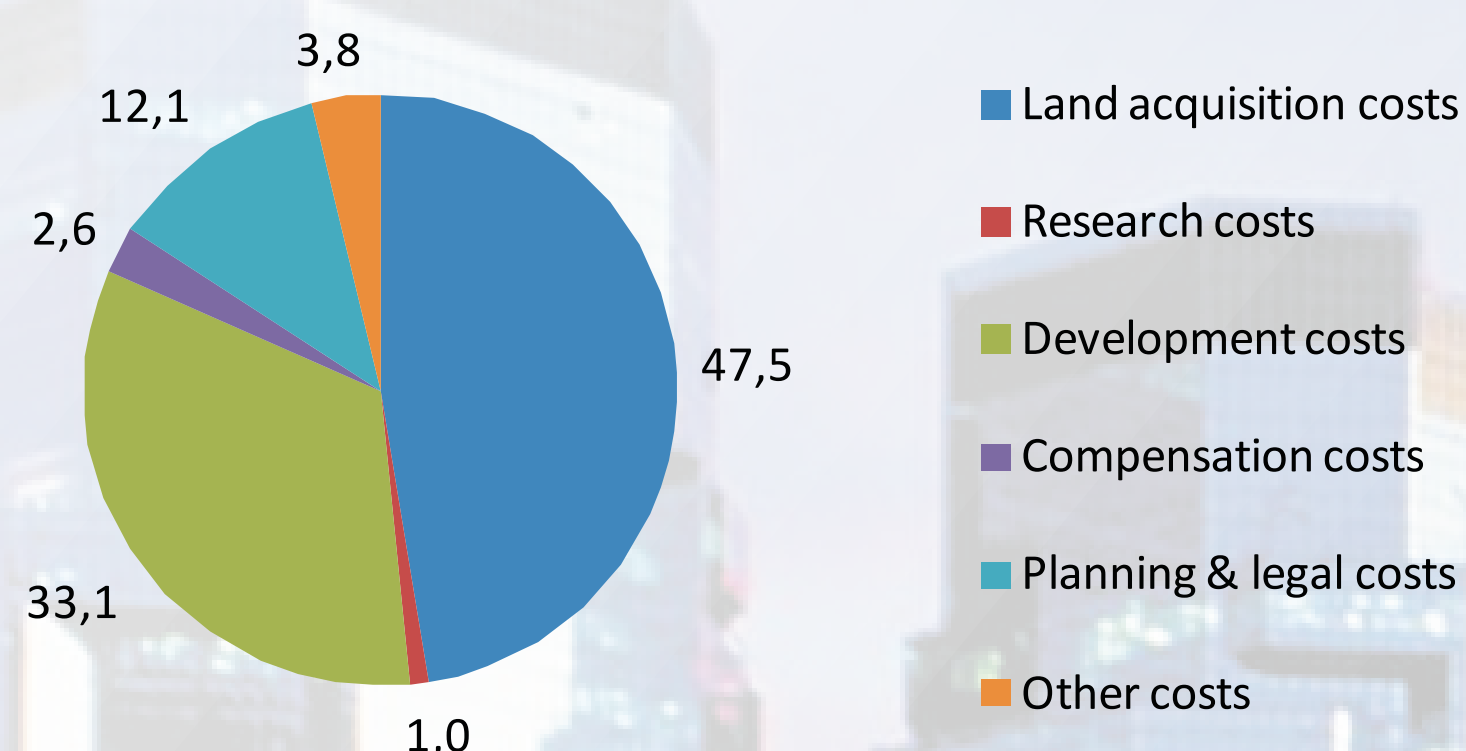




Introduction

- There is much literature on the financial feasibility of land development...
- But: there is a lack of empirical foundation
- Aim: to gain insight in location factors that influence the financial feasibility
- Thus: add a systematic quantitative dimension to the present policy debates



Results

- Number of land owners most important in influencing the financial feasibility
- No influence location in urban field & land use zoning on the financial feasibility
- Previous land use: brownfields are more difficult to finance than greenfields
- Size of plan area: no empirical evidence of economies of scale in land development
- No significant findings on share of public space when related to financial feasibility
- In general: side-effects residual approach

= Scientific & policy implications!

Methods

Location factors:

- Location in urban field
- Previous land use
- Land use zoning
- Share of public space
- Size of plan area
- Number of land owners

*Residual
valuation
method**

Costs:

- Land acquisition costs
- Development costs
- Compensation costs
- Planning & legal costs

*Multivariate
regression
analysis**

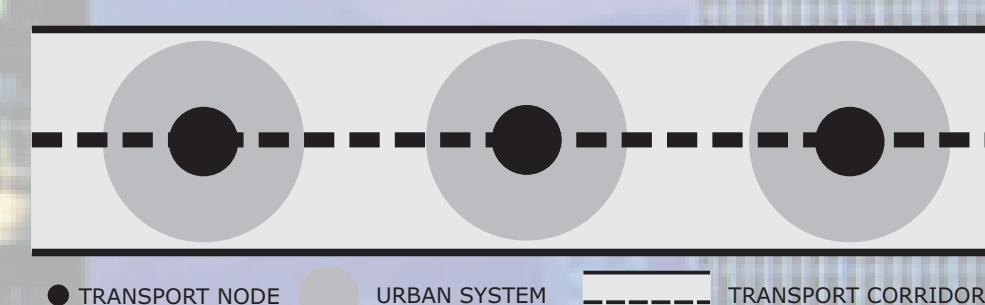
Benefits:

- Land revenues
- External funding

* See paper (forthcoming)

Conclusions

- This research provides the academic community with the empirical foundation to the extent that location factors influence the financial feasibility of land development
- This research provides policy makers with a better understanding of the impacts of choices made in the planning process on the feasibility of large-scale spatial projects
- Application in future research: empirical contribution to the question of increasing value capturing at railway station areas



POSTER SESSION ERES CONFERENCE 2011 EINDHOVEN

The costs and benefits of land development

*A multivariate analysis into
the effects of location factors*

E. BUITELAAR, P. WITTE & T. SPIT