Consensus building Asia
Tokyo, 2016

Upgrading Urban Poor Neighborhood
TRA VINH CASE STUDY

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INTRODUCTION

1. LPR in Vietnam

2. Tra Vinh case study

3. Some discussion on behavioral pattern of groups

LPR IN VIETNAM | Premature situation

- Application in small scale of community housing development
- Unestablished legal support
- Donation tradition, not professional readjustment
- Rural land consolidation experience
- Concept introduced and being piloted in development project (Tra Vinh)

LPR IN VIETNAM | Community housing development
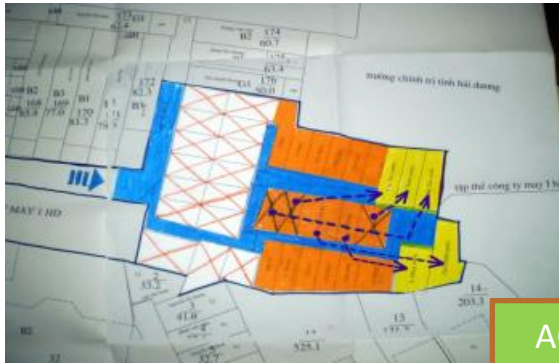
Hai Duong city

Tan An city

ACVN COMMUNITY DEVELOPMENT PROGRAM 2010-2013

Viet Tri city

Vinh city

OTHER LAND CONTRIBUTION & DONATION FOR DEVELOPMENT PROJECT

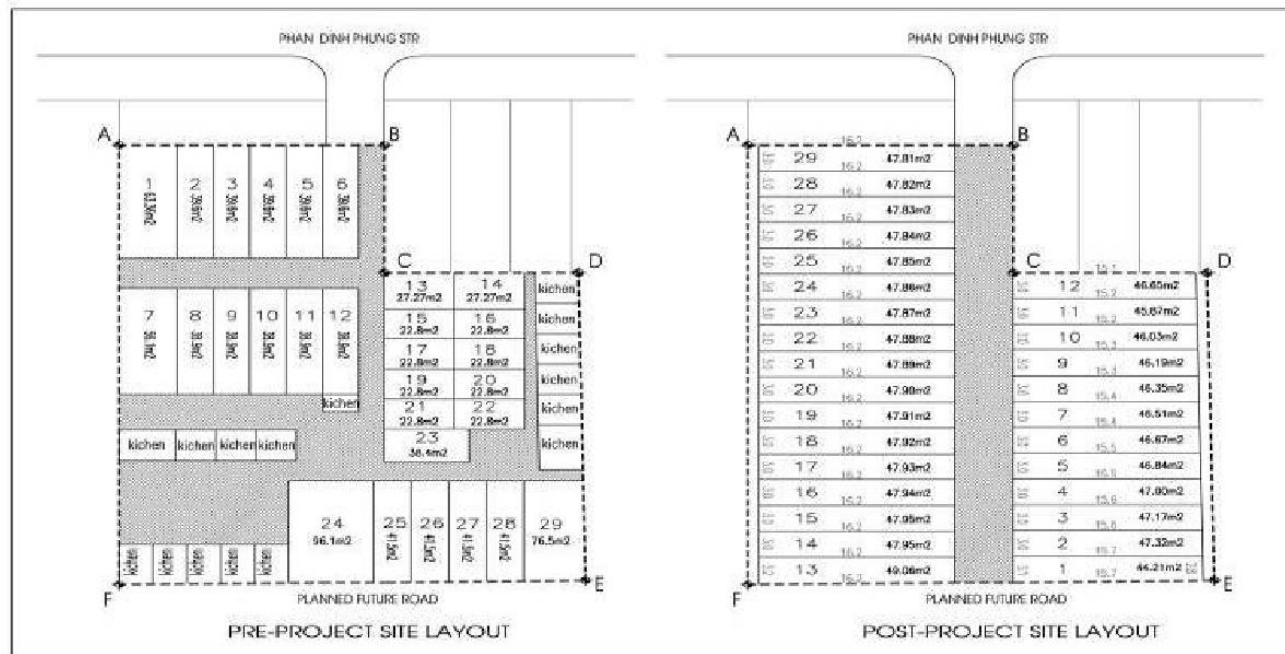LPR IN VIETNAM | Community housing development in Hai Duong
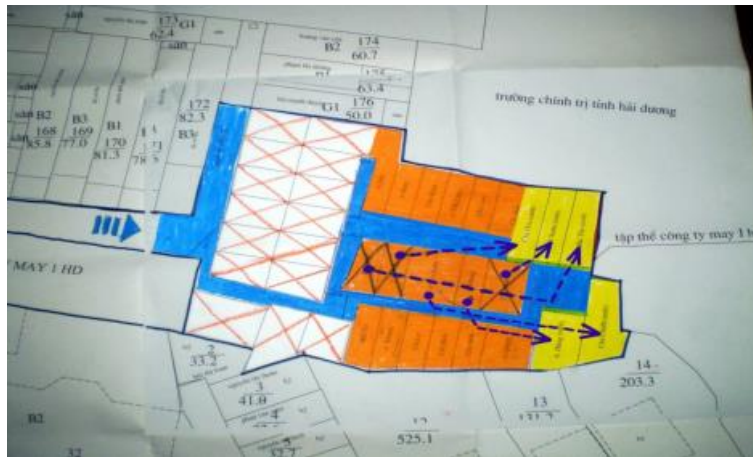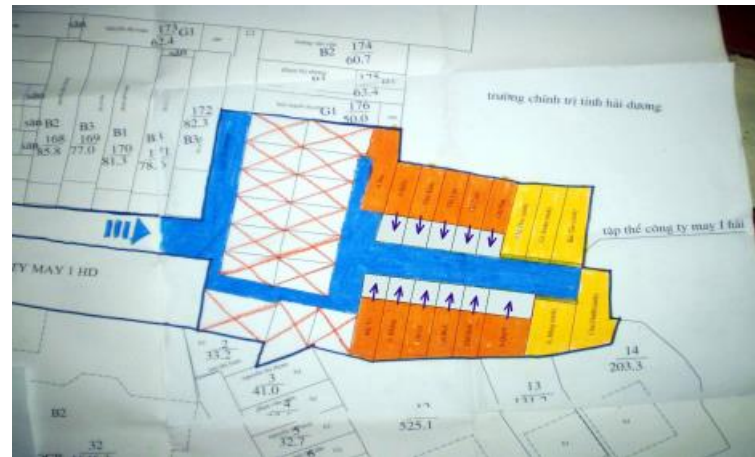
Before

After

- Small scale – 12 households in the same lane
- Full support of local authority as a pilot project
- Rely on technical support and funding from ACVN Cities Alliance

Before   After

- Small but larger scale 29 households, 1,800m2
- No regulation, piloted and ad-hoc support

LEARNING POINTS

Existing problems

Distance between authority and community, indirect representative

Top down in the thought and will power override method

Consensus building/collaborative planning is not the first approach and choice

Traditional culture cultivation

They have approach to build consensus in seniority system

They have direct and democratic decision making system

They set clear public and private issues in the community
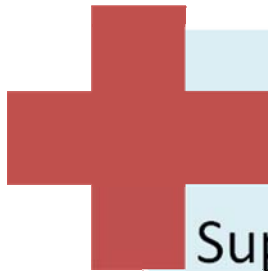
LEARNING POINTS | Planning regulation revisions

