

THE GOVERNANCE OF LAND USE REPORT LAUNCH

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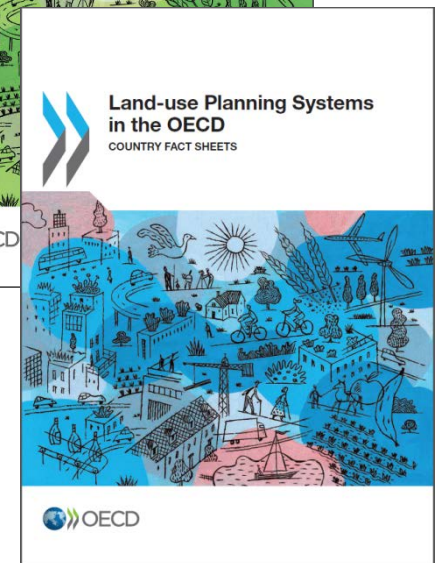
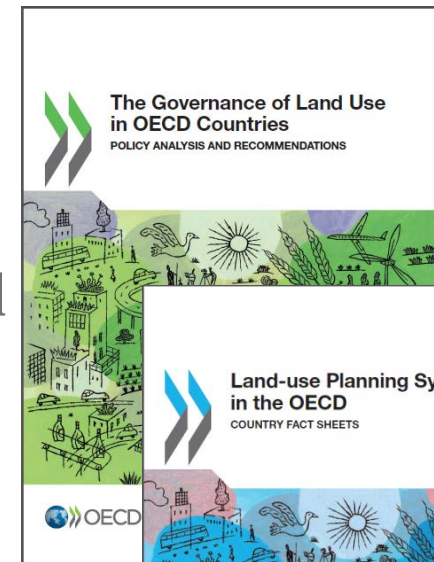
THE GOVERNANCE OF LAND USE

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Regional Development Policy Division, OECD



Today's launch: two associated reports

- **The Governance of Land Use: Policy Analysis and Recommendations**
 - Analysis of land use policies (including planning and tax policies) and trends
 - Recommendations on how to make land use policies more flexible and more effective
- **Land-Use Planning Systems in the OECD: Country Fact Sheets**
 - Descriptive overview of land-use planning systems in 32 OECD countries
 - Key statistics on land use

