

THE FINNISH URBAN LAND READJUSTMENT PROCEDURE IN AN INTERNATIONAL CONTEXT

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ABSTRACT

The aim of urban land readjustment is to produce new building land and to reorganise urban areas. The method used is designed to consolidate a group of adjoining land parcels for their unified planning and subdivision in an area with a fragmented or an otherwise inappropriate property and ownership structure. The method can be considered either as a method for urban land development (by landowners) or as a tool for planning implementation (by society). Different countries have reached different solutions depending on, for example, the planning system already in existence and the attitude towards the responsibilities of the private and the public sectors in producing urban land.

The urban land readjustment procedure is very closely linked to detailed local planning and other land use planning. The procedure is justified not only on the basis of cost and efficiency but also on the basis of its fair treatment of landowners, improvements in plan quality, savings to the community, and environmental benefits. In the readjustment procedure the land value changes can be fairly and equally divided between the landowners. The procedure will therefore also contribute to preventing speculations about planning. As the property boundaries can be disregarded when preparing the plan, the number of potential plan solutions will essentially be increased and finally the quality of the plan itself improved. At the same time the existing social structure can also be maintained. The processes needed are, however, often very demanding and complicated and require those involved to display considerable expertise. The decision-makers should also be familiar with the operating mechanisms and options so that implementation of the procedure is not jeopardised through ignorance.

In 1997 a new Real Property Formation Act came into force in Finland which defined the Finnish urban land readjustment procedure. The strengths of the new procedure lie in its well-defined structure and organisation, but it also has its weaknesses. Although the aim of the procedure is to achieve better-detailed local plans, planners often do not know in practice if the readjustment procedure can be carried out, due to the extensive legal provisions. It seems, therefore, that the existing regulations are ineffective in meeting the needs of urban land readjustment, and further improvements are urgently required. Failure to take such measures will place in jeopardy the future use of the procedure. By amending the statutes and the proceedings the use of the urban land readjustment procedure might become a familiar activity when developing the urban structure in areas with fragmented ownership.

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