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Struggling with making equitable room for people in redevelopment: Participation in land readjustment in the case of Triangle of Fenicia, Bogota, Colombia

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Summary

Nowadays the role of community participation in the policy making process has been highlighted as a guarantee of success and quality of public policies. It is argued as a way to ensure transformation of existing development practice, of the social relations and institutional practices that cause social exclusion (Hickey and Mohan, 2004, p.13). UN-Habitat seems to capture the mentioned concepts by establishing participation and the equitable distribution of charges (costs) and benefits as important and key urban and territorial planning principles (UN-Habitat, 2014). This phenomenon has been extended up to all the possible fields of policy making. Thus, land management policies cannot be the exception for this. Therefore, the literature and organisations like UN-Habitat have started to highlight the benefits of the application of community participation in land instruments which are highly connected to people like Land Readjustment (LR). In this sense community participation is seen as a tool to improve the performance and outcomes of Land Readjustment as a land management instrument (Hong and Tierney, 2013).

This work explores the impact or influence that community participation can have in Land readjustment projects. In specific it analyses this relationship in one of the most important characteristics of this land instrument: the equitable distribution of costs and benefits. This study argues that community participation can have an important impact in the equity of the distribution of costs and benefits of the LR, by enhancing it or undermining it depending on the variables with which participation takes place. The outcome of a participation process is influenced by several variables because these processes are not static. The outcomes can change and influence the proposal discussed between the promoters of the instruments and the landowners, having an impact on its equitable distribution of costs and benefits. By focusing on the LR of the triangle of Fenicia in Bogotá Colombia as a specific case study, this research examines the most important variables of community participation in the case of Fenicia that influence its outcome. This illustrates how participation affects the equitable distribution of costs and benefits of the readjustment from the perspective of theory in this field and in two specific cases which are bound by Colombian law.

The study makes use of qualitative information, obtained through interviews and meeting with key informants and the review of secondary and primary documents. The analysis of the information led to the identification of how the main variables affect the outcome of the participation process. Moreover, the impact on the equity of the distribution was assessed through a qualitative analysis based on rules extracted from theory that point out in which situations or with which characteristics a readjustment can be equitable or not.

The community participation process of the triangle of Fenicia results showed 2 stages. Each of the stages revealed a different impact on the equitable distribution of costs and benefits. The most important one took place during the second stage. The variables type of participation, social capital, power and participatory invited space, influenced the final outcome of the process through the forms of agreements between various parts of the community and the promoter. This provoked changes on the readjustment proposal. In the case of social capital, the social relationships among the actors and their networks played an important role in the process provoking new spaces for participation and providing professional support to the community. Power played an important role through elites of the area and their features which gave them the capacity to capture the process and its benefits. In this case those benefits were spread among the community. The type of participation “partnership” was a project changer through trade-offs and agreements. Consultation and information also took place, which suggests that not any kind of participation impacts the equitable distribution of costs and benefits. Finally, Participatory invited space through specific design characteristics like participants, event format and decision criteria facilitated a type of participation that change the project’s equitable distribution of costs and benefits.

The changes to the project by participation had impact on the equity in the distribution making it more inequitable. Costs were not paid in proportion to the benefits received allocating several windfalls on the community producing what theory calls benevolent elite capture.

Community participation proved to have impact on the equity of the distribution of costs and benefits of the readjustment. However, this depends on the influence of the variables of community participation. Not any kind of participation or participatory invited space has the capacity to affect the equity. Moreover, social capital and power can play different roles within the participation process. Further research would be needed to develop a comprehensive theory of community participation within Land Readjustments. In particular, a quantitative analysis about the qualitative results obtained in this study and more case studies exploring the conclusions that have been made here are recommended.

Keywords

Land readjustment; equity; participation; social capital; power; participatory invited spaces; Bogotá.

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Foreword

The world has become more and more urbanized. Most of the 70% of the population of Colombia are living in cities. This process has accelerated the decline of centric areas of the old downtowns of the Colombian cities. The case of Bogota is critical, since the decline of the old downtown it has become one of the most dangerous and declining areas of the city. In this context, policies of urban renewal have started to be conceived by the city government. All of them have been guided by the law 388 of 1997 which regulates the processes of urban development in the country. The tool stated by the law to develop this policy is the figure of Partial Plans. This is a large Land Readjustment (LR). The mentioned policy is totally in line with the recent developments of theory from UN-HABITAT which refer to community participation in urban development policies like Land Readjustment. According to them, a more inclusive participation of the owners in the design of the LR leads to a more equitable, efficient and higher quality instrument.

Despite this, few initiatives have arisen to develop the city's policies of urban renewal. The mentioned initiatives have faced several transaction costs for two reasons: The inhabitants of the declined areas subject to renewal are strongly opposed to the partial plans. Secondly, despite the law 388 which only demands for information as a type of participation, the city government has promoted a policy to develop inclusive participation in the formulation of the partial plans. These factors showed an interesting dynamic in one of the first cases of urban renewal through land readjustment: the Triangle of Fenicia. The community of the area was able to oppose the project and to negotiate details of the readjustment with the promoter and the municipality. This was a case without precedents in the country.

The mentioned context suggests that it is important to study and explore all the possible issues and consequences of implementing participation in Land Readjustments. This is more necessary if it is taken into account that the law stated only information as type of participation for it. The promotion of several inclusive participatory approaches has to be addressed carefully. In fact, the main motivation for this work is the feeling of unawareness that promoters of participation like UN-Habitat show regarding the complexities that participation presents in any context for the design and implementation of policies like LR. For example they have not fully investigated the consequences that community participation in its more inclusive tangible characteristics of LR like: The equitable distribution of costs and benefits.

This research provides a qualitative assessment of the impact that a participation process can have on the equitable distribution of costs and benefits of LR. Firstly, it introduces the background and problem statement. Secondly, it analyses the main concepts used to develop the research like Land Readjustment, equitable distribution of costs and benefits and community participation. Thirdly, it presents the methodology that has been used. Finally, the research findings are described and conclusions are drawn, offering recommendations to policy makers and Land Readjustment promoters about the complexities of participation in Land Readjustment. It also suggests further research topics and mentions the most important contributions to the theory that this research represents.

Abbreviations

IHS	Institute for Housing and Urban Development
SDP	Planning Secretariat of Bogota
FAR	Floor Area Ratio
DTS	Technical Document of Support of the Readjustment
UAU	Urban Action Unit
University	Universidad de los Andes
BRT	Bus Rapid Transit System
LR	Land Readjustment
PP	Partial Plan

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Chapter 1: Introduction

1.1 Background

A process of urban growth, without appropriate urban management instruments to intervene and guide development in Colombian cities took place during the 20th century. This resulted in fragmented and disorganized cities with several deficiencies in infrastructure and amenities and huge inequalities in the distribution of benefits and costs of urban development. This is important in a country that by the end of the 20th century had almost the 70% of the Colombian population living in urban areas (Rueda Plata, 1999.) and in 2014 went up to 76% (World Bank, 2014).

The laws 9 of 1989, 388 of 1997 and the constitution of 1991, introduced a series of land instruments in favour of the government to intervene effectively in the physical transformation of the territory, mitigating the effects of the disorganized process of urban growth of Colombian cities. (Arbouin-Gomez, 2012, p.31-40). The introduction of social function of private property as a constitutional principle, as well as by giving local governments the responsibility to organize the development and regulate the land use and development of their territories played an important role on this.

Thus, governments acquired tools to organize urban development. This allowed them to increase city's revenues by capturing the increments in land value caused by public action. Moreover, to mitigate the unequal distribution of costs and benefits created by urban development and to create a more efficient and fair use of land (Pinilla et. al, 2006. p.27-41). Among these instruments we can find Land Readjustment which takes place under the development of the so called partial plans. They are the base of urban (re)development in Colombia, by using land readjustment based on the equitable distribution of charges (costs) and benefits representing the base for the articulation between planning and land management. This also increased the inclusion of citizens in urban development due to the emphasis in associated management that this instrument has. (Pinilla, et al, 2006. p.73-75).

Since its expedition the instruments of the law 388 have improved the general conditions of Colombian cities and their population, including the capital Bogota. Nevertheless, its impact in the regeneration of declined areas and the improvement of the efficiency of the use of land has not been of any significant importance. Actually, a decrease in the use of the instruments and in investment in infrastructure and mobility have made the city more chaotic namely: declining areas, lack of infrastructure in some neighbourhoods, mobility chaos, low public space, socio-spatial segregation, an inequitable distribution of the charges (costs) and benefits of the urban development. (El Espectador, 2015)

As a response the city through its planning branch the Distrital Secretariat of Planning of Bogota (Secretaria Distrital de Planeación, SDP) enabled a policy to guarantee equitable access to infrastructure and amenities and to promote the reduction of segregation by facilitating the access of all the population to them regardless of the income level. This has to be performed with the active participation of the citizens (SDP, 2012).

To achieve this objective the city government established two strategies: First, to promote an equitable distribution and building of infrastructure and amenities to try to reduce their deficit in some areas. Second, it also promoted urban regeneration projects making the permanence of the residents of the area a priority. Their involvement has to occur in a participatory way through associative projects with an equitable distribution of charges and benefits of the

development. Partial plans through land readjustment were the tools chosen for this. They have to be self-financed to cover the necessary investments for densification and to promote participation of the citizens. (SDP, 2012).

At this moment, 14 Partial Plans focused on redevelopment within declined areas have been presented to the municipality, especially in the city centre. 4 of them are under execution, the other ones are being studied or in other stages of the process. Most of them have been promoted and elaborated by private actors (SDP, 2015).

The mentioned process provoked a political debate between the private and the public sector. Besides the mentioned plans two other ones tried to take place without any success. They left the feeling that urban renewal and partial plans are synonyms of inefficiency, fragmented development and displacement and dispossession. These plans are Manzana 5 and Proscenio. They failed because the first one used expropriation to acquire the plots necessary to develop an important cultural centre in the city centre of Bogota without the inclusion of the people of the area. The second project stagnated because the promoters tried to develop it by making an intense plot by plot purchasing without associative development (Pinilla, 2014. p.3). The Partial Plan of the Triangle of Fenicia is embedded in this context.

1.2 Problem Statement

The Partial Plan of the Triangle of Fenicia is an urban redevelopment project developed in the declined sector of the triangle of Fenicia located in the centre of Bogotá. It is promoted by the University of the Andes which is one of the owners in the area because the neighbourhood is next to it.

In 2007 the University of the Andes tried in 2007 to promote a land readjustment in the area but the initiative was rejected by the city for lack of participation of the community of the area. Therefore, the University restarted the initiative of 2010 by asking to the municipality for urban basic rules for the project. The project formulation included the community in several participatory spaces and tried to include their inputs, demands and concerns on an urban project proposal (Pinilla, 2014. p.10-11).

Within this process the community of the area showed some opposition. A civic committee in representation of one part of a specific sector of the population of the area was formed. They organized several protests and formulated several complaints to national government organisms of control and pressures over the public officers of the Planning Secretariat of the City (Pinilla, 2014). The members of this group were owners of apartments which were the most expensive properties of the area. Also, according to the project formulated by the University, they were located in the place where a future building was planned which would include commerce, offices and services land uses. The main demands of this group were:

- Refusal to support allocation of social housing within the project
- Refusal to move from their original locations in a hypothetical land readjustment which will force the plan to give them the final products in the same location or modification of the proposal excluding their locations.
- Participation of the landowners in the profits and financial benefits of the project and establishments of commercial valuations as a starting point for appraisal of the owners contributions

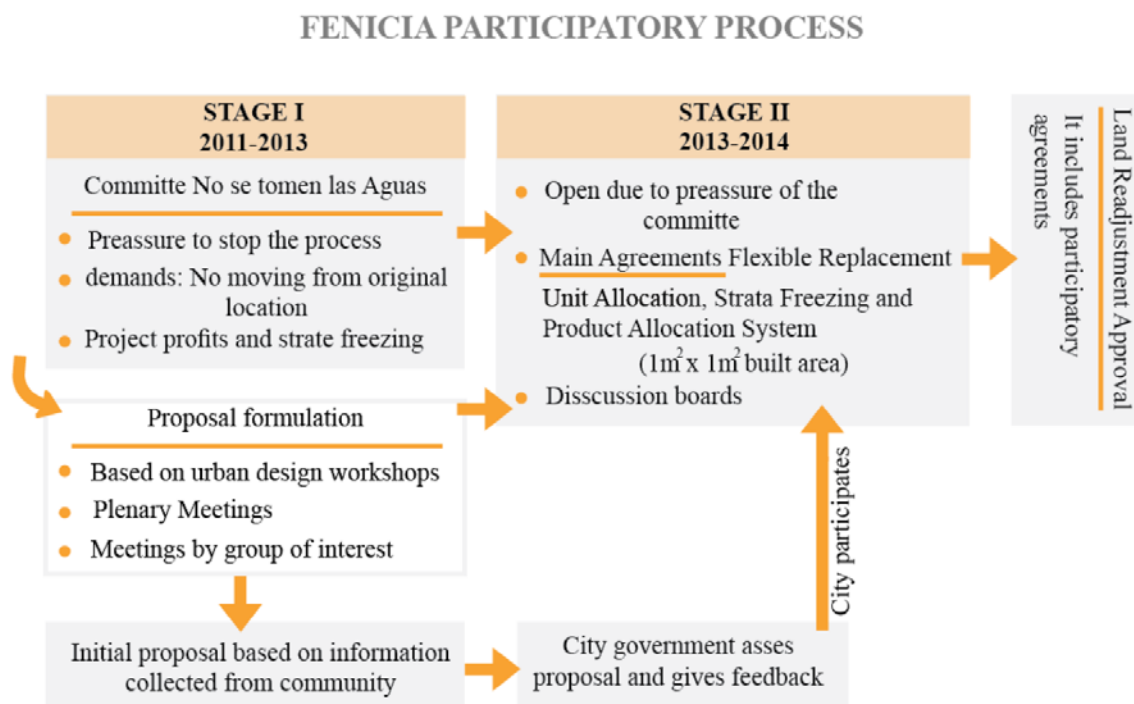
- Temporary freezing of the socio economic stratification¹ of the final products of the readjustment (Pinilla, 2014. p.17-18).

The mentioned pressure activities led the municipality to open an additional space for community participation in the LR formulation, despite the fact that the law only requires to inform the landowners about it. That space took place for several months with the support of the Planning Secretariat of the City and caused several changes to the initial proposal of the Plan like:

- Flexibility in the allocation of the final products with preference for the original location, including the represented by the initial committee which in the proposal would be a mixed residential, commerce and services land use building.
- Modification of the proposal for the Urban Action Units²
- Freezing of the socioeconomic strata for the final products of the readjustment for 10 years period.
- Exclusion of some costs regarding two roads that the City considered were not essential for the project.

The allocation of social housing on the blocks was kept (Pinilla, 2014. p.18). As it can be seen, the participation process might have several impacts on the design of the land readjustment. Especially in the distribution of the costs and benefits. The process above can be summarised in the following way:

Figure 1: Fenicia Participatory Process



¹ Socio Economic stratification: It is a methodology to organize the space developed in Colombia. It is based on determining the public services and property tax fee of an specific area through an algorithm that takes into account the physical conditions of the housing, neighbourhood, and the income of the inhabitants of the area. The better conditions and income, the higher is the fee. This methodology is applied to the whole city (Uribe-Mallarino, 2008 and SDP, 2015).

² According to the Law 388 of 1997 (1997) an Urban Action Unit is related to an area formed by one or more plots which can be developed or redeveloped based on land uses approved for it in the partial plan and guaranteeing the accomplishment with the other urban rules of the plan and the provision of infrastructure paid by the landowners of the plots that form it though equitable distribution of charges and benefits.

A case like the case described above allows scholars to apply the concept of value capture as an “unearned increment” for landowners due to public action (Smolka, 2013. p.2). In addition, land readjustment is a value capture instrument in the form of infrastructure and amenities in consideration of approval of better land use conditions for the area (Maldonado and Smolka, 2003. p.253). Moreover, this instrument involves and guarantees the equitable distribution of charges (costs) and benefits (Maldonado and Smolka, 2003. p.253) as a way to distribute equitably benefits and costs of development and to capture the increment in land value due to the project (Pinilla et al., 2006. p.73-75).

In addition, participation in policy practice is argued as a way to ensure transformation of existing development practice, of the social relations and institutional practices that cause social exclusion (Hickey and Mohan, 2004. p.13) and to improve the performance and outcomes of Land Readjustment as a land management instrument (Hong and Tierney, 2013).

UN-Habitat seems to capture the mentioned concepts by establishing participation and the equitable distribution of charges (costs) and benefits as important and key urban and territorial planning principles (UN-Habitat, 2014). Moreover, the Colombian urban policy through law 388 of 1997 establish the equitable distribution of charges and benefits as a principle of the urban policies in Colombia like LR and requires that these plans should be informed to the affected community. On the other hand, the development plan of Bogota for 2012-2016 sets as an objective the promotion of participation of the people in the decisions about the city and the equitable access of them to the city (SDP, 2012).

Thus participation in Land Readjustment is an important issue nowadays and analysis of cases where it has been applied is necessary. Therefore, following the theory, the participation process in the case of Fenicia, might explain the ways a participatory process can influence enhancing or undermining the equitable distribution of costs and benefits of a Land Readjustment. This exercise would produce more knowledge about the circumstances and conditions under which participation in land readjustment might produce equitable distribution or not.

1.3 Research Objectives

The main objective of the research is to explain the extent to which a participatory process can influence the equitable distribution of costs and benefits of the land value capture instruments. This influence can be either enhancing or undermining, while participation is understood as a process which is by itself influenced by several variables. The research will look into the Land Readjustment of the triangle of Fenicia. Therefore, the specific objectives were:

- To understand the way participatory processes, understand how processes are influenced by different variables are carried out and how they lead to outcomes.
- To examine and connect perceived changes of the configuration of the distribution of charges (costs) and benefits after the participation process, with outcomes and characteristics of the process. Thus it will be likely to establish possible influences on the distribution of costs and benefits of the readjustment

1.3.1 Provisional Research Question(s)

To what extent does the community participation decision making process that took place in the land readjustment of the Triangle of Fenicia contribute to the enhancing or undermining of the equitable distribution of costs and benefits?

1.3.2 Sub questions

How the participatory process of the triangle of Fenicia reached its final outcome? The scope of this question is to try to reconstruct the whole participation process through the analysis of four concepts that influence participatory processes: Type of participation, Social Capital, Power (Elite Capture) and Participatory Invited Space. The influence of those concepts in the construction of the final outcome will be also analysed.

Were the outcomes of the participation process incorporated into the final version of the readjustment representing a perceived change in the equitable distribution of charges and benefits?

Why does this enhance or undermine the equity of the distribution?

The scope of the last two questions is to: First, establish the inclusion of the participation process outcomes that might influence the distribution of costs and benefits. Secondly, to analyse how the equity of the distribution changes with the inclusion of the participatory outcomes.

1.4 Significance of the Study

As it has been stated above participation and policies might have a special synergic relationship that might end up in effectiveness and legitimacy. In the case of Land Readjustment, recently, this has been stated by UN-habitat as an important and key urban and territorial planning principle and tool (UN-Habitat, 2014). The new Participatory and Inclusive Land Readjustment method PILAR introduced by UN-Habitat in recent years is an example of the new participatory approach that is being promoted worldwide for land readjustment. It is aimed to have all stakeholders at the core of its development processes and to deliver a sustainable and inclusive outcome encouraging communities to have ownership of urban redevelopment. (UN-Habitat, 2014).

Nevertheless, participation and land readjustment might be much more than simple gathering and inclusion of communities and the creation of effectiveness and legitimacy because of this event. It might include power issues. There have not been so many academic works that have focused on real scenarios.

Therefore, by applying participation and Land Readjustment theories, this research is important to realize and see on a real life scenario the relationship between policies and participation. The case of the influence of participation in the achievement of Land Readjustment objectives like equitable distribution of charges and benefits could be a way to do this. This work helps to highlight possible difficulties and issues and the conditions that might influence the achievement an equitable distribution of costs and benefits of LR. It is useful to realize possible factors, conditions or reasons that explain the performance of Land Readjustment when participation takes place. This is due to the strong promotion of the participatory approach for Land Readjustment that is taking place around the world.

Thus, with the contribution of this study, such promotion could be more realistic and highlight the main issues that participation might cause on the outcomes of land readjustment like the equitable distribution of costs and benefits. It will contribute to the creation of more effective and realistic policies in this field.

1.5 Scope and Limitations

The scope of this research falls into the explanation of the reasons and factors of participation that influence the equitable distribution of charges (costs) and benefits of Land Readjustment

in the case of the triangle of Fenicia in Bogota, Colombia. That means that this research has covered the relevant consequences of participation regarding the mentioned features of Land Readjustment on a specific case. It has not tried to cover that situation among the whole city of Bogota or the country of Colombia. Moreover, the scope to analyse the equitable distribution of costs and benefits will through a qualitative analysis based on the notions provided by theory and the Colombian law. The law can only be applied to a specific issue: Strata freezing and discussions about an amenity and primary roads paid by the city is the reason that not all the issues that have been discussed in the participation process are included in the law.

Thus, as an assessment and analysis of the outcomes of participation in land readjustment in one specific project, this study is unable to make general conclusions about the influence of participation in Land Readjustment. The specific conditions of stakeholders and the context in which the project took place might have an important role and have impeded this. However, theorization was made around what needs to be taken into account and what could be the possible outcomes. Even though more research needs to be done to confirm the results and outcomes of this research.

