

A POLICY FRAMEWORK FOR LAND DEVELOPMENT

IN THE COLOMBO URBAN AREA.

(With Special Reference to Urban Housing)

A Dissertation

Presented to



The Department of Town and Country Planning

University of Moratuwa, Sri Lanka.

www.lib.mrt.ac.lk

In partial fulfilment

of the requirements for the Degree

Master of Science in Town and Country Planning.

37799
3719

H. M. Dayananda

March, 1982.

ACKNOWLEDGEMENTS:

I wish to express my thanks to all the individuals, and institutions who helped me to complete this study.

The study was carried out with the special guidance, advice, suggestions and assistance of the Staff Members of the Department of Town and Country Planning, University of Moratuwa.

I would specially give my gratitude to our Professor M.W.J.G. Mendis for his advice suggestions and guidance. My sincere thanks to Miss Shewanthie Fernando for her helpful suggestions and guidance.

I like to particularly mention Mr. A. L. S. Perera, Lecturer regarding his encouragement and advice. I acknowledge Miss S. P. Somasundaram and Mr. Nohal Weerasinghe, Lecturers in our Department with special remembrance of Mr. N. S. G. Karunaratne.



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

My thanks are also due to Urban Development Authority for a chance given me to follow this course during the last two years.

I also wish to express my gratitude to Mr. N. D. Dickson, Director Planning U. D. A., Mr. Eswaran Selvaraja, Deputy Director, U. D. A., Mr. K. D. Fernando, Mr. Dickmon, Senior Manager G. C. E. C., Mr. Nandakumaran, Municipal Assessor C. M. C., Mr. A. J. M. Zuhair, Central Bank of Ceylon, Mr. S. Berugoda, Deputy Surveyor General, Mr. G. A. P. J. Silva, Librarian, U. D. A., Mrs. A. Ruwanpura for typing and all my friends who helped in their numerous ways.

Finally, I like to acknowledge my dearest parents, brothers and sisters.

H. M. Dayananda
Colombo.

March, 1982.

SYNOPSIS:

Land plays a vital role in urban planning and it is known as a key to urban development. It has a particular value which is determined by the market mechanism in a country like Sri Lanka.

High concentration of activities has resulted in a disproportionately high concentration of population mainly in Colombo and its suburbs, leading to several urban land development problems.

High land price is one of the main problems which ultimately has an impact on urban land development in terms of human welfare.

Though there are ad-hoc land policy measures in Colombo urban area, the most important process that allocates land for various urban uses is the market mechanism. Therefore, optimal social use of urban land has been neglected.



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

Hence the main objective of this study is to recommend a land policy framework for Colombo urban area which will ensure the supplying of land at the right place, at the right time, in the right quantity and reasonable price for the development of urban land, with special reference to urban housing.

Accordingly this whole study has been structured as follows:

1. Chapter One gives the general introduction of urban land development in the macro-level perspectives which focuses attention to the Colombo urban area, land development problems briefly.
2. In order to analyse the land market which is one of the main cause for land development problems in the Colombo urban area, Chapter Two attempts to examine the theoretical concepts of land and its price.

3. Based on the theoretical background of urban land, Chapter Three is devoted to the analysis of land market in Colombo urban area to understand the problems in detail.
4. Chapter Four highlights the impacts of land prices on urban land development with special reference to housing in Colombo urban area.
5. To propose a land policy framework for Colombo urban area Chapter Five reviews the present policy measures and examines the experience of other comparable countries.
6. The study carried on these lines is directed towards recommendations on a land policy framework in terms of optimal social use of urban land, in Chapter Six.

The methodology of the study is given in the next page.

