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The potential use of Land Readjustment as an alternative urban development method in Kosovo

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This dissertation is dedicated to my wife and my children who encouraged me to pursue my dreams and finish my dissertation.

Statement of originality

This thesis is my original work and has not been submitted in whole, for a degree at this or any other university. Thesis does not contain, to the best of my knowledge and belief, any material published or written by another person, except as acknowledged in the text.

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LIST OF ABBREVIATIONS

ASK	Agency of Statistics of Kosovo
KS	Kukaku-Seiri
LR	Land Readjustment
MDP	Municipal Development Plan
MESP	Ministry of Environment and Spatial Planning
MZM	Municipal Zoning Map
SPK	Spatial Plan of Kosovo
SPSA	Spatial plans for special areas
URP	Urban Regulatory Plan
ZMK	Zonal Map of Kosovo

Abstract

Land Readjustment (LR) is an urban development method that has an extensive international application history, but it is practically unknown for urban planners and professionals in Kosovo. The use of Land Readjustment brings many benefits to authorities and landowners. Its use avoids the use of compulsory land acquisition methods such as the case of eminent domain or expropriation. Furthermore, Land Readjustment has great potential in creating regular urban land patterns and financing public infrastructure construction. It enables the development of the area without the need for displacement of the population. In addition, it preserves the land titles for most of landowners involved in land readjustment projects.

The post socialist countries or countries in transition as researchers commonly refer to them are experiencing different problems in urban planning and urban land management. The urban development policies have not been adapted to the newly created conditions influenced by the changes in the governance and the economic system of those countries.

The aim of the research was to explore the potential use of LR as an alternative urban development method for solving urban land development problems in transition countries with focus on Kosovo case. The international Land Readjustment experiences of countries such as Germany, Japan and Turkey were explored through the literature review with the purpose of using those experiences in creating the LR model for Kosovo. Three different urban areas from the urban plans of the capital of Kosovo-Prishtina have been selected as case studies. Theoretically, the potential of Land Readjustment in solving urban development problems in Kosovo has been demonstrated. At the end, the conclusions and the recommendations are drawn about the possibility of applying the Land Readjustment as an alternative urban development method in Kosovo.

Key words: land readjustment, urban planning, urban development, Kosovo,

Riassunto

Riadattamento del territorio è un metodo di sviluppo urbano il quale ha una vasta storia internazionale per quando riguarda le applicazioni, che però è praticamente sconosciuto per gli urbanisti e professionisti in Kosovo. L'uso di riadattamento del territorio porta molti benefici alle autorità e ai proprietari del terreno. Sua applicazione evita l'uso dei metodi di acquisizione dei terreni obbligatori come il caso del dominio eminente e l'espropriazione. Inoltre, il riadattamento del terreno ha un grande potenziale nel creare modelli regolari di aree urbane e nel finanziare la costruzione di infrastrutture pubbliche. Permette lo sviluppo dell'area, della zona, senza la necessità di spostare la popolazione. Inoltre, conserva i titoli di terra per la maggior parte dei proprietari della terra, territorio, coinvolti in progetti di riadattamento del territorio.

I paesi post-socialisti oppure quelli in transizione in cui i ricercatori fanno comunemente riferimento, stanno vivendo diversi problemi nella pianificazione urbana e nella gestione del territorio urbano. Le politiche di sviluppo urbano non sono adattate alle nuove condizioni create, influenzate dai cambiamenti della gestione e sistema economico di quei paesi.

L'obbiettivo della ricerca era quello di esplorare l'uso potenziale del LR come un metodo alternativo dello sviluppo urbano per risolvere i problemi dello sviluppo del territorio urbano nei paesi in transizione con attenzione al caso del Kosovo. Le esperienze internazionali di riadattamento del territorio dei paesi come la Germania, Giappone e Turchia sono state esplorate attraverso la revisione della letteratura con lo scopo di utilizzare tali esperienze nella creazione del modello LR per il Kosovo. Sono state selezionate tre aree urbane diverse dai piani urbani della capitale del Kosovo-Pristina, come casi di studio. Teoricamente, è stato dimostrato il potenziale di riadattamento del territorio nel risolvere i problemi dello sviluppo urbano in Kosovo. In fine, vengono tratte le conclusioni e le raccomandazioni sulle possibilità di applicare il Riadattamento del Territorio come un metodo alternativo dello sviluppo urbano in Kosovo.

Parole chiavi: riadattamento del territorio, pianificazione urbana, sviluppo urbano, Kosovo,

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CHAPTER 1

Introduction

"Land readjustment consists of pooling all land parcels within the readjustment area, the joint planning for servicing the land, and the redistribution of parcels in an orderly configuration, making room for public improvements."

(UN-HABITAT & GLTN, 2016)

Land readjustment is an alternative land assembly strategy to conventional land assembly methods such as eminent domain or expropriation. Although the method has a long history of application, recently it has attracted a considerable interest of the researchers due to the potential of the tool in solving different urban planning and managing problems. (Doebele (2007), Home (2007)).

Furthermore, the method has taken the attention of the researchers and institutions because of its virtue in "… the integration of the urban economy, city planning, law and governance with land management to form a comprehensive urban development or upgrading strategy" (Hong, & Brain, 2012).

Despite numerous studies that have been conducted to explore the application of the method in various developed countries such as Germany, Japan, Australia, the Netherlands, South Korea, Taiwan, Israel etc., summarized in books and scientific articles (Doebele 1982, Larsson (1993 ,1997), Minerbi (1987), Hayashi 2007, Hong (2007,2012) and Hong-Needham (2007), as well as in developing countries in Asia, Africa and America, such as China, Indonesia, Malaysia, Chile, Turkey etc. (Larsson (1997), Minerbi (1987), Hayashi 2007, Li &Li (2007), Hong & Brain (2012)); there has been devoted a little attention from researchers to the potential of the LR method for solving urban planning and urban land management problems in countries emerged from the former socialist block or the so-called transition countries. A number of researches and reports on the urban planning state, urban land management, governance and land property status have been conducted for those countries (Hirt-Stanilov(2009), Wehermann (2015), Salukvadze (2008),UN-Habitat(2013)).

It is overall conclusion of the researchers that those countries have experienced almost the same urban problems characterized with loss of institution's control over the urban development. The main reason for this is the non- conformity of the urban planning system to the newly created conditions as a result of social and economic changes. Apart the Chinese (Hong Kong) experience in experimenting with LR as a tool for solving urban renewal problems (Li & Li, 2007), the method has not been practiced in other transition countries.

The aim of research is to explore the potential use of Land Readjustment as an alternative urban development method for solving urban land development problems in transition countries. Kosovo belongs to the group of European countries in transition that is experiencing various urban planning and urban land management problems. The main reason for this is the transition from a rather centralized form of urban planning, a typical aspect of the Yugoslav planned economy into a markedly free form of development (Boussauw, 2011). The transition period is characterized by the control lost by the authorities and their inability to find appropriate methods and tools to facilitate a certain aspects of these processes.

The international experiences, such as Germany, Japan and Turkey in applying LR are explored and analyzed through the literature review with purpose of extracting lessons from those experiences. For comparative purposes, it is described the state of urban planning and urban land management in Kosovo including the planning process, the legal framework, public infrastructure finance and the status of property. In order to obtain their opinions on certain issues related to the current urban development and the perspectives of new alternatives, a questionnaire survey with urban planners in seven main Kosovo municipalities is conducted. In addition, to explore the potential of LR on urban land (re) development, three case studies from different urban areas of the capital of Kosovo - Prishtina are selected to be explored and analyzed. In the end, there are drawn up conclusions and recommendations regarding the possible application of LR method in Kosovo.

1.1.Background

Over the past decades, all transitional European countries have made great progress in their transformation from centrally-planned socialist economies to democratic and market-based systems. The transition introduced institutional reform and planning innovations in most of those countries. However, in many cases the governance modalities of former state control and closed decision-making processes have not been fully disassembled. The legal frameworks on urban planning and land management in those countries also remain challenging because many problems have their roots in the fact that the legal framework for urban planning does not correlate with the other laws in public administration (UN-Habitat, 2013).

Kosovo is one of the newest states emerged from the disintegration of the former socialist country-Yugoslavia. Kosovo emerged from the war (1999) with enormous damages in human lives, economy, houses, infrastructure etc. There has passed more than 18 years since the war has ended in Kosovo and 10 years after the declaration of independence and it is still facing various problems that are related to governance, economy, urban planning and so on.

The social and economic changes have also been accompanied by changes in urban planning and urban land management system. The urban development method used so far has failed to address the urban problems created as a result of social economic changes occurred after the fall of communism in ex-socialist block. The country is in constant search of alternative strategies and tools that could facilitate the urban planning and urban land management process. Since 1999, the central and local authorities have made their efforts to control the urban developments by taking several activities in field of laws.

Recently, Kosovo has amended two laws related to urban planning:

Law no.04/L-174 by July 2013 -Spatial Planning Law (SPL), (MESP) and
Law no. 04/L - 110 by Jun 2012 –Law on Construction (LC), (MESP)

In addition, in order to cope with a very huge number of illegal constructions the government recently enacted a new law called:

Law No. 04/L-188 -for treatment of illegal constructions (LTIC), (MESP), December 2013.

A number of regulations for respective fields have also been issued. These efforts have been supported also by the international institutions and government organizations of different countries. Since 1999, the international organization UN-HABITAT is assisting the central and local institutions of Kosovo to shift from the former centralized, top-down planning system towards an inclusive, participatory and multi-disciplinary approach to planning (D'hondt, 2006). However, the authorities' efforts have not been successful. Kosovo's municipalities continue to face various problems of urban planning and urban land management, which are mainly manifested in the difficulty of implementing urban plans.

1.2.Problem definition

By being a part of the urban planners staff for a certain period of time in one of Kosovo municipalities it was possible to identify the problems faced by the municipalities of Kosovo in urban planning and urban land management. The problems in urban planning of Kosovo are mainly due to the institutions inability to adapt the urban planning system to the newly created conditions as a result of social and economic changes. The fall of communism has influenced the changes in the economy, governance and property rights. These social and economic changes have also affected the change of the urban planning system in Kosovo.

However, the current urban planning system inherited some of the past urban planning system's features and procedures that do not fit the existing circumstances in Kosovo. As a consequence, the urban planning process in Kosovo is still top-down driven and the landowners participation in the process is limited. After 1999 the property rights have been substantially increased and the land purchase by the municipality for public uses has become challenging due to legal procedures and economic constrains of municipalities.

The urban development issues such as the land assembly for (re)development, the adaption of parcel border lines to the planned land layout pattern, the purchase of land for public purposes and the finance of public infrastructure construction are the key issues in which the current urban planning system is hindered in the efficient implementation of urban plans in Kosovo.

Land Readjustment offers the opportunity for the municipal authorities to initiate the urban (re)development projects without purchasing the land. Moreover, the tool promises the cost recovery of the project through the sale of "reserve land" contributed by the landowners. The method also enables the rearrangement of parcels boundaries through the land reallocation process for more efficient use and according to the plan. The land title preservation for most of the lands involved in the project is one of the features that make the method attractive to landowners.

These and other opportunities provided by the method have influenced the exploration of possible application of LR as an alternative urban (re)development method in Kosovo.

1.3. Significance of the research

The LR method has been shown to be an effective alternative tool for solving various urban (re)development problems in both developed and developing countries. The method has been applied in different countries all around the world to achieve certain objectives such as the land assembly for (re)development, public infrastructure finance or as a tool for urban plan implementation. More recently it has attracted the interest of the authorities and landowners due to the role of the method in coordinating economic, legal, political and social institutions in design and implementation of urban (re)development plans"(Hong & Brain, 2012).

Despite numerous studies that have been conducted to explore the application of the method in various developed countries, a little attention of researches has been devoted to the potential of the method for solving urban (re)development problems in countries emerged from the former socialist block or the so-called transition countries. In international context the study is important for the fact that the research explores the

potential of LR method for solving urban planning and urban land management problems in transition countries.

Particularly, the research aims to explore the potential use of Land Readjustment as an alternative strategy in solving urban development problems in Kosovo. The circumstances in which the possible application of the method is to be explored are different from those countries in which it has been used so far.

1.4.Research objectives

The primary objective of the research is to explore the potential application of LR as an alternative urban (re)development method in countries in transition.

The main question is:

What is the potential of Land Readjustment (LR) in facilitating the urban (re)development projects in transition countries?

To achieve the main objective of this research the following sub objectives and sub questions are considered:

i. To define the LR method potential in urban land (re)development

1. What are the LR method advantages in relation to other methods in urban land development and redevelopment

ii. To explore land readjustment potential in land provision for public needs

1. What are the legal and other institutional preconditions for introducing LR in provision of private land for public needs?

iii. To explore the potential of Land Readjustment in facilitating of the land use alternation process in urban land development

1. What are the preconditions that make LR relevant in process of land use alternations in urban land (re)development?

iv. To investigate internationally the potential of LR in solving urban land development problems

1. How these international experiences can help in better understanding the preconditions for LR application

v. *To develop and introduce the model of LR for Kosovo conditions*
    1. *How the model of LR for Kosovo conditions should be?*

vi. *To examine theoretically the model of LR for Kosovo with case studies*
    1. *What cases are chosen and way they are relevant to the urban context?*

vii. *To report the case studies and to make the recommendations for further development*
    1. *What is concluded from these case studies and what are the recommendations?*

1.5.Research Methodology

The research methodology contains three main components. First, it is done a comprehensive analysis of LR to understand it better and present it to planning authorities and wide audience. The advantages and shortcomings of LR method are presented and compared with other compulsory acquisition methods in use on urban (re)development. In addition, there are analyzed the international experiences on LR based on the literature review (Japan, Germany, Turkey etc.).

The second component represents detailed analysis of the current state on urban planning and urban development in Kosovo and the relevance of the LR in Kosovo context. In order to provide a clearer picture of urban planning system in Kosovo, the challenges and perspectives of urban development there are administered questionnaires with municipal officials, mainly urban planners. Moreover, different aspects of the process such as the legal framework and the urban planning procedures have been analyzed and closely monitored in Kosovo municipalities.

The third component of the research is dealing with the case studies. Through the case studies, it is intended to show the advantages of the LR method in relation to the current "base method" in use and the possible application of LR as an alternative urban development method in the urban context of Kosovo. Three urban areas in Kosovo's capital-Prishtina have been selected to be explored and analyzed as case studies. Through the case studies it is intended to demonstrate theoretically the advantages of the LR method in relation to the current method in use in addressing the issues related to the urban development in Kosovo.

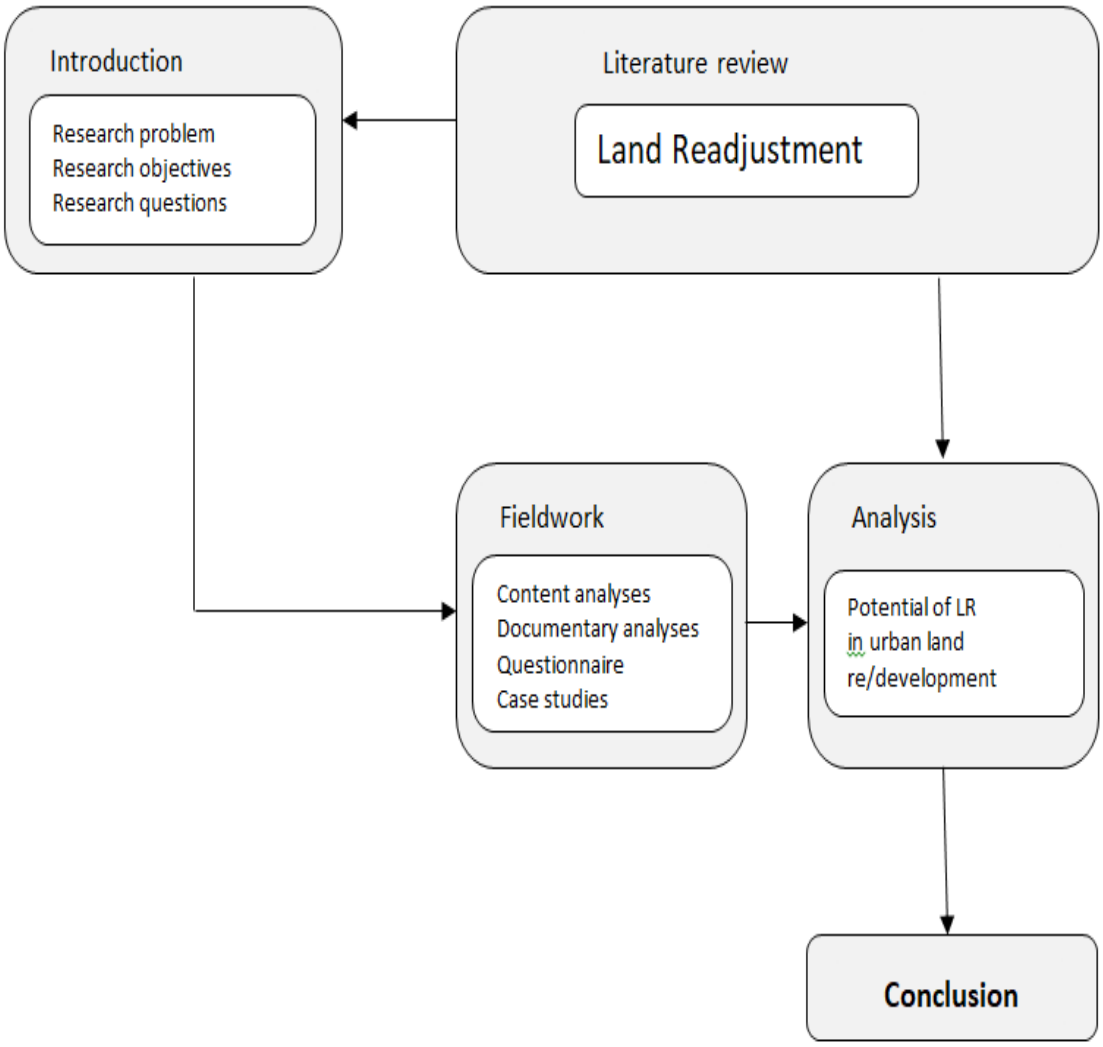

Fig. 1 The research methodology

1.6.THESIS OUTLINE

The thesis is divided in six chapters.

Chapter 1: Introduction

This chapter consists of Introduction, Background, Research Problem, Significance of the research, Research objectives and questions and Research Methodology.

Chapter 2: Kosovo -Urban planning and urban development challenges

This chapter consists of the literature review about the urban developments in Kosovo in different time periods, its urban planning legal framework, the urban planning procedures and urban development challenges of Kosovo municipalities.

Chapter 3: Land Readjustment (LR) -A comprehensive urban development tool

This chapter describes the concept of the method, the origin and urban contexts in which the method is used. In addition, the chapter presents the advantages of LR in relation to other conventional methods in use.

Chapter 4: Land Readjustment (LR) internationally

In this chapter the international experiences of countries such as Germany, Japan, and Turkey on the use of LR are presented to be explored, analyzed and compared.

Chapter 5: Building Kosovo model of LR

In this chapter, case studies for different urban areas of Kosovo's capital Prishtina have been explored with the purpose of exploring the possible application of LR as an alternative urban development method for solving urban development problems in Kosovo.

Chapter 6: Discussion of results and research findings

This chapter presents the findings and the comparison of the results.

Chapter 7: Conclusion and Recommendation

This chapter discusses the conclusions and recommendations for further research regarding to the topic.

CHAPTER 2

The urban developments and urban planning challenges of Kosovo

In order to inform the reader there have been presented in details the current urban planning system in Kosovo, its legal framework and the urban development problems faced by local authorities. In addition, in order to explore the factors that have influenced those urban developments in different periods of time it is presented a chronology of those urban developments.

Kosovo is a country landlocked in the central Balkan Peninsula. With its strategic position in the Balkans, it serves as an important link between central and southern Europe, the Adriatic Sea, and Black Sea. Its capital and the largest city is Prishtina. Other major urban areas are: Prizren, Peja , Gjakova, Gjilan ,Mitrovica and Ferizaj. According to 2014 data of Agency of Statistics of Kosovo (ASK) Kosovo has an area of about 10,887 square kilometers and the population of around 1.8 million inhabitants from which more than 90% are ethnic Albanians. Kosovo is populated also by other ethnic groups including Serbs, Turks, Roma and other small ethnic groups. Geographically, Kosovo is a basin, situated at an altitude of about 500 meters, surrounded by mountains, and divided in two sub-regions of roughly equal size and population. Its population is the youngest in Europe, with about half of the people below the age of 20.

Fig. 2 The location of Kosovo in Balkans

(Source:https://commons.wikimedia.org/wiki/File:Balkans_regions_map.png)

Kosovo in different historical periods has been the war arena of great empires. Recently, in 1999 Kosovo was the subject of the series of conflicts in the last decade of the twentieth century that has led to the systematic disintegration of Yugoslavia. Kosovo emerged from disintegration of former Yugoslavia after the war in 1999 with enormous loses in human lives and economy. The country has been administrated by UN until 17 February 2008 when Kosovo declared independence .So far it is recognized by more than 115 countries all around the world.

2.1.The urban planning in Kosovo

The urban planning in Kosovo is relatively new. In a documented form it is presented after the Second World War and it can be divided in two main periods: the period before 1999 at the time when Kosovo was a part of the former socialist state of Yugoslavia and the period after 1999 to the present day.

Until 1999, Kosovo has been exposed to socialist urban planning system, a centralized system and it has absolutely been controlled by the state. In order to implement the urban plans for certain urban areas the state used the method of compulsory expropriation of properties from the private landowners. The lands located in the area covered by an urban plan has been subject to compulsory expropriation regardless if the land has been dedicated to public or other purposes.

The landowners were compensated unfairly for the expropriated land, in most cases being discriminated by the state. The urban planning was the exclusive right of the state authorities while the public infrastructure and other public facilities were provided by the respective state agencies. In all major cities of Kosovo there can be easily noticed the settlements that were built in the period of socialism which are distinguished for their regular land patterns, a standardized urban public infrastructure and other urban standards.

The period after 1999 is characterized by rapid urban developments. The urban planning has been one of the many preoccupations of the new state. The authorities have tried to adapt the urban planning system to newly created conditions as a result of social – economic transition. However, some of the elements of the past planning system were inherited and continue to be part of the current urban planning system of Kosovo.

Kosovo could not be immune to world urban trends. It belongs to the group of developing countries with weak market economy and weak state institutions. Moreover, the transition

from being a part of a socialist state with a total state control over all issues into market oriented democratic society has been challenging for the new state. The inability of institutions to control the urban developments has led to the creation of so-called “informal settlements” around the main cities of the country. This phenomenon greatly impacted the cities and lands of Kosovo. The consequences are considerable and very costly to be repaired.

2.2. The urban planning legal framework

Kosovo Spatial Planning Law No.04 / L-174 (July 2013) represents the legal framework for urban planning in Kosovo. According to the Law, the spatial planning in Kosovo is a competence of both central and local administrative institutions.

The spatial planning for the entire territory of Kosovo through Spatial planning documents, such as the Spatial Plan of Kosovo (SPK), Zonal Map of Kosovo (ZMK) and Spatial plans for special areas (SPSA) is a competence of the central authorities, while the local level of planning for the territory of the municipalities through Spatial planning documents, such as the Municipal Development Plan (MDP), Municipal Zoning Map (MZM) and Urban Regulatory Plans (URP) is a responsibility of the municipality.

2.3. The urban development challenges

Recently, the local authorities face significant problems related to urban planning and urban land management system. The process still continues to be top-down driven and the participation of landowners in the process of urban planning is limited due to legal framework and planning procedures. The country is still using conventional urban development methods and tools that do not correspond to the newly created conditions. Since 1999, the urban planning legal framework has been changed several times and the country is in continuous search of instruments and methods that could facilitate the process of urban development.

Moreover, the rapid extension of cities toward the peripheries has created a number of "informal settlements" around the cities of Kosovo. Informal urban development in Kosovo has all the characteristics of an unauthorized buildings construction defined in the global Report on Human Settlements of UN-HABITAT by 2009.What characterizes these informal settlements in suburbs of Kosovo cities is the inadequate cadastral divisions of plots, uncertainty in ownership, lack of adequate infrastructure, lack of public transport etc. (Boussauw, 2011). These informal settlements have aggravated further the situation with urban developments and made the urban planning for those areas more difficult.

The urban plans for certain urban areas are approved without changes in the property structure. The land in urban areas is highly fragmented and the rearrangement of parcels borders after the approval of the urban plan is very limited. The contribution of landowners to public areas and facilities is unequal within the same area. Land parcels in which the infrastructure and public buildings are planned are subject to expropriation. The local authorities have insufficient financial resources to expropriate the land necessary for public infrastructure and other public services.

The funds gathered through the construction permit tax are the only means of financing public infrastructure construction. Due to the disproportion between the buildings permit fee collected from the landowners as a compensation for infrastructure improvements and the real cost of construction, there is a deficit of financial means necessary for the construction of public infrastructure. In addition, the tax collection happens periodically and it is depended on the application of landowners for building permits. The full collection of the tax is completed at the moment that the last landowner pays the construction tax. Delays in tax collection cause discontinuity in infrastructure investments.

2.4.The urban planning procedures

The municipalities are legally authorized to implement urban plans through the procedures defined by the law. The local planning authorities carry out the urban planning process at the local level including the initiation, drafting, approval and implementation of the urban plan. There has been done a detailed description of urban planning process and procedures in order to inform the reader about the current urban planning system and procedures in Kosovo.

2.4.1. Leading institutions

It is an exclusive right of the municipality to initiate the process of drafting urban plans. The whole process begins by the local authority decision to initiate the procedure for drafting Urban Regulatory Plan (URP) for specific area. So far, the decision to draw up a detailed urban plan mainly derives from the necessity of upgrading an outdated urban plan or as a need to cover by urban plan an area built in the informal way. The cases in which the municipalities take a decision to urbanize an area in purpose to convert the agriculture land to urban land are very rare.

2.4.2. Plan drafting

After the resolution on drafting the regulatory urban plan is announced, the municipality, in absence of experts within the local institutions, contracts private companies to draft these urban plans. The way in which urban plans are drafted nowadays does not differ a lot from the way in which the urban plans were drafted in the past. The process of planning is still top-down driven, preventing the involvement of landowners and other interested parties in decision-making.

2.4.3. Public participation

The municipality preliminary presents the proposal idea for the planned development of the area to the interested parties for their comments. Based on the current legal framework, the municipalities are legally obliged to make public announcements in order to inform interested parties about the ongoing planning activities. According to the law, the participation of relevant stakeholders in the process of drafting of urban plans is not mandatory. The participation of landowners in the planning process is limited to the “right to be informed”.

Following the proposed idea, the municipality makes a public announcement by which it informs the interested parties to be part of the public debate about the proposal idea of detailed urban plan. The public hearing for the urban plan is a legal requirement while the participation of landowners in the process is not mandatory. In order to receive comments by the interested parties the municipality presents to the public the proposed idea of Urban Regulatory Plan (URP). According to the law, the time-period for public hearing on UDP lasts 30 days. During this period, the interested parties may submit their written comments and suggestions concerning the plan. After taking into account the reasonable objections by the interested parties, the plan passes through legal procedures for approval by the local institutions.

2.4.4. The approval of the urban plans

The approval process goes through the assembly bodies before it is submitted for approval to the local assembly. After the approval of the urban plan by the municipal assembly it is the responsibility of the Department of Urbanism to implement the urban plans.

2.5.The urban plan implementation

In the current urban planning system, the implementation of urban plans represents one of the main challenges faced by local authorities in Kosovo. Actually, in order to implement the urban plans, Kosovo local institutions are using a method similar to Turkish method called “voluntary application” combined with expropriation. This similarity to the plan's implementation method may also be a matter of culture due to the connections that the countries of the region have had in the past and they are still having them.

The current “base method” has the following characteristics:

- The method works when a landowner needs a building permission only,
- The contribution rate of cadastral parcel for public areas is different

- In some circumstances a legal agreement is required between the landowners.
- The main roads and other public infrastructure cannot be constructed easily.
- The land dedicated for public purposes is provided through land expropriation

No changes in the structure of the land are made prior the investor or the landowner applies for a construction permit. A landowner or investor who wishes to obtain a building permit must follow several procedures defined by the law and other legal requirements. The first thing he has to do is a re-subdivision of the parcel according to the local physical plan. The original parcels included in urban plan in most of the cases are not suitable for efficient use due to their location to the planned road, the shape and size of the parcel. The rearrangement of parcels border lines to fit the planned development is very difficult due to the cooperation which is needed between the landowners. The landowners' co-operation is voluntary and the municipalities are not powered with the intimidating mechanisms to force them in reaching the agreement.

