COMPETITION DURING PLANNING
(A possible way of offering a greater number of protected homes for rent)

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DEFINITIONS (VERY SIMPLIFIED) OF THE PRINCIPAL CATEGORIES OF LAND THAT IS MENTIONED IN THIS WORK

Corresponding to the current Law Regarding the Land and Valuations Regime of 1998

*Developed land*: that is already transformed, as a minimum, with vehicular access, water supply and drainage, electricity supply, or to be consolidated by construction.

*Non-developable land*: that is protected due to its landscape, historical, archaeological, scientific, environmental or cultural value; or due to natural unsuitability; or for the protection of public dominion; or for its agricultural, timber or cattle raising value; or for its resources.

*Programmed developable land*: that which in the short term could be converted into town land.

*Non-programmed developable land*: that which contains characteristics that could enable it to be converted into developed land, but is yet to be considered suitable by planning authorities (transformation could occur either in the medium to long term or not occur at all).

I. Proposal in this investigation

*Non-programmed developable land with competition unit*: the same as the aforementioned, but also that which would immediately become programmed land designated for building if a developer and the owners were to win a public tender.

Proceedings to the Law Regarding the Land and Valuations Regime of 1998

*Common land not designated for building*: includes terrain that at the time is unwanted for building, but does not contain any specific natural, historic or other type of value that requires special protection.

*Specially protected land not designated for building*: the equivalent to non-developable land.
I.- COMPETITION DURING PLANNING

Competition during Planning attempts to maximize the acquisition of territory planning goals of the different administrations with territorial, urban or other jurisdiction, through means of public tenders. This would increase the opportunities for the different agents, so as to obtain land classifications before the corresponding plan has been approved in a definitive way or for the benefit of structural infrastructures. This is achieved by respecting land objectively *non-developable* (land that is valuable for the environment, dangerous due to natural unsuitability that affects it, etc), taking into account the economic viability of the conflicting alternatives and considering the rationality and coherence of the entire territory.

The corresponding administration, in those aspects that are feasible, rather than design a closed plan, could outline various desirable and economically feasible options, whose choice would be decided by the competition of the interested parties. Logically, the alternatives would be considered once all the territories that must be protected or are unable to form part of the tender are excluded, an example being, due to their remoteness.

The private agents, respecting the planning guidelines and instructions of the interested public institutions, are able to strive to achieve important desired outcomes for land potentially designated for building, such as structural infrastructures, large positively considered investments or *programmed developable land*.

Competition during Planning is in the preliminary investigation phase and it is an attempt to advance, in a manner perhaps innovative and therefore risky. The aim is a land market that simultaneously, on one hand, provides coherent planning of the territory and the

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1 A number of references exist in regards to competition amongst cities (Elizagarate, V., 2003; Camagni, R., 2002; D’Arcy, E. and Keogh, G., 1998; Cheshire, P. C. y Gordon, I. R., 1996; etc.) and in regards to other related subjects, but works referring to competition during the process of planning appear to be non-existent, or are difficult to find, in relation, on one hand, to take to public tender at a municipal scale alternative building of land uses where agents dispute over and, on the other hand, to achieve structural infrastructure at a regional scale (particularly the suburban train), that allow land classification of *programmed developable land.*
maximisation of public benefit with, on the other hand, the highest possible grade of flexibility and opening to private initiative. In these last aspects a link is found to the Spanish Law of 6/1994, of the 15th of November, Regulator of Urban Activity of the Autonomous Government of Valencia and for the Law 6/1998, of the 13th of April, Regarding the Land and Valuations Regime. The investigation is an attempt to extend the proposals of both of these laws.

It appears appropriate to improve substantially the current practice of territory planning, since it is unsatisfactorily resolving some of the challenges that it raises, like facilitating access for the population to adequate low rental cost housing that is well connected to public transport, for example. Due to these challenges, the search for theories, presumably innovative, that attempt to make the most of opportunities to contribute to the resolution of problems could be considered positive. But at the time of putting into practise a potentially new and viable idea, innovation must occur with extreme caution, given that, in the case of errors, the consequences for citizens can be extremely negative and lasting.

In Competition during Planning a primary control action is its submission to reasoned criticism by experts, administrations and real estate agents, and that is the aim of this document. It is open to external analysis, and besides being a cautious measure, it is an essential element of scientific method, at least for Karl R. Popper. This author states that «our knowledge increases by means of trial and the elimination of error» and that «the principal difference between pre-scientific and scientific growth resides in the scientific level that we consciously search for our errors… One of the greatest meanings of "reason" and "reasonability" was the opening up to criticism – a disposition to being criticised, and a desire to criticise oneself-» (Popper, K., 1985, 154-155).
Finally, even if contrary opinions to the proposal are consistent to the point of rejecting it, it is reasonable to assume that its submission to debate will have been of certain use. This is because it will have served to learn, and, it can be expected that future attempts to gain solutions to problems are improved.

**II.- TO COMPETE DURING THE PREPARATION OF MUNICIPAL PLANNING**

In Competition during Planning the town councils, upon devising their planning, would be able to determine: the developed land, the non-developable land, the programmed developable land, the non-programmed developable land with competition unit and the non-programmed developable land. The programmed developable land would correspond with those elements of urban growth that are found not to possess any possible alternatives, and that is the reason why its urban re-qualification isn’t subjected to public tender.

Just as is reflected in the above paragraph, Competition during Planning utilises the classification of land established by the Law 6/1998, of the 13th of April, Regarding the Land and Valuations Regime, except that it adds to programmed developable land the category of with competition unit. This appears above underlined so it stands out as the only difference between this proposal and the law. Logically, both state and autonomous legislation, in the aspects of its respective jurisdiction must support Competition during Planning in order to make it possible. José Mª Baño (1997, 559) has stated that «it is not easy to attempt to make the land market more flexible with only the very few judicial titles that the Constitutional Tribunal has left in the hands of the State. That responsibility corresponds now to the Autonomous Communities». But although more weight lies with the Autonomous Communities, the State continues to play an important role, particularly in the basic regulatory legislation of the
right of real estate property, in the regulation of necessary expropriation and in the determination of the routes of supra-regional infrastructures.

In Competition during Planning the *non-programmed developable land with competition unit* would include alternative places for the maximum possible number of large sites of urban development forecasted in the years to follow, selecting among them the best offers that developers put forward. In general, the principal compatible uses that shape the city would be grouped in competition units, which would contain residential, commercial and industrial land, green zones, facilities, etc., or a combination of some of these.