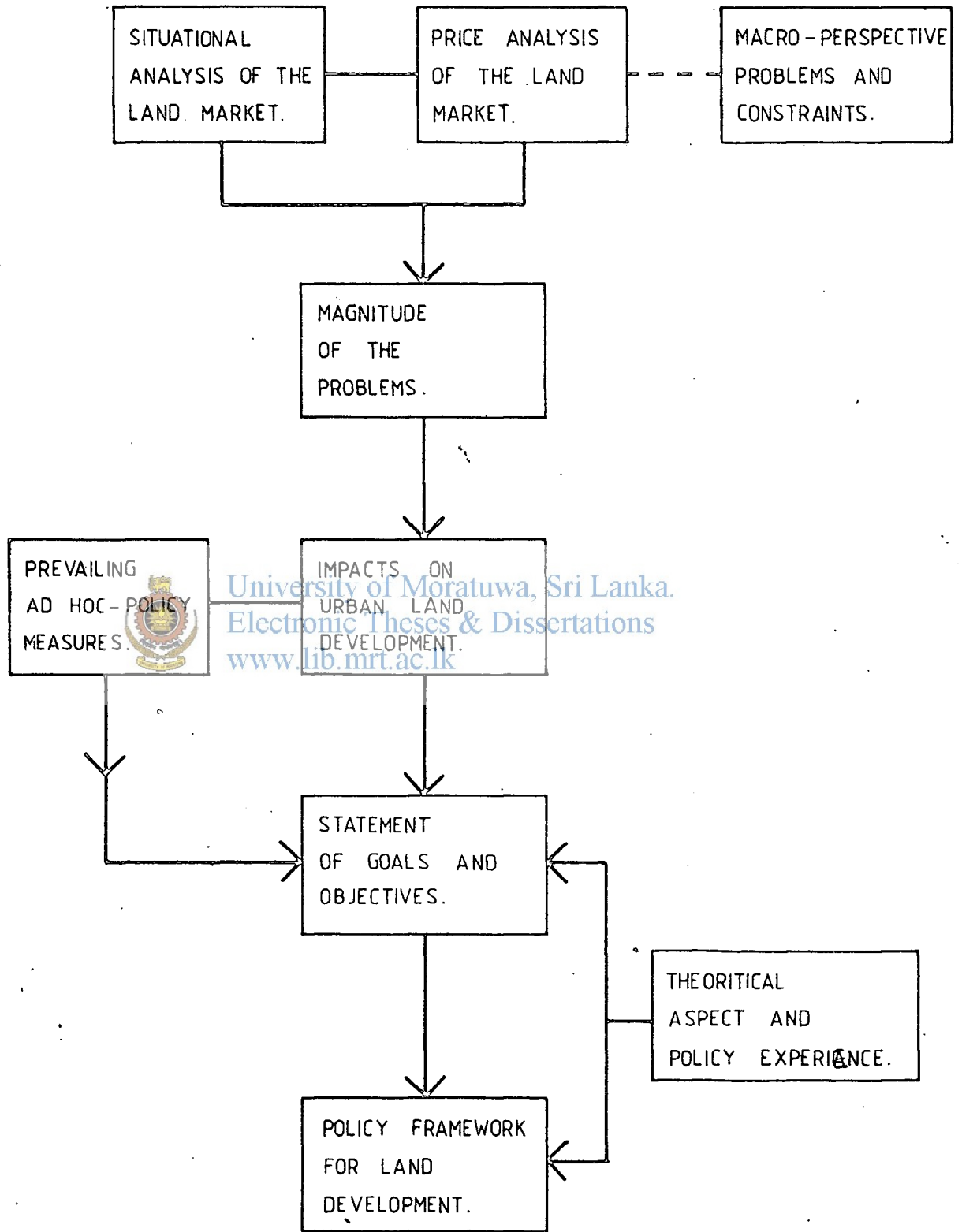


University of Moratuwa, Sri Lanka.

Electronic Theses & Dissertations

www.lib.mrt.ac.lk

METHODOLOGY



University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.lib.mrt.ac.lk

CONTENTS:		Page No.
Acknowledgements.	..	i
Synopsis.	..	ii
Methodology.	..	iv
List of Maps.	..	vi
List of Figures.	..	vii
List of Tables.	..	viii
Chapter One	- General introduction of urban land development in the macro-level perspectives.	<u>1</u>
Chapter Two	- Some Theoretical concepts of urban land and its price.	<u>14</u>
Chapter Three	- Analysis of the real estate market in the Colombo urban area.	<u>26</u>
Chapter Four	- Impacts of the high land prices on urban land development with special reference to urban housing.	<u>83</u>
Chapter Five	- Review of the present land policy measures and experience of other comparable countries.	<u>108</u>
Chapter Six	- Conclusions and recommendation (A policy framework for land development.)	<u>121</u>
Bibiliography.	..	<u>127</u>
Appendices.	..	---



List of Maps.

Page No.

1.	Percentage of urban population in Sri Lanka.	..	02
2.	Density of population in Sri Lanka.	..	04
3.	Urban Areas of Sri Lanka by population size 1981.		06
4.	Location of C.U.A. in relation to Sri Lanka.	..	08
5.	Location of C.U.A. in relation to C.M.R.	..	09
6.	Colombo urban growth.	..	30
7.	Network of towns in C.U.A.	..	33
8.	Natural conditions in C.U.A	..	35
9.	Landuse (1971) - C.U.A.	..	38
10.	Central area development projects.	..	45
11.	Land value distribution in the city of Colombo.	..	54
12.	Land value distribution in the C.U.A.	..	55
13.	Distribution of % of lowlying lands.	..	73
14.	Under-developed land (1971)- C.U.A.	..	75
15.	Land in public ownership - C.M.C.	..	79
16.	Location of shanties in C.M.C.	..	98
17.	Location of slums in C.M.C.	..	99

University of Moratuwa, Sri Lanka.
Electronic Theses & Dissertations
www.etd.mru.ac.lk

List of Figures

Page No.

1.	Methodology chart.	..	iv
	General pattern of the spatial organization of the urban area.	..	27
2.	Increase of property transactions in Colombo suburbs 1976 - 81.	..	47
2A.	Increase of land prices in Colombo and suburbs 1976 - 81.	..	56
3.	No. of building plan approvals in Colombo city.	..	61
4.	Paper advertisement of house and property tolets.		63
5.	Colombo consumer price index.	..	66
6.	Main land use categories in C. U. A.	..	70
7.	Lorence Curve - C. U. A.	..	90
8.	Ability to pay for housing.	..	93
9.	Photographs of slums and shanties.	..	100



List of Tables.Page No.