In addition, this research faced some logistic limitations. First, the research needed interviews with people that played an important role during the participation process and that would be representative of the people of the area. This could not take place because of several reasons: First, the time for fieldwork was limited to 3 weeks. Secondly, an important number of people were not aware of the whole participation process. Thirdly, not all the community leaders could be reached due to the fact that there is still resistance to the project and not all the people were willing to be interviewed. Nevertheless, the access to acts, financial models and other public information about the process was quite good to mitigate the effects of these limitations.

Finally, I worked in the project of Fenicia for 3 years which in theory would make me less objective to analyse the case. However, I based my research in the public and official financial models, acts, meeting minutes, designs and presentations that were used during the process and that have been published by the municipality. It was also possible to acquire and cross data from all the main stakeholders involved; government, promoter and residents.

Chapter 2: Literature review

2.0 Introduction

The following chapter discusses the state of the art of the concepts and theories that will allow the research to answer the research questions. This section pretends to establish the theoretical framework and basic concepts needed to understand and study the influence that the participation decision making process had on the land readjustment that took place in the Triangle of Fenicia.

This chapter is organized in the following way explaining the concepts and theories available from the most general concepts to the most specific ones. The general idea of this chapter is to show a drama in four acts. First of all, the main land market failures that are addressed by Land Readjustment will be presented. Secondly, the concept of equity will be explored as preface for the introduction of Land Readjustment as a potential solution to the land market failures exposed. Thirdly, the main features of land readjustment that addresses the already mentioned land market failures will be presented. For this purpose the general procedure of a Land Readjustment will be described. The section will thoroughly investigate the concept of equitable distribution of costs and benefits as the most important feature of Land Readjustment to address land market failures. The main features and procedures to make a readjustment equitable will be described. Finally, the concept of participation will be introduced as a potential to undermine or enhance the equity in the distribution of costs and benefits capacity of the land readjustment. In this sense, the concept will be addressed first from the perspective of the literature of participation in Land Readjustment. Secondly, some insights about the literature of participation in decision making policies will be introduced to compensate for the lack of strong literature about participation in Land readjustment.

2.1 Land Market Failures

This section presents the main land market failures that tried to be addressed by Land Readjustment. Among the multiple land market failures this literature review will research the following: Land fragmentation, inequitable distribution of urban development benefits, externalities total capture by landowners and segregation.

2.1.1. Land market failures

Since Land Readjustment in theory is able to perform specific activities that improve the efficient use of land, reduce speculation and try to fairly redistribute the costs and benefits of development, it is reasonable to explore some of the land market failures that land readjustment tend to solve.

First of all, the definition of land market is important. According to the literature, a market provides for the exchange of goods and services between buyers and sellers. There are various sorts of structured markets, some less and more structured than others, and there are buyers and sellers such as the land market. However all market transactions share three dimensions: a product, a quantity and a price, where according to literature all the actors of the market (buyers and sellers) have as an objective to sell or buy goods and services (Dowall, 1993).

The buyer looks for the product or service, when he finds a seller he proceeds to determine the asking price. Because he is economically rational he will try to purchase the good or service at its lowest price. On the other hand, the seller, in the act of a market transaction will look for buyers and try to sell the product or service at the highest price possible, rejecting all the offers of buyers if they are too low and retaining the product or service (Dowall, 1993). Thus,

voluntary selling and buying ends up being an important feature of a market, including the land market, where everyone develops its activity based on the actual price they would pay or receive.

According to the literature the land markets perform four important functions: 1. They gather together buyers and sellers to perform transactions. 2. They set prices for land. 3. Land markets allocate land so that the land market produce that the amount of land offered for sale equals the quantity of land demanded. 4. The land price has an important role in ensuring the efficient use of land. If a buyer has to pay a high price for land because of lack of offers he will use it intensively with commerce or a multi-storey building. On the other hand, if the price is high but there is an offer of land, the buyer will prefer to take another option generating leapfrog development and less efficient use of land (Dowall, 1993;Archer, 1973;Evans, 2004)

2.1.1.1 A market failure

Every market including land, is governed by two fundamental theorems. The first one and most important for these purposes, is that under certain circumstances the outcomes of the market are efficient and socially optimal. This means that it is impossible to improve total welfare without damaging the welfare of at least one individual if property rights and income distribution are taken (Cheshire and Vermeulen, 2004).

This is valid based on 4 conditions. First, people are the best judges for their own welfare. Second, actions of no agent (person or firm) influence the welfare of others without reflecting that influence on prices. Third, no agent in the system has any degree of monopoly. Finally, all goods have a price. Anything that violates one of these conditions is a market failure (Cheshire and Vermeulen, 2004).

Other authors complement this definition by stating a more theoretical definition of the concept. According to them a market failure is the failure of an idealized system of price-market institutions to sustain “desirable” activities or to stop the “undesirable” ones. Those activities are desirable if they tend to solve a maximum welfare problem. In other words, if they create welfare or not (Bator, 1958).

Therefore, since a market failure is the occurrence of an undesirable situation there are 3 types of market failures among the land market ones which are important for this study.

2.1.1.2 Speculation

In the literature speculation, rather than being accepted as a market failure it is showed as the cause of several market failures. Speculation is based on the idea of maintaining a less profitable and efficient use for land. In this sense, according to theory, there is one specific moment when the income obtained from land would be greater with a different land use from the one which is currently in place. For example in areas close to cities, depending on the moment of expansion of the city, at some point the income from development would be greater than the income from farming (Evans, 2004). Thus, the owner is aware of the fact that, in the short term, another use will be more profitable than any land use that currently is profitable. However, due to the cost of construction and demolition which would be incurred in the process of development or to use the land for a short period of time in one of the currently profitable land uses, will be seen by the owner as costly and it would be better to leave the site undeveloped or in its existing use (Evans, 2004).

Besides this case, speculation might take place when land is purchased and held for resale at a later date at higher prices. In addition, speculation might take place by the act of withholding land from development waiting for higher prices. Therefore, the land holdouts for the current

markets, so the land and building developers have to bypass it creating a leapfrog development and increasing the prices of the holdout land. (Archer, 1973)

2.1.1.3 Fragmentation

Another important land market failure is the fragmentation of land plots due to urban development. As stated within the literature individual development that takes place far away from a collective action, tends to create fragmented or inappropriate property subdivisions (Larsson, 1997). Leapfrog development produced by land market dynamics, causes this dynamic. That is inefficient use of land due to the presence of irregular shapes of plots. In this sense, land readjustment has proven to be a useful tool to address these kinds of situations. In fact conventional procedures such as buying up of land, compulsory purchase or gradual adjustments of a plan are inefficient and expensive to address fragmentation (Doebele, 1982; Larsson, 1997; Hong, 2007).

2.1.1.4 Segregation (inequitable distribution of costs and benefits)

The literature argues that as land markets start to have established property rights and lower transaction costs, they become the mechanisms through which land is transferred across users and between owners and users. In this sense, ideally land sales and land rentals are supposed to be effective in providing access to land for the poor and the rich since according to economic theory ownership is under the mentioned conditions unrelated to use of the assets in production (De Janvry and Sadoulet, 2001).

Nevertheless, when the land market has failed the land market might not be effective in allocating land for the poor. Even if the ownership of land is acquired, the context of market failures apart from missing institutions, may put at risk the competitiveness of beneficiaries of that ownership which in turn compromises their economic viability. Therefore, if prices are too high, or do not reflect the real price of land the allocation for land for the poor is reduced drastically (De Janvry and Sadoulet, 2001).

2.2 Equity

This section will briefly present some notions about the concept of equity. It will try to discuss the basic definitions of it in order to address it in a land readjustment context with a strong conceptual basis.

Equity theory focuses on the fact that the outcomes of any process of exchange can be perceived as just or unjust, equitable or inequitable, because it is related to fairness and social justice (Weirck, 1966). In this sense, among the concepts that are noted in the theory two trends can be clearly identified. Firstly, we can find a definition of equity in terms of a ratio/proportion between inputs and outcomes as perceived by a person and the comparison of that ratio with the ones of other people (Weirck, 1966). In other words, it is related to what a person deserves, by taking a ratio of outcomes to inputs as perceived by a person. Outputs are everything that a person regards as relevant in an exchange and for which he expects a just return; like age, beauty, education and effort (Weirck, 1966). Outcomes are the return given to the person for his inputs like pay, job satisfaction, rewarding supervision, a parking place, among others (Weirck, 1966). Both of them are weighted according to their importance and summed to determine the ratio. The issue about equity increases when a person compares his ratio with other people like co-workers, supervisors or even their own ratio. Therefore, Equity exists when the ratios between two people are identical or different for just reasons (Weirck, 1966; Almond, 2002). Inequality occurs when the ratios are unequal and the greater the difference the greater the inequity. Weirck (1966) gives a perfect example to understand this situation. According to the mentioned author a person will feel inequity if he expends a high

effort for low outcomes, while his co-worker obtains high outcomes after expending a high effort or if the same co-worker obtained high outcomes for a lower effort. He also experiences inequity by observing its own ratio where he receives non reasonable (low) outcomes for the effort expended.

Secondly, the theory states a definition of equity in terms of justice and fairness. It addresses equity as a concept that involves assessing inequalities from a sense of justice (Hernández-Álvarez, 2008). This definition has two dimensions: Vertical and Horizontal equity. Vertical equity is the unequal treatment of unequals (Gulliford, M., Figueroa-Munoz, et al., 2002). That is, people with unequal needs or different situations have to be treated in a dissimilar way taking into account their differences (Almond, 2002; Gulliford, M., Figueroa-Munoz, et al., 2002). By contrast, horizontal equity is equal treatment for equals (Gulliford, M., Figueroa-Munoz, et al., 2002). That is, that people in equal situations deserve a similar treatment (Almond, 2002; Gulliford, M., Figueroa-Munoz, et al., 2002). The first dimension addresses inequalities and the second one prevents it (Almond, 2002).

Nevertheless, despite the mentioned definitions other authors define equity from a different perspective confusing it with equality (Almond, 2002). In specific, they define the concept of equity by suggesting that its main concern is the creation of equal opportunities and conditions for everyone (Whitehead, 1992).

2.3 Land Readjustment

In this section I will explain the general process and working of a land readjustment to introduce the reader to the instrument. Finally I will continue with exposing the most important feature of Land Readjustment for the purpose of this study: the equitable distribution of benefits of urban development.

2.3.1 Land Readjustment definition and process

Land Readjustment (LR) is a land instrument that has been defined in many ways and from different perspectives due to its many characteristics and applications. The most common one is to define it as a land assembly, efficient and equitable procedure in which public bodies or even private associations participate directly in the process of urbanization sharing its profits (Doebele, 1982). In this method, the boundaries and facilities of a chosen area are transformed, but keeping the former landowners in the area (Doebele, 1982; Larsson, 1997; Hong, 2007). The procedure to implement this is based on instigation and property exchange (Larsson, 1997; Hong, 2007), that can be facilitated by a formalised method (Larsson, 1997).

The most common definition and description of a LR describes a situation where the owners of an urban or rural area to be developed or renewed associate and along with a private or public actor formulate a plan to allocate the plotting of the area, infrastructure and services in a more efficient configuration (Doebele, 1982; Larsson, 1997; Hong, 2007; Turk, 2008). To do this, some of the properties are used to build public services, infrastructure and amenities, and others are sold to cover the costs of construction of the project and the remaining ones will be returned to the owners as replacement units (Doebele, 1982; Hong, 2007). The replacement units usually have less area than the former ones but higher values since the area has been improved or urbanized. This works as compensation for the owners of the land that will be used to build infrastructure, amenities and public services (Hong, 2007). However, in this aspect authors like Sorensen (2007) argue that Land Readjustments can have different characteristics but they all share some basic characteristics.

According to theory a Land Readjustment is usually developed in four stages (Hong, 2007) but it can have more or less stages depending on the readjustment (Sorensen, 2007). First of all, the private or public promoter of the LR initiates the process by involving the public sector the owners and other important actors and forms an agency to formulate and design a plan for the area (Hong, 2007).

Secondly, the readjustment starts a community support development phase. In this phase the objective is to achieve the agreement of the majority of the owners of the area. At the same time an appraisal of the properties takes place to state the values of properties before the readjustment and to establish how the owners will participate in the project. In this stage negotiations with the landowners might take place to reach agreements about the readjustment (Hong, 2007). During this stage the role of a neutral expert advisor in LR, is a key for the success of the negotiation with the community, since the landowners taking part are generally not only mentally unprepared but also lack professionalism. This has been found in several projects in California and Sweden, where the necessary expertise is placed at the owner's disposal through official agents or external experts. (Larsson, 1997).

At the same time a third phase takes place where the plan to readjust the area is developed. The plan proposes the amount of land that will be reserved for public space, infrastructure, and amenities needed to support the new densities and uses of the area. Moreover, the plan includes a financial model and a whole system to reallocate the replacement units to the owners at the end of the LR. The financing of the readjustment can take place by selling real state products or land (Hong, 2007).

Finally, the readjustment is executed and the land is assembled and re-subdivided. The replacement land or properties that resulted from the readjustment are reallocated to the owners in proportion to what they contributed and based on the allocation system created by the plan. The allocation system can be based on the area or the value of the land (Doebele, 1982; Hong, 2007)

2.3.2. Land Readjustment characteristics.

Land Readjustment has several characteristics which include: recovery of the costs of the project, self-finance investment in infrastructure, amenities and public space, and to distribute the costs and benefits among the owners equitably (Hong, 2007; Turk, 2008). This section will focus only in the equitable distribution of costs and benefits since it is the main focus of this study.

2.3.2.1. Equitable distribution of costs and benefits in Land Readjustment.

In this section I will discuss the concept of equitable distribution of costs and benefits as a way of showing how this instrument addresses the land market failure of distributing inequitably the benefits of urban development. Literature allows us to figure out two main topics within this concept. First what is the definition of equitable distribution of costs and benefits? Secondly, the literature shows briefly discusses about the equitable nature of that distribution. That is, if the framework of Land Readjustment the distribution of costs and benefits could be really equitable by nature or if it needs tools.

2.3.2.1.1 Definition of equitable distribution of Costs and benefits

There is not so much debate about if it should distribute or share the costs and benefits of the project. All of the authors agree in the sharing and estimation of costs and benefits as a main feature of Land Readjustment and with this as a way to achieve the social objectives of the instrument and a way to avoid social problems due to its implementation (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hung, 2007; Agrawal, 1999; Doebele, 1982). To define it, it is

important to state that the principles of fairness (Turk, 2007) and transparency (Doebele, 1982; Larsson, 1993) are the basis of the equitable distribution of costs and benefits. Thus, due to this, the literature calls this feature equitable sharing of costs and benefits rather than equitable distribution of costs and benefits.

The equitable sharing of costs and benefits of a Land Readjustment project can be defined in two ways, which can be interpreted as being two complementary dimensions of the same definition. First this could be defined as a matter of equitable treatment to everybody. Second as a matter of horizontal equity when everybody should enjoy the benefits in proportion to the costs he pays.

Nevertheless, other authors argue that the costs and benefits of urban development should not be shared equitably. The Land Value Capture (LVC) theory (Smolka, 2013), which instigates the sharing of none earned increments in the value of land by owners, formulates some reasons to not share their benefits, through the idea of the four I's: Interest from landowners or developers to not share their benefits of value increase. Ignorance, because they argue the land prices will increase anyway. Ideology, related to governing ideas of society where private property is sacred and an increase in its value or benefit belongs exclusively to the owner. Finally, Inertia because people prefer doing things in the same old way.

Equitable distribution of costs and benefits as an equal treatment for everybody.

In relation to the first way of defining it, this is related to the equality of treatment for all in the sharing of cost and benefits. That is that the treatment for each part involved should take place by the same code of rules as a common development, (Larsson, 1997) in a way such that everybody should be charged for the work necessary for the project (Archer, 1992). So that it is possible to enjoy its benefits. This will create a fairer distribution or sharing of the costs and benefits of the project because the situation in which some landowners make profit while others only incur expenditure is avoided (Larsson, 1997). This idea is based on the fact that Land Readjustment invites all property owners to share both the rights and the responsibilities or costs of the project, minimizing the mentioned problem (Hong, 2007). Thus, everybody shares risks, costs, benefits or earnings, which will undermine social problems caused by the project (Yilmaz et al, Demir et al., 2015) because as seen within the literature everybody participates under the same rules: everybody shares both costs and benefits. As Larsson (1997) mentions, the implementation of the same code of rules for every participant of the Land Readjustment might result in a fairer distribution, a higher level of landowner participation, a better plan and a more feasible way of carrying out things within the project.

In this "all" there is a small division within the literature because some authors include only the landowners and some others include other stakeholders like Government and nearby communities. This is based on the principles of fairness and transparency that are the main fundamentals of Land Readjustment (Turk, 2008; Turk, 2008; 2007; Hong, 2007; Agrawal, 1999). Thus, on the one hand there are authors arguing in favour of sharing the costs and benefits among landowners and society. They argue that certain primary infrastructure facilities and services are expected to extend beyond the project, being logical that the costs should also be shared equitably by local, provincial or national governments (Agrawal, 1999). In addition, sharing should also take place between the developers since they do not use capital for financing property acquisitions for the Readjustment. Therefore, they are making an extra surplus for development compared to the one theory that suggests that they should invest in acquisitions of land to develop a real estate project. Moreover, the sharing should also include the community since some communities that are located close or next to the project may benefit from it by the increase of the values of their properties due to the improvements in the form of

parks, roads and other amenities in the neighbouring community (Hong, 2007,p.185). In fact as Hong (2007) points out this lowers the interest costs and the risks of undertaking land investment, which is reason enough to also make them share the costs as they are obtaining benefits from it.

Finally in relation to the mentioned debate there is another group of authors that only focus their analysis on the sharing of costs and benefits among the landowners of the project, since they are the ones who are going to enjoy directly from the benefits (Yilmaz et al, Demir et al., 2015; Turk, 2008;2007). It has to be said that in both cases the literature never mentions arguments against the other position.

Equitable distribution of costs and benefits as costs paid in proportion to benefits obtained.

In addition to what has been mentioned the literature also suggest another dimension defined as benefits in proportion to costs paid. That means, that within the equal treatment for everybody, nobody can experience more benefits than the costs that have been paid by him. This definition is based on two important principles. First the principle of horizontal equity defined by the beneficiary-to pay principle which makes operational the horizontal equity rule. This rule calls for those benefiting from a public infrastructure or service to pay for it in proportion to the benefit derived (Mathura, 2012). This principle would be a base for the aim of achieving equity in a LR because landowners pay for the benefits they obtain. In that same sense, the equitable distribution of costs and benefits might also be related to vertical equity. This concept, which has its roots in welfare economics, calls for the rich to pay more than the poor for government provided goods and services (Mathura, 2012).

Since the basis of the mentioned notion is horizontal equity, the literature of this notion is going to be further elaborated upon. Equitable distribution of costs and benefits is not only about paying for benefits obtained but also in proportion to the benefits obtained. Thus, it is not any payment. As already explained, the way the landowners “pay” for the benefits they obtain from it, is by contributing land or paying fees to finance the costs of the project, in proportion to the benefits received from the project (Archer, 1992; Yao and Cheng, 2010). The rationale behind these actions is that by contributing a portion of their landholdings to the project and bearing the risks of it, the landowners should be entitled to a reasonable return on their investment (Hong, 2007). In other words, property owners in a Land Readjustment contribute a portion of their land to finance local infrastructure and bear the majority of the risks for the development of the project. Thus, it is fair to allow them to enjoy a reasonable return on their investment by giving them a portion of the land value increment created by the investment, among other needed adjustment if it is the case (Agrawal, 1999; Hong, 2007).

Therefore, by paying for the costs of the project in proportion to the benefits obtained, the landowners should be charged only for the works necessary for the project calculating the costs in proportion to the share that they have of the project (Archer, 1992; Hong, 2007; Turk, 2008). As it can be seen, the proportional dimension of the equitable distribution of costs and benefits is a matter of reacting to the benefits obtained by paying for them through the finance of the costs of the project.

The implication of having everybody paying for the costs in proportion to benefits received, is that nobody should bear more damages or burdens than other one if that person does not see a reparative retribution for it (Doebele, 1982; Hong, 2007; Turk, 2008). Therefore, if a person obtains from the project a better land, better location or land use, they are going to obtain a higher value than what they have given to the project. This value must be in proportion to what

he paid and deserves (Doebele, 1982; Hong, 2007; Turk, 2008). Thus, some landowners provide very good land which is easy to develop, or huge areas that are well located, which is profitable land being used as a commercial store. Others provide rocky and steep areas which are difficult to develop, small or declined apartments with low value. At the end these differences must be taken into account during the land readjustment (Doebele, 1982; Turk, 2008). This provokes that for example the owner of the former commercial property should obtain more benefits from the project than the owner of the old and low valued small apartment. In the same sense, while some people will have to relocate during the readjustment having to pay costs that they would not have paid without the readjustment, some others will not have to relocate and not have to pay the extra costs (Doebele, 1982; Hong, 2007; Turk, 2008). At the end of the Readjustment, the extra costs paid by the people who were relocated needs to be recognized in order to make the project equitable (Doebele, 1982; Hong, 2007; Turk, 2008).

