

Land Readjustment— Learning from International Research

I have been on the hunt for planning practices that will reduce vehicle miles traveled and the greenhouse gas emissions associated with auto use. With surprising regularity, states, localities, and metropolitan planning organizations have settled on a single approach to VMT reduction—channeling growth into dense nodes that can be efficiently served by transit and giving these nodes priority in infrastructure funding. This is the idea behind “smart growth areas” in the San Diego region, “urban development areas” in Virginia, and “metropolitan activity centers” in Orlando.

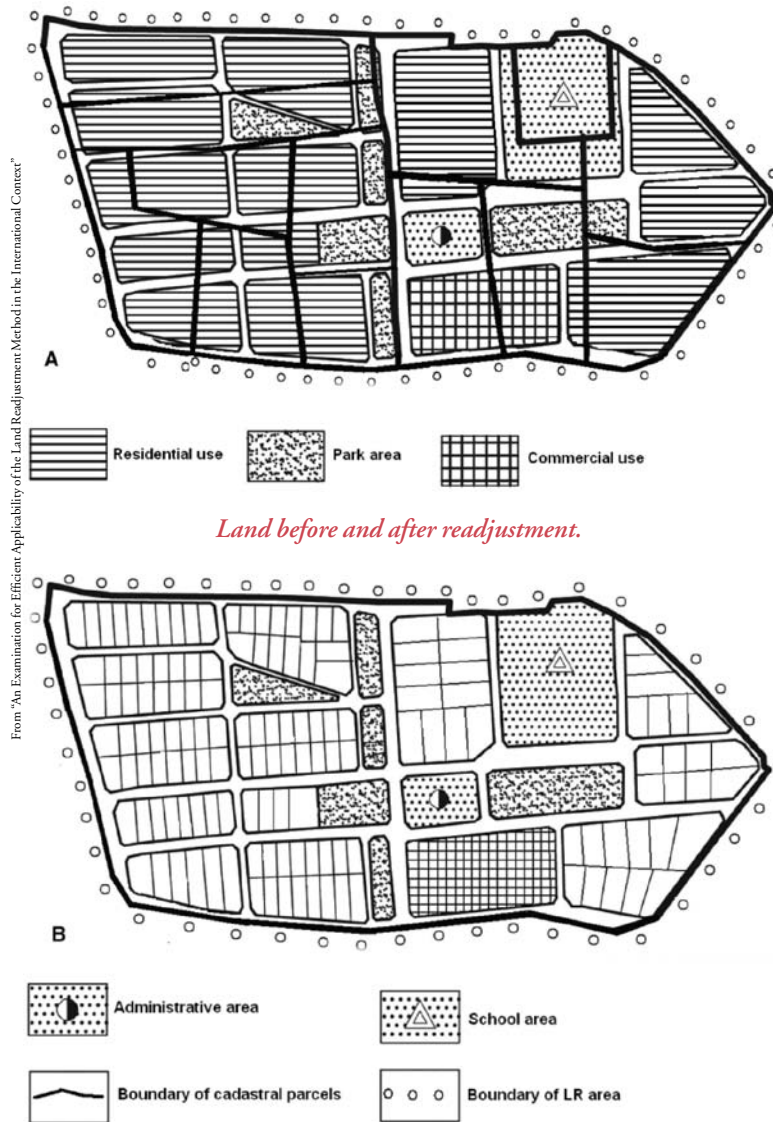
But designating nodes on a map is no guarantee that they will develop as planned, at least not soon. Development sites that require land to be assembled and cleared are not attractive to private developers because of their high transaction costs, neighborhood opposition, and the likelihood of holdouts who may extort price premiums.

The conventional alternative is for a public body to buy or condemn the property and upgrade the infrastructure, and then transfer everything to private developers. But in the wake of the *Kelo* eminent domain decision, this can have high costs, political risks, and legal complications.

An Alternative

Why not try “land readjustment” instead? Here’s how it works: The owners of the property in question pool their land and hand control over to a third party—usually a local government, developer, or trust created for the purpose. The third party then replats and, in some cases, rezones the property in a way that enhances its value. The effect is to make development easier by consolidating the disparate parcels into contiguous tracts.

After land is set aside for roads, parks, and other public purposes, what remains is redistributed to the original property owners in proportion to their initial acreage or property



values. It is a win-win for government and the property owners themselves.

Land readjustment was first practiced in Germany and is now allowed throughout the developed world, except in the U.S. and Great Britain. It is the subject of an article titled “An Examination for Efficient Applicability of the Land Readjustment Method in the International Context,” which appears this month in the *Journal of Planning Literature*. The author, Sevkiye Sence Turk, is an assistant professor in the Department of Urban and Regional Planning at Istanbul Technical University. The method is widely used in Turkey to consolidate irregular agricultural plots, to get roads and other infrastructure built, and to subdivide land into urban parcels.

Turk reviews land readjustment programs in 10 countries and provides detailed guidelines for the successful use of the technique. Her article is a nice introduction to a complex subject. But from the U.S. reader’s perspective, one thing is missing: any mention of transferability of the technique to the U.S.

In fact, Pierre L’Enfant’s 1791 plan for our nation’s capital was implemented via land readjustment. Landowners conveyed their land to President George Washington, in trust, for the redesign of the city. The government reserved sites for streets and parks, bought property for public buildings, and apportioned the remaining land to the original owners.

But in part because of our peculiar attitude toward property, it has been downhill since then for land readjustment in the U.S. No state has authorized land readjustment, and U.S. examples are few and ad hoc.

William Doebele, who taught planning law for many years at Harvard University, thought land readjustment was potentially “more efficient and equitable” than any other method of financing urbanization. And the prestigious Lincoln Institute of Land Policy has proposed land readjustment

as an alternative to eminent domain.

Could land readjustment be the next big planning import from Europe, a la traffic calming, or will it meet with as tepid a response in the U.S. as did, for example, cohousing? Anything is possible in the years ahead as this nation is compelled to grow more sustainably.

Reid Ewing

Reid Ewing is a research professor at the National Center for Smart Growth, an associate editor of the *Journal of the American Planning Association*, and lead author of the upcoming Urban Land Institute book, *Growing Cooler: The Evidence on Urban Development and Climate Change*. For more on land readjustment, see the Lincoln Institute’s edited collection, *Analyzing Land Readjustment: Economics, Law and Collective Action*, and the model statute in *The Urban Lawyer*, Winter 2000.