THE PROVISION OF LAND FOR SOCIAL HOUSING IN LARGE URBANIZED AREAS IN DEVELOPING COUNTRIES: THE CASE OF ISTANBUL

Sevkiye Sence TURK, Willem K. KORTHALS ALTES

Keywords: social housing, land provision, large urbanized areas, Turkey, Istanbul

A large part of the population has no access to proper housing. This situation is most severe in large growing metropolises in the developing world, such as Istanbul, Turkey, where a third of the population is living in squatter housing. Typically there is a dual structure of both legal and illegal land development, where the legal sector is not able to provide land for housing development for the poor and middle-income population. A traditional role of government as regulator based on planning and building law does not change this. In Istanbul, the government has developed an investor role, next to the regulating role. National government has developed several institutions to provide affordable housing. The aim of the paper is to discuss the impact of planning and land policy and practices on land provision for social housing in Istanbul, and establishes whether the results may be of wider relevance for other large growing cities in developing countries.

1-Introduction

It is almost impossible to imagine a future where ‘the market’ will ensure that all housing needs are adequately met. This implies that social housing will always be necessary [Rhodes, Mullins, 2009, p.107]. In this point, the question how the social housing will be provided in the market mechanism is important, the way of intervention of the state as well. To address overall affordability can be possible by reducing of prices. This depends on making supply elastic or ensuring more housing land by liberalising the regulatory system (Whitehead, 2007; Glaeser,2002; Glaeser, 2005 a,b).

Provision of land for social and affordable housing on the market is difficult, and national governments have instituted a wide range of land-related policies and legal instruments as land provision regimes. These practices are closely related to the interplay between market forces and national policies for (social and affordable) housing and land-use planning (Chiu, 2007). Although the outcomes arising from introduction of market concepts, mechanisms and actors into the land provision for social housing are currently discussed in developed
countries, the effects on the developing countries may be different. A large part of the population in developing countries has no access to proper housing. There is a dual structure of both legal and illegal land development, where the legal sector is not able to provide land for housing development for the poor and middle-income population. This results in an increase of illegal land development.

The aim of the paper is to discuss the impact of planning and land policy and practices on land provision for social housing in Istanbul, and establishes whether the results may be of wider relevance for other large growing cities in developing countries.

Istanbul is Turkey’s main center of industrial, financial, services and other economic activities (Erkip, 2000; Berkoz and Turk, 2008) and has produced a very high demand for housing and rapid urban expansion (Turk and Korthals Altes, 2009). However, land provision for social housing has critical significance and the state has launched interventions aiming at the provision of social housing in enough quantity and quality, and reasonable price. These kind of formal initiatives can provide extra insights as in developing countries “the vast majority of shelter and housing for the middle and low income groups is provided through the informal sector” (Keivani and Werna, 2001, p. 71) and only a limited share of low income housing and of course a large share of higher income housing are provided through the formal channels of the government and the private sector.

After 1990s, land values have risen in Istanbul. The higher returns from residential and commercial property have drawn an increasing interest from both domestic and foreign investors. Therefore, a discussion on the practices on land provision for social housing in the framework planning, land markets and local dynamics on Istanbul case can provide some lessons for other big cities.

This paper is organized as follows: the second section reviews international literature on formal land provision for affordable housing. The third section introduces land provision for social housing in Turkey. The fourth section gives an analysis of land provision for social housing in Istanbul. The section is divided in two parts. The first part examines problems in land supply for social housing in Istanbul. The second part includes the context of land provision for social housing on some practices. The fifth section gives a general evaluation.

2- Literature Background: Formal Land provision for social housing

There are important constraints that affect the land provision for social housing. First, social housing providers are in a weak position for the provisions of land under the market conditions
(Needham and De Kam, 2004). Second, the returns are relatively low in the social housing production compared to the commercial housing production. Third, social housing has low rental incomes. Fourth, with low rental income, only low land prices can be covered (DeKam et al., 2008). In addition, and fifth, social housing may affect nearby residence prices negatively (Needham and De Kam, 2000).