Therefore, the “proportional” dimension of the equitable distribution of costs that provoke that no landowner can have access to or enjoy any windfalls or unearned revenues. The consecution of this objective will allow land to finance its own urbanization (Doebele, 1982). The literature also recognizes other objectives of making the equitable distribution of costs and benefits a matter of proportion between them. Among the most important cited by the literature are: First, to avoid free riders, because basically the owners cannot enjoy the benefits of the project without paying a fair share. In this sense every landowner enjoys the benefits and financial gains generated by the project (Hong, 2007). Secondly, by guaranteeing an equitable distribution of costs and benefits the project recaptures the costs of providing infrastructure and services to the area. Also it may potentially recapture additional value that has been created, which could be used in the subsidizing of low cost housing or for other public purposes (Li and Li, 2007).

2.3.2.2 The nature of equitable distribution

This section will show how the literature has 2 different positions among the equitable nature of the land readjustment. First some authors state that land readjustment is equitable by nature and some others that it might not be equitable but there are several methods to make it more equitable.

The natural consequences of assuming one position or another are important. If the first position is assumed the Land Readjustment will be equitable without the need for any measure to make it equitable. That is, just by its first design it will distribute costs and benefits equitably among the landowners. If the second position is assumed, the plan will have to forecast the possible causal situations of inequity and design several mechanisms to make the readjustment equitable.

To clarify this in relation to the literature which states that the Land Readjustment is equitable by nature it has to be said that they focus on describing LR as an instrument that works in the equity issue by itself. That is that Land readjustment is equitable just because landowners pay for the costs of the project by giving their land or paying fees in proportion to the benefits they obtain from the project (Yao and Cheng, 2010). Moreover, some authors just make reference to the equitable nature of land readjustment as a powerful tool to solve the hold-put problem (Turk and Altes, 2010). The literature that makes reference to the equitable nature of LR just describe the way in which the costs and the benefits are distributed in an equitable way just because of the instrument itself.

On the other hand, the majority of the literature has a perception of Land Readjustment as an instrument that might not be equitable, but can be made equitable. Several authors recognize this situation by giving different reasons or describing different situations where inequity might arise during a Land Readjustment. Some of the most important are the following.

First of all Turk (2008; 2007) states that if the differences between the properties of the different landowners within the project are not taken into account to allocate the benefits of the project, the Land Readjustment is inherently inequitable. In other words, the way the Land Readjustment works makes it inequitable if some measure do not take place. To illustrate this point the author describes how the general procedure of giving properties to pay for costs and receiving benefits in form of properties or other incentives as a retribution for the properties given to pay for costs. According to the author before the project, the properties may have a different shape and economic value. This means that some of them may be hilly, unsuitable for urban use, or of a low value land use, while others may be more suitable for urban land uses, may have profitable land uses like offices. In addition during the construction of the project some areas of the neighbourhood may be intervened before others. This means that some landowners may have losses in income if they have commercial stores in the area, or may expend money for relocation if they live there. It may take several years until the project is finished. When the project is finished the new properties that are going to be given to the landowners as a compensation and retribution for their contribution to the project may have differences in relation to the allowed land use, density and locations. Some properties will be residential or commercial with high or low density land-use and located close to infrastructure axis or commercial activities, or main avenues. They will have higher land values than the ones that will not have these features and that might be allocated to landowners that gave properties with the same or better features than the others that obtained the properties with high values. Thus, in land readjustment there might be several inherent problems of equity (Turk, 2008).

Other authors recognize that the aspect of risks at the moment of implementing the project makes the Readjustment inequitable. That is that some stakeholders within the project specially the leader or promoter (Government or private) and the landowners bear risks during the construction period (Mathura, 2012) or during other phases that if they are not addressed will make the project inequitable (Mathur, 2012; Hong, 2007). These risks might be to do with construction and relocation, among others. For example in government led readjustment the government normally assumes a larger share of the risks because it often bears the entire up-front cost of providing infrastructure (Mathur, 2012). In that sense, the readjustment would be inequitable analysed from the perspective of the risk bearing, because at the end of the project some people are paying more costs than the benefits that are obtained.

In addition, Mathur (2012) states that when the mentioned situation occurs, some projects decide to make the landowners or the stakeholders, that are not bearing the majority of the risks, pay a fee, to create a balance between the distribution of costs and benefits of the project (Mathur, 2012; Yao and Cheng, 2010). Nevertheless, in any of the cases mentioned, sometimes the fee might produce vertical inequity. This happens, especially when the fee is high and the project includes landowners or other stakeholders with low income or landowners who have to sell the land to provide a share of the costs. Thus, they have little ability to pay up-front. The burden outweighs the capacity of the landowners. (Mathur, 2012).

Another argument found in the literature is related to the allocation phase of the readjustment. The allocation phase might be very problematic due to not considering some factors that might increase the benefits of the project for the landowners such as the location of the number of floors, land use, view, proximity to commercial areas, other public facilities and infrastructure

(Li and Li, 2007). According to the mentioned author in the allocation phase some factors might not be considered. Here the achievement of equity depends on the allocation method, which means that the readjustment is not equitable by nature. This is one of the most common sources that landowners complain about (Li and Li, 2007; Hong, 2007; Doebele, 1982).

In addition, another author recognizes events that might take place during the land readjustment due to its own associative characteristics or external events that might affect it, According to Hong (2007) some issues in a LR require implementation of measures to make it equitable. First a land readjustment project would suffer massive holdouts if there is no mechanism for excluding non-operational owners from enjoying the benefits. With no exclusion mechanisms, the readjustment would be inequitable because the holders will enjoy benefits without paying for the costs of the project. They will become free riders. Moreover, as it has been mentioned before some landowners might receive less land than they are entitled to. Therefore, some adjustments or payments in cash need to take place to make the readjustment equitable. In addition Hong (2007) says that in some cases some land owners may receive less or more land than they are entitled to. In this cases with no adjustments or measures the land readjustment is inequitable. Finally, as in the case of the holdouts, the Land Readjustment cannot solve the problem of horizontal equity by itself, not only within the project but also when the readjustment is related to its context. On one hand, neighbour communities will see their property values increase due to the improvements of the neighbourhood area. On the other hand, developers will not have to make an up-front investment in land to develop, which in turn saves money. These situations make the readjustment inequitable for the landowners that are paying for the costs of the project (Hong, 2007).

Finally, authors like Doebele (1982) and Turk (2008) state that the Land Readjustment might be inequitable because there are three stages where inequity arises and might become an issue if measures are not taken. The three different situations where equity is a major concern are the following:

First, inequity might arise when people are joining the project. In this phase characteristics of parcels or properties can be different from each other before the project. While some landowners have land that is easy to develop or properties with profitable and high valued land uses like commerce, some landowners may have rocky, sloped land or low valued land uses like a warehouse. According to literature, equity issues would make the Land Readjustment design easier, to treat better the first type of landowners than the latter ones (Turk, 2008; Doebele, 1982)

The second situation is trying to provide equity during the project. Where in the cases of non-developed land while some landowners continue to obtain agricultural income until the end of the project, some of them may not have this chance due to the areas allocated for public use. According to the literature to achieve equity some adjustments needs to be made for those who have most difficulties and loss of income during the construction period (Turk, 2008; Doebele, 1982).

Finally, the last phase is after the project where the reallocation of properties takes place. In this phase the new plan for the area is supposed to designate areas for commercial, residential and public uses, with high or low density. In this sense, a plot located close to the centre of the project or with better accessibility than other ones will have more value than one without those characteristics. An equitable distribution system would adjust those differences to such a degree that no landowner receives a windfall compared to another one with less valuable uses or properties (Turk, 2008; Doebele, 1982). According to Turk (2008; 2007) this is the critical

phase of the land readjustment because here is where equity and transparency are finally achieved.

The literature also suggests ways or measures that can be included in the design of the land readjustment plan to make it more equitable when the mentioned situations arises.

2.3.2.2.1 How to make Land Readjustment more equitable.

As mentioned, the land readjustment might produce several equity problems. Literature repeatedly points out that the Land Readjustment might not be equitable. It also proposes some ways to try to make it more equitable. In the following sections the different solutions or methods that the literature suggests to keep or make a land readjustment distribution of costs and benefits equitable will be discussed. The literature suggests specific solutions for specific cases or general methods to allocate properties and make it equitable. The reason for the general methods is the critical role of the allocation stage to guarantee equality and transparency within readjustment (Turk, 2008; 2007).

Specific methods for specific situations

In relation to methods to make more equitable the Land Readjustment when specific situations that threat the equitability arise the most common method to create equity within the readjustment is the payment of fees as a way of compensation to the inequitable situation. For instance, in cases of free riders that enjoy benefits without paying for the costs, either if they are part of the project and exercise holdouts or not (like a neighbouring community) the literature suggests a payment in cash from those free riders as compensation (Hong, 2007; Agrwala, 1999). When some landowners receive more or less area or value of property than they were entitled, they should pay for those extra areas or they should receive a payment in compensation for the non-received area (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Agrawal, 1999). These adjustments can take different forms besides payments. For instance, in countries where adjustments are made in the form of area, some co ownerships over the readjusted properties might take place, if the beneficiaries are given a too small or low valued property. They might have the opportunity of changing the multiple ownership structure into a single ownership by agreement between the shareholders or annulment of co-ownership by the court (Mahur, 2012; Turk, 2008). Moreover in the same case the literature also suggests that the rights of those small owners could be bought by a cooperative union (Mathur, 2012; Turk, 2008).

In this line of argumentation Hong (2007) states that the developers or neighbour communities should pay fees in the form of a benefit tax to the municipality for the cost of providing the infrastructure of the project up to the amount of benefit that these stakeholders are receiving from it.

In addition, the literature focuses on ways for balancing the benefits from a land readjustment with the payment of a fee by the landowners when the government/promoter is bearing the majority of the risks upfront providing infrastructure in the construction period (Mathur, 2012; Hong, 2007). In these cases inequity might arise due to different situations because the high value of the fee might impact negatively low income landowners with low ability to pay (Mathur, 2012). This can be solved by allowing the fee payment to be made in instalments or defer the fee until the project is complete or until the landowners apply for a change in land use or a building permit (Mathur, 2012). Moreover, to require the government to bear the up-front cost (Mathur, 2012). Others suggest that there should be a provision of little or low quality infrastructure (Mathur, 2012; Turk, 2008)

Nevertheless, some authors criticize these solutions due to their limits to solve the problem completely. First, the well-known poor fiscal capacities of governments limit them to bear the upfront costs of a project (Mathur, 2012). Furthermore, Land Readjustment that provides low quality or no infrastructure, runs the risk of providing substandard, or subserviced properties or delaying the provision of infrastructure, causing delays of the whole project (Mathur, 2012; Cete, 2010).

General methods for making Land Readjustment equitable

Based on the idea by which Land Readjustment is not equitable by nature, the following section will expose the methods suggested by the literature to make it more equitable. The literature assigns the implementation of these tools mainly in the stage of reallocation of the plots which is the stage, “after the project,” where the principles of equity and transparency take place and where equity can be definitively ensured. (Turk, 2008; Mathur, 2012; Hong, 2007; Agrawal, 1999;). Within the most important and mentioned in the literature we can find the following:

First of all, the literature mentions that the main tool for achieving equity within Land Readjustment is by implementing methods of allocation of benefits in the final stage (or allocation stage) of the readjustment to ensure equity among landowners. The criteria or methods to allocate the benefits of the readjustment can be based on two different approaches of benefits allocation in Land Readjustment. Basically, the approaches are that the benefits of the project should be allocated based either on the area or the value of the landowner property prior to the readjustment (Turk, 2007; Mahtur, 2012).

Area

The first method of allocation is based on area size. Several authors explain it (Archer, 1992; Turk, 2008; Mathur, 2012; Hong, 2007; Agrawal, 1999). Therefore, a brief overview of the methods will be shown. The area size model is widely used in some countries. According to the literature when this model is used the landowners are provided with an amount of area residual after the deduction of land from the original plot or property at the end of the Land Readjustment (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992). The deduction of land takes place to pay for the costs for the project. That means that when the project starts and gathers together the landowners, they all assemble the land and a part of land or property is deducted to finance and build public infrastructure (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992). The deduction is made from the bulk of land or property that will be reallocated to the participating landowners on completion of the project (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992). All of these land reductions are a way to require the landowners to pay for the provision of infrastructure (Turk, 2008; Hong, 2007; Archer, 1992). That is for the costs of the project. Thus, for giving area that will be deducted for infrastructure, every landowner is entitled to a certain area of land or property after that deduction. Smaller plots or properties but with higher value and more density (Turk, 2008; Hong, 2007; Archer, 1992). If there is too much land deduction meaning very small properties returned back to the landowners, they will be hesitant or resistant to participate in the project (Hong, 2007). In addition, in the distribution of benefits based on area it is a principle that the readjusted plot or property should be provided in its original location, or close to or next to its original location. (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992).

Nevertheless, the area size method is not useful in all contexts. It could be useful if it is applied in areas for urban development, or new urban areas, or a relatively homogenous areas project (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992). On the other hand,

its application should not take place when the areas are completely urbanized and built up, or even partially built up (Yilmaz et al, Demir et al., 2015; Turk, 2008;2007; Larsson, 1997). In such cases, other criteria such as conversion of area into money or payment of price differences should be taken into account to make the readjustment equitable. Moreover, some properties will have better locations than others because of its proximity to parks, avenues, etc., making it difficult to solve the inherent inequity of these kinds of situations (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992; Doebele, 1982).

Value

The second method identified by the literature is the based value method. In the countries where this method is used, the basic premise is to use the value of properties to make the distribution of benefits. In this method the values of real estate properties located within the LR area are determined prior to the LR and after it project (Yilmaz et al, Demir et al., 2015; Turk, 2008; Hong, 2007; Archer, 1992). Basically, after the completion of the project the value of the properties is assessed with the new properties ready to be returned to their owners. Each owner should receive a parcel of land or property (depending if it is a LR for development or redevelopment) whose value should be at least the same as the value of the original land or property, although of smaller size (Hong, 2007). In projects with high density outcomes the reduction of the properties might not take place and the property values will be higher than the original ones (Hong, 2007).

In the value based method the method of determining the value is important as the provision of equality to the project depends on this. Therefore, methods like the market based value, area based or the estimated value can be used. The market based value method is the most fair and the one which can provide more equality to the project (Yilmaz et al, Demir et al., 2015; Matur, 2012; Cete, 2010; Yau and Cheng, 2009; Turk, 2008; 2007; Hong, 2007), because land values are a factor of area, location, shape among others (Agawal, 1999). Nevertheless, it is important to realize that the mentioned methods could be flexible and have several different forms which are different to the ones described. They should be developed according to the involved parties, preferences and different institutional contexts (Hong, 2007).

In this sense, the literature suggests other methods that have been implemented in land readjustments around the world like: First, property owners receiving stock shares of the Land Readjustment Company or trust in return for their selling of their land or property to the entity, without returning to the area (Hong, 2007).). Secondly, renounce to a replacement unit on the area in exchange of the future right to purchase an equivalent housing unit of a size agreed with the landowners with similar location or level to the original flat or property. (LiandLi, 2007). Finally, in order to create equality among the landowners, other authors suggest the allocation of other benefits additional to the ones that the landowners get depending on the case like: better accessibility, more density, and location among others (Turk, 2008; Li and Li, 2007; Agrawal, 1999).

Neither of the sources argues about why land readjustment should not be considered equitable by nature. They just initiate their arguments by stating that sometimes it might not be equitable and that in order to make it equitable some measures need to take place. The literature does not develop deeply into how to make the distribution according to the methods because each case is different and has its own characteristics and problems.

2.3.3 Costs

It is important to point out that there is a general agreement among the literature in relation to what is considered as costs of the land readjustment. In general, the costs of the readjustment

would be all the necessary costs to get the project done (Larsson, 1997; Archer, 1992). No author defines specifically what he understands by costs, but when they make reference to them sometimes they mention activities like construction of parks, roads (Hong, 2007), relocation of tenants, demolition of built sites (Li and Li, 2007), cost of assembling land among other necessary works to implement the readjustment (Turk, 2007; 2008; Doebele, 1982; Li, 2005).

2.3.4 Benefits

On the other hand, there is a small discussion about what is considered as a benefit within the framework of Land Readjustment. In general, benefits might be considered as returns for participation in the readjustment through the dedication of land, or investment on it (Hong, 2007). In specific, benefits might be considered as increments in land values of the land involved in the project due to the improvements in the area in infrastructure and amenities (Hong, 2007; Doebele, 1982; Archer, 1992; Larsson, 1997; Agrawal, 1999; Turk, 2008; 2007; Liandli, 2007; Li, 2005). Some authors state that land values are related to location, area and shape and because of that features like number of floors, accessibility and land use are considered to be additional benefits to land values increment (Agrawal, 1999; Li and Li, 2007). That is, benefits take the form of increased land values due to the enhancement of environment and more efficient use of building plots (Agrawal, 1999). On the other hand, other authors just mention the increase in land value represented in the piece of land or immobile unit given to the landowners at the end of the readjustment as the benefits of the project (Hong, 2007; Doebele, 1982; Archer, 1992; Larsson, 1997; Agrawal, 1999; Turk, 2008; 2007; Li and Li, 2007; Li, 2005). They do not argue against the other statement mentioned.

2.4 Participation

The following section discusses the concepts related to participation that are useful to give a theoretical background to this research. First the concepts related to participation of landowners in Land Readjustment will be addressed. Finally, the theoretical contribution of the theory about community participation decision making processes in policy making will be addressed to give strong theoretical background to the participation variable of this research.

2.4.1 Participation of landowners in land readjustment

This section discusses what the literature says about how the participation of the landowners in land readjustment should take place. The literature mentions participation of landowners only at the moment of approval of the proposal. On the other hand some authors include participation of the landowners in the whole process of design, creation and approval of the proposal of Land Readjustment. How participation helps to deal or not with the equity of the LR will be addressed here.

In relation to the participation in the decision making process of Land Readjustment the literature only focus on the participation of the landowners. It does not include the participation of tenants or other stakeholders in the decision making process. The key for land readjustment success is the participation of landowners in the project because their properties are necessary for the completion of it (Turk, 2008; Yau, 2009). Within that kind of participation the literature identifies two ways of participation from the landowners: Direct and indirect (Turk, 2008).

The indirect participation takes place when the landowners are just informed of the project after the public announcement of it and the process continues as an administrative procedure with the owners being informed of each stage (Turk, 2008). This indirect participation is just about informing landowners without giving them any right to intervene in the design or planning process. In practice this means that Land Readjustment projects are decided directly by the local management or governors regardless of the landowners' consents and concerns (Turk,

2008). They are informed about what is going to happen and what are the benefits and costs of the project (Yau and Cheng, 2009; Turk, 2008). Moreover, the top participatory moment of this approach is when the landowners approve if the project proposal is going to be adopted or not according to an evaluation of the potential benefits of it for the neighbourhood (Hong, 2007; Sorensen, 2000a).

In other words this kind of participation implies that the land readjustment takes place sometimes without taking into account the demands of the landowners because they do not participate in the framing and design of the project. In consequence, several objections might take place by the landlords despite the fact that one part of them approve the project (Turk, 2008). The reason is the landowners cannot be easily convinced to adopt the project (Turk, 2008). Second, there is a possibility that the landowners may bring a number of court cases against LR projects during and after the process (Yilmaz et al, 2015; Turk, 2008). Third, the results of these trials may directly hinder the application of the project (Yilmaz et al, 2015; Turk, 2008). No references about the effects of this kind of participation in situations related to equitable distribution of costs and benefits are made within the literature.

On the other hand, the literature speaks about direct participation (Turk, 2008). Opposite of the one already explained, this kind of participation is based on two aspects. First, the landowners have a voice and stake in the project (Yao, 2012). Because the final scheme of the LR includes the landowners inputs (Demir and Yilmaz et al, 2012; Yao and Cheng, 2010), concerns and consultations (Yao, 2012; Yilmaz et al, 2015) through a revision of the proposal after the objections and comments of the landowners (Hong, 2007). In other words, the claims, concerns and different options on land redistribution have to be discussed and negotiated (Muller-Joker, 2004). This aims to obtain a high level of support and participation of the landowners in the project (Turk, 2008). For some authors, this is considered as a fundamental point in managing the projects (Sorensen 2000a, 62, 63, 65; Turk, 2008), because it is a proper decision making process that affects the decisions taken within the different project phases (proposal, planning, design etc.), because that is when a real consensus takes place (Sorensen, 2000).

At each stage from the beginning or giving inputs to an initial proposal the literature suggests that the landowners should arrive at a consensus by giving inputs, being consulted about their concerns at each stage of the project (conceptual stage, planning stage, establishment of parcellation scheme stage, implementation, etc.) (Yilmaz et al, 2015, Turk, 2008; Karki, 2004; Archer, 1992). Moreover, the outcomes of those processes should be included in the final LR proposal (Hong, 2007). Then again, the literature does not mention any kind of participation of other stakeholders of the affected community like the tenants or neighbouring communities. In conclusion, direct participation in Land readjustment focuses on empowering the community to decide whether the project will benefit the neighbourhood or not (Hong, 2007).

As it has been pointed out, there are different ways to perform a direct participation process. First of all, at least the landowners should be well informed and aware of what is going to happen with their properties and what are the benefits of the project. That is, generation of flow of information within the community (Yilmaz et al, 2015), by making all the information about activities, process, calculations and management of funds available to the public at all stages of the project (Yilmaz et al, 2015; Yao and Cheng, 2010; Turk, 2008; Karki, 2004). Secondly, direct and transparent participation might be implemented by promoting informal or formal channels for the owners to express their views, positions, comments and inputs to the project (Yao and Cheng, 2010; Sorensen 2000). Thirdly, to promote attendance of the landowners or their membership to the land readjustment committee where the plan is decided and designed. So

they know what is going on and have a chance to voice out their concerns or objections (Yao, 2012; Yao and Cheng, 2010; Yilmaz et al, 2015).