In order to provide the land for public infrastructure and public facilities such as the areas for schools, parks, kindergarten etc. the municipalities use the method of compulsory expropriation of privately owned land. The land parcels located within the same area contribute unequally to the infrastructure and public facilities. The land for public purposes must be extracted from the total area of the original parcel involved in the urban development projects. However, the municipalities have insufficient funds to timely compensate the landowners for the land contributed to public purposes. The expropriation is a complicated and very expensive process and very often ends on the court proceedings.

After the approval of the plan, the land dedicated for nonpublic purposes remains in private ownership. The land dedicated for nonpublic purposes such as the areas for housing or commercial use is left to landowners or private developers to be developed.

2.6. The property structure

The urban land of Kosovo is a very fragmented one, with a small surface of plots inside the cities and larger in their peripheries. No land assembly for development is initiated before the plan is approved. The relocation or reshaping of the parcel is emphasized only in the moment of urban plan implementation, exactly at the phase when the landowner or the potential investor applies for construction permit. In most cases, the cooperation between the landowners is required. This cooperation is voluntarily and difficult to be reached due to planning procedures and different individual interests.

Fig. 3 A sample of land ownership pattern in suburb area 'Mati 1' in Prishtina

(Source: municipality of Prishtina)

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2.7. The land development rights

The current urban development method in use does not provide equal land development rights for all landowners involved in the area covered by the urban plan. Moreover, the contribution of landowners to public surfaces is unequal. Due to financial constraints, very often the private land planned for public purposes remains uncompensated by the municipality for an unlimited time period. The landowners of parcels planned for nonpublic uses benefit from the development rights provided through the planned development enabled by urban plan.

2.8. Urban public infrastructure finance

The tax on issuing the construction permits is collected to finance the construction of public urban infrastructure. The municipalities independently determine the taxes and fees that landowners or investors must pay in order to obtain the construction permits dedicated for public infrastructure construction. There is a difference between the cost of building public infrastructure and the tax paid for issuing construction permits as a compensation for infrastructure improvements. Furthermore, the amount of collected tax depends exclusively on the number of permits issued within the area. The disproportion between the charging fees and real cost of public infrastructure construction, very slow and delayed collection of taxes represent serious obstacles in the implementation of the urban plans.

Moreover, landowners do not always have the economic potential to build within short terms on those parcels. The municipalities do not possess the enforcement mechanism to force them to build on these urban plots. The tax on issuing the construction permits is fully collected when the last landowner or investor applies for a construction permit.

The construction of public infrastructure is an activity that requires immediate investments and a lot of funds. The collection of the tax from the issuance of construction permits is slow and insufficient to cover the costs of building public infrastructure. The delay in collecting the tax from the issuance of construction permits causes delays in the timely construction of public infrastructure.

2.9.The property rights

The property right in Kosovo is a constitutional right and protected by the law. According to Article 46 (Protection of Property) of the Constitution of Kosovo (CK) , the property right is guaranteed and protected by the law. The use of property is regulated by law, in accordance with the public interest and no one shall be arbitrarily deprived of property. The Republic of Kosovo or public authority of Kosovo may expropriate private property if such expropriation is authorized by law and if it is necessary or appropriate to achieve the public purpose. The expropriation is allowed to support the public interest and is followed by providing immediate appropriate compensation for the person or persons whose property has been expropriated (CK).

Based on the Law on Expropriation of Immovable Property in Kosovo, Law no. 03/L-139 (LEIPK), municipalities have the right to expropriate the private property or their parts to implement the urban plans and projects that are under their authority. The Law on Expropriation of Immovable Property in Kosovo defines cases in which the municipal authorities have the right to expropriate the private land.

Besides, the Expropriating Authority of a Municipality may expropriate immovable property only if the expropriation is clearly and directly related to the accomplishment of one of the following public purposes:

- The implementation of an urban and/or spatial plan that has been adopted and promulgated by a Municipal Public Authority in accordance with all applicable legal requirements;
- The construction or enlargement of a building or facility to be used by a Municipal Public Authority to fulfill its public functions; or
- The construction, enlargement, establishment or placement of any of the following infrastructure and/or facilities if this promotes the general economic and/or social

welfare of the municipality or provides a public benefit to the population of the municipality and otherwise complies with applicable legal requirements:

- For the construction of municipal roads (roads lying entirely within the municipality) providing transportation services to the public;
- Construction of public facilities needed for the provision of public education, health and/or social welfare services within the municipality by a Municipal Public Authority;
- Installation of pipes for providing public water and sewage services to residences within the municipality;
- Providing land for municipal landfill sites and sites for the depositing of public waste;
- Providing land for municipal public cemeteries;
- Purchasing land for municipal public parks and municipal public sports facilities

Kosovo local institutions are not strengthened with the legal tools that could implement the urban plans and at the same time not violating the property rights protected by the law.

2.10. Other influencing factors

With regard to these urban developments, it is important for the reader to be briefly informed with the factors directly or indirectly influencing these urban developments in Kosovo.

The current urban developments in Kosovo are mainly influenced by other factors such as:

2.10.1. Governance

Until 1999 with the exception of certain periods, the Albanians as a major community in Kosovo did not govern themselves. The discriminatory policy of former Yugoslavia against the Albanian majority in Kosovo was present also in the field of urban planning. Most of the plans were prepared by various planning institutes outside Kosovo. This has greatly influenced the newly established institutions not having the proper experience in the field of urban planning and also the lack of planning experts.

2.10.2. Demography

Kosovo belongs to the group of countries with high level of density in the region and Europe. The plan for the expansion of cities in Kosovo during different periods did not correspond with the demographic developments. This fact has mainly affected urban developments after 1999 where we have an expansion of settlements, building mainly in an unauthorized manner. The migration from rural to urban areas has existed continuously but it is more distinguished after 1999.

Due to large housing density, there has been considerable land fragmentation both in the centers of cities and their suburbs. The urban development in the conditions of such a fragmented land would present a considerable problem even for countries with developed economies and consolidated legal framework.

2.10.3. Economy

The private economic potential accumulated for decades provided by individuals working abroad and inside the country was possible to be used only after 1999. The needs for new economic zones have led the cities to expand uncontrollably, mainly along the axis of the main roads where the existing road infrastructure and other accompanying infrastructure have enabled easier performing of different economic activities.

Economic power is expressed also in the construction industry. Recently, induced by high demand for housing units in urban areas, the construction is among the main economic activities in Kosovo.

2.10.4. Education

The higher education institutions of Kosovo are relatively new. During the socialism, Kosovo has had only one public university established in the 70's. Before 1999, the Faculty of Architecture was the only institution of higher education in which the urbanism was lectured. The report of UN-HABITAT (2009) on the state of human settlements that refers to the number of educational institutions in the world which are dealing with the urban planning, refers to Kosovo with only one institution of higher education. Kosovo does not have yet any specialized school in which the young generations can study about the contemporary urban planning. Therefore, the civil servants in local institutions are not specialized urban planning experts. The lack of specialized urban planning experts indicates that municipalities have difficulties in the process of drafting urban plans and managing their implementation. According to UN-Habitat (2009) "There is a significant need for updating and reform of curricula in many urban planning schools, particularly in many developing and transition countries where urban planning education has not kept up with current challenges and emerging issues"

CHAPTER 3

Land Readjustment - A comprehensive urban development method

3.1. The definition of Land Readjustment

Land Readjustment (LR) is one of the urban land development methods that had been practiced for decades in Germany and other European countries to be transferred in later stages in Japan, South Korea, India, Australia, Taiwan (Republic of China), etc. Other countries in developing and developed world are testing the land readjustment as an alternative technique for urban land development or redevelopment.

In various literature, the method is known also as "*land pooling"*, "*land consolidation*", "*joint development*" or "*instigated property exchange*". In Germany it is called *Umlegung,* while in Japan the method is named *Kukaku Seiri (KS).* Thus, the name differs by country to country, but the substantial approach of the tool through the joint land management is basically the same. In the international conference held in Taiwan in June 1979 it was decided regarding the term "*Land Readjustment"* as a common term replacing other terms in use until then. (Doebele, 2007: Hayashi, 2007)

There is no international unique definition on the Land Readjustment; however there are some definitions that can be quoted such as:

"Process whereby land owners pool their lands and then re-subdivide the assembled property, setting aside a portion of the total parcel for improved access and infrastructure and an additional portion for sale or commercial development to pay for the improvements to the property"

(Doebele, 1983)

"Land readjustment is a method whereby the ownership of scattered and irregular plots of agricultural land is pooled, roads and main infrastructure are built, and the land is then subdivided into urban plots."

(Sorensen, 2000)

"Land readjustment consists of pooling all land parcels within the readjustment area, the joint planning for servicing the land, and the redistribution of parcels in an orderly configuration, making room for public improvements."

(UN-Habitat & GLTN, 2016)

One of the latest definitions of land readjustment is:

"Land readjustment gives all affected property owners in a redevelopment district the power, by majority vote, to approve or disapprove the transfer of land rights to a self-governing body for redevelopment; instead of buying out all existing property owners using eminent domain, the agency invites property owners to become stakeholders and to contribute their real assets to the project as investment capital; in return, the agency promises to give each owner a land site of at least equal value in the vicinity of the original site upon completion of the redevelopment; after all properties in the district are assembled, the combined land sites are subdivided according to a master plan designed and approved by the stakeholders"

(Hong & Needham, 2007)

Land readjustment is a land assembly strategy used as an alternative to conventional methods such as eminent domain or voluntary exchange based on market value. In land readjustment projects the landowners act collectively in cooperation with municipality/developer to pool their land and make it suitable for development or redevelopment. It can be effective tools in particular in situations where original parcels boundaries are in conflict with the planned development pattern, thus hindering the plan implementation. Land readjustment also is regarded as an effective (re)development method for those countries that find difficulties in financing urban infrastructure. (Hong 2012, Hayashi, 2007, Sorensen, 2000, Shoup, 1983).

Furthermore, it is considered a promising land assembly tool that can operate across different land tenure systems (Alterman, 2007).Rather than taking the land for public purposes by using compulsory methods such as eminent domain, the landowners are invited to join their properties together to enable the planned development. The concept is

simple; the landowners pool their land parcels to a single plot, surrender part of their land for streets and other public places, build the required infrastructure wholly or partly and adapt existing boundaries to the new plan. The new building sites are redistributed to landowners after they have been calculated according to area or value of land inputs (Larsson, 1997).

> *"The key premise of the method is that when agricultural land is subdivided into urban plots and furnished with a public infrastructure and other basic urban services, the square meter value would be substantially increased. Because of this increase in value, a substantial percentage of the original land can be taken for public purposes. The landowners receive serviced urban lots that will have the same or greater value"*
>
> (Doebele, 2007).

By using the method as a land assembly strategy, land can be more efficiently used for the desired development. Each landowner must contribute proportionally a portion of their previous land holding (usually about 30 per cent of the total land) to provide space for roads, parks and other public facilities, and for the "*reserve land*". The "*reserve land*" or "*cost equivalent land* "as it is called in different literature is a term referred to the part of land contribution by landowners for covering the infrastructure construction costs. The "reserve land" is sold at the end of the project to pay the costs of planning, administration and construction. Usually, the landowner receives back a new parcel which is smaller in size than the land contributed in project but the value is greater due to the urbanization.

3.2.The origin of Land Readjustment

Although today it is not very popular in USA, one of the first documented practices of land readjustment took place exactly there in 1791 when George Washington used land readjustment as a land assembly tool to finance and build the new capital in Washington DC.

The first legislation for land readjustment is generally considered to be Lex Adicke, established by Franz Adickes in 1902, (Home, 2002). The German legislation was later

also translated into Japanese and adapted in the country's 1919 City Planning Act.3. Land readjustment was applied for rebuilding Tokyo after the great 1926 earthquake and for rebuilding several major cities after WWII (Doebele, 2007: viii; Schnidman, 1982).

3.3. The objectives of LR

Land readjustment has been practiced in many countries all around the world to achieve different policy goals ranging from farmland consolidation to inner-city revitalization (Hong & Needham 2007).

Primarily, land readjustment has been used at urban fringes for the transformation of agriculture land into the serviced building plots. Recently the method is used in Europe as well as elsewhere in the countries all around the globe as a tool for redeveloping the city centers. In particular, the method is useful in situations where the land is highly fragmented and it is needed the redevelopment of the area. In addition, land readjustment is often applied by central government authorities as a tool for infrastructure improvements such as the construction of roads, railways and other infrastructural projects that exceed the boundaries of an area or city.

Particularly the method has contributed to the reconstruction of cities and settlements damaged by war or natural disasters, as it is the case with the rebuilding of Tokyo after the devastation caused by the 1923 earthquake or the devastation during the Second World War (Doebele, Sorensen, 2007). Furthermore, land readjustment intends to manage the land structures by transforming them for its more efficient use at minimal transaction costs.

The tool is most frequently used by public sector, but it can be initiated by the private landowners, too. It is particularly suitable for the public-private development projects. The method has been used extensively in a wide range of international contexts some of which will be presented in this research, too.

Practically there is no ready-made model applicable off hand to any situation. The developed as well developing countries apply various forms of Land Readjustment due to different conditions of development, culture, tip of land tenure etc. Land readjustment is

considered an informal social arrangement built on economic principles, so the success of application varies from country to country. (Li & Li, 2007)

LR is widely practiced in both developed and developing countries such as Germany, Japan, Sweden, France, South Korea, Taiwan, Toyland, Turkey etc. The basic principles of the method remain the same to all the countries where it is applied. However, depending on the conditions in which it is applied, the method may differ from one country to another.

3.4. The benefits and constrains of LR

The land assembly, no land purchase for public purposes, (semi)self-financing, equity in development rights, no population displacement and the preservation of land titles, are some of the basic land readjustment characteristics that makes it attractive for the authorities and the landowners.

LR benefits are numerous for landowners, authorities, and society in general. The benefits for landowners are primarily on the rise of land value despite the reduction in size. Equal development rights are provided for all landowners involved in urban development projects. The method preserves the land titles for most of landowners involved in the project area. The authorities benefit from the contributed land by the landowners to public areas and public facilities. In addition, the construction of public infrastructure is done at no expense or at minimum expense to the authorities. Moreover, it is provided more efficient control of municipalities on land use patterns, zoning and density.

In general, the society benefits through the creation of "social values" such as: the creation of social capital through the involvement of all stakeholders in urban planning, the establishment of links through public-private partnerships and the strengthening of mutual trust. These social values are not present in other land assembly methods in use.

However, the introduction of the LR method requires a lot of legal arrangements and modification of existing administrative procedures. In most cases, qualified staff and trained civil servants are needed to carry out the LR project. From international

experiences, a transfer of the method from one country to another has not been easy due to various social, economic and cultural circumstances of those countries.

3.4.1. The land assembly and “social capital “creation

Recently, the method has attracted more attention due to the advantages of the method in land assembly for development, in relation to other conventional land assembly methods such as the case of voluntary exchange and eminent domain. It has been used as an alternative strategy for land amalgamating in situations where the current methods had difficulties or failed in land assembly for (re)development. Particularly, the tool has been shown to be effective in situations where the land is highly fragmented and in direct conflict with desired development, as it is the case with the redevelopment of urban centers.

The land assembly based on conventional methods such as voluntary exchange and eminent domain without the direct involvement in decision-making process is often opposed by the landowners. By using conventional methods, land developers face different challenges in the land assembly due to over valuation of the land by unrealistic landowners. For this reason, land developers often prefer to join parcels for development by entering into partnership agreements with landowners. However, there are always landowners who demand the price for their land that exceeds the real market value, thus becoming a “holdout” in the land assembly process.

Land readjustment eliminates these “holdout” landowners through the direct involvement in negotiation and decision-making since the early stages of the project. Through active participation in negotiation and decision making, landowners create strong links with authorities and land developers and contribute to the creation of mutual trust as important components for successful implementation of the project. By acting collectively, the authorities, landowners and developers create the so-called "social capital" which is not present in other conventional land assembly methods (Hong, 2007).

3.4.2. Unnecessary financial transactions

In land readjustment projects, landowners contribute part of their land for public purposes as a compensation for the infrastructure improvements they receive, eliminating in this way the unnecessary financial transactions that are present in other systems of financing urbanization.

If the project were to be implemented according to other conventional methods, plots dedicated for public purposes would be expropriated by compensating landowners according to market value. This implies preliminary costs which in most cases are a burden for the poor budget of the municipalities. However, these expenses would be billed to landowners at a later stage during the implementation of the project. Taking into consideration the fact that in most of the cases it eliminates unnecessary financial transactions, the tool is listed among the non-financial compensation instruments in urban development.

3.4.3. "Land-based instrument" for financing public infrastructure

In general, Land Readjustment is a (semi)self-financing technique in urban (re)development based largely on land contribution as compensation for land development rights and received services. Due to contribution by land for financing of public infrastructure the tool is lined up among the land-based instruments for financing urbanization. It is a powerful tool in acquiring land for new infrastructure and public space, particularly for roads and parks.

This is achieved through land contribution by landowners for public spaces and areas for public facilities as well as through the land contribution for the "reserve land ". The "reserve land" is mainly dedicated to commercial use and it is sold at the end of the process for covering the costs of construction and administration. This land contribution is particularly useful in cases where landowners are not financially strong to pay with cash for new reallocated development rights and infrastructure improvements. The landowners'

contribution by land provides financial security for the timely implementation of public infrastructure projects.

The land contribution rate of the landowners for public areas and public infrastructure construction varies from country to country. For example, in Germany the maximum land contribution rate for both public surfaces and construction of public infrastructure is set to 30 percent of the original land surface contributed to the project. In other countries it can be even higher and it largely depends on the market value of the land as well as the cost of infrastructure construction.

From the economic perspective, in LR projects the land is an asset that is available since the early stages of the process providing financial permanency for timely completion of the project. In most cases LR projects are self-financed; however for specific situations the subsidies from central authorities or different agencies are needed to carry out the projects. Usually, subsidies from other sources are available to reduce the rate of landowners' contributions that in some cases exceed the limits set by the law. The subsidies are also available for public infrastructure projects funded through public-private partnerships.

3.4.4. Equal land development rights for all

Unlike other conventional methods, land readjustment provides equal development rights for all parties involved in the project. In LR project all properties within the project area are equipped with equal development rights, regardless if they fall into the areas where the plan foresees the construction of infrastructure and public facilities or it is planned for residential or other uses according to the plan. The tool enables land exchange between landowners, thus preventing landowners from being discriminated in the process of land reallocation. Such feature of the tool makes it acceptable for the involved parties and motivates them to join LR projects.

3.4.5. No population displacement/ “social value” creation

In the land readjustment projects it is possible a temporary displacement of population. It is especially required in projects for the reconstruction of the city centers where a displacement of the population is needed to enable the redevelopment of the area. After completion of the project, the return of previous owners to their properties in the same location before being temporarily dislocated is ensured. The return of the landowners to their previous location is enabled through two tips of LR project. The first one is so called “horizontal LR” and it is mainly applied to peripheral areas through which the original landowners become owners of newly allocated serviced land. The second one is called "vertical LR" through which the original landowners become the owners of apartments in multi-storey buildings, characteristic of LR projects for redevelopment of central areas of cities. The return of landowners into the area after the completion of the project represents a “social value” creation which is unmeasurable and it is not present in other conventional planning methods.

3.4.6. Land title preservation

Probably, one of the most important features of the tool is the fact that the original land owners retain titles to the majority of their lands (Sorensen, 2000). Basically all land titles are temporarily surrendered to execution authority and they will be reallocated to landowners in different location, shape and size according to the new layout plan (Hayashi, 2002).

In the process of land reallocation, the original landowners are supplied with property titles for newly created parcels. So, the residents can continue living in the same area they lived prior to implementation of the land readjustment.

3.5. The attractiveness of the tool

Land readjustment method has some basic characteristic features that make it interesting for both: the institutions and landowners. In regards to the landowners, the method ensures direct landowners participation in the project including security of tenure after the completion of the project (Hayashi, 2002). In addition, the attractiveness of the method for landowners is based on the substantial increases of the land value that may be achieved by the process. Even though the remaining area is smaller, the value of the individual landholding is higher. Benefits other than increase in land values can be earned, such as more efficient use of the land as a result of lot regularization and better accessibility (Agrawal, 2000).

The attraction for planning authorities is that the method enables urban land development with relatively low financial costs or in particular cases with zero costs. The method provides financial recovery and re-plotting of land without the purchase.

3.6. Leading institution

In most countries, either a public or a private entity can carry out a land readjustment project. The land readjustment project starts when a municipality or a group of landowners initiates the idea of readjusting land in a neighborhood.

The motivation of municipalities to initiate land readjustment process in most cases is to update the land uses in situations when land under land readjustment project is out of date with the actual urban plan or it isn`t covered by the master plan or to obtain land for public purposes and construction of infrastructure (Hong ,2007).

The motivation of individual landowner or organized in group of landowners or association to initiate LR projects mainly lies in the benefits they may have from raising the land value after completion of the project.

3.7.LR finance

The finance of LR project is principally gained from the land contribution made by each landowner. In certain cases a government subsidies are needed as cost sharing or co-financing the major infrastructure improvement. In general, there are two types of land contribution to which land owners are charged as compensation for infrastructure improvements and other provided services.

The first one is the land contribution of landowners they provide for land surfaces for public infrastructure and public facilities. The amount of land that is allocated for this purpose depends on the project being realized and it is calculated before the design of the project is presented to landowners. The landowner's contribution for public purposes is proportional to original land they contributed to the project.

The second one is the land or other type of contribution that landowners are charged for the construction of public infrastructure. In different countries, this type of landowner's contribution can be made through land contribution or even through cash payments. The land contribution is called the "reserve land" or "cost equivalent land" which is sold in the end of the project to recover the cost of public infrastructure construction. However, in some countries such as Germany, the contribution for public infrastructure construction can also be made through cash payments.

3.8. The LR procedures

The project initiation, subdivision, servicing and reallocation of land are the main components of any LR project (Hong, 2007, UN-HABITAT, 2012).

3.8.1. LR Initiation and community support

In most countries, depending on legal framework, land readjustment can be initiated by a public or private entity. Initially, municipality or a group of landowners initiates the idea of readjusting land in a neighborhood. Then, they form an agency that will represent them to the planning authorities and municipal decision-making institutions. The agency is composed of members of the involved parties in the project. These members may include government officials or experts of the respective fields, landowner or local residents and outside developers. The agency proposes to the local planning authority a readjustment plan that includes the boundaries of the area and proposed use of land. (Hong, 2007)

In the LR project it is very important to obtain a community support. Building the trust between the local governments and landowners is a crucial element in the process of land readjustment. All landowners are invited to join the project by contributing their property rights to the agency as investment capital. They will be informed primarily how the area will be redeveloped, the costs of the public infrastructure constructions and the land contribution of each landowner.

There are specific cases when for various reasons a certain landowner may disagree with the proposal presented by the agency. In such cases there must exist the legal base for eliminating these “hold out” landowners. In the cases when the initiative comes by the landowners, usually a legal consensus of two-thirds of the owners owning two-thirds of the land is needed in order to provide a community support for the project. Unlike conventional methods, land readjustment takes a political and community support at the very beginning of the project.

3.8.2. LR area

Once the agency's proposal for initiation of land readjustment is approved by the planning authorities, project boundaries are set and data collection from the field including number and size of parcels, parcel owners, and other relevant data is done. There is no limit on the size of the area included in the LR project but it is not preferred that the number of landowners to be very large due to the decision-making process and achieving consensus among them.

3.8.3. Plan preparation

After the LR area is determined, a redevelopment scheme is prepared in this manner determining the future uses of the area. The plan sets out the proposed route network, re-parceling of lots and also defines the location of public spaces, such as parks, kindergartens, schools etc. The plan identifies the objects to be demolished or preserved if this is required as well as the land allocated to the agency to cover the costs of building a public infrastructure called "reserve land" (Home,2007).

3.8.4. The calculations

The calculation of the parcel surface before and after LR is the usual procedure for determining the land contribution of landowners as compensation for infrastructure improvements and for the areas for public facilities. Depending on the type of project and legal framework of different countries, original parcels may be reduced by about 30 percent of the area they had before they were included into the project.

The calculations which need to be made are as follows:

- The amount of land needed for public space
- The amount of land for „reserve land“
- The contribution ratio and
- The compensation rate

3.8.5. Land re-sub-division and reallocation

Land reallocation is considered one of the most complicated procedures in land readjustment projects because of the numerous calculations that have to be done. Reallocation also includes the locational accommodation of land according to the location they had before entering to the project. Following the master plan for the LR project area, a public hearing is held for receiving comments from the landowners and other relevant participants in order to review and include the remarks in the master plan, if necessary. After the master plan is reviewed and approved, the agency combines all land parcels for a new subdivision. (Hong, 2007)

The land dedicated for public purposes and the "reserve land" is allocated to the municipal authorities and the remaining part of the land is reallocated to original landowners according to the plan approved by the planning authorities. The location of redistributed land for the original landowners should be as close as possible to their original location of the contributed land.

There are two methods based on which it is calculated the landowners' contribution rate and the amount of serviced land returned to them as follows:

3.8.6. The redistribution by the area

The method of redistribution by area is the simplest method and can be mainly used in those areas where the market values of land parcels do not differ a lot among them. The landowners' contribution rate may be different depending on the type of the land

readjustment project and the municipal land disposal within the area. The concept is simple: after the landowners' contribution ratio for public purposes and public infrastructure construction is set it is applied proportionally to all landowners.

Assume that the rate of landowner`s contribution rate is set to 30% of original parcel size. If a landowner has a plot of 1000 m² of agricultural land, based on the earlier calculations the municipality is allowed to take up to 30 % of land which means that 300 m² are contributed to the public areas and for the "*reserve land*". A plot of 700 m2 that is reallocated to the landowner must have at least the value of the original parcel before it is included in the LR project. In cases when a landowner contribution is 30% of the original land size, he receives back a building plot of 700 m² without any additional monetary compensation. If a landowner contribution is more than 30% of the original parcel size, for example landowner`s contribution for public purposes is 400 m2, than the landowner receives money compensation from the agency for the additional 100 m2 contributed land at the market value. On the contrary, if the landowner receives back more land than the determined contribution, then the landowner will pay with cash for additional received land.

Finally, if the landowner is economically strong enough and due to locational or other reasons wants to hold 100% of the original parcel surface, he is charged with cash payment for 300 m2 of land with market value. Another characteristic situation is when the parcel included in the LR project area is too small and it doesn`t meet the minimum requirement of the plot size for construction. For example, if a parcel surface is 100 m2 and the minimum construction plot size is set to 300 m2, the landowner has two options to acquire his development right. First, by entering in an agreement with the neighboring landowner and jointly exercising the development right and the second by selling the property to the neighboring parcel owner or the agency. In the absence of a voluntary agreement between the neighboring parcels owners, the money compensation by the municipality/agency is considered in order to prevent eventual holdouts.

The example of redistribution by area is presented in the table below.

Landowner	**Plot surface before LR**	**Contribution Ratio (30 %)**	**Plot surface after LR**	**The contribution balance**
Landowner A	1000 m²	300 m²	700 m²	No money compensation for land reduction
Landowner B	1000 m²	<300 m²	800 m²	The landowner pays for getting extra 100 m²
Landowner C	1000 m²	>300 m²	<600 m²	The landowner is compensated with money for extra land reduction(100 m²)
Landowner D	1000 m²	0	1000 m²	The landowner pays for 300 m² of market value
Landowner E	100 m²	The parcel is under the minimum of lot size for construction		1.Joining the neighbor parcel for development or 2.Selling the plot

Table 1. The example of redistribution by area

3.8.7. Redistribution by the value

As it was mentioned above, another method of land redistribution in LR projects is the redistribution by value. This method is more complicated than the area-based method due to numerous calculations that must be done for each parcel within the area. A basis for determining the value of each property is the market value. Each parcel before the LR project has its value determined by the various factors such as: access to public infrastructure, location, parcel`s shape etc.

