

Management practices in urban projects implementation involving multiple landowners



***Equity and efficiency in the
urbanization process***

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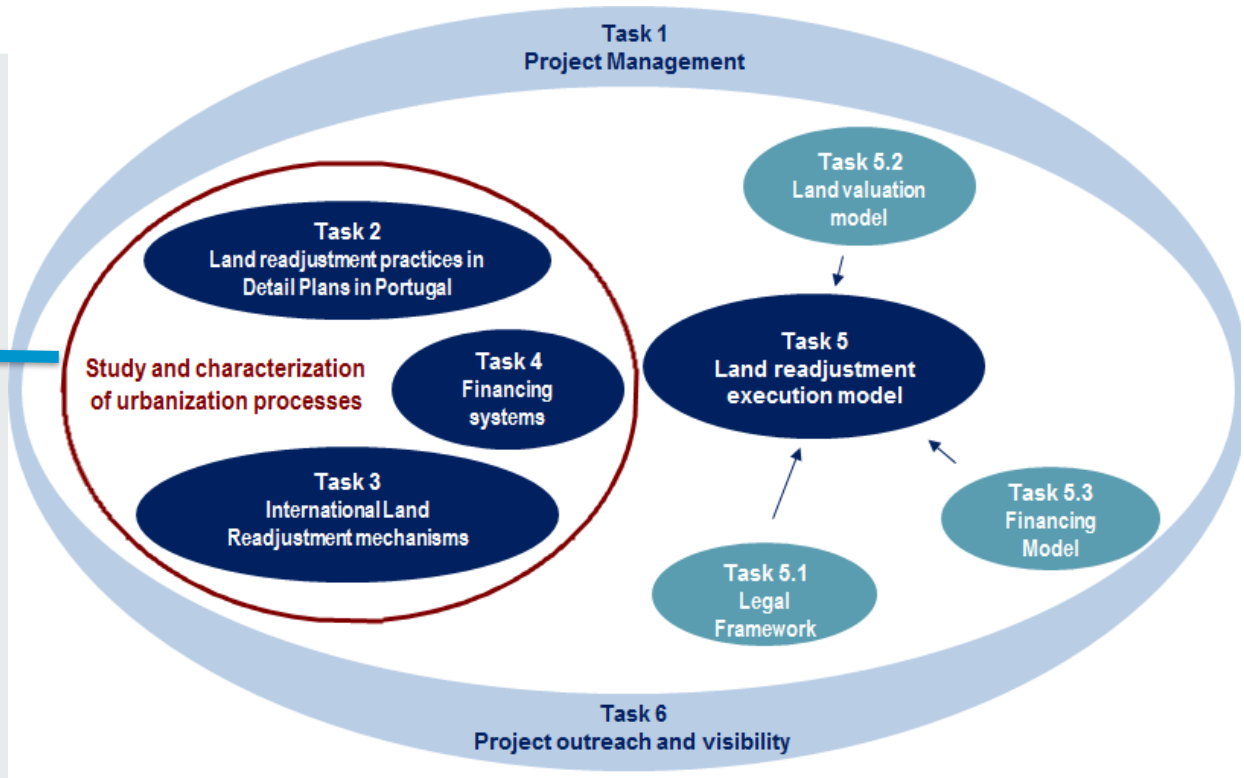
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Problematic:

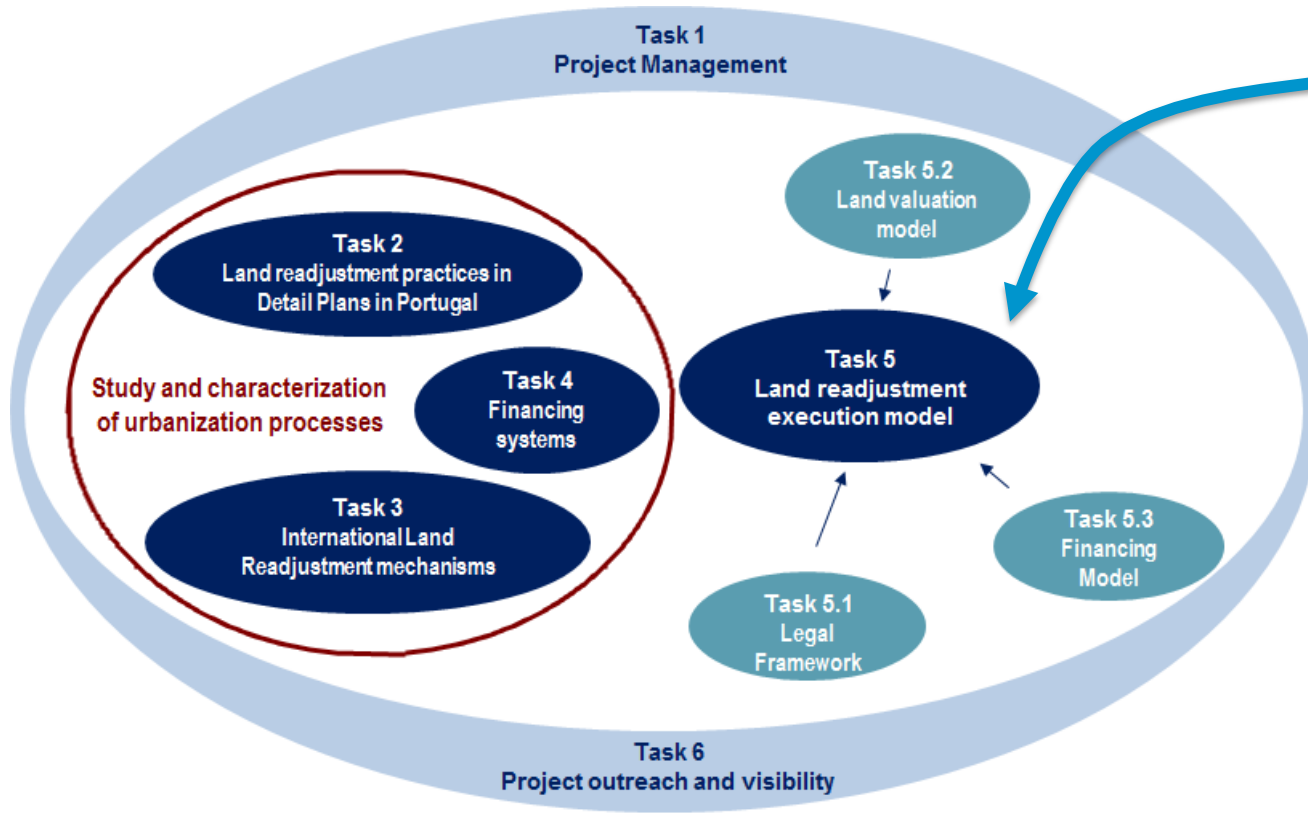
Low execution rate of Detailed Plans involving several landowners → **WHY?**

- ...
- Lack of harmonization of **interests** and the **mistrust** between stakeholders
- Lack of **know-how** in specific areas (negotiation, conflict management, property valuation)
- No assessment of the **financial and economic viability**



PROCESS MANAGEMENT is a key issue for the implementation of such urban projects

Equity and efficiency in the urbanization process



Goal:

Highlight practices of management of urban projects development with multiple landowners

Methodology

1) WHAT?

1. Initiative and leadership
2. Public vs. private relationship
3. Negotiation process
4. Management bodies responsibilities
5. Operating rules

3) HOW?

- Documental analysis
- Semi structured interviews

2) WHERE?

- INTERNATIONAL OVERVIEW



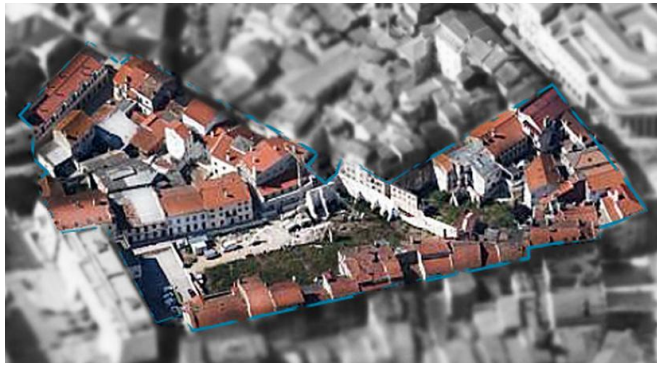
Germany, Australia, South Korea,
Spain, France, Japan, Sweden

