

Global Experiences in Land Readjustment

Urban Legal Case Studies: Volume 7

Global Experiences in Land Readjustment

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Foreword from the Executive Director

Land is an integral component of urbanization. The New Urban Agenda recognizes its ecological as well as social function with the aim of having sustainable cities and human settlements that are inclusive, safe, economically productive and environmentally sound. As part of its global mandate, UN-Habitat is actively involved in advocating for sustainable use of land through the development and promotion of various land tools, such as land readjustment. Through it, cities can grow in a planned and coordinated manner while increasing land values, being inclusive and promoting the security of tenure. Improvement in core infrastructure and basic services are also among the potential benefits of land readjustment.

UN-Habitat has a rich and fruitful experience working in countries where land readjustment has been implemented. In the course of its work in Africa, Latin America, Asia and parts of Europe, the Agency has become increasingly aware of not only the benefits of land readjustment but also possibility of negative yet unintended outcomes of the process. It realizes that inadequate appraisal of the likely effects may adversely affect the poor and the marginalized by reproducing existing inequalities.

This publication is a crucial part in UN-Habitat's effort to develop normative knowledge in appropriate land management practices. It presents case studies from various parts of the world with a specific focus on developing countries. The intention is to promote land readjustment as both a relevant and implementable tool in countries within the Global South.

I am pleased that UN-Habitat's Urban Legislation Unit has carried forward this initiative which was started during the tenure of my predecessor, Dr. Joan Clos. As the New Urban Agenda draws attention to the relevance of effective regulatory and institutional frameworks, the publication of this book marks a significant step in highlighting the role that laws and institutions play in urbanization. My hope is that countries will find this publication useful in the implementation of land readjustment within their specific contexts taking into consideration their varying resources and institutional capacities.

A handwritten signature in black ink, appearing to read 'Maimunah', with a long horizontal line extending from the end of the signature.

Ms. Maimunah Mohd Sharif,
Executive Director, United Nations Human Settlements Programme (UN-Habitat)

Letter from Dr. Joan Clos, Former Executive Director, UN-Habitat

Urbanisation is one of the most significant trends of the 21st Century with the global urban population growing from 732 million to 4 billion between 1950 and 2017. Urban areas are engines of economic growth, social, and cultural development and environmental protection. However, rapid growth presents numerous challenges to the ability of urban areas to provide these benefits and to satisfy the needs of their inhabitants in terms of infrastructure and basic services. In particular, cities have struggled, and continue to struggle, to provide adequate and affordable urban land for development. As urban areas continue to expand, they too often do so in an unplanned and spontaneous manner, limiting the benefits that urbanisation can provide.



To counter these challenges, national and local urban authorities have devised innovative tools to minimize the social, economic and political costs associated with the acquisition of land. Land readjustment is one such tool. It is a mechanism through which land parcels in a particular area are pooled and planned as a unit, regardless of their previous pattern or tenure. This approach limits burdens on public finances and unlocks the intrinsic value of land that was limited by plot fragmentation and land ownership patterns that were incompatible with the optimal use of land. It may also enhance citizen-government dialogue and facilitate the provision of infrastructure and basic services.

Land readjustment has been traditionally seen as a “developed country tool”, with the best known examples coming from countries such as Germany and Japan. Its utility in developing countries has been doubted due to its perceived complexity, reliance on strong local governance systems, and the relatively weak legal and institutional frameworks of countries in the global south. This book counters the misconception of land readjustment as a developed country tool. It shows that this mechanism is not only relevant but also provides examples of its implementation in a variety of developing countries and one country in transition. The case studies presented include experiences from Angola, Bhutan, Chile, China, Colombia, Ethiopia, India, Russia, Thailand and Turkey. The book also highlights the different circumstances under which land readjustment may be used as a tool and the diverse range of social, political, economic, and cultural contexts in which it operates.

This book does not aim at giving the perfect formula for a successful land readjustment or even that land readjustment is a magic bullet for the challenges of urbanisation. But this book does establish land readjustment as one of the most flexible tools available to all countries to bring citizens, planners and governments at all levels together with the aim of making ordered urbanisation at scale possible.

A handwritten signature in black ink, reading "Joan Clos".

Joan Clos
Former United Nations Under-Secretary-General and
Executive Director, UN-Habitat

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Land Readjustment

I. Introduction

Urbanization is one of the most significant trends of the 21st Century.¹ In 1950, about 30 per cent of the world's population lived in urban areas. This figure currently stands at 55 per cent. Urbanization in developing countries is taking place at lower levels of income and with less investment in infrastructure.² This presents daunting challenges in terms of meeting the current and future housing, water supply and sanitation needs of a rapidly urbanizing population.

The majority of future urban population growth will take place in developing countries and in small and medium sized towns and cities. Cities are growing much faster spatially than in population, as the expansion of urban areas is on average occurring twice as fast as urban population growth, with significant consequences for the provision of infrastructure, greenhouse gas emissions, climate change, environmental degradation, as well as for the occurrence and consequences of natural and human-made disasters. Many cities all over the world are not well-equipped to harness the economic and social opportunities associated with the rapid growth caused by urbanization and they are unprepared for the multidimensional challenges associated with it. Many rapidly growing cities keep sprawling, slums are expanding or consolidating, there are high and increasing levels of poverty and inequality, just to name a few challenges cities are facing.³

Most residential areas in the expansion areas of cities, especially those in developing countries, are unplanned, developing spontaneously and often in contravention of urban planning and building regulations. Before 1990, about 59 per cent of the residential areas in the urban expansion areas across the world showed evidence of being planned prior to being occupied. However, between 1990 and 2015, only 37 per cent of the residential growth in the expansion areas was planned; suggesting a decline in the practice of urban planning.⁴ Even where cities are planned, there is a high demand for serviced, or serviceable, land. Achieving the provision of serviced land at scale has been a major political and economic challenge for governments at all levels. A failure to provide serviced land at scale generally leads to numerous inefficiencies and social challenges and dramatically increases the financial and political costs of improving spatial design and service provision in the future. Urban authorities need innovative tools to lower these social and economic costs associated with the acquisition of land for urban development.

Recognizing the nature of the challenges of urbanisation and the impact of urbanisation processes on development outcomes, it has been recognized as an important element of international development policy. The adoption of Sustainable Development Goal 11, to make cities safe, inclusive, resilient, and sustainable, and the New Urban Agenda firmly places urbanization at the forefront of the international development agenda. The endorsement by the international community of these landmark declarations is a clear appreciation of the role that cities can play in achieving sustainable development. We are often reminded that the battle for sustainable development will be won or lost in cities.⁵ The New Urban Agenda reaffirms the role of UN-Habitat in the development of "normative knowledge and the provision of capacity development and tools to national, sub-national, and local governments in designing, planning, and managing sustainable urban development."⁶ Land Readjustment is one of the tools that can be used to promote sustainable urban development.

This book first provides a brief introduction to land readjustment as a method, particularly as it may be relevant to the context and needs of developing countries and countries with economies in transition. It then provides a brief comparative analysis of the case studies presented later in the book. This comparative analysis does not provide a 'how to guide'⁷ but, rather, seeks to highlight the basic objectives, features and strengths and weaknesses of each example and how they might be seen to relate to each other. For those who would like to go further, the eleven case studies are then presented in full. The first describes a rural to urban land use conversion in China, with particular emphasis on institutional and inclusion concerns. The second case study is an urban regeneration project in Colombia, which places an emphasis on the retention of population. The third is a slum intervention in Ethiopia with ambitious densification and service provision objectives. The fourth case study also describes a slum intervention with particular detail provided on community engagement in the process. Fifth is an informal settlement intervention in Thailand that addresses multiple public and private objectives with improved security of tenure for residents as a significant outcome. The sixth case study explores the challenges of public participation in land readjustment in Turkey. The seventh describes the responses to the challenges of public participation adopted in Bhutan and also highlights the importance of well thought out institutional and legal

¹ UN-Habitat, (2016), *World Cities Report 2016: Urbanization and Development- Emerging Futures*, UN-Habitat, Nairobi.

² Freire, M. E., Lall, S., & Leipziger, D. (2014), "Africa's Urbanization: Challenges and Opportunities," *The Growth Dialogue*, Working Paper 7.

³ UN-Habitat, (2016), *Fundamentals of Urbanization: Evidence base for Policy Making*, UN-Habitat, Nairobi.

⁴ Ibid.

⁵ United Nations, (2014).

⁶ Para 129.

⁷ UN-Habitat, (2016), *Remaking the Urban Mosaic: Participatory and Inclusive Land Readjustment*, UN-Habitat, Nairobi.

structures. The eighth case study incorporates two examples of land readjustment in India, with a particular consideration of their governance and institutional elements. The ninth is a case from Russia, describing collective approaches to development as a response to a public subsidy programme. The tenth case study describes two contrasting examples from resource poor contexts in Angola. The final case study is from Chile and describes a case of post-disaster reconstruction that seeks to reinforce spatial planning systems.

The purpose of this book is partly argumentative; it demonstrates that land readjustment is a practical and useful tool for addressing a variety of spatial and development challenges in a range of contexts. However, its principal purpose is to assist those who are already interested in land readjustment as a possible solution to the challenges they face. It will help them identify and explore choices, and their likely impacts, and, as a result, improve the quality and durability of project outcomes. The book may also be useful in implementing urbanisation policy, as it provides examples of the resources and institutional capacities required to deliver different types of project.

II. Land readjustment; nature and characteristics

Land Readjustment can offer a land management solution, as it is a tool used to pool all land parcels in a particular area and plan them as a unit. It works to provide access to land for public use by capturing a proportion of the value, whether financial or in kind, created by development. Land readjustment is a mechanism that can be used to unlock the intrinsic, but latent, value of land that was previously inhibited by plot fragmentation and land ownership patterns which are incompatible with the optimal use of land.