To address overall affordability, there are two approaches. First is to reduce market prices overall. Second is to provide housing for some groups at below market, and therefore subsidized, prices. Each approach has different policy implications. There are a number ways in which general market prices can be reduced, and consequently, address overall affordability, that is, by modifying demand (e.g. by reducing net incomes or increasing the relative price of housing), by reducing the real resource costs of producing housing (e.g. by technological change or making supply more elastic), or by liberalising the regulatory system to ensure more housing land is made available (Whitehead, 2007, p.30-31). Adversely, the result of over-stringent planning may result in the stagnation of house building which has negative effects on welfare development. Therefore, a relaxation of planning controls may be beneficial to housing prices (Korthals Altes, 2009; Glaeser, 2007; Cheshire and Sheppard, 2002).

Because acquiring land on the market is difficult, national governments have instituted a wide range of land-related policies and legal instruments as land provision regimes. This includes specific interplay between market forces and national policies for (social and affordable) housing and land-use planning. In a study by De Kam et al (2008) interventions have been classified and described in more detail. According to this study, state intervention on land provision for social housing can be separated into five parts. The first one is state financing and provision of social housing. In this intervention, state subsidy can be directly on land, or construction of the social housing or tenants can receive housing benefits. Second are interventions in property rights in servicing land. This type of intervention takes place in different ways, i.e... (a.) the state directly buys the land and produces land for the social housing, (b.) land is not bought by state but provides leasing to produce land for social housing, (c.) the state directly undertakes the social housing development, (d.) land provision for social housing is provided via expropriation, (e.) the state forces the private entrepreneurs to produce social housing, and (f.) the production of social housing by special types of private developers who can develop housing at lower cost. The third intervention type involves social housing institutions. Social housing institutions cover the housing costs from their own budget. The means for these activities, they can cover through cross-subsidization with the incomes of commercial housing sales. Social-housing providers may follow market strategies like speculative land provision, or unserviced land purchasing. Social residence
providers may also develop non-marketing strategies. A fourth intervention way is the participation of developers in social housing projects if land provision for social housing is made attractive for them. The fifth interference method is the participation of the developers to a part of social housing projects with non-market strategies.

It can said that as a general tendency, bureaucratic allocation of public and/or social housing has become less common and patterns of access to housing have become increasingly market-driven. As non-market forms of housing provision are increasingly replaced with market forms of provision, so the scope for the state involvement in the production and distribution of low cost housing is reduced (Paris, 2007). The market forms of provision can be given. These are (De Kam 1998):

- Taxation on property, building land and development gains;
- Betterments levies;
- Increased specification in zoning, regarding quality, mixing in tenure and price, and other factors influencing urban and social quality as well as development gains;
- Legislation to force developers to build and/or reach agreements between each other and with government agencies.

In literature, it has been stated that important part of the provision of land for social housing processes which are not coordinated with price. This means that land provision for social housing is not only a financial problem but also an institutional problem (Needham and De Kam, 2004; Rhodes and Mullin, 2009). Processes of land provision for social housing can be coordinated by market, hierarchy and network. These three mechanisms can be used as a specific mix of each (Needham and De Kam, 2000). The structure of this mixture differs between countries (De Kam et al. 2008).

The problem in developing countries is that the low purchase powers of the low income population is much more an impediment to the provision of land through the formal private sector, than in developed economies (Keivani & Werna, 2001). Moreover, "...low income housing provision in developing countries involves an intricate and complex network of relationships between various agents and the state" (Keivani & Werna, 2001, p. 111) . It is therefore relevant to “...take in to consideration the entire structures of provision and the interactions of the relevant interest groups and agents involved in the various submarkets and forms of housing provision." (Keivani & Werna, 2001, p. 111) Strategies that are aiming to develop formal ways of provision of land for social housing may overlook the informal ways in which actually housing land is provided (Keivani et al, 2008). This paper is analyzing the ways how a formal structure has been developed in Istanbul, Turkey, that is, a context in which
Illegal land development is a dominant form of provision of land for low and middle income housing.