The land involved in LR project has a much higher value than it had before entering the LR project. This happens due to the new development rights allocated to them at the moment of announcing the plan for the area. First, the land relative value is calculated and it represents the difference between the parcel value on the moment of announcing the LR project and the land value before the project is initiated. For example, a plot size of 1000 m² before the LR project is initiated had a value of 20 € / m², that means that the parcel was worth 1000x20 € = 20,000€. At the moment that the land readjustment project is

announced, the land value within area is considerably increased and it reaches the value of 100 € / m². The value of the plot after the LR project is introduced is 1000 x 100 € = 100.000 €. Due to this increase in value of land , the landowner' profit is 100,000€-20,000€= 80,000 €. In this case, the relative value of the land is calculated with the price of land 100€/ m². After the calculations, the municipality decides to take a part of the profit gained without merit from the landowner as a compensation for infrastructure improvements and public areas.

In the land reallocation, the landowner will get back a serviced plot of 700 m² valuated of 150 € / m². Now, the value of reallocated land is: 700 m² x 150€ = 105000 €. In this case the landowner must pay to the municipality the additional amount of 5,000 € for the land increase of 105,000€ -100,000 = € 5,000€. In this way, the municipality in addition to the area of 300 m², it also benefits 5,000 € from the landowner in the form of the cash compensation due to the increased land value.

Like in redistribution by area, different redistribution cases may arise depending on the amount of land contributed for public areas and public infrastructure construction. If the landowner gets back the parcel worth equivalent to the relative value of the parcel calculated before being included in the project, then there will not be made any compensation by the agency. However, if a landowner will contribute with 400 m² of a total area, then the value of the redistributed area will be 600 m²x150 € = 90,000 €. In this case the landowner will receive the money compensation from the agency in the amount of 100.000€-90.000€ = 10.000 € for additional land contribution for public areas and facilities. In contrary, if a landowner gets back 800 m² of construction land with a value of 800x150 = 120,000 €, then the landowner must contribute with money in the amount of 120,000€-100,000€= 20,000 € for additional 100 m² received. In case that a landowner doesn`t want to retain the construction land after the LR project, he will receive a cash compensation in the amount of € 100,000 as an entry relative value calculated when the LR project is introduced.

The Example of the redistribution by value is presented in the table below.

Landowner	**Plot size (m^2)**	**The input relative value (€)**	**Land Contribution (m^2)**	**The value of redistributed land (€)**	**Contribution balance**
Landowner A	1000 m^2	100.000 €	300 m^2	100.000€	Output value of the reduced land is the same as the input value of original parcel. The landowner doesn't pay anything for the construction land received after LR.
Landowner B	1000 m^2	100.000 €	300 m^2	700x150=105.000€	Landowner pays with money as a compensation for increased value of the construction land(+5.000€)
Landowner C	1000 m^2	100.000 €	400 m^2	600x150=90.000€	The landowner receives money compensation in amount of 10.000€.
Landowner D	1000 m^2	100.000 €	200 m^2	800x150=120.000€	The landowner pays 20.000€ for getting more construction land
Landowner E	1000 m^2	100.000 €	1000 m^2	100.000 €	The landowner receives money compensation for all land that he has given to municipality

Table 2.The example of the redistribution by value

3.8.8. Implementation entities

Depending on type, urban context and country's legal framework, the LR project can be implemented by: a person, organized groups or public authorities. Private initiatives may include: a landowner or a group of landowners or LR Cooperatives formed by Landowners. Public authorities are considered: Municipalities, Prefectural Governments or National Authority and local or central public agencies dealing with housing. The LR projects initiated by private entities are mainly implemented in suburban areas aiming to increase their land utility and urban services and on the other hand, public sectors are dealing the development associating with main infrastructure improvement or urban (re)development.

The table below shows the comparison between LR and compulsory acquisition methods (eminent domain or expropriation) on urban development.

	Land readjustment	**Compulsory acquisition methods (eminent domain or expropriation)**
Participation of landowners	✓	Not ensured
Efficient land development	✓	Under certain conditions
Zero costs for land acquisition	✓	Relatively high
Self-financing	✓	Possible
Development rights equity	✓	No
The right to return	✓	Possible but not secured
No Landowners` displacement	✓	Not ensured
"Holdouts"	Possible, but less likely	✓
Land title preservation	✓	No
Legal disputes	Minimized	Very high
Legal framework is required	✓	✓

Table 3.The LR vs compulsory acquisition methods

CHAPTER 4

Land Readjustment internationally

This section will focus on the international experiences of different countries with the LR. Although this method is unknown for the Kosovo planning authorities, LR has had a wide international application in different urban contexts. The experiences of different countries that have relatively long history on land readjustment are used to present the main features of the method. The practices of the countries such as Germany, Japan and Turkey are explored and compared. A detailed description of the procedures applied in these states is made with the aim of familiarizing the reader with the method. The analyzed countries have practiced the method for a long time in different urban contexts and they have also transferred their experiences to other countries all over the world.

After 1999, undoubtedly, the influence of international institutions especially European countries on the establishment of future Kosovo institutions, governance, laws and the economic system has been decisive. The economic system and country's legislation are in continual alignment with the ones of the European countries.

Germany is one of the most influential countries in the European Union. It has a long tradition of applying the method and also its transfer to other countries. Kosovo can learn lessons from the German experience in implementing the LR. Japan took the German LR model and adapted it to its own circumstances. The country is known for the large number of LR projects implemented successfully. Japan also has largely transferred its experiences with LR to other countries such as South Korea, Thailand, Indonesia, Malaysia and other countries of Asia. From Japanese experience, lessons can be learned on how LR projects can be implemented by different public and private entities.

Turkey is the country that has also inherited the German model of LR in order to build its own model. The relevance of Turkish experience lies in the cultural ties that Kosovo has had in the past and continues to keep it with this country. However, the culture plays an important role in the way the method is implemented in a specific country and differ it from the LR models of other countries. Concerning the Turkish experience in applying LR it is very important to emphasize that Turkey parallel to LR method has applied the so-called "voluntary application" method combined with the expropriation that has similar characteristics to the method that Kosovo is applying today in implementation of urban plans.

4.1.The Practice of Urban Land Readjustment in Germany

Germany is considered as one of pioneer countries which is using LR more than a century as an instrument in urban land development. Firstly it was used in land consolidation of farmland and woodland. It is also called a "*land reallocation*" or "*land consolidation*". The first law enacted in 1902 and then amended in 1907 was called 'Lex Adickes' and it was influenced by Franz Adickes, the previous Lord Mayor of the City of Frankfurt am Main. The legal base for LR in Germany is the German Federal Building Law Code. The land readjustment process in Germany is called *Umlegung* and in fact it implies that the rural land consolidation methods have been adapted to urban conditions (Larsson, 1997).

4.1.1. The legal framework

A German federal law on land use planning, *Baugesetzbuch*(BauGB), (sections 45 to 84) allows for mandatory land readjustment. The mandatory LR will not be used as long as the landowner are willing and are able to adjust the property boundaries by themselves in order to adopt them for better use and development.

"Mandatory land readjustment is available to the municipal government only if the modification of the shapes and sizes of existing plots is necessary for the realization of a plan" (Davy, 2007).

4.1.2. Leading institution

The local authorities are authorized to take care for all the process, from the initiative to the planning and implementation. The participation of the landowners in land readjustment projects is mandatory. "Compulsory readjustment" as it is called by Doebele(1982) due to obligation of landowners to join the projects, is always carried out by the local government. The landowners can be consulted in different stages of the project but their consent is not required.

After the land readjustment is announced and the site plan is designed, the land allocation is computed based on the land market value before the project and after the completion of the project. About 15-20 percent of the original land parcel is taken over by the municipality for the roads and green areas whereas about 5-10 percent of land value is calculated for the contribution in form of cash payments for the costs of public infrastructure construction. However, the land contribution of landowners to the project for both public use and cost-equivalent land cannot be more than 30 percent of the land market value. The cash payment for the cost recovery of the services makes the German land readjustment different from the countries that use LR.

The independent land readjustment boards are appointed by the municipalities and they are responsible for all important decisions in land readjustment project. Municipal offices are charged to prepare all negotiations and make the decisions with all the landowners of a land readjustment area. The final decisions will be made by independent land readjustment board. Usually, land readjustment boards are composed of five persons: a lawyer, a land evaluator, a land surveyor and two members of the local parliament. (Muller -Jokel, 2004)

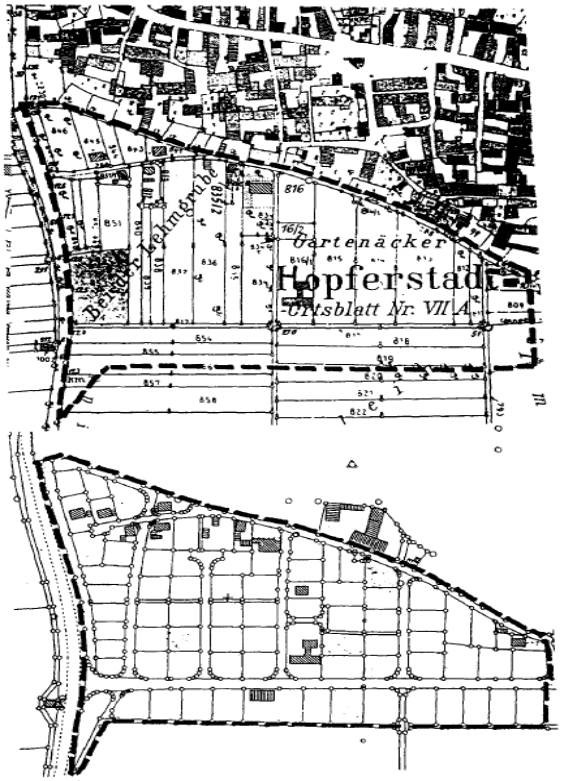

Fig. 4 The property boundaries before and after a completed Umlegung in Germany (Source: Larsson, 1997)

4.1.3. The procedures of German LR

The German planning regulation enables the municipality under land readjustment department to implement the land use plan through land readjustment. Under section 45, of BauGB, both developed and undeveloped land can be re-organized or redeveloped to create plots that are suitable in terms of location, shape and size for built development or for other uses.

The municipality (reallocation department) starts and implements the urban reallocation on its own responsibility insofar and as soon as this is required to implement a zoning plan. The municipalities are legally authorized to form reallocation committees with independent decision-making powers for the execution of the reallocation (section 46 paragraphs 1).

Under section 46, paragraph 4 it is legally regulated that the municipality may transfer its powers to execute reallocation to the authority charged with the reallocation and consolidation of agricultural land holdings or to some other suitable authority. The details of such delegation, including the municipality's rights of participation may be regulated in an agreement between the municipality and the authority which will execute the reallocation.

The reallocation will be initiated by the resolution adopted by the reallocation department. By this resolution the land reallocation area is determined and parcels are identified (section 47).The following parties are involved in reallocation process: the landowners/holders of properties within the area, the municipality and public agencies (section 48). The public notice of the resolution on reallocation shall be issued and it shall include a call for the registration within one month with the reallocation department of any rights not evident in the land register witch entitle the holders to register with the reallocation department (section 50 paragraphs 2).

After the resolution is announced, the activities such as: the land subdivisions, land sale and building activities are not allowed during the process of reallocation except if they are permitted by the re-allocation department (Section 51). Individual plots which impair the process of reallocation may be excluded from reallocation partially or entirely (section 51 paragraph 2). Minor changes to the reallocation area may be made by the reallocation

department up until the resolution to prepare a reallocation plan is adopted, without the need for a formal change to the resolution on reallocation (section 52 paragraph 3).

Following this, the reallocation committee produces the map and list of plots contained in the area for the reallocation (section 53 paragraph 1).The plots located in the reallocation area are joined to form a reallocation mass (section 55 paragraphs 1). Subsequently, the land for public space such as: the local roads , paths, the open spaces, spaces for car parking, playgrounds etc. is excluded in advance from the reallocation mass and allotted to the municipality or to any other agency charged with providing local public infrastructure (section 55 paragraphs 2). The remaining mass comprises the redistribution mass.

The portion of each landowner's share is based on the size or value of previous condition (section 56 paragraph 1). In accordance with the purposes of the reallocation, the redistribution mass is allocated to landowners in the same location or comparable location to the plots that have been contributed (section 59 paragraphs 1). For the landowners receiving less than the determined reallocated share a financial compensation is provided (section 59 paragraphs 2). If a landowner for various reasons doesn't receive a plot in the reallocation procedure money or compensation with property outside the reallocation area or the establishment of joint ownership of a plot, the granting of rights similar to real property rights, rights of condominium can be provided (section 59 paragraphs 4).

The reallocation plan is prepared by the reallocation department following resolution and after discussion with the landowners (section 66 paragraph 1). After the draft of the reallocation plan is designed, the land readjustment committee decides the reallocation plan indicating the new utilization proposed. The proposed utilization should state all actual and legal changes of the plots within the land reallocation area (section 66 paragraph 2). The reallocation plan comprises the reallocation map and inventory (section 66 paragraph 3). The decision of reallocation plan must be displayed by public notice for inspection by anyone who substantiate a legitimate interest (section 69) and the relevant extracts of the reallocation plan should be informed to the involved parties (section 70 paragraph 1).

If no objections exist against the land reallocation plan, the land readjustment committee must publish the date of the land readjustment plan on which it becomes indefeasible

(section 71 paragraph 1). If any objections appear, it may take alterations to those parties affected by the alterations (section 70 paragraph 1) and if objections in legal remedies of particular section of the reallocation plan do not take effect, the land readjustment department may put into force that particular section prior to public notice and those parties appealed for legal remedies are instructed of the coming into force (section 71, paragraph 2).

With the issuance of public notice, the landowners are put in possession of the plots allocated to them (section 72, paragraph 1). Afterwards, the land readjustment department shall forward an authorized copy of public notice and reallocation plan to the land register for rectification of public registers (section 74, paragraph 1). The reallocation department may also make alternations to the reallocation plan after it has become indefeasible, if: the zoning plan is amended, a court ruling makes the alteration necessary or the parties involved agree to the alteration (section 73).

The breakdown of the German Urban LR workflow can be seen in the table below.

Step 1	**Commencement of Land Readjustment**	• Define the area selected for land readjustment according to the recent land use planning. • Freeze changes of present land uses and transfer of rights in the land. • Map all properties, and list all landowners. • Indicate in the land register that land readjustment has commenced.
Step 2	**Preparation for Land Readjustment**	• Merge all properties into one bulk of land designated for readjustment. • Assess the present market value of the land. • Subtract all land designated for public use (e.g., local roads) and allocate this land to the municipality or development company. • Select relative value or relative size as the standard for the redistribution of readjusted land. • Determine the share of each individual owner.
Step 3	**Value Capture and Reallocation**	• Determine the value of the readjustment gain that owners have to pay to the municipality (standard of relative value) or that may be retained in land (standard of relative size). • Consider the present and proposed uses of the land as well as the needs and suggestions of landowners. • Allocate readjusted plots of land to each owner. • Determine the compensation of landowners who have not received their full shares.

Step 4	**Readjustment Plan**	• Issue a formal decision on land readjustment. • Determine the rights and obligations of each party, including the municipality. • Include a map of the new property boundaries. • Make legal remedies available to all parties. • Issue a public notice when, upon exhaustion of all legal remedies, the readjustment plan has become legally binding.
Step 5	**Implementation of Readjustment Plan**	• File the readjustment plan with the land register. • Monitor the legal and actual implementation of the readjustment plan.

Table 4.Five steps of German LR

(Source: Davy, 2007)

4.2.The Practice of Urban Land Readjustment in Japan

Land readjustment has a long tradition of application in Japan. It is a key part of the Japanese urban planning system and it has played a central role in the development of Japanese urban planning practice (Sorensen, 1999). As a technique LR was brought by the German experience. Japan is the country which has the highest rate of implementing the LR projects. Around 30 percent of urban areas have been carried out by the LR projects until March 2003 (Sorensen, 2007).

For the Japan, land readjustment (LR) has been to the present day one of the most important urban planning tools. Due to its importance in the urban planning process it was often referred to as `The Mother of City Planning' (*Toshi Keikaku no Haha*) (Sorensen , 1999). In Japan the method is called *Kukaku-Seir*i (KS) and it is often thought as synonymous with the urban planning.

Today, the land readjustment is a dominant urban development method in Japan. Around fifty percent of urban areas in Japan are developed by LR projects. The main cities of Japan including the capital Tokyo are rebuilt or developed using LR. For example, in

Nagoya, the third largest city in Japan, almost 90% of the whole built up area is developed through more than 300 LR projects in past 95 years. (Hayashi, 2007)

The origin can be traced back to the end of 19th century and in relation to the renewal of Tokyo. The procedure was institutionalized through Town Planning Act and Building Act passed in 1919 (Larsson, 1993).The procedure has been applied in mass in reconstruction of Tokyo after the earthquake of 1923.The tool was later applied in other cities, too.

Primarily it was used for the reconstruction of the devastated cities by the earthquakes. The property structure with fragmented land, small and irregular boundaries also played a great role in using the method. No doubt, the absence of good alternative methods has influenced the application of the LR model in Japan. LR besides others requires a collective commitment and a consensual decision which has never been lacking in the Japanese tradition.

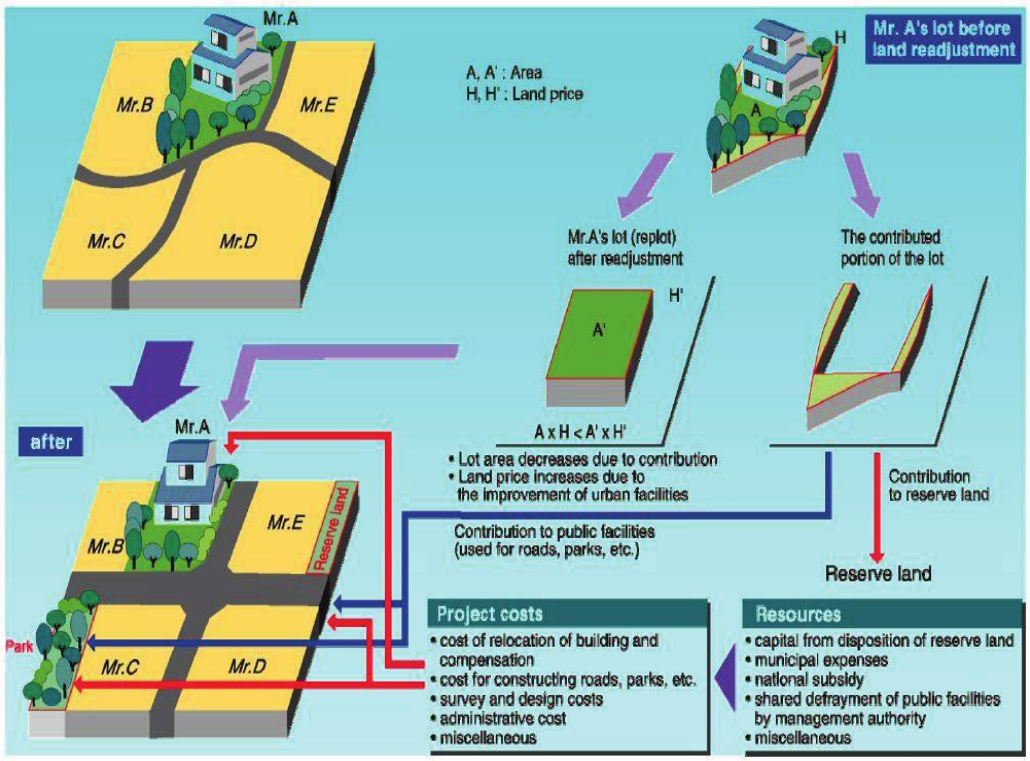

Fig. 5 A Scheme of Japan Land Readjustment in Japan

(Source: Japan International Cooperation Agency, 2007)

4.2.1. The Legal Framework

Concerning the legality, in 1946 a Spatial Planning Act was passed and KS is introduced as a principal mean of implementing the reconstruction projects. The main purpose of the method was to provide the necessary infrastructure and to adopt the land for rational development. According to this law, up to 15 % of land could be taken from the landowners without compensation for the roads and green spaces. Based on KS procedures, in 1954, a new Land Readjustment law was passed (Larsson, 1993).The land readjustment law of 1954 allows local governments and other government bodies to initiate land readjustment projects directly, without the consent of landowners in order to fulfill important planning goals (Sorensen, 2007).

4.2.2. The procedures of Japan Urban Land Readjustment

The basic principles of KS are illustrated in the figure below.

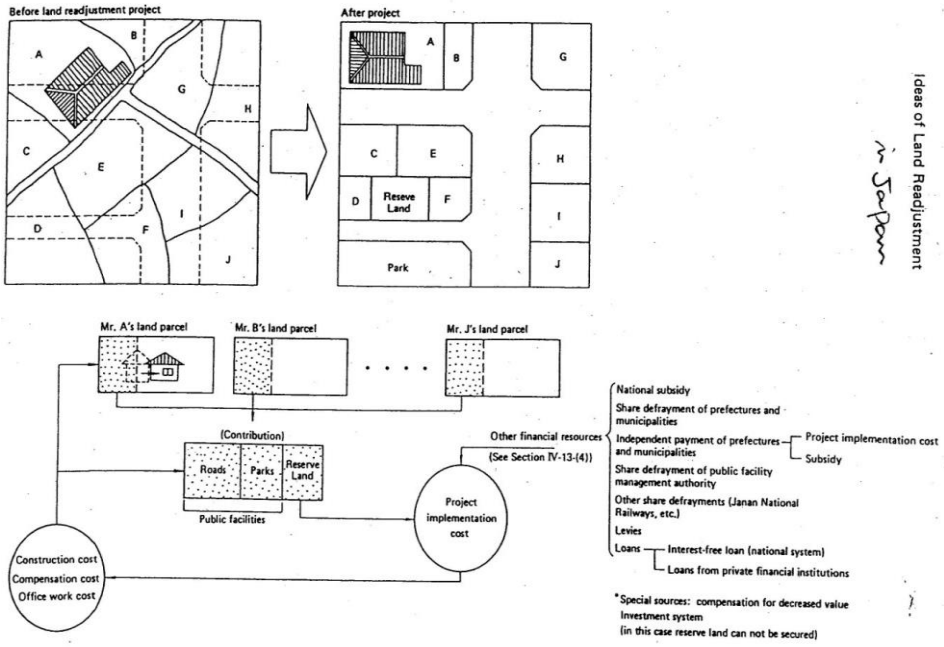

Fig. 6 The basic model of KS in Japan

(source: Hayashi, 2007)

According to Larsson (1993) the main characteristics of the LR methodology in Japan are:

- A uniform area or value deduction for all landowners
- Exchange of land to adapt boundaries to the planned use of the land and
- Complete or partial cost coverage through collective sale of part of the surrendered land

The Japan LR projects consist of five types of project executor:

- individuals,
- associations,
- local governments (municipal and prefectural),
- administrative agencies (of the Ministry of Construction or prefectural governments), and
- public corporations (such as the Japan Housing and Urban Development Corporation)

(Hayashi, 2002).

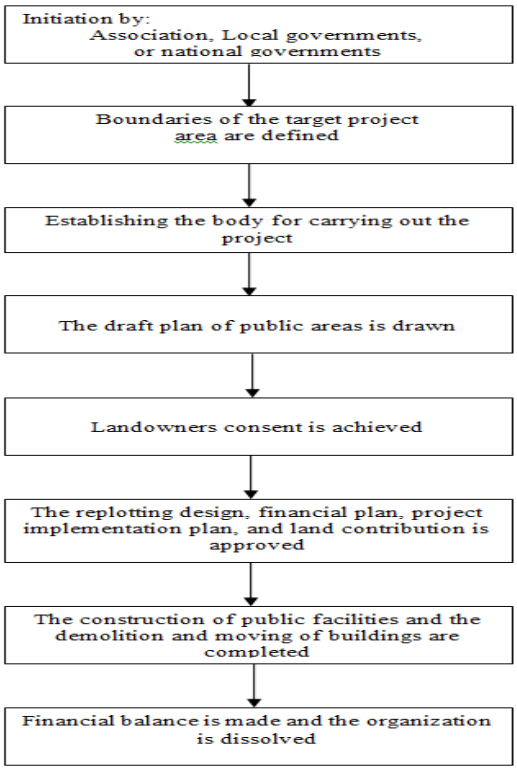

Fig. 7 Steps of the LR formal process in Japan

(soure: Lorensen, 2007)

4.2.3. The Basic Features of Japan Land Readjustment Workflow

Sorensen (2007) describes all these steps of the Land Readjustment formal process in Japan.
Regardless if the Land Readjustment projects are initiated by the association, local governments or national government all of them share some basic features.

The first feature of Land Readjustment project is the definition of the boundaries of the project area. Local governments are responsible to define whose land is involved in the project area and in what way they are influenced. The second, the implementing body is legally established. It is comprised by the members of sponsoring agency and landowners. In projects initiated by landowners, all owners are members but usually they choose their representatives in these implementing bodies.

The third feature, a draft plan of public infrastructure and other public facilities is drawn. Usually a consultant is selected to draw the plan. The plan design is used to calculate the estimated project budget, land contribution from each landowner for public purposes and public infrastructure cost recovery and eventual subsidies from the national government.

The fourth feature is the landowners' consent and support for the LR project. In private LR projects organized in an association, the legal requirement is that 66 percent of the landowners owning 66 percent of land must agree to join the project and sign the contract before it proceeds further. Concerning the public project, no specific consensus is required but still the implementation needs a high degree of consent. If they do not have adequate consent, they are extremely difficult to implement (Sorensen, 2007).

The fifth, the re-plotting design, financial plan, project implementation plan and proportion of land contribution from the landowners must be approved. The sixth feature includes improvement, and construction of public facilities and building demolition. Once the works is completed, the rights are transferred to the re-plots and recorded in the land registration. The seventh feature is the financial balancing (adjustment). If there is inequity among landowners in terms of cost-sharing and imbalance during the project, they are settled by financial adjustment. Surpluses must be spent within the project area (Sorensen, 2007). Upon the completion of the LR project the association is dissolved.

The Sociopolitical factors may have facilitated Japanese land readjustment projects in gaining the consent of landowners. However, a number of other factors may have been even more important in encouraging the widespread use of land readjustment in Japan. Sorensen (2007) highlights some of the factors that have influenced the spread and successful implementation of LR projects in Japan.

The first and the most important factor is the existence of highly fragmented patterns of land ownership in areas on the urban fringe. So, a kind of plot consolidation or rearrangement tool was necessary to facilitate the urban plans implementation.

A second factor was the proportion between land in private and public ownership. The land in public ownership in Japan is relatively small in rural and urban areas. Thus, there was needed an instrument through which parts of land in private ownership would be acquired by the municipalities without spending money.

The third very important factor has been Japan's extremely strong land ownership rights. These ownership rights have had an important effect on urbanization and have greatly contributed to rely on land readjustment method for land development. The land assemble by other conventional methods is legally possible but in practice it is very difficult due to the opposition made by the landowners. The use of conventional methods in certain aspects violates property rights so the use of the LR method can be seen as a mean to protect existing landownership rights. In LR projects the original landowners are still allowed to remain in the LR area and they will be the owners of the bulk of land in the reallocation process (Sorensen, 2007).

4.3.The Practice of Urban Land Readjustment in Turkey

Turkey also has taken the German model of LR and has adapted it to its own circumstances. The first application of the method dates back to the year 1848 when it was introduced into the Regulation Related to Buildings, prepared for Istanbul and it was allowed to be applied only in fire areas.

4.3.1. The Legal Framework

The method was legalized by law dated 1930, which was in force for the city of Ankara, that the provisions related to LR are not only restricted to fire areas but they will be extended to all urban areas. Later on, by the Law for Municipalities and Structure and Roadways dated 1933, LR has been enforced for all municipalities (Turk, 2005). As this law was adapted from Berlin for Turkish conditions, the LR method looks like the German model. In the beginning of the application, the contribution percentage to be paid by the landowners for the areas allocated for public use in the LR process was determined to be 15%.

After the approval of the Reconstruction Law which was passed in 1957, this contribution percentage was increased from 15% to 25%. Since such a contribution without compensation didn't have the legal base, it was challenged by the Constitutional Court and in 1963 it was annulled. The use of LR was suspended until 1972 after the Law was amended. By this law it is determined a contribution percentage that the landowners have to provide for public areas such as roads, squares, parks, car parks and playgrounds.