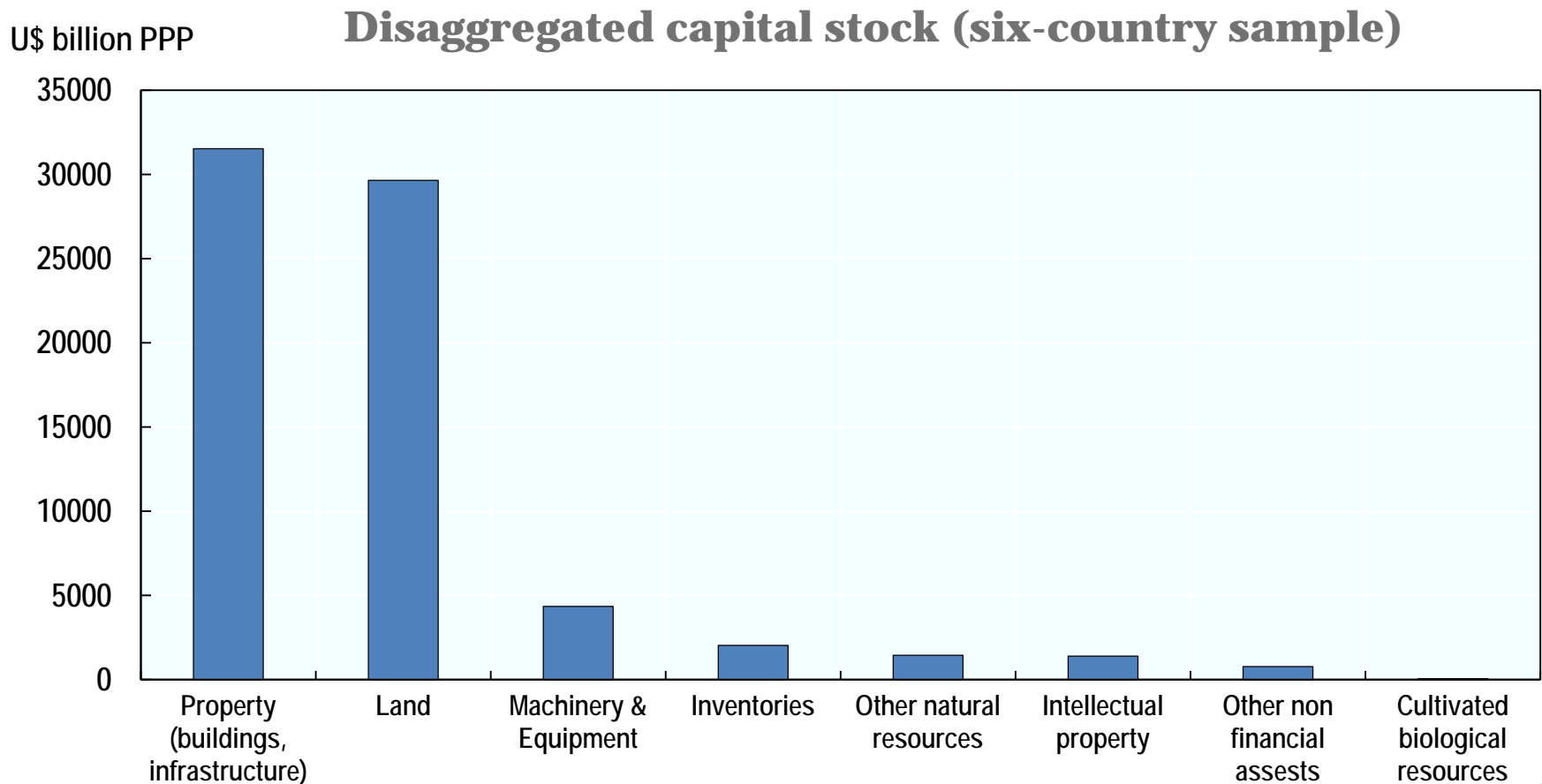




LAND USE TRENDS IN THE OECD



Land and property are by far the most important forms of capital



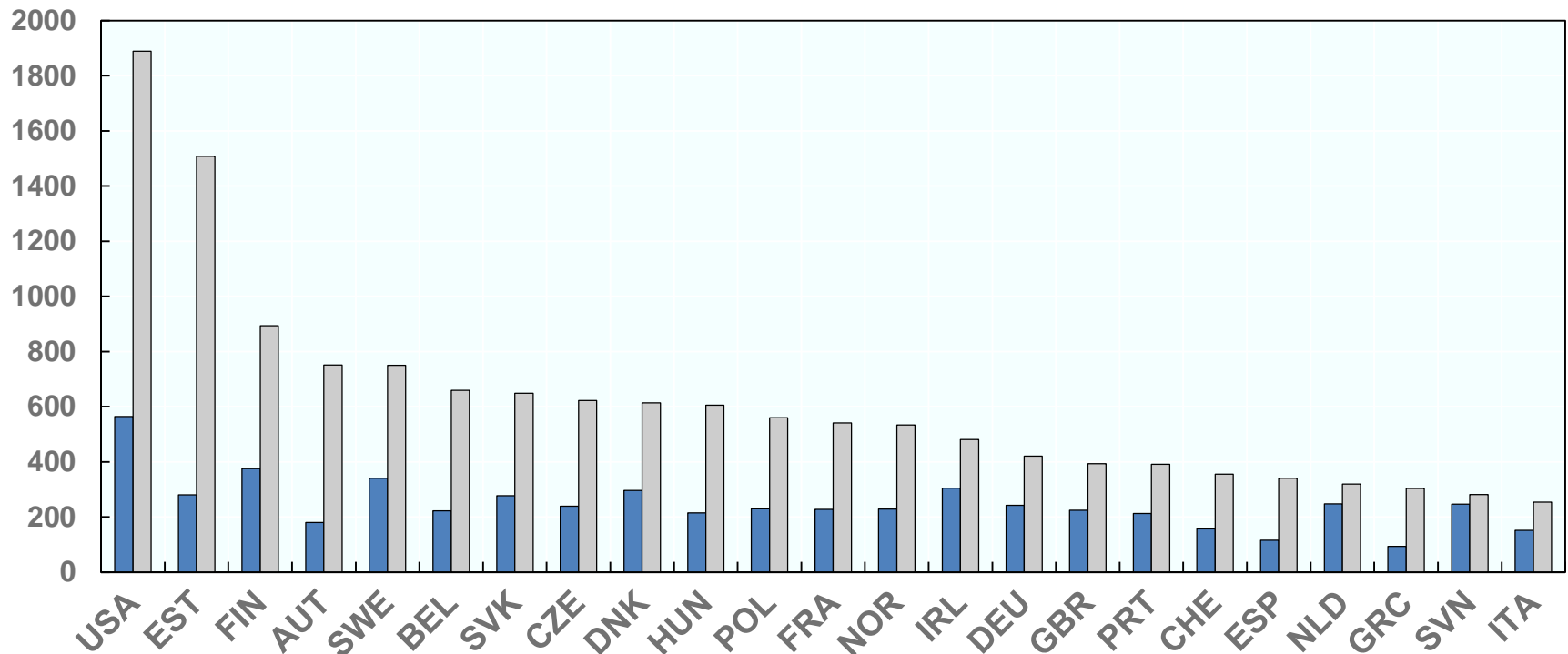
Note: Data covers Australia, Canada, Czech Republic, France, Japan and Korea.
Source: OECD National Accounts Table 9B



The amount of developed land per capita differs across the OECD

Developed land per capita in urban areas

■ Developed land per capita in urban cores (in m²) □ Developed land per capita in commuting zones (in m²)

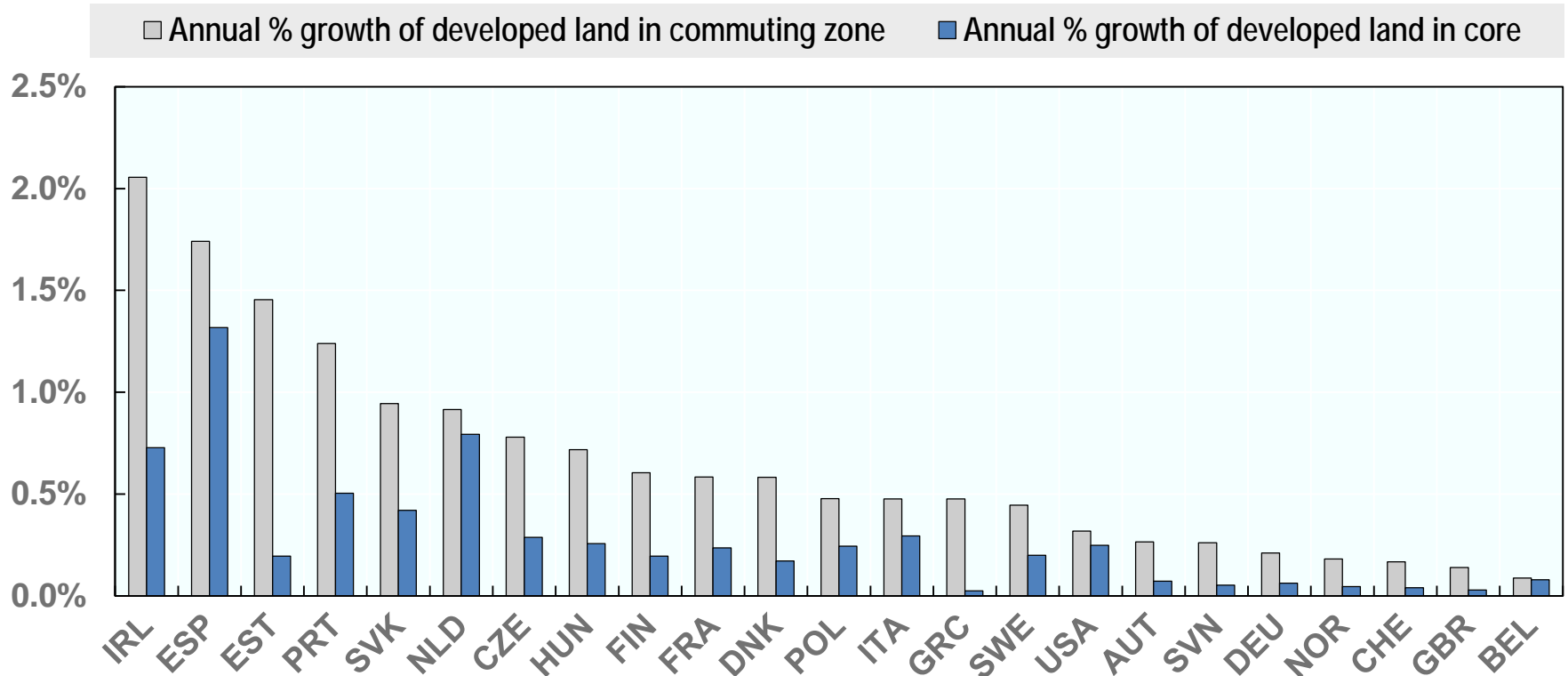


*All data is based on the OECD definition of Functional Urban Areas (FUAs)



Developed land is growing everywhere...