Land readjustment is often seen as a “developed country tool”, with the best known examples coming from countries such as Germany and Japan. The utility of this mechanism in developing countries has been doubted by some, arguing that countries in the global south are unable to implement land readjustment in practice because of its relative complexity and reliance on strong local governance systems. Moreover, it has been thought that developing countries, and possibly also countries with economies in transition, lack the legal or institutional framework required to undertake land readjustment processes. It has also been argued that the socio-economic, political and cultural conditions are unsuitable for a task as complex as land readjustment. This book counters the misconception of land readjustment as a developed country tool. It shows that the method is not only relevant, but also provides examples of cases of its implementation in developing countries, and one country with an economy in transition. The case studies present the different circumstances under which land readjustment may be used as a tool and the diverse range of social, political, economic, and cultural contexts in which it operates.

The Usefulness of Land Readjustment

In many urban areas, land is typically divided into many small, irregularly shaped and sized plots, each with a different landholder holding particular interests. The outcome is often haphazard and incoherent development with little reference to planning guidelines, poor infrastructure, inadequate provision of services, and lack of public space. In some cases, unplanned development leads to the sprouting of informal settlements where large numbers of poor people are crammed into restricted areas with squalid living conditions and insecure tenure.⁸ Land development and redevelopment is imperative in these urban areas. Firstly, patterns of land ownership should match their existing uses, and secondly, development needs to be carried out in a planned and coordinated manner. Furthermore, these informal, underdeveloped areas need to be equipped with the necessary infrastructure and basic services. UN-Habitat advocates for five principles for sustainable neighbourhood planning: i) adequate space for streets and an efficient street network; ii) high density; iii) mixed land use; iv) social mix (making houses available in different price ranges and tenure types to accommodate different incomes); and, v) no more than limited land use specialization.⁹ In order to implement these principles, urban development must take place within a clear planning framework, with set designations for public space, such as streets, and other criteria like the provision of affordable housing and the integration of land uses.

Land readjustment is needed when existing parcel layout and ownership patterns are prohibitive to desirable development. In such cases, the latent value of land is often reduced by fragmentation, informality, decay and incompatibility with existing uses. Land readjustment creates the opportunity to harness the opportunities of urbanization, by pooling land together, installing roads, sewerage, and other infrastructure, and then redistributing the land back to the original owners. In the land readjustment process, a proportion of land is also reserved for public spaces like roads, schools, and parks. When the land owners act collectively to have their land assembled and planned as a unit they are also increasing inclusivity and participation in the urban process. The financial benefit, as will be described below, comes in the form of increased property values at the end of the project, when previously inaccessible areas become vibrant centres of socio-economic activity. Land Readjustment can be used to achieve the five sustainable neighbourhood planning principles as during the land readjustment process, land is reserved for streets and some of it may be set aside for the construction of affordable housing. When carried out within a clear planning framework, it may also promote mixed land use.

Voluntary purchase and compulsory acquisition are other urban legal tools that can be used for assembling land for development. In voluntary purchase, a land developer negotiates with individual land owners to buy their land, but a holdout from one owner may jeopardize the whole development project. The developer also needs to have the initial capital to pay the landowners. Without such capital, the project inevitably collapses.

⁸ Ibid.

⁹ UN-Habitat, (2014), *A New Strategy of Sustainable Neighbourhood Planning: Five Principles*, UN Habitat, Nairobi.

In compulsory acquisition, the government uses its power – usually granted under a specific law – to acquire land when it is deemed necessary for a ‘public purpose.’ The definition of ‘public purpose’ can be difficult to interpret. Some jurisdictions give ‘public purpose’ a literal meaning – public usage and ownership – while others have interpreted it more broadly and allow for the private acquisition of property to achieve a public purpose.¹⁰ Compulsory acquisition is often a contentious matter; many landowners resist it and it can become a costly and lengthy legal battle. Similar to voluntary purchase, the landowners do not enjoy the benefits of the project once completed. It also requires initial funds that most local authorities do not have.

In light of the cumbersome and expensive processes of voluntary purchase and compulsory acquisition, land readjustment offers a comprehensive alternative planning tool for local governments, which is cost-effective, creates value, and can produce equitable outcomes.

Land readjustment provides the opportunity for land owners to be consulted and negotiated with, rather than forced to sell their land. It also avoids the expense and the lengthy, expensive and risky court battles associated with expropriation. The landowners’ ‘right of return’ is perhaps the most distinguishing feature of land readjustment compared to voluntary purchase and compulsory acquisition. Even though it may not be the exact original location, land readjustment still offers the opportunity for landowners to remain in the same neighbourhood and maintain their social links.

At the end of a land readjustment process, the municipal authority gets a well-planned and fully serviced area without having to pay for the acquisition of the land for public services. In addition to saving money, the municipality can also generate revenue by reserving part of the land to be sold later to developers or kept for other uses, such as affordable housing projects.

Finally, land readjustment is a proven useful tool for slum upgrading. The process can be used to incorporate slum dwellers into the urban fabric and strengthen their security of tenure, as well as to provide infrastructure (roads, electricity, piped water) and other services such as healthcare, schools, and waste management in informal settlements. Furthermore, as a result of the process, clear formal documents may be provided to the land holders which clarify the tenure status of residents. The success of this depends on the scale of operations and the site-specific objectives.

Its benefits aside, land readjustment is not always a perfect process. It has two main weaknesses: frequent delays and tenant displacement. Getting landowners to agree on a project’s value may be difficult, particularly in countries where there is no precedent of successful land readjustment projects or a general distrust for government projects exists. While some owners may be privy to the potential benefits of land readjustment, others may express doubts or even open resistance and hostility. Convincing such people to join the project is a significant task. The commencement of the project may also lead to disagreements on a lot of issues including the method of land valuation, the size of land to be returned, as well as the location of such property. These issues may not be easy to solve. Furthermore,

land readjustment projects have the risk of being influenced by local politics. In some cases, projects have collapsed due to political disagreements. A change in leadership may adversely affect land readjustment efforts if new leaders fail to appreciate the utility of this tool. Therefore, land readjustment requires high levels of trust, cooperation, and political will among the participants.

The second disadvantage of land readjustment is that it may fail to address the needs and concerns of tenants who are not landowners. The process is primarily based on securing the consent of property owners and ground leaseholders with renters being ignored in most cases. Land owners are often left to negotiate with the respective tenants. In these cases, the interests of the owner may not be consistent with the needs of the tenant, placing the latter at the mercy of the landowner. This means that the extent to which tenants are compensated depends on country-specific laws that protect renters from arbitrary eviction; for rental, the land readjustment process does not currently provide an avenue where mutually beneficial terms are agreed.

The Land Readjustment Process

Land readjustment has been used in many developed countries. In Germany, for example, land readjustment was originally used at the edges of cities to consolidate and improve “undeveloped” land in the early 1900’s, but during the 1950’s there was a shift towards using land readjustment as a tool to change developed lands. Land readjustment has since been widely used in various other developed countries including Spain, the Netherlands, Japan, Israel, South Korea and Taiwan.

The success of land readjustment is exemplified in Japan – where one-third of the built-up environment has been created or recreated using this method.¹¹ Land readjustment was a crucial part of land management in urbanizing Japan throughout the 20th Century. The case of Japan emphasizes that there is real potential in land readjustment if it can be done effectively and efficiently.

There are significant differences in the land readjustment processes. Germany, for instance, has integrated land readjustment as a formal part of their Urban Development Plans, which are adopted by local legislative bodies, making the land readjustment process mandatory for all purposes. This practice differs from the Japanese process, which instead relies on a “supermajority,” or two-thirds of residents, to agree on land readjustment to initiate a project.

Almost any stakeholder – national or municipal authorities, landowners, land holders, and non-governmental organizations – may initiate a land readjustment process. The process normally starts by identifying the legal framework, choosing the location where existing land uses are inconsistent with optimal use due to social, spatial or economic reasons, determining the desired land use, and checking the legal status of the land and plans for the area. Once the location has been chosen and an implementation strategy developed, consent or the other means for the plots to be acquired from land owners and consolidated as a unit for planning purposes needs to be obtained.

¹⁰ See *Kelo et al. v. City of New London et al.*, 545 U.S. 469, where the US Supreme Court ruled that the local government had the right to take petitioners’ properties for the purpose of revitalizing the city’s economy.

¹¹ “Case Study: Land Readjustment in Japan”, p.2. WB TDLC. January 2017. Tokyo Development Learning Center. <https://collaboration.worldbank.org/docs/DOC-23643>

Once the consensus ratio – the proportion of landowners and landholders who have to agree for the project to go ahead – has been attained, the implementation phase of the project may start. If some minority land owners refuse to participate in the project, their land may be compulsorily acquired at a set rate. This should be supported by the prevailing laws. Indeed, the whole process should be carried out within a clear legislative framework, even if unanimous support from a community for a project may mean that this is not absolutely necessary. If a law that explicitly provides for land readjustment exists, it should form the basis for the process. In cases where no such law exists, the implementing authority may borrow concepts from related legislation. These can include laws on planning, expropriation, environmental protection and housing, among others. The law may also be needed to handle issues such as the land valuation method, the sale and transfer of land before the project is announced and, after its completion, the manner of handling disputes, land classification, financial arrangements, and the types of land rights that may be allocated.¹²

As the process develops, various stakeholders are involved (landowners and the project implementers, tenants, informal settlers and community groups). In the past, land readjustment frequently ignored the input of non-land owners, excluding tenants and informal settlers. Residents with insecure or limited tenure were thus either evicted, forced out through market mechanisms, or were unable to afford the cost of living in the regenerated areas. As this process may conflict with internationally accepted principles on forced eviction, new and more inclusive forms of land readjustment have developed, which are responsive to the varying forms of tenure that are common in cities, particularly in poor or informal neighbourhoods. UN-Habitat has developed a method called Participatory and Inclusive Land Readjustment (PILaR) to counter this problem by including all stakeholders, including tenants, in planning and decision making. PILaR also aims to achieve consensus among all stakeholders, to avoid forced removals or evictions, and to ensure that even the poor and disadvantaged benefit.