Monitor public consultation and choose right representatives

Respond to consultations and enable public hearing at decision making level

Using building consensus approach

Support

- Land law enables community development approach (though unclear)
- Land exchange/ consolidation tradition/experience
- Political support to have pilot project
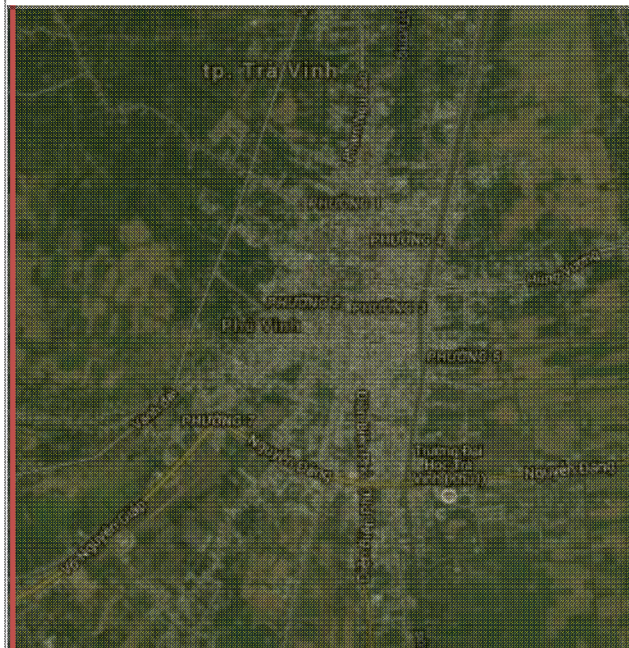- Technical assistance available (international)

Un-support

- Administrative red tape context
- Unprofessional planner working on negotiation based development
- Inexperienced stakeholders
- Law not yet specified
- Culture of exchange unprecedented

TRA VINH CASE STUDY

Tra Vinh city

City class III (2010), 9 wards
109000 people (2015)

Area: 68km2, density 1607/km2
Growth rate: 1.05%

TRA VINH CASE STUDY | Site location

~10ha inside, 236hh incl. adjacent to the boundary
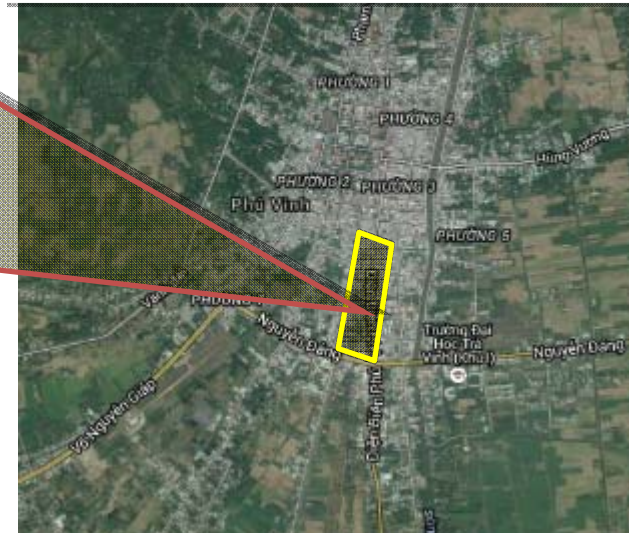
Next to the city centre
Inside the built up area
Unplanned development - poor neighborhood
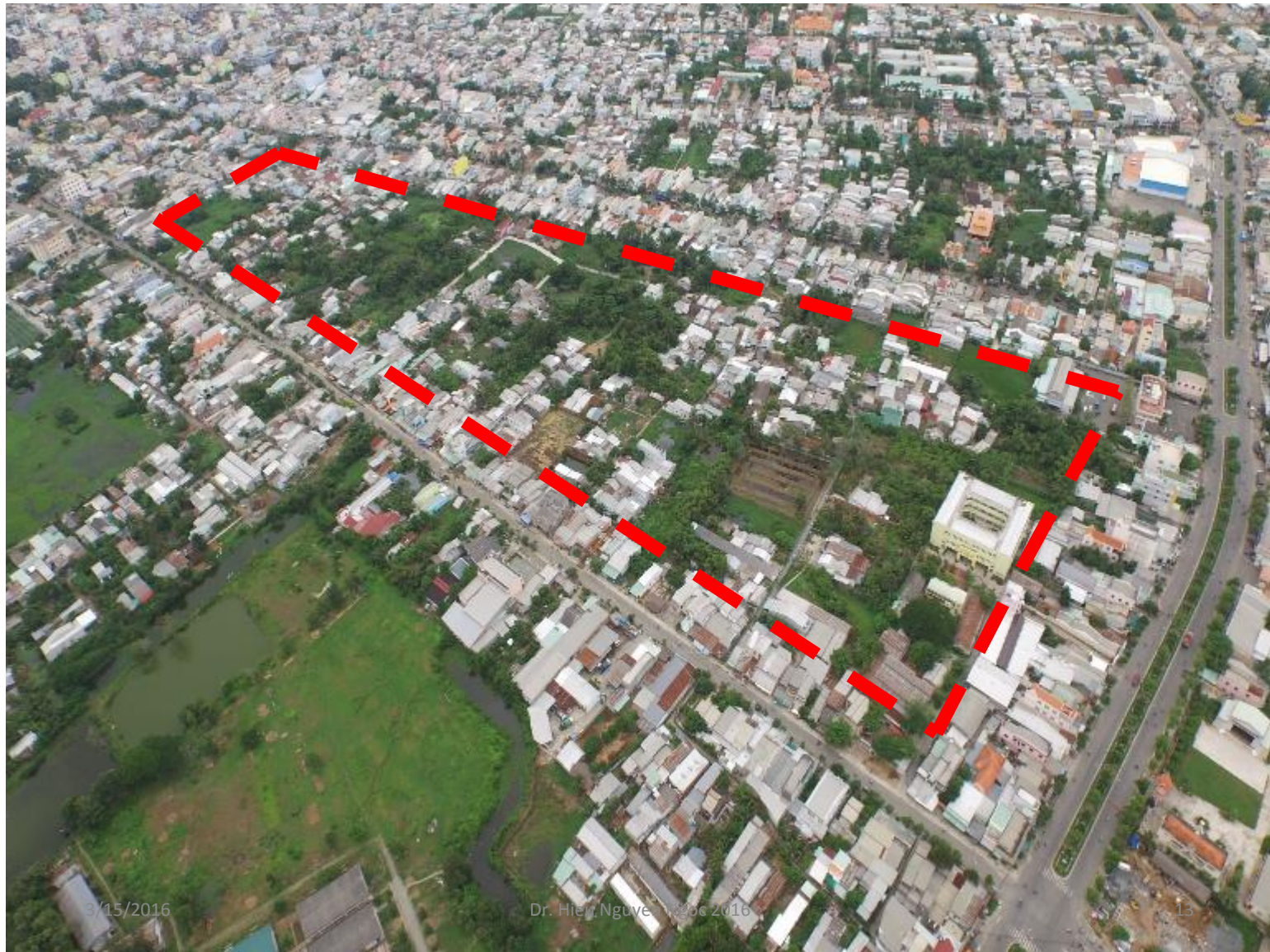
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TRA VINH CASE STUDY | Project rationale