- PORTUGAL: 3 CASE STUDIES

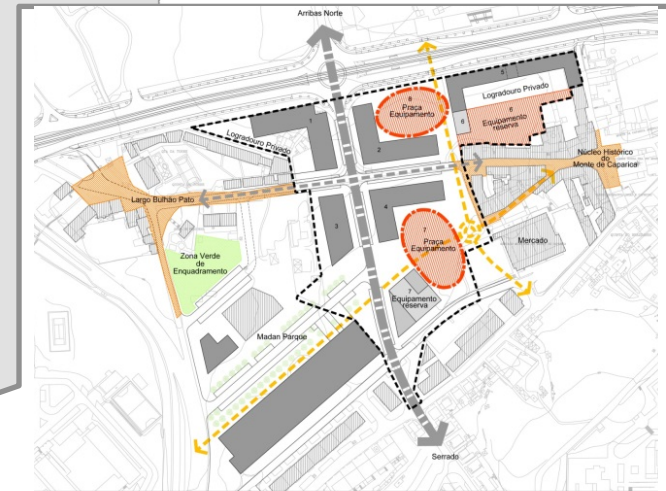
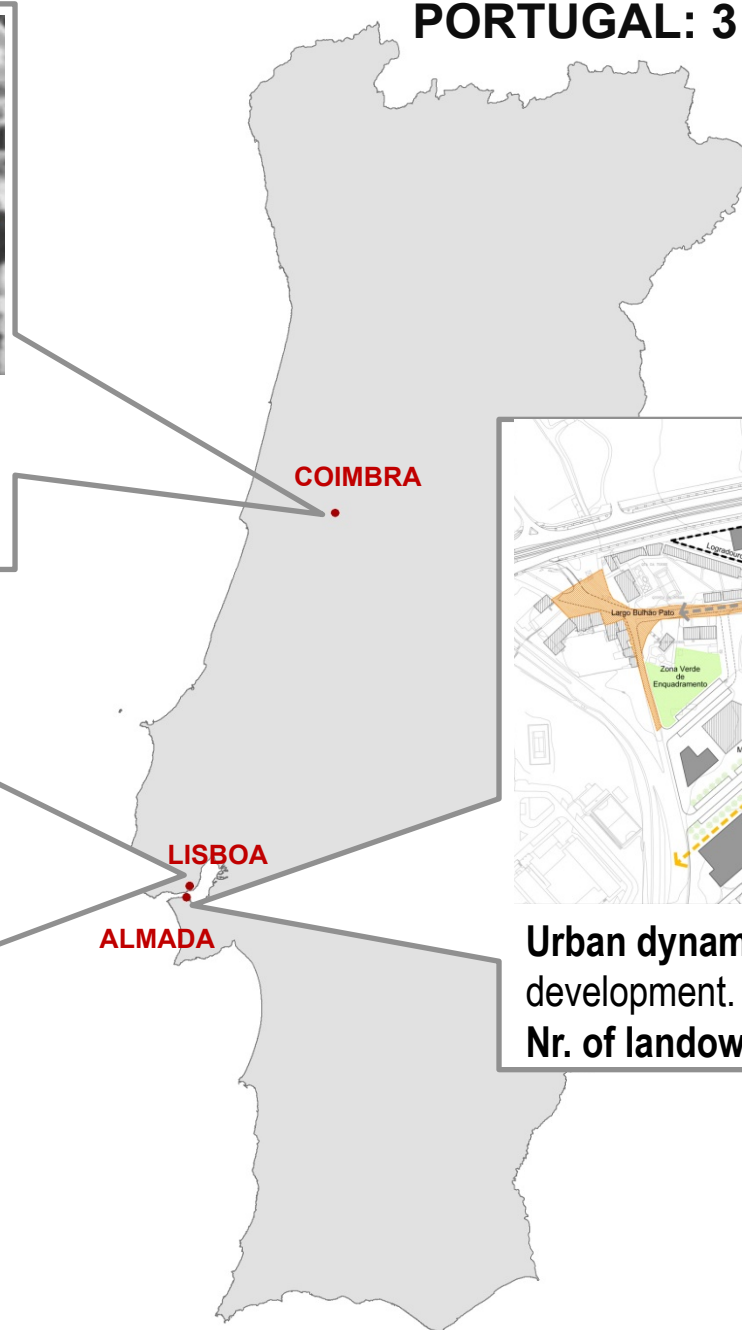


Matinha Detail Plan (LISBOA)
Monte da Caparica Detail Plan
(ALMADA)
Urban Renewal Project “*Coimbra*
Viva” (COIMBRA)