According to the Reconstruction Law dated 1985, maximum contribution percentage in LR projects was 35%, but this rate was increased to 40% as modifications are made in the Law dated in 2003. Prior to 2003, the land contribution was dedicated to provide areas for general public services like roads, squares, parks, car parks, children's playgrounds, green areas, religious buildings and police stations in the project area. After the modifications made in the law in 2003, the primary and secondary schools were included in these LR project areas.

4.3.2. The Turkish LR procedures

The LR process in Turkey is closely related to local physical planning. The basic purpose of the LR process in Turkey is the implementation of the local physical plans (Turk, 2005). The procedures for initiating and implementing LR are the exclusive right of municipalities. One of the differences between the LR method in Turkey and in other countries is that in some cases the LR is combined with the expropriation method. Legally, the contribution of landowners in all LR cases is set at the maximum of 40 percent of contributed land to the LR project.

The expropriation is used mainly in project areas where contribution ratio is more than 40 percent. The land contribution over 40 percent is expropriated by the municipality. The expropriation within LR project area is also used in the purchase of public areas such as hospitals, baby nurseries and the areas allocated to municipal or other public services (Cete, 2010).

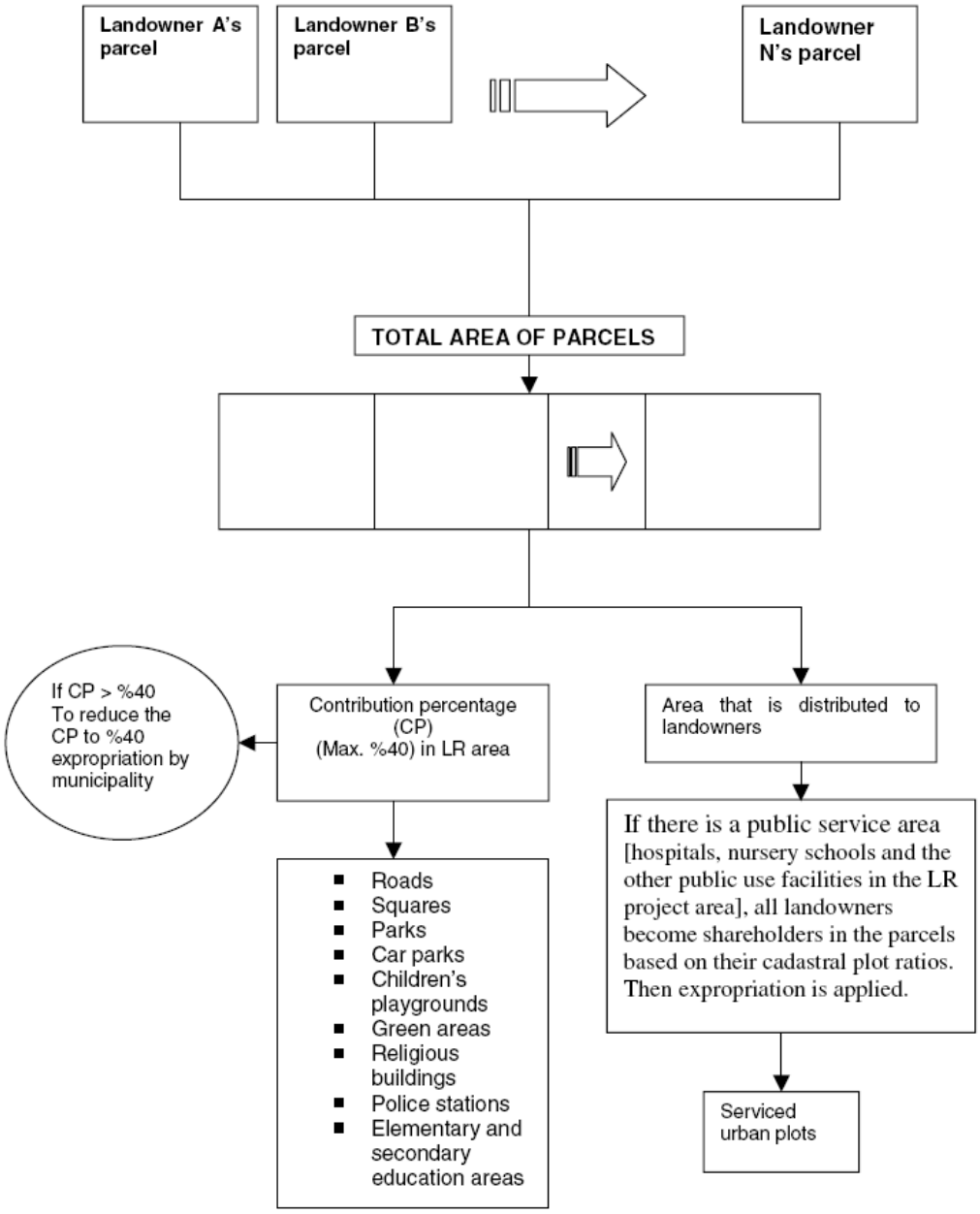

Fig. 8 Diagram of the LR model in Turkey

(Source: S S Turk 2005).

4.3.3. The Basic Features of Turkey Land Readjustment Workflow

According to Cete (2010) the implementation process of a Turkish LR project can be summarized in four stages: preparation, calculations, reallocation and approval.

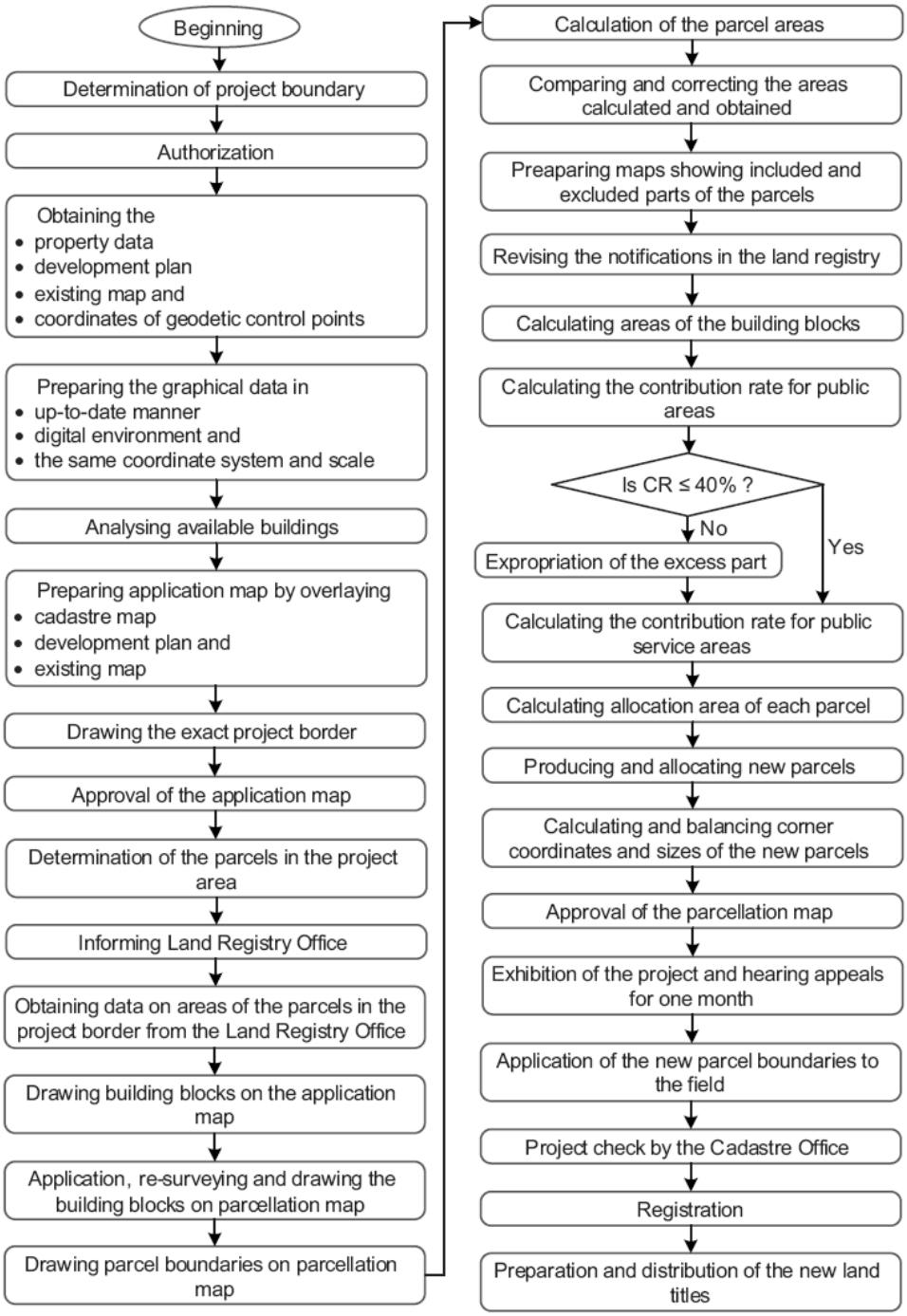

Fig. 9 The Workflow of the Turkish LR method

(Source: Cete, 2010)

Initiation

LR project begins with border determination of a project area. The town council decides regarding the areas inside the territory of municipality or contiguous areas whereas the provincial boards are responsible for the territory outside these areas. A public organization or a private surveying office can be authorized to carry out the project.

The authorized company is obliged to obtain all relevant data required for the LR project such as land registry records, cadaster maps, development plans, existing maps, geodetic control points etc. Next, an application map is formed by overlaying the cadaster map, development plan, and existing map. After the application map is approved and the parcels which are included in the project area are already determined, the relevant land registry office is informed.

Following this, the interested parties concerning the LR project should be informed. The exact areas of the parcels are obtained from the land registry office. All the building blocks have to be drawn on the application map by taking into consideration widths of the roads and the protected buildings. The building blocks borders must be applied to the field and resurveyed, before the reallocation map, including boundaries of the cadastral parcels and the resurveyed building blocks, is prepared (Cete, 2010).

Calculations

After the reallocation map is prepared, the calculations begin with computations of the included parcels or parts of the parcels included in the project area. In regards to the calculation, there are two calculations which are needed to be done in LR projects in Turkey (Cete, 2010).

The first one is the calculation for the contribution coefficient for public areas (CCPA). The CCPA calculation includes all parcels in the project area in order to provide land for primary and elementary schools, roads, squares, parks, car parks, children's playgrounds, green areas, religious places, and police/gendarme stations within the project boundary.
The formula which is used to calculate the CCPA is as follows:

CCPA = (cp – bb – ps)/cp

Where:

CCPA- is a contribution coefficient for public areas;

cp- is a total area of the included parts of the cadastral parcels in the project area;

bb- is a total area of the building blocks; and

ps – is a total area of the public service areas.

Meanwhile the calculation for the contribution area for each parcel included in project area is done by the formula:

CAPA*i*= CCPA x cpa*i*

Where

CAPA*i*- is a contribution area of the Cadastral Parcel No. " *i*" for public areas;

CCPA –is a contribution coefficient for public areas; and

Cpa*i* – is an area of the cadastral parcel no. " *i*."

The second calculation is the calculation concerning the contribution area for public services. This calculation is applied only in cases where the contribution for the public services is determined and includes areas for public services such as secondary schools, hospitals, baby nurseries, and other areas allocated for municipal or other public services.

The contribution coefficient for public service areas is calculated by the formula:

CCPS = ps/cp

Where:

CCPS- is contribution coefficient for public service areas;

Ps- is total area of the public service areas; and

Cp –is total area of the included parts of the cadastral parcels in the project area

Meanwhile the calculation for the contribution area for each parcel included in LR project area is done by the formula:

CAPS*i*= CCPSxcpa*i*

Where:

CAPS*i*- is a contribution area of the Cadastral Parcel No. "i"

for public service areas;

CCPS- is a contribution coefficient for public areas; and

Cpa*i* – is an area of the cadastral parcel no. "i."

As it is mentioned above, if the CCPA is greater than 40%, the expropriated method is included to pay for the exceeded part of the contribution. Expropriation is done proportionally for all parcels included in the LR project area.

The following table shows the maximum contribution of landowners over the years and what has been contributed to LR project.

Changes in Maximum CCPA and its Components over Time		
Years	Maximum CCPA _%	Contributed land is used to cover the areas of
1864	25	Road
1882	25	Road
1930	15	Road and square
1933	15	Road, square and green area
1956	25	Road, square, green area and car park
1972	25	Road, square, green area, car park, park, and children's playground
1985	35	Road, square, green area, car park, park, children's playground, mosque and police station
2003	40	Road, square, green area, car park, park, children's playground, religious place, police station and elementary and secondary schools

Fig. 10 The maximum land contribution of landowners through years in LR projects (source: Cete 2010)

Reallocation

Reallocation is considered as the most complicated phase in the Turkish LR projects. The newly established parcels should be allocated as near as possible to their original location. When the reallocated area is under the minimum development size of area the landowner of that parcel becomes a shareholder.

Approval

The last stage in the process is the approval of LR project. The re-subdivision map with the new designed parcels must be approved by the town council or the provincial board. Then, the project is sent for public hearing for one month period. The eventual appeals, comments and suggestions are heard and decided during this period of time. When the project is completed, the new parcel boundaries are assigned to the field. The completed project then is sent to the cadastral office for technical checks. The revision of the project is not excluded if eventual mistake is identified after which the project is sent to the land registry office for registration. Finally, new land titles are prepared and distributed to the relevant landowners.

4.4. Other international experiences with LR

4.4.1. LR in France

In France, unlike Germany, land readjustment is mainly the responsibility of the landowners. The initiative may be taken by the municipality, but also by landowners, who may start LR by introducing a voluntary association. The association is called, *Association foncière urbaine autorisèe*(AFU)(Larsson,1997).

First, a pre-project plan is prepared and discussed between the landowners and local authorities. This pre-project contains boundary proposals for the area and a draft record of owners and parcels affected. The pre-project plan must give also the main lines of the project, highlighting the benefits for landowners and construction costs of the project. Usually a consultant is chosen, mainly the private surveyor to work out with the proceedings. A public support for the project from the involved parties is needed in order to proceed to the next stages of the project. If 2/3 of the owners owning at least 2/3 of the total area agree with the project, the prefectural authority can approve an authorized association for owners within the area and give it the power to implement the project and recover its costs from the members.

Land readjustment plan determines blocks, streets and other necessary construction. Next, the land needed for public areas is subtracted and the remaining area is distributed to the landowners. The value of the redistributed land must be at least of the same value of the land before the implementation of the land readjustment project. In order to balance the land exchange it is not excluded also the compensation to many of them. Usually, some of the owners prefer a voluntary reduction of their land to cover at least a part of their costs. After possible revisions, the plans and documents are handed over to the prefectural authority. These plans should be approved by the municipality and displayed to the public. After the final adjustments are done by the association board, the plans are again sent to the prefectural authority for approval. When, all the construction works are finished by the association and final account of costs are ready, the association is dissolved. (Larsson,1997)

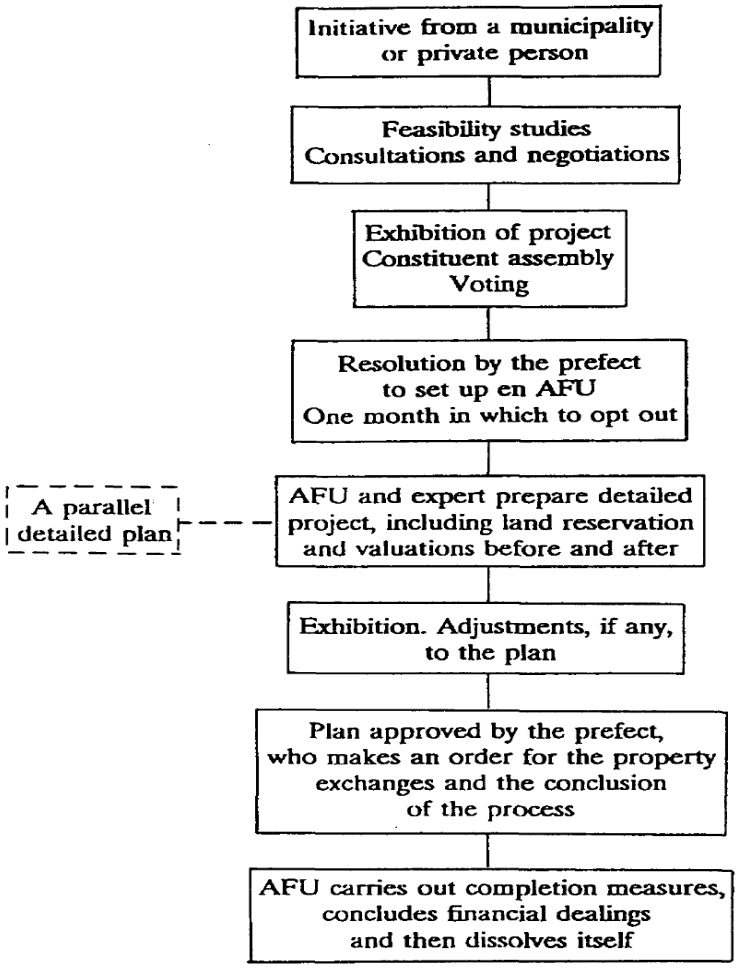

Fig. 11 Steps of a AFU procedure in French Land Readjustment

*(*source:Larsson,1997)

4.4.2. LR in Australia

In Australia the land readjustment is called "land pooling". It is a technique for financing and management of the subdivision of privately owned land into well-planned serviced building sites. It is based on a scheme, or a plan, prepared by a local municipal council, after consultation with the involved landowners. After the proper adoption, it constitutes a binding and compulsory partnership among the owners for design, servicing, and subdivision of their lands as a single estate, with both cost and returns being shared among them (Doebele, 1982).

Land pooling has only been used in the state of Western Australia, mostly in and near the state capital of Perth since 1951. The process has been carried out mainly on land not occupied by the owners. For this reason it has generally not been resisted by landowners when they have been consulted in advance, even though after consultation it has become compulsory. An important aspect of the Australian system is that detailed written statements of the costs and benefits are usually available to each landowner at the key stages of the project. While some aspects are compulsory for minority owners, every owner has sufficient information to act in his best interest as the project proceeds (Doebele, 1982).

The development of the new suburban areas of Perth consists of two distinct stages: land subdivision and building development (Archer, 1982). In the Australian system, the council prepares a scheme plan and text. The local council is responsible for administration of municipal planning schemes, while the Town Planning Board and Department administer the subdivisions regulations. Usually, the land subdivisions are required to be undertaken for the road works, water and sewage system .The land owners are required to allocate10 percent of their land for the public spaces. Under the land subdivision there are not included the electricity, street lighting, telephone and the area for public schools or buildings.

As the Archer (1982) argues, in some peripheral suburb areas where there are large holdings, the state government has negotiated the land rezoning and development agreements with the owners under which the land owners finance most or all of the public

infrastructure and subdivide the land according to the program in return for the rezoning of their land from the rural to urban uses (Archer, 1982).

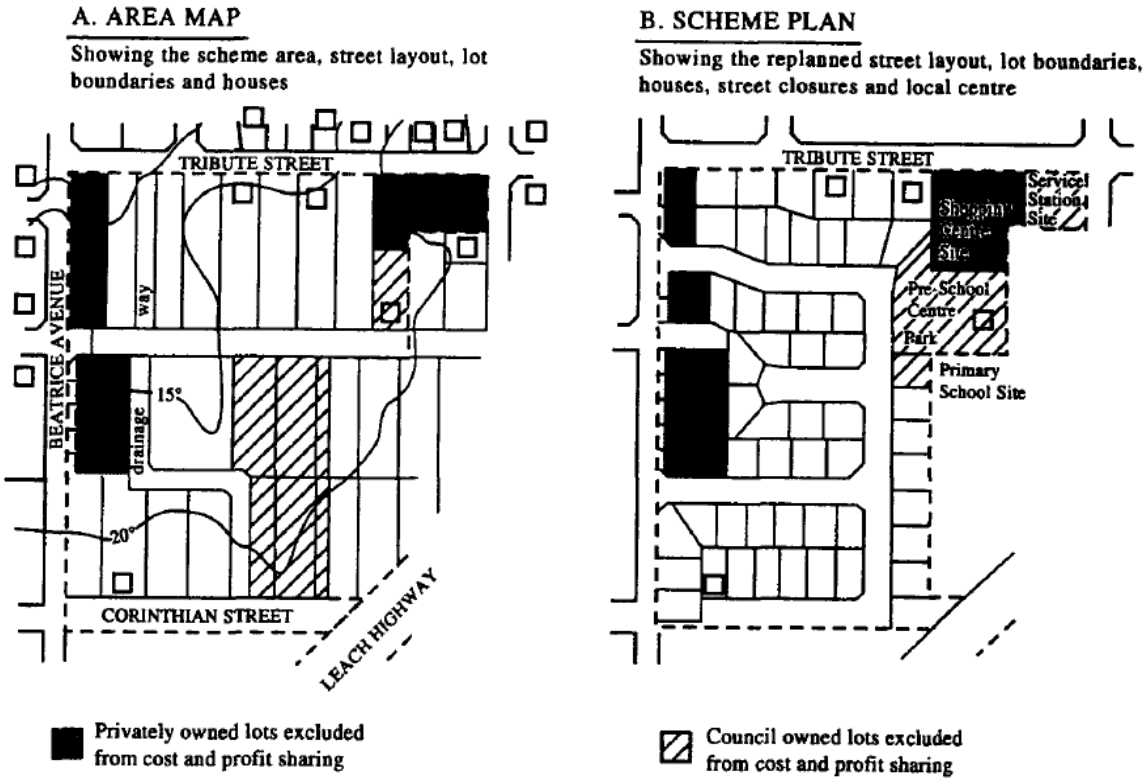

Fig. 12 Example of land pooling in Perth –Australia

(source: Archer, 1984)

Further, in selected areas, a number of local councils use "guided development schemes" to control the layout of private subdivision projects and recover the costs of providing infrastructure works.

In the Australian land readjustment scheme, the valor assesses the current market value of the parcels and then after the parcels has been subdivided into fully serviced building sites. The council computes the cost of subdividing and providing services and also the number of building sites needed to recover these costs (cost-equivalent land). The "Cost equivalent land" is identified before the remaining sites are allocated to the participating landowners. The owners are notified regarding the allocation before the scheme is officially exhibited. After the public exhibition, the owners may file objections, which are reviewed by the

town planning board in its report to the minister for urban development and town planning. After his review and approval, the scheme becomes legally binding.

When the construction work, roads, parks, and other public lands dedicated are completed and the subdivision registered, each landowner receives back his share of sites, with whatever cash adjustment may be necessary to maintain the same relative values as values of the land put into the project. The council sells its cost-equivalent lots at the auction and uses the proceeds to pay off the bank loan. Any surplus is distributed among the participating owners.

An interesting feature of the Australian system is that the lands are valued only when they go into the project. This establishes a percentage share for each owner. When the project is complete, the owner receives exactly the same percentage of the total value of all the lots created, less those taken as a cost equivalent land. If the lots actually received back have less or more appraised value than the percentage share, a cash adjustment is made so that each share is kept equal (Doebele, 1982).

Feature	Germany	Japan		Turkey
LR project is initiated by	Public authority	Public authority	Private sector	Public authority
Landowners minimum legal consensus	Not required (It is a mandatory for landowners)	Not required	2/3 of landowners	Not required
LR project is managed by	The independent board of experts established by the municipality	Representative board of landowners and sponsoring agency	Council of landowners	Public organization or private surveying office
Landowners contribution for public areas	15-20 %	Varies	20-30 %	Max 40 %
Landowners contribution for cost recovery	5-10 % in form of cash payment	Varies	10-15 %	Obtained by expropriation
Redistribution standards	By relative value or relative size	By relative value or relative size		By relative size (Primary)
Final balance made	Yes	Yes		Yes
The legal support required	Yes	Yes		Yes

Table 5.The comparison of LR's features in Germany, Japan and Turkey

CHAPTER 5

The LR in Kosovo context - Case studies

Although LR has a relatively long international application experience in both developed and developing countries, it is practically unknown to planning authorities and urban planners in Kosovo. Until 1990, Kosovo applied a top-down urban planning system totally controlled by the state i.e. a typical system of socialist countries. Some of past system features are inherited and continue to be part of the current urban planning system of Kosovo under quite different circumstances. Nowadays, the country is facing different urban development challenges as a result of not adapting urban planning system to the newly created circumstances.

Parts of the urban areas of the capital of Kosovo -Prishtina are selected by the researcher as case studies. The potential of both the current method in use and LR method on addressing of problems in urban development in municipalities of Kosovo is tested through the case studies. Three characteristic urban development cases are selected to be explored and analyzed.

In first urban development case study a possible application of LR in urban redevelopment projects of the city centers is explored. In most cases, these urban centers are covered by an outdated urban plan that needs to be updated. Usually, in such cases it is planned the increase of the housing density of the area through new urban regulations reallocated to the area. The urban land in city centers is highly fragmented and the land assembly for development has been identified as one of the main challenges of planning authorities.

The second urban development case study is dealing with urbanization of peripheral urban areas of cities. The housing density of suburb areas is lower and the land structure is different from those in city centers. The main challenges facing local authorities in the urbanization of such areas are as follows: the provision of land for public infrastructure and facilities as well as the financing of public infrastructure construction.

The third analyzed case study is the improvement of informal settlements through urbanization. As it was stated in the previous chapters, Kosovo cities are characterized by a considerable number of informal settlements. The main characteristics of these informal settlements in Kosovo are: highly fragmented land due to informal divisions, lack of public infrastructure, lack of areas for public facilities, etc. The heterogeneous land structure, legal framework and urban planning procedures are the factors that have pressed the central and local authorities to create the strategies and policies for improvement of informal settlements.

The features and the procedures of the current “base method” in use have been described in previous chapters. It has been stated that the shortcomings of the method are mainly manifested through difficulties in the urban plan implementation. The “base method” case scenarios for all urban (re)development case studies are built based on the assumptions that the method has significant constraints on land assembly, adapting of property lines, provision of land for public purposes and the public infrastructure finance.

The LR method potential for urban (re) development is tested for all analyzed case studies. The LR method case scenarios are built based on the assumptions that the method facilitates the process of land assembly for development, enables the provision of land for public areas free of charge and contributes in public infrastructure finance. Based on the features of the LR method it is demonstrated its potential in addressing certain urban development problems for all case studies.

A comparison between the current method in use and LR method application is done to show the advantages of the LR method as an alternative urban development method.

In absence of the reliable real-estate price data onto the residential and commercial properties, the approximate market prices are taken for comparison purposes. These comparisons are presented in the appendixes to each case.

The case studies are selected in order to analyze and compare the potential of the current base method in use and the LR method in the following urban contexts:

1. Redevelopment of urban centers
2. Urban development of suburb areas and
3. Regularization of informal settlements

The first case study is dealing with the redevelopment of the central areas of cities. A part of the urban area located in core of the city of Prishtina called “Qyteza Pejton” is selected to be explored.

The second case study is dealing with new non-urbanized areas. A part of the suburb area of “Mati 3” in Prishtina is selected as a case study.

The third case study explores the applicability of the LR in regularization of informal settlements. A part of the informal settlement in suburban area of “Mati 1” in Prishtina is selected to be explored and analyzed.

The comparative results of three case studies are presented in Appendices along with the input assumptions to both methods scenarios.

5.1.The case study 1

The urban redevelopment of the urban area" Qyteza Pejton "

Location: Prishtina-Urban Regulatory Plan "Qyteza Pejton"

5.1.1. The case study selection reasons

"Qyteza Pejton" is an urban area located in the city center close to government, university and different national and international institutions. It is a relatively new neighborhood built after the Second World War. It was initially built as a residential area mainly for individual housing units. Originally built on the outskirts of the city, the neighborhood had a good social and technical infrastructure inside. Recently, due to the favor location of the area it has attracted the attention of potential investors. The good location of the area has caused small houses to be demolished to allow the construction of new multifamily buildings and commercial-oriented businesses. According to "Urban Strategic Development Plan of Prishtina 2004-2020" (USDPP), the area has been defined as one of the key areas for urban redevelopment. The purpose of drafting the urban regulatory plan for this area has been the creation of legal conditions for the redevelopment of the area as one of the central city zones.