1.	Land: Man Ratio in Sri Lanka.	..	03
2.	Urban areas of Sri Lanka, classified by population size - 1981.	..	05
3.	Population of towns over 50,000 inhabitants in Sri Lanka.	..	28
4.	Growth of population in the City of Colombo.	..	28
5.	Percentage of increase of population in the city and suburbs.	..	29
6.	C. U. A. population 1963-71.	..	31
7.	C. U. A. population 1971-81 by local authority areas.		31
> 8.	Major low lying areas of C. U. A.	..	34
8A.	Landuse in 1971.	..	37
9.	Variations of land values according to transport facilities.	..	36
10.	Land values in Colombo and suburban centres.	..	40
11.	Distribution of ethnic groups in C. U. A. (1981)	..	41
12.	City of Colombo - by ethnicity (1971)	..	42
13.	No. of property transactions in C. U. A.	..	48
14.	No. of land transfers under the Colombo Magistrate's court and court of request.	..	49
15.	Land transaction in Colombo and suburbs 1978 January - 1979 June.	..	50
16.	Land prices in Colombo and suburbs.	..	51
17.	Rental value of the Colombo city.	..	52
18.	Estimated average market price of land in Colombo city.	..	53
19.	Sri Lanka's economic growth rates.	..	59
20.	Approvals of building plans by C. M. C.	..	60
21.	No. of foreign banks openings in Sri Lanka.	..	62

	<u>Page No.</u>
22. Foreigners in public sector institutions. ..	63
23. No. of Middle East migrants. ..	64
24. Colombo consumer price index. ..	67
25. Purchasing power of the rupee. ..	68
26. Nominal wage rate indexes. ..	68
27. Import price index. ..	69
28. Depreciation of external value of Sri Lanka Rupee.	71
29. Landuse pattern of C. U. A. 1971. ..	71
30. Undeveloped land in C. U. A. 1971. ..	72
31. Density of population and % of lowlying lands in local authority areas of C. U. A. ..	72
32. Additional capacity of high land in C. U. A. ..	74
33. Underutilized land in Fort and Pettah. ..	76
34. Land ownership of the City of Colombo. ..	78
34A. Unit cost for alternative housing forms. ..	85
35. Cost of Houses. ..	86
36. Urban areas households monthly income distribution. ..	88
37. C. M. C. households monthly income distribution. ..	88
38. C. U. A. income distribution by households. ..	89
39. Ability to pay for housing. ..	91
40. National Housing Department and State Mortgage Bank Housing loans. ..	92-93
41. Housing needs in C. U. A. 1971-2001. ..	95
42. Distribution of slums and shanties in Colombo. ..	96
43. Types, numbers and % of squatters/slum dwellers in Colombo (1975). ..	102
44. Number of slums and shanties in the periphery of Colombo 1979. ..	103
45. C. U. A. Housing units by tenure 1971. ..	103
46. No. of passengers carried on certain selected selected bus routes in 1963 - 67. ..	104
47. Traffic volume near Colombo. ..	105

Corrections.

1. Page IV 5th para .. other comparable countries
2. Page 3 4th para 4th line .. the South Western.
3. Page 5 2nd para .. classified by population size.
4. Page 16 2nd para 2nd line .. rental value of such property.
Hence the rent ..
5. - do - 2nd para 4th line .. in the following terms.
6. - do - 2nd para 8th line .. that effect the land rent.
7. Page 18 2nd para 2nd line .. the business man
8. Page 18 3rd para 4th line .. from services erected.
9. Page 21 2nd para 2nd line .. his subjective valuation of
10. Page 26 2nd para 11th line .. examined under price analysis.
Finally this is ended up with the
11. Page 48 2nd para 2nd line .. Mt. Lavinia and Moratuwa suburban a
12. Page 57 1st para 9th line .. The rate of increase vary from 300%
600% in
13. Page 62 3rd para 5th line .. number of foreign banks opening in
Sri Lanka and number of foreign
14. Page 63 2nd para 1st line .. figure No.4 in Appendix
15. Page 65 2nd para 7th line .. extent of land lies as
16. Page 94 3rd para 5th line .. is not considerable
17. Page 94 4th para 3rd line .. building at price the average
householder can afford". (10)
18. Page 102 2nd para 1st line .. magnitude of the housing problem
19. Page 106 1st para 3rd line .. comprehensive urban
20. Page 108 1st para 2nd line .. of optimal social
21. Page 120 1st para 3rd line .. land is
22. Page 129 2nd para 2nd line .. gives the guidelines
23. Page 20 4th para 2nd line .. each piece of
24. Page 20 6th para 3rd line .. cultural factors may
25. Page 84 2nd para 1st line .. The increasing