Having said this, the literature also identifies some effects of the direct participation. According to it, this kind of reinforcement of public participation in Land Readjustment may convince the landowners to adopt the project, it will reduce objections, oppositions and resistances, it will create more acceptance, familiarity and trust in the project among the community and may prevent increases in the number of administrative trials (Yilmaz et al, 2015, Yao and Cheng, 2010; Turk, 2008; Hong, 2007, Sorensen, 2000a). The literature does not speak about a fairer or more equitable distribution of charges and benefits as a result of direct participation.

Nevertheless, the project could suffer interruptions in the absence of a consensus in any of the stages which means that it might take longer to get to a final proposal (Turk, 2008). That is, it generates considerable controversy and disagreement throughout the life of the project, and is therefore subject to repeated interruption and delay (Karki 2004). Moreover, due to the knowledge about the project that the landowners get with the participation process some land owners will try to maximize their benefits because the Land Readjustment creates nonexclusive benefits, like higher land values or amenities which members of the affected community might be able to attain in spite of whether they contribute to the project or not (Hong, 2007). Thus, there will always be risk of holdouts and free riders, which by default will lead to high negotiation costs, depending on the case and community characteristics (Hong, 2007)

Furthermore, another issue about participation in land readjustment that can be found in the literature is that it addresses the topic of objections from landowners to the project. Regarding this issue, the literature makes reference to two kinds of common objections of the landowners to land readjustment projects which take place either in public/private initiatives or with direct or indirect participation. The first is related to the land deduction made to pay for the investment in social and technical infrastructure. That is the amount of costs in infrastructure and amenities that the landowners have to pay to enjoy the benefits of the Land Readjustment (Turk, 2008). The reason for the objection is that some landowners will consider that they might not have the possibility to own a property when the readjustment finishes (Turk, 2008). The second objection is related to the distribution phase. If the distribution is based on the area method. The landowners oppose receiving plots on a location different to the original plot. They are also opposed to an eventual common ownership or to a subjective criteria for allocation of the new products of the readjustment. If the distribution is based on the value method the opposition of the landowners will be based on the value of their properties, because they will always use a subjective valuation and will consider that their property value is higher than the one considered by the LR scheme (Acharya, 1989). Finally, as stated by Hong (2007) some landowner's would just refuse to join the project waiting to enjoy the benefits of it without paying the proportional costs. Thus it might happen that some objections will be based on individual interests of the landowners because in the beginning they support the project but at the end they reject it because of lack of support to their personal demands and interests from the project side (Karki, 2004)

2.4.2 Issues of participation in Land Readjustment

Finally the literature addresses superficially some issues that might take place in the direct participation of landowners. In other words, there are some critics that the literature mentions, but not deeply.

Power

The first issue is power. The literature identifies two manifestations of power. First, power in relation to the political influence that some landowners might exercise to maximize personal benefits even at the cost of the public interest (Karki, 2004). This is related to influential landowners as government officials, workers of political parties or land brokers (Karki, 2004). This might include using influences through people who can guarantee them a benefit in the final project. The second manifestation of power is the power or influence of landowners within the community. That is the influence that powerful or influential landowners might have among the affected landowners. This is the case of the landowners who have grabbed more land to the one they were entitled to in the land acquisition certificate. They are a negative influence upon other illiterate and innocent farmers who find difficulty in understanding the project and can be manipulated into mobilizing against the project (Karki, 2004).

Assets

The second issue addressed by the literature is the one that we could call assets. In specific: education. According to literature, if the education level of landowners taking part in the project is low, it is easier for landowners to have an adverse prejudice against them (Turk, 2008). Thus, sometimes they do not know anything about the usefulness of the project or it is difficult to understand it because of their humble background as farmers or being illiterate (Karki, 2004). Thus, some humble landowners are difficult to convince to support the project and become malleable by others more powerful and more educated having possible impacts on the project only for themselves (Karki, 2004). These two issues are normally the reasons of the objections of landowners to the project (Turk, 2008; Karki, 2004)

Prejudice

The third issue is the one related to ignorance and prejudice against the project. As it has been stated, the landowners are always against relocation and distribution of their already known space and livelihood. Therefore, they have a prejudice against the readjustment that usually does not end with the participation process (Turk, 2008). The ignorance about the project reinforced by the prejudice becomes a strong reason to make objections and oppositions to the readjustment (Karki, 2004). The literature does not mention specific influences of these factors over distribution of costs and benefits of the LR.

2.4.3 Kind of landowners

Finally, the literature speaks about different kinds of problematic landowners that can be found in every kind of Land Readjustment projects when participation processes take place (Turk, 2008). The literature does not make reference to landowners that do not show opposition to the Land Readjustment. The first kind of landowners are those who think that they will not obtain any benefit even may lose as a result of a Land Readjustment project (Turk, 2008; Karki, 2004). The second kind of landowners are those who think that they will not gain any benefit and even may lose as a result of an LR project. The second kind of landowners are those who have other plans for their own land which usually might set other landowners into action against the project (Turk, 2008; Karki, 2004). According to Karki (2004) the first kind of landowner is commonly present in Land Readjustment projects.

The third type of landowners that might be encountered on a Land Readjustment project is the one who is powerful and with capacity to influence the community. Normally, they have grabbed more land to the one they were entitled to. Usually, these landowners are a negative influence upon other illiterate and innocent landowners who do not understand the project properly (Karki, 2004). No more recent literature has been found about the first three kinds of

landowners. Finally, the last kind of landowners that can be identified in the literature is the free rider. This is the one who tries to maximize its self-interest by trying to enjoy the benefits of the project without paying for the costs of it (Hong, 2007).

The literature about participation in LR might be classified as basic. It addresses some analysis and issues but still needs to explain the phenomenon in a complete way. There is still a lot to research. For instance, the literature speaks about how the participation of landowners in all the stages of the project is very important because of the benefits it carries with it. In addition, it mentions some factors of participation that might affect the outcome. However it does not explain how it affects the outcomes, how those factors operate or take place to influence the outcomes or how the process and the factors influencing it produce those outcomes. That is, by pressuring the poor, by networking, for example, and how this might be translated and have an impact on the distribution of costs and benefits as an outcome and part of a whole complex process. In specific it does not explain how that process might affect the distribution of costs and benefits of the readjustment. As it has been seen sometimes it mentions the factor but it does not explain in depth how the process or the factor works and takes place to produce an outcome, neither to affect the distribution of costs and benefits.

To finish this section it has to be said that there is no literature available that studies the relationship and influence of participation and the equitable distribution of costs and benefits of the Land Readjustment.

2.5 Community participation decision making process in policies. Concepts and factors of influence

Due to the lack of strong theory about participation in Land Readjustment this research takes the useful contributions of the theory about participation in policies. This section discusses the relevance of participation for policies. It addresses the main concepts about it. Then it expose some arguments about its benefits and some of the basic critics about the factors that influence the process. It can be argued that by combining different theories about participation and the factors that influenced it, it is possible to cover how land readjustment can be influenced by participation.

2.5.1 Participation concept in policies

In the following section the main concepts about participation in policies dividing them between the “populist” ones and the more critic ones will be defined. In addition the most important critics that the populist and mainstream concept of participation has received will be addressed. It is argued that the most critical definitions allow to figure out the complexities and impacts that participation might have on the benefits and costs of policies like LR.

On one hand the most populist definitions of participation highlight the benefits of it for policies. They hide its complexities and possible impacts on equity and benefits for the addressees. In this sense theory mentions that the main aim of participatory approaches to development is to make the people a central factor for development by encouraging their involvement in policy and development interventions that affects them where previously they had a limited influence or control. In other words, participation allows people to have a voice in development. These participatory approaches tend to increase the involvement of the socially and economically marginalized people in decision making that affect their own lives. It is the decentralization of decision making. This implies a recognition of greater involvement of local perspectives, knowledge, inputs, priorities and skills into development initiatives that represent an alternative to outside led development. (Mickey and Mohan, 2005; Mansuri and Rao, 2004; Stiglitz, 2002; Cooke and Kothari, 2001). Because of the mentioned features, participation is a

supporter of rights of individuals (Brody, 2003). In this same line Arnstein (1969) defines participation in terms of categorization of the citizen power or control over government decision making. It is the strategy by which the people join in determining how information is shared, goals and policies are set, tax resources are allocated, etc.

On the other hand, within the critic definitions two are useful addressing issues of land readjustment. The first definition highlights participation complexities and possible effects on benefits and costs of policies like LR. It relates the complexities to its inherent element of collective action. It is the capacity of individuals to act in a coordinated and cooperative manner. The collective action element of participation makes it a complex process because sometimes there will be no incentive for all the integrants of a community to share the cost of collective action. Instead, each member of the group prefers that another member pay the entire cost. Thus, generating the free ride problem. Nevertheless, that individual might have an agency to create their own agreements, institutions and systems of management, which may have the capacity to adapt and change over time preventing undesirable outcomes (Dasguta and Beard, 2007).

Secondly, some other authors are even more critical of participation, they highlight a number of conflicting social and power dynamics that shape those processes. Andrea Cornwall (2004) states a definition of participation conceived in spaces. "A space can be permeable, filled or emptied. It can be also an invitation to act, to speak or it can be depopulated if people turn their attention to another place. Thinking in participation in a spatial way highlights the relations of power and constructions of identity and citizenship that permeate any public engagement. In this sense, participation must be understood in terms of its praxis" (Cornwall, 2008).

This definition states that participation is a process that constitutes a land of contestation in which there are power relationships between different actors who have their own interests about the project or policy, they shape and reshape the boundaries of the action of the process. Despite the creation of a framework by outsiders like the government or external agencies, much depends on who participates, wherein, what, how and where their agency and interests take place and influence the process. Defining these interests would help make clear what exactly is at stake when 'participation' is being advocated. It would also help provide a way of accomplishing a feel-good talk of 'participation' that has a form of genuine delegated control that enables people to exercise a meaningful part in making the decisions that affect their lives (Cornwall, 2008). This has influence on the benefits and costs of a policy like LR.

2.5.2 Typologies of participation

Despite the clarity of the definitions above, it has to be taken into account that participation is not the only one, because there are different levels of it. In other words, different kinds of participation imply significantly different levels of engagement and involvement (Cornwall, 2008.). It is argued that different levels of participation can take place in a land readjustment and each one represents different levels of citizen involvement and of impacts on the LR. The more inclusive, the more impact and the higher chances of creating equity.

Cornwall (2008) using Bebbington's ideas (1993) proposes a simple way of assessing forms of participations according to the depth and width of the process. A 'deep' participatory process engages participants in all stages of a given activity, from identification to decision-making. Nevertheless, such a process can remain 'narrow', if it only involves a handful of people, or particular interest groups. Equally, a 'wide' range of people might be involved, but if they are only informed or consulted their participation will remain 'shallow'. There is a certain normative attachment to this that departs from what might, in reality, be called for in particular

circumstances. A ‘deep’ and ‘wide’ participatory process might be the ideal, in abstract, but in practice it can prove either virtually impossible to achieve or so tiresome and tedious that everyone might lose interest in it. Thus, it makes more sense to think in terms of an optimum participation: by securing the balance between in-depth and inclusion which is right for the purpose at hand.

According to Arnstein (1969), participation might have different levels or forms. It might have a “tokenistic” form (placation, consultation and informing) where it is just a consultation directed by public administrations. In this form, citizens may hear and be heard but there is no guarantee that their views will be taken into account by the government, because, normally, the right of decision is in hands of the power holders. In addition, for this author the protagonist of the ladder is the citizen who acts as the receiver of the project outcomes. This is the reason why ‘Citizen control’ appears at the top of the ladder along with other categories like delegated power where the citizens have the majority of decision making control or even full managerial power. Partnership is a category which is also part of the top positions of the ladder and implies a capacity of the people to negotiate and engage in trade-offs with traditional power holder’s partnership. Finally, there is a category of ‘non-participation’ at the bottom, in which therapy and manipulation are placed and are not real ways of participation. Their real aim is to “educate” the participants by the power holders, but people do not really participate in the decision making process. (Arnstein, 1969). The following table allow us to visualize the idea of Arnstein.

Table 1: Citizens Participation

Citizen Control Delegated Power Partnership	Citizen Power
Consultation Informing Placation	Tokenism
Therapy Manipulation	Non Participation

Source: Adapted from Cornwall (2008).

On the other hand there are other categorizations for participation. For example Bishop and Davis (2002) define participation as the expectation of citizens having a voice in policy choices and decision making. With this, participation takes the place of an important element for any policy making process. In this sense, for the authors, different policy objectives may require different and specific typologies of participation. Therefore, for a specific objective there is a specific type of participation, which implies not a hierarchy but a layout composed of different kinds of participation which defines participation as the expectation of citizens having a voice in policy choices and making.

The following table summarizes the kinds of participation proposed by the author.

Table 2: Summary of different kinds of participation proposed by the author

Type of participation	Description
Information	Information provision from the policy decision making team
Consultation	Receive inputs and feedback
Partnership	Active engagement in the decision making process
Standing	To invite third actors in legal review of policies or projects
Consumer Choice	Shaping the service based on consumer choices
Control	Absolute control of an issue or activity by the people

Source: Adapted from Bishop and Davis (2002)

In addition, there are other important categorizations like the one made by Pretty (1995) who focuses on the different uses that a development agency can give to a participation process. In addition, another author, White (1996) considers a more complex set of criteria to categorise participation, including what it means to different agents and what it is for.

In relation to these categorizations, it has to be said that as Cornwall (2008) states there are different levels of engagement. In this sense, not always do the typologies imply more or less control because that also depend on the context, since sometimes it is the door of entrance to deeper participation and so on (Cornwall, 2008). Thus despite that some kinds of participation might limit more active engagement, it could be argued that transparency over certain kinds of information might help and open up the possibility for the implementation of collective action among the society to monitor the implementation of policies like LR.

As seen several types of participation like partnership or consultation imply broad changes and impacts on policies like readjustment. This as it will be seen in the next section might facilitate the achievement of benefits like more inclusion of marginalized people in the policy. Thus, it increases the chances of creating equity on the instrument. The next section will expose some of the benefits that the theory exposes about participatory approaches.

2.5.3 Benefits of community participation

The literature mentions several benefits that the community participation processes in development offer. Some of them are broad and general and some others are very specific and particular. The ones that are more likely to be related to land readjustment will be expanded upon here.

First of all the literature speaks about the consequences of the community participation on society. In this sense, one of the most cited benefits is the increment in the involvement of socially and economically marginalized people of the society in the decision making process that affect their lives (Cooke and Kothari, 2001). In this sense it can be argued that community participation allows poverty reduction efforts to be spread among the whole society. The reason for this is that when poor people are included in development decisions with appropriate information, support and clear rules, it facilitates their active and ongoing role in rolling poverty efforts out by creating a whole system in the society focused on this (Stiglitz, 2002). Therefore, participation might allow the most marginalized members of society to participate in policies like LR. An inclusive type of participation might allow even tenants to participate.

The second benefit that is useful for LR is the inclusiveness and equality that the implementation of participation generates. The reason for this, is that the participation process ensures that the interests of the less disadvantaged people are included in policy making. This guarantees a sense of fairness within the final outcome, as, more inclusivity ensure fairness and acceptance (Stiglitz, 2002). In this sense, participation can provide a voice and empowerment to groups that are typically excluded from the development process besides the poor like ethnic minorities, women and disabled among others, who are not able to express their views about decisions that affect them through standard political and economic structures (Honghier, 2002). Applied to LR an inclusive process will allow the poorest land owners or other inhabitants with different property tenures like possessors to be included and protected by the readjustment. Even tenants might have a chance to be included in the policy according to what theory says here. Thus, the distribution of costs and benefits might be more equitable.

As a third benefit, the literature argues in favour of more quality of policies and projects that include a participatory approach. Since community members are the most legitimate, informed

and reliable source of information about their own priorities (Honghier, 2002), participation approaches increase the equality of policies or projects with the inclusion of local innovative ideas and valuable knowledge on them (Brody, 2003). In this sense, by the mentioned inclusion of knowledge in the policy making process, participation addresses potential discrepancies between the actions that the government has taken and the interests of those that those actions are supposed to serve and address (Stiglitz, 2002). That is, that policies give more equality since they do not give any preferential treatment by embracing interests of all the community, including the less advantaged making growth faster equitable and sustainable (Stiglitz, 2002). Even more if policy making is developed with the inclusion of key stakeholders (Brody, 2003). This benefits suggest for LR that it would have more quality since it will address costs perceived by the people and not minded by the policy designer. Therefore, by including the perspectives of the owners it avoids causing unbearable costs and unearned benefits to the landowners. In fact theory about participation affirms that the promotion of participation might enhance a more equitable distribution of the benefits of projects (Mansuri and Rao, 2004).

The main aim of participatory approaches to development and specifically to Land Readjustment is to make people central to development by encouraging beneficiary involvement in interventions that affect them and over which they previously had limited control or influence. Thus it is recognition of greater involvement of local perspectives, which can represent several and equitable benefits for the involved community (Cooke and Kothari, 2001).

Despite all the benefits that have been presented, and in the same way as it happened with the definition of participation, the theory about participation in policies criticizes the concept based on the critical definition of participation that was mentioned later. In this sense, the literature suggests that participation is not a static issue, but it is dynamic because it is influenced by several factors that affect the final outcome.

2.5.4 Factors that affect participation; Participation issues

The main critique that has been mentioned before in this section is that the conventional definition of participation fails in engaging with the issues like power or politics that influence the final outcome of a participatory process. In this sense, they depoliticize what is a highly political process (Mickey and Mohan, 2005). The following section will present some of the most relevant factors mentioned in the literature that makes a participatory process highly political and affects its outcomes, trying to highlight the most important features of them for LR.

Participatory invited space

The participatory space might be created by the people themselves or by an external agent who invites the people to participate in the decision making process: They are known as: people spaces and invited spaces respectively (Cornwall, 2008;2004).

People spaces are created by the people themselves. Normally, they are less marked by differences of status and power that can be found in the committees or councils that are created by government or private institutions for the implementation of community involvement in policies. Usually, those spaces consist of people who gather together because they have something in common, rather than due to the representation of different stakeholders. Groups with little power or voice in the society, can gain confidence and skills in these kinds of spaces (Cornwall, 2008; Sinwell, 2010).

The mobilisation, confidence and capacity building generated in these spaces provides an important basis for entering into invited spaces (Cornwall, 2004). Such basis provide a starting

point to access into the invited spaces in such a nature that the participants of invited spaces have enough legitimacy to speak as a representative of the community that remains watchful outside the invited spaces, rather than individuals.

On the other hand, the invited spaces are opportunities to participate that are made available by development agencies or public actors usually in response to legal obligations or their own initiative (Cornwall, 2008). These spaces are often structured and owned by those who provide them, regardless of the level of participation that they are intended to be. Normally, these spaces lack ownership by the participants and are considered by them as instruments to obtain access to benefits or to improve their won access to services (Sinwell, 2010; Cornwall, 2008). In these spaces, the conditions for having a voice and an equitable participation are not totally present and depend on the perception of the people of them (Cornwall, 2004; Sinwell, 2010). In this sense, they are embedded in a particular context constituted by understandings, political configurations and institutional landscapes, in which the invited spaces are ones of much more associative and participatory bodies where the actors move in and out. In that movement the actors carry relationships, knowledge, connections resources, identities, identifications, movements of religion, kinship and political parties, among others. (Cornwall, 2004; Sinwell, 2010).

The invited spaces are framed by technocrats, whose interventions produce and limit what is possible. In this sense, Cornwall (2004) states that the perception by the municipality is a means of struggling for the rights of the people or as a short term instrumental tool that influences the invited participatory spaces being significant in framing these spaces.

The dynamics of these spaces play an important role in framing the outcomes of the participatory process. For instance, how the beneficiaries of a policy are represented in the process might vary enormously having consequences on the legitimacy, credibility and accountability of the process. Thus, some self-selected representatives might speak for the community without any accountability or communication with them, but the result of their interventions will be taken as the result of the community and not of just one person (Cornwall, 2004; Sinwell, 2010). In this sense the participation arenas might present a complete landscape of complex relations between those who enter these arenas, tactical alliances, tensions between the members of the community, councillors, public officers, among others, make the outcome of the participatory space the result of a complex relational picture (Cornwall, 2004).

In relation to the mentioned above, Mansuri and Rao (2004) state that the final outcome of the participatory process, which is supposed to be the local knowledge given to the project is usually a construct of the planning context. That is of the dynamics of the participatory space. Even in the most participatory projects, according to the literature, there are four. First, participatory exercises are usually open public events and open ended concerning specific target groups and program activities. Also, their decision making criteria might be hierarchical or democratic allowing participants to arrive to decisions through consensus or imposing decisions (Sinwell, 2010). This feature makes these events highly and innately political, causing that what is reflected from these events is powerfully produced by local relations of power, authority and gender. In second place, agendas and priorities that are external to the community manage to be labelled as “local knowledge” and therefore result as participation. That is, the project facilitators and guides the participatory exercise and “needs are normally produced by perceptions of what the project can deliver”. Thirdly, the participatory space might be subject of the interest of groups of the local community. That means that some people attend the participatory exercise because they might think that it is a space where they can manipulate the project to fit their own interests. Fourthly, the concept of participation normally is used to

legitimize the earlier defined priorities of the project and the necessity of donors to include participatory processes in their projects. In this sense this dynamics applied to LR represent the opportunity to manipulate the project by creating close spaces, making external agendas look like local ones and allowing groups to capture it.