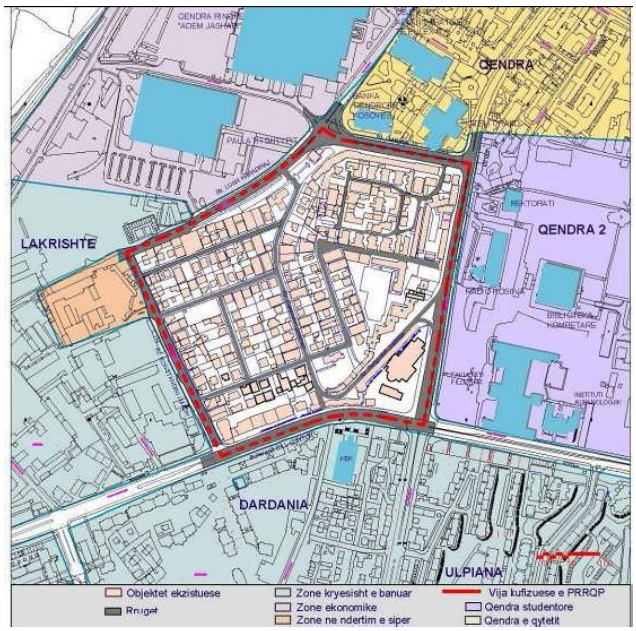

Fig. 13 The Location of "Qyteza Pejton" in the city

(source: Municipality of Prishtina).

The urban block “B 2” located along the main road of the area is selected to be explored and analyzed. The redevelopment case scenarios are built based on the features of both methods.

5.1.2. The analyses of selected area

The site is analyzed in details, including the property structure, land use regulations for the area and parcels characteristics such as the size, shape and location.

The area is characterized by the following characteristics:

- The current use of the area is mostly for individual housing
- The land parcels have access to urban infrastructure recognized also by the new urban plan
- All land parcels within urban block are privately owned
- The existing buildings within urban block are mainly one family residential buildings combined with commercial content on the ground floor.
- The land parcels have a regular shape but they are under the minimum building size set by the plan for multifamily buildings.

5.1.3. The existing land layout pattern and land use

The urban block B2 contains 15 parcels of different shape and size. The current land use of the urban block is for individual housing. The shape and size of individual parcels hinder the planned development provided by new land-use regulations.

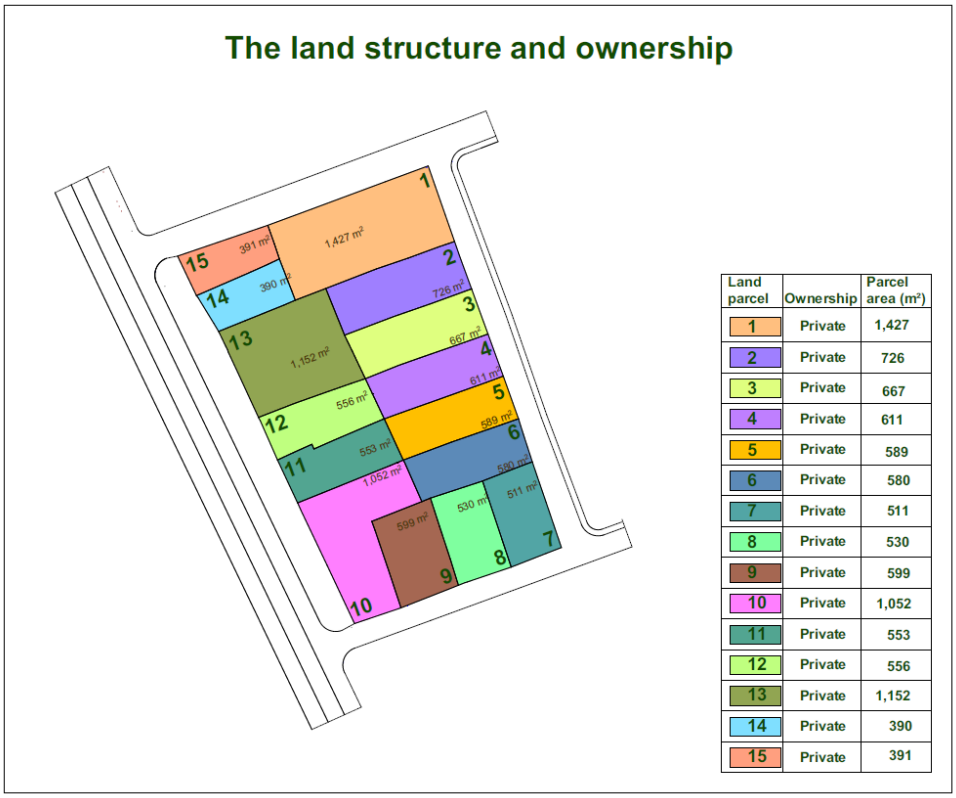

Fig. 14 The land ownership layout of the urban block

(source: municipality of Pristina modified by the author)

New urban regulations set by the municipality enables the density increase of the area. A critical mass of land should be assembled to allow the construction of multifamily buildings for residential and commercial use. The construction of public facilities, such as the construction of kindergartens within certain blocks is foreseen by the urban plan. Other public areas such as green spaces and car parking are planned within the urban block. Additionally, the position of the planned buildings in relation to the existing parcels and the public infrastructure is determined by the plan.

Fig. 15 Urban Regulatory Plan (URP) "Qyteza Pejton"

(source: municipality of Prishtina)

The "Base method" re-development case scenario

The "Base method " redevelopment case scenario is built on the assumption that due to the legal framework constrains and planning procedures, the municipality/developer would be limited in land assembly, rearrangement of border lines, purchasing land for public purposes and financing the construction of public infrastructure.

5.1.4. The land assembly for development

The current legal framework and urban planning procedures have allowed the municipality to approve the new regulatory plan without any prior changes in property and ownership structure.

No land assembly activity is initiated before the plan is approved by the municipality. A land pooling of small neighboring parcels is needed to allow the density increase of the area. Based on the existing parcel layout, different redevelopment scenarios for individual parcels can be assumed.

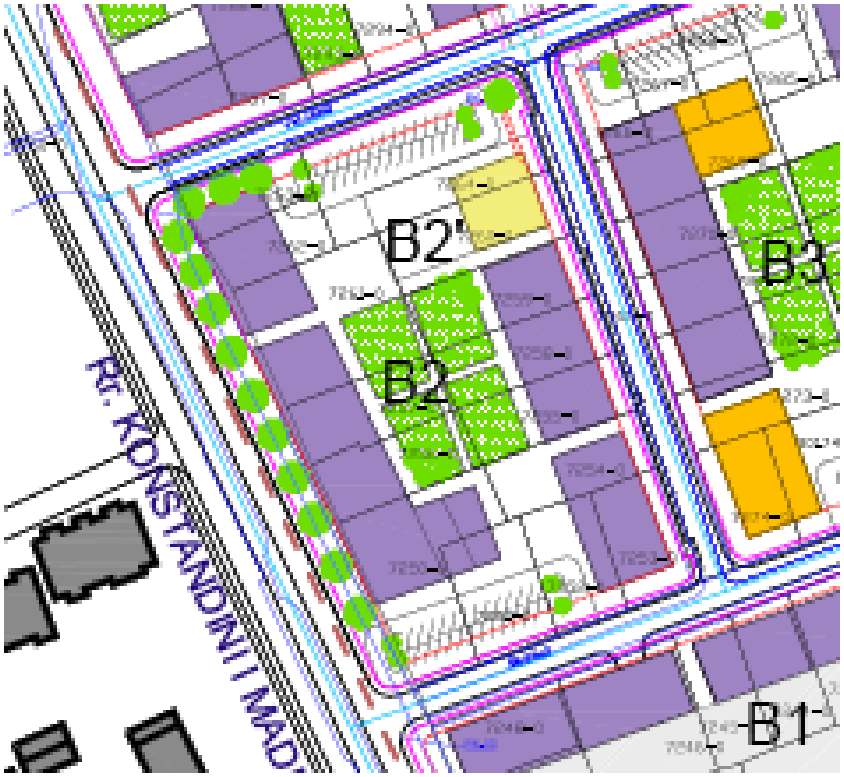

Fig. 16 The planned use of land for the urban block "B2"

(source: municipality of Prishtina)

For example, according to the urban plan "Qyteza Pejton", the parcel no. 1 is planned for parking areas and partly for the construction of the kindergarten facility. The parking space is planned to serve buildings that are planned to be built within the urban block. The municipality has no interest in expropriating the parcel no. 1 because the parking will serve exclusively for the inhabitants of the urban block whose parcels are 100 percent private

property. Furthermore, the municipality should also expropriate the parcel number 2 dedicated for construction of a kindergarten. Due to the lack of the financial means it is unable to do so. In order to enable the density increase within the urban block it is planned the construction of multi-storey buildings combined with commercial content. A planned multi-storey building lies on more than one original parcel. Example: parcels no. 3, 4 and 5 are dedicated to the construction of the planned multi-storey buildings and partly contribute to the common green space. If any of the landowners 3, 4 or 5 for any reason does not want to cooperate with the other two landowners or overestimates his own property, then, the planned development will not be executed.

The municipality does not have legal mechanisms that would oblige landowners to reach agreement on joint development of their parcels. The same conclusions can be drawn for parcels no. 6, 7 and 8. The parcel no. 9 like the parcel no. 1 is planned for parking areas for the urban block needs. On parcels no. 10-15 it is planned the construction of two multi-storey buildings. The parcel no. 13 is planned to serve the construction of two buildings along the main road. The position of parcel no. 13 is determinant for the realization of the planned constructions.

The landowner of the parcel no. 13 overestimates his property due to its favorable position in relation to the main road and the planned development. The planned public spaces such as the green areas extend to all individual parcels. This implies the reaching of an agreement between all parcel owners within the block that according to the procedures of the current method in use is difficult to be achieved. The partial agreements between landowners excluding particular plots in redevelopment of the area produce contrasting urban layout patterns.

5.1.5. The parcels boundary adaptation

The original parcel border lines have been drawn according to the previous urban plan that allowed the construction of individual residential buildings. Parcels are distinguished for their regular shapes and oriented to planned public infrastructure. Adapting the parcel boundaries with the planned development depends on the agreement reached between the landowners after the development rights are attached to the area. The process of joining

several small plots to create a larger plot defines the future boundary of the newly created parcel. In the assumed case scenario, new parcels boundaries are determined from potential agreements between landowners of certain parcels for which development is enabled. Because the rearrangement of the parcels borders starts after the approval of the urban plan, the adaption of parcels border lines according to the plan is very difficult to be achieved.

Fig. 17 The existing urban land layout pattern of urban area "Qyteza Pejton"

(Source: municipality of Pristina)

5.1.6. The provision of land for public purposes

The re-development case scenario is built on the assumption that the municipality lack financial means for compulsory expropriation of private land, in particular in the area where the price of land is the highest in the city, such as the analyzed area.

From the past planning, the urban area has already been equipped with public infrastructure and public facilities such as: schools, kindergartens and public spaces. This public infrastructure was planned to meet the residents' needs at the time when the area was developed. The existing infrastructure must be improved and adapted for planned development.

Based on the legal framework, the land acquisition for new public facilities and improvement of existing public infrastructure is possible only through compulsory land expropriation. The land needed for this purpose is mainly privately owned and considerable financial means are needed for these purposes. Due to financial constraints, the local authorities are limited on land acquisition for public needs through compulsory expropriation. In absence of funds, the areas planned for infrastructure and public facilities remain uncompensated for long time. In this manner, the public infrastructure cannot be built timely and the landowners are not compensated for the loss of land.

5.1.7. The urban public infrastructure finance

The funds gathered through the construction permit tax are the only means of financing public infrastructure construction. Due to the disproportion between the buildings permit fee and the real cost of building public infrastructure, there is a deficit of financial means necessary for the construction of public infrastructure. In addition, the tax collection happens periodically and it is depended on the application of landowners for building permits. The full collection of the tax in the area is completed at the moment that the last landowner pays the construction permit tax. The building of public infrastructure is an activity that starts in early stages of the project and requires a lot of money to be completed. Delays in tax collection cause discontinuity in infrastructure investments.

5.1.8. The land title preservation and development rights

Provision of land for public purposes by local authorities through the compulsory expropriation prevents the landowners from being treated equally within the same area.

According to the urban plan, certain land parcels or parts of them are planned for public uses and will be part of the expropriating procedures. The landowner's contribution for public areas is different within the same area. According to the plan, the land parcels 2 and 3 are dedicated for construction of kindergarten, while parcels 1 and 9 are planned for parking spaces that will serve the other parcels within the block. Other neighboring parcels are equipped with development rights such as the construction of multi-housing buildings which could bring them high benefits from the development in the future. The landowner whose land is dedicated for public purposes will receive a cash compensation for the property loss and will not be able to return to the area after the project is completed. For these reasons the urban plan is not always welcomed and it is often opposed by landowners.

The LR re-development case scenario

The LR method enables the active involvement of landowners in the planning process since the early stages of the project. The LR case scenario is built on the assumption that the initiative for redevelopment of the area comes from landowners and that development rights attached to the area will be available after reaching the consensus between the landowners of the block. According to LR scenario, a preliminary agreement between the landowners/developer and the municipal authorities for re-development of the area is established.

5.1.9. The land assembly for re-development

LR enables all land parcels inside the urban block to be merged into a single parcel. The land can be redeveloped by a single developer or it can be re-subdivided in several urban lots large enough to allow the density increase. Depending on the preliminary agreement reached between the landowners/developers and the municipalities there are available various combinations of newly created parcels. The urban regulations and development

rights allocated to the area allow the density increases under specific conditions such as the minimum lot size and shape and the minimum consensus reached by landowners.

5.1.10. The adaptation of parcel border lines

Following LR procedures, all land parcels are merged into a single parcel and then the boundaries of the parcels are rewritten and adapted according to the urban plan. Consequently, there can be developed two scenarios of adapting the land parcels boundaries to the planned development. The first re-development scenario treats the urban block as a single parcel being redeveloped by a single land developer. The second scenario refers to the situation with more than one land developer within the urban block. Depending on the amount of land assembled for redevelopment, the parcels borders are adapted for more efficient use. In the following figures both scenarios of land re-development (one developer/more than one developer) are presented.

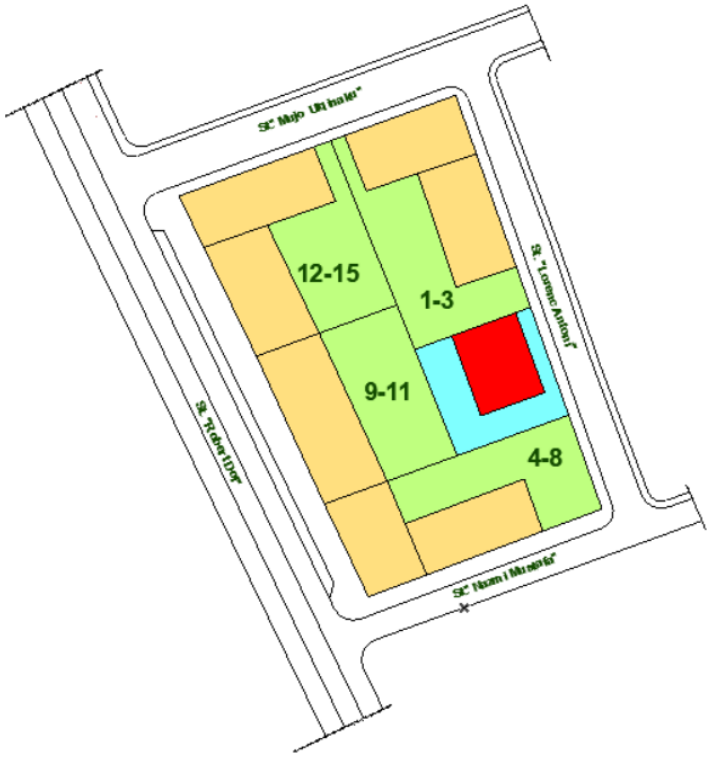

Fig. 18 The LR method case scenario with more than one land developer within the urban block

(Source: author)

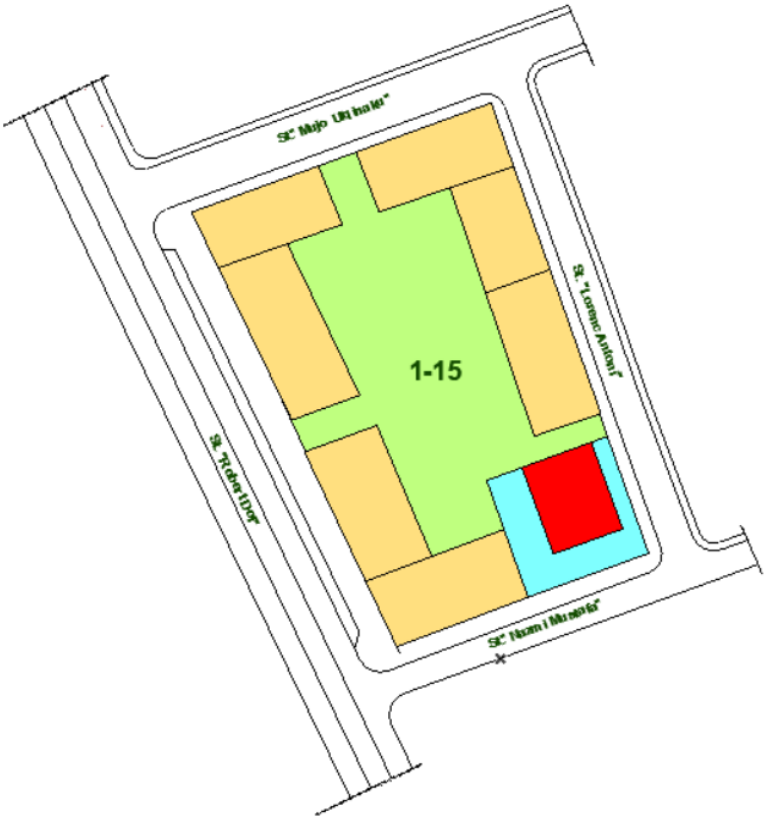

Fig. 19 The LR method case scenario with a single land developer within the urban block

(Source: author)

5.1.11. The provision of land for public purposes

In LR projects a part of private land can be extracted from the bulk of land. This land is dedicated for public purposes such as the construction of planned infrastructure, green areas, etc. and it will serve to all landowners within the area.

The land provision for public purposes is done through the land reduction of all parcels within the block. A reduction of parcels for 10% as a landowner's contribution to public areas is taken as a base of calculation. Even though the land reallocated to landowners is smaller in size than the land contributed to the project, the value of land is higher. This part of the land will serve to all landowners through the construction of planned public infrastructure as well as for green areas and other public facilities. The figure above shows

the parcels rearrangements and the public area creation. The land for public infrastructure and green areas are provided. Furthermore, the area for kindergarten is provided within the urban block “B2”. All these public areas are provided by the municipality free of charge as a landowner’s compensation for infrastructure improvements.

5.1.12. Urban public infrastructure finance

It is expected that the financial means for financing public infrastructure in LR projects are generated by the project itself. In redevelopment projects of city centers, the existing infrastructure needs to be improved and adapted to the planned development. Landowner’s money contribution for the improvement on public infrastructure is common for such situations. The land parcels in those areas are relatively small and a further reduction on the land lots does not contribute to efficient land use. The money contribution for infrastructure improvements is done at the initial stage of the project in order to timely provide financial resources for public infrastructure construction. All landowners within the urban block will contribute proportionately by money in the fund for public infrastructure construction.

5.1.13. The land title preservation and development rights

No landowner will be forced to give up his land property ownership. The method ensures them to return and continue living as close as possible to their property they used to live. The landowners will become a shareholder of the buildings built on their property through an agreement between the landowners and developer. The landowners are free to decide whether they will retain the reallocated properties or sell them. The land/property title registration at the end of the process is ensured.

5.2. Case study 2

The urbanization of suburb areas
Suburb area "Mati 3" in Prishtina

5.2.1. Case study selection reasons

The urbanization of peripheral areas of cities is the most common case in the urban developments of Kosovo. This is due to the fact that cities are constantly expanding as a result of demographic developments in the country. As it was already mentioned, after 1999 there was a migration of population from rural areas toward urban centers. Consequently, significant land surfaces that have been used for agriculture are part of the urbanization process.

5.2.2. The analysis of selected area

The suburb area "Mati 3" is one of the peripheral areas of the city of Prishtina. By the Urban Development Plan of the city of Prishtina the area is defined as a low density residential area mainly for the construction of one-family residential buildings.

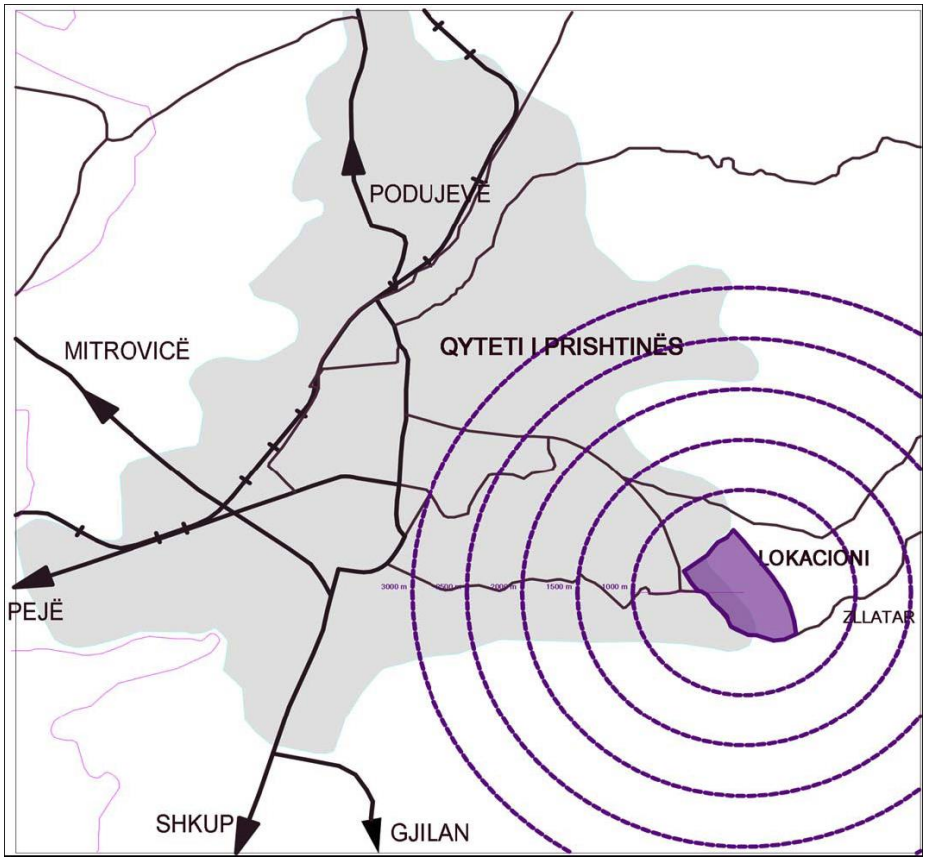

Fig. 20 The location of suburb area "Mati 3" in the city of Prishtina

(source: municipality of Pristina)

5.2.3. Existing land layout pattern and planned development

Concerning the ownership structure, the area consists of private and municipality owned properties. The presence of municipal property is an advantage for the area because it can be used for public purposes, such as the areas for the elementary school, kindergarten and for green areas. In addition, the presence of municipal owned land will facilitate the land exchange during the land reallocation.

The Regulatory Plan "Mati 3" covers a large area of the city suburb, while only a part of its area consisting of a total of 13 private property parcels and one municipal-owned parcel has been taken for the case study.

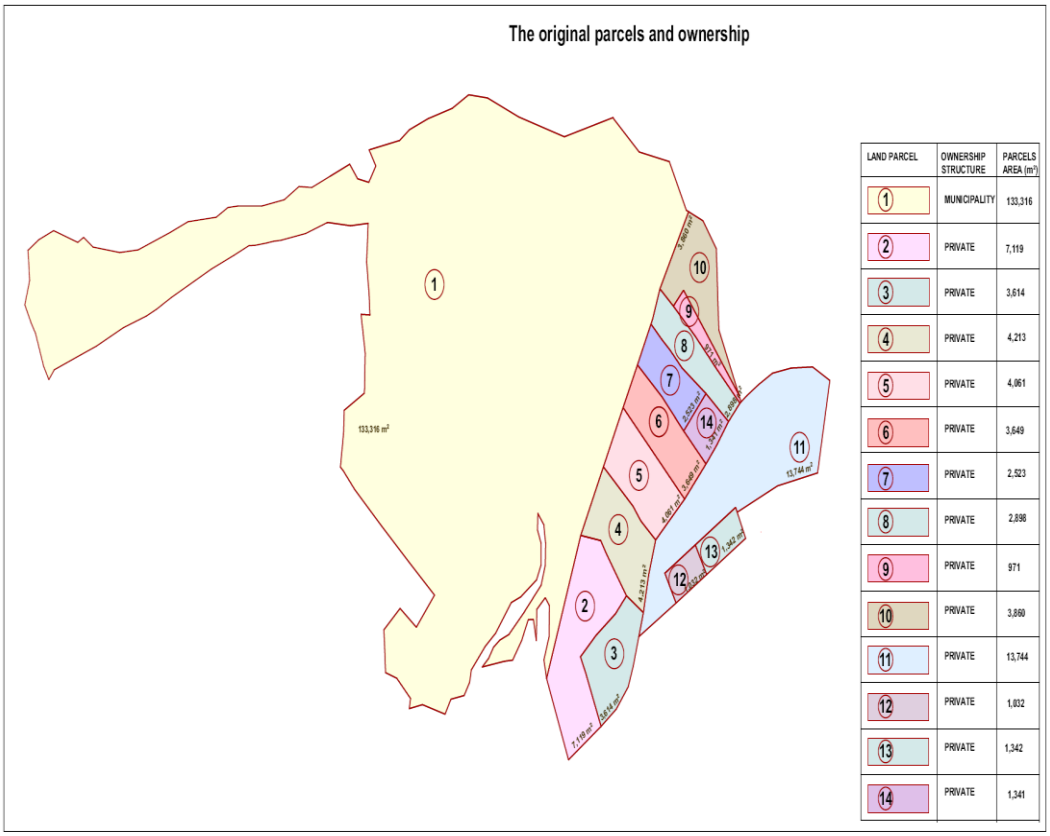

Fig. 21 The ownership and structure of the land in suburb area "Mati 3"

(source :municipality of Pristina , modified by the author)

The planned land use of the selected area is for one-family residential buildings as well as for the building of public facilities such as the construction of elementary school and kindergarten. The construction of public facilities is planned in the part of the municipal-owned parcel.

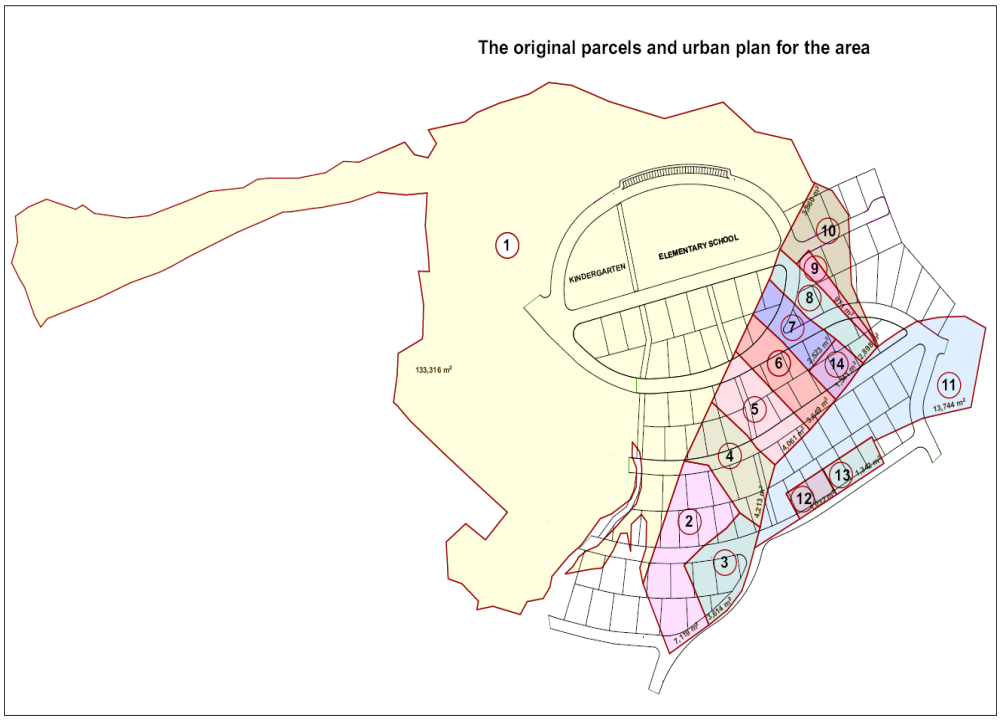

Fig. 22 The layout combination of the land ownership and the planned development 'Mati 3'

(Source: municipality of Pristina, modified by the author)

From the figure above it can be concluded that the included parcels have different shapes and sizes. The original parcels' border lines in most of the cases are in contradiction with the planned development.