The final step in the process is land re-allocation, where a plot that is usually smaller, but more valuable, is returned to the land owners and land holders, because a proportion of the land was contributed for public infrastructure. This proportion may vary depending on the amount of land needed for roads and other public spaces, as well as the land to be held by the municipality in reserve for later redevelopment or sale. In some countries, the minimum/maximum land contributions percentages are set in the law. The value of the land has increased due to proper planning, rezoning, added infrastructure and improved services. The value of the land may also be increased by the authorization of a higher building potential, meaning that the extent to which the land can now be built upon is increased, whether by building height, or plot coverage, and accommodation of a new range of land uses. For example, zoning rules, height restrictions and footprint or 'plot coverage' rules – what proportion and area of a given plot may be built on and the floor space that may be constructed, often calculated as a 'floor to area ratio' (FAR) or floor space index (FSI) – have the ability to determine the value of a piece of land. Increasing the FAR from 1.0 to 1.2, for instance, allows landowners to increase the floor space of their buildings by 20 per cent. Such an increase can be initiated during the land readjustment process thereby allowing landowners to reap extra benefits from their

land. It is important to note that a well planned strategy to increase value is not incompatible with the interests of the poor. Some mechanisms to limit the cost per metre square of built space can be introduced while increasing the overall amount of available built space and, therefore, of total value.

The difference in value between serviced and un-serviced land is often enough to incentivize the landowners to accept reduced land sizes. If a land use change increases the value of land by a typical multiple of eight or ten times, contributing a percentage of the land area for public purposes becomes more acceptable. As described earlier, the land contributed may be used for roads, walkways, parking spaces, parks, squares and other public uses. It may also be needed for utility lines (electricity, gas, water, sewerage) and to protect heritage sites and environmentally sensitive areas. After the land is serviced by public utilities, some or all of the remaining land available for development is subdivided and redistributed to the original land owners in accordance with the size or the value of the land that was initially contributed. The entire process should take place within a larger spatial planning framework so that the land which is readjusted is integrated with the broader urban fabric. Doing so optimizes the results of the urban development. It is important to realize that fragmentation, informality, decay and incompatibility of uses occurs due to the unavailability of plans or non-compliance with them. To ensure that land readjustment is a long-term solution to these challenges, its implementation should be in accordance with such plans. If not, the project will only postpone the inevitable breakdown of proper plans or lead to the creation of 'planned islands' in a sea of decadence. After all, this is the key benefit of using land readjustment as a planning and integration tool.

Land readjustment, at least in theory, results in a situation where everyone benefits. Land owners and land holders benefit from increased land values. The municipal authority gets a compact, dense, and well-connected urban area without having to pay for the compulsory acquisition of land and, while it is not always the case, land readjustment can assist in the development of better housing. Sometimes, however, the process may be characterized by tensions, social divisions, and political controversy, while the final outcome may only benefit a few groups. These issues will be discussed in detail in this book.

Situations Where Land Readjustment Is Used

Land readjustment can be used in a variety of contexts including urban expansion; urban renewal; infill and densification; and post disaster reconstruction.

i) Urban Expansion

Many cities in developing countries are growing exponentially, both in population and area. This rate of growth often outpaces the city's ability to plan and respond to the infrastructural requirements and basic services needed by the population. The result is unregulated expansion which leads to poorly developed land and insufficient structures and, in some cases, large informal settlements. In China,

¹² UN-Habitat, (2016), *Remaking the Urban Mosaic: Participatory and Inclusive Land Readjustment*, UN-Habitat, Nairobi.

¹³ See Case Study on China: "Land Readjustment in Urbanizing China: Decentralization, Profit Concession, and Redevelopment of Village Land in Chinese Cities"

for example, the rapid expansion of urban areas throughout the Twentieth Century has threatened food security, as large portions of agricultural land has converted into urban use.¹³ In other countries, urban expansion results in exploitation as poor families sell their lands to speculators at low prices before the latter make huge profits from the resale of such lands. In cases with a lack of regulation for housing affordability, and curbing the negative effects of gentrification, these families are pushed further away from their original homes when land in increasingly expensive neighbouring areas is bought by people who can afford it.

While land readjustment is not a panacea for every problem that cities face, it can be useful in preventing or mitigating the problems highlighted above. For instance, it can be used to regulate urban expansion as the prospect of land value increment dissuades poor land owners from selling their land. As the land readjustment process normally conforms to existing plans, it would also prevent haphazard erection of structures. Furthermore, through land readjustment, the municipal authority may increase the number of low-cost housing units thereby curbing the burgeoning of informal settlements. The case studies from China, India and Angola (Chapters 1, 8 and 10) will discuss the utility of land readjustment as a tool of regulating urban expansion.

ii) Urban Renewal and Densification

Land readjustment may be appropriately used to redevelop run down areas, upgrade infrastructure and services, and modernize degraded areas. Defunct areas typically occur when the urban fabric fails to keep up with new uses, such as when a formerly residential area is turned into a commercial zone. Poor neighbourhoods, often characterized by overpopulation, lack of, or unclear, legal rights, poor infrastructure, inadequate services and poverty, are often not only spatially segregated but also economically and socially alienated. Land readjustment presents a mechanism through which such areas may be transformed from blight spots into vibrant communities. Urban renewal has been instituted through this process in Ethiopia, Thailand, Bhutan and India (Chapters 3, 5, 7 and 8).

Land readjustment processes can also be used to turn shacks and single-story houses into multi-story buildings that house more people while utilizing less space.

This would in turn create more space for the construction of infrastructure and the creation of social amenities such as parks, gardens, and social halls. A case study from Bhutan (Chapter 7) will be examined to highlight the use of land readjustment to promote infill and densification.

iii) Post-disaster Reconstruction

Disasters often lead to substantial destruction of city infrastructure and the disruption of public services. Indeed, the effects of disasters are often exacerbated by the city's layout and planning deficiencies. For instance, an earthquake may cause more casualties because buildings were constructed on unsuitable locations or built using improper materials. Similarly, poor roads may hinder evacuation and other emergency responses in the disaster's aftermath. Land readjustment, therefore, provides the city an opportunity to build back better taking into consideration planning laws and the needs of the residents. One of the case studies (Chapter 11) explores the use of land readjustment in Chile after its devastating earthquake in 2010.

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¹³ See Case Study on China: "Land Readjustment in Urbanizing China: Decentralization, Profit Concession, and Redevelopment of Village Land in Chinese Cities"



View of Journalist's Park with Monserrate and the Candelaria district of Bogotá, Colombia @Shutterstock

Chapter 2

A New Approach to Urban Renewal in Bogotá, Colombia: **The Fenicia Project**

Juan Felipe Pinilla

The *Triángulo de Fenicia* is an urban renewal project in a section of Downtown Bogotá, within the immediate vicinity of Los Andes University, the main promoter of the project. As at 2017, the project had not yet been executed and was in the final phase of approval, but the way in which it has been formulated, as well as its characteristics and basic objectives, have made it a reference point in the city of Bogotá. In general, it presents two notable characteristics.

First, the promoter is neither the state nor private investors or landowners, but rather an institution of higher education, Los Andes University. Second, it aims to correct many of the equity problems that other urban renewal projects in the city have generated. It does so by promoting inclusive and deliberative dynamics among the promoters, local authorities and property owners in the zone. Land readjustment is an instrument that could allow the current property owners, occupants, and renters to remain in the area, participate as partners in the benefits of the project and play a leading role in decision-making processes during the implementation stage.

In the following eight sections, this chapter will show the particularities of the case and the process carried out thus far. It first presents the basic context of urban

renewal in Bogotá, including the role of partial plans as planning and management instruments. It also illustrates the tensions and difficulties generated by partial plans and land readjustment, the relation between two emblematic cases of urban renewal projects in Bogotá, and the specific development and characteristics of the Fenicia project. The second part characterizes the project's background and its promoter, Los Andes University. The third part presents basic information about the area where the project will be implemented and its main characteristics. The fourth part presents a detailed description of the way the design and planning stages of the project were undertaken, and participation and discussion promoted among the inhabitants of the area. The fifth part presents the main characteristics of the project as well as the way it evolved given the discussion and coordination with different neighborhood actors. The sixth part gives a general description of the land management proposal used to execute the project as well as the plans for undertaking the lot readjustment through a trusteeship scheme and a governance structure in which all the actors involved have representation. The seventh part describes the progress in executing the first stage of the project – the Unidad de Actuación Urbanística No. 1 (Urban Action Unit Number. 1, or UAU1). The final part reflects on the lessons, which can contribute to the general objectives of this book.

The Context of Urban Renewal in Bogotá

This project is promoted within the framework of a partial plan of urban renewal. Partial plans are the instruments established by the Colombian legal system for undertaking urban expansion, densification and infrastructure improvement. Their basic objective is to regulate the transformation of large areas of land—generally with multiple lots and owners—to guarantee an equitable distribution of the costs and benefits of urban development among local property owners, promoters and authorities, thus contributing to better results in terms of urban design and regulating the engagement and participation of the different actors involved.

Although partial plans have been part of Colombian legislation since 1997 and they have been employed in Bogotá since 2001 in areas of urban growth or expansion, the first partial plan of urban renewal in the city for an area of approximately 8 hectares, was not implemented until 2010, mainly due to the complexities of its administrative procedures.

Land readjustment is one of the ways in which Colombian legislation permits the implementation of partial plans. For this purpose, Law 388 creates unidades de actuación urbanística for urban matters of the progressive 1991 Colombian Constitution that establishes a set of principles such as the ecological and social function of property rights, public space, and land value capture as collective rights. Law 388 also establishes the right to housing and rights and powers for municipalities to assign land to different uses. As established in Article 39 of the law, these refer to the "...area formed of one or various pieces of real estate, explicitly delimited in the rules of the ordering plan, that should be urbanized or built as a planning unit in order to promote the rational use of land, guarantee compliance with the city-planning rules and facilitate the endowment charged to the owners, of the infrastructure for transport, domiciliary public services and collective equipment through the equitable distribution of charges and benefits." It is precisely through these unidades de actuación urbanística that land adjustment plays a key role in land management. Readjustment is the mechanism through which the unidad de actuación urbanística is executed, or more exactly, it becomes the way in which the different owners come together to undertake the urbanization or renovation of a specific area of a partial plan.

Urban renewal is one of the strategic axes of the city's growth and transformation since the adoption of its first territorial ordering plan (POT) in the year 2000. Since then, and especially in the past three years, the interest in revitalizing large sectors of the city has been at the forefront in discussions of local authorities, especially between their planning and housing agencies. Nevertheless, they have not managed to translate this interest into approval and implementation of urban renewal projects and plans. To illustrate this situation, since 2000 the area potentially open to urban renewal has been growing considerably by way of urban regulations that develop and complement the POT (Decreto 190 de 2004), but no specific projects have been undertaken. The pace of growth can be seen in Table 1.

