

EURASIAN GIS 2018 CONGRESS
04-07 SEPTEMBER 2018 - Baku/AZERBAIJAN

MEASURES AND PROPOSALS ON TURNING THE VALUE INCREASE TO THE PUBLIC ON URBAN RENEWAL AREAS BY URBAN SETTLEMENT PLAN

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Keywords:

Urban Settlement
Urban Renewal
Value Increase

Abstract

Real Estate as a means of social wealth has an important place in terms of spatial usage diversity and is shaped by urban planning tools and is subject to maturity and value increase. It is the public tools which provide increasing value, and the public should get a share from this increase. Transferring the value increase to the public instead of giving it to the parcel owner is important either for strengthening the local administrations by creating land stock or raising the welfare of the society. However, it is still a controversial issue on Turkey's agenda how this obtained value increase should be transferred to the public.

In this paper, turning the value increase to the public on urban renewal areas of existing settlement units by changing development plan has been studied.

1. Introduction

Urban renewal is a project-based work aimed at improving the areas exposed to physical, economic, social and cultural problems that arise due to the uncontrolled growth and change of urban areas. Rapid urbanization taking place in Turkey, has raised urban land values uncontrollably, on the other hand has led to the emergence of uncontrolled construction areas and development issues in the immediate surroundings of urban areas. Especially in the recent period, old urban and worn urban textures, risky construction sites and the renovation of slum areas have become the primary responsibility of local governments and central government.

The old areas of the city can be a place of urban renewal within its own sociological characteristics and parcel-based ownership and use conditions. Under these conditions, as the area is subject to re-planning and implementation studies during the urban renewal process, the maturity and economic value of the use of the parcels are increasing. This increase in value, which is called the rent, and is not an individual contribution of the landlord, needs to be turned to the public. Indeed, as in decision of Turkish Constitutional Court in 11/07/1972, numbered law 1608 "25% bonus deduction (share arrangement partnership) will be taken for the provision of value increase in immovable because of the arrangements" it is accepted that transferring a certain portion of the immovable to the public

without charge would be lawful as a response to the value increase because of the development plan and its application.

1.1. Causes of Urban Rent

Urban areas are complex and dynamic systems that live together with the society within them. They may be subject to change and transformation under the influence of physical, social, environmental, economic and even political and ideological factors (Akar, 2006). Increasing the quality of life and strengthening the urban economy are aimed by urban renewal practices. Construction of the zoning plan and the function given to the immovable and the distribution of the rent due to the intensity of the construction constitutes the dynamics of renovation work. This change between pre- and post-project immovable values is due to a number of factors within the framework of urban renewal development plans such as immovable properties dismantled and reconstruction land use pattern, ownership structure, infrastructure investments built by the administration, social and cultural facilities.

As cities grow due to population growth and migration, spatial uses are being reshaped by means of planning. This situation, on the one hand, increases the value of newly added land to the city; on the other hand it leads to an increase in value due to the changes in the positions of the existing

city lands (Ökmen and Yurtsever, 2010). It is expressed that planning in the urban renewal areas is done for public interest. However, despite there is no contribution of the immovable owners in the planning process, they will have the increase in value. For this reason, the zoning plan, which is mostly done in the form of increasing the zoning rights, becomes a means of distributing rents (Ülkü, 1997). Administrations in charge of planning sometimes cause value differentiation by not planning for urban development but by making plans that include the right of high development in the places where the speculation subject is located (Yücel, 2014).

1.2. Application Process in Urban Renewal Projects

Urban renewal is a holistic project application involving planning, implementation and restructuring aimed at solving the social, economic and physical problems of a region that needs improvement. In other words, the redevelopment and revitalization of a lost economic activity; making a non-functioning social function work; the provision of social integration in areas of social exclusion; it is the application of this equilibrium again in areas where the environmental interaction is impaired. This will only be possible if the relevant actors (responsible for urbanization, property owners and producers) who will take part in the implementation are able to make a positive contribution to the process.