PORTUGAL: 3 CASE STUDIES

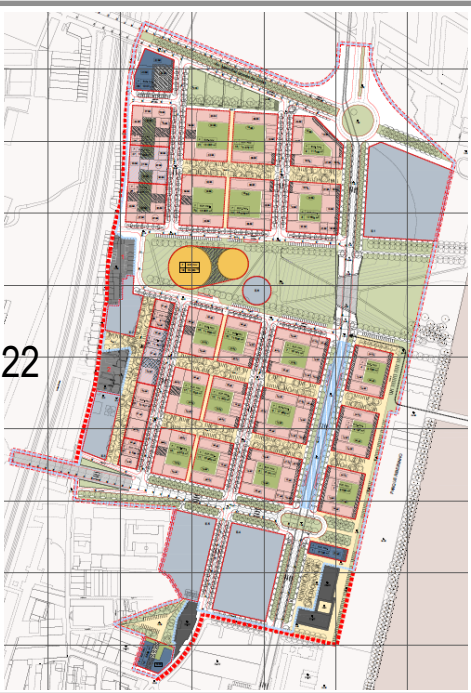


Urban dynamics: Urban renewal
Area: 12 ha
Nr. of landowners: 32 (13 accepted)



Urban dynamics: Research and development. **Area:** 5 ha
Nr. of landowners: 11

Urban dynamics: Urban requalification
Area: 25 ha
Nr. of landowners: 22



Results

A. Management models

	MANAGEMENT BY PUBLIC ADMINISTRATION	MANAGEMENT BY ASSOCIATION OF LANDOWNERS	MANAGEMENT BY PRIVATE COMPANY	
INTERNACIONAL FRAMEWORK	Sweden		X	
	Japan	X	X	
	France	X	X	
	Spain	X	X "Junta de Compensación"	X "Agente Urbanizador"
	South Korea	X	X	
	Australia	X		
	Germany	X		
PORTUGUESE CASE STUDIES	Matinha Detailed Plan (Lisboa)			
	Monte da Caparica Detailed Plan (Almada)		"Coimbra Viva I" (Coimbra)	

Results

B. Management by Public Administration

	MANAGEMENT BY PUBLIC ADMINISTRATION	MANAGEMENT BY ASSOCIATION OF LANDOWNERS	MANAGEMENT BY PRIVATE COMPANY
Initiative and leadership	Public administration		
Public-private relationship	No agreement public-private is required		
Negotiation process	Less complex, more rapid. In case of disagreement, local government can expropriate		
Managing bodies	Integration into existing public administration or created specifically for the project development		
Operating rules	Public Administration makes decisions autonomously		