3. Approaches on land provision for social housing in Turkey

In Turkey, the private sector is dominant in dwelling production. Land development by different landowners is dominant in the land development process. Mostly the “single plot-single building” approach has been determinative for the development of urban areas in Turkey. For this reason, housing development has occurred within the framework of this approach. In other words, land development by different landowners is basic. “Although the Turkish constitution declares that the State shall take the measures to meet the housing needs of low-income families in accordance with health requirements, this commitment has not been met. […] Hence households excluded from the authorised housing market have to take shelter in unauthorised stock” (Baharoğlu, 1996, p. 55)

Policies related to illegal housing has affected the land supply for affordable housing. Illegal housing has been a significant problem since the 1940s in Turkey. Illegal housing development has come with deficits in servicing the land with infrastructure, which resulted in social, economic and environmental problems (Leitmann & Baharoğlu, 1999). Aspects as water supply, sewerage, the quality of the electricity services, solid waste collection are generally of less quality in informal settlements than of formally services adreas in Turkey (Baharoğlu & Leitmann, 1998). Solutions proposed related to the problem of illegal development have changed over time. Until the 1960s, the approach was the demolition of squatter areas and not allowing reconstruction, providing opportunities for building land production for poor and low-income people and ensuring legalization of squatter housing. In the planned period as of the 1960s, Squatter Law No. 775 was implemented. According to the law, up-grading, clean up and prevention areas were determined. Within these areas, the municipalities have the possibility land acquisition as a means of purchasing or expropriation. Again, it was provided that the municipalities get the lands that belong to the state free of charge. These areas were used for production of low cost housing and the lands were sold for low cost. Yet, in some circumstances, a part of the land is sold or rented by municipalities for market purposes and higher prices. In the situation, the revenues are transferred to the squatter housing fund.

Prior to 1980 the effect of cooperatives on the production of social housing was low. While their contribution was 5 % of total housing supply until 1970s, their share in total housing production had increased to 10-15% between 1970-1980. Some public authorities like social security institutions (SSK, Bağ-Kur, OYAK, T. Emlak Bankası ) and central government units (Ministry of Public Work) had been contribution to social housing financing prior 1980.
Two important changes have been effect on the land provision for social housing since 1980s. One of them is legalization process of squatter houses. In the context of the 1980s structural changes, a general building amnesty was issued in 1983, followed by a number of amendments until 1989. The logic of Amnesty Law No. 2981/3290 was to upgrade existing illegal housing areas and to prevent new informal settlements. The law brought an improvement development plan, which was a special type of plan. The improvement development plan included unification of irregular, haphazardly formed parcels and their redesign to create new parcels of maximum 400 m2 and to allow construction of four-story apartment buildings (Dundar, 2001). With the development right, this way transformation from squatter to apartment has emerged and this renewal has been realized directly by landowners (who have a land title based on a deed allocation certificate) or by contractors (builder-and-seller) at the single building scale.

Second of them is to be established Mass Housing Administration in the framework of Mass Housing Law and constituted Mass Housing Fund outside the general budget. TOKI was established apart from the General Administration in 1984. An autonomous Mass Housing Fund was established by Mass Housing Law No. 2985 which came into effect at this date. Mass Housing Fund apart from general budget had continuous and adequate resource for TOKI housing developments. With Mass Housing Law No. 2985, housing credits were provided to both housing user and housing producer (housing cooperatives, cooperative associations, private partnerships and developers). So, the roles of housing cooperatives in housing supply have been stronger. An important increase had been in share of housing cooperatives in housing production between 1985-1990. In this term, the housing cooperatives had met 30% of the total housing production. While the share in covering the costs of credits was 77% in this term, this share decreased to 7% since 1988 because of the restrictions in the Mass Housing Fund possibilities. This had caused to decrease the number of housing cooperatives and increased the completion time of construction to 7-8 years (www.toki.gov.tr).