As can be seen, the total area open to urban renewal has tripled in the last ten years, especially for areas outside the central city. Nonetheless, only two partial plans and one special project for urban renewal have been approved to date, which together add up to about 20 hectares of land, i.e., less than 1 per cent of the total area open to projects with these characteristics.

This great difference between the possibilities and reality of urban renewal projects in Bogotá is explained by a series of factors. However, for the purpose of this chapter, this difference is related to the difficulty that urban renewal programs face in managing and assembling consolidated areas of land that compose of several city blocks with a large number of owners and occupants under different forms of tenancy.

Table 1. Growth of areas susceptible to urban renewal in Bogotá: 2004–2013

Areas open to urban renewal 2013	2013		2014		Area Growth Rates %
	Area (Ha)	%	Area (Ha)	%	
Central Area	545.3	23.4	374.4	42.7	1.5
The rest	1781.3	76.6	502.2	57.3	3.5
Total	2326.6	100.0	876.7	100.0	2.7

Source: Pinilla (2013).

The two most representative examples within the universe of three approved projects are: the Manzana 5 Project and the Proscenio Partial Plan, which are clear examples of the difficulties and tensions associated with land management in urban renewal projects, as it will be explained in the next section. Furthermore, they are two very clear antecedents that influence and explain the way in which the Fenicia project aims to solve the main difficulties faced in past experience. The Fenicia project distances itself from past extremes and represents a deliberate attempt to amend the main deficits that they had in their planning in terms of community participation and inclusion.

The “emblematic” cases of urban renewal

Manzana 5 is a public-initiative project whose objective is to build a Spanish Cultural Center and begin urban renewal in a block-by-block manner in the traditional center of Bogotá. The land management process took place between 2005 and 2007, after which the district waited for the *Agencia Española de Cooperación* (Spanish Cooperation Agency) to concretize its contributions and disburse the resources for construction. However, the project was delayed for more than six years and in 2012 the Spanish government withdrew from the agreement due to its own economic crisis. Since 2010, the owners whose property was expropriated presented legal and administrative appeals seeking to have their property returned, arguing that the maximum legal time limits for the effective realization of the project had passed. These appeals have not been successful, and none of the expropriation proceedings have been annulled.

This case reflects the premise that when government expropriation is perceived as convenient legally, land readjustment will rarely be used as a land-management mechanism.¹ Manzana 5 is formed based on the application of a tool known in Colombia as expropriation by administrative procedure, regulated in Article 68 of Law 388 of 1997, which establishes that in “emergency conditions”, the expropriation may be applied with no judicial intervention when the negotiation between the expropriator and the owner fails. This is to ensure the control over time for the agency in charge of expropriation. The pressure to secure the Spanish cooperation made the use of expropriation more attractive, although land readjustment would be less exclusionary and traumatic for the inhabitants. Especially the targeted area was a block with a moderate number of lots where land readjustment would theoretically have been possible and viable.

The project after many delays and difficulties was finally executed. Instead of the Spanish Cultural Center, a new facility for the City’s Film Center is under construction. The area destined for commercial development and housing was acquired by a consortium of development firms at the end of 2011, with the amount paid per square meter close to 10 times more than the average price paid by the Urban Renewal Company to acquire the lots. The consortium, finally, in 2017 finished the construction of three towers and at the end of the process the towers were designated to be university dorms and several convenience stores (Drugstores, Cafes, Restaurants).

The second antecedent, Proscenio, is a partial plan of private initiative that seeks to develop a cultural center and offer a series of associated services in a strategic area in northern Bogotá. (Decreto 334 de 2010). Proscenio starts with a partial plan managed by the Corporación Niños Cantores (Misi-Compañía de Teatro Musical) who will develop and promote cultural activities in this part of the city. The partial plan is justified by the fact that, given the excellent location and the area’s present deterioration, the implementation of a series of better uses is possible. The main part of the proposal is the construction of a theater for 1,300 persons, which is expected to be a catalyst for development in this area of Bogotá.

This case is interesting in the light of reflections on land readjustment for two main reasons. First, because it is the first case in which there was a formal application of land readjustment under the law. Second, it is a case that the spirit of this land management tool is completely erased. A disgruntled property-owner succinctly and accurately describes what occurred during urban renewal: “.....*we are not saying that there has been anything illegal but the process has lacked ethics and transparency.....*”.²

If evaluated in light of the theoretical principles of land readjustment, the fundamental dilemma with Proscenio has been that its promoters have misapplied the law. In Colombia, the legislation establishes that the development of a unidad de actuación urbanística requires associated management by the owners who represent at least 51 per cent of the total area. Cognizant of this situation, the investment group represented by the project’s promoters initiated an intensive purchase of much of the real estate located within their unidad de actuación No. 1 where the theater is expected to be built. The main interest behind this strategy was to design and

delimit the plan without having to negotiate its uses and characteristics with the majority of property owners in the area.

After securing the project’s approval, the proprietors knew that the other owners would have no other option other than participating in the project or losing their land. . Under this strategy, the investors and the promoting group managed to consolidate the titles of around 53 per cent of the area. In essence, their strategy was to obtain the majority of land titles to force the rest of the owners to join the unidad de actuación urbanística under the threat of possible expropriation. The unidad de actuación urbanística No. 1 was legally consolidated after more than one year of discussions and legal appeals, during which the owners of the minority area claimed that they were never taken into account nor consulted, and that the process generally lacked deliberation and transparency.

Despite the formal delimitation of the unidad de actuación urbanística and the fact that the legal conditions required that expropriation proceedings begin against reluctant owners, the city government has publicly stated that it is unwilling to undertake expropriation and that the conditions that would make it possible to expropriate the property of reluctant owners legitimately do not exist. This position suggests that a majority of only 51 per cent, represented by a single actor in this case, does not provide a scenario where the objectives of land readjustment are being fulfilled and in general terms could indicate that threshold of 51 per cent might be too low.

These two projects share a common denominator: both were initially conceived and executed as top-down initiatives. They were imposed by their promoters with little if any concern for those who lived there, conducted business or owned/rented a piece of property. They were characterized by little or no effort to encourage community participation in the design phase. In the case of Proscenio, the promotor, after 5 years of discussion and tensions with many property owners, opted for a more attractive and inclusionary strategy and designed alternatives for property owners to participate in the Project and receive real estate products out the redevelopment process. Nevertheless, this Project after 8 years of its first approval, is yet to finish its first Urban Action Unit properties pooling.

One of the results is growing public skepticism toward urban renewal. Today, urban renewal represents the threat of dispossession and displacement for many residents. Social leaders and citizens’ groups always bring up the example of Manzana 5 in discussions about urban renewal projects. In addition to having failed to actually get underway almost 10 years after its initial formulation, this project has become a negative example that constitutes a paradigm for many people of urban renewal processes should not be carried out in the city.

The Fenicia Project

Founded in 1948, Los Andes University was the first private institution of higher education in Colombia that was both non-denominational and independent of traditional political parties and social or economic power groups. Ranked the fourth

¹ T Hong, Y. and Needham, B., (Eds.) (2007), *Analyzing Land Readjustment: Economics, Law and Collective Action*, Cambridge, Massachusetts: Lincoln Institute of Land Policy.

² Morales, L., (2009), “Megaproyecto en Bogotá enfrenta a Vecinos” *Revista Semana*.

³ Universidad de los Andes, (2013)

best university in South America, Los Andes is considered one of the most important training centers for local technical elites. It has more than 17,000 undergraduate and graduate students each year.³ Although its scholarship program for students of lower income and socioeconomic profile is constantly growing, its students are mainly from wealthy families with connections, relations, and influences in the world of politics, industry, and mass media.

The university has grown through a process of transformation and physical expansion beyond its original campus. Ever since its foundation, the university has had a growth strategy based on the purchase of nearby lots and houses, but with no major concern for the situation and needs of the inhabitants of the surrounding area.

Taking advantage of the fact that the 2003 revision of the Bogotá POT included an area adjacent to the university's traditional campus as part of the areas open to urban renewal, beginning in the 2007 the university decided to play a leading role in formulating the partial plan for the area. For this purpose, it hired well-known promotion and construction firm to formulate an urban renewal partial-plan project. Although the area included in the project covered a total of 9 blocks, the university focused its attention on only one of them where it planned to expand its campus.

Coupled with the initiatives presented to the city planning authorities to formulate the project, the university constituted a land trusteeship in 2008 to manage and administer the acquisition of the lots on the block it was interested in. For this purpose, an agent called a "facilitator" was structured, which in its own name, and bound to not reveal its link to the university, would undertake the initiatives and negotiations regarding the purchase of the required lots.

The project advanced in accordance with this logic until it had a partial-plan proposal that was officially registered with the Secretary of City Planning in 2009. Given that the legal procedure for formulating and approving partial plans requires that the consultation process with property owners and neighbors be undertaken once the proposal has been registered and initially evaluated, this initial proposal was never the subject of consultation or participation, leading to certain developments which will be explained in detail below.

By 2010 the situation was precarious. There was a proposal that had been elaborated completely "behind closed doors" by the university; only three lots had been negotiated on the block in question; public resentment of the Manzana 5 project – a neighbor of the area of this project – was growing; the social movement organized to defend the land in the city center from urban renewal by real estate projects with no consideration for resident communities gained ground in public discussions; and all private initiatives of partial plans for renewal – except Proscenio – were blocked in their processes of formulation and approval.

It was at this moment that an unprecedented process took place within the university. Under the leadership of Oscar Pardo, a professor of the Business School, the way in which the university had been developing the proposal, as well as its scope and objectives, began to be questioned. According to the professor, an urban project in the zone adjacent to the university's traditional campus should be an

opportunity not just for the physical transformation of the university surroundings, but for the social and economic situation of neighborhood inhabitants as well. With his leadership and vision, a process of raising awareness and negotiations began with those responsible for transforming the initiative. These actions totally reformulated the project. Thus by the end of 2010, Pardo obtained the endorsement of the project administrators and the university president to modify the project and form a multidisciplinary team of university professors charged with creating a different and innovative workspace for this urban transformation initiative.