Results

B. Management by Public Administration

AUSTRALIA



GERMANY



PORTUGAL



Mechanisms of transparent property valuation socially accepted

Inform + Private negotiation

Negotiation process

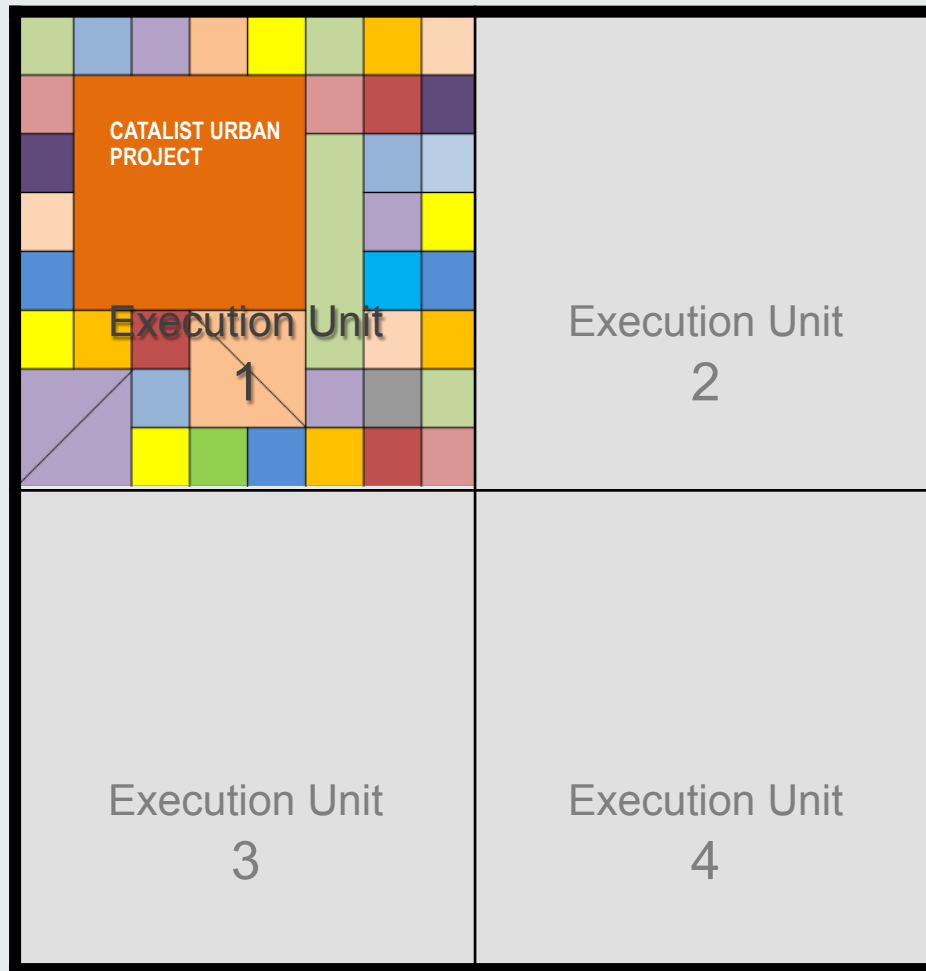
VALUATION AGENCY: update the values of land (location and land use); publish market trends; forward information when requested to public and private sectors; Value properties and calculate the distribution of charges and benefits.

CONFLICT MANAGEMENT: group of independent advisors (legal expert, topographer, real estate appraiser) + members of the local council assembly

Results

B. Management by Public Administration

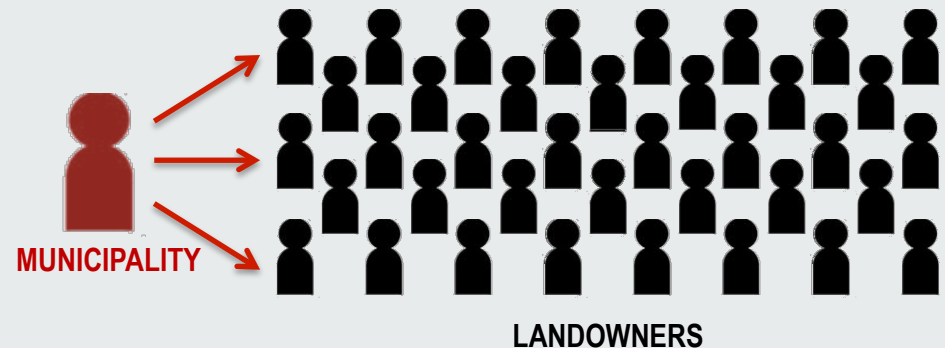
Lisbon Detailed Plan



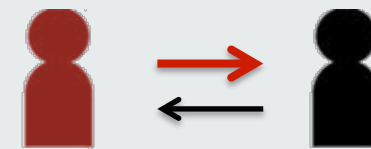
1. Execution unit (EU) delimitation

Distribution of costs and benefits among the owners were not dependent on the implementation of other EU

2. Information (Detailed Plan Proposal)



3. Negotiation



4. Expropriation is not a option – RISK!!!

Results

C. Management by association of landowners

	MANAGEMENT BY PUBLIC ADMINISTRATION	MANAGEMENT BY ASSOCIATION OF LANDOWNERS	MANAGEMENT BY PRIVATE COMPANY
Initiative and leadership	Public administration	Usually private (but can also be of a public administration).	
Public-private relationship	No agreement public-private is required	Vary in accordance with the political-cultural systems and other technical, human and financial resources of local administration	
Negotiation process	Less complex, more rapid. In case of disagreement, local government can expropriate	Complex and time-consuming	
Managing bodies	Integration into existing public administration or created specifically for the project development	Association of landowners	
Operating rules	Public Administration makes decisions autonomously	Proposals presented, discussed and voted on association of landowners	

Results

C. Management by association of landowners

FRANCE



JAPAN



PORTUGAL



Public-private relationship

Public Administration check if an urban project is in line with the spatial management instruments; and, feasibility of the association of landowners