Starting from 1993, there had been a decrease when Mass Housing Fund after it was included into the general budget. Consequently, TOKI could support the dwelling production with gradually decreasing amounts. Mass Housing Fund was revoked totally with the law No. 4684, dated 20.06.2001. With the revoking of the fund, TOKI became dependent on the allocations transferred from the budget (www.toki.gov.tr). The share of housing cooperatives in housing production decreased to 14.5 % in 2001 and the share of the private sector increased to 76.5% .
TOKI’s authority has widened and so its resources have increased with some regulation after 2003. The first of these regulations was the amendment numbered 4966 and dated August 6, 2003. With this amendment, TOKI became authorized to have projects and developments for profit purpose in order to provide resource. “The Revenue Sharing Scheme in Return for Land Sale” model has been used within this framework. The aim of this scheme is to provide resource for TOKI. The second considerable amendment is that all duties of the Land Office were delivered to TOKI by the legislation No. 5273 on December 15, 2004. With this amendment, TOKI became authorized to have land stocks. Moreover, TOKI acquired the right to expropriate and preliminary-buy for the land belonging to private owners for housing, education, industry, health and tourism investments and public institutions. The third amendment was made by the legislation No. 5162 on May 5, 2004. TOKI became authorized to make local physical plans for the areas where the property belonged to TOKI and determined as housing development area or mass housing area. In other words, a special planning authority was given to TOKI. The fourth amendment is that TOKI became authorized to takeover the lands of public domain upon the proposal of relevant Minister and Minister of Finance and the approval of Prime Minister without charge. This authority means that TOKI can use public domain lands primarily in order to develop projects. In other words, the necessity for transactions such as expropriation and charged takeover required for land acquisition are removed. The fifth amendment is that TOKI has authority to realize urban renewal projects in both illegal housing areas and areas where existing urban renewal laws (Law No. 5366 and Law No. 5104) are applied. The sixth amendment is that TOKI is to be excluded legal financial control.

With all these responsibilities, TOKI had both regulatory and investor roles. TOKI has become an important player in the housing market by providing around 10% of the total housing need. TOKI have intensified directly the construction of social housing much more. The share of credits in total expenditures was 53% in 2002, 31% in 2003, this share decreased to 11.5% in 2004 (Geray, 2006).

4. An Analysis for Istanbul

4.1. Problems in land supply for social housing in Istanbul

Housing Need

In terms of quality and quantity of housing production, only 48% of the 3,136,931 buildings in total in Istanbul have construction permits while the number of buildings with occupancy permits is 1,518,441. The number of the dwellings with occupancy permits is 598,532 and the ratio is 19%. Only 39 out of 100 have occupancy permits with construction permits. The number of the places built and used without construction permits is 1,618,490 (GYODER 2006;
Çanga et al., 2002). According to the study related to housing needs of Turkey between 2000 and 2010, it has been determined that Istanbul has the highest number of buildings that do not have construction permits and the buildings that have construction permits in Istanbul are insufficient. According to the findings of the study, the housing needs for Istanbul is 3,299,004 in 2000. If the building stock both with and without construction permits are considered, the amount of housing that needs to be produced is 162,073 dwellings. However, if the building stocks that do not have construction permits are not taken into consideration, the amount of housing that needs to be produced will be 1,780,583 (Çanga et al., 2002).

**Squatter Housing**

48% (3,136,931) of the existing housing stocks include only buildings that have construction permits in Istanbul. When the spatial distribution of housing areas in Istanbul is examined, it is seen that there is a historical core and the planned developed urban areas in its surroundings that covers illegal housing areas that are expanding like an oil spill. In the study made by the Istanbul Metropolitan Municipality (2006), the housing areas are defined as regular and irregular. While the regular housing areas refer to the mass housing areas and planned housing areas outside mass housing areas, irregular housing areas include illegal built-up areas, the prevention areas of squatters and improvement and development planned areas that were constituted with Amnesty Law No. 2981/320. According to the report, while 67.6% of the total existing housing areas (78,114.56 ha) are from the regular housing areas, 32.4% consist of irregular housing areas (IMM, 2006).