According to the literature at the end of the project, it is difficult to comprehend and differentiate which of the final outcomes can be ascribed to participation. It is unclear, since several dynamics and interactions takes place which end up influencing the final outcomes (Mansuri and Rao, 2004). It has to be said that the literature does not explain how this dynamics and influences of the invited space influence a final outcome.

Participants

A second factor that might affect the participation process and that is strongly linked with the participation space is the aspect of who participates and in what. This factor might have different issues. First, the participatory process might be shallow or wide if it includes all the people with an important interest in the project or if it only includes a specific group (Cornwall, 2008). Since involving all the members of a community might be logistically impossible most of the participatory process ends up working with representatives of the community. The problem of the legitimacy and representativeness of those who speak in the name of the community arises (Cornwall, 2008). In any case, usually, the participants of a participatory process are the people who attend the meetings (Cornwall, 2004). Thus, in participatory spaces of policies participants can be representatives that speak in the name of the community or the whole community (Cornwall, 2008; Mansuri and Rao, 2004).

In addition, as it has been noted the participants of the community can be classified within different categories which is seen as unproblematic. In these categories some of the parties might not feel identified with, what the category says they are (Cornwall, 2008; 2004; Sinwell, 2010). This categorization might bring logistic advantages for the participatory process since it helps to enhance and address the interests of the community in obtaining benefits. However, it might be problematic since those groups do not exist in social isolation and have continuous social and economic relationships with each other (Cornwall, 2008). The efforts of creating an inclusive development will be useless.

The literature in this aspect does not explain how the participation or non participation of members of the community and its categorization affect the decision making processes. Moreover, the conditions or results or how who participates affects the outcome of a policy and how this outcome affects the non participants is not explained within the literature.

Finally, with respect to the question of who participates, the literature addresses the issue of exclusion/self-exclusion. In this sense, exclusion is related to having a voice within a participatory process, which implies that the people feel able to express themselves without fearing for reprisals or the perception of not being taken into account by the project team (Cornwall, 2008). Thus, exclusion might take place for some groups by actively excluding them or due to the action of factors that are not in control of the government or project team. On the other hand, Self-exclusion might occur due to timing and duration for the participation activities which some people (especially poor) cannot accomplish because of other responsibilities. Moreover, people do not feel identified with the groups where they have to participate, they feel afraid of reprisals by powerful people of the community or they do not feel that their proposals are going to be taken seriously (Cornwall, 2008). A mechanism to cope with this is the identification of predetermined stakeholders categories and trying to take into account their opinions as representative of others opinions (Cornwall, 2008; Sinwell, 2010).

The literature does not explain how these dynamics affect the participatory process and its outcomes which is something that in a LR might happen being reflected in its benefits and costs

Finally in relation to the factor of “who participates” it has to be said that a participatory process might decide which people can participate. The importance of the decisions and topics that people can decide is critical in framing the result of a participatory decision making process. The consequence of this is that there is less space for the own agendas of communities and an obligation to fit into the agendas of development agencies, governments and so on (Cornwall, 2008; Sinwell, 2010).

Power

Another important factor identified in the literature that influences the participation process is power. Concentrations of economic power and wealth are usually translated into an attempt to have political influence. This influence of power enhances in contexts where there is a lack of rule of law and transparency and undermines participatory processes (Stiglitz, 2002). This happens because despite the existence of rules to ensure equal treatment for all, powerful people manage to have special access to the people in the political power and use that influence to obtain for themselves special benefits. (Stiglitz, 2002). Power has an important effect because in participation usually communities are labelled as static groups, which hide the power structures and relationships embedded in them (Cornwall, 2008; Mansuri and Rao, 2004). This factor can apply to any participation process or policy making like land readjustment.

The literature calls these effects of power on participatory processes elite capture. For LR awareness of elite capture is useful since it deals with specific benefits allocated to the participants. In fact, participatory processes are particularly vulnerable to elite capture since participants go into the process from unequal positions of power (Dasgupta and Beard, 2007). It might be inevitable in community participation (Mansuri and Rao, 2004). They have uneven positions, social positions, dissimilar access to economic resources, different levels of knowledge of political protocols and procedures and diverse literacy rates. (Dasgupta and Beard, 2007; Abraham and Plateau, 2000; Fung and Wright, 2003). That means that elite positions are characterized by high social positions, high access to economic resources, high levels of knowledge of political protocols and procedures and high levels of literacy rates. Other authors add some features that also identify an elite as being educated and well networked leaders who embody moral or political authority by being leaders with political or community background in the area belonging to political or community organizations. Moreover, elites who can effectively communicate with outsiders, read project documents, keep accounts and records, have more access to project team and write proposals (Mansuri and Rao, 2004). They also have fewer opportunity costs of their time (Mansuri and Rao, 2004). According to the literature there might be different types of elites in a community: Social, political or economic. Their sources might be found in land holdings, kinship, political party affiliation, community leadership, wealth, education, employment, and lineage among others (Dasgupta and Beard, 2007). When Elite capture occurs the group with those characteristics have the most benefit from participation (Dasgupta and Beard, 2007), and appropriates all the benefits from the public good by organizing themselves (Mansuri and Rao, 2004).

Elite capture in participatory processes might undermine the democratic approach of participation, because it would demoralize the involvement of the community in the project due to the awareness of elite capture. (Mansuri and Rao, 2004; Bardhan, 2002). Moreover, local inequality among the community might get worst and power relationships might be maintained with the arising of program benefits captured by elites. Finally, the advantage of

capturing local knowledge through participation in benefit or a project is avoided when elite capture takes place (Mansuri and Rao, 2004). The main reason for the arising of elite capture is the presence of low mobility and heterogeneity in neighbourhoods because when this takes place communities are more likely to reflect social ordering of long histories and deep-rooted power hierarchies (Mansuri and Rao, 2004).

Not all the cases where the elite have power and obtain benefits capture them. There might be cases where despite the control exercised by the elites they target benefits to the beneficiaries. Local elites might be able to contribute to the know how needed to facilitate community level projects (Dasgupta and Beard, 2007). For instance, Mansuri and Rao (2004) citing Rao and Ibañez (2003) mention that some studies have found potential forms of benevolent domination which does not imply capture. For example in the mentioned study they describe how in a project more than 80 percent of the beneficiaries expressed satisfaction with the benefits allocation of a project. On the other hand, some other projects might have even distribution of power but less allocation of benefits to the people who need them, or strong appropriation of power by one group with unequal distribution of benefits among the community (Dasgupta and Beard, 2007). Therefore, according to the literature it is not clear that always with elite domination the capture of the benefits of the project through participation takes place. In fact, there might be an extreme form of malicious elite capture such as theft and corruption and more benevolent capture when the elite is able to spread the benefits among the community (Mansuri and Rao, 2004). However, it has to be said that this literature does not address issues where the benefits that need to be allocated, of participants of a project to receive are based on property titles, like in the case of land readjustment. It is more focused policies in general.

Finally, it is important to indicate that the literature suggests several other factors that influence participatory approaches like: social and economic heterogeneity (Mansuri and Rao, 2004), group size, the existence of non-linear relations and the mediating role played by institutions (Agrawal, 2000; Agrawal and Gibson, 1999; Baland and Platteau, 1996; Poteete and Ostrom, 2004). Also the literature has tried to study how social capital in the form of relationships based on trust reciprocal exchange and social networks influence the outcomes of the participatory process. (Carpenter et al., 2004; Daniere et al., 2002; Dasgupta and Serageldin, 2000; Grootaert and van Bastelaer, 2002; Woolcock and Narayan, 2000). Social Capital will be addressed since in the present case study performed an important role in the later process of Fenicia.

Social capital.

Since the literature states that participation outcomes are the result of several interactions and relationships among participants and other assets of them like their networks in the case of elite capture, it is reasonable to say that the concept of social capital also might have influence over all kinds of participatory processes like the ones of LR.

For the purposes of this study the general definition of social capital is enough as a theoretical background. Therefore, this study will not address other issues or discussion around this topic.

Regarding the definition of social capital, the literature agrees that two of its most common characteristics and variables are social relationships (Baker, 1990; Brehm and Rahm, 1997; Ostrom and Ahn, 2003) and networks (Putnam et.al, 1993; Portes, 1998;2000; Woolcock and Narayan, 2000;Bordieu, 2001). The consulted literature sometimes put together social relationships and networks and other times use only one of those. In this sense, the best definition is the one given by Woolcock (1998) which states that social capital is the complex web of social relations that can surround and connect members of the community to each other and to people and organizations outside of the community. However, other authors add to this

definition the feature of social capital of a mobilized resource to achieve objectives. Thus, social capital would be the block of social relations that represent resources that individuals, households and larger social categories mobilize to compensate for situations occasioned by lack of sufficient resources (Grieco, 1995).

The social relationships are those interactions and cooperative relationships (Brehm and Rahn, 1997) between citizens that create a membership to a social structure (Baker, 1990) that are changing among actors continuously (Baker, 1990). In this sense, within a community the term “social integration” is an important indicator of social relationships since it describes those relationships as interactions. They indicate the degree to which community members provide one another with services, resources and opportunities for advancement (Woolcock, 1998).

Likewise, networks are defined by literature as institutionalized relationships of mutual acquaintance and recognition like community or political organizations, among others. (Bourdieu, 2011). On the other hand networks are defined by the literature about elite capture in participation as an expression of power due to the fact that they usually belong to the elites, where these groups are characterized for being the most networked with contacts from outsiders (Mansuri and Rao, 2004). Furthermore, other authors define networks as linkages. This word refers to the ability of local groups to exercise autonomy and expand their collection of social and mutually shared interactions outside their own communities (Woolcock, 1998). Linkage might help a community to solve problems that they may not be able to handle due to lack of resources or the need for an intermediary (Woolcock, 1998). In other words it assists the autonomous development of the community.

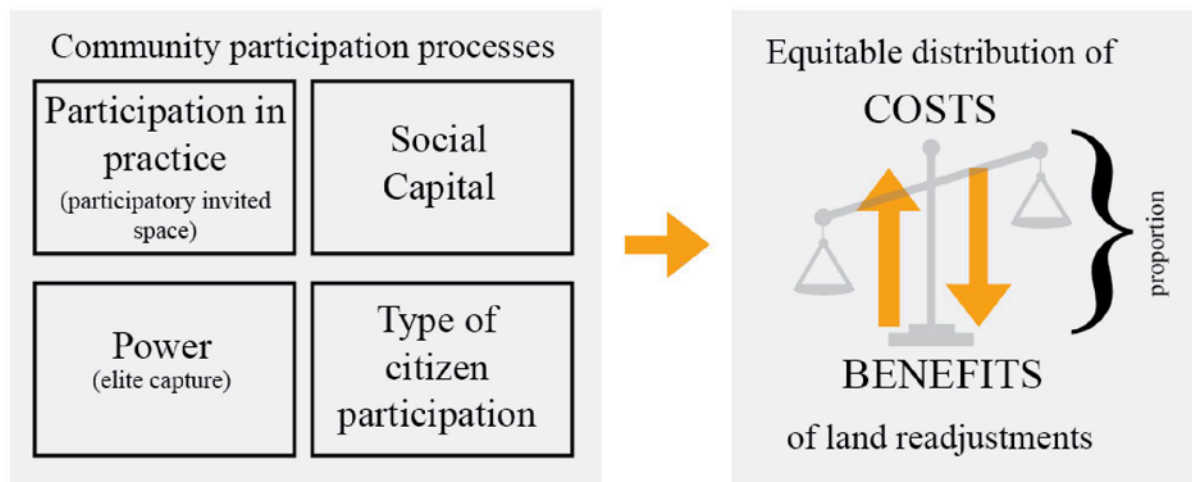
In addition, the literature assigns different objectives to those variables among the social capital. First, the literature approaches to social capital through the mentioned variables by saying that the effect of them is related to a collective action. Therefore, social capital can facilitate coordinated actions (Putnam et.al, 1993), can enable people to act collectively (Woolcock and Narayan, 2000), or it can solve collective action problems (Ostrom and Ahn, 2003; Brehm and Rahn, 1997). On the other hand, other authors define social capital as an asset that allows people to secure and accrue benefits (Portes, 1998; Bourdieu, 2001) and to pursue efficiently their interests (Baker, 1990).

In summary, the theory has been useful to understand how participation might impact policies like Land Readjustment. As seen the concepts allow one to understand how participatory processes work in the spaces where they occur (participatory spaces, which are important occasions in many occasions to manipulate or frame the project and to affect the equitable distribution of costs and benefits. Moreover other factors that influence participation allows one to understand how and when capture can have benefits on a LR..

2.6 Conceptual Framework

In this section the conceptual framework will be presented. It links together the concepts and theories showed in the previous sections of this chapter.

Figure 2: Conceptual Framework



As it has been pointed out in this chapter the equitable distribution of costs and benefits is a critical issue of Land Readjustment. Since the distribution has to be equitable and it is based on the eventual benefits that the landowners will obtain from the project, its discussion and layout becomes an essential part of the land readjustment. In fact, as theory argues, it is very important that an agreement among the landowners regarding the distribution of costs and benefits making this topic the main issue of discussion of the LR instrument. It is essential that the distribution is equitable. It means that there must be a balanced ratio between the costs and the benefits of the project and the costs and the benefits that each landowner pays and obtains respectively. Without the mentioned equity one of the main features of the nature of land readjustment will not be possible.

On the other hand, the literature exposes that around land readjustment there might be two kinds of participation of the landowners. Participation might be indirect or direct, where the last one is the recommended one since it allows the landowners to have an active role in the design of the readjustment, including the equitable distribution of costs and benefits. In the first one the landowners are only informed about the project with the only possibility to approve the final proposal or not. Theory about participation in policy making broadens the scope, because the types of participation might be more or less inclusive of community inputs and proposals. Information, consultation and partnership are examples of low and high involvement in participation respectively. Each one has a different involvement of citizens and allows them to gain a higher inclusion of their inputs and concerns causing more impact on the project along with impacts on the distribution of costs and benefits. Moreover this happens within participatory space which is the arena for participation where the project is changed. Its features permit specific types of participation and influence the final outcome of the process and with this the readjustment and the distribution of costs and benefits. There might be spaces with open or close format, democratic or hierarchical decision making criteria, allowing owners, only representatives, or the whole community to participate in the meetings. Moreover, topics like an agenda to discuss and if the policy designer or the community proposed it has influence in the outcome of the participatory space.

This whole process is influenced by several other variables like power or social capital. Power allows a group of the community to access the policy designer and to capture the process due to the higher and better assets of this group in comparison with the community. This causes a phenomenon called elite capture. This capture was not only about the process but about the

benefits of the readjustment. However, theory states that domination of the process sometimes causes a spread of the benefits among the community causing a benevolent capture. On the other hand, social capital is an asset to the members of the communities that actors obtain from their possession of social relationships and membership to social networks, that they use to obtain benefits and to pursue their own interests.

In this thesis it is argued that a participatory process as the theory states is not a static process. Rather, it is a dynamic process influenced by several variables and actors where the final outcome of it is the result of the interaction of all the variables that influence the process. For this reason by using the theory of community participation decision making process in development, this study argues that a participatory process that takes place in a land readjustment might influence the equitable distribution of costs and benefits, by its outcome, where that outcome is the result of the interaction of different variables.

This thesis takes the ones that might have a bigger influence on the final outcome of the process under the circumstance of a LR in urban areas. That is, is a process that takes place among landowners, in declining areas with a mixed socio-economic population. Within this framework, several variables influence the readjustment.

Firstly, the type of participation that is allowed in the process which by law was delimited as information, but it included consultation that implied inclusion of community inputs in the proposal and reached a partnership level allowing several changes to the project.

Secondly, participation in practice understood as participatory space which presents two elements: Its characteristics like decision and discussion criteria, participants, agenda and open or close formats allowed different types of participation. At the same, they allow or facilitate modifications of the LR, and with its feature permitting deep or slight changes to the project and to the distribution of costs and benefits.

Thirdly, the effect of power through the elites on the process allowed a group of the community to capture the process and benefits that were spread among the community. These elites were wealthy, highly educated owners with important political and community leadership within the area.

Finally, social capital played an important role by creating pressure over the actors to open additional spaces of participation, to incorporate advisors for the community which improved their performance in the process.

Chapter 3: Research Design and Methods.

This chapter presents the methods that were used in the present research in order to obtain and analyse the information that was needed to answer the research question. The literature reviews allowed this researcher to revise the research question and sub questions.

3.1 Definite Research Question.

The revised research questions of this study are:

3.1.1 Main Research Question

To what extent the community participation decision making process that took place in the land readjustment of the Triangle of Fenicia contributed to the enhancing or undermining of the equitable distribution of costs and benefits?

3.1.2 Definitive Sub questions

The following were the revised questions after the fieldwork:

How has the participatory process of the triangle of Fenicia reached its final outcome? The scope of this question is to try to reconstruct the whole participation process thorough the analysis of four concepts that influence participatory processes: Type of participation, Social Capital, Power (Elite Capture) and Participatory space. The influence of those concepts in the construction of the final outcome will be also analysed.

Were the outcomes of the participation process incorporated in the final version of the readjustment representing a perceived change in the equitable distribution of charges and benefits and why this enhances or undermines the equity of the distribution? The scope of this question is focused on two aspects: Firstly, to establish the inclusion of the participation process outcomes that might influence the distribution of costs and benefits. Secondly, to analyse how the equity of the distribution changes with the inclusion of the participatory outcomes.

3.1.3 Operationalization: Variables and Indicators

This section has the objective to permit the measurement and conversion of the theoretical concepts revised in the Literature Review into an Empirical Research. To do this, the concepts that were showed in the chapter 2 were unbundled into variables. At the same time, indicators to measure the variables were extracted from the theory revised in chapter 2.

In this study the independent and dependent variables were the following:

Independent Variable: Community Participation process

Dependent Variable: Equitable distribution of Costs and Benefits of Land Readjustment.

The operationalized concepts useful to use variables and indicators to be measured are the following:

Therefore, the concepts that were addressed in this thesis were:

Equitable Distribution of Costs and Benefits (EDCB) : The EDCB concept needs to be understood as a relationship between costs (understood as all the necessary investments to get the project done (Larsson, 1997; Archer, 1992) and the costs of impact of the project (new finding of this paper) and benefits (understood as all the possible returns product of the investment done by the landowners in the project (Hong, 2007) and the benefits generated by impacts of the project (new finding of this paper). That relationship has two necessary dimensions. First, the landowners should share the costs and benefits of the project in the same way or by the same code of rules: everybody shares costs and benefits (Archer, 1992; Larsson,

1997; Hong, 2007). The second dimension is that every landowner in the allocation stage (Turk, 2008;2007) should obtain the benefit that it deserves (Turk, 2008). In other words, every landowner should receive benefits from the project in proportion for the costs he has paid (Archer, 1992; Hong, 2007; Turk, 2008; Agrawal, 1999). Thus, nobody should receive any windfalls (Doebsele, 1982) by receiving benefits that he has not paid for the costs of receiving them (Turk, 2008).

Community participation decision making process of landowners in Land readjustment:

It is the active involvement of the landowners in all the stages of the Land Readjustment through negotiation and revision of the project based on its total understanding and formulation of inputs, concerns, objection among others by the landowners to the project (Turk, 2008; Yao, 2012; Yilmaz et al, 2015; Hong, 2007; Muller-Jokel, 2004). It might be influenced by different variables like, participatory space, power, social capital and the type of participation given in the process, being the final outcome the result of the whole participatory context (Dasgupta and Beard, 2007; Mansuri and Rao, 2004; Cornwall, 2008;2004; Turk, 2008; Karki, 2004; Yao and Cheng, 2010).

Participatory space as participation in practice

Since the final outcome of a participatory process is usually the result of its planning context and the way facilitators and participants direct it (Mansuri and Rao, 2004) the concept of participation in practice in participatory invited spaces becomes a useful concept to operationalize. The reconstruction of a participatory decision making process. The reason for this is its character of being a space that can be filled or emptied with meaning. (Cornwall, 2004), where this vision as a space helps to understand the way power operates in shaping the dynamics of these spaces (Cornwall, 2004; Sinwell, 2010).

It also allows us to think about the ways in which particular sites come to be populated, appropriated or designated by particular actors for particular kinds of purposes (Cornwall 2004; Sinwell, 2010). This leads to the conclusion that participation in practice it's about thinking participation in terms of an arena or space that can be filled, emptied and appropriated by different actors which is invited by a third one to the community (Cornwall, 2004;2008; Sinwell, 2010). Therefore, to wrap up participation in practice understood as an invited space is an arena for participation and deliberation where the discussions, conditions of participation in the space and participants end up in a specific "participatory result" (Cornwall, 2004;2008; Mansuri and Rao, 2004).