Annual growth rates of developed land in urban areas between 2000 and 2012

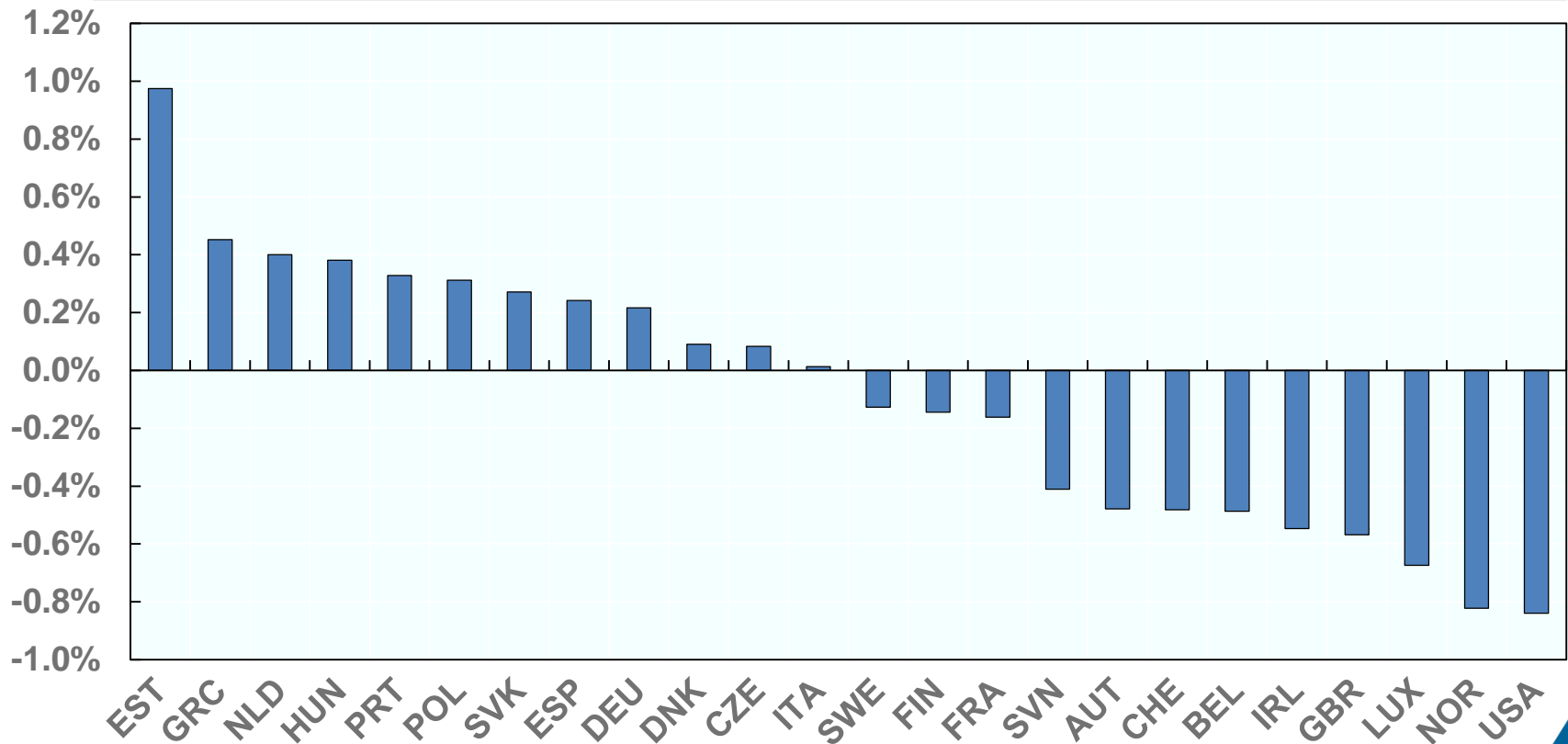




...but per capita land use is declining in many countries

Per capita growth of developed land in urban areas

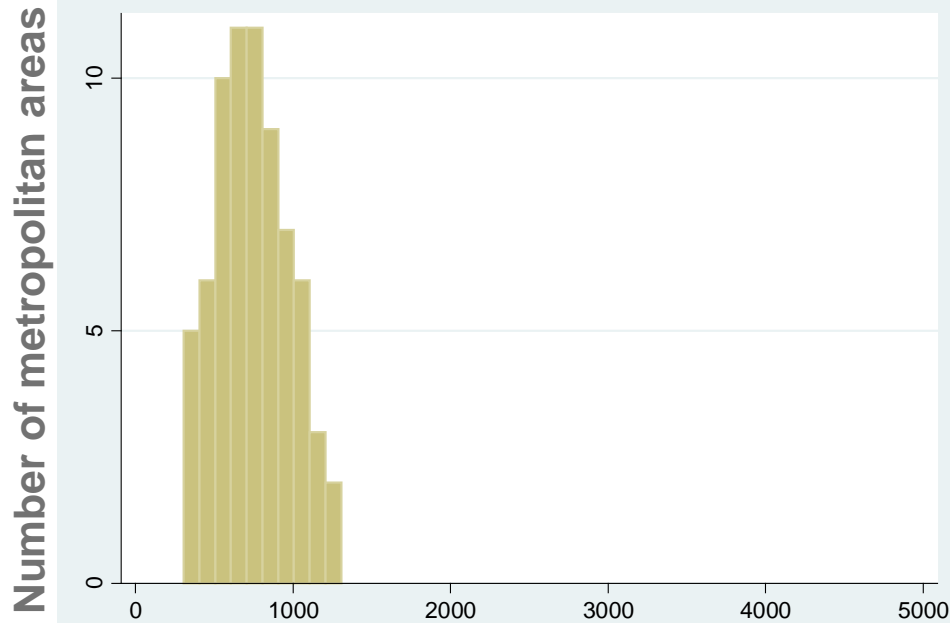
■ Annual percentage change in developed land per capita 2000 - 2012





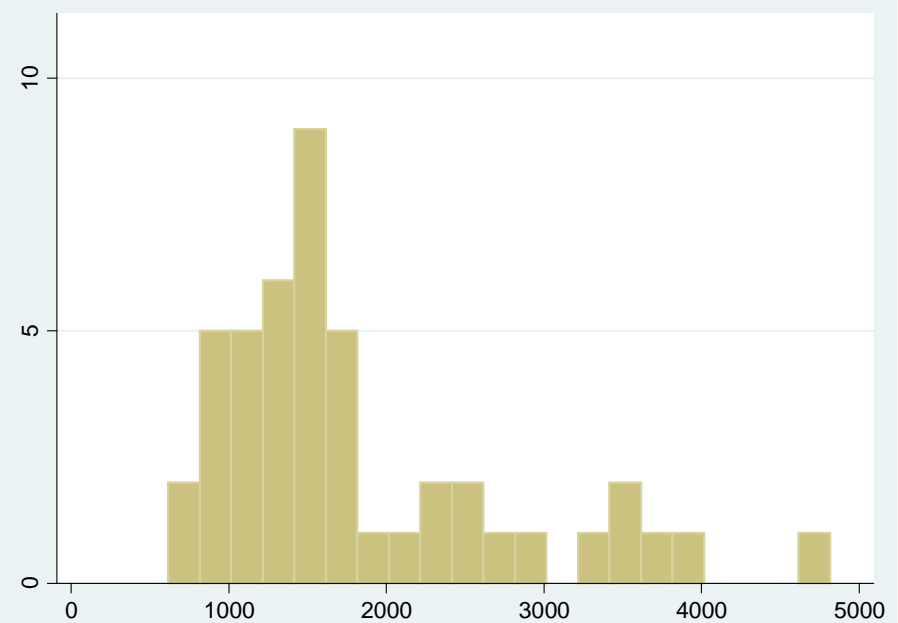
Land use in urban cores and commuting zones in the U.S.

