPLR Academic Association focuses on the connections between Planning and Law in a broad sense.

The role of law in planning is not confined to planning law as planning and implementation of development urban and rural areas address a broader range of legal issues.

The call for papers includes papers on the following topics: Legal aspects of land development, Public-private cooperation in the development process, Enforcement of planning provisions, Economics, Real estate and land use planning, Property rights and land development, Public participation rights, Comparative analysis of planning laws. Any other topic relating to planning and law to planning and property rights also welcome.

Call for papers - submit abstract by 27th October 2008

Organizing institutions:
Aalborg University, Denmark
The Danish Building Research Institute (SBI), Denmark
The Institute for Environmental and Planning Studies (IEPS), Denmark

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Thank you for
your attention
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See you in Aalborg 2009
www.land.aau.dk/~planninglaw2009

Main sources

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- (Nielsen, Christensen and Pedersen 2005)
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