Elite capture as power in participation

It is the domination or capturing (Mansuri and Rao, 2004) of the benefits of a policy by the elites of a community. Sources of elite power might be founded in income, education, better networking, interventions on the process compare to non-elite, and community/political authority. (Mansuri and Rao, 2004; Dasgupta, 2007)

Type of participation

The participatory process has different steps of participation which are the different levels of engagement and action allowed to a participatory process within a policy (Arnstein, 1968; Bishop and Davis, 2002; Cornwall, 2008). Thus, among the most common levels of participation we can find from the most superficial ones to the deepest ones: information, consultation, partnership and control (Bishop and Davis, 2002).

Social capital

It is a social relationship and networking based resource that enables people to have coordinated action (Putnam et.al, 1993; Woolcock, 2000), to solve collective action problems (Ostrim and Ahn, 2003; Brehm and Rahm, 1997), to obtain benefits within a community. (Portes, 1998; Bordieu, 2001) and to solve situations that they may not be able to handle due to lack of resources (Woolcock, 1998).

Table 3: Operationalization of Community Participation Process

Research Sub question	Concept	Variable	Indicators
How the participatory process, of the triangle of Fenicia it reached its outcome?	Types of participation	Information	One direction flow of information Constant detailed information about the project
		Consultation	Reception of inputs and feedback By directional flow of information
		Partnership	Co-production Trade-off negotiation for the project (Community-project) Inclusion of community inputs on proposals
	Power (Elite Capture)	Higher income /Wealth	High strata among community High income among community Capacity to hire advisors for the participation process
		High education	University diploma Literacy Knowledge of political procedures Proposal writing Knowledge of the project High knowledge about urban issues
		Networking	Membership to Community associations Communication with outsiders to the community in relation to the project
		Tenure	Ownership of property outside the area
		Interventions in the process compare to non-elite	Repeated interventions in the process/meetings Repeated direct interactions with project team or municipality officers
		Political authority	Affiliation to political parties Leadership/ of community organizations Leadership/ in community protests against the project.
		Capture of benefits	Inclusion of elite claims on final project proposal
	Participation in Practice (Participatory invited space)	Participants	Tenants, Stakeholders, Owners* ³ Representatives (legitimate or not)* Other Stakeholders* (Self)Excluded from the process*
		Agenda	Topics of discussion (location, cost/ benefits)* Agenda proposed by University or Community
		Design of the space	Categorization of participants* Open/Closed event* Criteria for discussion and decision-making (Democracy/hierarchy/Representative)*
		Participatory result	Agreements and outcomes of discussions in the meetings of the process Changes in the project
	Social Capital of participants	Social Relationships	Constant interactions among the actors involved in the process
		Networks	Membership to Community/Political associations Interactions with outsiders to the community in relation to the project
		Benefits	Inclusion of inputs of elite in project proposal

³ Indicators with * re defined in annex 1.

Table 4: Operationalization of Equitable distribution of costs and benefits analysis.

Research sub-question	Concept	Variable	Indicator
Were the outcomes of the participation process incorporated in the final version of the readjustment representing a perceived change in the equitable distribution of charges and benefits and how and why this enhances or undermines the equity of the distribution?	Costs	Public space construction (parks, roads, amenities)	Money assigned for parks, roads, amenities, squares building
		Infrastructure construction	Money assigned for Public services networks building
		Management and indirect costs (transfers, replacement)	Money assigned of other expenses necessary to get the project done.
		Cost of participating in the project per landowner	Money assigned for property located in the area contributed to the project
		Lost profits, Transfers and adjustments of owners	Potential payment of money for lost profits, transfers or adjustments
		Impact Cost ⁴	Potential money paid for displacement out of project area Impossibility of enjoying benefits for displacement out of project area Increase in living costs Change of life style by moving from house to apartment
	Benefits	Location	Assignment of original location of former property in replacement unit Possible increase in property value due to extra benefits of location
		Area	Assignment of same area in replacement unit as the one of former property. Increase in land value after readjustment
		Participation in project utilities	Money assigned to landowners from project utilities
		Amenities and new infrastructure	Possibility of increase in land value due to new amenities and infrastructure Possibility of use of new amenities and infrastructure. Non-payment for construction of primary infrastructure
		Impact benefit ⁵	Potential money saved for avoiding displacement out of project area Possibility of enjoying benefits for avoiding displacement out of project area Money saved for conservation of living costs despite improvement of neighbourhood Compensation for changing lifestyle by moving from house to apartment Reception of aid by social programs
	Equitable Distribution of Costs and Benefits	Equal treatment for owners and tenants	Same rules for everyone in allocation of costs and benefits
		Cost/ Benefit proportion of project	Presence of windfalls in City or Project Proportion/balance between benefits and costs of project Sharing of costs among society/or adjacent communities benefited by readjustment improvements
		Cost/ benefit Proportion of owners	Presence of compensation instruments in the plan for making owners pay for extra benefits Landowners or University with windfalls Product assignation to landowner (benefits)based on equivalence (proportion/balance) to cost paid by landowner. Difference between properties taken into account in allocation system. Use of market value basis for replacement unit allocation system Compensation of extra costs not recognized by allocation system like lost profits, transfer and adjustments. No burdens outweighing the capacity of owners

⁴ New impact not found in theory⁵ New benefit not found in theory

The selection of the concepts and variables took place according to the characteristics of the case that was going to be studied that allowed to analyse the situation properly and to formulate adequate conclusions to answer the research questions.

3.2 Research Strategy

In order to answer the research question the research strategy that was used was an explanatory/exploratory qualitative case study. A case study is defined as a strategy to research a contemporary phenomenon within its real life context taking into account that the boundaries between the phenomenon and the context are not clear (Yin, 2003). Its main rationale is the deliberate decision of covering contextual conditions because of its importance to study a phenomenon. The explanatory/exploratory nature of this research made it necessary to explore the relationships of the participation process with the equitable distribution of costs and benefits in the context of the Land Readjustment of the Triangle of Fenicia in Bogota Colombia which by the characteristics of the project influenced the mentioned distribution. In addition, a participation process is itself embedded and influenced by a context of several factors that influence the process and its outcomes like relationships of power, educational assets, design of the process (Cornwall, 2008;2004). Therefore, since the phenomenon analysed (community participation process) was highly embedded within a context of social-economic dynamics and practices of power (Cornwall, 2004) and its outcome was the product of a highly political process embedded in a specific context of a community (Mansuri and Rao, 2004;Cornwall, 2008;Dasgupta et.al, 2007) the case study was the most suitable strategy. Due to the mentioned issues the researcher did not have control on events and the phenomenon could not be isolated from the context.

In addition the case study was an explanatory one because the intention of answering a “how” or “why” question was one of the main reasons for choosing a case study. In essence the objective of this research was to explain the extent to a community participation process influences the equitable distribution of charges and benefits of a Land Readjustment. This objective implied not only to find out the level of influence but also to find the reasons embedded in the community participation process that explained the mentioned influence. This means that it was important to understand the factors that were involved and influencing the community participation process and how these had a manifestation in the final distribution of costs and benefits of the project. Therefore, this reasoning implies that the variable community participation process was composed by several variables which were the factors that influenced the process and its outcomes.

Moreover, the case was deviant in relation to Land Readjustment in redevelopment in the contexts of Bogota and Colombia because the structure of the participation phase of the Land Readjustment of Fenicia was different to the legally defined in the mentioned law. The law requires to inform the landowners but in this case participation went further. Thus, it represented a deviant case study. Finally, as Yin (2003, p.40) argues lessons from these experiences can be “informative about the experience of an average institution”. In this case, the Land Readjustment in Bogotá, Colombia.

In consequence, the case is also a critical case (Yin, 2003) to expand the theories in two fields. First, it was possible to expand the theories about participation in policies to land instruments cases like the Land Readjustment. Secondly, to enhance also the theory of Land Readjustment in relation to the participation of landowners in explaining how factors of participation processes can affect the distribution of costs and benefits of the project. A much unexplored field by the literature. Finally it resulted critical to expand theories about costs and benefits in land readjustment.

Furthermore, it was a case study because as Yin (2003) states a case study gives the researcher the opportunity to study more variables in interest than data points embedded in a specific context. In this case, the research aimed to analyse not only the influence of community participation process in the distribution of costs and benefits of land Readjustment, but also the factors of the participation process that explained the participation process. In other words, how the participation process affected the distribution of costs and benefits of the Land Readjustment in Fenicia and how the factors that influenced the participation process had incidence in its outcome which later affected the distribution. Different authors like Hong (2007), Turk (2008), Yao (2012) and international organizations such as UN-Habitat (2014) have promoted that participation processes are a key tool for successful and fair Land Readjustments, forgetting that the context that influence the process and its outcomes, might affect the distribution of costs and benefits layout of the readjustment.

Finally, the case study was holistic due to the following reasons. First, in the context of the city of Bogota the case of Fenicia represented the unique Land Readjustment for redevelopment in the city centre promoted by a private party that had been approved with the municipality within its policy initiative of promoting strong participatory approaches on redevelopment. In other words, there were no other cases of land readjustment in redevelopment with the same type or level of participation, the same type of process that took place promoted by a private entity that had been finished or that counted with an approved project proposal after the completion of the participatory process. Therefore, Bogotá had no cases with comparable conditions. The fieldwork revealed that what happened there was going to be used by the city government as lessons for future processes.

Moreover, the type of participation that took place was different to the one determined by the law. The national law stated only the necessity to inform the inhabitants of the area and landowners about the project and collect their comments. However, it never forced the promoter to include people's inputs on the final project or to co-produce the project with the community. In the case of Fenicia an inclusive type of participation took place, partnership and the community was allowed to see their inputs included in the proposal. In this sense, this case took the form of a deviant case. In addition, as it has been said there was lack of literature studying the influence of the participation process of Land owners over the equitable distribution of costs and benefits requirement of a Land Readjustment. Therefore, a holistic approach was more suitable to address some of these issues deeply. In addition, since the literature and UN-Habitat promote LR. Participation, it is important to assess if enhances or undermines equitable distribution of costs and benefits. This thesis will explore if it does or not, requiring a holistic case. Finally, the case was holistic because, it had the aim of concentrating on the global nature of the influence of participation processes over the distribution of costs and benefits of land readjustment projects in redevelopment than on specific characteristics of a project under a single initiative.

3.2.1 Limitations and Challenges

Construct validity: The concepts of participation in policies, and in land readjustment and the concept of equity did not have a unique definition. In addition, there was always the risk to collect the data subjectively or to assign causal relationships.

Internal Validity – The argument had some difficulties to be proven, which are the following: First, a participation process understood as a process influenced by several factors might have influence in the distribution of costs and benefits of land readjustment making it inequitable. Thus, other factors that are not part of this research might also had relevance and influence on the equitable distribution of the Land readjustment making it more or less equitable. Moreover,

some interviewees might not want to be interviewed or might not answer with veracity or completely the asked questions due to the resistance and sensitivity that the project has generated among the community. In fact, some discussion was still taking place in the area.

In addition, the project was still on going because it was only approved in 2014. This meant that the distribution and allocation phases had not been developed yet, and not even the building phase. Therefore, the final results of the project could not be analysed, and findings will have to take place based on assumptions and predictions based on the plan rules which might not be what it will happen in the future. Nevertheless, it has to be stressed that the project stage has been concluded and this research is about participation in the design of the project. Even though one cannot evaluate participation in the implementation, it is still valid to evaluate participation in the design of an official, legally binding project. This suggest the presence of effects that will take place due to the binding nature of the design.

External Validity – Since it was a single holistic case study the results of this research were probably limited to the case, and have limits to be generalized.

Reliability – Due to the fact that the study was mostly based on qualitative data and primary and secondary data, some issues regarding the possibility to exactly replicate the research might arise. In addition, since the case was unique and was still under the process of completion more research needs to be done to obtain a more general and complete results.

3.2.2 Potential solutions

Construct Validity: To construct validity unambiguous definitions of the concepts were selected and appropriate and theory based variables were chosen. Indicators were strictly linked to the variables. Moreover, multiple sources of evidence and a chain of evidence were tried to be put in place.

Internal Validity – Alternative explanations, such as the influence of other factors were taken into account. This was addressed in the interviews. Moreover, subdivision in subunits of analysis took place to try to address with accuracy the spaces where the distribution of costs and benefits were established. The establishment of small sub units of analysis within the case study allowed for establishing some patterns or comparisons. In addition, the analysis took place based on interviews, documents obtained from the community and the University cross-checked with official documents submitted to the municipality. All the data was triangulated.

External Validity – The current rationale of this case study was to apply a generalization product of an analysis, trying to apply the result to a more broad theory. (Van Thiel, 2014). Moreover, by establishing small subunits of analysis some generalization could take place.

Reliability – The whole process of data collection was documented and a case study protocol was adopted. In addition, the findings presented in the research were related to the status of the phenomenon up to the moment of approval by the municipality in September of 2014. Thus, the study provided description of the state of the project in that moment. In addition, the project had just been approved but had not been developed completely. Therefore the analysis took place over the approved plan for the project.

3.3 Data collection methods and sampling

This research took place using secondary data and qualitative primary data. There are two reasons for this. First, since the research strategy that is going to be used is a single holistic case study, the theory (Yin, 2009) suggests several data collection instruments like: observations, documentations, records, interviews among others. All of them are of a qualitative nature.

In addition the main research question required a qualitative primary and secondary data collection, since the aim of this research was gathering information that allowed the researcher to: First to reconstruct the participation process, interactions and strategies implemented by the stakeholders within it, and the final outcomes of the process. Finally, to analyse the possible influence of the participatory process(through its outcome) in the equity of the distribution of costs and benefits of the project.

Therefore, the following qualitative data collection methodology took place.

First of all, semi structured interviews among the community that participated in the process. Semi-structured interviews are known to be a useful method in order to collect data of a context about which there is limited previous knowledge. In this case, since to answer the research question was important to reconstruct the participation process, the semi-structured interview was the more suitable instrument. Moreover, the deep knowledge about an issue that this instrument allows the research to collect made it appropriate.

The sample for reconstructing the process was supposed to be stratified and representative of each block of the neighbourhood. However, during fieldwork the researcher realized that many people did not have any idea of the participation process, or could not give useful details. Thus, the sample design changed to a snowball and purposive sampling, since the objective was to obtain information from key respondents who could give most of the needed information and knowledge to answer the research question. Therefore, since, during the process some people were more active and lead an opposition group and seemed to manage to negotiate conditions of the readjustment with the municipality and project team, the main leaders of the area were interviewed: from the opposition group and from the rest of the community, balanced overview of the process and the conditions that influenced the outcome.

In addition, following the purposive sample idea to find the most knowledgeable person about the participation process, some interviews were given to members of the project team and of the planning department who were in charge of the whole process of the readjustment (including the participation stage). The objective of these interviews was to cross-check the information obtained in the interviews to the community and to obtain the “other side of the coin”, from the other main stakeholders about what took place in the process.

In order to understand the process better, and specially the technical issues of the equitable distribution of costs and benefits and of the readjustment, some interviews took place with an expert in urban management and an expert in models of distribution of costs and benefits. The expert gave some useful insights to enrich the analysis of this research. Appointments, Skype dates and phone interviews took place if necessary with the mentioned interviewees.

In addition to what has been mentioned, primary data in the form of documents was collected to add information to the research and to triangulate the one of interviews. Among the primary data documents that needed to be collected we can find the final financial model, the previous to the second stage of the participatory process and the original one. The sources of these were the university and the Planning Secretariat. In addition to the mentioned documents the archival records or minutes of all the meetings of the participatory process were collected from the archival of the planning secretariat and from the Veeduria Distrital⁶. The first stage was poorly documented. The second stage had minutes of all the 13 meetings between the University and

⁶ It is a public agency of the city of Bogotá in charge of ensuring transparency of all the activities in which the city government is involved. This includes participatory processes where the city's agencies like the SD take place like the one of Fenicia. Taken from www.veeduria.gov.co [Accessed November 28, 2015]

the Committee. These documents were very important for triangulation of the interviews and in the case of the models, they helped the researcher to make the analysis of the influence in part of the distribution of costs and benefits of the readjustment.

Finally, the Technical document of support and the decree that approves the readjustment and that includes all the approved information about the plan in their final and previous draft versions were collected. They were useful because they provided useful information to make the analysis of the equitable distribution of costs and benefits of the project and to reconstruct the process.

The “derecho de petición”, which is a Colombian legal instrument used to ask for public information to public agencies, officers, among others, was a useful tool to obtain the information, besides the informal meetings with the directors of the project team or the public officer who was in charge of the Fenicia case in the planning department.

Since several new benefits and costs arose the distribution was not static. Thus, the benefits and costs were found not only in the distribution of charges and benefits but also on other details of the project like the replacement unit allocation and other means aimed to compensate and mitigate the economic impact of the project on the inhabitants. Therefore, since the analysis of the data would be qualitative it was important to obtain all the final agreements of the process, and the final and previous version of the readjustment. The source was the Planning Secretariat and the University. No sample was needed to do this since the analysis took place through the scope of theory.

3.3.1 Reliability and validity challenges of the data collection methods and sampling

First of all, this research collected data in a time-frame of one month approximately which is a very short time frame for collecting data. To overcome this issue triangulation of data and searching for alternative explanations to the phenomenon took place. The sampling of the community was not representative of it. Therefore, some perceptions or strategies were outset of the analysis. However, the selection of the data was based on the necessary information to answer the research question.

In addition, some issues of validity could take because of the fact that the basis for the analysis of equity in the distribution of costs and benefits will be the final project approved and some earlier drafts. This might have changed nowadays, but this is very unlikely to occur due to the legal character of the models that were approved which makes their modification difficult. In addition, in the interviews with the community some inaccurate or biased answers might arise since the project had a strong resistance among the community and it might still be a sensitive topic for the members of it. Furthermore, since the process was sensitive among the stakeholders, some respondents might hide information valuable for the research, due to fear to negative consequences for them. In addition, it was difficult to make a broad generalization among the population since a limited purposive sample was selected in order to obtain the biggest amount of knowledge possible from the respondents.

In relation to reliability challenges there is always the possibility of manipulated documents from the side of the project team or the planning department. Moreover, there is the chance of information hidden by some of the parties.

In order to deal with the mentioned challenges the following strategies were used.

Firstly, some data triangulation took place in order to cross check the missing or biased information. Some rechecks of the interview guide took place to eliminate possible bias.

Secondly, a case study protocol that documented all the research process and an archive of all the information collected during the research was created. In addition all the information of the interviews was documented.

Thirdly, a chain of evidences was implemented. This took place by citing properly all the information used in the analysis. In addition, the interviews were recorded and transcript. Moreover, the research questions were directly linked with the indicators used in this study. Therefore, if another researcher makes the same questions linked to the same indicators used in this research the results will be reliable and should be the same as the ones presented in this paper because of the link between indicators and interviews questions.

3.4 Data Analysis

The data analysis method is qualitative.

For the analysis of data correspondent to the reconstruction of the participation process two were the main sources: Minutes of the meetings and participatory events, documents with relevant information about it and interviews. The interviews were coded using the software for qualitative analysis QDA miner. The coding exercise took place by variables and indicators to reconstruct the whole process. The interviews gave a baseline of what happened in the process. After having the baseline, it was enriched with the details provided by the minutes of the meetings and participatory events and the documents with relevant information about it like the Document of Technical Support of the Partial Plan of Fenicia. Triangulation always took place between the different kinds of sources and within the interviews coding. Therefore a reliable fact to include in the reconstruction of the process was the one repeated by different interviewees and if possible included or found in the documents of secondary or primary data.

For the analysis of data correspondent to the analysis of the impact of participation on the equitable distribution of costs and benefits of the readjustment two were the main sources: the final agreements of the second stage of the participation process and theory. Thus, it was found that the way participation affected the distribution was through the final agreements of the second stage because those were the ones which were included in the final project proposal and producing changes in the project. Afterwards, some qualitative rules were created using the theory about equitable distribution of costs and benefits in a land readjustment. Basically, I took the theory and found what kind of features of a readjustment or of consequences of it made it more or less equitable. If one of the rules applied to the change generated in the project by the outcomes of the participatory process, due to its consequences, the agreement was considered to generate equity or inequity. For example, theory says that a readjustment that does not treat better the best properties of an area than the worst properties is not equitable because is not taking into consideration the differences between properties. In the analysis it was proven that the change made to the replacement unit allocation system of the readjustment caused that the worst properties were treated better than the best ones of the area by giving the first ones more benefits than to the second ones. Thus, the agreement around this issue made the readjustment more inequitable.

This exercise was done with every final agreement of the participation process. Only the ones that affected the equity of the distribution of costs and benefits in a positive or negative way were reported in this study.

Chapter 4: Research Findings

This chapter will show the findings around the case of the community participation process and its influence on the land readjustment of the triangle of Fenicia. As explained before, this case was chosen as a deviant one. Colombian law requires only information as type of participation in LR. Thus, this is the first case in Bogotá with a significant level of citizens' involvement in the project. The project is still ongoing and has just been approved by the municipality. Therefore, the information presented here is a representation of the status of the project at the moment of the data collection: September 2015.

This chapter will address the findings organizing them by research question. Therefore, first the case of Fenicia and important background information will be presented. Secondly, the findings around how the process of Fenicia took place will be presented. Finally, the analysis about the impact of the final outcomes of the participatory process on the equitable distribution of costs and benefits of the LR will take place.

4.1 Background information.

This section will address some of the basic aspects that are necessary to understand the way a land readjustment works in Colombia. It has the objective to contextualize the reader. In this sense, the figure of partial plans will be explained in its basic characteristics along with the process to its approval. In addition, the project of the triangle of Fenicia will be presented briefly to help the reader to understand its details.