WB willingness to support & Tra Vinh buy in

Lack of budget to compensate land to develop class III infrastructure

Poor serviced, flood prone, poor neighborhood

Buy in reasons

Proposal for road crossing by the site
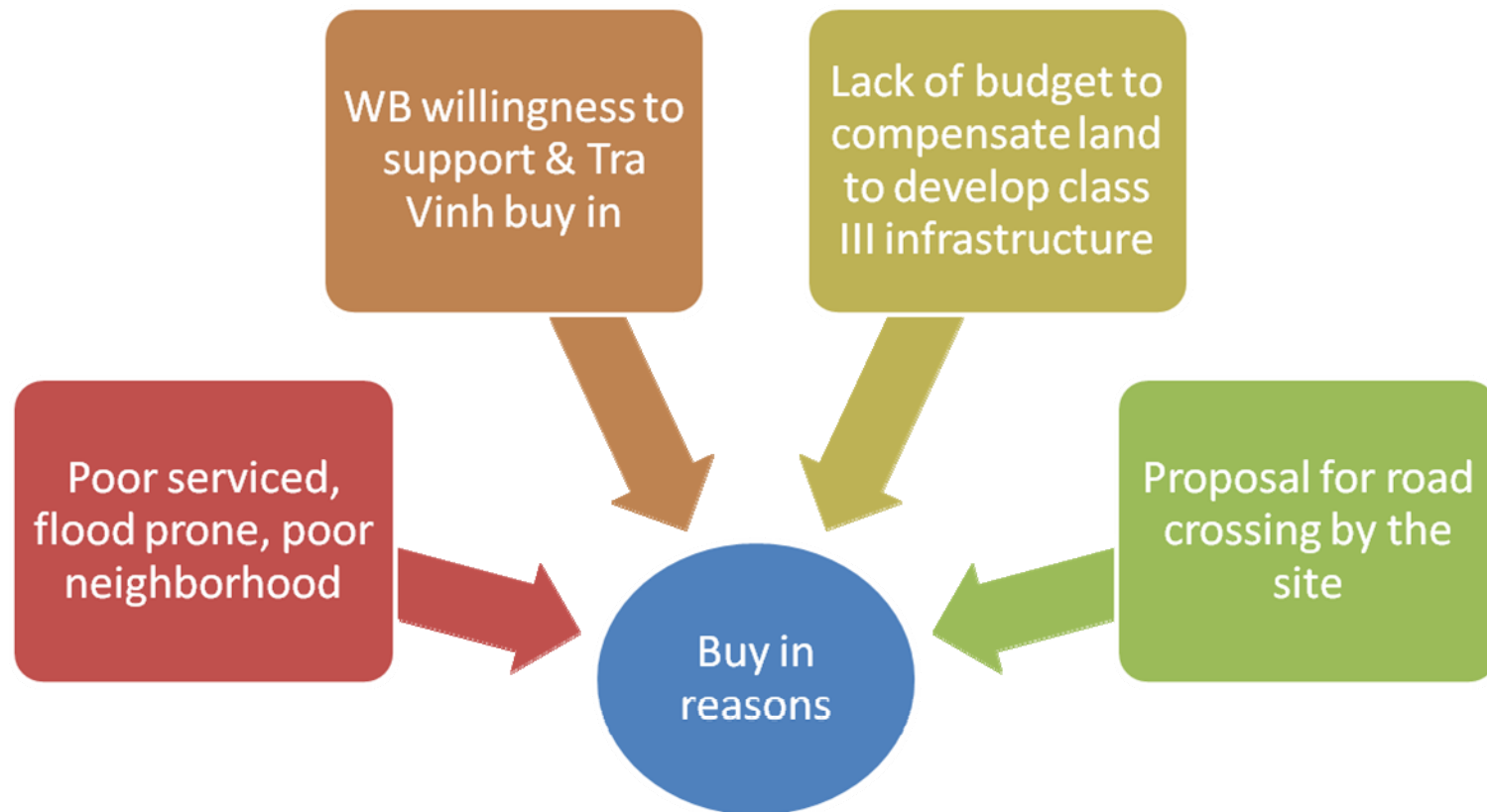
Overlapping & other issues
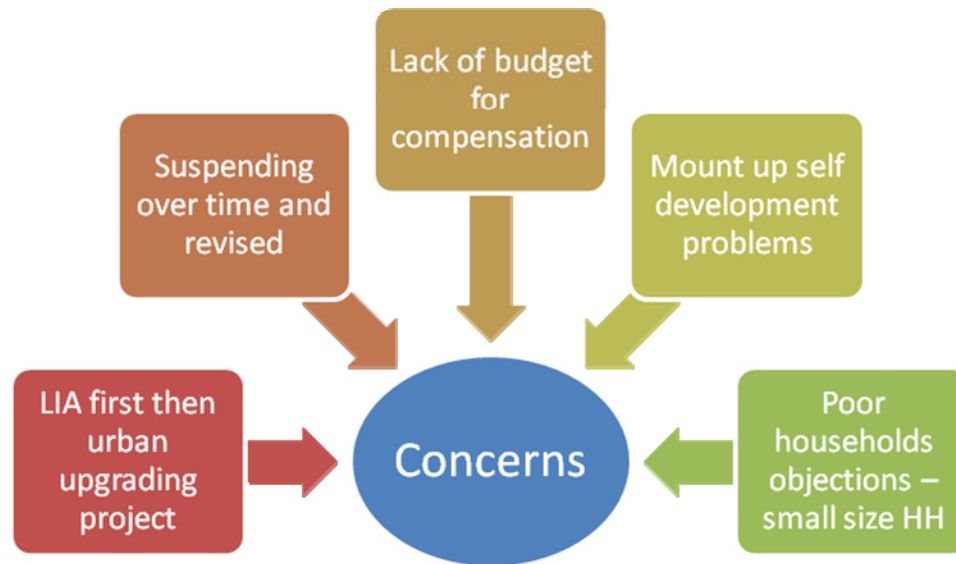
Lack of budget for compensation