A model of Competition during Planning can be seen in **figure 1**. It is a simplified representation that does not aim to hold exact proportions, or represent all possible elements. It reflects a municipality that in the next years is willing to develop, in among others, the areas mentioned below, with the following land classification:

*Programmed developable land:*

- Metropolitan park (P): Development over a rubbish tip. It is declared *programmed developable land* because a better or equivalent alternative is not found.
- Competition unit 1 (CU1): includes the development of 11,000 homes, with an average density of 40 homes per hectare, also possessing, commercial areas and productive spaces whose total development must be completed within a 10 year period. This residential zone is *programmed developable land* because in its day the municipality accepted the re-qualification of the terrain if it became the winner of a supra-municipal tender of new neighbourhoods linked to the suburban train, according to the process explained in chapter V.
Figure 1- COMPETITION DURING MUNICIPAL PLANNING

- Developed land
- Non-developable
- UC: Competition unit
- Programmed developable land (P: park; UC1: winner of a suburban rail transit tender)
- Non-programmed developable land with competition units (UC2 residential and other uses, UC3 rubbish tip)
- Non-programmed developable land with competition units
- Programmed land designated for building (after winning a municipal tender)
- Principal road network
- Future priority road network
- Future road network to prioritized after a municipal tender
- Future priority road network after winning municipal tender
- Suburban train connection after winning a supra-municipal tender
Non-programmed developable land with competition unit. For each urban development of this type of land, at least two viable alternatives must exist:

- Competition units 2 (CU2): these include the development of 2,500 homes, with an average density of 25 homes per hectare, together with productive and commercial spaces and facilities. Its urbanisation must be completed within 4 years. There are five alternative location zones that compete with one another.

- Competition units 3 (CU3): spaces for the localisation of a rubbish tip, situated more than two kilometres from the developed land or the residential developable land. There are 4 alternative location zones. Logically, if the CU2 is selected in the north-west, only the CU3 in the south could be chosen.

The experts that develop the plan can attempt to search for two or more viable alternatives for the different types of development. Each of these is drawn up as Non-programmed developable land with competition unit. In this way, the town council determines in what direction growth can occur, along with different forms. Of the alternative sites for urban development only some (or one divided into sub-units) would obtain the status of programmed developable land, those that the developers make the best offers for.

The principal stages of the process would be:

1) To determine the general elements of the territorial model that, among other possibilities, include: the classification of land; situation of infrastructure, the principal green zones and public facilities; define the quantity of land and the number of possible constructed square meters dedicated to each use; define the competition units and sub-units; establish the parameters and the structural layout for each of them; and regulate the basis of public tender.

In more detail, for each group of non-programmed developable land with competition unit are established, amongst other possible elements:
- the minimum and maximum number of constructed squared meters for each type of use, along with, where appropriate, the units of real estate products (homes, commercial centres, etc);
- urban planning, with the delimitation of the public and private spaces;
- the characteristics of the urbanisation works;
- where appropriate, the building typologies;
- the urban standards and specific determinants that must be met;
- the programming of the development;
- the valuation criteria; and
- all types of information that may be relevant to the public tender.

This plan must not be considered totally rigid, because the developers should be able to make proposals to improve it and because the administration must be able to accept them.

A key element of this phase is the definition of infrastructure, public facilities, and extraordinary developments, mentioning those whose layout and location become defined in function of the best urban offer. For example, in figure 1 the short-term execution of the second ring road depends on which CU2 wins the tender. In this case, the south-west ring road would be constructed immediately, because its corresponding competition unit has won the tender.

2) To take to the public tender alternative location zones and select the best proposals from the developers, whose adjudication will not be definitive until the plan is definitively approved.

3) Organise the entire plan with the now selected competition units, incorporating all of the amendments that are pertinent for a more co-ordinated, coherent and harmonious result. For example, the union between the selected competition unit and the pre-existing urban centre could have been drawn up with difficulties, as a consequence of the lack of space due to the delimitation of the other
competition units, that now cease to exist (pass to being *non-programmed developable land*). In this case, the reorganisation could extend the contact zone, logically providing the developers with a time frame to turn down the adjudication if the changes are not considered acceptable. Another example of the modification would be that the town council favourably evaluates the improvements made to the proposals by a developer. If the idea has not come from the selected developer, the adjudicator would have to meet the associated related costs.

One of the greatest existing problems in Spain is the high cost of housing, which implies that the population with fewer resources has difficulty accessing it. Due to this, a particularly useful selection criterion would be the number and square meters of rented public homes that the developer offers.

The promotion of the construction of protected housing designated for renting is the principal public benefit that this investigation attempts to achieve by means of competition during planning. Logically, the elected Public Administrations could establish other objectives. However, the principal goal of promoting public housing designated for renting would possess great advantages, among those that stand out are:

- It facilitates the comparison of the differing offers submitted by the developers and owners of land in an objective and quantitative manner.
- It is a concrete and feasible goal if it is established as the principal merit to be taken into account at the adjudication, above other more ambitious objectives, like stabilising or decreasing the price of the private housing, which until now has appeared to be unattainable.
- To deal with the unmet needs of the population who find it difficult to obtain adequate housing. This not only goes towards satisfying a constitutional mandate, but also does so in favour of those people in a weaker economic position, and what’s more, helps produce less social conflict.
• Housing policy is the best possible way for the Authorities to recuperate land appreciation due to public decisions. This is because in the sale of public housing, the profits made from land reclassification pass from the owners of the land to those of the homes because sooner or later it is they who will receive them, when they are able to sell the house at market price. Spain has an unbalanced market in the relationship between rented housing and that for sale. According to a recent study, Spain is the European country with the least amount of rented homes and «the percentage of rental housing does not exceed 12% of principal homes, against more than 35% as the European average» (Planner-Asprima Study, 2003, 21).

• It appears that some measures of social housing that are in practise are not functioning correctly, particularly when attempting to compulsorily establish a minimum percentage of public housing for the new residential neighbourhoods that are constructed. On this topic, the General Secretary of the Association of Promoters-Constructors of Spain, Manuel Martí Ferrer (2003, 230), states that his «Association of Madrid has publicly denounced that various operators in the PAU of Madrid are deceiving the limitation of the sale price of protected housing, and the land that it is built upon. This reality has been known for many years and nobody has done anything to resolve it».

• It boosts the mobility of the population. It will be possible to establish a centralised information system that enables those tenants who change their place of work to swap homes. According to the Planner-Asprima Study (2003, 22), «estimations from the European Central Bank point out that the predisposition at the change of place of residence and work is almost ten times

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2 This person not only questions the inefficiencies of the measures, but also the legality of qualifying land for the use of protected housing (Marti, M., 2003, 233-234).
higher amongst the population that live in rented housing than those who occupy their own home».

That the developers are able to offer a greater number of officially protected homes to be rented will depend to a great extent on the contracts that are devised with the owners and of the applicable land valuation system, in those cases when there is no agreement. If both agents understand each other it signifies that the owners will pay in cash or in land to the developer in exchange for the development. But, in case of the contrary, the terrain will need to be expropriated from the different owners, respecting the criteria that state legislation establishes, that is currently quite favourable to the owner. In Competition during Planning, on the subject of compulsory expropriation, the procedure of land valuation must be in accordance with the classification that it possesses at the moment of initiating the tender, that normally will be non-programmed developable land. This signifies that the expropriation procedure must be initiated before the classification as programmed developable land is passed. For its part, to encourage the developer to have an interest in reaching agreements with the owners, the percentage of agreements that are reached in relation to the total terrain of the competition unit, must be considered a fundamental merit of the tender.

To summarise, the determining elements for the resolution of the tender could be:

1) To fulfil all of the previous requirements to minimum level. Surpassing these requirements will not be valued at the moment of selection. There are, firstly, those that to a great extent are specific to each competition unit, like: the connection to general systems; the characteristics of the development and of the public services; and the terms of execution. Secondly, those that contain a general character, like the guarantees that are required for the developers or, for example, a determined contribution to a fund for the acquisition of large external parks to the competition unit.
2) Offer a greater number of officially protected homes for rent, taking into account the total number of squared meters built, that would form part of the municipal heritage with a regulation that would not permit a change in the regime of tenancy.