Public administration supervises the whole process and approves the decisions and activities of the landowner association

Public administration prepare the urban design and property valuation and inform + conciliation + private negotiation

Operating rules

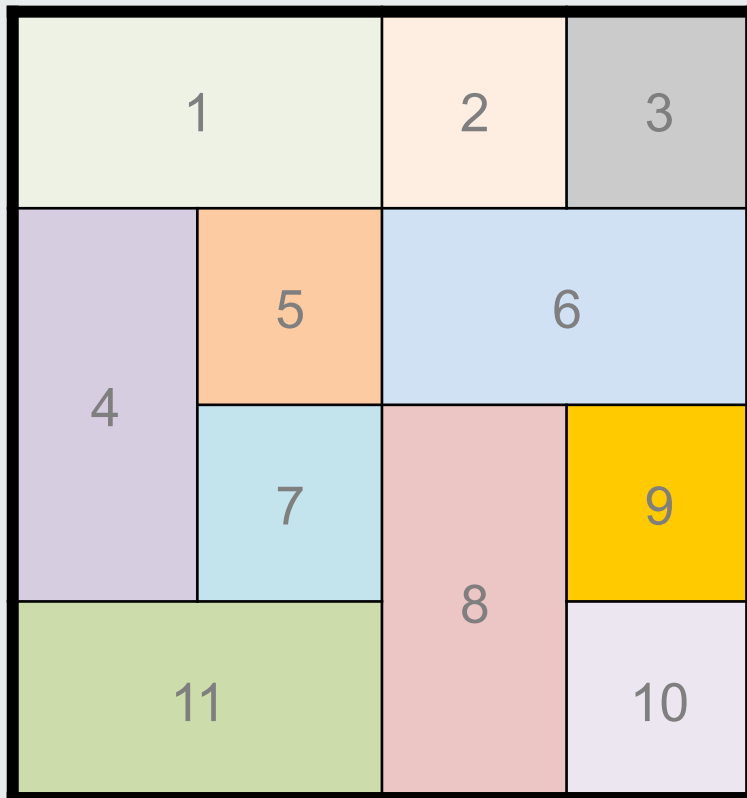
Decisions: 2/3 of rights holders required

Decisions: Unanimity required

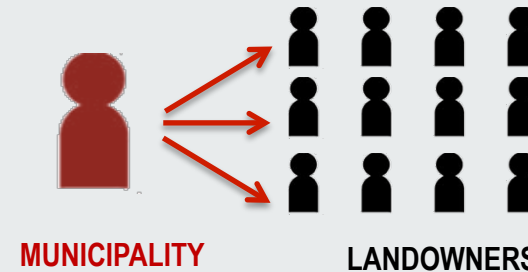
Results

C. Management by association of landowners

Almada Detail Plan



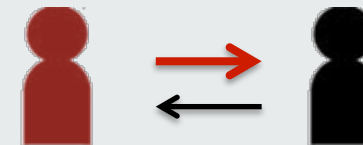
1. Information (urban project draft + real estate valuation)



2. Consultation / Conciliation



3. Negotiation



Next step → urban project implementation by the landowners association

Results

D. Management by private company

	MANAGEMENT BY PUBLIC ADMINISTRATION	MANAGEMENT BY ASSOCIATION OF LANDOWNERS	MANAGEMENT BY PRIVATE COMPANY
Initiative and leadership	Public administration	Usually private (but can also be of a public administration)	Usually private (but can also be of a public administration) Leadership assumed by company (selected by public tender process)
Public-private relationship	No agreement public-private is required	Vary in accordance with the political-cultural systems and other technical, human and financial resources of local administration	The company decides in accordance with the urbanization contract rules
Negotiation process	Less complex, more rapid. In case of disagreement, local government can expropriate	Complex and time-consuming	More flexible than public processes
Managing bodies	Integration into existing public administration or created specifically for the project development	Association of landowners	Defined by the company in accordance with their organic
Operating rules	Public Administration makes decisions autonomously	Proposals presented, discussed and voted on association of landowners	

Results

D. Management by private company

SPAIN



PORTUGAL



Initiative and leadership

Municipality initiative.
Leadership: company that wins the tender promoted by the municipality
“Agente Urbanizador”: negotiation with landowners; re-plotting and infrastructures projects; financing and infrastructures development; compensation to landowners; identify properties to be expropriated but process managed by local government.