Suspending over time and revised

Mount up self development problems

LIA first then urban upgrading project

Concerns

Poor households objections – small size HH

LIA upgrading - orange
Urban upgrading - blue

Source: Shirley Ballaney, *2015*

Boundary selection

LIA upgrading - orange
Urban upgrading - blue

Source: Shirley Ballaney, *2015*

Other considerations

Political Commitment

Financing

Community social capital

Market needs

Professional capacity

Legal support
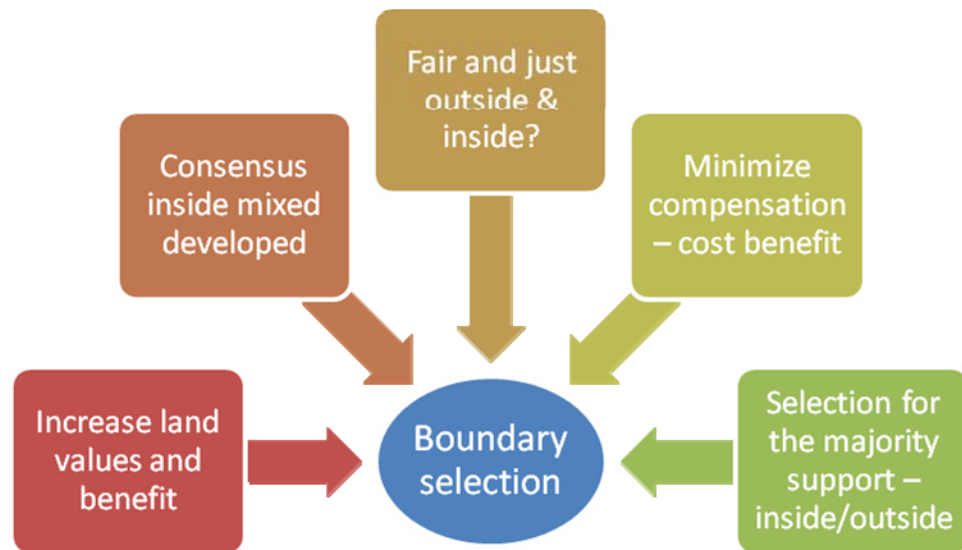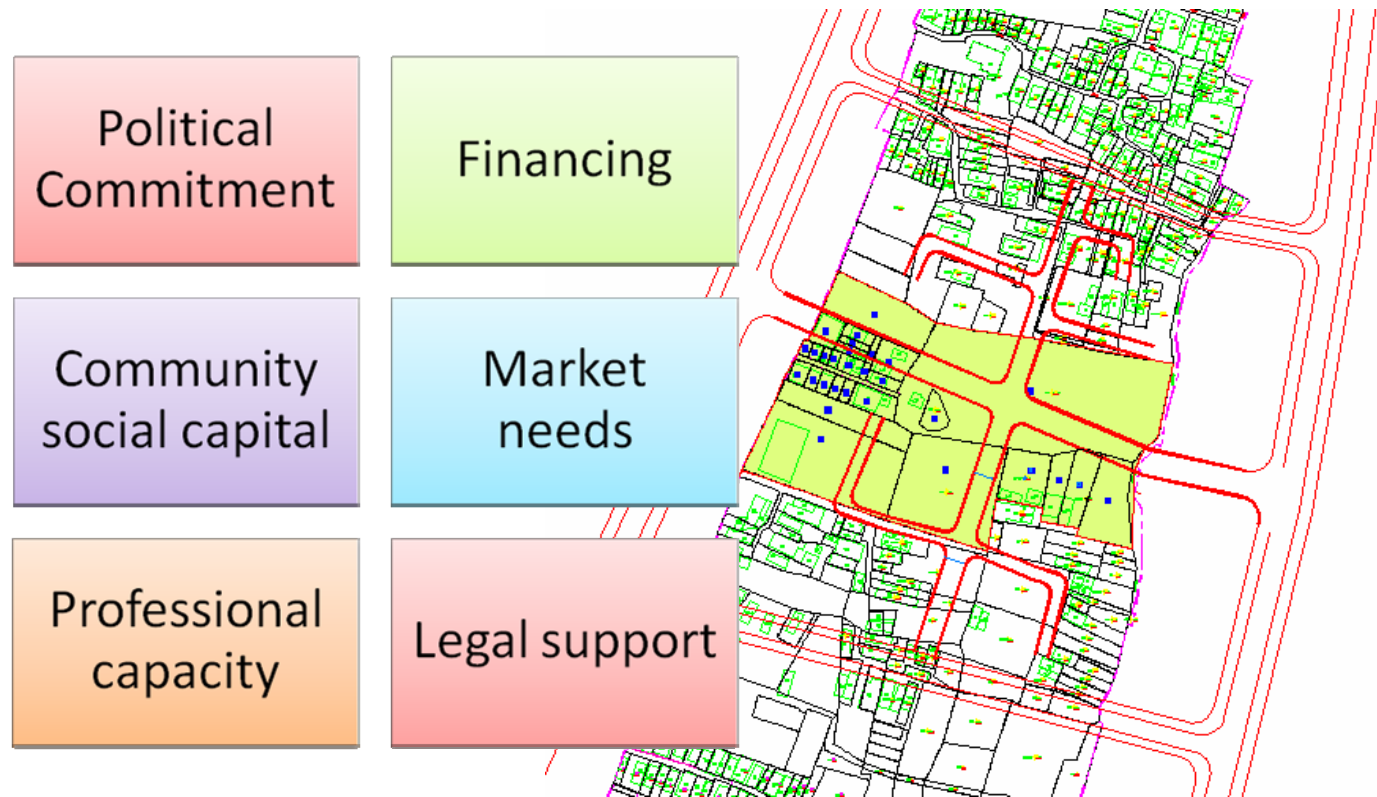