3) To reach an improved agreement with the owners measured by the percentage of total terrain of the competition unit.

Before the announcement of each tender a quantitative relationship between the weight of the 2\textsuperscript{nd} and 3\textsuperscript{rd} objectives must be established, in a way that the developer is able to know in advance the consideration granted to each one.

The developers would have to present all of the required documentation, that consists of two proposals:

- \textit{The legal economic}, whose fundamental components are the offer of public housing for rent, the percentage of the land for which an agreement with the owner has been reached and the financial economic plan that shows that the project is viable.

- \textit{The urban}, that depending on each case could have a distinct grade of precision. As a minimum it would be a pre-project, but could consist of a partial plan or a detail study, and at times, of the development project.
III.- APPLICATION TO THE NEW URBAN DEVELOPMENTS OF THE MADRID TOWN COUNCIL

Figure 2 shows the large urban developments forecasted by the Madrid town council for the city in the Plan for the General Urban Planning of 1997\(^3\), which include the so called Program of Urban Action and the south-east development of the capital (table 1).

<table>
<thead>
<tr>
<th>Nº</th>
<th>Action</th>
<th>Hectares</th>
<th>Homes</th>
<th>Homes/hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Arroyo del Fresno</td>
<td>149</td>
<td>2,754</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>Montecarmelo</td>
<td>256</td>
<td>8,547</td>
<td>33</td>
</tr>
<tr>
<td>3</td>
<td>Las Tablas</td>
<td>362</td>
<td>12,272</td>
<td>34</td>
</tr>
<tr>
<td>4</td>
<td>Sanchinarro</td>
<td>384</td>
<td>12,718</td>
<td>33</td>
</tr>
<tr>
<td>5</td>
<td>Nueva centralidad E</td>
<td>600</td>
<td>12,500</td>
<td>21</td>
</tr>
<tr>
<td>6</td>
<td>Los Cerros</td>
<td>462</td>
<td>14,928</td>
<td>32</td>
</tr>
<tr>
<td>7</td>
<td>El Cañaveral</td>
<td>537</td>
<td>13,298</td>
<td>25</td>
</tr>
<tr>
<td>8</td>
<td>Los Ahijones</td>
<td>588</td>
<td>14,067</td>
<td>24</td>
</tr>
<tr>
<td>9</td>
<td>Los Berrocales</td>
<td>827</td>
<td>20,466</td>
<td>25</td>
</tr>
<tr>
<td>10</td>
<td>Ensanche de Vallecas</td>
<td>736</td>
<td>26,046</td>
<td>35</td>
</tr>
<tr>
<td>11</td>
<td>Valdecarros</td>
<td>1,914</td>
<td>47,364</td>
<td>25</td>
</tr>
<tr>
<td>12</td>
<td>Carabanchel</td>
<td>357</td>
<td>11,341</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>7,172</td>
<td>196,301</td>
<td>27</td>
</tr>
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\(^3\) The names operations of Chamartin and Campamento that contain their own peculiarities have not been represented. Enough of the urban developments collected in table 2 have undergone juridical questioning, producing in the year of 2003 a sentence from the Superior Tribunal of Justice unfavourable to them, that in turn has been appealed. Independent of what the final verdict will be, it is a valid example for comparing traditional planning and Competition during Planning.
1. Arroyo del Fresno
2. Montecarmelo
3. Las Tablas
4. Sanchinarro
5. Nueva centralidad Este
6. Los Cerros
7. El Cañaveral
8. Los Ahijones
9. Los Berrocales
10. Ensanche de Vallecas
11. Valdecarros
12. Carabanchel

These urban developments have been defined by traditional planning methods, drawing them up in the plan as a unique alternative and giving the land appreciation to those owners fortuned enough to obtain the benefits due to urban re-qualification.

With Competition during Planning, the 7,172 hectares could have been divided into, for example, 43 competition units with a size of between 125 and 200 hectares, just as is reflected in figure 3. The number of homes per hectare could be increased up to an average of 42 homes per hectare, except in the specific case when for some reason it is appropriate to decrease the number. This higher density is justified because the compact cities are more sustainable, particularly for the planning of public transport and at the same time it is a concentration that permits a higher quality of life. These competition units, although assigned preferable to homes, also have other compatible uses, like commercial, tertiary and equipment zones, along with corresponding green zones, road networks and general systems, along with having to adhere to urban standards, both general and those that are specifically determined.

The public tender could establish:

- A first phase that selects the proposals of the developers of 28 competition units (65.1%) destined to residential use with complementary activities. The land of the adjudicated projects would become *programmed developable land*.
- A second phase that selects the proposals of the developers of 4 competition units (9.3%) destined for industrial use. Its land would become *programmed developable land*.
- At the completion of the second phase the losing terrain of the previous tender will be assigned as:
  - 4 competition units (9.3%) to large parks, which leads to a lower final housing density, in the order of 36.8 homes per hectare. Its land will become *programmed developable land*.
  - 7 competition units (16.3%) will remain without any use assigned and will be classified as *non-programmed developable land*. 

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All of the competition units possess 45 homes per hectare, except those marked by an asterisk which have 18 homes per hectare. The numbers inside each competition unit indicate its size in hectares.
Figure 4 shows a possible resolution to the tender. Once the 28 competition units that will become residential and the 4 that will be industrial are selected, the best competition units for large parks are determined. Following, would be the traditional planning of the entire area.

In this example, the total number of homes that is established in Competition during Planning and the current planning of Madrid are very similar, 198,576 and 196,301 respectively. The advantages of having applied Competition during Planning here would have been:

- the achievement of a more sustainable model;
- the acquisition of a high number of additional homes for rent, at a low price;
- the creation of 730 hectares of large parks and 715 hectares of industrial land; and
- instead of using all of the available land, 1,053 hectares are set aside for future necessities.

IV.- GENERAL PROBLEMS OF COMPETITION DURING PLANNING

In social science all or almost all of new proposals have some collateral effects that can be negative. This also follows with Competition during Planning that confronts important inconveniences and difficulties, the principals of which are detailed below, along with possible ways of resolving them or at least to alleviate them:

- **Problem:** the concentration of officially protected rented housing would generate an area with a large portion of the population with less resources, giving way to a undesirable social segregation.
  - **Answer:** the design of competition units would need to keep in mind that low cost housing should not be concentrated exclusively in only one zone, but that,
Residential areas and of complementary uses.

Industrial areas

Large parks

Without use (non-progared developable land)

Wining competition units of public tenders

Unselected competition units

Fig. 4

EXAMPLE OF THE SELECTION OF COMPETITION UNITS FOR MADRID

Autor. F. Molin; base cartográfica: "GEOMADPLAN"; elaboración N. López
where possible, groups of private housing are inserted amongst that of low cost. On the other hand, in the adjudication of the rented housing the Town Council must prevent the formation of large groupings of low cost housing, and, on the contrary, to promote the mixing of all types of housing. For example, the concentration in one building or zone of immigrants of the same nationality must be avoided, while the insertion of immigrants from other countries, emancipated youth, pensioners, members of broken families, women who have fled domestic violence, etc, must be promoted.