Thus the Progresía Fenicia Program of Los Andes University was born and given the mission of coordinating an urban renewal project capable of transcending the logic of real estate project and making it possible to modify the patterns of exclusion and lack of consultation and cooperation that characterized the city's "emblematic" urban renewal initiatives at that time.

The first consequence of this change of focus was to return to the very beginning of the administrative process to formulate and approve a partial plan. Although the first initiative had formally advanced to the consultation and coordination phase, the Progresía Fenicia team understood that the only way to advance in a transparent way was by forming bonds of trust with the neighborhood community, and for that it was necessary to start the process all over again.

The area and its basic characteristics

The area of intervention is located in the Las Aguas neighborhood (see Figure 1). The target area of intervention is delimited by Circunvalar Avenue, 3rd Avenue, 20th Street and Jiménez Avenue, grouping together 9 blocks and a total of 504 lots that make up an area of approximately 8 hectares.

Table 2 shows the primary use of the land in the zone that is residential (50 per cent of the area of the plan) with three main types of housing: (1) one- and two-storey adobe houses; (2) two- and three-storey houses built of concrete and brick; and (3) condominium buildings. The next most common use is that of commerce and services (34 per cent) that mainly cater to the needs of the university population of Los Andes and other neighboring universities. These mainly consist of restaurants, stationery stores, shops and parking lots. This last use has the greatest impact on the zone and occupies around 21 per cent of the land (Universidad de los Andes 2014).

The area is characterized by a very low percentage of land occupied by buildings, with an average occupation rate of 47 per cent, except for Manzana 4, which is 84 per cent. The present occupation illustrates what has been happening in the neighborhood in recent years, mainly a dynamic of demolition of deteriorated buildings giving way to parking lots that create unsafe urban vacuums.

The housing types that make up the target area of the partial-plan project appear in Table 3. In general, the presence of condominium properties is very significant since it represents 53 per cent of the total number of real estate units. Nevertheless, their land coverage accounts for only 7 per cent of the total land area.

Figure 1. Location of the area



Source: Universidad de los Andes (2014).

Table 2. Land Uses

Use	Total	%
Commerce	6,063	13
Industrial	3,487	7
Institutional	3,463	7
Parking	10,133	21
Residential	18,283	38
Residential with storefronts	1,506	3
Residential HP	768	2
Residential HP with storefronts	3,222	7
Fiscal property	1,129	2
General Total	48,055	100

Source: Universidad de los Andes (2014).

Table 3. Real Estate Units within the Partial Plan

Property type	Real Estate Units	%
Condominium	269	53
Non-condominium	235	47
Total	504	100

Source: Universidad de los Andes (2014)

The process

Starting with the complete rethinking of the project and together with the discussion with the Secretary of Planning throughout 2011 for the new issuance of the initial administrative act to officially formulate a partial-plan project, the team began to get to know the neighborhood, its inhabitants, social networks, leaders, economic dynamics, expectations and prejudices with respect to the university. The strategy of approaching the community and gathering primary material consisted of ongoing activities in the area of intervention and influence (broadened) within the Triángulo de Fenicia. The majority of these activities included open calls for participation and approaches to the La Paz neighborhood, the El Payán sector, and the community of the entire neighborhood of Las Aguas (see Figure 2).

Figure 2. Location of Neighborhoods



Source: Universidad de los Andes (2014).

Phase 1: Getting to know the neighborhood and its situation

The first phase, “Recognition of the neighborhood and its actors”, lasted about one year and involved the following activities and steps:

- Preliminary information (October 2010): In this stage, basic data collection on the sector and of previous local studies was carried out. This is where the first contacts with institutional leaders were made, the preliminary work plan was drawn up, and the parameters for initiating the project were established.
- Exploration of mediators and actors (November 2010 – January 2011): In this stage, the land uses and the demographic and socioeconomic characteristics of the population were studied through interviews of community leaders.
- Identification of interest groups (February 2011): At this stage, identification was made of, and meetings were held with the following groups: small-business owners, large-property owners, social leaders, institutional actors like the Universidad de América, and the Philharmonic Orchestra of Bogotá. Important information was collected in these meetings for the design of interviews and future workshops.
- Community building workshops (March–April 2011): During this stage, social cohesion workshops were held with the community to help them take ownership of the project. Work began on collecting material for carrying out projects like the Ver más allá, an exposition done by the children of the community.
- Elaboration of the questionnaire for the survey on living conditions (April – July 2011): In this stage, a survey on living conditions was done to establish the socioeconomic conditions of the sector's inhabitants.

As a result of this first exercise, a network of key actors who served as contact points with the community and the neighborhood was constructed.

The census of living conditions covered the three neighborhoods of the area: (1) Las Aguas (159 households surveyed); (2) El Payán (15 households surveyed); and (3) La Paz (66 households surveyed). Nonetheless, it is worthwhile to note that Las Aguas is the project's neighborhood. The Living Conditions Survey is a basic survey that was applied to the resident households in the Triángulo de Fenicia. The survey aimed to gather information on the living conditions and the characteristics of the households and the businesses located in the community. The survey encompassed the households residing in private units and commercial storefronts in the Las Aguas, El Payán, and La Paz neighborhoods.

The Living Conditions Survey had two units of observation: (1) the household, defined by the common expenditure unit; and (2) the storefronts with economic activity unrelated to the households of the lots where they are established. The questionnaire asked about the housing conditions, the households, and the people. In relation to housing and the household, information was gathered regarding the characteristics of the building, housing conditions, accommodation conditions of the household. In relation to the people, questions were asked about their demographic, educational, and employment characteristics. Information on the tenancy conditions of the property and economic activities was gathered on the commercial storefronts.

Despite the university's efforts to emphasize the importance of the survey with the community, its coverage results were not completely satisfactory. On one hand, the residents of four apartment buildings in the Las Aguas neighborhood (blocks 2 and 4) with a dense concentration of population were reluctant to give information. Only 240 complete surveys were obtained from all the households visited, a total coverage of 44 per cent.

Despite its limited coverage, the survey made it possible to know four socioeconomic aspects of the households surveyed: housing conditions, household characteristics, characteristics of the head of household, and characteristics of the people. Tables 3 and 4 show only the information relating to the area of direct intervention, but do not include the results for the Payán and La Paz sectors – which are considered the area of influence and were also studied.

Table 4. Percentage of Housing types and conditions

Housing condition	Las Aguas
Type of housing	
House	50.3%
Apartment	27.1%
Room	22.6%
Other	
With reforms	43.4%
Extension plans	17.6%
Floor material	
Carpet, marble	15.1%
Tile, tablet, brick	38.4%
Cement gravel	29.6%
Unfinished wood, wooden floorboard	15.7%
Number of responses	159

Source: Universidad de los Andes (2014).

Table 5. Tenancy and legal situations

Tenancy conditions	Las Aguas
Housing tenancy	
Own paid in full	41.5%
Own not paid in full	1.3%
Rented	37.7%
Possessor, de facto occupant	16.4%
In usufruct	1.3%
Other	1.9%
Property deeds	
Held	83.8%
Registered	98.2%
Is the legal measure that affects the property known?	
Yes	8.8%
Embargo	
Mortgage	21.4%
Lawsuit	42.8%
Other	35.7%
No	75.5%
Doesn't know	15.7%

Source: Universidad de los Andes (2014).

The information gathered through the Quality of Life Survey was complemented by a socio-demographic study of the neighborhood and the needs, priorities, and preoccupations of all households. It was carried out by a team of anthropologists, using tools such as semi-structured interviews, direct social observation, and focal groups. The team surveyed approximately 100 families, coinciding with the area of greatest social vulnerability. The study gathered information on the situations of families, their forms of organization, and life trajectories, thus making it possible to better understand the main perceptions of the most vulnerable inhabitants of the area and to obtain important information for building trust and designing alternatives for participation and social programs for the project.

Phase 2: Information gathering and trust building

This phase continued the process of recognition between the university and different community actors. Workshops and discussions between the two aimed to recognize the differences and disparities between the expectations and needs of the community depending on variables such as socioeconomic condition, type of tenancy, and economic activities conducted there. Different actors were invited to trust-building activities, segmented on the basis of such variables, and discussions regarding the project continued by bringing the community together in diverse groups based on the aforementioned characteristics. One of the most important activities carried out during this phase was the participatory urban design workshops (see Figure 3).

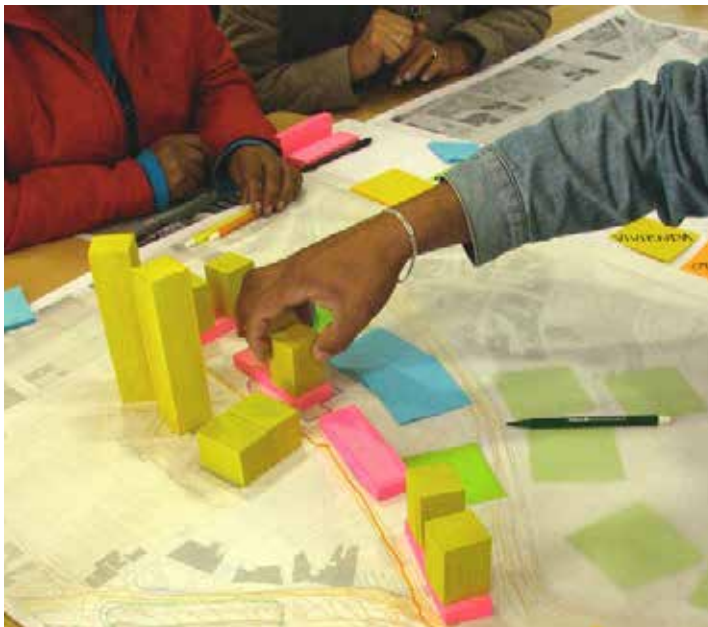
The objective of these workshops was to create space for informed participation with the people who inhabit and/or work in the Fenicia sector, so as to define a collective vision regarding how they imagined the urban transformation of the area. For this purpose, each workshop carried out discussion and reflection on the implications of change in the area. These activities began in plenary sessions and later divided into smaller groups, with the aim to get the group working together to develop abstract volumetric proposals representing ideas about what the physical transformation of the sector could look like. The results of these participatory workshops later became the starting points for development of the urban proposal.