Urban Cores



Developed land per capita in m²

Commuting zones

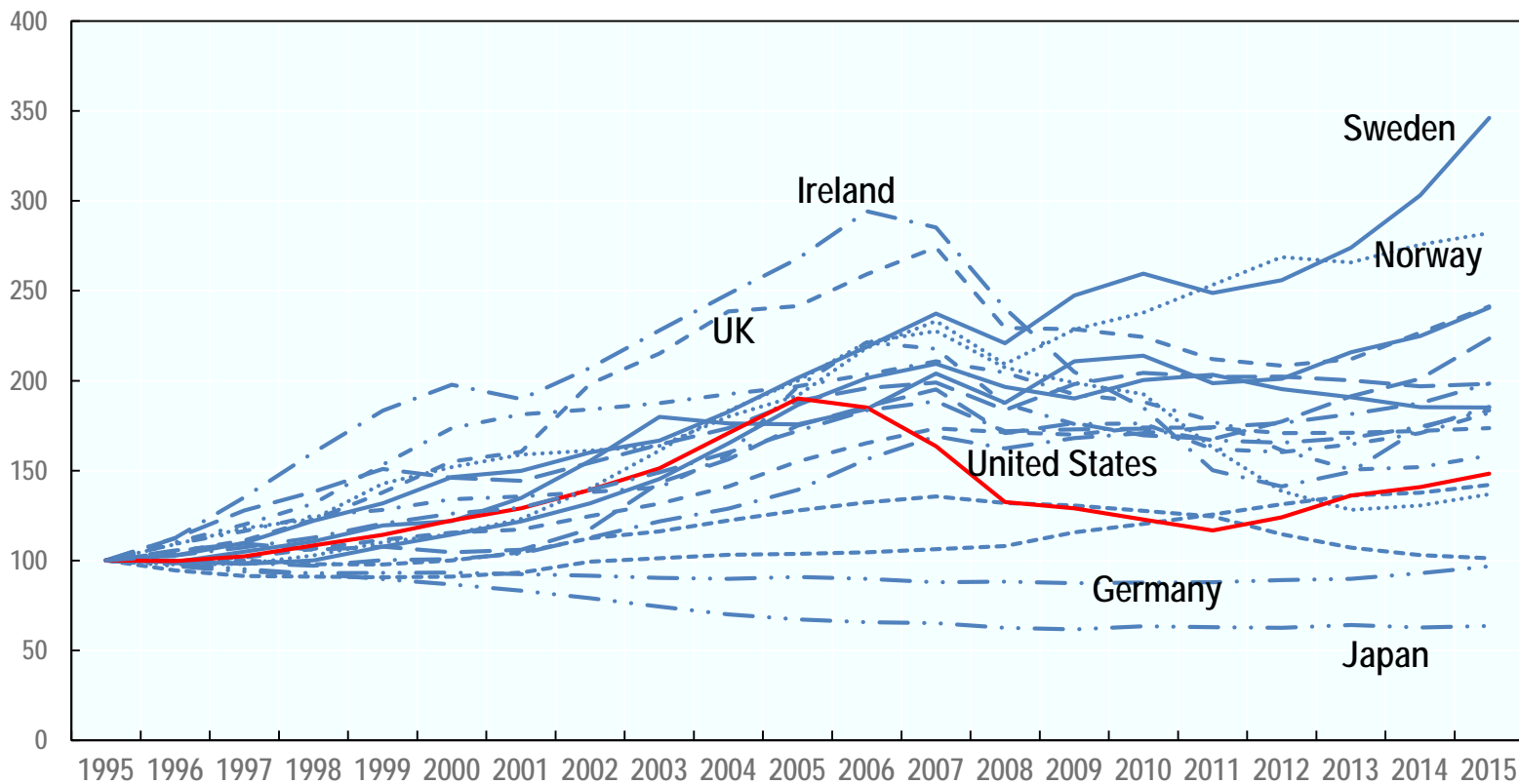
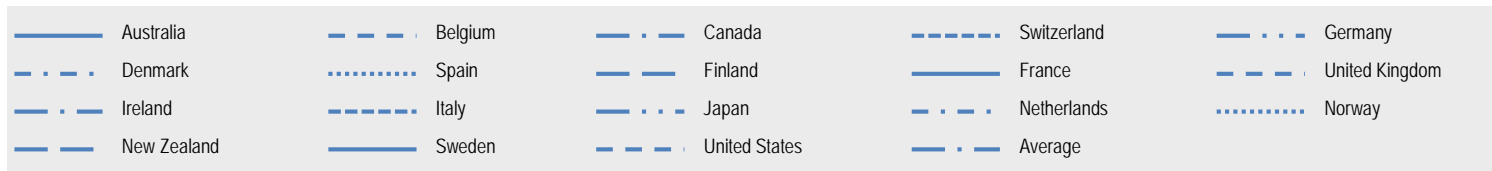


Developed land per capita in m²



Housing costs have risen strongly in most OECD countries

Inflation-adjusted property prices (1995=100)

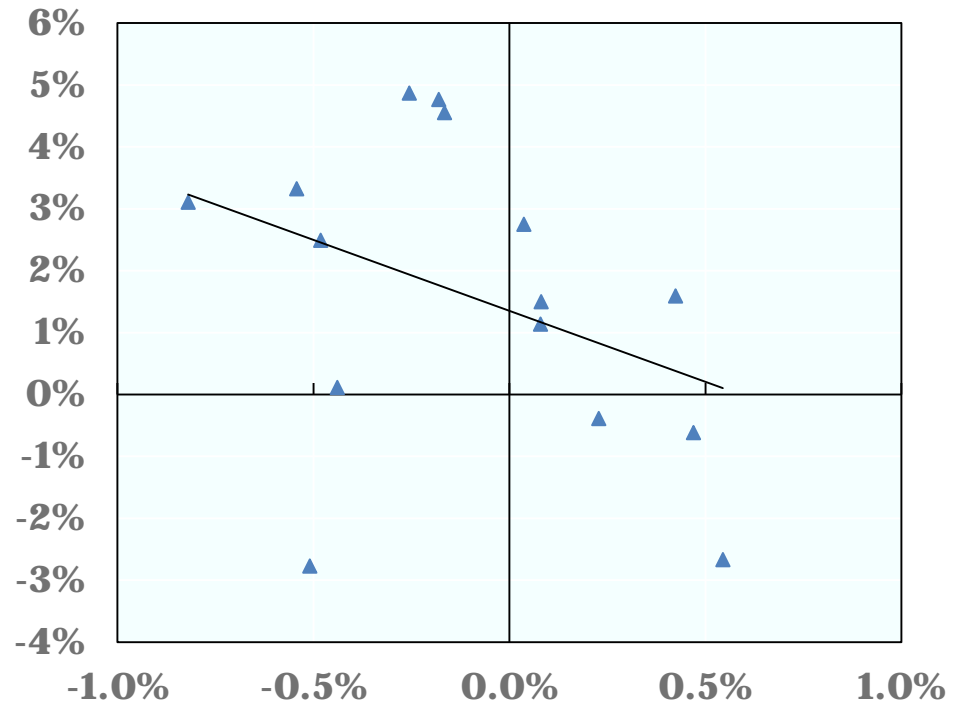




Restrictive land use policies can lead to rising housing costs

- Land use regulations should aim to prevent sprawl...
- ...but have to provide sufficient space to construct housing for growing populations
- Otherwise, housing costs rise

Annual change house prices
(2000-2012)



Annual change in developed
land per capita (2000-2012)