The development scenarios are built on the assumptions based on the characteristics of the both analyzed methods.

The "Base method" case scenario

The "base method" case scenario is built on the assumption that the municipal authorities are limited in land assembly for development as a result of the legal framework and planning procedures. In addition, the municipality has insufficient funds for the expropriation of areas for public purposes as well as the construction of public infrastructure. The adaptation of parcels' boundaries to fit the planned development is difficult as a result of the legal framework.

5.2.4. The land assembly for development

No land assembly is initiated before the approval of the regulatory plan. The landowners are informed through public announcement for the planning activities that the municipality is undertaking but their participation in the decision-making process is not mandatory. As a result, the regulatory plan for the area is approved by the municipal authorities without the direct participation of landowners in urban planning process.

The legal framework authorizes the municipal authorities to expropriate the private land for the areas dedicated to public purposes. The land dedicated to non-public purposes such as the areas for individual housing are left to landowners to be developed.

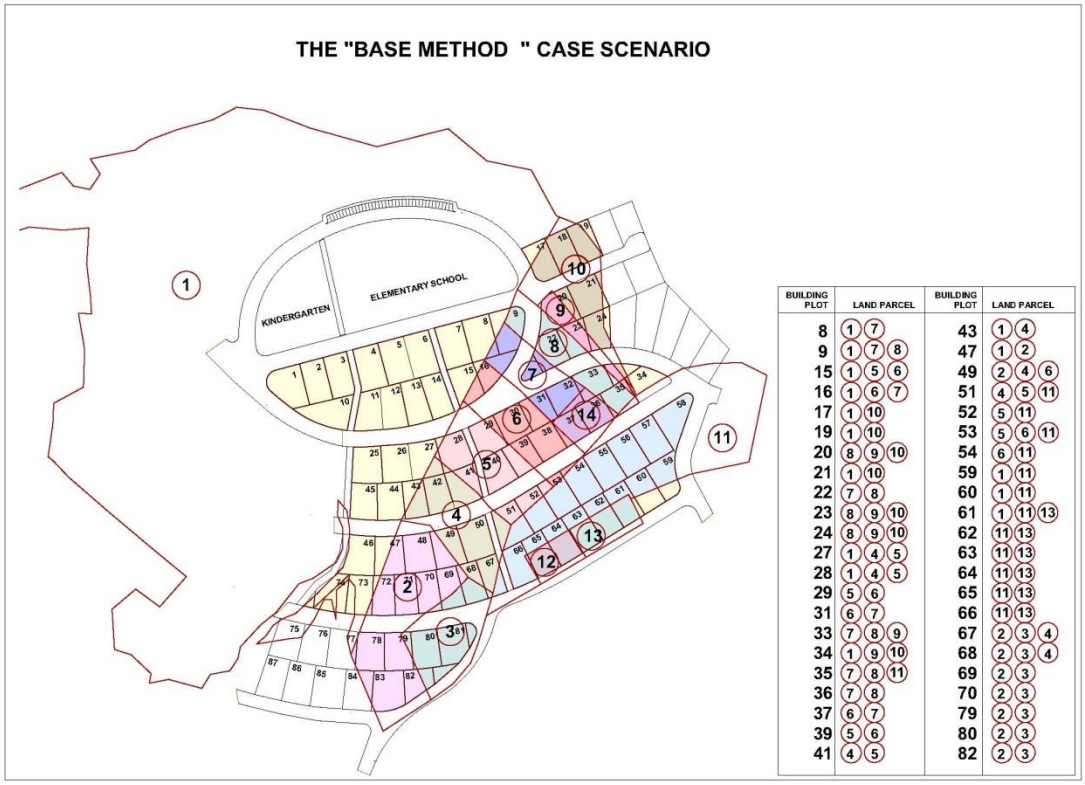

Fig. 23 The land parcel combinations needed in the "Base method "case scenario

(Source: author)

In order to enable the re-parceling and the planned development according to the plan it is required a cooperation and legal agreement between the most landowners of original

parcels. The current legal framework and procedures do not force the landowners to reach any agreement in sense of land assembly for development. For example, to enable the re-parceling and adapting to the planned development of the planned building plot no. 9, it is required a cooperation and agreement between the landowners of original parcels 1, 7 and 8. In total, for 17 planned building plots it is required a cooperation of three landowners, while for the other planned building plots it is required a cooperation of two landowners of original parcels. Only in few cases the newly created parcels in private ownership do not require an agreement between two or more landowners, such as the case with parcels 38, 42, 48, 55,56,57,58 and so on.

The agreement between the landowners is voluntarily and it is not subject to any legal enforcement. In general, based on the current legal framework, the agreement between two or more landowners to exchange part of their plots in order to fit them to the planned development is difficult to be achieved due to various individual interests.

5.2.5. The provision of land for public purposes

According to current planning procedures and laws, the land provision for public purposes is possible only through compulsory expropriation. The land parcels in which the public infrastructure is planned to be constructed are subject to compulsory expropriation. The municipality faces significant difficulties in providing financial means to compensate landowners for the land purchased at market value. The lack of funds for the expropriation in time of the areas for public infrastructure represents a serious obstacle to the construction of public infrastructure and overall development of the area.

5.2.6. The parcels boundary adaptation

No changes in parcels' border lines happen prior to final approval of the plan. The re-parceling of parcels that involves the changes in the parcels boundaries is required from the landowners / developers in the case of their application for construction permit. The application for a building permit is individual, thereby causing the development of the area

"parcel by parcel". Such individual method approach to landowners is restrictive in parcel reorganizing and adjusting their boundaries according to the plan.

5.2.7. The public urban infrastructure finance

Financing the construction of public infrastructure depends on the amount of the tax collected from the issuance of construction permits. The municipality does not have the sufficient funds to finance the construction of public infrastructure until the last owner pays the building permit tax. In this manner, the construction of public infrastructure remains the last activity to be implemented in the completion of the urban plan. Lack of sufficient funds threatens the timely construction of public infrastructure and the urban plan implementation.

5.2.8. The land title preservation and development rights

Landowners' titles are available for land parcels dedicated for non-public purposes while the land parcels or parts of them dedicated for public purposes are subject of expropriating procedures. The land contribution by landowners for public areas is different and disproportional to the parcel's size. The landowner`s contribution for public infrastructure largely depends on the parcel location in relation to planned infrastructure. For example, even though it is smaller in surface, the land parcel no. 8 will be more reduced in surface than the parcel no. 2. Consequently, building plots located within the same area do not enjoy equal development rights.

The LR case scenario

Based on the LR method characteristics, the LR scenario is built on the assumption that a preliminary agreement between the landowners and the municipal authorities is established. The landowner involvement in the planning process of the area enables the achievement of the consensus among the owners / developers and the municipality.

5.2.9. The land assembly

LR enables all land parcels inside the area to be merged into a single parcel and to be re-subdivided later according to the plan. In this way, it is easier for planning authorities to redesign the building plots lines always taking into account the location they had before they were included in LR project. Once the land for public needs is allocated, the remaining land is redistributed to original owners for planned development. The land will be redistributed to the previous owners through the process of land reallocation.

5.2.10. The parcels boundary adaptation

easily rewritten and adapted to the desired development. From the figure below it can be noticed that after the allocation of the part of the original parcels surface for public infrastructure and for the “reserve land”, the remaining land is reallocated to landowners as a serviced plots. The new created building plots are located close to the location they had before they were included in the LR project.

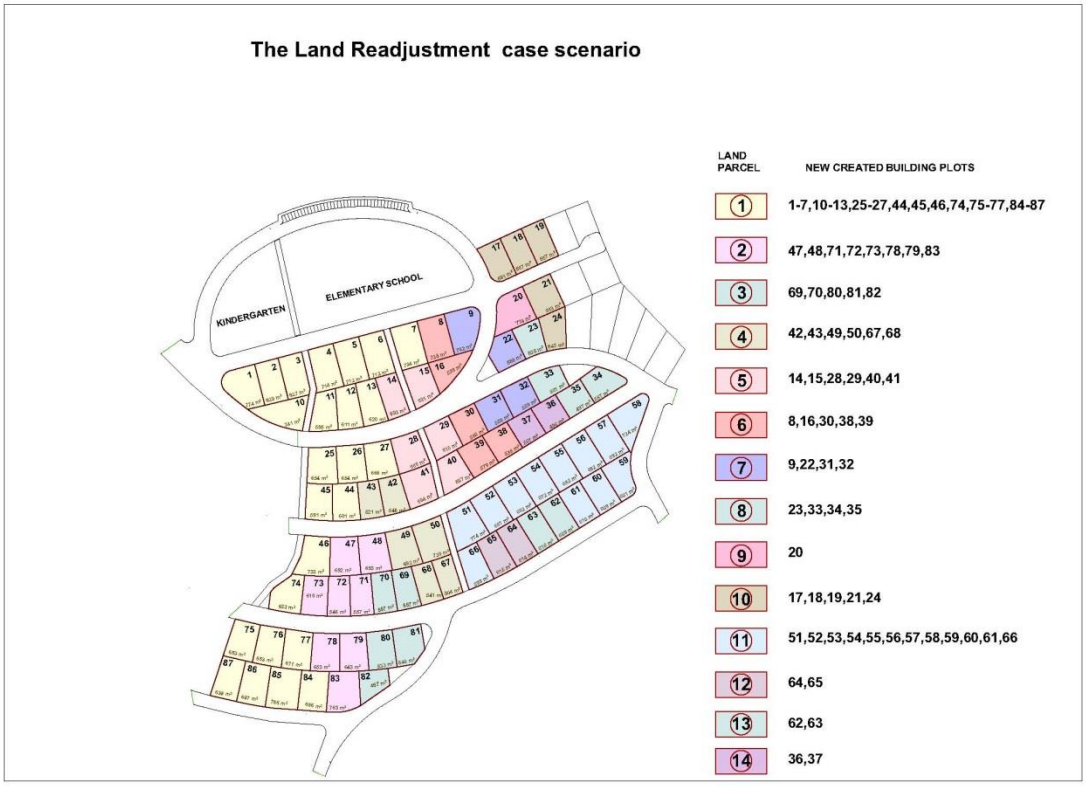

Fig. 24 The LR case scenario, URP 'Mati 3'

(source: author)

5.2.11. The provision of land for public purposes

In LR projects the municipality takes a part of private land without compensation as a contribution of landowners for the infrastructure improvements. This land is dedicated for public purposes such as the construction of planned infrastructure, green areas, etc.

The land for public purposes is provided through the land contribution of all landowners included in the project area. A reduction of parcels for about 30% as a landowner's contribution to public areas and public infrastructure is taken as a base for calculation. Even though the land reallocated to landowners is smaller in size than the land contributed to the LR project, its value is much higher. The land contributed by landowners in LR project is used for the construction of planned public infrastructure as well as for green spaces and other public facilities.

In the table below it is presented a sample of the value calculation of the land parcel no. 2 before joining the project and after completing the LR project.

Original Parcel	Original parcel area (m²)	Land value before LR Euro/m²	Original parcel value (Euro) before joining LR	Parcel area reduced for 28.5 % (m²)	New planned parcels	Newly created parcel area (m²)	Land value after the LR completion Euro/m²	Newly created parcel value (Euro)
2	7119	50	355,950	5157	47	692	150	103800
					48	693	150	103950
					71	557	150	83550
					72	546	150	81900
					73	610	150	91500
					78	653	150	97950
					79	643	150	96450
					83	763	150	114450
						Increased land value		773,550

Table 6.The land value calculation

Even though the original parcel no. 2 is reduced for 28.5 % from its original size its value has been increased due to the infrastructure improvements received from the project. This land contribution by landowners is used for public areas and for the “reserve land”. From the LR project the municipality provides land for public uses free of charge while the landowners benefit from the value increase of their lands as a result of infrastructure improvements received.

5.2.12. Urban public infrastructure finance

A part of the land contributed by landowners called “reserve land " will be used to finance the construction of public infrastructure. The “reserve land” is dedicated for commercial use and it is sold at the end of the process to recover the public infrastructure construction costs.

5.2.13. The land title preservation and development rights

No landowner will be forced to give up his land property ownership. The method ensures them to retain the land titles they had before joining the LR project. The landowners are

free to decide whether they will retain the reallocated properties or sell them. At the end of the process it is ensured the land/property title registration. The equal development rights are allocated to parcels involved in LR project. The parcels reallocated to original landowners can be developed by them or even by a developer.

5.3.The case study 3

The improvement of informal settlements

Location: Suburb area "Mati 1" in Prishtina, URP "Mati 1"

5.3.1. Case study selection reasons

The case study area is a part of the suburb area located in the eastern part of Prishtina in the direction of the rural settlement 'Mati'. The land parcels are mainly privately owned. A very small amount of land is owned by the municipality. The area was not covered by any urban plan until 2012. The informal divisions made in different time periods have created a highly fragmented structure of the land. Furthermore, some parts of the areas were populated by the people that constructed their houses informally. Recently, the area has attracted the land developers' interest due to its favorable location in relation to the city.

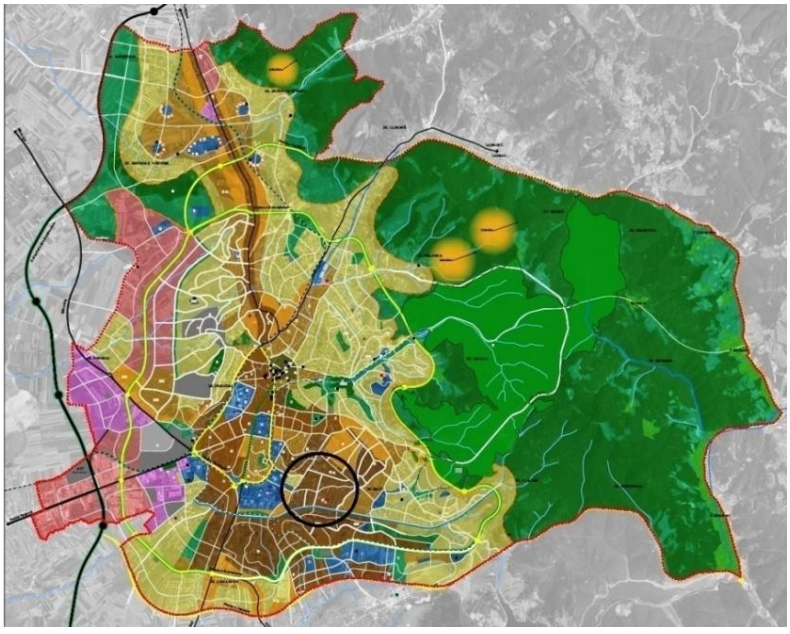

Fig. 25 The location of the suburb area "Mati 1"

(source: Municipality of Prishtina)

5.3.2. Existing land layout pattern and planned development

In the urban development plan strategy the informally constructed zone is foreseen to be transformed and regulated through the density increase of the zone. In 2012, the new zoning regulations are set by the municipality through the urban regulatory plan "Mati 1". In most of the urban blocks defined by the urban regulatory plan a density increase is enabled, thereby allowing the construction of multi-storey housing buildings. The new zoning regulations set by the municipality for the area have attracted the landowners / developers interest for re-developing of the area.

5.3.3. The analysis of selected area

The case study is focused on analyzing two characteristic urban blocks "A" and "B" located in the entrance to the area from the city. The urban block "A" 2.4 ha size contains 43 parcels meanwhile the urban block "B" 3.9 ha size contains 56 parcels of different shapes and sizes.

These urban blocks are inhabited by the people living in individual houses illegally constructed in different time periods.

Fig. 26 The existing land structure of suburb "Mati 1"

Source: municipality of Prishtina)

Most of the parcels in these two urban blocks have access to the informally built infrastructure out of urban design standards.

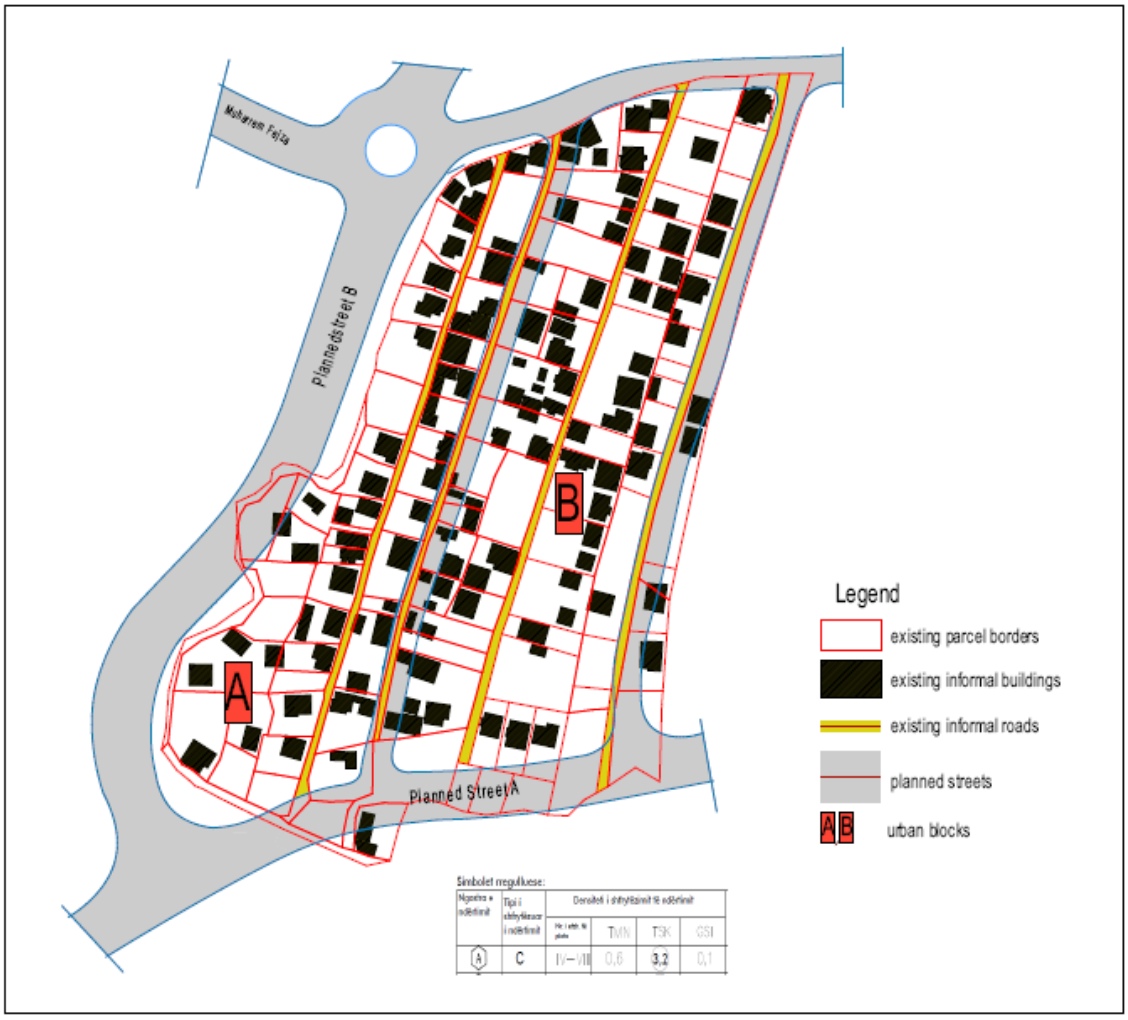

Fig. 27 The Urban Regulatory Plan (URP) for urban blocks "A" and "B", URP "Mati 1"

(Source: municipality of Prishtina, adapted by the author)

Firstly, the "base method" case scenario is built and analyzed. Secondly, the Land Readjustment method case scenario is built and presented. At the end the results of two methods are presented and discussed. The LR potential application is explored and valuated.

"Base method" case scenario

Based on the characteristics of the method presented in second chapter the "base method" case scenario is built on the assumption that the private land developers are limited in land assembly for development. The adaptation of the parcel border to the planned development; the provision of land for public purposes and public infrastructure finance are the main challenges of local authorities during the implementation of the urban plan. The underlying constraints derive from the current legal framework in which the method is based. Different redevelopment scenarios are assumed to highlight the method shortcomings in regularization of the illegal settlement. For research purposes the land structure is analyzed.

Fig. 28 The property structure and ownership of land in urban blocks "A" and "B" in "Mati 3"

(Source: municipality of Prishtina, adapted by the author)

From the figure 27.. the following arguments can be drawn:

- The land is highly fragmented

- The land parcels are very small, thus none of them fulfills the requirement of the minimum parcel size set by the plan
- The land parcels have access to the informal built road but only some of them have access to the planned streets (land parcels marked with the green color).

5.3.4. The land assembly for development

With the purpose of redeveloping the area a critical mass of land should be assembled for development. The developers are limited on land assembly for following reasons: Even though the urban plan does not recognize it, the informal built infrastructure-road in urban blocks “A” and “B” still continues to exist. This informal road divides the land parcels of the urban block in two parts, thus disabling the land assembly from the opposite sides of informal road. In the land assembly the cooperation between the landowner and the developer is voluntary and it is mainly initiated after the plan has been approved by the municipality. The "holdout" landowners who overvalue their property and those who do not want to cooperate are a common situation during the plan implementation.

The minimum parcel size for construction of multi-storey residential buildings is set by the new land-use regulation of the area. The majority of parcels are too small to get the construction permit for residential multi-story buildings. To maximize the profit from the new zoning regulations and to fulfill the minimum parcel size requirement set by the plan it is assumed an agreement between the landowners of parcels from 1-8 of urban block “A”. A similar assumption can be made also for the land parcels 29-43. However, the newly created parcel would not be suitable for the construction of the multi-story residential buildings due to the shape of the newly created parcel.

The parcel sizes are not appropriate to allow the construction of multi-storey buildings. At the best possible scenario, the cooperation between landowners of the parcels 9-16, 17-21 and 22-27 can be reached but the newly created parcels will not have access to the planned street. The parcels 11 and 28 are subject to compulsory expropriation. They are located in the pathway of the planned streets. The landowners will resist selling their properties, thus this can end in court proceedings. The same arguments can be drawn also for the block

"B". The scenario of the "base method" case does not differ too much from one block of another. For rational reasons the analyses are done only for the urban blocks "A" and "B".

5.3.5. The parcels boundary adaptation

The area consists of informally subdivided parcels of different sizes and shapes. The merging of two or more existing parcels to create a larger building parcel suitable for the construction of multi-storey building is voluntarily. The agreement between landowners to create a critical mass of land for development is determinant of the newly created parcel boundaries. These agreements are subject to negotiation between land developers and landowners. The boundaries of newly created parcels are a derivative of the original parcels boundaries. These boundaries of the newly created parcel do not fit the design of the plan.

5.3.6. The provision of land for public purposes

The land in the area is largely privately owned. The municipality uses the method of compulsory expropriation to provide land for public needs. The current method case scenario is built on the real assumption that the possibilities of the local authorities to purchase land for public purposes are limited due to the financial constraints. The land purchase for public purposes based on expropriation takes a lot of time to be completed. Delays in providing land for public purposes affect the timely development of public infrastructure and other public facilities.

5.3.7. The urban public infrastructure finance

The base method case scenario is built on the assumption that there is a delay in collecting the building permit fee in form of cash payment. Like in other urban developments the

urban public infrastructures finance is planned to be covered by collecting the construction permit tax. This tax can be collected at the time that landowner/developer applies for a construction permit. The full collection of the tax in the area is completed at the moment that the last owner applies for the construction permit. The delay in tax collection impacts on timely realization of the public infrastructure construction and timely completion of the project

5.3.8. The land title preservation and development rights

The land purchase for public purposes through compulsory expropriation will impact on the loss of landowners' land titles such as the case with the landowners of parcels 11 and 28.They will receive a cash compensation for the lost property and will not be possible to preserve land titles. They will not enjoy the development rights as the other landowners in the area. Other landowners will have the opportunity to remain in the area building by themselves or by becoming owners of apartments in multi-storey buildings that will be built by developer.

The LR case scenario

Based on the LR method characteristics, the LR case scenario is built on the assumption that a preliminary agreement between the landowners/developer and the municipal authorities is reached. The landowner involvement in the planning process of the area enables the achievement of the consensus among the owners / developers and the municipality.

5.3.9. The land assembly for redevelopment

LR enables all land parcels inside the urban block to be merged into a single parcel and to be re-subdivided later according to the plan. Depending on the preliminary agreement

reached between landowners/developers and municipality various combination of parcels are available. The parcels combinations allow the plots to be developed by a single developer or more than one developer within a block. In LR method the informally built road is part of the land exchange, thus not being a determinant factor of land assembly. The newly created building parcels are suitable for the construction of multi-storey buildings. The increase of housing density is enabled by the new zoning regulations that make the area interesting for developers and landowners.

5.3.10. The parcels boundary adaptation

By merging all land parcels into a single parcel, the boundaries of the new parcels can be easily rewritten and adapted to the desired development. Two scenarios of adapting the parcels boundaries to the planned development can be developed. The first one treats the block as a single parcel being redeveloped by a single land developer. The second scenario refers to the situation with more than one land developer within the urban block. Depending on the amount of land assembled for redevelopment, the parcels border adaption will be made to make them suitable for development. The shape and size of newly created plots will enable more efficient land use.

In the following figures both scenarios of land development (one developer/more than one developer within the urban block) are presented.

Fig. 29 The LR method case scenario with one developer URP "Mati 1"

(source: author)

Fig. 30 The LR method case scenario with more than one developer URP "Mati 1"

(source: author)

5.3.11. The provision of land for public purposes

In the LR projects a part of private land can be extracted from the bulk of land. This land is dedicated for public purposes like the construction of planned infrastructure, green areas, etc. and it will serve to all landowners.

The land provision for public purposes is done through the land reduction of all parcels within the block. A reduction of parcels for 10%, as a landowner's contribution to public areas, is taken as a base of calculation. Even though the land reallocated to landowners is smaller in size than the land contributed, the value of land is increased. This part of the land will serve to all landowners through the construction of planned public infrastructure as well as for green spaces and other public facilities. The above figure shows the parcels rearrangements and the public area creation. The land for public infrastructure and green areas are provided. Furthermore, it is ensured the area for kindergarten in the urban block "B" . All these public areas are provided by the municipality free of charge as a landowner's compensation for the received infrastructure improvements.

5.3.12. Urban public infrastructure finance

The planned streets A and B are the main roads that divide the urban area "Mati 1" area from other neighboring urban areas. Subsidies from different financial sources are available for the construction of these two main roads. Secondary infrastructure that lies between urban blocks inside the area and those within the block are part of the redevelopment project of the area. Such infrastructure will be financed by the resources generated inside the area. The strategy chosen for redevelopment of the area determines that the public infrastructure will be financed by land developers themselves or through the sale of the "reserve land" contributed by all landowners for this purpose.

5.3.13. The land title preservation and development rights

No landowner will be forced to give up his land property ownership. The method ensures them to return and continue living as close as possible to their property they used to live. The landowners will become a shareholder of the buildings built on their property through an agreement between the landowners and developer. The landowners are free to decide whether they will retain the reallocated properties or sell them. The land/property title registration at the end of the process is secured.

The table below shows the comparison between "Base method "and LR in facilitating the selected urban development issues in analyzed case studies.

The Urban development issue	**"Base method"**	**Land Readjustment**
1. The land assembly for re-development	Hardly achieved	In very beginning of the process
2. The adaptation of parcel border lines according the urban plan	Very hard	Easily
3. The provision of land for public purposes	Hardly achieved and very costly	Free of charge through landowners contribution by land
4. Urban public infrastructure finance	Hardly, through the building tax collected	Semi/self-financed through "reserve land "or money
5. The land title preservation and equal development rights	Partially or not ensured	For most of landowners involved in the project area

Table 7.Comparison between "Base method" and LR in facilitating the urban development issues in urban (redevelopment) contexts of Kosovo

5.4. The Urban planners' survey

The research methodology also is based on the survey conducted in the main municipalities of Kosovo. For this research there was used a sample survey method and there were filled out 68 questionnaires by the urban planners of the Planning Offices from the main municipalities of Kosovo.