4.1.1 Partial Plans: Urban readjustment in Colombia

The land readjustment as a land instrument is structured by the law 388 of 1997 and regulated by the national decrees 2181 of 2006 and 430 of 2007. For the city of Bogotá there are additional provisions in the city decree 190 of 2004 (The Master Plan of the city) and its related decrees. According to this framework, land readjustment can take place in urban or rural areas. As a land assembly tool the land readjustment works within a higher instrument call partial plans. This instrument is a land readjustment for large areas which manages the cost sharing of the readjustment. Moreover, the readjustment as a land assembly tool occurs in the Urban Action Units (UAU) which work within the partial plans as sub readjustments of the different phases of the partial plan (Pinilla, Maldonado et. al, 2006). Therefore, a partial plan can have one, two, three or as many UAU needed to develop the full readjustment. In this sense the Colombian law has assigned the cost recovery feature to the Partial Plan and the Land Assembly one to the UAU, locating the first one above the second one (Daza, 2015). Furthermore, the land assembly takes place through expropriation or land banking with voluntary participation of the owners. In consequence it can be said that a partial plan is a large readjustment which takes place through one, two or more sub land readjustments.

Therefore, in Colombia the owners share the costs through the partial plan, which produces that the owners share the costs and benefits of the whole project. Thus, within the same partial plan costs and benefits can be transferred from one UAU to another producing that sometimes some UAU can have a deficit and other surplus, but the surplus ones finance the ones with deficit to make all the owners enjoy benefits and pay for the costs of the partial plan as a whole (Pinilla, Maldonado et al, 2006). In addition, the law (Decree 436 of 2006) defines the benefits as the result of the authorized edificability to the project in terms of real state product. That is, the benefits are FAR's which take the form of sales of square meters. These benefits should allow the owners to finance the costs of the project which take the form of local charges and general charges. Those are the necessary costs to get the project done. That is: construction of

squares, parks, roads, payment of lost profits and compensations, among others. The more edificability the more charges the owners have to pay, but in proportion to the FAR's received in order to create urban equilibrium (Pinilla, Maldonado et al, 2006).

However, the law is clear in stating that the charges are divided in general and local charges. The general charges as it will be seen later are costs of public space like primary roads and public services infrastructure, which have to be paid by all the beneficiaries of the area in proportion to the benefit obtained. That is not only the owners of the partial plan but also nearby communities and the city since these charges benefit the whole city. The payment is collected through betterment charges, property taxes among other instruments. In the case of Fenicia it was not found that land instruments were used to collect the payment for these charges and as it will be seen the project pays the whole price for them. On the other hand, the local charges, are related to secondary roads and public services infrastructure, local amenities, parks and public space. In the Colombian law the equitable distribution of costs and benefits is related to the proportion between the mentioned ones, and it is called charges (costs and benefits).

Despite what has been said, the fieldwork revealed that the land readjustment policy practice of the Planning Secretariat in Bogotá assigns the payment of the total amount of general charges to the projects. Moreover, there are no particular policy practice found related to local charges in this field, like subsidies by the city to the construction of local charges like amenities, parks, roads, among others. Nevertheless, nor the policy practice neither the Colombian law takes into account costs and benefits that the literature includes like possible benefits given by the replacement unit allocation system and by the location of the replacement units. It also does not include some other benefits and costs not even included in the literature like the benefits and costs caused to the owners by the socio-economic impact of the project.

Finally, some remarks need to take place in relation to the approval procedure of the readjustment. According to the decree 2181 of 2006 the procedure to approve a partial plan is the following. First, the promoter who could be an owner of the area asks the Planning Secretariat (SDP) for permission to develop a partial plan in the area. The SDP gives determinants to the promoter. Those are all the guidelines that the promoter has to follow to formulate the plan. These determinants contain all the necessary details to formulate the urban operation like: FAR, public space index, types of roads, type of general and local charges to finance, among others. The promoter can add features to the project not asked by the SDP like compensations, kind of public space, among others. However, they have to be approved by the SDP. After this the promoter formulates the plan, which in the case of Fenicia took place along several interactions with the community in different participatory spaces. After the formulation the promoter submits the proposal to the SDP and they give feedback and inputs that need to be included. At the same time the law requires to socialize the proposal with the community which is a process of information. The comments and concerns of the people are collected but it is not mandatory to include them. In Fenicia the first stage of the participation process occurred here. Afterwards, the project receives viability and final adjustments take place for one year. During this period occurred the second stage of the participation process. Finally, the partial plan is submitted along with a technical document of support (DTS) and approved by decree and starts its execution phase. During this phase every UAU is developed and executed until the completion of the partial plan.

4.1.2 The Partial Plan of the Triangle of Fenicia

As introduced before the land readjustment of the triangle of Fenicia is a partial plan that is taking place promoted by the University of the Andes in the city centre of the city of Bogota within a very declined area of the downtown.

The area is located in a very central area of the city centre. It counts with 9 blocks and a total of 260 plots approximately that contain 504 immobile real state units which make up an area of approximately 8 hectares. The Area is characterized by having mainly residential use (50% of the area) and commerce and services (34%). Moreover, the area is characterized by having low density, lack of amenities, deficit in public space and a low percentage of land occupied by buildings. The average occupation rate of 47% illustrates the dynamic of the neighbourhood which is characterised by demolition of the already existing deteriorated buildings and replacement by parking lots which create an unsafe environment in the area (Universidad de los Andes, 2014). The area is the following:

Figure 3: Current triangle of Fenicia Area



. Source: Universidad de los Andes (2014).

The University facilities are located in the north of the figure and another building is the block 3 of the figure. Moreover, the commerce and services land uses are located mainly in the blocks 4 and 26. In addition, the block 4 and 2 present mainly presence of apartment condominiums and the rest of the blocks have presence of houses. The members of opposition group that forced a participatory space and manage to generate changes in the project live mainly in the condominium “Multifamiliares Calle 20” located in the block 4

As seen in the figure above the area is surrounded by primary avenues like “Avenida Circunvalar”, “Carrera 3” which has a BRT line and “Avenida Jiménez”. Some parks surround

the neighbourhood, represented in the green areas of the figure. Furthermore, in front of the block 4 a theatre and cultural amenity is going to be built.

As mentioned before the project was minded in 2007 as part of an initiative of the university to expand the campus that was the final outcome of an expansion strategy plot by plot. Thus, the project did not concern for the integration and participation of the inhabitants of the area. As a result, when was submitted to the municipality it was rejected because of the absence of participation by the community. The University of the Andes restarted the initiative in 2010 by asking the municipality for the determinants for the project. Having as its objective the permanence of its inhabitants in the area, the project formulation incorporated the community in information meetings and place making workshops and tried to include the main demands and wishes of them on an initial proposal of increased FAR, Mixed land Uses of residence offices and commerce, amenities and public space. The planning secretariat returned the proposal with several observations and demands. (Pinilla, 2014. p.10-11). The following image shows the proposal of the project.

Figure 4: Triangle of Fenicia partial plan proposal.



Source: Universidad de los Andes,(2013)

As it can be seen the project proposed 4 blocks with different land uses, 2 squares located in the figure on the left called block 26 and 4 and one park located above the whole area. To develop this urban design proposal, the partial plan proposed 5 UAU. The number 1 and 5 have housing and commerce on the first floor as land uses and they are composed by current blocks 13, 12, 38 and 2. The commerce has a neighbourhood scale. The UAU 3 has a building that the university will build by buying the land of the readjustment and paying for the construction costs. It also contains part of the proposed park of the area. It is composed of the blocks 26 and part of the 25. Moreover, the UAU 4 will develop an amenity which will be composed of a kinder garden and a centre for the elderly of the area. It is composed of current blocks 24 and 25. Finally the UAU 2 is composed of current blocks 4 and part of the 26 and it offers 2 squares and housing, offices, a hotel and a metropolitan scale commerce in the form of a mall and chain supermarket (Universidad, de los Andes, 2014). This is the location of the properties of the

majority of the members of the group that made opposition to the project called No se tomen las Aguas Committee.

To develop the partial plan the project proposed that all the owners of the area received their replacement units in a different location to the original one and that the replacement units will be given to them using the property value allocation method. Moreover, the entire proposal made the project to propose a specific distribution of costs and benefits. These aspects will be discussed deeply in the following sections. In special, it will be discussed in the analysis of the impacts of participation the equitable distribution of costs and benefits of the project.

Finally, as it was mentioned in the problem statement, the mentioned proposal produced some opposition of the community that led to an extra participatory space and several changes in the project. That process will be analysed in this section.

4.1.3 Who is who

This section presents briefly a profile of the main actors of the process of Fenicia. This will help to understand the role of each participant and to follow the story that is going to be told. This profile will help to understand the resources and characteristics of the participants. The participants during the whole process or in specific stages were:

Veeduría Distrital: It is a public agency of the city of Bogotá which is in charge of developing preventive control of all the government agencies and entities of the city. Therefore, it has the capacity to get involved in any process where a public entity of the city is involved, to ensure the transparency of the process and protection of the rights of the citizens. In consequence, if the city government requires it, the Veeduría can intervene in any process, as the approval of a land readjustment, or the city master plan. For this reason, the organism has a branch dedicated to watch over the participatory process where the city takes part. In the case of the participatory process of Fenicia, the Veeduría was the referee of the process. The entity played the role of a referee during the second stage of the process in Fenicia.

City Planning Secretariat (Secretaría Distrital de Planeación SDP): It was the responsible of the legal approval and expedition of the official decree of adoption the readjustment. It is in charge of the expedition and management of most of the urban planning policies of the City. One of its functions is to approve the Partial Plans (land Readjustments) by checking that all requirements of the law are met by the promoters' proposal. According to the law, one of these requirements is the socialization of the proposal with the affected community.

Community of the houses: The community of the houses are the people of Fenicia who live outside of the block 4 and that are not located in the area where the people of the Committee of No se tomen las Aguas live. Almost the 50% of the population live there and it covers by almost the 93% of the land of the neighbourhood. Moreover, it is an area formed by owners, lessees, squatters and possessors. They have unstable and informal jobs. Most of the population has low income which ranges between one and two minimum salaries (basic salary in Colombia is around 241,92 USD*⁷) and low levels of education like : Elementary school, high school or technical education.

Universidad de los Andes: The University played two roles. The first one is as the promoter of the readjustment, which by having this role was in charge of formulating the project. As it

⁷ The equivalence is 1COP=0,00034165 USD. According to the exchange rate of the first week of November 2015. No inflation index was applied

according to Colombian law, it is only obliged to formulate the project and socialize it with the inhabitants of the area about it, and try if he considers it appropriate to include their suggestions. As a promoter according to the QS and Times higher education rankings (2015), it is the best University for Colombia and its one of the best 10 Universities in Latin America. It has more than 1495 teachers where the 69% has PhD. It is the University of the Elite of the country. Therefore, its budget is quite high. The operating costs have to be discounted, but since the semester fee is close to US\$ 4783.1, the University receives US\$ 175.367.578 a year only for undergraduate students fees plus what it receives for postgraduate and donations. On the other hand, as an owner of the project area, according to the DTS, the University only has 4% of the plots and it is regulated by the same rules that any other owner that joins the project. In fact to build the already mentioned university campus building in the project area, it has to pay US\$ 4.644.191,12 for the land plus the building costs (Universidad de los Andes,2014).

“No se tomen Las Aguas” Committee: As it was an organization formed by the administrative council of the condominium called “Multifamiliares Calle 20” located in block 4. They were backed up by the general assembly of co-owners of the condominium to be the representative in this process. Other members of this committee were a non-profit association called “Asociacion Mutualista Sagrada Familia” owner of the same block were Multifamiliares located. The people of this area were located in strata 3 and have high or medium levels of education which is at least a university title which commonly is a bachelor degree and middle income. Moreover, they have stable and formal jobs as sources of income. The leaders of this group have several political and professional connections, due to their political and communitarian leadership background. Moreover, these leaders have very high and specialized urban education

4.2 The Participation Process of the Triangle of Fenicia

This subsection will answer the first sub question. It presents the participatory process of the triangle of Fenicia. Since this is a single holistic case the analysis of two different subunits will take place to increase the validity of the study. Therefore, and according to the findings the participation process of the project can be described in two different stages. I will describe how each stage took place by analysing the data related to the four variables that were defined as part of the participation process: Participatory space, Social Capital, Type of Participation and Elite Capture. The analysis for Elite Capture will take place at the end of the section and for both stages, since this way allows to have a better comprehension of the phenomenon.

4.2.1 The first stage of the participatory process

This stage took place from 2011 to 2013. The following section presents the findings around this stage in relation to the participatory space, the social capital of the actors and the type of participation that took place here.

4.2.1.1 Participatory Invited Space

The first stage had 3 spaces: Urban design workshops, groups of interest meetings and plenary meetings. The design of the mentioned spaces was: most of them had an open format with democratic discussion criteria allowing everybody to go and speak only characterizing them by interest or block, which leads to an important number of participants from the entire neighbourhood going to different meetings depending on the block or the interest. The plenary meetings categorized the participants by block and developing the meetings by grouping them in the closest ones. Therefore, one meeting for people of the blocks 24 and 25, one for the ones of blocks 13 and 12, one for the block 2 and one for the blocks 4 and 26. The blocks 2 and 4 had condominiums under the regime of horizontal property but the 4 is closer to the 26 than

the 2, that is why they were cluster together. On the other hand, the group meetings and the urban design workshops categorized the participants by group of interest according to the type of tenancy and the economic activities developed. Tenancy were owners, people paying rent and possessors. By economic activities it was divided into: parking businesses, commerce, restaurants and grocery stores (Universidad de los Andes, 2014). The objectives of the groups of interest was to create trust by having interactions with the people about the project and to collect information from those interactions to build the readjustment proposal. The objective of the plenary meetings was to give information about what the project wanted to do and how they wanted to do it. Furthermore, the objective of the urban design workshops was to obtain guidelines from the community to build the design of the area. Moreover, the University collected some information from these meetings to feed the model. It is difficult to establish which of the information collected from the people was included in the project since the meetings of both participatory spaces are poorly documented.

In addition, the decision criteria of the three spaces was hierarchical since there was no guarantee of inclusion of the people's concerns and inputs in the final proposal and the final decision was taken by the University as designer of the proposal. The best example of this is the urban design workshops where some of the proposals included a school and this did not take part of the final urban design. In the case of the plenary meetings there were no decision criteria since they were information meetings. The group of interest meetings, were consultative without guarantee of inclusion of their concerns on the proposal.

Finally, the agenda on which the people was allowed to participate in the three spaces, was the one promoted by the university and it was not related in general to costs and benefits. In the case of the plenary meetings and the groups of interest it was more about informing general features of the program or topics of concern of the people. For example, in the urban design groups the agenda was to discuss what problems they wanted to solve in the design of the area and how they imagined the area. In the groups of interest people's concerns about urbanism, economic and financial expectations about the project, education, possibility of gentrification, security and legal issues of people's properties. In the plenary meetings, the general idea of the project was presented and the proposed allocation stage and the location issue were presented.

The general idea about location was that all the owners of the area were going to have their replacement units for participating in the readjustment in a different location compared to the former property. Everybody was going to be moved to the same block. In relation to the allocation stage, the system was based on value. Thus, the people was going to give their property and they will receive the property that the value of the former property allowed them to have. That means that it would be a smaller property or sometimes they would have to give money to complete a replacement unit, or they would receive money because they received less than the area they deserved according to the value of the property they gave. The people showed their concern in the plenary meetings because they did not want to leave their original locations and did not want to have less area or to get into debt with a bank to obtain a full replacement unit in case their original properties were not enough to give them a full replacement (Universidad de los Andes, 2014).

In conclusion, the plenary meetings resulted in the discussion of multiple issues and mainly solving doubts or receiving the comments and concerns of the people, since it does not need so much focus of the discussion. In this sense, the plenary meetings ended up being information meetings and allowing the University to collect some inputs for the project. Likewise, the urban design workshops and groups of interest meetings ended up being consultative spaces to collect

feedback and information to develop the project. In fact as it was seen in this chapter, their declared objective by the University was this and their design is in line with that objective.

About all these spaces the director of the program says that : *"The objective of the spaces we created to interact with the community during the first years of the formulation of the project was to send messages of transparency and to create trust in different ways: In plenary meetings we informed the people about what we wanted to do and how to do it, in group interest meetings we consulted their concerns and explained in deep and in urban design workshops we asked the people to imagine the future of their neighbourhood"*. (Fenicia Project Director, 2015)

4.2.1.2 Participatory result

During the first stage of this process no agreements or perceivable outcome took place

4.2.1.3 Type of Participation

The type of citizen participation is a concept borrowed from the theories about community participation in development due to the lack of theories about participation in land readjustment. The reason for this was that for LR no theory addresses the participatory process and its influence on the land instrument. In the borrowed concept community participates in processes promoted by public agencies within policy-making procedures. For this reason it needs to be clear that since Land Readjustment is a land instrument which accepts its design by private actors, the research will assume that the University as the promoter of the readjustment is the designer of the policy and of the participatory process. Despite this fact, the University played a more relevant role because the Planning Secretariat (SDP) was only in charge of the approval of the project. In consequence, the analysis of the type of participation will take into account the university as a policy designer and will assess its interaction and dynamic with the community as participant of the process.

During the first stage of the participatory process two types of participation were present and interacting between themselves.

The first type of citizen participation that took place during this stage was the information. This type of participation was the most common one during this stage, because it was present in all the participatory spaces and during the whole process. It took place through different manifestations

First of all the research revealed several communications and events of communication of the University during the whole stage. Those communications transmitted the results of other participatory spaces in a typical one directional flow of information from the policy promoter to the community. For example, they created a small handbook to present the results of the urban design workshops to the community. Another communication created was a small handbook answering some questions asked by the Community through the neighbourhood board (Local Action Board JAC). In this handbook the University answered several questions about the possibility of freezing the strata, about the raw ways to make the people join the project, the idea of not displacing the people, among others. In addition, several information expositions took place. The two most important ones were, the exposition "Ver mas alla" and "Fenicia pasa al tablero". The first one presented the results of studies conducted by the university about the area, the characteristics of its population through an activity with kids of the area. In this activity they took pictures of the most representative places of the neighbourhood. The second exposition presented the results of the urban design workshops and some general ideas of what the project wanted to do and how to do it.

It has to be added that in the case of some horizontal property condominiums the communications were blocked by the administrative councils, the University experienced a big

barrier to approach this part of the community. They tried to contact them but it was not possible during that stage. *“One of our main problems with part of the Community was trying to have contact and give communications to the people of the horizontal property. Specially multifamiliares Calle 20. They used to block our communications”*. (Project Fenicia Director, 2015).

Moreover, the work of the “Casa Fenicia” was also an important factor to consolidate an information type of participation during stage 1. The casa Fenicia, was a point of meeting located inside the neighbourhood where project team members solved doubts to the community. It started to work from 2012 and it is still on going. This meeting point had worked as an important centre of provision of information to the Community. A community leader recognizes this: *“The Fenicia House has been very good for us because it has given us more calm and certainty about the project. We can go there since a long time ago and they answered every doubt we have about the project and they also explain the plan with details and patience”*. (Community of the houses leader, 2015)

Another manifestation of information as type of participation took place in participatory spaces like the groups of interest meetings and plenary meetings. Those spaces showed one directional flow of information with one actor giving information and the other receiving or asking for more of it.

On one hand, in the already described group of interest, it was found that despite their objective of collecting information to feed the formulation and design of the project, during the meetings some information about what the University wanted to do and how it was given to the participants. This information was more focused in the interest of the participants: commerce, residents of houses, horizontal property, among others. On the other hand, in the plenary meetings the presentation of information was more visible, since, as it was seen, their objective was to present the community what the university wanted to do and how to do it. It was found that the people used to go to those meetings, to ask questions about the presented information or to ask for more clear information. Mainly, those claims were about the possibility of being displaced because of the strata increase and about what will they get in exchange for joining the project.

“Since 2011 we have had more than 100 meetings with the Community. Most of them during the first two years.(.) To interact with the community we created different scenarios. First, interest groups meetings where we wanted to understand the different objectives and interests that the community had and to collect information to help us to build the proposal. In those spaces, the people were also able to discuss topics of their own interest because the groups were organized by common interest of members of the community like commerce, horizontal property, people living in houses, among others. Moreover we developed other spaces of interaction with the community like the plenary meetings. In those spaces we focused in informing the people about what we wanted to do and how we wanted to do it, giving everybody the same information. In those meetings we were able to identify positive and negative leaders”. (Fenicia Project Director, 2015)

Finally, consultation took place during this stage but to a less extent as another type of citizen participation. Here two aspects took place. First, citizens heard the information given by the university but also they were heard in relation to their concerns and interests. This took place mainly in the group of interest meetings, but also during the plenary meetings, where some people besides asking questions spoke about their concern of not being displaced because of the project or their lack of interest in acquiring a debt to be able to join the project (According to the allocation system proposed in that moment). Therefore there was a bi-directional flow

of information between the University and the Community. Secondly, the University received some inputs and feedback from the Community. This happened mainly during the urban design workshop where as it was seen had as an objective to collect the inputs of the people and take them as guidelines to develop the urban design of the project. The workshops methodology was inclusive since it was focused in let the people to imagine their neighbourhood and allow them to propose their own design of the area. This is consultation and not partnership, because there was no guarantee that all the suggestions of the people were going to be included in the project. The University selected the most common ones and decided to include them in the design as guidelines for it. The exercise was more an identification of common concerns and expectations of the people about the urban space rather than a coproduction with active engagement and proposals from the people.