**Land Price**

The high level of costs of serviced urban plots in housing production in Istanbul is an important problem for the housing supply. The costs of serviced urban plots in Istanbul are very high in mass housing production. The new residence prices, 700€/m² on average in 2002, increased to 1,900 €/m² in 2008. The imbalance of the distribution of income in Turkey also leads to a high diversity of residences. This also causes a wide diversification of prices. The prices of top-end residences in Istanbul are in the 5,000-7,000 €/m² range. In addition to land and construction costs, a sum of contractor profit and profit of landownership is added (Yetkin, 2005). Most of the structures in the housing stock are directed toward middle and upper income groups. The higher returns from residential property have caused increasing interest for both domestic investors and foreign investors. Some international big real estate firms have entered into the real estate market to produce residential property. Taking into account domestic and foreign investors’ demands for eligible land, urban lands which are insufficient even now will become even more insufficient and have a higher cost in the near future (Turk and Korthals Altes, 2010).
In a study related to the price of affordable housing in Istanbul (Bölen and et.al., 2006), the distribution of housing prices according to the income of households was determined (Table 1). According to the study, the share of monthly expenses including rent in the household income reaches to 40% for renters in the sample. The price of housing is 16 times of annual household incomes. Besides, 61% of households in the sample earn under 1000 YTL (Bölen and et.al., 2006).

Planning

A hierarchical statutory planning system is responsible for land use planning and development control in Turkey. Plans are separated into two groups in terms of the area they enclose and the usage purpose defined in the Reconstruction Law which came into effect in 1985: regional plans and local physical plans. Instead of regional plans, in practice, provincial land use plans are used (Turk and Turk, 2006). In metropolitan areas, in addition to provincial plans there is also the metropolitan area master plan prepared for metropolitan areas. This plan includes basic land-use decisions in metropolitan areas and investment decisions at a metropolitan scale. Local physical plans in the metropolitan area, if existing, have to be in accordance with metropolitan area master plan decisions.

There are two levels in metropolitan area administration in Turkey. The first level is the metropolitan level. The metropolitan municipality represents this level. The second level is the local level. District municipalities and first stage municipalities represent this level (Toprak, 2006). According to the Metropolitan Municipalities Law No. 5216, local land use plans are approved by the metropolitan municipality and detailed local plans are approved by district and first stage municipalities. In this case, it is necessary to prepare a plan proposal of a new local land use plan (addendum or partial plan) and submit it to acquire the Metropolitan Municipal council’s approval. After this proposal is approved by the municipal council, it is necessary to prepare a detailed local plan proposal. The prepared proposal is submitted for the district municipal council’s approval. In brief, the approval process of a new local physical plan on metropolitan areas necessitates more time and two different stages.

Additionally, besides the Planning Law and the Metropolitan Municipalities Law, there is legislation, which gives the planning right to different institutions for special areas. “Tourism Encourage Law”, “Culture and Natural Assets Protection Law”, “Law of Environment” provide planning authority to the relevant ministries in certain areas. In other words, although the Planning Law gives the planning rights to the local governments, the planning authority is given back to the central governmental bodies in some specific areas which hold strategic importance in the development of Istanbul. As a matter of fact, coordination and
cooperation between the local governments and the central government is insufficient (Unsal, 2009).

In Istanbul plan amendment is seen at the highest numbers. In Istanbul during the 1980s, 400 changes were made, during the 1990s there were 450 changes, and during the 2000s there were 850 changes while in the last 3.5 years there have been 3800 changes (www.tbmm.gov.tr). In most of the cases, subjects of these changes were the increase of construction rights such as from service area function (parks, carparks and playgrounds etc.) in plan decisions to residence or trade function or increase of floor area coefficient (Altın and Türk, 2005). The basic problem with a local detailed plan amendment is that most of these changes have no reasonable and suitable reason according to law. As a result, most of these plan amendments can be canceled by the administrative courts (Türk and Korthals Altes, 2010). When the areas in the following cases are examined, it is observed that the value of the real properties increases with the new plan decisions or plan modifications on the urban parcel but such increased values cannot be utilized for the public interest.

4. Thinking on some practices

4.1. The contribution of public private partnerships to land supply for social housing in Istanbul

• The Revenue Sharing Scheme in Return for Land Sale: An Example

After 2003 TOKİ has entered to public-private partnership under “revenue sharing scheme in return for land sale”. TOKİ has completed total 13 housing projects with the model. While seven of them take place in the European side, the other take place in the Anatolian side (Table 2). Thirty projects have continued (see Table 3). One of the completed projects is “KentPlus” housing project. The projects include 2044 housing units. Total project area is 121,000 m². Floor base area is 20,000m² . Local physical plan of the area was modified in 2007 and as a result, the floor space index for development right has been increased as 2.50 and free height has been permitted. This index can be evaluated as high when comparing the other areas excluding special project. The housing units in the project are produced for middle- and upper-income groups. In 2005, the price of housing units per m² is 1,150 and 1250 USD. For those that want to buy the housing units, credit facilities are provided. After 25% of the total price of housing units is paid in advance, the remainder can be paid in installments of up to 12 years (Giray, 2010).