- **Problem:** it is a more complex process of planning that could even suggest that the plans would take even more time to be definitively approved. Competition during Planning implies a greater duration, above all due to the introduction of new tasks, principally to take to public tender the alternative location zones, the selection of the best proposals and to later organise the entire territory.

  - **Answer:** this does bring about a certain delay in the transacting of the plan, but, in the long term, with respect to urban development, the delay is not so big because the zone and the project to be developed, along with the developer responsible to do it, is determined in only one tender. That is, it incorporates in the elaboration of the plan an aspect that, in the scheme proposed by the Law 6/1994, Regulator of Urban Activity of the Parliament of Valencia, is produced later. Although the delay is compensated in part, it won’t fail to be produced in relation with this legislation. However, the urbanisation process will be predictably faster than that of traditional planning, because Competition during Planning incorporates the innovations of the Valencian concurrent process and this has implied a notable acceleration in regards to the norms of the State. According to Gerardo R. Fernández (1998, 106), the Valencian legislation has achieved «that the average time of administrative application reaches five months (10 times less than that of the state legislation)». Violeta Vicente Díaz (2003, 173)
explains the reasons: «in a single procedure one can handle the planning of the development according to the classification of land, the delimitation of the unit of development, the urbanisation project, the way in which the development of that territory is going to be managed. The relationship between the Administration, the developer and the owners is established. When these last two do not agree, it will initiate the proceedings of expropriation of the terrain of those owners that don’t want to incorporate themselves to this process of development... and, on occasions, like in the case of preferential adjudication, it is able to transact and simultaneously approve the corresponding project of land division». This author includes in her work a quotation in which she states that, on average, it takes 4 to 5 months to resolve what used to require 4 to 5 years.

- **Problem**: it can favour large business and the danger exists that a situation of oligopoly is generated in a way that, instead of competing, the principal developers split up the market.
  - **Answer**: a sufficient number of competition units and sub-units must be created for the participation and selection, in each case, of at least two developers. However, there are cases in which not all of the urban developments are decided by means of public tender, so that territorial zones would remain where small businesses would be able to play a similar role to that which they actually hold.

- **Problem**: the final result of the tenders could result in a poor territorial plan, worse than that which would have been produced without them.
  - **Answer**: all of the competition units that are accepted for the tender must provide good results from the perspective of the organisation of the space. At the same time certain disadvantages that are presented must be penalised, in a way that those presenting them would find it difficult to win the tender or, where appropriate, they can win if there is a public benefit that compensates for the disadvantages. For example, a competition unit far away from the general...
systems (like roads, water supply, etc) not only would have to carry the supplementary costs associated with connecting itself to the infrastructure and facilities, but also could be able to establish that the developers, so as to be adjudicators, would have to make an offer of at least 20% more than the best made by their competitors. So as not to achieve a more mediocre plan, that contains negative repercussions in the quality of life of the citizens, the global option that is chosen must provide a balance of positive and negative aspects greater than the design that would have been chosen without a tender. To achieve a good result it is an obligation to be selective and to analyse the correctness of the different alternatives, from an inter-municipal and an intra-municipal perspective.

V.- TO COMPETE FOR A SUBURBAN TRAIN OR UNDERGROUND STATION

Let’s suppose that the Ministry of Public Works and the Government of an Autonomous Community decide to utilise the suburban train to promote large competitive urban developments in a metropolitan area with the objectives of promoting the building of public housing designated for rent, decrease dependence on the automobile, reduce urban congestion and improve the environment. This shouldn’t mean a higher cost for the Administration, unless it is considered reasonable in regards to the social objectives that it achieves, like the arrangement of a greater number of officially rented housing and the stimulation of a more intense utilisation of public transport.

So as to drive its objectives, the interested Administrations would take quality infrastructures and facilities to the zones whose agents result as adjudicators of the public tenders, in particular, a suburban or underground train station, that could be referred to as
“neighbourhood-train” or “neighbourhood-underground”. With the intention of obtaining low cost housing that is well linked by means of public transport, the corresponding Administrations would make the potential developers for the adjudication of the urban operation compete.

It is possible to imagine the case of a metropolitan area that has grown rapidly following the principal axis of the road communication system, where the suburban train network arrives at the cities of its second zone. The Administration extends the train line to the next population centres that lack this service, despite the fact that the inhabitants generate a high flow of daily displacement to the centre or that a political will exists to promote large growths in population and production.

Figure 5 represents the competition process to obtain a “neighbourhood-train”. It can be observed that, among other possibilities, the Administrations are able to choose which outlying centre (A or B) be linked beforehand by means of the suburban train. In respect to each one, three basic alternatives of different routes plus other possible combinations amongst them, that would permit the urban development of some of its respective competition units can also be seen. In making spaces lacking in expectations of urban growth compete, it is hoped that an appreciable number of rented housing is obtained, with a growth model based on accessibility by means of public transport.

To provide a town with a suburban train station it must have a minimum dimension of 30,000 inhabitants (that would actually require a minimum of 10,000 homes). This is because by not reaching this threshold, it is considered that the financing of the service would not be profitable for a railway company, and that it wouldn’t justify the high public investment that it involves. In the same way, 300,000 inhabitants would be desirable per line (COPUT, 1996, 178; Ortiz, P., 1997, 5). However, these numbers mustn’t be taken in a totally rigid way. On one hand, they could be less in the urban development where a higher percentage of its inhabitants utilise this mode of public transport. This happens with the developments that Competition during Planning proposes, because:
Figure 5- COMPETITION DURING PLANNING RELATED TO THE UNDERGROUND OR SUBURBAN TRAIN

- City centre
- Outlying center with suburban rail transit
- Outlying center without suburban rail transit
- Existing suburban rail transit
- Competition units
- Route of basic alternative suburban rail transit lines
- Route approved after public tender

F. Molini
- it designs in function with the suburban train;
- it utilises building typologies and a plan that concentrates the population and the commercial activity around the public transport; and
- it provides a high number of rented public housing, whose tenants are more inclined to use this mode of transport.

On the other hand, quite a number of towns possess a suburban train station yet do not possess this number of inhabitants, actually exist.

In territorial planning in practice, the planners determine which alternatives are more adequate for the extension of the route of the suburban train and for the localisation of the urban developments, without the use of public tenders and without previously listening to any potential offers from developers and owners. In general, they design a route that connects with the next population centre that exists in the most direct way possible. The profits of the location decision of the station are normally given to the owners of property in the surroundings, without having to offer anything in exchange. What’s more, the intermediate land between the population centres of two metropolitan zones is normally ignored, as are other possible marginal spaces that could be connected by means of a public transport system. Likewise, in the proximity to the urban centres the developers and owners are not made to compete in respect to the possible location alternatives of the new train station. This process of decision making doesn’t generate possible options linked to the positions adopted by the real estate agents. They don’t compete with the other spaces to obtain land appreciation that the operation represents, as no incentive exists for them to offer the land, the development or the buildings at a reduced price.