A total of nine workshops were held with different community groups. Based on the conclusions, a set of basic urban design criteria was constructed for the project and incorporated into the detailed technical design of the proposal. These criteria related to the territorial conditions that the project should respect, preserve, and realize, associated with its proximity to the city's eastern mountains and close connection to nearby hills—Monserate and Guadalupe. The following basic objectives were generated:

- Define two thoroughfares (22nd Street and the Environmental Axis) as central elements of circulation within the project;
- Recover the parks and green areas;
- Generate more space for developing housing of diverse heights and uses that will bring more activity;
- Develop space for commerce on the lower floors;
- Enhance the tourism potential of the area, taking advantage of the elements of cultural heritage and conservation that it has today;
- Ensure the integrity of community space for children and for the elderly; and
- Improve security that is linked to improving access roads, quality of sidewalks, and entry routes into the neighborhood.

The results of the workshops were presented in two activities—an exposition opened to the public and a plenary session for the presentation of results. The objective of these activities was to present the synthesis of the results of the workshops and main ideas generated through the process. Figure 4 shows the primer report titled “Results of the Participatory Urban Design Workshop” that was prepared for the plenary session.

Figure 3. Participatory urban design workshops



Source: Universidad de los Andes (2014).

Figure 4. Public information about the results of the participatory urban design workshops



Source: Universidad de los Andes 2014

Phase 3: Consolidation of trust and formalization of interest in participating in the project

In the process of building trust, many actors approached members of the university team to have more direct and personalized contacts with the project. There was a growing interest on the part of many owners in knowing about the project in detail, especially the eventual conditions of participating in the project and its benefits for their specific situation. In response, the project began to draft criteria and rules for “entry and exit” to the project that were later refined and improved in the process. The basic characteristics of these criteria and rules are detailed in the following section together with the description of the urban project.

This interest expressed by some proprietors in early 2013 also led to the formalization of agreements with the project, specifically the design of a “letter of intent and good will” signed between interested proprietors and the university. This document does not represent any contract or definitive commitment between the university and the proprietors, but is simply a sign of good will between the parties to define the specific conditions of participation and the owners’ association with the trusteeship that will facilitate land readjustment as well as the equitable

distribution of costs and benefits. For the interested owners and the university, the signed document represents the acknowledgment of interest in participation and a clear indication of confidence in the university and the project.

The signed documents symbolized that the project was consolidating an important basis of legitimacy. As of May 2014, the process of formalizing the letters of intent and good will had advanced to the point of being accepted by approximately 120 owners that represented about 25 per cent of the total number of owners and approximately 30 per cent of the total private area subject to land readjustment.

Yet there was still one part of the community that questioned the project and the process carried out thus far, and they organized themselves into a civic committee called No se Tomen Las Aguas. The committee was led by the property owners of one of the eight condominiums of multi-family housing that represented about 50 per cent of the total number of properties and an important part of the population with the highest incomes and levels of education in the area. Despite having contact with them since the beginning, their relationship with the project was tense and pugnacious.

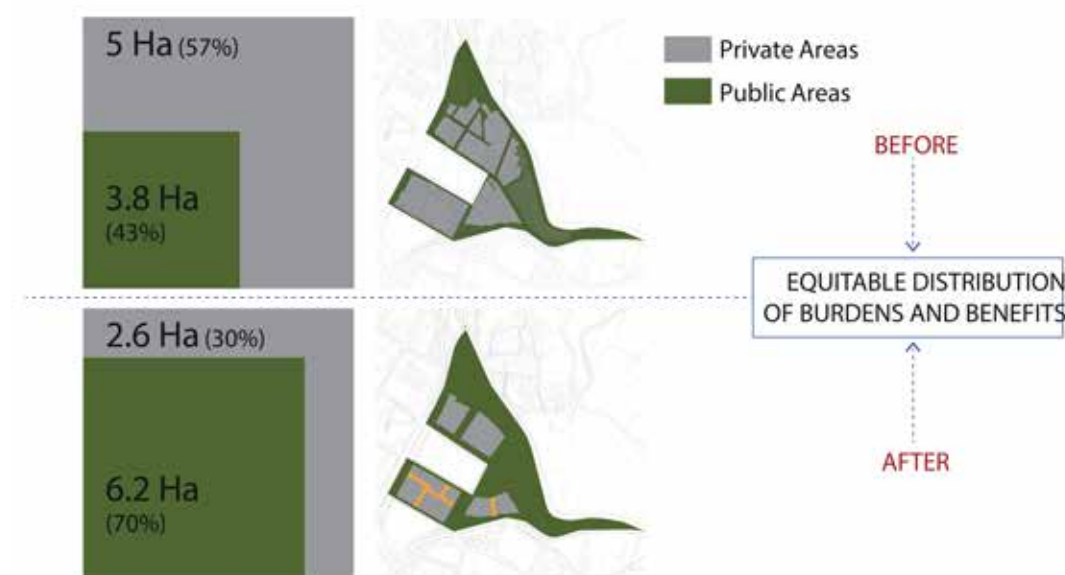
The committee organized demonstrations in the neighborhood (see Figure 5) and invited others to join them in vindicating their rights. They also contacted the mass media to make their activities and grievances known and pressured different agencies of the city government, especially the City Planning Secretariat, to address their concerns. Their main complaint was that the project was imposed on them and designed only to suit the needs and expectations of the university.

As a measure to permit some final adjustments to the project and as an incentive to achieve greater cooperation on the proposal, the City Planning Secretariat stipulated that the proposal could be adjusted, incorporating new agreements and consultations. Given the pressure exerted by the committee, the window left open by the Planning Secretariat, and the university was willing to make all necessary efforts to build consensus and gain legitimacy both for the process and for the project. In January 2014, under the mediation of the *Veeduría Distrital*⁴, different actors of the community, especially with the civic committee, opened new discussions and dialogues about the project.

At first, the process was marked by tension and the civic committee’s intention to delay the approval of the project as a way to gain stronger bargaining position and to discredit the process of discussion and cooperation on the proposal previously undertaken by the university with the residents and property owners in the area. Nonetheless, during the discussions on the points of discord, two things became clear: (1) the committee only represented owners’ interests of the complex where its spokespersons lived or owned property and some neighboring lots located on the same block; and (2) their intention was mainly to maximize the economic benefits for this group according to the rules and criteria established by the partial plan for land readjustment.

⁴ The Veeduría Distrital is an agency of the city government whose main mission is to promote transparency and prevent corruption in public management of the district. One of its objectives is to encourage citizens to exert control over the activities, programs and projects carried out by different city government agencies. For more information consult: www.veeduriadistrital.gov.co.

Figure 5. Public/ Private Space of the urban proposal



Source: Universidad de los Andes (2014).

The Planning Secretariat continued the activities in the process of final approval of the partial plan along with these panel discussions, but after the first three months of work, the agreements were still incipient. Although the main discussion points had been identified, no progress had been made in terms of reaching any concrete agreement. From the start of the workshops, both the Secretariat and the Veeduría warned about the need to finalize agreements within a short time and about the impossibility of delaying the final approval of the partial plan.

On this point and given the pressure imposed on the process to decide on the topics of discussion and agreement, the committee spokespersons specified their points of concern and presented their proposals to be discussed with the university and the city government. They were:

- location of the replacement housing on the same block of origin;
- modification of the proposal on the delimitation of the *unidades de actuación urbanística*, excluding the unit corresponding to the block where the housing complex of the committee spokespersons is located—an area corresponding to approximately 26 lots located on another block;
- revision and refinement of the estimated costs of the project, especially those associated with the general infrastructures of the city and not of the project's own area, with social programs to support the urban transformation process;
- participation of the owners in the profits and financial benefits of the project and establishment of commercial valuations as a starting point for appraisal of the owners' contributions;
- location of the project's social housing units; and

- temporary freezing of the socioeconomic stratification of replacement housing units in the neighborhood, so as to avoid escalating the cost of public services.

To moderate the economic demands of the committee, the university spokespersons insisted on the argument about the effects over the interests of other stakeholders and the equity implications of giving the civic committee more benefits or having artificial distinctions between property owners in the land readjustment criteria. To discuss these points and their respective technical analysis, the committee decided to hire an external consultant with knowledge of architecture and city planning as well as processes of building construction to assist the project. Although the owners who eventually joined the committee had indicated from the start of the conversations with the university that they were going to consult a real estate expert, the consultancy was not arranged until the end of this stage. The consultant with knowledge of technical matters involved in the partial plan created more productive discussion and made it possible to have a more detailed analysis of the project. As a result, both the city government and the university decided that it was possible to revise some points of the project and agree on how they should be included in the decree that would adopt the partial plan. An agreement between the parties was reached, and the specific adjustments to the project were as follows:

- Greater flexibility regarding the location of replacement housing.
- Modification of the proposal for delimiting the *unidades de actuación urbanística*.
- Clarification of project expenses, excluding some costs for improvement of two thoroughfares or main roads, which the Secretary of Planning decided that they were not essential for the project.

- Clarification of the method of exchange for the system of land readjustment, making visible the valorization or benefit that the owners will obtain.
- Freezing of the socioeconomic strata for replacement dwellings for a 10-year period starting from the moment of transfer of the property.

The only points that no agreement was reached with the committee were those related to not locating social housing on the new blocks of the project and decreasing the resources for social programs. It was not possible for the city government to be flexible on these points as the decision was in favor of the diversity of uses and socioeconomic conditions in the area, which required the availability of social housing throughout the area. Likewise, the decrease in the estimated costs for social programs was non-viable because of the importance of accompanying the process of physical transformation with social support, especially for the most vulnerable inhabitants.

The final proposal

The final urban proposal resulting from the discussions with neighborhood actors and city authorities posed a new reconfiguration of the public and private space, increasing public areas from 3.8 hectares to 6.2 hectares, and reducing private areas from 5.0 hectares to 2.6 hectares as illustrated in Figure 5. The urban design recognized the most sensitive and strategic topics that resulted from the participatory urban design workshops, as shown in Figures 6a and b. Table 5 also states the proposed new land use composition for the area in detail.

Figure 6a. Urban design proposal



Source: Universidad de los Andes (2014).