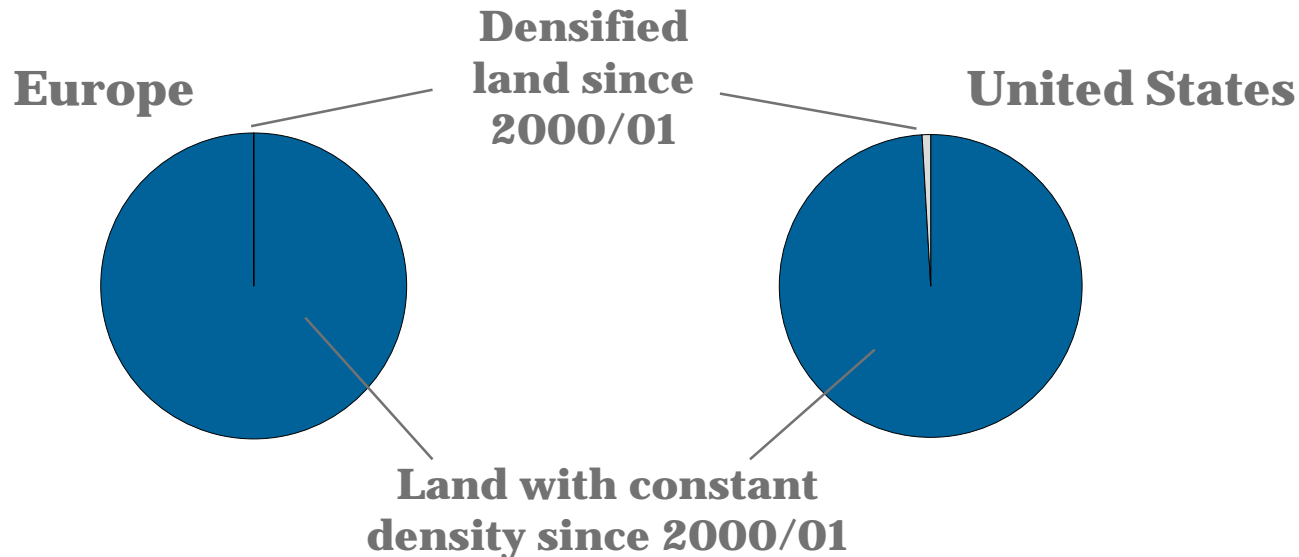


POLICY RECOMMENDATIONS



Very little densification is taking place

- Very little densification of building stock on-going since 2000
- Less than 0.01% of developed land in data has changed to a higher density class in Europe; less than 1% has changed in the U.S.
- **Caveat:** existing data not ideal to measure density; only two density classes for Europe; four density classes for the U.S.





High quality density is needed

- Many cities have densities similar to when they were much smaller
 - Low density neighbourhoods that were once at the urban fringe are now within urban cores without having densified
- Greater densities are needed to adapt urban form and build housing for greater populations
- Public spaces need to be of high quality in denser environments to ensure well-being



How public policies influence land use

Public policies aimed at steering land use

- Spatial planning
- Transport planning
- Land use planning
- Environmental regulations
- Building code regulations



How land is permitted to be used

Public policies *not* targeted at land use

- Tax policies
- Transport taxes and subsidies
- Fiscal systems and inter-governmental transfers
- Agricultural policies
- Energy policies



How individuals and businesses want to use land



How land is used



Aligning fiscal and tax incentives to land use objectives

Fiscal and tax systems incentivise:

- i. land use decisions by firms and individuals
- ii. local governments' planning policies

➔ Incentives need to be better aligned with land use objectives



How fiscal and tax systems influence land-use decisions by individuals

Home mortgage interest tax deductibility encourages home ownership



Since most owner-occupied buildings are single-family homes, home mortgage interest tax deductibility encourages low density development

Car owners do not have to pay for the externalities of driving



Residents have incentives to live further away from places of work in peri-urban areas



THE GOVERNANCE OF LAND USE: METROPOLITAN CASE STUDIES



The big picture

Mode of control or influence

Institutions

Governance, legislation, rules, regulations, policies, plans, fiscal frameworks, and the patterns of incentives and disincentives they create.

How land is used now and in the future

Social norms

Social cohesion and trust

Economy and industrial composition

Social-economic and demographic characteristics and change over time

Legacies of the build environment and changing urban morphology

And so on.....

Exogenous to the planning system



Country and metropolitan cases



Poland: Lodz



France: Clermont Ferrand and
Nantes-Saint Nazaire



The Netherlands: Amsterdam



The Czech Republic: Prague



Israel: Umm al Fahm and Netanya

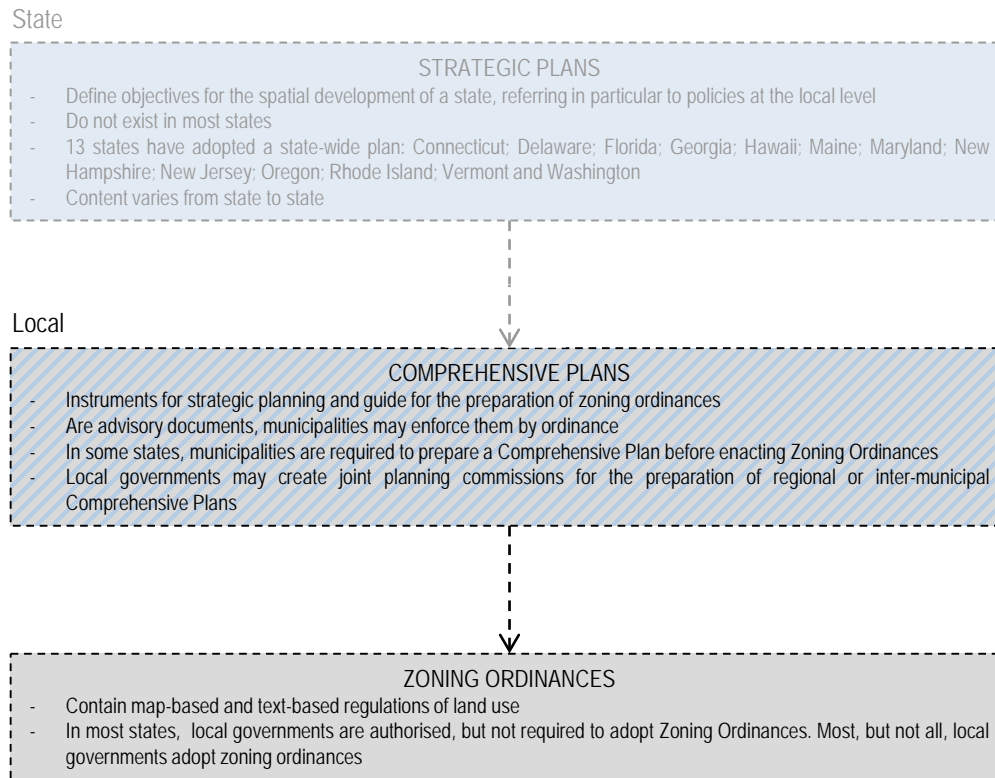


Governance trends

- More *complex* and *participatory* strategic spatial plans
- Broader *governance* arrangements
- Desire for more *flexible* and *responsive* planning systems