Source: Nobou Geley, *2015*

TRA VINH CASE STUDY | LR project cycle

Initiate → Plan → Consult → Revise & Finalize → Approve → Collect cash & Pay compensation → Physical implementation → Evaluate → Initiate

Planning & design directions

City project feasibility

Time & financial constraint to merge 2 projects

Infrastructure – transport & flood problem – local issues

Project planning & design directions

Consensus building approach – but Vietnam context
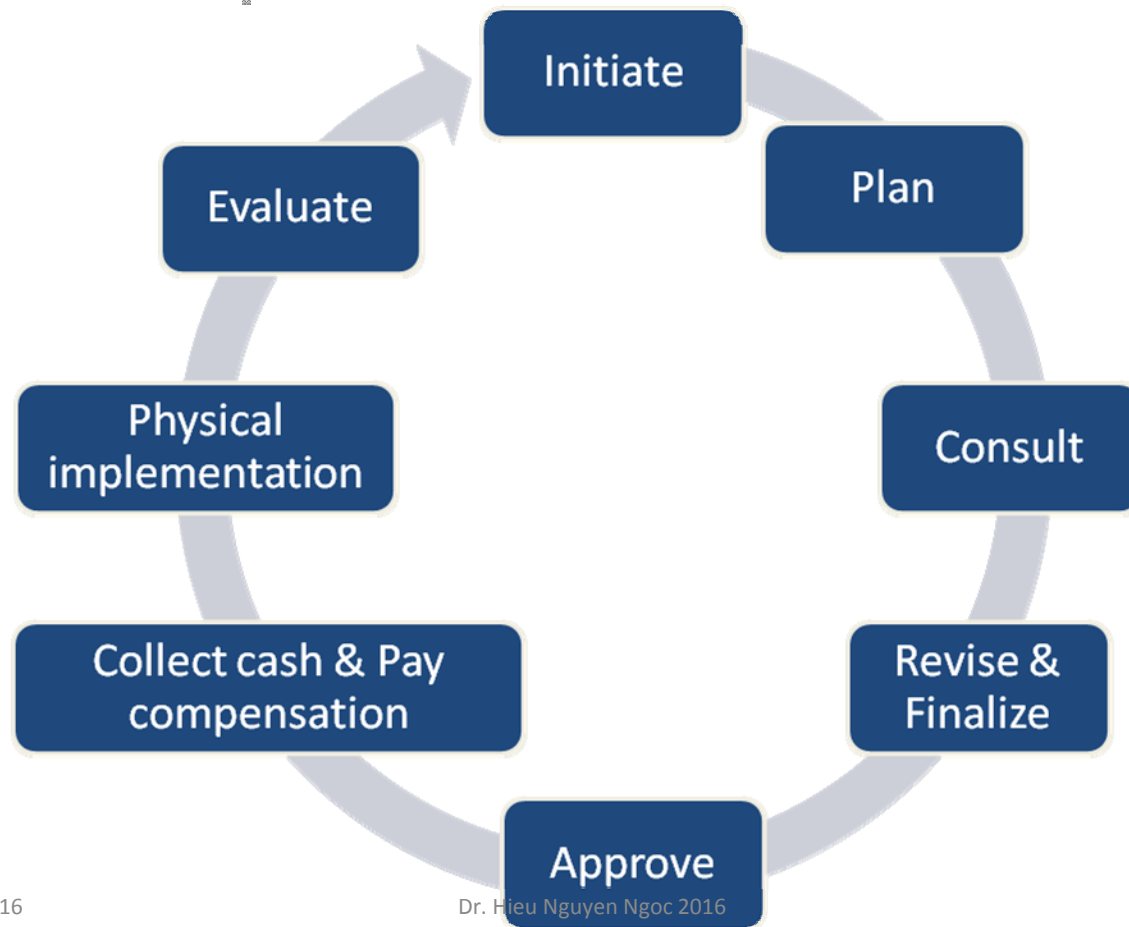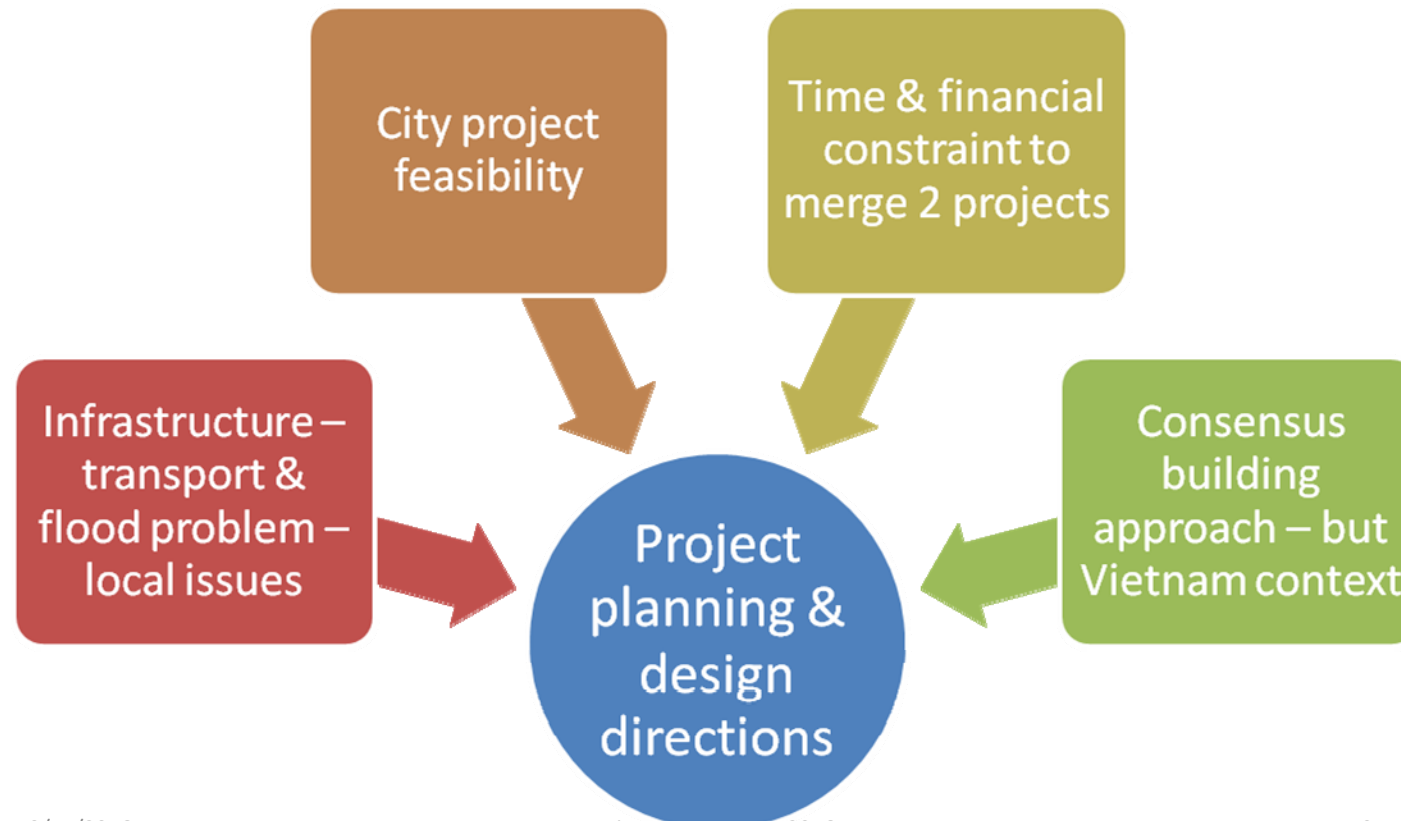
TRA VINH CASE STUDY | Project phasing