Firstly, after the questionnaire form has been drafted, a pilot survey was made with 20 questionnaires to check the feasibility of the questions. Some questions were corrected again and the question form redrafted. The questionnaires were sent directly to the planning department of the main municipalities of Kosovo. Questionnaires were sent in October 2017. The research questionnaires were collected during the last days of November 2017. The sampling of the questionnaire survey is given in the Appendix 1.

It should be noted that the answers to the questionnaire were anonymous and that the respondents were free to present their opinion on issues raised through the questions. The questionnaire consists of 20 questions divided in five sections: field of law, public participation, development rights, land consolidation and urban infrastructure finance. The selection of the questions in the questionnaire has been done with the purpose of reaching two objectives. The first objective is regarding the investigation of the current situation in the field of urban planning by getting the direct opinions from the persons directly involved in the urban planning process. The second objective was to get the opinions of the urban planners concerning the possibility of introducing the new alternative urban methods and the impact they would have on facilitating the urban development in Kosovo.

Questionnaire' results

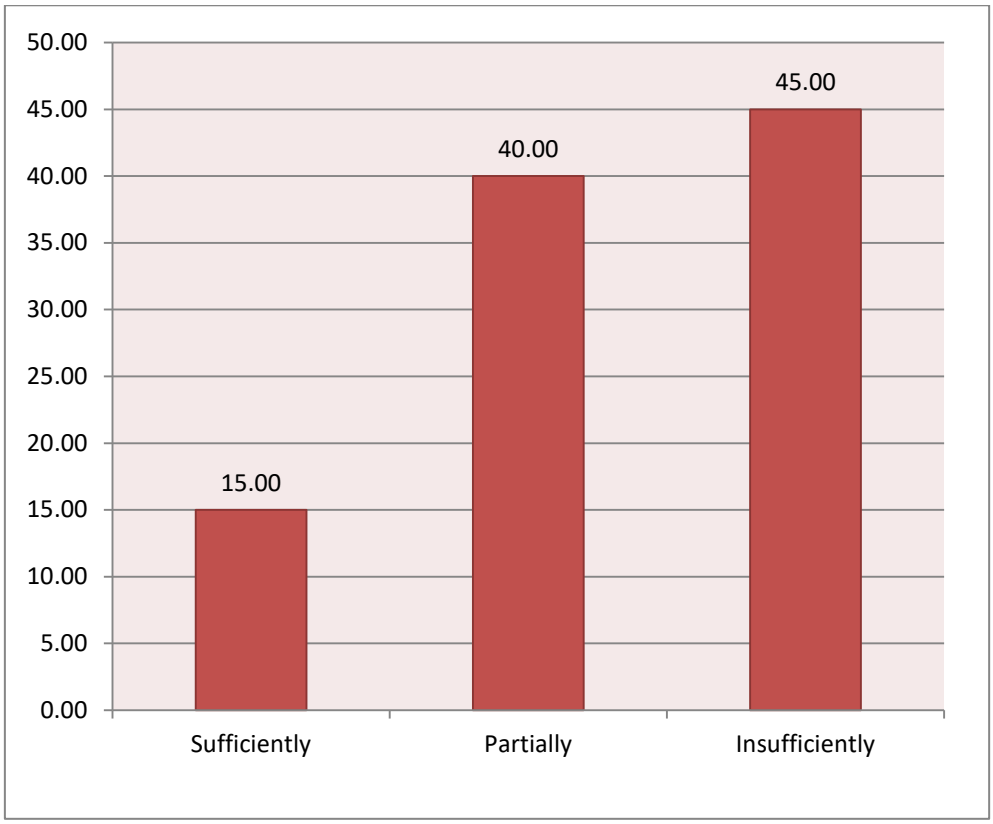

Fig. 31 The survey result for the question 1

How much effective is the current law in addressing urban development problems in Kosovo municipalities?

In regards to the first section of questions related to the urban planning legal framework the respondents (mainly municipal urban planners) are asked to respond to the questions about the current law and regulations that regulate the urban planning and urban development. Concerning the question what is their opinion about the effectiveness of the law in addressing urban development issues and how much the law is effective in solving urban development problems faced by municipal planning authorities, only 15 percent stated that the law addresses sufficiently the urban development problems, while 85 percent declared that the law partially or insufficiently addresses the urban development problems in their municipalities.

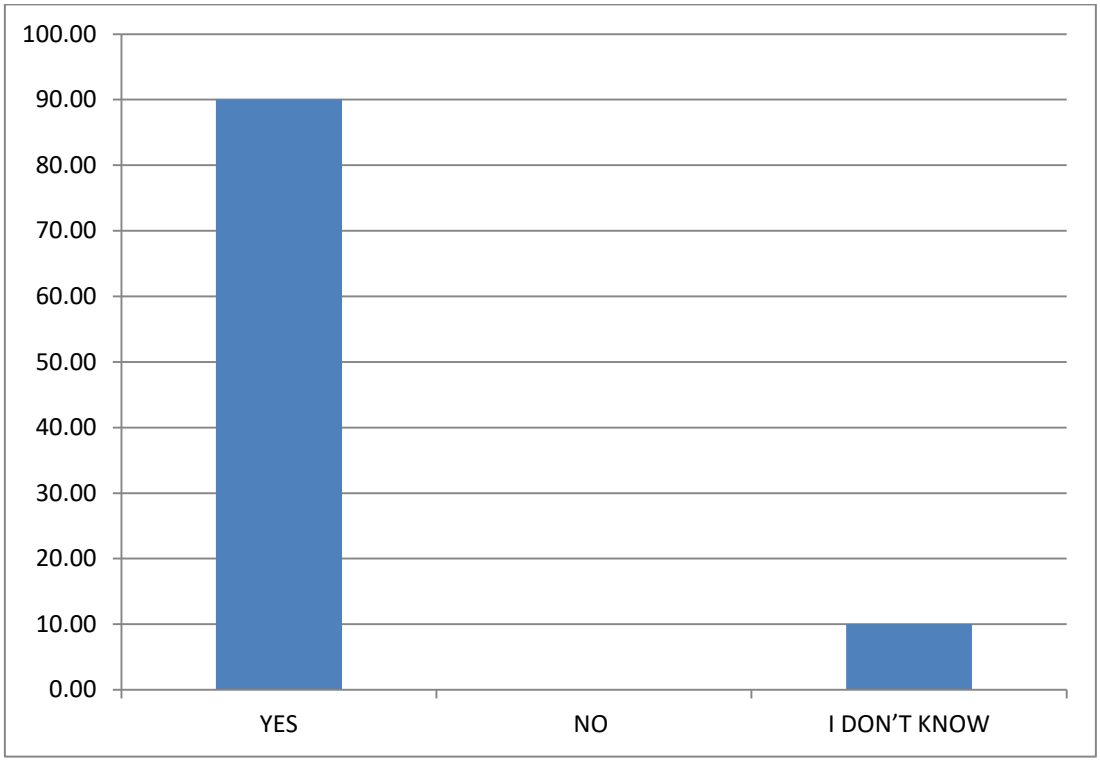

Fig. 32 The survey result for the question 2

Do they consider that there is a need for the introduction of new tools in urban development in Kosovo?

The percentage of the respondents stating that the urban planning law has not been able to address the urban development problems faced by municipal authorities is 80. All of them responded that the change of planning legal framework is needed for addressing urban development problems they face during their daily work. Ninety percent of them respond that there is a need for introducing new planning tools and methods that would improve the urban development process and facilitate the implementation of urban plans. None of respondents is against the idea of introducing new tools; while ten percent of them responded "I don`t know", expressing the lack of information about the alternative methods and tools of urban development.

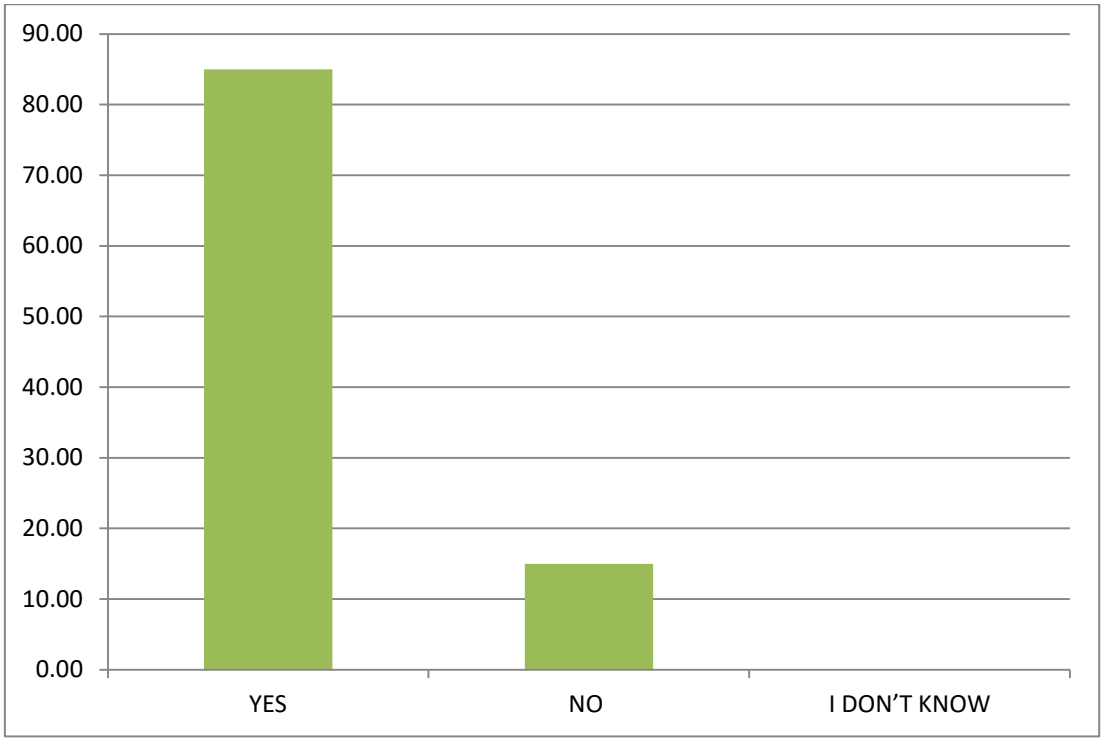

Fig. 33 The survey result for the question 3

Do you consider that reaching a consensus between the landowners and municipal authorities about urban land development would impact on sustainability in urban planning and the efficient implementation of urban plans?

The second section of questions is related to the public participation of landowners and other interested parties in urban planning process. When asked about the need for changes in the form of public participation by making the landowners more active in the planning process, 95 percent of the respondents responded that they are positive regarding the idea of active involvement of landowners in the urban planning process.

Eighty-five percent of respondents think that reaching a prior consensus between the landowners and municipal authorities would facilitate the planning process and the efficient implementation of urban plans

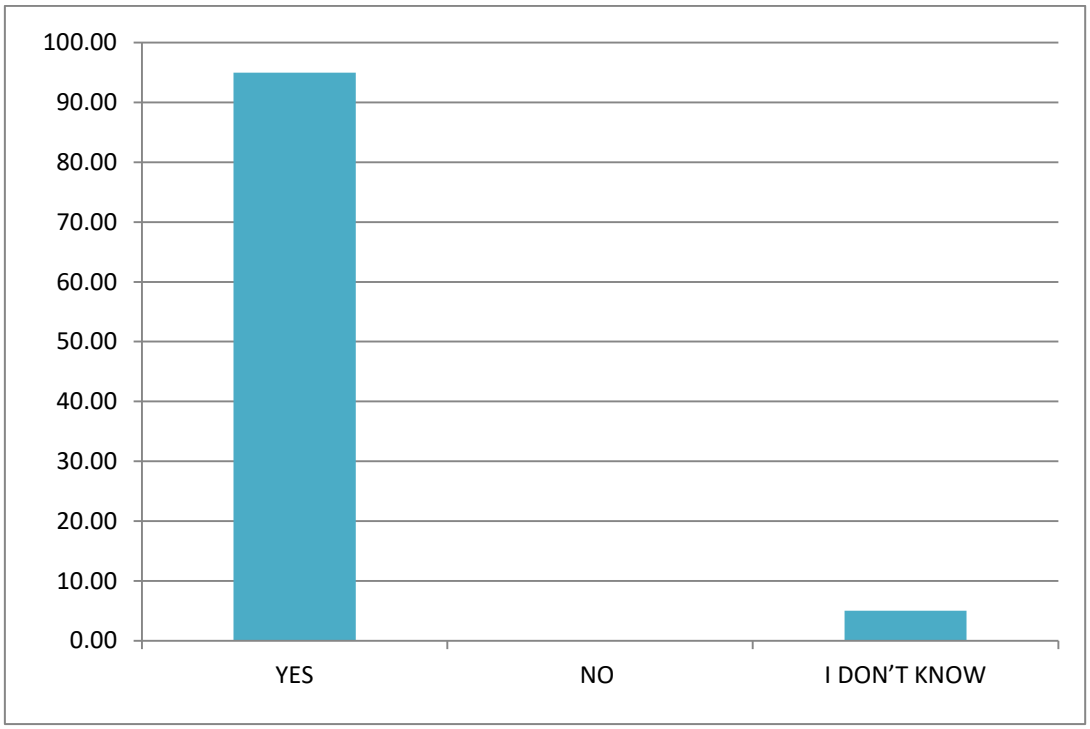

Fig. 34 The survey result for the question 4

Do you consider that the right to initiate the urban plans should be allowed, except for municipal authorities, also to the landowners if a consensus quota is reached between them

The third section of questions deals with development rights. Most of the respondents or 85 percent of them consider that a current urban planning legal framework does not guarantee the equal development rights for all parties involved in the urban development. Ninety percent of the respondents are in favor of legal changes that would guarantee equal development rights for all parties involved in the process of urban development. Furthermore, 95 per cent of respondents are in favor of the right to initiate the urban development plan by the landowners, apart from the municipal authorities.

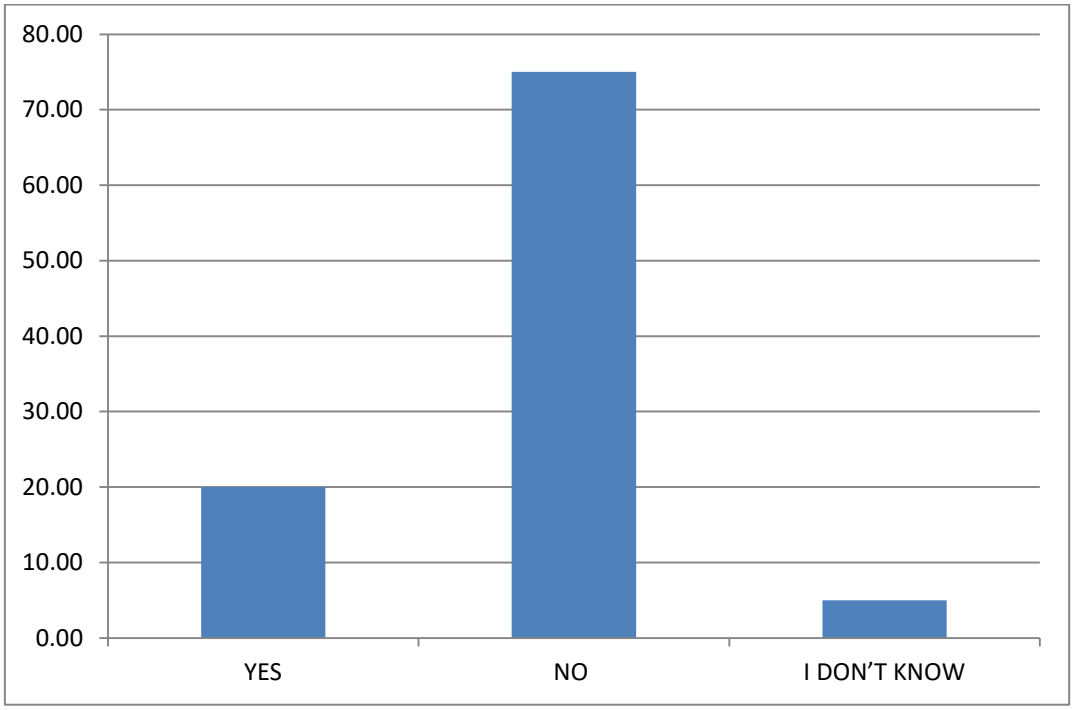

Fig. 35 The survey result of the question 5

Do you think the current planning law and sublegal acts adequately regulate the issue of re-regulating the boundaries of construction parcels in compliance with the urban plan of an area?

The fourth section of questions is about the rearrangement of parcel border lines in accordance with an urban plan. All respondents responded that the inability of local authorities to rearrange urban parcel boundaries in accordance with the urban plan is an obstacle for the efficient implementation of urban plans. Ninety-five percent of them agree that there are necessary the legal changes in order to empower the municipalities with urban development tool that could work in sense of rearrangement the urban parcel boundaries. Most of the respondents (75 percent) responded that the current urban planning law does not regulate the issue of rearrangement of urban parcel boundaries in accordance with an urban plan.

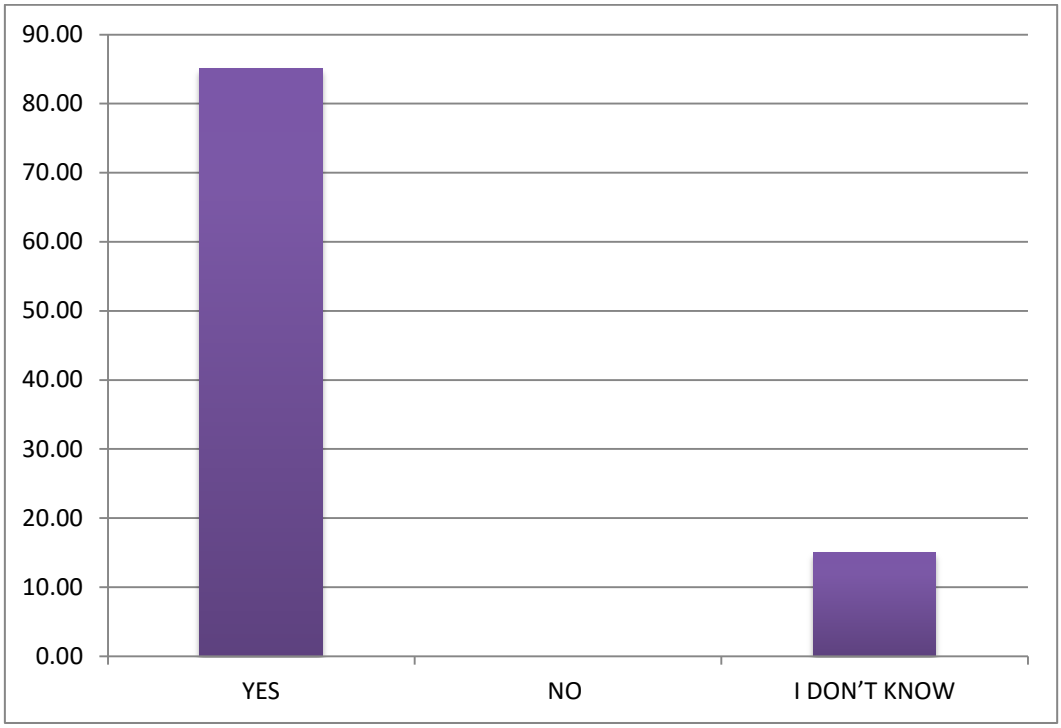

Fig. 36 The survey result for the question 6

Do you consider that the contribution by land by the landowners for public areas and construction of public urban infrastructure finance instead of money payment would improve the implementation of urban plans?

The fifth section of questions is about financing the construction of public urban infrastructure. When asked about financing the construction of public urban infrastructure, most of the respondents (80 percent) share the opinion that the current system of financing based on the construction permit tax is partially sufficient or insufficient. Eighty-five percent of the respondents support the idea of land contribution by landowners for public areas and construction of public urban infrastructure.

CHAPTER 6

Discussion of results and research findings

6.1.The research findings

As it was already discussed also through the case studies it can be stated that Kosovo has significant difficulties in implementing urban plans due to the lack of an efficient planning system and efficient means of managing urban land. Urban policies are not coherent with social and economic developments and have also not been shown to be effective in solving urban development problems. As a consequence, almost all Kosovo municipalities have had dramatic urban development.

Kosovo has inherited an urban planning system that has been operating for decades by the former communist state. This long experience period with the previous urban planning system has made it difficult to abandon these practices of the past and this has also affected the urban planning system after 1999. Continuously, the municipalities are facing major difficulties in implementing urban plans as a consequence of the urban planning system and procedures.

During all these years after 1999, Kosovo's central and local institutions have been searching for the alternative methods and tools that would be useful for local institutions in addressing various urban development problems. Compared to the past, after 1999, Kosovo has had a significant progress in terms of property rights. It should be noted that most of the properties in urban and rural areas are private properties. The property rights are guaranteed by the Constitution and the expropriation can only be done for exclusive public needs such as streets, schools, ambulances and other specific cases. The money compensation based on the market value or land by land exchange is used in order to compensate the expropriated land for public purposes. Local authorities are not legally authorized to expropriate private land for non-public needs, as it is the case for residential areas.

Kosovo has a highly fragmented urban and rural land structure. Challenges arise in the process of land use alteration for specific area. The legitimate owners of the urbanized area intend to remain the owner of those lands even after the urbanization.

The approval of urban plans does not change from the approval of the plans that have been made in the past. In practice, the entire process has all the elements of non-transparent and non-inclusive process. Participation of stakeholders in the process of urban planning is not mandatory. The participation of the relevant stakeholders is limited to the “right to be informed”.

The current method of land expropriation for provision of land for public needs such as for the areas for public infrastructure and other public facilities has been shown to be inefficient and difficult to implement due to different legal and financial implications. Kosovo municipalities are powerless financially as well as legally ineffective to implement urban plans for different areas of the city.

6.2. Comparison of the results

In the continuation of the discussion there will be done an analysis of the findings and comparison of these findings which will support the arguments for or against the introduction of the LR method as an alternative to the current method in the urban planning system. Based on the fact that Kosovo up to now has used its own "base method”, a comparison will be made between this method and LR. The comparison between these two methods will be made in different aspects that directly affect the urban development, particularly in efficient implementation of urban plans.

	"Base method"	**Land Readjustment**
The planning process	A static top-down-oriented process led by central or local state authorities.	A dynamic urban development method driven apart from state authorities, as well as by landowners organized in the form of independent agencies
The stakeholders participation	There is no direct participation of the landowners in the decision-making process.	The participation of landowners is guaranteed from the initiation of the project until the final conclusion
Equity in development rights	The method does not provide equal development rights to all parcels involved in urban area. The method favors certain landowners while the others are discriminated.	The method provides equal development rights and obligations to all landowners involved in the LR project. The costs and benefits are equally distributed to all parties involved in the project.
The parcel borders reordering	The adaptation of the parcels lines to the planned land layout is difficult to be achieved because of the method characteristics and procedures.	Enables the rearrangement of parcel boundaries according to the urban plan for more efficient use and development
The new public area creation	There is difficulty in new public spaces creation through compulsory expropriation of land due to lack of funds.	Creation of public spaces through land contribution from landowners as compensation for infrastructure improvements.
The urban public infrastructure finance	The financial means from the construction permit tax are collected periodically and do not cover the costs for the construction of public infrastructure.	Financial resources for the construction of public infrastructure are provided before the start of the project through a "reserve land" which is sold to cover the costs of building public infrastructure.

Table 8.The comparison between the "Base method" and LR characteristics

CHAPTER 7

Conclusions and recommendations

The purpose of this study was to explore the possible application of LR as an alternative land assembly strategy to conventional methods in use for solving urban planning and urban land management problems in transition countries.

This research was designed to explore the potential application of LR as an alternative urban development method in Kosovo. The thesis aimed to explore whether the LR method could be considered as an alternative method for facilitating urban planning and land management in Kosovo municipalities.

Initially, there was explored the potential of LR method, highlighting the advantages of the method in relation to other methods in use such as the expropriation method. In addition, there have been explored and analyzed the experiences of countries that for a long time have been practicing the LR method. Following this, the advantages of the LR method in relation to the current method in use in Kosovo are presented through the case studies.

The discussion of conclusions and recommendations is done orderly according to the research sub-objectives and sub-question.

viii. To define the LR method potential in urban land (re)development

1. What are the LR method advantages in relation to other methods in urban land development and redevelopment?

In general, the LR advantages are considerable in relation to other method in use in urban development. The method's features and its potential in urban land development have been largely elaborated in the third and fourth chapter of thesis. From the literature review it was concluded that Land Readjustment has been used by developed and developing countries as an alternative land assembly strategy to conventional methods such as eminent domain or voluntary exchange. Furthermore, the international experiences explored by the researcher for different countries have confirmed that LR has a great potential in addressing some of the key issues related to urban planning and urban land management.

LR method facilitates the process of land assembly for development. It enables land plots to be transformed into serviced plots for their efficient use according to the approved plan. Furthermore, the tool has a mobilizing power for landowners and the community to act

together for their interests. However, both landowners and local authorities benefit from the process. In general, the benefits of the landowners are related to the increase of the land value after the urbanization.

There are available other benefits except the value increase of land, such as the return of original landowners to the area they used to live prior to LR project. In addition, the land title preservation is ensured for most of the landowners included in the project.

The municipalities' benefits from the process are numerous. They provide land for public infrastructure and public facilities free of charge. Moreover, in most cases the LR projects are (semi)self-financed, thus eliminating in this way the unnecessary financial transactions that are present in other conventional methods.

Only in certain cases, a temporary reallocation of the population from the project area is required during the implementation of the LR project. This is considered a "social capital" creation, enabled by the method that makes the difference from other methods in use. The community' benefits from the process are multiple. The production of affordable housing for the poor and the improvement of informal settlements are only some of the cases from which the certain social categories can benefit from the method.

Regarding Kosovo case, it was concluded that the local authorities are facing major difficulties in implementing urban plans as a result of various constraints derived from the urban planning system in use. The current urban planning system of country has inherited some of the features of the past planning system. The process is still top-down driven and the participation of stakeholders is not legally ensured in any stage of the process. From the case studies it was concluded that due to the legal and financial constraints of Kosovo municipalities the "base method" has been shown to be inefficient in urban land development. The research findings suggest that the application of the LR method would largely address a number of issues which were not able to be solved by the current method in use.

ix. To explore land readjustment potential in land provision for public needs

2. What are the legal and other institutional preconditions for introducing LR in provision of private land for public needs?

LR is one of the land-based instruments for public infrastructure finance. The areas for public use are contributed by the landowners in exchange for the serviced land. In Land Readjustment projects the landowners surrender part of their land to the municipality as a contribution for the infrastructure improvements they receive. The form of contribution by land such as in LR projects is important in particular for the countries that lack funds for purchasing land for public infrastructure and facilities. The landowner's contribution by land in LR projects enables the urban plans to be completed in time and according to the planned development.

The explored international experiences have shown that in the countries where the method has been used extensively, a strong legal support for authorities is available for successful implementation of LR projects. In some countries, such as the case of Germany, the LR project is mandatory for the landowners involved in the project. In other countries, regardless if the project is initiated by the municipality or landowners organized in an association, there must be reached a legal consensus. The law should clearly define the procedures, initiating institutions, executive bodies, the contribution by landowners for public areas and the finance of the LR projects.

In Kosovo case, the expropriation of land continues to be the only instrument of purchasing land for public infrastructure and facilities. Due to the lack of f funds, municipalities are not able to complete the expropriation of these areas, thus preventing the timely implementation of urban plans. From the case studies analysis and the results of the survey conducted with urban planners in municipalities of Kosovo it was concluded that the landowner's contribution by land for public infrastructure and facilities in exchange for infrastructure improvements received will largely facilitate urban plan implementation.

x. *To explore the potential of Land Readjustment in facilitating of the land use alternation process in urban land development*

3. *What are the preconditions that make LR relevant in process of land use alternations in urban land (re)development?*

If one or another method is to be used in the process of land use alternation depends largely on land structure, ownership and planned use (Larsson, 1983). LR has been shown to be an efficient tool in the process of land use alternation, especially in countries where the land is highly fragmented and the landowners intend to remain within the area even after the urbanization.