Planning currently practiced arouses fixed expectations with the affected agents and realises a static drawing of the planning proposal, which provides a large amount of rigidity to the territory. Particularly negative is the amount of monopolistic power given to the owners’ whose terrain is best situated, which provides them with a higher capacity of negotiation and
to obtain an exaggerated land appreciation. It produces the perverse effect that a public action makes the price of the homes increase in the area closer to the new station.

With Competition during Planning, this could in part be different, because it would take to public tender the location of the suburban train and the urban developments. Obviously, in this contest the terrain that is not considered apt would not be able to participate. This would be the case with non-developable land, with land which is too far from the town where the foreseeable extension of the suburban train line is to take place, with land which already has been assigned for another use, etc.

Competition during Planning proposes that the public infrastructure doesn’t always follow the settlement of the population according to its most predictable growth. Also it attempts to ensure that the urban developments are ahead of more immediate expectations and that they are produced in places where it would be difficult to build without this public investment, or where it would take more time to do so. Some of these could also be away from the current urban centres and ring roads, and be located between the populations of two metropolitan zones, but this would be an exception. The general model that is proposed here consists of the creation of an additional suburban train station on the outskirts of the population centre, together with the beginning of a new neighbourhood that afterwards would tend to unit with a pre-existing urban centre. This is reflected in figure 6 that, logically, is a schematic representation that would have to be adapted to the geographic characteristics of each place. The historic centre that still lacks a suburban train service would also be provided with its own train station. To have two train stations at least 20,000 homes would be required, including those that are already located in the existing population centre. But all don’t need to be arranged in only one tender, but rather, part of the growth can be left for a later tender or for a traditional form of developmental planning.

The Rivas-Vaciamadrid municipality, situated in the south-east of Madrid, whose historic centre is by road a little more than 19 kilometres from the centre of the capital, could be a example of a separate urban development located initially some 4 kilometres from the
Figure 6- PROVISIONALLY DISCONTINUOUS URBAN DEVELOPMENT BASED ON THE SUBURBAN TRAIN

- Preexisting center
- Competition units with unselected promoters
- Competition units with adjudication to its developers
- New suburban train stations
- New design for suburban train
- First phase of urban development
- Second phase of urban development
- Direction of urban development in the third phase
- Direction of urban development in the fourth phase, where appropriate
primitive population centre. It in many ways presents a positive balance, highlighting that the first promotions generated a considerable amount of low cost housing. It is the municipality that grew the most in Spain in relative terms between the years of 1981 and 2001: from 653 to 35,742 inhabitants, a growth of 5,374 %^{4}. Currently, both the new developments along with the historic centre possess a metro station, but to the contrary to what is proposed in this investigation, it was created after urban development planning and without competition. Another critical point is that the majority of the new homes constructed are single-family, which represents a way of making it difficult for the city to utilise public transport and that consumes too much space and energy. Today planning joins Rivas-Urbanizaciones and Rivas-Pueblo and its built up borders are approaching each other at a fast pace.

Therefore, on occasions, competitive planning would generate new spaces far away from the existing urban centre. This doesn’t endorse the production of a chaotic and uncontrollable development, given that it is realised after a public tender that searches for the best possible option, that excludes inadequate terrain, that respects the previously approved territorial model, that foresees neighbourhoods with a dimension and distribution of uses that enables a reasonable grade of auto-sufficiency and that plans a union with the historical population centre in the medium term.

In general, it appears preferable that the city is where possible less fragmented, but that doesn’t mean to say continuous urbanisation is the best option in all situations. This is especially true at the scale of a metropolitan area or a region-city, above all taking into account that small isolated developments are not being considered, but rather minimum developments of 10,000 homes. The metropolis is able to reach a dimension that generates a saturation level and deseconomies of scale. It can lead to excessive land prices that makes descentralization convenient towards centres that are well connected by public transport with the metropolitan centre and that possess the best possible balance between different types of

activity. In the way that here it raises the discontinuity it isn’t synonymous with an urban fracture of unfinished urban developments, of structural imbalance, of discriminatory development, etc. Although this does occur on numerous occasions, just as pointed out by A. Stockdale y G. Lloyd (1998) in relation to the new isolated settlements of the United Kingdom. It can be assumed that the negative characteristics mentioned will not be produced if the new developments take into account an urban conception of quality and have an adequate population size. Also, that they are sufficiently dense, having diversity in the use of the land, basically supporting a public transport system, incorporating a higher percentage of officially protected housing, having good public facilities, etc. The ideal would be that the inhabitants would be able to work close to where they reside, achieving in this respect sufficient auto-sufficiency. But this appears to be difficult to achieve, and that is why from the beginning it relies on the suburban train or metro as the principal means of transport for the back and forth movement of the inhabitants. If the design and fulfilment of the new urban development were correct, a growth without negative connotations will be achieved, fragmented and discontinuous, like those commented by J. M. Ezquiaga (1990, 34), but a generation of opportunities that could arrive to an intelligent concentrated decentralization and, at times, a certain rebalance of the territory.

An extreme case of discontinuous development that in general deserves a favourable balance is that of the only new city in Spain, Tres Cantos (Madrid). After numerous initial problems, (Egea, M. y Fernández, D., 1993) and the re-dimensioning of the project (COTMAV, 1986), Tres Cantos has been converted into a well equipped place and where approximately 35,000 inhabitants enjoy a high standard of living, although logically, the situation can be improved\(^5\). In any case, Competition during Planning does not propose the

\(^5\) For example, Antonio Moreno (2001, 293) mentions that 72.3% of men and 39% of women work outside of Tres Cantos, which means the new city is far from the objectives of auto-sufficiency and of contributing to the prevention of traffic jams.
creation of new cities, but rather of neighbourhoods, at times initially separated, but that have a link to the original urban centre.

In current planning the structural infrastructure is in general reactive, that is, it offers answers to inherited problems, for example to attend to the deficiencies of public transport of a large population concentration that has grown in a disorderly fashion. Sometimes it can be preactive, that is, making the most of opportunities, like providing a suburban train to a population centre because it is situated next to a new theme park. But it is not accustomed to being proactive (Moliní, F., 1995), that is, self-generators of planning opportunities that go further from the existing reality, like it would be to make the most of designing a suburban train to promote competition and in exchange obtain officially protected housing designated for rent.

Competition during Planning accepts that the new route of the suburban train is not necessarily the most direct possible. That is, it accepts deviation some kilometres in one direction or another before arriving at the next population centre, for example, travelling to the west or east before heading to the south. In this way, the interested developers and owners in each alternative route compete for the urban development, knowing that if they don’t make the best offer they will delay in the long term, or even lose for ever, the increase in value that would otherwise be brought to them.

The competition process increases the alternative possibilities, and with that the space becomes more flexible. Of course, the territory returns to being rigid at the time of deciding the route of the train, the localisation of the station and the location of the urban development. But it does so incorporating the advantages that it has obtained in the public tender, particularly with regards to low rental housing, capable of attending to, among others, the demand that is raised by people who possess limited resources, including the young and immigrants. This would be produced in a growth model that maximises public transport and respects the environment.
VI.- APLICATION TO THE MORALEJA DE ENMEDIO TOWN COUNCIL (MADRID)

This chapter illustrates how a process of Competition during Planning could be applied in function to a suburban train route using the municipal district of Moraleja de Enmedio (Madrid) as a case study. This municipality is situated to the south of Madrid, possessing in the year 2001 3,336 inhabitants. Bordering with Móstoles and Fuenlabrada, that possessed at the time 196,524 and 182,705 inhabitants respectively (table 2).