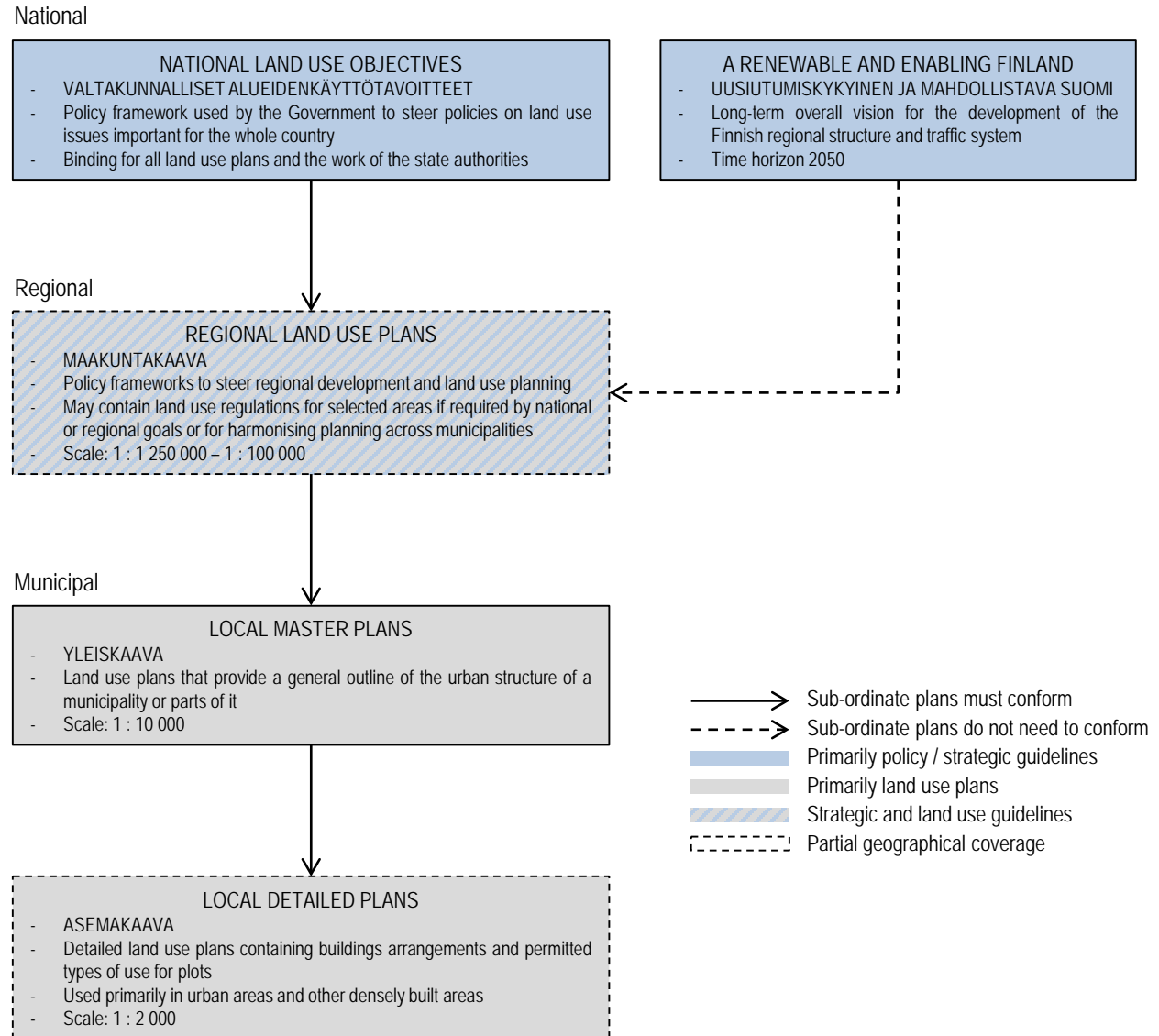
Planning framework – United States



- Sub-ordinate plans must conform
- - - - - → Sub-ordinate plans do not need to conform
- Primarily policy / strategic guidelines
- Primarily land use plans
- Strategic and land use guidelines
- Partial geographical coverage



Planning framework – Finland



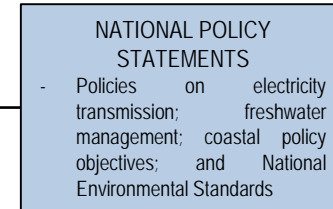
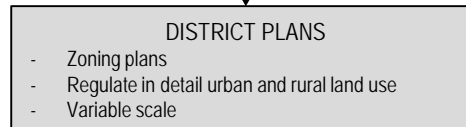
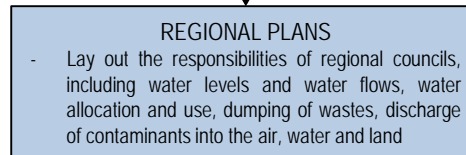
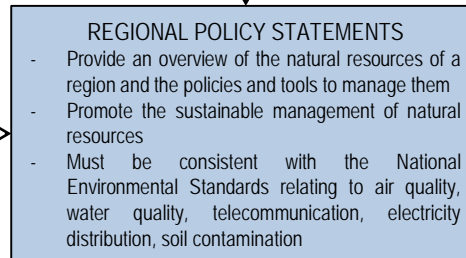