From the previous chapter when analyzing the Kosovo case it was stated that the Kosovo land is highly fragmented in urban centers and less in suburb areas. In the urbanization process this fragmented land is subject to the land use alternation process in order to unable the (re)development of the area. In most cases, the landowners intend to remain in the area even after urbanization and refuse to sell their properties. In a normal procedure, the land use alternation process should result in joining or subdivision of lands to be redistributed later in line with the urban plan.

From the analysis of the current urban planning system of Kosovo, its legal framework and procedures applied, it has been proved that the role of municipalities in the change of land ownership and structure is very limited. The urban plans are approved by the municipalities without any prior changes in land structure in any of the analyzed urban development cases. Changes in the land structure at the later stages of the project implementation are difficult for the reasons explained in chapters 4 and 5.

xi. *To investigate internationally the potential of LR in solving urban land development problems*

4. *How these international experiences can help in better understanding the preconditions for LR application*

From the international experiences on LR method application, the conclusions are drawn regarding the use of the method under different socio economic circumstances. The

successful method implementation in the analyzed countries is influenced by various factors such as: governance, economy, culture etc. In order to compare and draw lessons from those experiences, there has been done an investigation of international practices on LR uses of countries that have a long experience in applying the method such as Germany, Japan and Turkey. These international experiences have been analyzed and compared to highlight different aspects of the method applied in those countries. The experience of each country analyzed is relevant to Kosovo for the reasons mentioned in chapter three. From the experiences of countries applying the LR method, conclusions have been drawn to better understand the conditions in which the method has been applied.

From the German experience

From the German LR experience there are learnt lessons about the strong legal support that the method should have. It is a tool available to local authorities whenever there is a need for implementation of an urban plan. The mandatory LR will not be used as long as the landowners are willing and are able to adjust the property boundaries by themselves in order to adopt them for better use and development. If "holdout" landowners are the concern, the government could pass a law which will allow land readjustment without the consent of property owners. "Mandatory land readjustment" is available to the municipal government only if the modification of the shapes and sizes of existing plots is necessary for the realization of the plan.

It has been proved also that the land readjustment is suitable for undeveloped as well developed land. Even though LR is a mandatory to landowners involved in the project, in most cases they are happy with the process. In addition, the land which is involved in LR project is mostly readjusted through negotiations, not by the government power. However, the consensus element is frequently understood as an element of power used by authorities.

In regards to the competence to decide on a land readjustment project including project-area, redistribution criteria, land value, payments etc. that is delegated to an independent commission. Concerning the amount of the land contributed by landowners, it largely depends on the type of the LR project, but in any case it doesn`t exceed 30% of the total land involved for the new urbanized areas and not more than 10 % for the already built up areas or serviced plots.

The strong legal support of the method and the implementation procedures are the main elements from which Kosovo can learn from German experience.

From Japan experience

Japan is one of the countries with a large number of implemented LR projects. It has also contributed to the transfer of the method to other countries such as South Korea, Indonesia, Malaysia, etc. In Japan it is considered as a planning tool and as a mean of financing urbanization. The main reasons for the large number of implemented land readjustment projects in Japan are: fragmented land ownership, the lack of public land for public infrastructure, insistence of government on giving the veto power to landowners and the favorable attitude of the courts toward private property protection (Hong, 2007).

All these preconditions have made voluntary exchange and compulsory purchase in land assembly difficult to implement, thereby inducing local governments to choose land readjustment as the primary land assembly tool. The lack of funds for financing the construction of public infrastructure has also been decisive in defining the authorities for the widespread use of the method. While in Germany the LR is mandatory and the exclusive municipality responsibility, in Japan the method is based more on voluntary approach and it can be implemented by public or private entities.

The conditions which have influenced the acceptance of the LR in Japan can be attributed to Kosovo, too. Concerning the land structure, Kosovo possesses a heavy fragmented land and the land in public ownership is too small. In addition, the strong property rights are often an obstacle to the process of expropriation of land for public needs. A similar financial situation can also be attributed to Kosovo municipalities, which face different financial difficulties in the implementation of urban plans.

From Turkish experience

The Turkish Experience in Land Readjustment is very interesting and relevant to Kosovo. Turkey is using LR in urban land development parallel with other tools that are very similar to the method that Kosovo is currently using. The tools that are most widely used

in Turkey in implementing the urban plans are: the expropriation, the “voluntary application” and the land readjustment (Cete, 2010).

The Turkish experience in implementing the urban plans with the methods of expropriation and “voluntary application” is similar to the experience of the Kosovo municipalities in implementing the urban plans. By using the so called “voluntary application” method during the implementation of the urban plans some of landowners lose all or part of their parcels that are expropriated by the municipality for public infrastructure and facilities. From the Turkish experience it can be concluded that LR use in Turkey provides fair and uniform treatment of landowners. All participating landowners contribute equally to public areas and also share the benefits derived from the project. The Turkish experience also shows that there has been an increase in the maximum contribution of landowners over the years by gradually increasing the maximum contribution of landowners for public areas.

Common conclusions

From German, Japan and Turkish experience it can be concluded that the LR is an effective comprehensive urban development tool. It is a multi-purpose technique for urban development that can work under different social, economic and cultural conditions and various types of land tenure. From all the international experiences it was proven that the LR enables the governments to acquire land for public purposes for free, finance the construction of public infrastructure and official plan implementation. The method provides equitable sharing of costs and benefits for all landowners included in the LR project.

The land parcels redistributed to landowners may be smaller in size but for sure they are more value-added and more suitable for development. LR also provides security in the ownership of newly created plots for original landowners by re-registering them after the process of reallocation.

LR has immense mobilization abilities for community resources. By working together with the landowners in LR projects, the municipalities create a closer link with them. The LR method has a great potential in financing public infrastructure. This is mainly achieved through the sale of the "reserve land" contributed by all landowners dedicated to

commercial use. The contribution of landowners and the form of public infrastructure finance may be different for various urban situations.

From the analyses of international experiences, it was concluded that the land contribution of landowners is mainly for public infrastructure parts such as roads, public spaces as it is the case with areas for parks, schools, kindergartens etc., while the construction of public infrastructure finance differs from country to country. For example, in Germany the finance of public infrastructure is always a responsibility of the municipality, while in other country such as Japan it can be a responsibility of an independent agency or public central/local authority. The most important thing, by using the LR method there has been eliminated the dislocation of landowners from the area and there are provided the land titles for most of the landowners.

The relevance of international experiences to Kosovo

From the analyzed international experiences, it can be concluded that the circumstances under which the methods has operated in these countries are similar to the circumstances in which the Kosovo municipalities are currently located. The LR has been shown to be an efficient land assembly strategy in situations where the land is highly fragmented and landowners tend to remain in the area after urbanization. The urban land in Kosovo is highly fragmented and unsuitable for development. The local authorities face significant lack of funds for expropriation of land for public needs and finance of public infrastructure. From the analysis of international experiences it has been proven that the application of LR in these countries has succeeded in successfully addressing the above mentioned issues.

xii. To develop and introduce the model of LR for Kosovo conditions

5. How the model of LR for Kosovo conditions should be?

With the purpose of building a model that could work in Kosovo conditions, a number of issues related to urban development are identified to be addressed. There have been analyzed and compared both the potential of the current method in use and LR method in addressing the identified issues. From the analyses of the case studies for different urban contexts it has been shown that the LR method has potential for addressing the issues such

as: land assembly for development, mobilization of landowners, the rearrangement of the boundaries of the parcels in accordance with an urban plan, provision of areas for public needs through landowners' contribution by land and financing of public infrastructure. Moreover, the issues such as: the equal development rights, the right to return to the area as well as the land title preservation are some of the issues in which the LR method has been tested through case studies for different urban situations.

xiii. To examine theoretically the model of LR for Kosovo with case studies

6. *What cases are chosen and way they are relevant to the urban context in general?*

Regarding the Kosovo case, three urban situations have been identified in which the method in use and LR method theoretically are tested, analyzed and compared. The first case study has explored the potential of LR method in urban redevelopment projects of city centers. The second urban situation analyzes and compares the advantages of the LR method in relation to the current method in use in urbanization of peripheral areas of cities. In third case study, the LR's potential in implementing the projects for the improvement of informal settlements has been proven.

The most important urban development took place in capital of Kosovo-Prishtina. The case studies which were analyzed have been taken exactly there. It does not mean in any case that the developments in other municipalities differ from the ones analyzed through selected case studies. In order to inform the reader with the current urban developments in Kosovo there has been made a brief presentation of the current situation. In addition, there has been introduced the planned development of the area by the urban plans. Finally, there has been proven, analyzed and compared the potential of the current method in use and the LR method in addressing specific urban development problems.

xiv. To report the case studies and to make the recommendations for further development

7. What is concluded from the case study and what are the recommendations?

From the analyses of the case studies it can be concluded that the urban planning system in Kosovo faces a number of problems due to non-adaptation of the urban planning system to newly created circumstances as a result of the social-economic transition of the country. The current urban planning system has inherited some of the elements and features of the past planning system, characteristic of former socialist countries. The urban planning process is still top-down driven and the participation of landowners in decision-making is very limited.

The authorities use the conventional methods such as the expropriation of land as a tool for purchasing land for public areas. Even though the property rights are guaranteed by the law, the current urban planning system in many cases has been shown to be discriminatory to some landowners involved in the project area.

In order to make the conclusions as comprehensive as possible and to contribute to the building of a model that could work in Kosovo's circumstances there has been analyzed and evaluated the potential of the LR method in facilitating the urban plan implementation through case studies.

The land assembly for development

The potential of the LR method on land assembly was explored by applying it to selected urban situations. From case analysis it has been concluded that LR has significant advantages over the current method in use in land assembly. It has been shown to be useful particularly in situations where the land is highly fragmented, as it is the case with the urban redevelopment of city centers or the improvement of informal settlements. The method has the power of mobilizing landowners to act collectively for their own benefit and community. The land assembly through LR enables the land to be used more efficiently and according to the planned development.

The Rearrangement of parcels borders

The urban areas with highly fragmented land, the shape and size of plots often represent an obstacle for its efficient use. From the urban situations analysis it can be stated that the current method in use does not produce suitable urban land patterns for development. On the other hand, LR has demonstrated its potential in reordering the boundary lines of plots through land reallocation process. The LR use enables the parcels boundaries to be easily redesigned and in accordance with the planned development.

Provision of land for public purposes

LR is an efficient tool for land acquisition for public uses free of charge such as the areas for streets, parks, schools, kindergartens etc. The land provision is enabled through the land contribution of the landowners involved in the project as compensation for the infrastructure improvements they receive.

According to the current method in use the surfaces for public needs are provided through land expropriation which is a complicated process and costly to administer, too. Moreover, the entire cost of the process is billed to landowners in the process of implementing the urban plan through the tax on issuing building permits. The contribution by land enabled through LR method eliminates unnecessary financial transactions that often appear to be a barrier for the timely implementation of urban plans. The rate of land contribution by landowners varies for different urban situations.

From the international experiences, the maximum land contribution by landowners for public areas is limited by law. Moreover, from international practices it has been concluded that the rate of land contribution in the initial stage of application of the method should be applied to cover the basic needs for public surfaces such as the surfaces for roads and green areas. Later on, the rate of the contribution can be increased to cover the needs of other public areas such as the areas for schools, kindergartens etc.

The public infrastructure finance

The tax on issuing the construction permits continues to be the only way of collecting funds to construct the public urban infrastructure in Kosovo. The full collection of the construction tax is completed when the last landowner applies for a construction permit. The land development rights attached to a specific area through the urban plan and land use regulations increase immediately the land value of that area while the return of a portion of this raised value by charging fees from construction permits is slowly, periodic and disproportionate to the cost of infrastructure building.

The finance of public infrastructure through LR projects in all urban situations analyzed has resulted to be financially more feasible than through tax on building permits which is a characteristic of the existing method. The "Reserved Land" generated through the LR project represents the financial source available before the project implementation starts. The land contributed to “Reserve Land” is sold at the end of the project to recover the public infrastructure construction costs. However, the contribution by money is also possible in situations where the land contribution is expected to be an inadequate mean of financing public infrastructure construction such as the case of the redevelopment of the city centers.

Equal development rights for all

The current method in use does not provide equal development rights for all landowners within the same area. The method is based on expropriation of land for public needs. Due to the lack of funds, the land which is dedicated to public areas continues to remain uncompensated by the municipality for a long time period. The landowners` contribution to public surfaces within the same area is unequal. The method in use allows certain landowners to benefit from distributed development rights without any particular contribution to public surfaces and facilities.

The costs and benefits from the development of the area are not equally distributed among landowners. In general, the current method in use does not provide equal development rights for all landowners involved in the project. In most frequent cases the landowners refuse their land to be expropriated and their opposition often ends in court proceedings.

The landowners' resistance and complicated expropriation procedures cause delays in the implementation of urban plans.

From the analyzed urban cases it has been proven that LR can provide equal development rights for all landowners within the same area. The parcels included in the LR project are equipped with equal development rights. The landowners involved in the project contribute equally to infrastructure and public facilities. Moreover, the costs and benefits are shared between the landowners inside the project area. The method ensures full transparency of the land reallocation process, thus minimizing potential landowners' oppositions.

Land title preservations

In the current method in use the land expropriation is used for providing land for infrastructure and public facilities. According to the law, land dedicated to public areas is compulsory expropriated. The method does not allow the property right to be transferred outside the original parcel location. Moreover, the landowners of expropriated lands are prevented to return to the area after the implementation of the urban plan. Even though, the land dedicated for non-public purposes continues to be possessed by the original landowners its development according to the plan is difficult for the reasons mentioned in the previous chapters.

In LR projects, the violation of property rights is minimized or eliminated. In order to enable the implementation of the project, a temporary dislocation of the population is possible. However, the return of the landowners in the area is enabled by the method. The land dedicated to infrastructure and public facilities is contributed by all the landowners involved in the project. LR enables the land exchange between the landowners by making it easier to adapt parcel boundaries according to the urban plan. Moreover, no one will suffer any property rights violation and the right to return to the area is ensured for all of them. The LR method enables the original landowners to return to the same area or near to the one that it had before being included in the LR project.

7.1. General conclusions

It has been established that the eventual application of LR would largely eliminate the urban development problems faced by the municipalities of Kosovo. The findings suggest that the potential of the tool in solving urban planning problems is a strong motivational factor for planning authorities of Kosovo to consider the use of LR as an alternative to the current method in use.

These findings are broadly in line with the researches carried out by various researchers who have been reviewed in Chapters 2 and 3. The findings are consistent with the previous researches about the potential of the method to operate under different socio-economic conditions, land tenure types and various urban contexts.

Although these findings are generally compatible with other researches on LR method, the conditions under which it is tested make them different from other researches carried out for different countries. The tool was hypothetically tested for Kosovo circumstances that are different from the ones in the countries where it has been used extensively.

It can be concluded that the LR potential on addressing urban development problems such as: the land assembly for development, provision of land for public purposes by municipalities free of charge, equal development rights, the project self-finance and the land title preservation was a major perceived influence to propose the application of the method as an alternative to the current method in use in Kosovo.

Limitations of the study

It should be stressed that this study has primarily concerned with possible application of land readjustment as an alternative urban development method in transition countries. The analysis has been focused on the possible application of the method in Kosovo circumstances. In order to test the LR method to the field, the certain preconditions must be met. First, the country's legal framework should legally enable the application of the

method. Second, the planning authorities should be familiar with the method in order to apply it in practice.

It should be borne in mind that the study has a number of limitations:

- The research analyses are based on the hypothetical scenarios built for each case study.
- In order to explore the advantages and potential of the LR method in relation to the current base method in use, the hypothetical development case scenarios are built based on the assumptions.
- The assumptions are made for both current method in use and the LR method based on the features of each method and urban (re)development case characteristics.
- Although the economic impact of the method in urban development is undeniable, this has not been the primary objective of the study. In absence of reliable data the assumptions are made also about the prices of land and immovable properties. The current land and real estate prices as well as the increased value as a result of the application of the method in use and the LR method are assumed and represent their approximate market value.

7.2. Recommendations

In general, the results of the research suggest the use of the LR method as an alternative to the base method used in Kosovo. The goal of the research was in no way to come up with recommendations for the immediate substitution of the method in use with the LR method. The main objective of the research was to explore the potential application of LR as an alternative to the current method in cases where it has been shown to be inefficient in solving the problems of urban development.

The past practices have established that the introduction of new methods and tools does not turn out to be fast and easy. It is needed time for the new methods to adapt to the newly created conditions and to be accepted by both the authorities and the community. This means that even if the authorities in Kosovo decide to introduce the LR method into the

urban planning system, the current method in use will continue to exist for a while as it was the case with the Turkish experience. It is important for the planning authorities in Kosovo to get acquainted with the potential of the LR in order to incorporate it into the Law on planning as an urban development method. Its application and testing in practice is not possible without introducing the method in the country's legal framework.

It remains a task for the future researchers to investigate the results of its implementation in the circumstances of Kosovo after eventually the method becomes a part of the urban planning legal framework.

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Appendix: 1

PYETËSOR

Tema:

Mundesia e aplikimit te LR si metode alternative e zhvillimit urban ne Kosove

1)Rregullativa ligjore

1) Bazuar në punën e juaj të përditshme, sa konsideroni se ligjet aktuale që janë te lidhura me planifikimin urban janë adekuate për të adresuar problemet zhvillimit urban në komunën tuaj?

   MJAFTUESHËM ☐

   PJESËRISHT ☐

   PAMJAFTUESHËM ☐

2) A konsideroni se ligji aktual për planifikim hapësinor në situata te caktuara ka qenë i pafuqishëm për zgjidhjen e problemeve të ndryshme urbane dhe joefikas në zbatim te sukseshem te planeve urbane.

   PO ☐

   JO ☐

   NUK E DI ☐

3) A konsideroni se nevoiten përmirësime të rregullativës ligjore e cila do të ndihmonte në procesin e planifikimit me çka do te lehtësohej dhe rritej shkalla e zbatueshmerisë së planeve urbane?

   PO ☐

   JO ☐

   NUK E DI ☐

4) A konsideroni se ka nevoje për futjen e mjeteve të reja në sistemin e planifikimit dhe menaxhimit urban në Kosovë me te cilat do të permirësohej procesi i planifikimit urban dhe do të rritej shkalla e zbatueshmerisë së planeve urbane?

   PO ☐

   JO ☐

   NUK E DI ☐

2)Pjesëmarrja publike

5) A mendoni se duhet ndryshuar forma e deritanishme e pjesmarrjes së pronarëve të tokave në procesin e planifikimit duke duke i bërë ata pjesë aktive e procesit të planifikimit dhe vendimmarrjes?

PO ☐

JO ☐

NUK E DI ☐

6) A konsideroni se perfshirja e pronareve të tokave në procesin e hartimit të planeve urbane duke qene pjesë aktive e planifikimit dhe vendimarrjes do te ndikonte në suksesin e zbatimit të planeve detale urbanistike?

PO ☐

JO ☐

NUK E DI ☐

7) A konsideroni se duhet siguruar mekanizma ligjor të cilët do të siguronin pjesmarrjen e obliguar të pronarve të tokave ne procesin e hartimit te planeve urbane permes metodave të reja të planifikimit urban?

PO ☐

JO ☐

NUK E DI ☐

8) A konsideroni se arritja e një koncenzusi në mes pronareve të tokave dhe autoriteteve komunale rreth zhvillimit të tokës urbane do të ndikonte në qëndrueshmerinë në planifikimin urban dhe zbatimin efikas të planeve urbane ?

PO ☐

JO ☐

NUK E DI ☐

3)Të drejtat zhvillimore

9) A konsideroni se sistem aktual i planifikimit i bazuar vetëm në metodën e ekspropriimit të tokës private për nevoja publike siguron te drejta zhvillimore të

barabarta për të gjithë pronarët e tokave që ndodhen brenda zonës së planit urban në pikpamje të të drejtave të zhvillimit ?

PO ☐

JO ☐

NUK E DI ☐

10) A konsideroni se shperndarja e shpenzimeve (kontributeve për siperfaqet publike dhe ndërtim të infrastruktures) dhe përfitimeve (rritja së vleres së tokes përmes të drejtave të zhvillimit) tek pronarët e tokave në një zonë të perfshirë me planin urban duhet të jenë të brabarta proporcionalisht me siperfaqet e tokës që ata posedojnë në menyrë që të arrihen objektivat e planit urban?

PO ☐

JO ☐

NUK E DI ☐

11) A konsideroni se duhet bërë ndryshime ligjore me të cilat do te siguroheshin të drejta dhe detyrime të barabarta për të gjithe pronarët e tokave me rastin e planifikimeve urbane për nje zonë të caktuar urbane?

PO ☐

JO ☐

NUK E DI ☐

12) A konsideroni se të drejten për të inicuar planifikimin urban për një zone te caktuar urbane duhet mundësuar perveq autoriteteve komunale gjithashtu edhe pronarëve te tokave nëse arrihet një kuotë e koncenzusit në mes tyre?

PO ☐

JO ☐

NUK E DI ☐

4) Ri-rregullimi i tokes ndertimore

13) A mendoni se ligji aktual i planifikimit dhe aktet nënligjore e rregullojnë mjaftueshëm çështjen e ri-rregullimit të kufijve të parcelave ndërtimore në harmoni me planin urban të një zone ?

PO ☐

JO ☐

NUK E DI ☐

14) A konsideroni se pamundësia e autoriteteve komunale per te ri-rregulluar kufijtë e parcelave në harmoni me planifikimet pengon procesin e zbatimit të planeve urbane?

PO ☐

JO ☐

NUK E DI ☐

15) A konsideroni se rregullativa aktuale ligjore duhet ndryshuar në menyre që komunat e Kosoves të pajisen me mjete adekuate të planifikimit që do te mundesonin ri-rregullimin e kufijve të parcelave ndërtimore në harmoni me planin urban ?

PO ☐

JO ☐

NUK E DI ☐

5)Finansimi i infrastruktures publike

16) Bazuar në metodat e deritanishme të finansimit të infrastruktures publike në komunën tuaj, sa mendoni se ato janë efikase ne finansimin e ndertimit te infrastruktures publike në plotëni?

MJAFTUESHËM ☐

PJESËRISHT ☐

PAMJAFTUESHËM ☐

17) A konsideroni se taksa që mblidhet në emër të lejes së ndertimit është e mjaftueshme për të mbuluar shpenzimet e eksproprimit të tokes private për nevoja publike (siq është rasti i siperfaqeve për rrugë,parqe,shkolla,kopshte për femije etj.) dhe njëkohësisht për ndërtim të infrastruktures publike komunale?

PO ☐

JO ☐

NUK E DI ☐

18) A konsideroni se mbeshtetja vetem në taksat për leje ndertimi, paraqet pengesë për ndertimin me kohë dhe efikase të infrastrukturës publike?

PO ☐

JO ☐

NUK E DI ☐

19) A mendoni se një kontribut me tokë perveq asaj me të holla proporcionalisht me sipërfaqen e parcelave të tyre i të gjithë pronareve të një zone urbane për siperfaqet publike siq jane siperfaqet per ndertimin e rrugëve , parqet, shkollat, kopshtet etj, do të lehtësonte procesin e zbatimit të planeve urbane.

PO ☐

JO ☐

NUK E DI ☐

20) A mendoni se ideja për të kontribuar me siperfaqe toke për siperfaqet publike proporcionalisht me siperfaqen e parcelave të tyre i te gjithë pronareve të një zone urbane do te perkrahej nga ana e pronarëve te tokave ne rast se ajo do te ndikonte ne ngritjen e vleres se tokes se tyre permes te drejtes per zhvillim dhe përmirësimeve infrastrukturore të cilat ua mundeson plani urban.

PO ☐

JO ☐

NUK E DI ☐

QUESTIONNAIRE

Thesis title:

The potential use of the Land Readjustment as an alternative urban development method in Kosovo

1) Legal regulations

1. Based on your daily work, how do you consider that current legal framework related to urban planning is adequate to address urban development problems in your municipality?

SUFFICIENTLY ☐
PARTIALLY ☐
INSUFFICIENTLY ☐

2. Do you consider that the current law on spatial planning in certain situations has been ineffective in solving various urban development problems and ineffective in the successful implementation of urban plans.

YES ☐
NO ☐
I DO NOT KNOW ☐

3. Do you consider that there is a need for improvement on the legal regulation that would facilitate the planning process, by which there would be facilitated and increased the implementation rate of urban plans?

YES ☐
NO ☐
I DO NOT KNOW ☐

4. Do you consider that there is a need for the introduction of new tools in the urban development in Kosovo, which would improve and increase the implementation rate of urban plans?

YES ☐
NO ☐
I DO NOT KNOW ☐

2) **Public Participation**

5. Do you think that the current form of landowners' participation in the planning process should be changed by making them an active part of the planning and decision-making process?

YES ☐
NO ☐
I DO NOT KNOW ☐

6. Do you consider that the involvement of landowners in the process of drafting urban plans as an active part of planning and decision-making would affect the success of implementing urban regulatory plans?

YES ☐
NO ☐
I DO NOT KNOW ☐

7. Do you consider that there should be ensured the legal mechanisms which would ensure the obligatory participation of landowners in the process of drafting urban plans through new urban development methods?

YES ☐
NO ☐
I DO NOT KNOW ☐

8. Do you consider that reaching a consensus between the landowners and municipal authorities about urban land development would impact on sustainability in urban planning and the efficient implementation of urban plans?

YES ☐
NO ☐
I DO NOT KNOW ☐

3) **Developmental Rights**

9. Do you consider that the current planning system based solely on the method of expropriation of private land for public needs provides equal development rights for all landowners located within the urban plan area in terms of development rights?

YES ☐
NO ☐
I DO NOT KNOW ☐

10. Do you consider that the distribution of expenditures and benefits among landowners in an area included in the urban plan should be proportionally with the land surfaces they possess in order to achieve the objectives of the urban plan?

YES ☐
NO ☐
I DO NOT KNOW ☐

11. Do you consider that theer should be made legal changes should by which theer would be ensured equal rights and obligations for all landowners when planning urban planning for a specific urban area?

YES ☐
NO ☐
I DO NOT KNOW ☐

12. Do you consider that the right to initiate the urban plans should be allowed, except for municipal authorities, also to the landowners if a consensus quota is reached between them?

YES ☐
NO ☐
I DO NOT KNOW ☐

4) Re-arrangement of land borders

13. Do you think the current planning law and sublegal acts adequately regulate the issue of re-regulating the boundaries of construction parcels in compliance with the urban plan of an area?

YES ☐
NO ☐
I DO NOT KNOW ☐

14. Do you consider that the impossibility of municipal authorities to re-regulate the boundaries of the parcels in compliance with the planning prevents the process of implementing urban plans?

YES ☐
NO ☐
I DO NOT KNOW ☐

15. Do you consider that the current legal regulation needs to be changed so that the municipalities of Kosovo will be provided with adequate planning tools that would enable the rearrangement of the boundaries of construction parcels in line with the urban plan?

YES ☐
NO ☐
I DO NOT KNOW ☐

5) Financing public infrastructure

16. Based on the current methods of financing public infrastructure in your municipality, how do you think they are efficient in financing the construction of public infrastructure completely?

SUFFICIENTLY ☐
PARTIALLY ☐
INSUFFICIENTLY ☐

17. Do you consider that the tax collected on behalf of a construction permit is sufficient to cover the expropriation costs of private land for public needs (such as street surfaces, parks, schools, kindergartens etc.) and at the same time for the construction of municipal public infrastructure?

YES ☐
NO ☐
I DO NOT KNOW ☐

18. Do you consider that the support only in building permit fees is an obstacle to the timely and efficient construction of public infrastructure?

YES ☐
NO ☐
I DO NOT KNOW ☐

19. Do you think that a contribution by land, apart the ones with money proportionately to the area of their parcels to all the owners of an urban area for public areas, such as the construction of roads, parks, schools, kindergartens etc, would facilitate the process of implementing urban plans.

YES ☐
NO ☐
I DO NOT KNOW ☐

20. Do you think that contribution by land surfaces for public surfaces proportionately to the area of their parcels of all landowners in an urban area would be supported by landowners if it effected on the increase of their land value?

YES ☐
NO ☐
I DO NOT KNOW ☐