The right of the strongest? Property rights of small landowners in densification projects

Abstract

One of the biggest difficulties in implementing densification objectives is that planning policies often do not have sufficient coercive power to restrict property rights, for example, in the case of landowners resisting the implementation of land use plans. This results in an incoherence between property rights and the planning policy regime. Planning increasingly takes place on the project level to overcome these challenges, allowing planning authorities and landowners to renegotiate the terms and conditions of densification projects. The question, however, remains how the property rights regime influences these negotiations. In this contribution, a case study of two projects in Thun (Switzerland) and Utrecht (Netherlands) aims to shed light on the institutional property rights regime through which actors govern densification projects. We look at how negotiations on the project level help (or not) to improve coherence between planning policies and property rights, overcome lock-in situations, and contribute to successfully implement densification objectives. The two case studies show that landowners and neighboring property owners hold "veto" powers within the planning process, therefore significantly influencing the implementation and outcomes of densification projects. Surprisingly, it is found that in both countries, local authorities as well as larger developers, see strong property rights used by (smaller) actors as an impediment to the effective implementation of large densification projects. In both projects, it is argued by these actors that to achieve densification objectives successfully, the rights of these small "veto" players need to be restricted. In the Dutch case, the municipality actively restricts the rights of small landowners within the boundaries of the project using expropriation. The contribution sheds light on the difficulty of balancing private and public interests in densification projects and critically questions whether the strength of property rights of small landowners should be limited to secure socially sustainable densification.