Table 2.- Population of the town councils situated around Moraleja de Enmedio

<table>
<thead>
<tr>
<th>Municipal</th>
<th>Census 1991</th>
<th>Census 2001</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serranillos del Valle</td>
<td>478</td>
<td>1,759</td>
<td>268.0</td>
</tr>
<tr>
<td>Alamo (El)</td>
<td>2,920</td>
<td>4,973</td>
<td>70.3</td>
</tr>
<tr>
<td>Arroyomolinos</td>
<td>1,236</td>
<td>5,541</td>
<td>348.3</td>
</tr>
<tr>
<td>Batres</td>
<td>351</td>
<td>1,050</td>
<td>199.1</td>
</tr>
<tr>
<td>Fuenlabrada</td>
<td>144,723</td>
<td>182,705</td>
<td>26.2</td>
</tr>
<tr>
<td>Humanes de Madrid</td>
<td>7,829</td>
<td>10,219</td>
<td>30.5</td>
</tr>
<tr>
<td>Madrid</td>
<td>3,010,492</td>
<td>2,938,723</td>
<td>-2.4</td>
</tr>
<tr>
<td>Moraleja de Enmedio</td>
<td>1,512</td>
<td>3,336</td>
<td>120.6</td>
</tr>
<tr>
<td>Móstoles</td>
<td>192,018</td>
<td>196,524</td>
<td>2.3</td>
</tr>
<tr>
<td>Navalcarnero</td>
<td>10,126</td>
<td>14,823</td>
<td>46.4</td>
</tr>
<tr>
<td><strong>Total Madrid Region</strong></td>
<td><strong>4,945,555</strong></td>
<td><strong>5,423,384</strong></td>
<td><strong>9.62</strong></td>
</tr>
</tbody>
</table>


Figure 7 reflects the municipal boundaries and the planning of each municipality at the 1st of January 2000. Starting from this information figure 9 has been prepared, following

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It is a little more than 21 kilometres from the centre of the capital if the distance is measured in a straight line, but is 29 kilometres following the principal highways.
According to the Law, in general terms, it can be considered that *common land not designated for building* would become *developable land*, except when, due to its objective characteristics, it should be declared as *non-developable land*. The major part of the municipal district of Moraleja of Enmedio, whose planning dates to 1993, is classified as *common land not designated for building*, except where diverse fringes surrounding streams are located, where it is declared as *specially protected land not designated for building*. The Local Urban Plan foresees small single-family residential developments towards the north of its urban centre and adjoining it.

**Figure 8** shows forecasted planning by the Regional Territorial Strategy Plan (PRET), prepared by the Community of Madrid (COPUT, 1999 a, map Madrid 2019). This Master Plan still hasn’t been approved, in spite of its lengthy preparation, demonstrate by the fact that the preliminary document was published in the middle of the 90’s (CPT, 1995)⁷. However, on occasions its impact has been considerable because its documents have been influential in the preparation of some municipal plans. In Moraleja de Enmedio the PRET contemplates the arrival of the suburban train and some extensive residential developments, sketched around the historic centre, above all to the south, where the use of high density residencies is concentrated (COPUT, 1999 b, map 1-12). To make the running of the suburban train profitable the building of 10,000 homes is planned.

**Figure 9** shows how this same growth could be arranged if Competition during Planning is applied to land classification that has followed the criteria of the Law Regarding the Land and Valuation Regime of 1998. Broadly, the steps followed have been:

1) **To exclude non-developable land.** All land that was classified as *specially protected land not designated for building* by municipal planning has been included into this category, along with land preserved for other administrative

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⁷ There had been other previous attempts at supra-municipal planning of Madrid that also did not succeed, among them the guidelines for the metropolitan are of 1981 can be highlighted (COPLACO, 1981).
REGIONAL TERRITORIAL STRATEGY PLAN OF MORALEJA DE ENMEDIO AND ITS SURROUNDINGS

- Consolidated urban scheme
- Proposed growth
- Constructed lines of force
- Proposed lines of force
- Bridges with minimal impact on the environment
- Secondary system
- Suburban rail transit network
- Underground
- Declared regional parks
- Proposed regional parks
- Urban green zones
- Zones of environmental value
- Industrial estates

Fuente: Consejería de Obras Públicas, Urbanismo y Transportes (1999). "Plan Estratégico Director Regional de Ordenación: Madrid 2019". Madrid, Comunidad de Madrid (se incorpora el Metrosur y se adapta la leyenda)
COMPETITION UNITS AND SUB-UNITS OF MORALEJA DE ENMEDI

**Fig. 9**

*Indicada en la unidad de competencia de 360 ha, en la subunidad del suroeste*

**TÉRMINOS MUNICIPALES**

instances, specifically, that corresponding to the Regional Park of the Middle Part of the Guadarrama River and its Surroundings. The information about municipal planning has been taken from GEOMADPLAN (COPUT, 2000), prepared by the Community of Madrid, that includes planning up to 1st of January 2000. The source isn’t totally up to date, given that some town councils of the zone have approved planning since the date of publication. This isn’t a problem because it contains the land classification currently in force in Moraleja de Enmedio and because they are real facts at a given moment, that permit the making of a valid simulation in order to exemplify what is Competition during Planning. The town councils that have approved new plans are Arroyomolinos in the year 2001 and Navalcarnero in 2002. Also, numerous town councils of the zone have planning in progress including Moraleja de Enmedio (COPUT, 2003). On the other hand, in this map a very broad criteria has been adopted at the time of delimiting the protected space, including land that objectively wouldn’t correspond to this category, but that in a moment of time the town councils contemplated it in this way. A test of this is that the Municipal Planning of Arroyomolinos, in the year 2001, establish notable urban developments on top of areas that in this map appear as non-developable land (Town Council of Arroyomolinos, 2001, P1-a y P1-b).

2) To exclude the developed land and the developable land. In this case, for the purposes of simplification, all of the developable land is omitted from competition, both that which has detailed approved planning and that which hasn’t due to the scarce dimensions of both. However, only the programmed developable land would normally be excluded. Meanwhile, the non-programmed developable land would become part of the competition units, above all in the town councils with planning adapted to the Law Regarding the Regime of Land
and Valuation of 1998, where the non-programmed developable land would be more widely spread.

3) **To draw up competition units in the rest of the territory where it appears viable.**

In this example it is established that at least 13,000 homes must be drawn up and to have a minimum of 333.33 hectares and a maximum of 425.53 hectares, with a maximum density of 39 homes per hectare and a minimum of 30.5. Five competition units are drawn up that include almost all of the municipal area not excluded in the points beforehand, except a small fragment in the extreme south, that hasn’t been considered for being too far and unnecessary. Four of the competition units are adjoined to the existing urban centre (understood as developed land and programmed developable land), meanwhile that situated most to the west is joined to the urban centre of Arroyomolinos and the urbanisation of Cotorredondo. In the tender, this last competition unit is penalized due to preference given to the developments with closer proximity to its urban centre and as it is considered inadequate that it is closer to other population centres. This is due to the inconveniences generated at the time of installing some services, like medical attention or garbage collection.