Planning framework – New Zealand

General framework
National

Sectoral Plans

Regional



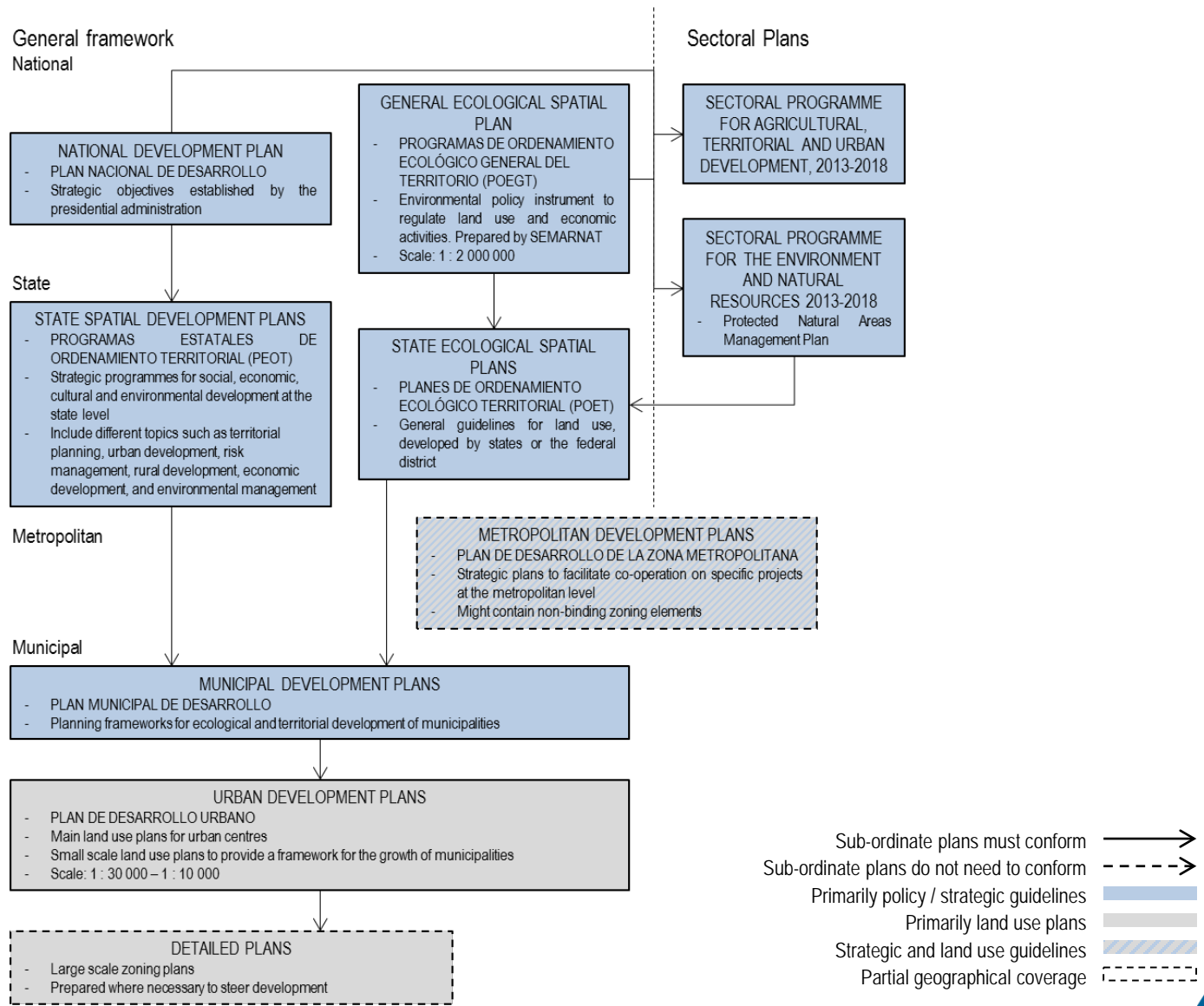
Municipal

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Planning framework – Mexico





Planning framework – Germany

General framework

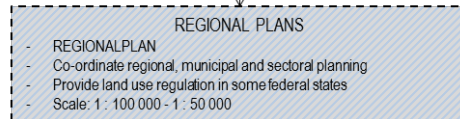
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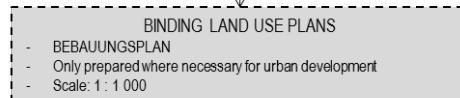
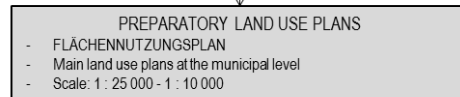
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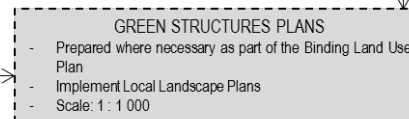
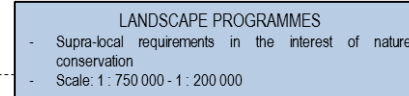
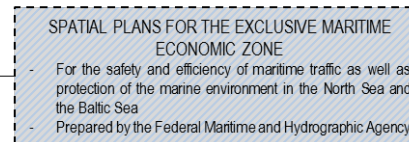
Regional



Municipal



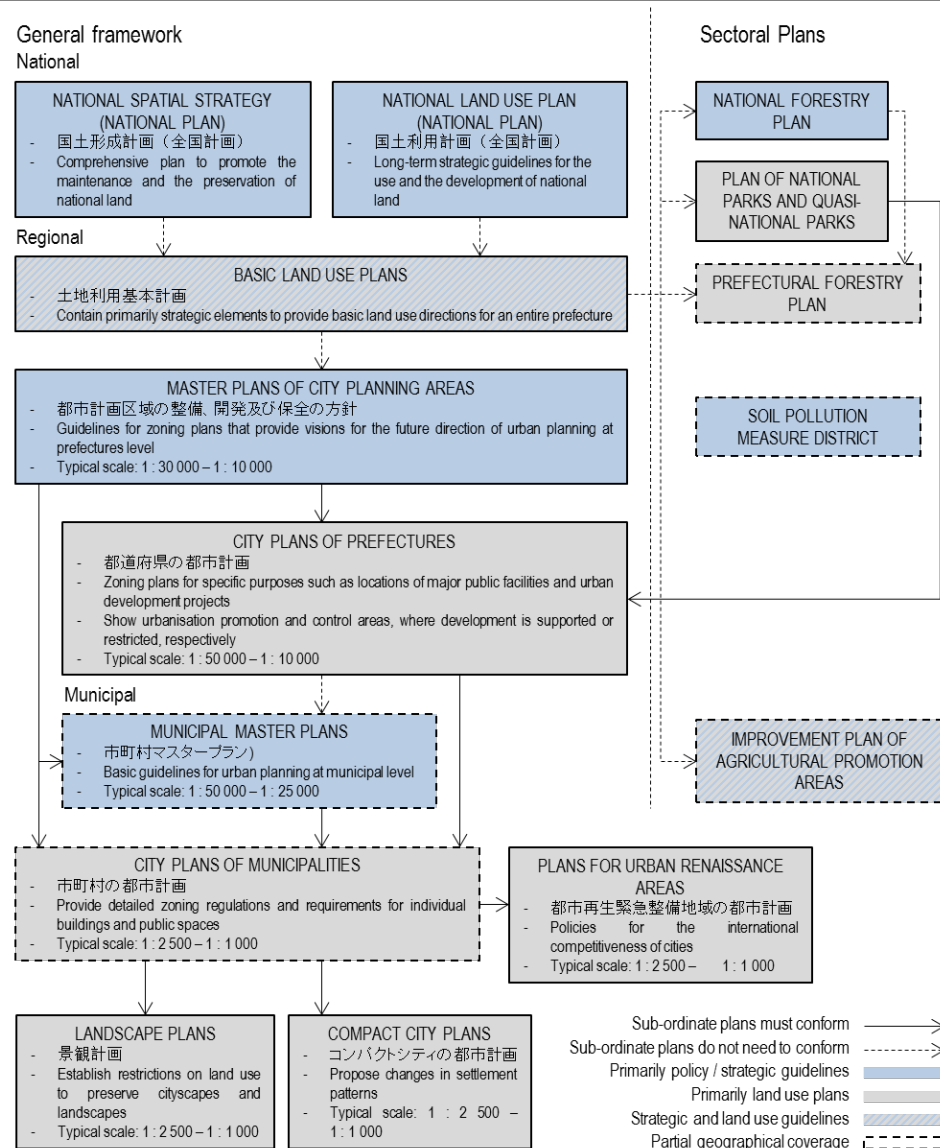
Sectoral Plans



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Planning framework – Japan

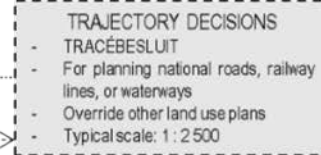
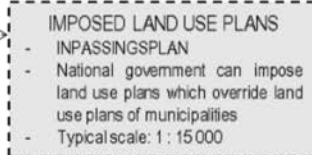
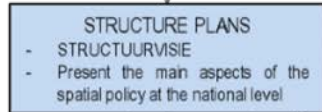
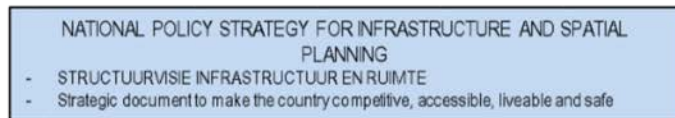




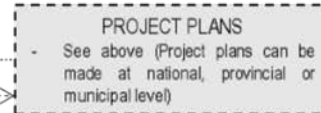
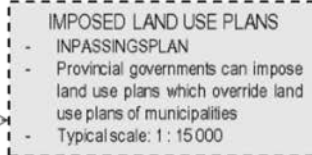
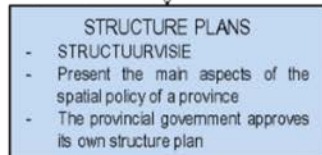
Planning framework – Netherlands