Figure 6b. Main proposal new Public Park (Parque de Piedemonte)



Source: Universidad de los Andes (2014).

Table 6. General data about the proposal

HOUSING		LOTS	LAND USES
BASE LINE	400 dwellings	9 blocks	20% Parking lots
		180 apartments	12% Commerce
		504 pieces of real estate	14% Institutional and Industrial
		222 lots:	8% Condo Housing
		50,000 m2 private	40% Housing
			6% Housing in public space
THE PROPOSAL	380 replacement housing units	5 blocks	Mixed uses, predominantly:
	520 apartments with new residents	900 apartments	36% Commerce, offices, housing
	10% social housing units	22 lots:	7% Hotel
		26,200 m2 private	19% Institutional, commerce
			38% Condo Housing, commerce

Source: Universidad de los Andes (2014).

In principle the proposal states that for the purpose of facilitating integral management of the project and minimizing the need to move residents temporarily, the construction of all the replacement housing would be concentrated in the first phase of development. Despite the fact that the land readjustment proposed is not done among all the lots but only in five areas grouped in an equal number of unidades de actuación, the initial idea was that the university would take charge of promoting the readjustment of lots in the first unit and of building all the corresponding housing. Unit 1 has few lots (see Figure 7), and close to 40 per cent

of it consists of one large piece of property where an industry currently occupies. The dwellings in this unit would offer replacement housing to the owners in all the other unidades de actuación and would thus free up the land needed to continue developing the remaining units. To facilitate the exchange of existing housing for new housing, the trusteeship scheme was designed to permit the remuneration of the owners (with one or more dwellings, depending on the size of their properties) for the readjustment that could be agreed outside of their own area and in Unit 1.

Figure 7. Location of Unidades de Actuación Urbanística Proposal



Source: Universidad de los Andes (2014).

Despite the fact that this was based on the need to guarantee the construction of all replacement housing with minimal relocation, the proposal was not well received by different stakeholders. For many, concentrating all the replacement housing in a single area was unacceptable since this area is presently located in one of the sections inhabited by low-income population with deficient urban surroundings. Their main grievance was that the replacement housing should be located throughout all the unidades de actuación of the project, thus permitting not only permanence within the area of the project but on the origin block as well.

This rejection made it necessary to modify the proposal in the final phase of project approval in order to locate the replacement housing throughout the entire project area and in each one of its units. This situation demonstrated the importance of ensuring that the lot or building offered to each owner would be located as close as possible to the original property. The adjusted proposal includes the location of replacement housing in four of the five unidades de actuación. There is only one unit with no replacement housing because that unit is designed solely for public facilities.

The governance structure for implementing land readjustment

In accordance with the proposal by the university, its role as the promoter of the project transcends real estate interests and instead aims to revitalize an urban area that includes the development and reinforcement of its social networks and the permanence of the residents with greater possibilities of economic growth and development. In order to guarantee the equitable distribution of costs and benefits and to facilitate associated management mechanisms among proprietors, the proposal states that land management will be done through unidades de actuación urbanística. The proposal defines five different unidades de actuación that group blocks and lots in the way as presented in Table 6. The location of each unit can be seen in Figure 7.

The purpose of the defined unidades de actuación urbanística is to guarantee adequate use of the target area of the plan, a transformation in stages, and the provision of the infrastructure required for renewal. Despite the transformation will be carried out in steps, the equitable distribution of costs and benefits will be shared among all the properties and owners involved. There will be a trusteeship in charge of regulating and finalizing this equitable distribution among all the units. It has been calculated that land contribution ratio in the land readjustment scheme will be around 50 per cent.

Table 7. Areas and composition of Unidades de Actuación Urbanística Proposal

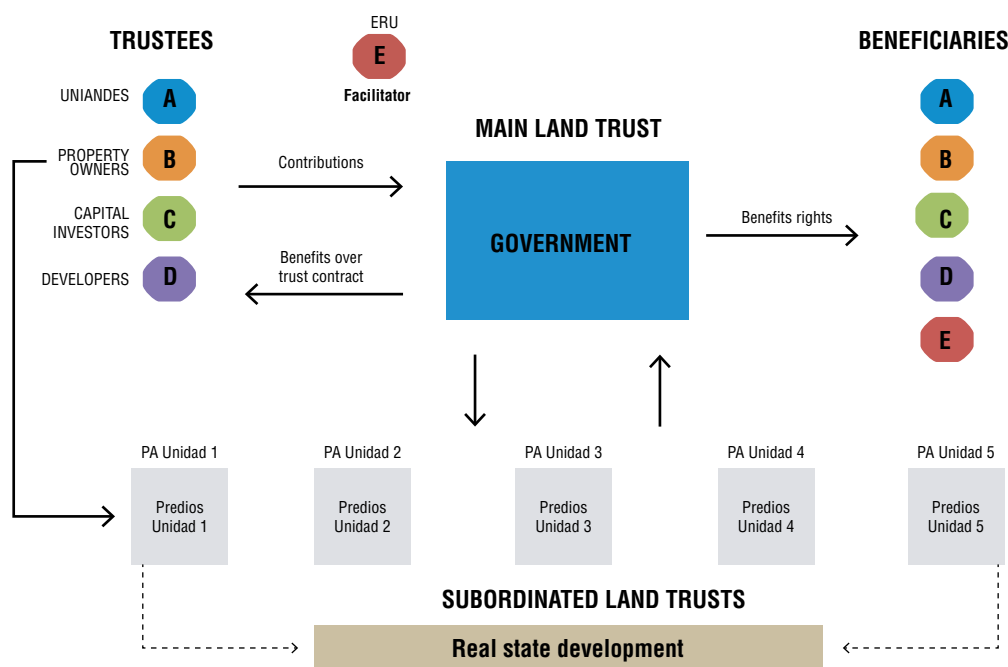
UAU	Approximate private area (cadastral 2013 in square meters)	Current block number	Approximate number of single detached houses, apartments, and lots
UAU_01	6,332	13	15
UAU_02	13,864	4	224
UAU_03	8,717	26	49
UAU_04	12,773	24, 25	64
UAU_05	11,019	2, 12, 13, 38, 39	130
Total	52,705		

Source: Universidad de los Andes (2014).

The legal mechanism that will be used in the unidades de actuación urbanística will be a commercial trust scheme through which a principal land trust and five land trusts subordinate to it are constituted to carry out the inclusion of the lots of an equal number of unidades de actuación (see Figure 8). The landowners, the project promoter, and the investors will all participate in this scheme, as well as the city government through the ERU.

The trusteeship scheme permits the participating owners to become partners in the project and share its profits. The basic remuneration framework for the land readjustment scheme is based on the currently constructed area. In the project formulation stage, it became evident that one of the main concerns of the owners and apartment dwellers was with the possible decrease in the size of their constructed area. For them, and despite the fact that there would be an increase in the value of their properties to compensate for the decrease in area, this situation was not appealing, because they did not want to modify their available private space.

Figure 8. Land Trust Scheme



Source: By the author based on Alianza Fiduciaria documents.

Although the property owners in condominiums did not hold a decisive percentage of the land (7 per cent), they are the majority in terms of the number of owners representing 53 per cent of the total. This situation, coupled with the need to make the offer of permanence in the area attractive to the greatest number of owners, led to the area based readjustment scheme, as illustrated in Table 7.

It is important to note that this area-based land readjustment scheme was the result of two circumstances that became clear during the formulation process. On one hand, there was a need to attract apartment owners to participate in the project. On the other hand, controversies and lawsuits could lead to changes in the definition of current market values of properties. Through the discussion with property owners, the scheme was changing from a value-based approach to area-based scheme. Obviously it was feasible after many financial tests and because of the proposed densification.

- Establish rules for the nomination and election of the different representatives who will be part of the different bodies within the structure; and
- Establish the rules for decision making during the development of the project.

As a result of this exercise, on October 1st, 2014 ⁵ the city government gave its final approval for the project. With this approval, it defined the basic rules of the project, specifying the duties and rights of the parties. Furthermore, the urban design of the project to be carried was also approved, including the streets, sidewalks, parks and plazas, the public equipment, and the city blocks.

The specific decree stipulated that the location of the replacement housing units could be in any one of the UAUs of the project. In addition, the parties commit themselves to continue the social programs that seek to support the different

Table 8. Land readjustment criteria

Current property type	Exchange criteria	Exchange ratio	New unit type (use)
Apartments	Built area (m2)	1 square meter of new constructed area for 1 square meter of current constructed area.	Apartments (residential)
Houses	Built area (m2)	1 square meter of new constructed area for 1 square meter of current constructed area.	Apartments (residential or business in commercial zone)
	Unbuilt area (m2).	0.5 to 0.7 square meter of the newly built area for 1 square meter of current area (depending on size and location).	Business units in commercial zone
Plots	Surface area (m2)	0.5 to 0.7 square meter of the newly built area for 1 square meter of current area (depending on size and location).	Business units in commercial zone

Source: Pinilla (2014).

The project is committed to the participation and involvement of diverse actors. It requires that owners and occupants of the area, the university, the city government and the investors create both informal and formal institutions for building consensus and making decisions. To facilitate and implement these principles, a governance proposal has been designed to determine how the different interest groups and actors will interrelate and communicate with each other. It is based on the creation of diverse workshops, each one with different representatives and objectives, as well as specific assigned functions. This proposal is still under consultation; but it is expected to function officially after the partial plan has been adopted.

The proposal by the university requires the creation of a governance structure that will fulfill the following purposes:

- Serve as support and bridge for participation, communication and exchange of information among the different actors;
- Create formal bodies in charge of supervising the project with representatives from different interest groups, including the promoter of the project (Los Andes University), the owners of the real estate that forms part of the partial plan, the capital investors, and the city government.

communities of the zone (the programs have different objectives: some promote entrepreneurship and productivity, while others provide support for the elderly or services for children). It was established that the project will provide legal counselling if the inhabitants require it, especially in cases where there are situations of informality or precariousness with respect to titles of ownership, in order to also protect the tenants and enable them to be treated in the same way as the owners.

On the one hand, it establishes that the replacement real estate units will have the same characteristics as those that are put up for sale. The constructed area of the current structures will be replaced meter-by-meter, while the area that has not yet been built will have a different modality. Finally, the owners will be offered preferential prices if they decide to acquire more meters or another real estate product.