• Renewal of Innercity areas: An Example

In Turkey, three laws are used in the renewal of innercity areas and these laws draw a frame for urban renewal in Turkey. The first is the North Ankara Entrance Urban Renewal Law No.
5104 which came into force in 2004. This law aims at improving and beautifying the physical status and environmental appearance of the areas covering the North Ankara entrance and vicinity and ensuring a proper urbanization within the framework of an urban renewal project. The second is the “Law on Protection and Usage of Historical and Cultural Immovable Assets by Renewal” Law No. 5366 which came into force in 2005. It is executed in worn-out historical sites. The third is “Municipality Law No. 5393” which came into force in 2005. Article 73 of this law authorizes municipalities to declare urban renewal areas within their jurisdictions. TOKI has authority to realize urban renewal projects in both illegal housing areas and areas where existing urban renewal laws (Law No. 5366 and Law No. 5104) are applied.

After 2005 in renewal areas, the municipality has the right to make an agreement with the landowners and if there is no agreement it has expropriation authority. Within the framework of the agreement, the landowners were offered two options. The first option is to be given house unit (or house units) after the project in return for the value of their land/property of landowners. In this point, the value of land/property and the valuation is critically important. If the value of the land/property of the landowner remains under the value of the housing unit produced after project, the difference must be paid by the landowner. The second option is to be purchased by the municipality, TOKI or the developer of the land/property. If an agreement cannot be reached under the framework of these options, the municipality has the authority to expropriate. However, imputed value is taken into consideration in the determination of compensation.

The case area is in municipality Fatih (403,508 inhabitants) and is known Sulukule project. The regeneration area consists of housing areas with high density. The future function of the regeneration area is determined as housing areas with high density and commercial area. The surface of the area is approximately 5 hectares. The regeneration have quite fragmented ownership structure (664 landowners). Most of the landowners are no inhabitants of the area. In the Fatih Sulukule case, the municipality made an agreement with the landowners on individual base easily, because most of the landowners do not live in the area. The renters live in the area, have a low social-economic level, and were recommended by TOKI to relocate to the new housing area built by TOKI on the fringes of Istanbul. However, the renters objected to this suggestion. One of reasons was that the area was too far away. The other reason were the resettlement costs. The cost recovery for social housing is not taken into consideration in the projects.

4.2. The contribution of private sector investment to land supply for social housing in Istanbul
According to the planning system in Turkey, the local physical plan is implemented either by land readjustment or by voluntary method. The contribution of provide sector (or land owners) are provided these two tools. In Turkey, LR method is applied, in connection with the local physical plans, to manage the readjustment and development of built or unbuilt areas, to produce serviced urban lands at forms and sizes complying with the local physical plans, and to provide land for on-site and off-site service areas (Turk, 2005). Only one contribution ratio is determined within the project area. This contribution ratio is found by dividing the amount of land utilized for public services areas to the total amount of cadastral parcels in the land readjustment project area. This ratio is applied to each plot. The maximum contribution percentage in land readjustment projects is 40%. The contribution percentage from each plot must be used in order to provide lands allocated for public services like roads, squares, parks, car parks, playgrounds, green areas, elementary and secondary education areas religious facilities and police stations within the project area. There is no contribution for social housing. However, in Valencia (Spain) example, while the land readjustment is implemented, the share for social housing is included to system (Munoz Gielen and Korthals Altes, 2007).