General framework

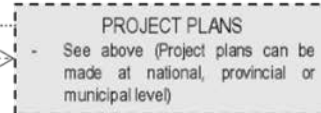
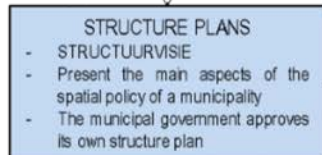
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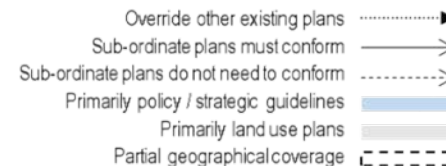
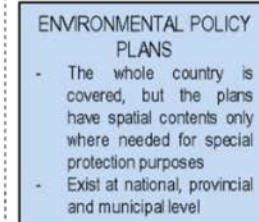
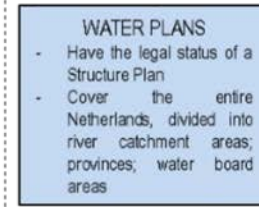
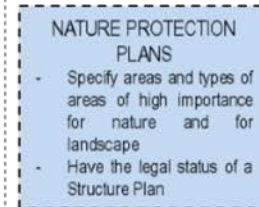
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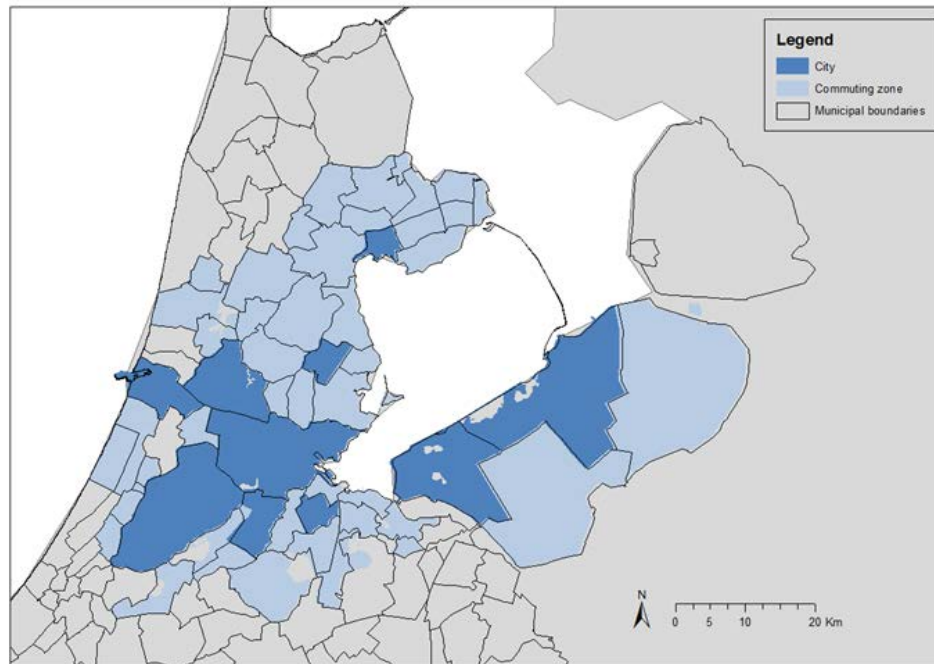
Sectoral Plans





Example in practice: Green Growth in Amsterdam

- Growing economy and population
- Many competing demands on land





Amsterdam's spatial development ambitions

Six spatial development ambitions to 2040:

1. Increasing density
2. Transforming mono-functional areas
3. Enhancing regional transportation
4. Increasing the quality of public space
5. Investing in the recreational use of green space and water
6. Preparing for a post-fossil fuel era



New Dutch Environmental and Planning Act (2016)

- New spatial planning legislation pursues certainty where needed, and flexibility where prudent
- It encourages flexible and experiential land uses where possible
- To be implemented in 2018



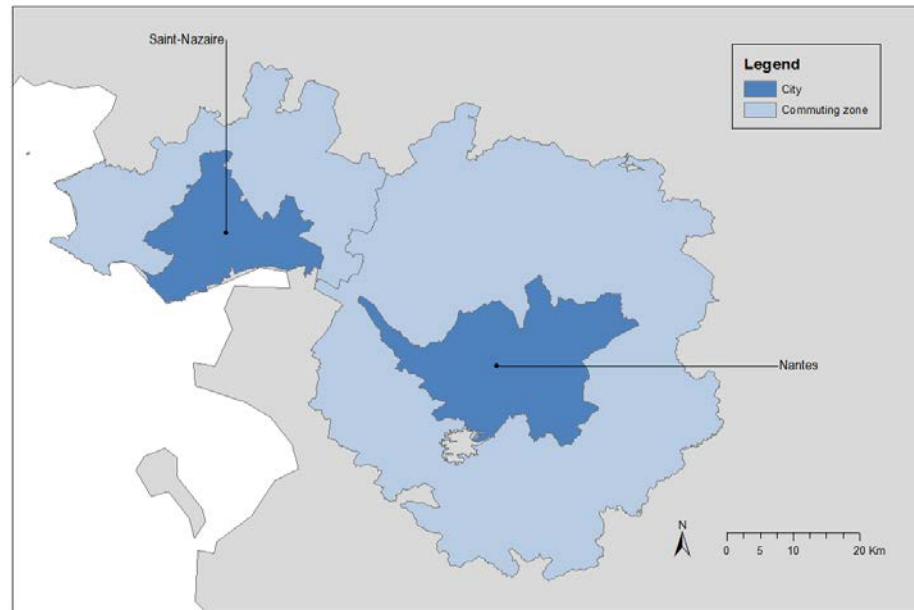
Key issues for planning in the Netherlands

- New ways of working and new skills for planners
- Iterative approaches
- Monitoring and assessment
- A growing role for fiscal instruments?



Example in practice: integrated planning in Nantes Saint Nazaire

- A growing residential economy, fragile coastal environment
- Metropolitan area = 108 communes

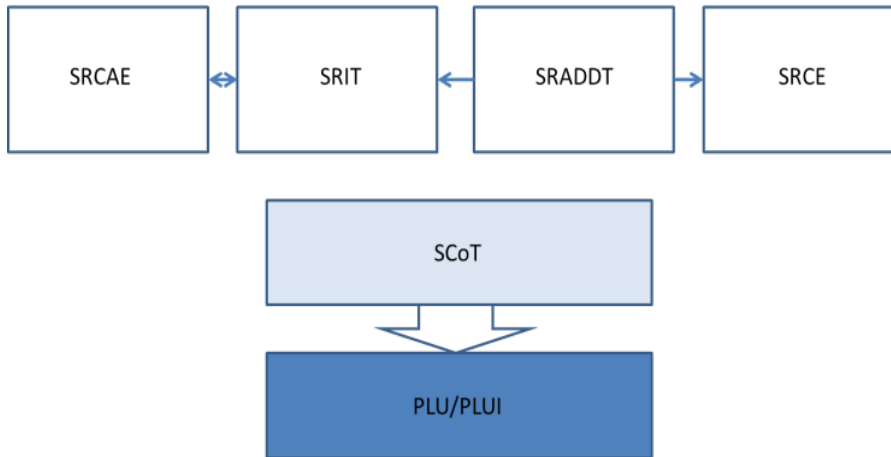




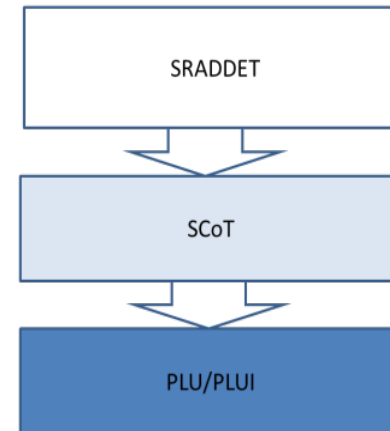
Recent French reforms

- Regions are now the lead actors for strategic spatial planning and sustainable development

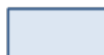
Old spatial planning framework



New spatial planning framework



Regional scale plan



Intermediary scale plan (living areas)



Gives orientations and guidelines



Communal or group of municipalities scaled plan



Imposes regulations



Key issues for spatial planning in France

- Strengthen the planning capacities of smaller communes
- Enhance monitoring and management of periurban zones
- Combine regulatory and economic incentives to meet spatial goals
- Enhance vertical co-ordination



Overarching questions

- How to balance the desire for a flexible and adaptive system against the need for certainty and fairness
- The scale at which planning issues should be tackled
- How to balance the goals of environmental sustainability, social equity, affordable housing, economic growth and liveability-wellbeing
- How to resolve conflict
- When and how to engage and with whom



THANK YOU

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