On the other hand, the owners, the university and the city government must organize a government structure for decision-making in the project, with the participation of all the parties. The issuance of Decree 448 of 2014 -- on incentives for the owners for their participation in urban renewal processes -- was added to the approval of the plan. These regulations were clearly a complementary response to the demands of the community during the final process of consultation of the project. This included

⁵ By means of District Decree 420 of 2014.; <http://www.alcaldiabogota.gov.co/sisjur/normas/Norma1.jsp?i=59572>

very sensitive topics that were not initially included in the approval of the project, such as the possibility of freezing the socioeconomic stratification of the units of replacement housing for 10 years, as a measure for neutralizing possible increases in the costs of living for families that remain in the urban renewal zones. In relation to households that live in rental housing, if they meet the requirements, they will be able to receive district subsidies for buying housing units within the same project (up to 30 per cent of the subsidized housing units generated in the project will be able to be allocated to tenants).

One of the lessons the university has learned from the process of formulating this partial plan, with respect to participation in urban renewal processes, has been of the importance of generating direct and accessible means of communication with the community to inform and draw the original owners closer with the advances of the partial plan. Since the creation of a monthly newspaper called "Directo Fenicia" in October of 2014 (Figure 10), a bond of trust and credibility has developed between the owners and the Progres Fenicia Project and the program. This has undoubtedly been a key mechanism not only for involving the owners and neighbors of the sector in the everyday happenings and the advances in the partial plan, but also for understanding and articulating the needs and expectations of the owners with respect to the proposals of the project.

Figure 9. Newspaper Covers from "Directo Fenicia" (2016)



Source: Progres Fenicia Program, 2016.

Implementation of the first phase: Unidad de Actuación Urbanística No. 1.⁶

Based on the grounds and definitions established with the final approval of the Partial Plan towards the end of 2014, the university as promoter continued the process of dialogue and information with the community and interaction with the other actors from the city government in order to initiate the phase of implementation. At the beginning of September 2015, it officially requested the initiation of the administrative procedure of delimitation of the UAU1 of the project.

As result, in March 2016, the Bogota Mayor issued District Decree 146 of 2016, "By means of which the Unidad de Actuación Urbanística No. 1 of the Partial Plan for Urban Renewal of Triángulo de Fenicia is delimited and declared a matter of Priority Development." Therefore, the owners of the unit must agree the bases for their contribution and rules of readjustment, within a maximum time limit of six (6) months starting from May 10th, 2016.

Once this deadline has expired, and if in such case no agreement among all property owners has been reached, the promoter of the partial plan will have to inform the Empresa de Renovación y Desarrollo Urbano de Bogotá regarding the acceptance and agreement of the owners with respect to the execution of the UAU, in order to determine the applicable mechanism for acquiring the property units of reluctant owners and proceed with the processes of compulsory acquisition or administrative expropriation, in accordance with the provisions of Chapters VI and VII of Act 388 of 1997, in order to ensure the land readjustment of this unit. In both cases, the property units acquired will be able to form part of the managing body and will be incorporated into the trust scheme structured for the development of UAU1.

The declaration of priority development of this unit legitimizes the work carried out over the course of several years and recognizes the intention of developing this zone of the city through an integral Project that will benefit not only the city but also the owners. In this sense, the objective of the declaration of priority development is: (a) to determine the priority development or construction of property units that will form UAUs, according to the priorities established in the Partial Plan; and (b) to recognize the collective interest in the execution of UAU1, in order to prioritize and execute the negotiation with the original owners of the fifteen⁷ property units of UAU1 (Figure 9a).

Los Andes University, as promoter in the terms defined by District Decree 420 of 2014, has made overtures to the owners of the different property units that make up UAU1 to encourage their involvement in developing the Partial Plan in accordance with the rules and criteria established in Articles 47 and 48 of the above-mentioned decree. In this way, the promoter and the owner(s) have maintained an agenda of meetings and conversations during the past few months in order to define and specify the conditions of linkage to the development of the Partial Plan.

Los Andes University also held meetings with the owners from the UAU1 of the Triángulo de Fenicia Partial Plan, in order to present and exchange views on the bases of action for this first unit (Figure 9b). During those general meetings, the University presented the scope of the bases of action, the distribution of uses and

⁶ This section is based on a case study titled: Land Readjustment as a Means of Participation and Inclusion of Communities in Urban Renewal: The Experience of the Fenicia Project in Bogotá. The case study is part of the World Bank's materials on land readjustment and it is available on <https://oic.worldbank.org/content/land-readjustment-self-paced>

⁷ The fifteen properties are numbered 1-7 and 13-20, as depicted in Figure 9a and referenced in Table 6.

areas for the unit, the management scheme and structure of government, the mechanisms for the linkage of owners, and conditions for the restitution of owners' contributions.

Figure 10a. Properties in UAU1



Source: Progresa Fenicia Program "Bases para la Actuación de la Unidad de Actuación Urbanística no. 1 Plan Parcial Triángulo de Fenicia," 2016.

As a result of the discussion process, the vast majority of owners (representing around 93 per cent of the area) have declared their intent to participate in the unit implementation and have already signed a special document in which they agree to commit themselves to moving forward and contributing their property to the trust scheme within the next several months.

Due to those cases, and taking into account the deadline for the final agreement, the University has initiated conversations with the local government agency (Empresa de Renovación Urbana) in charge of the use of expropriation in cases of reluctance to participate in the land readjustment. To proceed with expropriation with respect to the reluctant owners, so that those properties can be contributed to the trust scheme, it will be necessary to have a signed agreement between this agency and the University. In this context, the use of expropriation clearly will be a tool to avoid blocking the process due to a minority of reluctant land owners. It will legitimize the use of this compulsory mechanism and will serve as a means to guarantee the readjustment feasibility.

Reflections

It is impossible to do a complete evaluation of this project because it has not yet been fully implemented. Whether the main objectives have been fulfilled and the participation and cooperation of different actors involved in the land readjustment process is still uncertain. Nevertheless, it is possible to reflect on the formulation phase of the process.

The first lesson is the importance of building trust and negotiation among diverse actors. Traditionally, in the Colombian context, it has been common for urban projects to be rigidly separated in their planning and management stages, and it is assumed that management should formally begin only with the approval of a partial plan and thus the negotiation and a quest for agreements with the owners involved. This experience has shown that negotiation and efforts to reach agreements among actors is fundamental in the design and formulation phase of a project. In this particular case the project actually underwent many adjustments and transformations as a result of the different agreements reached during the design and approval phase. Having approved a project without including all the issues and concerns that arose during the design and trust-building phase could seriously compromise its viability.

Second, land readjustment as a land management tool together with the involvement and participation of the owners in an urban project is a favorable scenario for motivating and promoting grassroots participation. In this scenario, participation is not perceived as something abstract, but rather involves very precise reasons and incentives for mobilizing local residents. However, it is also necessary to show that one cannot speak of a community with harmonious and common interests in urban context. What the Fenicia project has shown is that there are diverse interests and actors within the community that necessitate different scenarios of discussion and agreement.

Third, it is useful to have procedural documents designed to formalize agreements. These documents are instrumental in building trust and eliminating suspicions among the different actors. For the Fenicia project, both the signing of the letters of intent and good will and the agreements with the community represented by the "No se tomen las aguas" committee have helped increase transparency and involvement of diverse actors. The existence of these agreements and their public presentation has become a message of legitimacy for other actors. Although in this case these agreements do not represent the owners' commitment to the land readjustment scheme, they constitute a first step for consolidating trust and mutual interests.

Fourth, one of the key elements that facilitated finalization of the agreements with the community was the presence of technical support. In order to contrast, analyze, and understand in detail all the technical aspects of the university proposal, the committee hired an architect with knowledge of and experience in real estate development. Although the university had offered technical support for the proposal, its inputs were received with suspicion and distrust simply because it is the promoter. Technical information from an expert who was not connected to either the university or the city government facilitated understanding of the proposal and reduced suspicion.

Figure 9b. Meetings with the owners of the UAU1



Source: Progres Fenicia Program

Fifth, the risk that became apparent later in the process was the monopolization of the community representation and voice by a single actor or group of leaders. In this case, the “No se tomen las aguas” committee began vindicating its representation and role as the general spokesperson of the community. In spite of this fact, their most visible leaders belong to a single housing complex in the area. This situation shows the importance of the mediation of public actors capable of safeguarding the interests of those who were not represented at the negotiating table. In the end, the agreements represented a balanced view of diverse actors and did not aim to benefit disproportionately any single party.

Sixth, what is also evident in the process is that those who organized most quickly were the groups from the highest socioeconomic sectors. Although their discourse has always been inclusive, showing concern for the community in general, their priority has been to safeguard the interests of the privileged parties. Hence it is very important to have actors who can achieve a balance and advocate the interests and needs of the most vulnerable groups throughout the design process.

Seventh, the land readjustment proposal must be clear and well-structured regarding the distribution of costs and benefits. It must highlight the fact that benefit maximization of any specific groups could be at the expense of other less influence groups. Unequal sharing of benefits and costs would lead public protests that create bad publicity or even block project implementation.

Eighth, In this case land readjustment did not require as a precondition of a well-organized community with clearly defined structure. Although there was no cohesive community organization in the area at the beginning of the project, the process seems to have influenced new forms of organization and leadership that are conducive to land readjustment. It indicates that the process of designing and managing an urban project through land readjustment may actually help nurture strong organizations and leadership within a community.

Ninth, a major innovation of the Fenicia project is the creation of a governance structure for project implementation. Developing the process of formulation and agreement shows the need to improve and intensify community participation after the plan had been approved and entered into the implementation stage. The existence of formal bodies for direction with representation of all actors is a clear way to advance new forms of urban governance and to contribute to the creation of trust and consensus that are essential for land readjustment.

Finally, the presence of organizations that can reduce fear, resistance, and distrust of private landowners will create favorable conditions for cooperation between the public and private sectors. Traditionally the government and private interests initiate land readjustment. In the Fenicia case, there was suspicion among the community of the motives of these actors. For this reason, an organization such as a university was more suitable for engendering greater openness and reciprocity between stakeholders.

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