Preparation – 2015-09

- Preliminary study
- Establish working groups and organization support
- Data collection

Feasibility 2016-03 - suspended

- Design & introduce plan
- First meeting feedback
- Second meeting- revision
- Third – wrap up
- Plan approval

Implementation 2016-12 - suspended

- Plan disclosed & 4th meeting on implementation
- Monitoring training
- Monitoring process of implementation
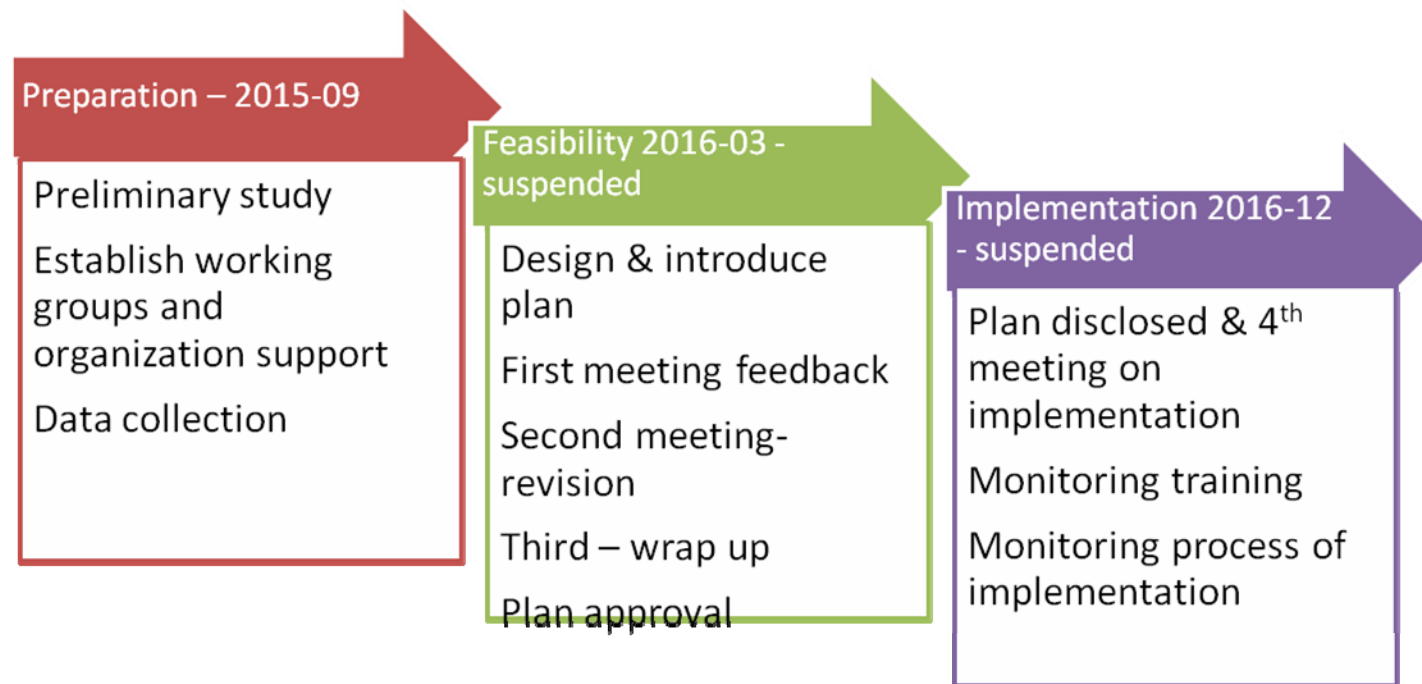
Guiding rules (chosen)
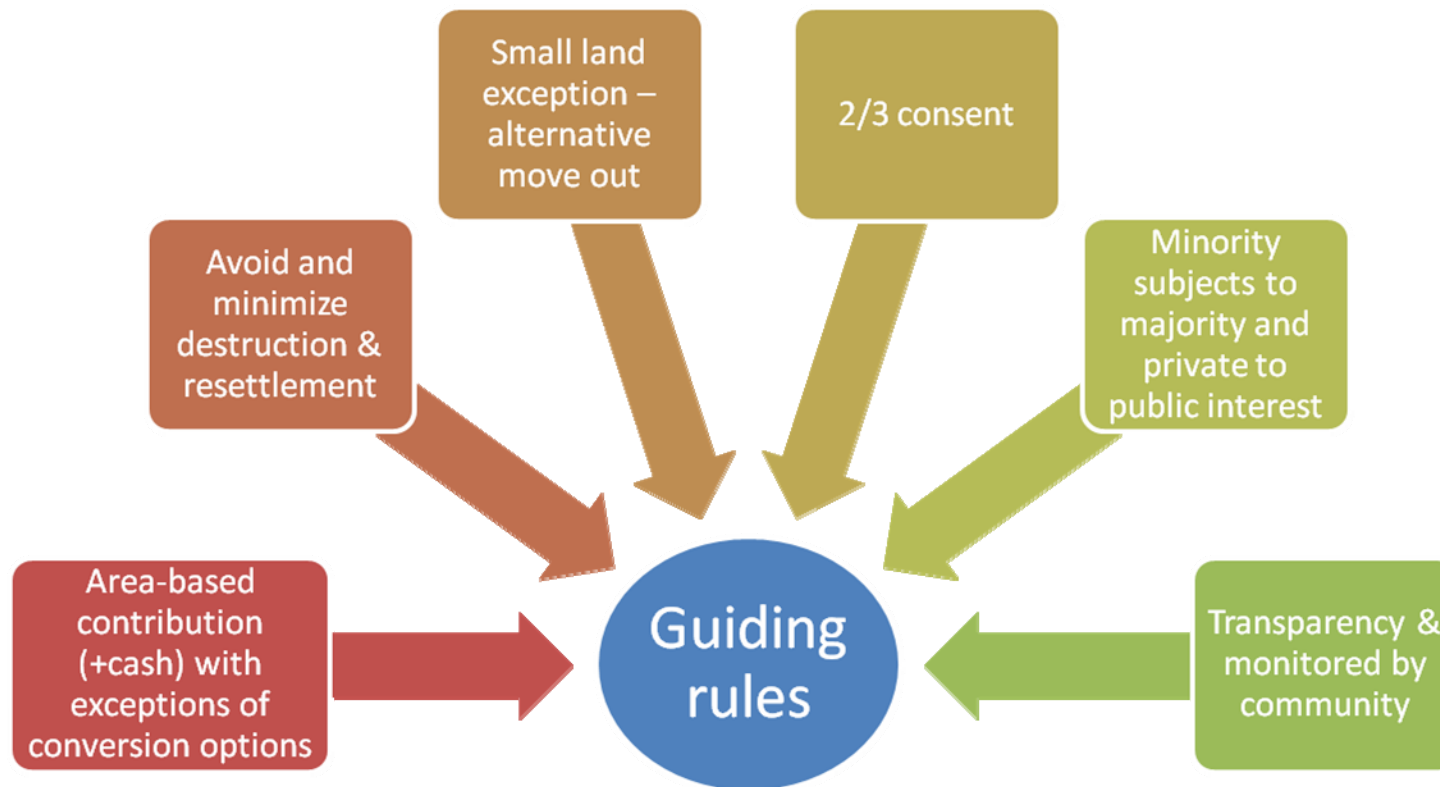
Economic viability analysis (proposal) - discussion

```
Site analysis,          Calculation of         Grid design &          Calculation of
insertion area     →    value before each  →   variant            →   space
                        POOLING plot &                                 requirement for
                        total                                          infrastructure
                                                                            ↓
Calculation of          Calculation of         Calculation of         Calculation of
space for          ←    estimated          ←   development cost   ←   property & land
recovering cost of      revenue                                       compensation
development
     ↓
Calculation of          Calculation of         Calculation of         GROUPS AND
total contribution  →   value increase     →   receivable land to →   BOUNDARY TO
                        (RATE OF GAIN)         each contributor       MAXIMIZE THE
                                               & cash transfer        GAIN AFTER
```

Land value analysis by plot feature & accessibility

Legend
- Plot 0.5Mil
- Plot 1mil
- Plot 1mil5
- Plot 2mil
- Road_1Mil
- Road_1Point5Mil
- Road2Mil
- Existing house

Higher price to road accessibility

Lower price to agricultural land

Lower price to small façade plot

Lower price to large plot
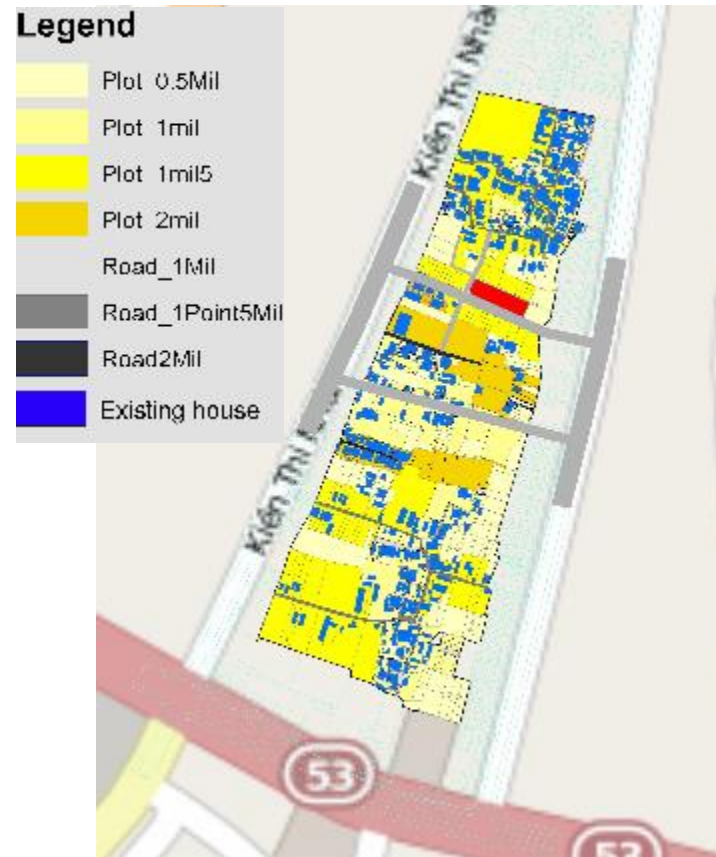
Source: Hieu*, Nguyen, 2015*

Pilot redistribution economic viability calculation

total new resident property value	100,341,427,435.20

Rate of V2 property value increase	94%

> Value increase = estimated sale - original - investment

space for new infrastructure	19,782	17%
redistribution area (substracted infrastructure needed)	47,418	
contribution area sold to recover infrastructure cost	17,012	30%
remaining redistribution area for local residents	30,406	53%
total cotribution rate		46.84%
contribution area sold to recover infrastructure cost (WB support)	8101	14%
new contribution rate (WB support 1/2)		31%

Plot based on unit price

1:2.500

Legend

- Plot_0.5Mil
- Plot_1mil
- Plot_1mil5
- Plot_2mil
- Road_1Mil
- Road_1Point5Mil
- Road2Mil
- All plots