4) **To divide the competition units into sub-units and make a detailed plan for them.**

To ensure that the number of hectares developed by each developer is reduced and the level of competition increased, each competition unit is divided into four sub-units and for each competition unit only one developer is able to be the adjudicator of one sub-unit. The new station is installed in the sub-unit that is furthest from the urban centre and where possible near the borders of other sub-units, so that for each competition unit there is a suburban train station located

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8 The new planning of Arroyomolinos notable extends the contact boundaries between the developable land of this municipality and the competition units of 419 and 390 hectares.

9 This occurred with the development of Cotorredondo, that belongs to the municipality of Batres, but is much closer to the urban centre of Arroyomolinos than its own historic centre.
various kilometres from a population centre. The new urban development would begin in its surroundings, so as to move progressively closer to the already existing homes in the future. The public housing for rent would normally be concentrated around the train station in a dense building typology, inserted amongst groups of private housing. For its part, the historic centre would be provided with its own station, despite still not possessing 10,000 homes. This is due to the following reasons: it is one of the principal incentives for the town council to participate in the process; the economies of scale with the new urban development allow it; the relationship between the “neighbourhood-train” and the historic centre would be incoherent without this mode of transport; and the forecasted future growth is higher than this figure. The interior of the competition units and their external connection are planned so as:

- to determine the constructed square meters in each type of use;
- to define the public and private spaces;
- to design the alternative routes of the suburban train;
- to establish the qualities and dimensions of the public facilities (water, electricity, roads, etc); and
- to program the phases of development; etc.

**Figure 10** shows the resultant planning after the selection of a competition unit. That this unit has resulted as the winner signifies that:

- At least four different developers have each presented in a different sub-unit of that competition unit some offers that are better than the proposals of other urban development businesses.
- The group of offers of that competition unit is better than that produced by other competition units, taking into account the sum of all of its sub-units.

The developers that have been selected in this competition unit have committed to building a higher number of officially protected rental homes than those who placed other
PLANNING AFTER THE SELECTION OF A COMPETITION UNIT IN MORALEJA DE ENMEDIO

- NON-DEVELOPABLE LAND
- DEVELOPED LAND AND PROGRAMMED DEVELOPABLE LAND
  - 1ST PHASE
  - 2ND PHASE
  - 3RD PHASE
  - PREFERENTIAL DIRECTIONS OF THE 4TH PHASE
- NON-PROGRAMMED DEVELOPABLE LAND
- COMPETITION SUB-UNITS
- EXISTING SUBURBAN TRAIN
- EXISTING UNDERGROUND
- SELECTED ROUTE OF THE SUBURBAN TRAIN
- MUNICIPAL LIMITS

Fig. 10

offers, and have reached a better agreement with the owners. The better conditions put forward are due to the developers and the owners being conscious that they have shared a more unfavourable position than those closer to the capital, and had to make an attractive offer if they wanted their land to become *programmed developable land*. Of the diverse alternatives of the suburban train, the connection from Fuenlabrada is chosen for being that which would be the closest.

The urban development phases should have been drawn up by all of the competition units before the tender, but here they are represented only for the unit whose agents have been adjudicators.

The planned action can appear to be large for the actual size of the municipality but in terms of the number of homes, it is slightly smaller than that planned in the new planning of Arroyomolinos. This municipality, based on the Regional Territorial Strategy Plan, has established a maximum capacity of 3,056 homes for *developed land* and 10,200 for *developable land*, that is, a total of 13,256 new homes (Town Council of de Arroyomolinos, 2001, vol. 1, II.18 y III.45). The difference with Competition during Planning is that it hasn’t produced any competition in regards to the place where these homes are to be located, nor intra-municipal, as is the example of Moraleja de Enmedio here on display, nor inter-municipal, in which case the efficiency of Competition during Planning would be greater.

If there had not been at least four developers, as in this example, and there had been only one to develop the entire competition unit, the first impression would have been that it would monopolise the urban growth during a long period of time. It could mean that a greater number of officially protected housing for rent would be obtained in the tender, but the private housing would have to raise prices to compensate for the lower profits that the developer would obtain from the cheaper housing. However, this monopoly wouldn’t happen in the municipalities of the metropolitan areas that pose strong growth, as is the case here, given that the major part of the housing demand would be from outside the locality. Because of the rivalry amongst the developers from other towns, the price of the private housing
would be less determined by owing the majority of land in a place than by the interrelationship between, on one hand, the offer of housing in the entire or in part of the metropolitan area and, on the other, global demand with the ability to pay.

In the Community of Madrid it appears that an oversupply of land planned for housing already exists in regards to the necessities of the population growth, although this oversupply isn’t sufficient to place pressure on lowering the price of housing. Julio Vinuesa states that «the planning forecast for the next ten to fifteen years is 300,000 new homes only in the municipality of Madrid and practically the same number for the rest of the Community. The average annual increment of the number of inhabitants during the nineties was around 25,000, the residential capacity programmed by urban planning would permit a multiplication of between eight to ten times this amount. Obviously when such growth is projected, the flow of immigrants with little purchasing power isn’t thought of. More precisely, its about attracting a population competing in a housing market with neighbouring town councils that logically practice identical strategies» (Vinuesa, J., 2003, 286).

To achieve a reduction in the price of housing, or at least to reduce its growth cycle, it isn’t sufficient to produce an oversupply of land already developed in regards to its demand. This is because the abundance of developable land doesn’t always lead to a decrease or stabilisation of real estate prices (Azpiri, A., 1997, 127; DGVUA, 1996, 69). What would be efficient is to provide an oversupply of homes already built in relation to the demand with ability to pay, but this is an objective for the Administration that is not only difficult to achieve, but also possibly inadequate because it would mean the ruin of the weaker developers. Because of this, it is more recommendable to concentrate on obtaining by means of public tenders a greater number of homes at a reduced price for those who need it most, as is proposed here.

In Competition during Planning the temporary advantage that the developing agent acquires upon winning the tender resembles in part the advantages of a company that obtains a patent, although in this case it would be of a very local character and would compete with
other real estate companies that have other local patents and who aim to attract the same customers.

In the municipalities that are far away from the major city centres and don’t compete on a metropolitan scale, more reduced competition units and sub-units should be defined, up to a level where at least two of them are to be chosen. The solution adopted in Moraleja de Enmedio is no more than a simplified example among a number of possible combinations. For example, it would be possible to define 20 units of 10 hectares and choose 4, although in this case it would turn down the proposal of a suburban train due to not reaching the minimum required dimension.