2. The need of turning value increase due to development plan to public in urban renewal areas

Urbanization rate in Turkey in terms of both its population and area, and number of metropolitan government shows the rapid increase. As a consequence of this development, state administration is framed on the principle of "strengthening local governments". Therefore, the local administrations need to have a sufficient and conscious management power and personnel structure and strong financial resources. Because the local administrations, especially in the residential units which have the ownership problem under the pressure of the constructions contrary to the zoning legislation, who know and solve the technical-economic-sociological problems of the city on the spot; leading society expectations; it must be able to develop within the principles of planning and city planning. The fulfilment of this responsibility depends on the strength of public finance resources to be used for urbanization.

Although the rise in value with urban planning emerged depending with the land use decisions of

administrations on behalf of public, only property owners benefit from this increase in today's Turkey. However, public institutions need to produce social benefits, not personal benefits. In this sense, it is a realistic approach to collect some of the value increase income generated by the zoning plan as tax revenue by the state (Ökmen ve Yurtsever, 2010). Real Estate Value Increase Tax was promulgated in 1970 by the legislature for taxation of gains arising on the increase in value of immovable property; but it was abolished in 1982. It is a fact that the real estate tax system based on the "declaration of the immovable owner" which is in force today does not fulfil this aim.

The increase in immovable value resulting from the urban renewal application should be modeled by scientific analysis showing the relation between "participation value, new land use decisions and distribution value". But this is a difficult process; since the value creation by the zoning plan in the renewal process is not the same for every immovable. To equitably increase the value increase and develop methods to ensure the public return, which is the most appropriate way to do so, is a matter that is on the agenda of all the countries of the world.

The income that will be generated as a result of transferring the immovable value increase in the renewal process should be used for economic and social needs of the city. In addition, urban regeneration practices do not only improve the situation of the project area. It also contributes to regional development by affecting the value of other regions in the neighbouring the project site. For this reason, it is necessary to develop a method for the utilization of the resource that will be generated by taxation of value increases.

In this respect, to establish the legal basis of the central government's legislative body, the most appropriate method using rent income for public interest by local governments is using

- some (X%) for financing the construction and infrastructure activities required by the urban space,
- some (% Y) financing sources for urban renewal work,
- some of them (% Z) are ready to build zoning parcels.

3. Applications of turning value increase to public

In the area of application, which is accepted as an urban renewal site, firstly zoning planning work is carried out and zoning parcels ready for construction are produced with the application of these plans to the ground. The administration

which is responsible for the application of zoning plan carries out the work in the scope of

- covering the reinforcement areas with up to 40% cut by using the method of land and land arrangement,

- transferring all the immovable in the field to the public property by transferring construction right or expropriation,

- contracting with the immovable property owners in the field and taking a certain proportion of the immovable property to the public property.

3.1. Plan application in land and land arrangement method

With the implementation of the 1894 numbered Urban Development Law No. 3194 and the implementing regulation, the use of property in the area of urban renewal is being improved;

Needed reinforcement areas can be obtained from up to the 40% cuts of the parcels; but no financial resource can be created for the formation of the superstructure. Moreover, when the values given by Yıldız (1987) and the results given in Table 1 are related to the relation between the rate of deduction made from immovable and the increase in the value of the immovable in such an application process, it can be said that the amount of this deduction has never met the value increase in the area of urban renewal.

Table 1

Cut rate-value increase relation

Cut Rate	Value Increase
% 10	% 11
% 25	% 33
% 35	% 54
% 50	% 100

In this application, it can be said that the existing practice method is not sufficient for transferring the increase in value to the public and a new method based on value equality principle should be developed.

3.2. Application of transferring all the immovable in the field to the public property by transferring construction right

The expropriation of the immovable in the urban renewal area is applied according to the existing construction rights and the expropriation legislation. For non-expropriated immovable, the process of exchanging (clearing) or transferring with another immovable under the property of responsible administration or transferring construction right can be made. This method will ensure the transfer of the increase in value for the immovable property to the public property since the land expropriated by predicating on construction rights before the urban renewal and it would open to use

according to the new construction right after renewal.

Although this practice is the most acceptable and efficient method of transferring value to the public, the financial resources of the responsible administration need to be strong.