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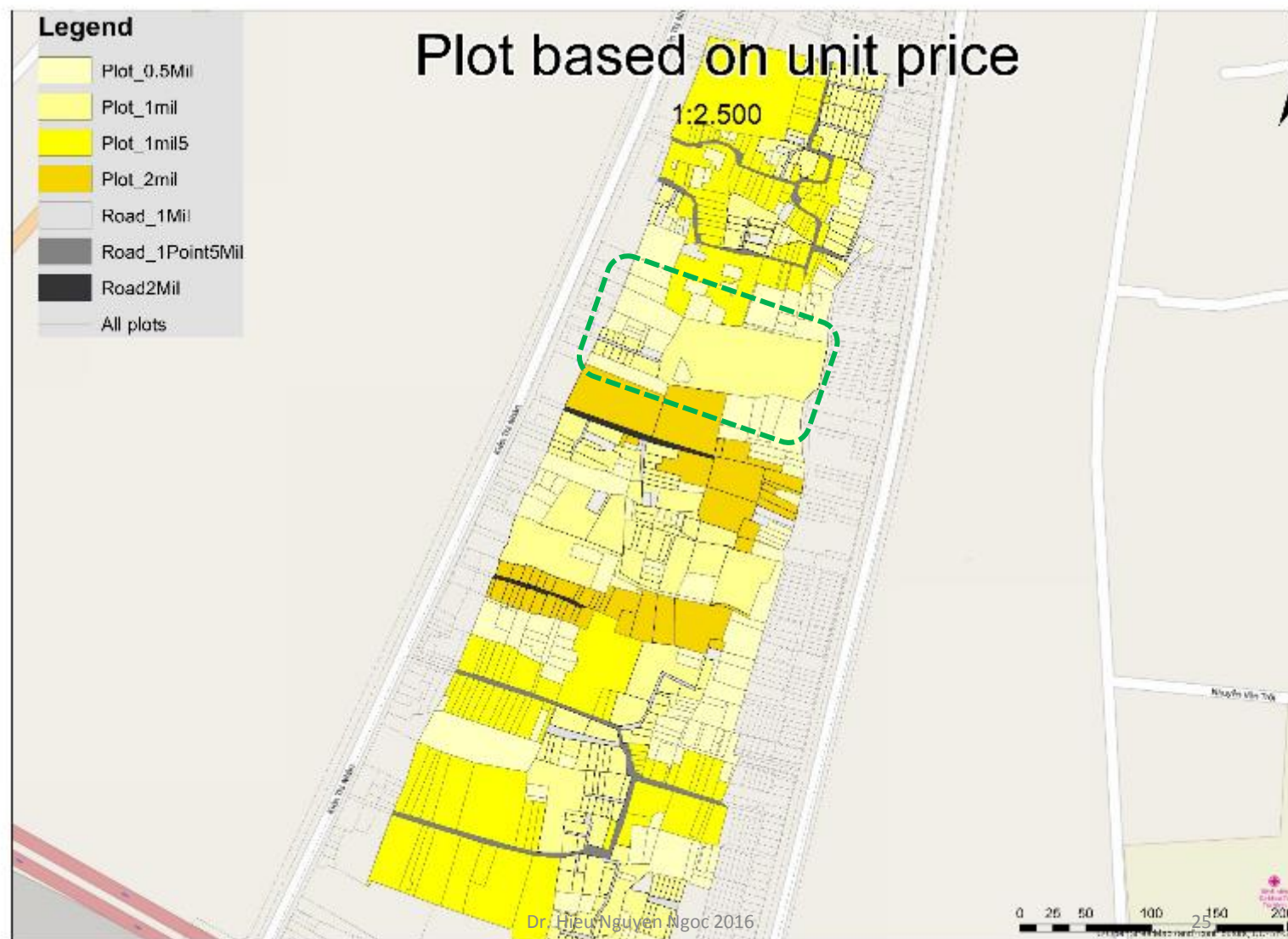
Land readjustment for Axis B group - demonstration

Before

After

Source: Hieu*, Nguyen, 2015*
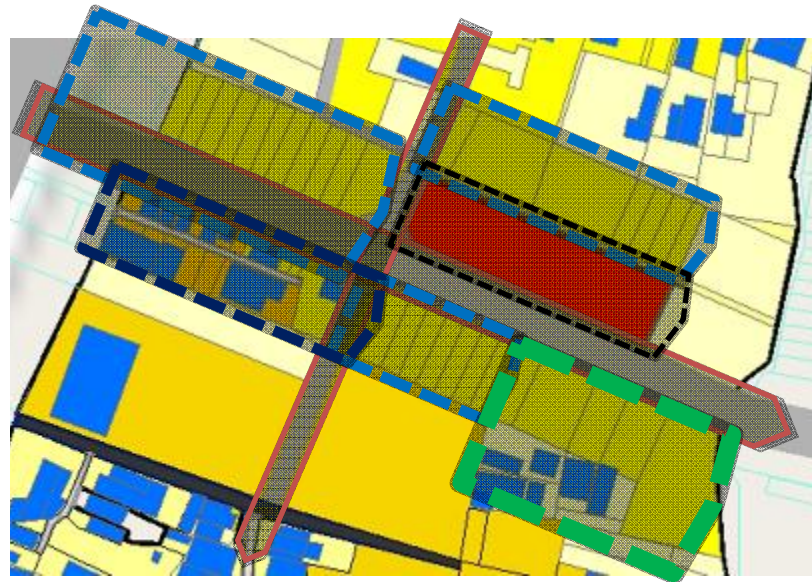
Land readjustment for Axis B group - demonstration