The aim of voluntary method is transforming a cadastral lot into an urban plot by means of subdivision, consolidation and contribution for public use areas. This practice is possible only upon request and affirmation of the landowners. As part of the voluntary method, those areas left for public services such as roads, parks, parking, playgrounds, green areas, mosques or a police department in the plan of the cadastral parcel are contributed to public use in compliance with the stated purposes. As for the parts corresponding to those areas such as schools, hospitals, kindergartens, municipality service areas and other public facilities, the related parts are formed separately while the remaining part is set as proper urban plots in compliance with the detailed local plan and regulations. In case some parts that are separated are not appropriate for building construction according to detailed local plans and regulations or if the whole of the cadastral parcel is reserved for public services or public facility areas, this cadastral parcel or land ought to wait for its readjustment or it will be expropriated. There is no contribution for social housing.

The case area is located at a greenfield north of Istanbul. The area is 1,175,000 m2. This real property is also located in a natural protection area (Baştürk, 2009). Therefore, the development conditions are limited compared to the other greenfield areas. However, the development plan of the area has been modified and as a result the total construction area increased to 173,904 m2 from 151,513 m2. After this modification in the development plan, the construction area increased to 22,391 m2. The residences under the project are designed as single family houses for high income group. On site land development costs are borne by
the landowner. Land needed for the on-site public facilities has been provided by the landowner. The landowner allocated 8% of the area to the public as green field and road area (i.e. by voluntary method). The developer provided no contribution in terms of off-site infrastructure investments or social housing (Baştürk, 2009).

5. General Evaluation and Conclusion

In the rapid growing cities, especially in developing countries, the provision of land for social housing has been a major problem. In developed countries, as a general tendency, bureaucratic allocation of public and/or social housing has become less common and patterns of access to housing have become increasingly market-driven. As non-market forms of housing provision were increasingly replaced with market forms of provision, so the scope for the state involvement in the production and distribution of low cost housing was reduced. The same tendency are valid for developing countries. This tendency in the developing countries can lead to increase of illegal housing sector more and more, a tendency that is different from developed countries.

When the planning system is examined in Turkey, it can be seen that urban planning and land development tools have not directly affected the land provision for social housing in Turkey, especially in sense of a good balance of housing types and tenures. In this point, some questions can be raised. First is whether planning and land development tools can be improved in land supply for social housing apart from central government tools. Second is how these tools can be integrated to general system that is shaped with some institutional changes.

Another important point in the cases studied is that the building development process is either realized directly by the private sector or within the principles of private law by public–private partnerships. It can be said that the public authority (TOKI) provides housing production with private sector understanding. In other words, profiting from the project is the main point. For example, TOKI’s revenue sharing scheme in return for the land sale with the private developers is shaped wholly by the profit motive.

Although it can be said that much more housing units are provided by the private sector or by public–private partnerships, this housing supply does not reply the needs of households in Istanbul. The houses produced in Istanbul by TOKI, the municipalities, developers, cooperatives, and small producers were intended for middle- and upper-income groups. However, price rises can be prevented in a housing market in which the public is effective.
The public authority must also make the supply of accommodation for low-income groups a priority in Istanbul. The general tendency that formal patterns of housing provision serve higher income groups and that lower incomes groups must rely on the informal sector (see Keivani & Werna, 2001) has not been broken by attempts in Turkey to develop a formal system of the provision of housing through specialized institutions.

References


GYODER, 2006. Real Estate Sector and foresight for Istanbul. (Gayrimenkul Sektörü ve İstanbul İçin Öngörüler), Istanbul.


Needham, B., De Kam, 2000. Land for Social Housing. Hilversum; CECODHAS.


www.toki.gov.tr

Table 1. The distribution of the price of affordable housing in Istanbul

<table>
<thead>
<tr>
<th>Level of income</th>
<th>Households (%)</th>
<th>The price of affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>The lowest income group (&lt;500 YTL)</td>
<td>19</td>
<td>&lt;30,000 YTL</td>
</tr>
<tr>
<td>Low income group (500-700 YTL)</td>
<td>21</td>
<td>45,000 YTL</td>
</tr>
<tr>
<td>Low and medium income group (750-1000 YTL)</td>
<td>21</td>
<td>60,000 YTL</td>
</tr>
<tr>
<td>Medium income group (1000-3000 YTL)</td>
<td>28</td>
<td>120,000 YTL</td>
</tr>
<tr>
<td>Upper income group (&gt;3000 YTL)</td>
<td>6</td>
<td>&gt;120,000 YTL</td>
</tr>
<tr>
<td>No answer</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bölent et al. (2006)