3.3. Application by contracting with the immovable property owners in the field and taking a certain proportion of the immovable property to the public property.

Urban renewal is an application based on a contract to be made between the immovable owners and the responsible administration on the ground of the project and donating a certain part of the property rights of the landlord (X %) to the public or donation to the administration after renewal.

This practice, which is based on the request of the landlord and based on the plan change aimed at improving the right of development, cannot be a recommended method because it is based on mutual compromise principle and has no continuity. Likewise, a sense of compromise, which leaves value-added to property owners, threatens to shape the integrity of the plan and the development of the city.

4. Conclusion

Urban renewal studies; should be an application of planning approach to the place that takes into account the identity of the living community, tends to protect and use the cultural and natural assets to be protected, meets the expectations of the property owners as long as they are not contrary to the public interest, and is compatible with the social state model". The increase in the value of the planning that carries such features must also be transferred to the public to create a source of finance for the government, which is responsible for the formation and implementation of the renovation areas. However development laws in force in Turkey has not established a regulation in this regard.

In this context, in order to provide social justice;

- The development plan applications for the urban renewal area must be realized in the method of land and land management model which is modelled in value equality, and in this respect, the legislation should develop the new law design.

- The responsible administration shall open all the immovable properties in the urban renewal area to the public property by expropriation or transferring the construction right and then to planning and implementing the construction.

- Some local governments should control their rent-seeking practices, which are not based on law, but based on consensus with property owners.

- Urban renewal projects should be carried out in the fields and stages interacting with each other.

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ŞƏHƏR MƏSKUNLAŞMA PLANI TƏRƏFİNDƏN ŞƏHƏRLƏRİN GENİŞLƏNDİYİ ƏRAZİLƏRDƏ DƏYƏR ARTIMININ XALQA YÖNƏLMƏSİ TƏDBİR VƏ TƏKLİFLƏRİ

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Xülasə. Daşınmaz Əmlak, ictimai zənginlik vasitəsi kimi, məkan istifadəsi müxtəlifliyi baxımından mühüm yer tutur və şəhər planlaşdırma alətləri ilə formalaşır, ödəmə müddətinə və dəyər artımına məruz qalır. Bu artan dəyəri təmin edən ictimai vasitələrdir və bu artımda ictimaiyyətin payı olmalıdır. Qiymət artımını parsel sahibinə vermək əvəzinə xalqa çatdırmaq torpaq sahəsini yaratmaqla yerli administrasiyaları gücləndirmək üçün, yaxud cəmiyyətin rifahını artırmaq üçün vacibdir. Ancaq Türkiyənin gündəmində əldə olunan dəyər artımının ictimaiyyətə ötürülməsi hələ də mübahisəli bir mövzu olaraq qalır.

Açar sözlər: şəhər məskunlaşması, şəhər yenilənməsi, qiymət artımı

МЕРЫ И ПРЕДЛОЖЕНИЯ ПО ПОВЫШЕНИЮ ЗНАЧЕНИЯ ПУБЛИЧНОЙ ПЛОЩАДИ ПО ГОРОДСКОЙ ПЛОЩАДКЕ согласно ПЛАНУ ГОРОДСКОГО УРЕГУЛИРОВАНИЯ

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Аннотация: Недвижимость как средство социального благосостояния занимает важное место с точки зрения разнообразия пространственного использования и определяется инструментами городского планирования и подвержена зрелости и увеличению стоимости. Именно общественные инструменты обеспечивают рост стоимости, и общественность должна получить долю от этого увеличения. Передача увеличения стоимости населению вместо передачи владельцу участка важна либо для укрепления местной администрации путем создания земельного фонда либо повышения благосостояния общества. Тем не менее, в повестке дня Турции по-прежнему остается спорным вопрос, каким образом это повышение стоимости должно быть доведено до общественности. В этой статье изучается вопрос о том, как повысить ценность для населения в городских районах обновления существующих поселений путем изменения плана развития.

Ключевые слова: городское поселение, городское обновление, увеличение стоимости.