Municipality initiative.
Process management: private company

Negotiation process

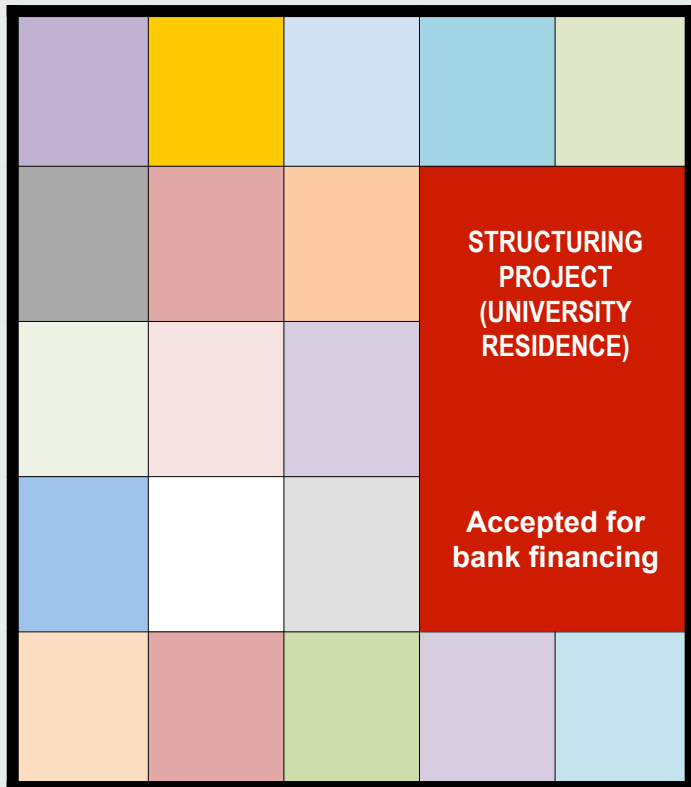
Negotiations between the private company and the owners tend to be more flexible than in the models of management by government

Inform + private negotiation

Results

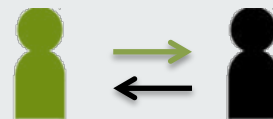
D. Management by private company

Coimbra Renewal Project

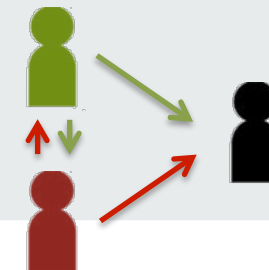


3. Negotiation

Easy to deal



Hard to deal



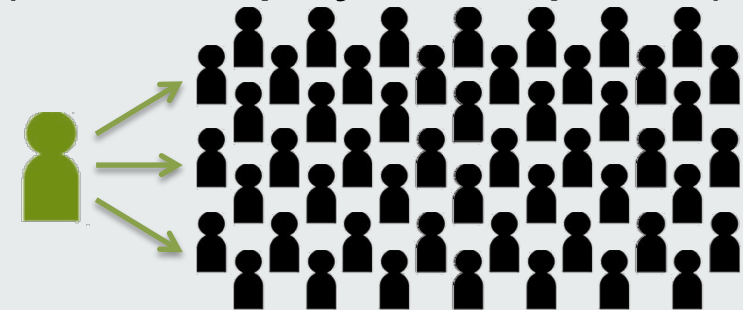
1. Outsourcing management: private company for the process management



WHY?:

- Credibility
- Negotiation and conflict management skills
- Management process faster
- Efficient negotiations
- Access to bank financing

2. Information (Private company role and process)



LANDOWNERS

Main problems → challenges

- **Multiple landowners → new practices of negotiation and management**
 - **Local government as a facilitator + more interaction municipality/private agents**
 - **Private companies with know-how (interaction and negotiation with landowners, with public organisms, with banks/European funds, communication and marketing)**

- **Expropriation: legal contradictions and Risk → real estate valuation**
 - **Real estate valuation: transparent and credible process**

Urban projects implementation involving multiple landowners

KEY TOPICS

- 1) Initiative and leadership
- 2) Urban project draft and real estate valuation
- 3) Landowners participation
- 4) Economic and financial analysis
- 5) Urban project development: financing, negotiation, expropriation, conflict management
- 6) Management entity (leadership / power / competences)

Project website

<http://projectopercom.tecnico.ulisboa.pt/>

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