In the large developments that are considered here it would be desirable that the large companies associate themselves with other smaller businesses, for example to housing co-operatives that develop part of the area. It is possible to create amongst them a business dynamic where co-operation and competition exist side by side, that is not common but has been described as a highly efficient strategy. Berry J. Nalebuff y Adam M. Brandenbuerguer have been pioneers in theorising the advantages that companies acquire by combining the value creation in a co-operative way with its allocation in a competitive way. They comment: «we want this book to change the game of business. To suggest ways of making the cake bigger, we hope to make companies become more profitable and more satisfactory. To suggest ways of changing the game, we hope to support dynamic companies with a long-term view. To defy status quo, we say that one can act in a different way – and better» (Nalebuff, B. J. y Brandenbuerguer, A. M., 1997, 259).
VII.- PROBLEMS OF COMPETITION DURING PLANNING RELATED TO THE SUBURBAN TRAIN

Some of the difficulties that Competition during Planning encounters in relation to structural infrastructure, and particularly the suburban train and underground, are:

- **Problem:** The “neighbourhood-train” can mean that, despite boosting public transport, a high number of inhabitants still use a private vehicle, which sooner or later will place pressure to favour the improvement of the road network. The further they are placed from the principal highways the greater the cost will be of improving accessibility by means of the automobile.
  - **Answer:** the design of the competition units must also take into consideration the road network, both that which exists and that forecasted. Even, when possible, the tender regarding the design of the suburban train is to be co-ordinated with another, related to the road network, for example, the route of new highways that serve to reduce congestion of those that already exist.

- **Problem:** The new residential zones are normally structured in function with the principal road network and the potential clients of the homes would possibly prefer to be closer to this as opposed to the suburban train.
  - **Answer:** It can be supposed that there would be a certain demand for homes located near the connection of the suburban train in stead of the high capacity freeway, to which they would become connected in a more or less direct way. On the other hand, in the places where it results as adequate, radical means could be adopted that boost transport by suburban train. The regional master plan guidelines could be able to prohibit the planning of new residential developments if they haven’t previously taken into account the location of a suburban or underground train station, except for a small development in each
municipality in line with its evolution over the previous years. This would lead to a rise in the interest of the “neighbourhood-train” and “neighbourhood-underground”, making public rail transport more desirable.

- **Problem**: it is always difficult to achieve planning efficiency of the supra-municipal territory, but even more so in the scenario where there is a greater number of alternatives.
  - **Answer**: the structural infrastructure tenders could serve to achieve a certain organisation at the supra-municipal level, maybe doing so in a more effective way than what is currently being achieved.

- **Problem**: a lack of co-ordination between the elaboration of the municipal plans and the structural infrastructure tenders at the supra-municipal level would exist. In the case of presenting part of the municipal area to bidding and that some of its developers result as adjudicators, the town councils would need to modify their planning, or better yet redraw them given the magnitude of implied changes. If the plan has been recently approved, this would be a loss of time and of resources.
  - **Answer**: Regional master plan guidelines prepared by the Autonomous Community and co-ordinated with the Central Administration must exist, or failing that, plans by sectors that establish on the one hand, the general parameters that are considered appropriate for the entire zone (like the maximum number of housing to be boosted by the structural infrastructure), and, on the other hand, the types of public tenders that are to be offered and when they are to take place. In this way, the town councils would be able to make the preparation of their planning compatible with the notice of the supra-municipal tenders, that would need to be produced in a grouped way and see the passing of enough time between a group of tenders and the next.
• **Problem:** it is difficult to make sure that the resolution of supra-municipal tenders is not influenced by inadequate reasons, for example to benefit the town councils governed by the same party that leads the Autonomous Communities.

  o **Answer:** the new system could have undesirable effects if the Administration act in an arbitrary way using favouritism. But in any case this undesirable behaviour will be less intense than what actually exists, in that land classification decisions are taken without the use of public tenders. To minimise the problem some clear resolution criteria for the tenders and an informative transparency must be established in regards to the adjudication criteria, in a way that if the best proposals aren’t selected the result can be easily refuted. Logically, all of the public tenders must achieve the mandatory conditions of competition, equality and publicity. Factors like the clarity of the selection criteria, ability to compare the offers, the transparency of the process, the freedom of criticism, the fear of a bad image being spread by the media, the danger of being accused before tribunals, etc, exercise to counteract the temptation to act incorrectly.

• **Problem:** the territory is very much conditioned by its geographic characteristics and by history, which leaves little margin for competitiveness. For example, the route of the suburban train is in many places determined by the existence of a main train line, whose utilization implies a high reduction in cost. The cases analysed in this document could be exceptions, instead of the norm.

  o **Answer:** The budget and the available time to realise this investigation made it impossible to analyse more than two cases, that were chosen at random, previously ruling out the investigation of places with few possibilities of success. It is evident that the model here on display is thought of for metropolitan areas of expansion, that possess high population contingencies of emancipated youth and a strong intake of immigration, and that it isn’t to be considered in zones that do not possess at least one of these characteristics. After this study, is possible to
say that Competition during Planning could prove feasible and positive for some
town councils, but additional investigations would be required to evaluate with a
greater grade of generality the margin of competitiveness that the territory
allows.

VIII.- CONCLUSIONS

In this research, firstly, two theoretic models have been developed regarding
Competition during Planning, one referring to municipal planning and the other to structural
infrastructures (particularly to the suburban train) and, secondly, each model has been applied
to a different case (to Madrid and to Moraleja de Enmedio respectively). The preliminary
results of the investigation indicate that, at least in some town councils, the proposal is valid
to simultaneously on one hand, prepare an urban plan and arrangement of a territory that
could be rational, coherent and maximise the recuperation of land appreciation for the
community, and, on the other, the flexibility of the territory, the liberalisation of land and the
increase of private initiative participation.

It stands out that Competition during Planning introduces competition amongst
developers and owners from different zones before the classification of land as programmed
developable land is produced. Due to this, it can be considered as a tool capable of obtaining
a greater number of officially protected homes designated for rent that are linked to public
transport, if this is what the acting Administrations desire.

This study is an initial analysis of a possibly new subject. Before adopting more
definitive conclusions numerous investigations remain pending, including for example:

- the adaptation of theoretic models to numerous places and different
circumstances;
- to more adequately study the size of the competition units and sub-units;
• to simulate a tender of structural infrastructures regarding a supra-municipal area;
• to incorporate a costs / benefits analysis to the simulations;
• to apply to all of the planning an operative juridical formulation;
• etc.

As long as these tasks are not undertaken, more general and above all applicable conclusions can not be obtained.

The difficulty entailed in putting into practice the proposal displayed here is evident, among other reasons, due to:

• it doesn’t go as far as to resolve all difficulties and inconveniences, although on balance it is positive;
• it implies legislative changes that require great political support to carry them out;
• it will probably provoke opposition from some agents, above all those land owners that lose the monopoly of possessing terrain with the best location; and,
• possibly, it will encounter the radical rejection of some due to simple ideological reasons and inertia, rather than well argued criticism.

Competition during Planning will remain a theoretic reflection if the analysis by a greater number of highly qualified people on the subject is not undertaken and if the improvements that they propose aren’t incorporated. That is precisely the aim of this document. It would be a great achievement if, after debate and reflection, the negative opinions prevail over the positives and it is concluded that the proposal should be rejected. As a minimum it would have served as a lesson of learning and with more experience and improved knowledge, new attempts to improve urban and social problems could be achieved. But the benefits would be even better if the reasoned criticism and comments of experts and
agents assist to design a territorial planning system that is a little more useful than that which exists, contributing to resolve such crucial topics as the lack of officially rented homes or the under-use of public transport.

All opinions and suggestions are welcome. Thank you for them.

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