Table 2. Completed housing projects of TOKI under “Revenue sharing scheme in return for land sale” in Istanbul

<table>
<thead>
<tr>
<th>Project</th>
<th>Model</th>
<th>Number of housing units</th>
</tr>
</thead>
<tbody>
<tr>
<td>İstanbul Ataşehir (Başı) 1. Bülge (KentPlus)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>2,044</td>
</tr>
<tr>
<td>İstanbul Ataşehir (Başı) 2. Bülge (UpHillCourt)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>1,742</td>
</tr>
<tr>
<td>İstanbul Ataşehir 4. Etap</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>180</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir 4. Bülge - (MANOLYA Housings)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>374</td>
</tr>
<tr>
<td>İstanbul Bakirköy Kartaltepe (</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>285</td>
</tr>
<tr>
<td>İstanbul Büyükçekmece M.Sinan</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>660</td>
</tr>
<tr>
<td>İstanbul Esenler İkitelli (İstanbul)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>936</td>
</tr>
<tr>
<td>İstanbul Halkali IV. Bülge – Avrupa Residences</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>1,368</td>
</tr>
<tr>
<td>İstanbul Kozyatağı</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>800</td>
</tr>
<tr>
<td>İstanbul Küçükçekmece Halkali (Olympiakent) 1.</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>1,364</td>
</tr>
</tbody>
</table>
Revenue sharing scheme in return for land sale
Revenue sharing scheme in return for land sale
Revenue sharing scheme in return for land sale
Revenue sharing scheme in return for land sale

### Table 3. Ongoing housing projects of TOKI under “revenue sharing scheme in return for land sale” in Istanbul.

<table>
<thead>
<tr>
<th>Project</th>
<th>Type</th>
<th>Number of housing units</th>
<th>Completion (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>İstanbul Bahçeşehir 5. Bölge (UphillCourt)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>682</td>
<td>98%</td>
</tr>
<tr>
<td>İstanbul Ümraniye Taşdelen</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>346</td>
<td>98%</td>
</tr>
<tr>
<td>İstanbul-Bahçeşehir 243/1 parcel</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>38</td>
<td>98%</td>
</tr>
<tr>
<td>İstanbul Avcılar Ispartakule (BIZIM EVLER)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>751</td>
<td>97%</td>
</tr>
<tr>
<td>İstanbul Küçükçekmece Halkali 4. Etap (664) ve 3. Etap (1564) (Olympiakent) 2. Etap</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>2,228</td>
<td>97%</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir 6. Bölge (SPRADON)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>352</td>
<td>91%</td>
</tr>
<tr>
<td>İstanbul Küçükçekmece Halkali II. Region 447/1-17</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>868</td>
<td>91%</td>
</tr>
<tr>
<td>İstanbul Ataköy Residences</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>950</td>
<td>82%</td>
</tr>
<tr>
<td>İstanbul Beşiktaş Ortaköy</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>74</td>
<td>71%</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir 10. Bölge (SPRADON)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>394</td>
<td>52%</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir T1 Bölgesi</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>395</td>
<td>50%</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir 9. Bölge (SPRADON)</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>179</td>
<td>42%</td>
</tr>
<tr>
<td>Project</td>
<td>Type</td>
<td>Number of housing units</td>
<td>Completion (%)</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-------------------------------------------</td>
<td>-------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>İstanbul Halkali Toplu Konut alanı</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>1,108</td>
<td>21%</td>
</tr>
<tr>
<td>İstanbul Başakşehir, Kayabaşı</td>
<td>Revenue sharing scheme in return for land sale</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>İstanbul - Küçükçekmece Halkalı Mah. 5201 parcel</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>400</td>
<td>0%</td>
</tr>
<tr>
<td>İstanbul Bahçeşehir 11. Bölge</td>
<td>Revenue sharing scheme in return for land sale</td>
<td>600</td>
<td>0%</td>
</tr>
</tbody>
</table>

Sources: www.toki.gov.tr