New B axis and feeding roads
Subdivide land into shop house to create urbanity and relocate into the new street
Preserve land for sale off for construction/public land
Reparcel when necessary
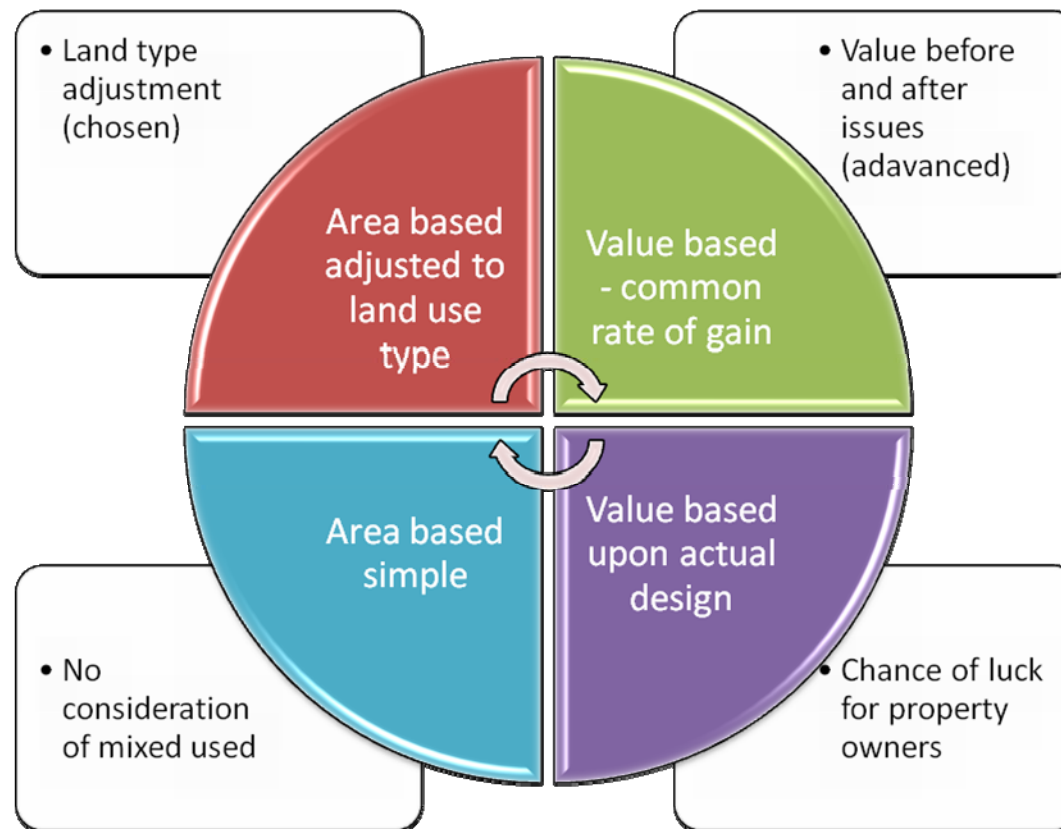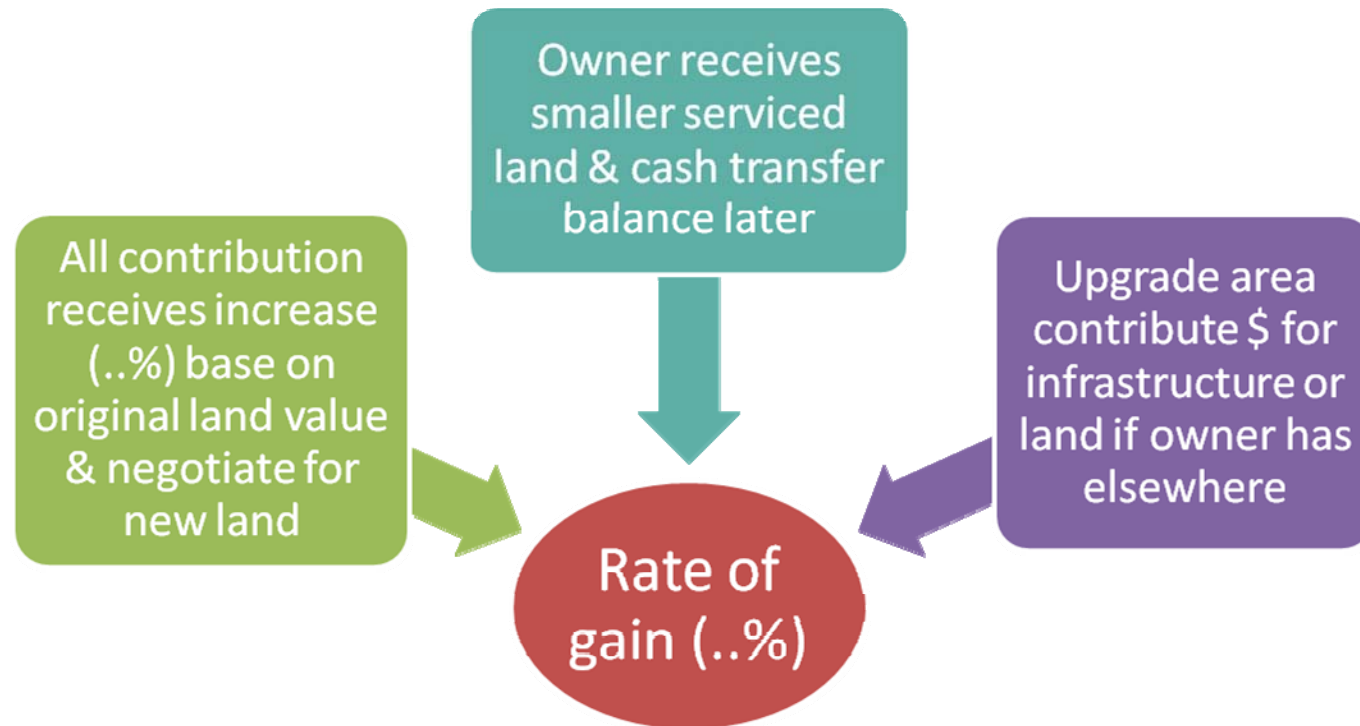Minimise destruction of buildings

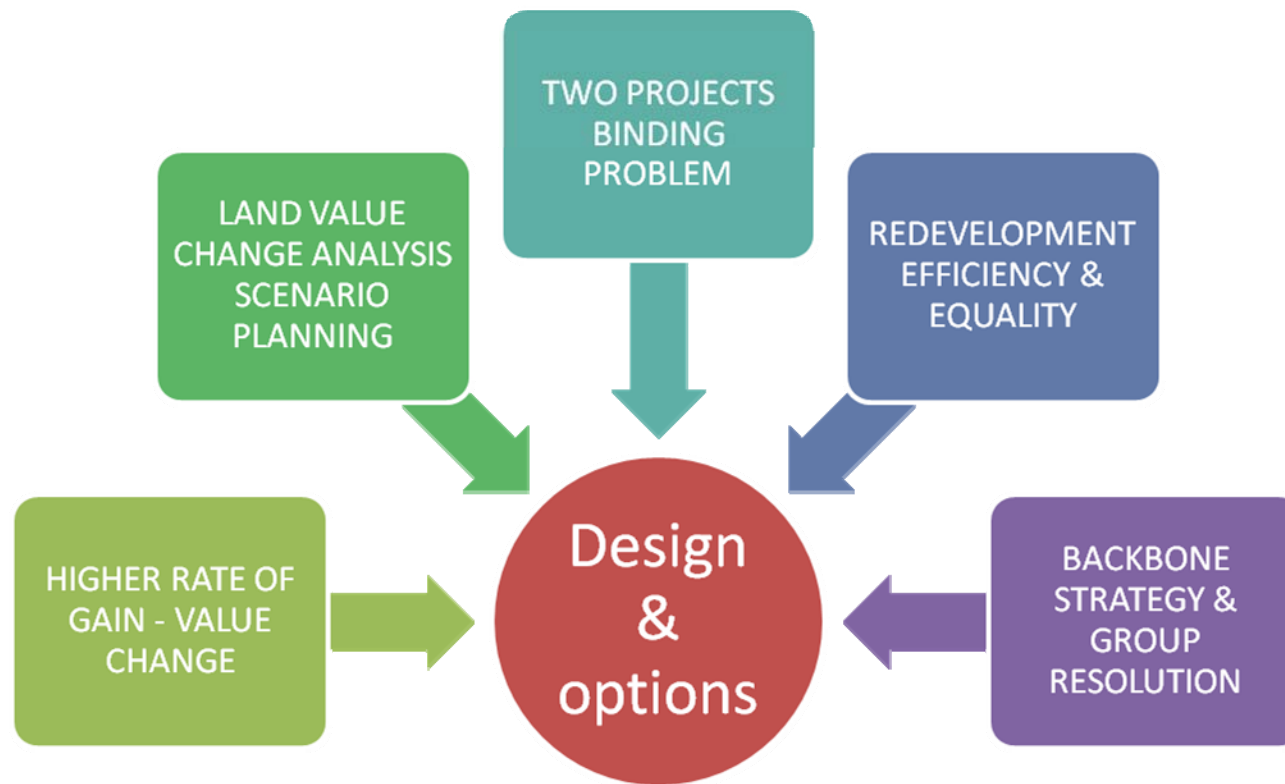*Source:* Hieu*, Nguyen, 2015*

Redistribution alternatives

- Land type adjustment (chosen)

Area based adjusted to land use type

- Value before and after issues (adavanced)

Value based - common rate of gain

- No consideration of mixed used

Area based simple

Value based upon actual design

- Chance of luck for property owners

Redistribution ratio for B axis group (trial)

Owner receives smaller serviced land & cash transfer balance later

All contribution receives increase (..%) base on original land value & negotiate for new land

Upgrade area contribute $ for infrastructure or land if owner has elsewhere

Rate of gain (..%)

Redistribution ratio for B axis group (trial)

All contribution receives increase same % base on original land value & negotiate for new land

Owner receives smaller serviced land & cash transfer balance later

Upgrade area contribute $ for infrastructure or land if owner has elsewhere

Rate of gain 30%-90%

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