Finally, in relation to consultation, it has to be said, that the University took some of the people's concerns and included them in the proposal during this stage. They were the interest to conserve original location and the concern about not be able to obtain a replacement unit without getting into financial debts. Therefore, it can be argued that the University took the concerns and questions asked by the people during the plenary and groups of interest meetings as inputs for the project.

In conclusion, the first stage presented information and consultations as types of participation which mainly took place in the participatory spaces promoted by the project. The one and bi-directional flow of information and the presence of inputs captured the kind of participation that took place during this stage. Moreover, some other spaces for these kinds of participation took place like communications and expositions.

4.2.1.4 Social Capital

In this section the social capital will be analysed as a variable which influences the participatory process. The social relationships among the actors measured in terms of frequency of interactions and the Networks of each actor will be used to describe and show how social capital might influence the participatory process of Fenicia. According to the documentation found and some of the interviews during the stage 1, Social Capital played an important role in the extension of the process up to a second stage.

Constant interactions among the actors

This sub section will show the interactions among the actors of the process that were constant representing presence of a social relationship between the actors and, thus, social capital.

First of all, an important relationship is the one between the University and the community of the project area. Specially among the community which did not belonged to the condominium Multifamiliares Calle 20, because its inhabitants were part of the committee they made up its majority. It is not possible to determine who was part or not, the only visible people were the leaders who could be interviewed. However, in relation to the rest of the community a proof of the relationship is the frequent and constant interactions that it had with the community, to discuss the project and collect information. The community are mostly made up of the people of the houses. In this sense, these interactions of built social capital helped to shape and build the project proposal. Some of the manifestations of that social capital will be presented as it follows.

The interactions of the university with the community were of two kinds; informal and formal. In relation to the formal ones, as it was seen before,, the spaces where people participated were the groups of interest meetings and the plenary meetings. As said before, in those spaces the university project team collected information for building the proposal like the main concerns

of the community as the possibility of keeping the same location or how to obtain a replacement unit without paying money. In addition, the University was able to identify leaders of the community in these meetings. Moreover, we also find the already explained participatory urban design workshops where the outcome of them were mandatory guidelines for the urban design. Counted together the formal interactions of the University with the community there were around 100 and it revealed an important relationship between the actors. All of the mentioned interactions as had been seen helped the university to identify problems and to prepare solutions for them in the project like the m² for m² or the possibility of keeping the same location that arose at the end of the stage 1.

“Since 2011 we have had more than 100 meetings with the Community. Most of them during the first two years.(.) To interact with the community we created different scenarios. First, interest groups meetings where we wanted to understand the different objectives and interests that the community had and to collect information to help us to build the proposal. In those spaces, the people were also able to discuss topics of their own interest because the groups were organized by common interest of members of the community like commerce, horizontal property, people living in houses, among others. Moreover we developed other spaces of interaction with the community like the plenary meetings. In those spaces we focused in informing the people about what we wanted to do and how we wanted to do it, giving everybody the same information. In those meetings we were able to identify positive and negative leaders”. (Fenicia Project Director, 2015)

The boost of the mentioned interactions can be seen in the informal interactions between the university and the people of the houses. During formal interactions the University then contact some of those leaders and established relationship with them that ended up being an important factor to reduce the resistance of the community against the project and to convince the people to join the project. For example the University held several meetings with the board of the neighbourhood⁸. They developed a questionnaire with doubts collected from the community and socialized the answers with the community, explaining the project and transmitting the community concerns to the project.

“We created a questionnaire that we delivered to the Fenicia team. In the document we included all the questions that the people used to make to us about the project. We only requested them to answer the questions in a simple language understandable for us. The people had no trust in the university and did not understand anything. They gave us the answers and we created a small book with the answers. The university helped us to print it. We explained the project to the people of the neighbourhood using that book”. (Neighbourhood Board Leader, 2015).

These activities were accompanied by an important source of the mentioned interactions called the “Fenicia House”. This was a place created in 2012 by the university where all the people were invited and able to go and ask anything about the project. There is no data that could reveal the amount of people that visited the house because they did not take document the assistance to the house. However, the interviews reveal the role of the house was very important by collecting the concerns of the people of the houses and solving their doubts. In fact, *“during 2012 and 2013 more than 100 owners decided to join the project by signing a letter where they stated their willingness to join the project”.* (Project team member, 2015) It was also

⁸ In Colombia every neighbourhood has a board integrated by the people of the neighbourhood with a president. This board receive some money from the city which is invested in activities focused in solving problems of the people of the neighbourhood

recognized that this scenario is important for interactions and for the Project. *“The Fenicia House has been very good for us because it has given us more calm and certainty about the project. We can go there since a long time ago and they answered every doubt we have about the project and they also explain the plan with details and patience”*. (Community of the houses leader, 2015) Therefore, there is enough evidence to say that the university had an important relationship with the community which in fact helped it not only to build an initial proposal but to convince people of joining the project giving legitimacy to the process.

Another important relationship was the one between the Committee and the community (people of the houses). The social capital of the Committee in terms of relationships with the community can be considered as high and important as the one of the university. The reason is that since the main leaders are lawyers they developed during almost 20 years activities of property tenure regularization in the neighbourhood. They helped to regularize the property rights of many people in the area through the promotion of legal processes of adverse possession. In informal chats that I had with people of the neighbourhood some of them confirmed me that the leaders of the Committee are currently giving their advice to them to regularize their property tenures through adverse possession.

“We never put into question the leadership and recognition of the leaders of No se tomen las Aguas among the community. They had been working in that neighbourhood and in the whole city centre for 20 years in processes of property tenure regularization. I think they helped to regularize half of the houses of the neighbourhood, and they are still on it”. (Veeduría public officer, 2015).

In addition, the social relationships of the committee with the community are proven by some other kind of interactions with it. During this stage 1 the Committee promoted several meetings with the community in the condominium Multifamiliares Calle 20 to discuss ways to react to the project. They were discussing based on the idea of what happened in similar projects like Manzana 5 were, as was said in chapter 1, all the people were displaced. Thus, they were discussing about speculations. The interviews reveal that they were concerned about the displacement, the increase of the strata and that they were going to be expropriated like in the Manzana 5 project. However the idea that they were discussing based on speculations can be found in some interviews where the interviewees said that

“ The people did not trust in the university during the first years and still it is difficult to trust because they were not transparent from the beginning. They never said like we have project we are going to build a building for the campus but you also are going to win because you will stay and receive units without paying anything(.)” *“The mistake of the university was that they never said clearly what they wanted to do. Too much mystery”* (No se tomen las aguas leader, 2015)

In addition, the Committee walked around the neighbourhood giving fliers to the people informing about the project and tried to dissuade them against the project. According to some interviews they spread the message of the possible displacement of the people from the neighbourhood.

In fact, the Committee between 2012 and 2013 organized some marches to protest against the project. These marches which implied meetings to organize them and a meeting itself represent another example of the several interactions of the project with the community during stage 1. It has to be said that the marches had a great impact in the participatory process because some of them were documented by an important newspaper of the country called *“El Espectador”*. Most of the marches took place parallel and after the information plenary meetings that were

already explained. The most famous one is the one they did during the night with flames. The Committee walked all around the neighbourhood approximately 50 people yelling that they did not want the project, they did not want to change their lifestyle and did not want to be displaced.

“We organized marches all around the neighbourhood, wearing t-shirts with the name of the Committee, telling to the people of the neighbourhood to motivate them to protest. We felt we were not being heard by the University and the City. We wanted to dialogue with the University because we understand participation as the right to decide, and what was happening was only that they were giving us information”. (No se tomen las Aguas leader, 2015)

In consequence, the marches made the participatory process, along with other factors, to be extended and change its design. These events along with interactions of the committee with the municipality and other actors, which will be mentioned later, created pressure over the Planning secretariat and the project team making them to decide to start a second stage of the participatory process. This stage was aimed to discuss and talk with the Committee about the project. This is a clear expression of how social capital influenced the participatory process. In fact, the project team leader answered the following when I asked about the reason to dialogue with the Committee: *“they were the ones who were more noisy. They did marches, walked around the neighbourhood with fliers”.* (Fencia Project team director, 2015).

Nevertheless, it has to be said that not everybody supported the committee, the amount of people that went to the marches is not exact, which implies that its relationship with the community of the houses was not absolutely harmonic as the following leader explains.

“They asked me to join the Committee several times. However, since they lived in the Block 4 which has high strata, they always have had a distant attitude with some of the people who live in the houses. In my opinion they were fighting for their interests and not for us. So, it was no sense to go to those meetings and to participate there. I was not interested” (Community leader from the people living in houses, 2015)

“We mobilized the people and had meetings with them and the people who wanted to support us joined. Not everybody supported us, that has to be accepted” (Leader No se tomen las Aguas, 2015)

Another important interaction among the actors was the one between the University and the Committee. The relationship was not strong. Besides the regular meetings of the participatory process and some other informal in Multifamiliares Calle 20, the interactions were not constant or numerous. It is difficult to know if the members of the committee assisted to the regular meetings or to the meetings in Multifamiliares Calle 20 since there are no records or minutes of those meetings. However, it is reasonable to suggest that at least they should have assisted to meetings to inform about the project that occurred in their own condominium since they were members of the administrative council of it. Therefore, they should have been the ones that convoked or asked for the presence of the university in the condo. Thus, during stage 1 as it was said, there was a relationship but not characterized for constant interactions.

“We went to Multifamiliares Calle 20 sometimes during 2012 and 2013 to present the Project and what we wanted to do. We did it because we contacted the Administrative council because they did not allow our communications to reach the condominium and they were against the project. During plenary meetings they showed their position, and in 213 they did some protests” (Fencia program Director, 2015)

However taking the committee as part of the community but as a special group because of the events that took place in stage 2, the relationship between the two actors was not strong during

this stage 1. They recognized each other and the University identified some of its members as community leaders, but there were not so much interactions between them.

Finally due to its importance for the development of the stage one it is important to mention the relationships between the SDP Community Committee. On one hand, SDP had a day to attend people who wanted to know about the issues that the Secretariat manages. This day is on Mondays and during the whole first stage of the participatory processes the people of the neighbourhood went there to ask questions about the project and its consequences like expropriations, displacement possibility among others. The people who assisted belonged either to the houses and the horizontal property properties including Multifamiliares Calle 20. These interactions were stronger during the protests of 2013. The data collected impede to have an exact idea of the number of interactions. However the sources allow to conclude that they were constant, which is more than one time. These interactions led the SDP to suggest the project to consider the idea that the university was already thinking about which as it will be seen was the possibility to give the replacement units in the original location of their former properties. *"I remember that during the protests and due to our interactions with the community we suggested several times to the university to consider the possibility of allowing the owners to keep their original location". (Planning Secretariat officer, 2015)*

In the case of the relationship between Committee and SDP, during 2012 the relationship was not strong characterized by low level of interactions. The interviews reveal some meetings in Multifamiliares Calle 20. In addition the Committee sent some documents to the SDP denouncing they were violating their rights because the project approval was not having inclusive and real participation, just information.

However, the relationship increases in its interactions during 2013 when protests were taking place. During that time, the Committee increased its activity by sending several claims to the SDP asking for information about the project, and suggesting a complot between the university and the Secretariat. Moreover, people of the apartments and some of the Committee started to assist frequently to the open days of the SDP to solve doubts and to protest against the LR. In addition, the SDP assisted sometimes to Multifamiliares Calle 20 to explain the process. Those meetings were requested by the people of the committee.

The increase in the interactions and the way they happened provoked pressure over the SDP. This can be explained by the fact that the project was already during formulation and the SDP was supposed to give in that year a concept of viability to the project. Therefore the project was going to enter into an approval stage of the final proposal. The protests organized by the Committee plus this increment in interactions and some outsiders collaboration the will be assessed in the next section were important in the process. As it has been said, it provoked that the SDP and the university decided to open a discussion board with the Committee. It has to be sad, that the SDP suggested that it was important to give more participation to the community.

... "I remember the pressure was really high. Every week they sent claims here, they sent documents saying their rights were being violated, they also came here to protest. In some point we were requested to go to the Personeria to give attestation about the process because they denounced that we were paid by the University to approve the Project. Because of this we conversed with the University to evaluate the possibility of talk with the committee and negotiate with them. Also we decided to try to give the community more space to participate, since we realized that the community was not feeling identified with the project" (Planning Secretariat Officer, 2015)

Thus, an evolution in the frequency of interactions between the Committee and the SDP is perceived with an influence on the creation of a second stage and in the participation process.

To wrap up, the social relationships among the actors played an important role in the participatory process of the readjustment during its stage 1. The strong relationship between the University and the Community including the people of the houses and between the Committee and the people of the houses proven to be influential. In the first case it helped to build a project proposal and give legitimacy to the readjustment. In the second case, it provoked a second stage of community participation. During stage 1, the social relationships of the people of the houses can be defined as strong with the Committee and the University, which means that the possibility of a fragmented community is there. They managed through these relationships to join the project on one hand and push for an extra participatory space on the other hand, without being clear the members of the community who supported the Project or the Committee. In relation to the SDP, the relationship among the actors had a similar effect because this Entity for being in charge of the approval was key to not approve the project until the issues that arose were solved. Therefore, the strong relationship that both Committee and University, had with the SDP at the end of the stage 1 in 2013 ended up being an important factor of influence in the participatory process.

Use of networks in the first stage

It has been seen that the social relationships of the actors in terms of their interactions played an important role in some aspects of the stage one of the participatory process. However the influence of social capital can also be understood in terms of networks. Here it will be presented how the networks influenced the process during stage 1 of the participatory process.

The influence of networks was indirect in the stage 1. They did not influenced the process directly, but indirectly. The way networks worked here was by creating pressure over the Planning Secretariat and the University to open a new participatory space where the type of participation were not information but a more inclusive one.

First of all as it was already seen in the profiles of the actors that participate in the process the leaders of the Committee had memberships to community and political associations. According to the interviews, they belonged to political party from the left wing called Polo Democrático Alternativo. In addition they belonged to the ASOVECINOS (Neighbour Association for urban development), which was a neighbour association founded by one of the leaders of the Committee. This association have worked in the city centre in several social service issues, one of this was the land tenure regularization programme they developed in the neighbourhood of Fenicia. The Association became also a small political association that won a place in the Local Administrative Board (JAL) of the City centre. This board is an administrative branch with democratically elected members by the people of the area where its located. They execute the city's policies at Local level.

“We founded with other people of the city centre the Association of neighbours. We have worked, in a land tenure regularization programme to help more than 1500 families of the city centre, assistance to communities in danger of displacement by public works or other causes, social assistance to vulnerable communities among others. In Fenicia we have helped to regularize the tenure and property titles of several families of the neighbourhood. “. (No se tomen las Aguas leader, 2015).

These memberships had an expression by contacting outsiders of the process. First, the students of the University of the Andes supported the Committee. The leader of the Committee who belonged to the Political Party “El Polo” contacted one of its members who was studying at the

University. She created a network with other students who were also members of the party to support the Committee. They were making denounces saying that the project was going to cause displacement and was not including the people of the area in its decisions. This caused a huge discussion among the Student Community, where there were some debates organized by the students to answer questions about the readjustment. According to the data collected some students took part of the marches.

“They had some students that belonged to the political party “El Polo” supporting them. Students that created what is called “El Polo joven” (the youth polo). They started to make some pressure by making some protests and promoting discussions about the project. We even had like a discussion with them solving questions about it. (.)Some of them used to go to the marches against the project” (Fenicia Project Director, 2015). Therefore, as it can be seen the pressure came also from inside the university. The leaders of the Committee give more details about the support of students of the University of the Andes: *“we created some support groups inside the University through some students that belonged to my political party. They created a supporting group and distributed our communications where we presented our position about the project”* (No se tomen Las Aguas leader, 2015).

In addition, it has been found that during the protest against the Project of 2013, some people from other communities that were living in areas subject to urban renewal projects attended to the marches. These people were part of the same organization that the leaders of the committee belonged to: ASOVECINOS, and were convoked by the Committee to assist to the marches. *“Some of our friends from the association came here to support us during the marches, because we have lived some similar processes with them “* (No se tomen Las Aguas leader, 2015).

In addition other contacts with outsiders to the project creating pressure over SDP and the University were the media. When the Committee organized the marches protesting against the project, an important newspaper of the country called *“El Espectador “* documented the event. The article was written in a way in which was transmitting the message that the project was displacing the people of the area, without taking them into account nor by informing them neither by making them active participants of LR (El Espectador, 2013). One of the members of the Committee was working in the mentioned newspaper and took them to one of the marches and instigated the redaction of the article.

“We tried to make pressure trough different ways. One of them was by contacting the media. We were lucky because a person that lives in the Condominium Multifamiliares Calle 20 was working in the newspaper “El Espectador” and told them the case. They got interested on it, and decided to go to one of the marches”. (Leader No se tomen las Aguas Committee, 2015)

In conclusion, as it was seen the networks in terms of contacts with outsiders in its majority and membership to political or community associations performed an important role in the context where the participatory process took place. They did not had a direct effect on the participatory space, but on the process, because they created an important amount of pressure which along with other mentioned factors made the University and the Planning Secretariat to take the decision of introducing a new participatory space and stage in the process despite the legal requirement of information had been already reached: the discussion boards. The objective of this space as it will be seen was to discuss their claims. They did not want to approve a project without the consent of the whole population and the findings report that the pressure was so high that there was no other chance than opening the mentioned space. Therefore Social Capital played an important role in influencing the participatory process of the Fenicia Project.

The actors consider that the main reason to had decided to create a new space to dialogue and negotiate with the Committee was their ability to show themselves as an important actor. They were the ones who were able to make more noise about the project and showed their opposition clearly with marches, letters, claims (*derechos de petición*), student support, among others.: *“We were feeling a lot of pressure because they sent documents with claims (derechos de petición), they used to come here to protest, the media used to call us to interview us about the Project and we even had to go to Personeria to give testimony because we were accused by them of being paid by the university to approve the project (.)Because of that we considered with the University the possibility of create a space to talk with the committee. Because of that the called the Veeduria to intervene as a neutral actor in the process.”*

4.2.2 The Second stage of the participatory process

This stage took place from 2013 to 2014. The following section presents the findings around this stage in relation to the participatory space, the social capital of the actors and the type of participation that took place here.

4.2.2.1 Participatory Invited Space

Just one participatory space took place during the second stage: the discussion boards. The minutes that recorded that process and the interviews allow to reconstruct some of its characteristics. This participatory space was designed to facilitate agreements and trade-offs in the discussion boards the discussion were developed as close events because all the inhabitants of the area were allowed to assist but only specific spokesman were allowed to speak and discuss in a clear discussion criteria with representatives. Therefore the real participants of the discussion were few people. Here it has to be added, that the discussion boards were close because as it was seen the Committee supported by part of the community, outsiders and networks mobilized the people in marches and created pressure to obtain this participatory space. Therefore, the rest of the community that did not belonged to the committee were excluded of participating in this space. It has to be clear that the participants of the board were the following ones: The university as promoter, The Committee No se tomen las Aguas as representative of the Community, the Veeduria ciudadana as referee of the discussion and the Planning Secretariat (SDP) with capacity to intervene in the discussions since is the public agency in charge of the readjustment approval. According to the minutes and interviews the participants were not categorized in any form. Moreover, the information found do not evidence any limitation for the participants. That is they could be owners, tenants or possessors.

It has to be added, that during the whole length of the discussion boards the representativeness of the Committee was not proven. The minutes reveal that in several times the SDP and the University asked the Committee to reveal its representativeness. However they never did it, arguing that they had the best intentions within this process.

The interviews and the minutes of the discussion boards reveal that the Committee did was not a representative of the whole community. The people started to support the Committee but this support decreased with time. Specially, the peoples support was higher in the first stage than in the second one. During the discussion boards of the second stage the Committee ended up discussing almost alone with the University.

“We started with good support from the people of the Community when we did the marches and in the beginning of the discussion boards. However, not everybody supported us and the peoples support decreased quickly. Only the 3 or 4 spokesmen of the Committee ended up assisting to the discussion boards.”(No se tomen las Aguas Committee leader,2014).

Moreover, during the first meetings some assistants that went to the meetings as observers intervened claiming the lack of representativeness of the Committee. For example in one of the meetings a non-identified owners said:

“The committee it is not a legitimate representative of the whole community. They are just representing themselves, their own condominium, and they are assuming that they are representing the whole community. However, me and other members of the community do not feel represented by these people, and it is obvious that their representativeness is not clear” (No se tomen las Aguas, 2015)

Several reasons were found in the people of the houses and the rest of the community to not support the Committee and to not participate in the discussion boards of the second stage. The most common one was that they were not interested in the project or in joining the readjustment. Another frequent reason was that they were tired of the same discussion form the committee about the displacement and about the consequences of the project, but this was not in line with the information they used to receive in the “Casa Fenicia”. Finally, some members of the people of the houses did not trust in the Committee. They did not believe that the Committee will fight for the interest of the whole community but for their own good.

“They asked me to join the Committee several times. However, since they lived in the Block 4 which has high strata, they always have had a distant attitude with some of the people who live in the houses. In my opinion they were fighting for their interests and not for us. So, it was no sense to go to those meetings and to participate there. I was not interested” (Community leader from the people living in houses, 2015)

In consequence, the real discussion took place with a small part of the community represented by the Committee, because of the self-exclusion of several members of the community since in theory the space was open for the inclusion of all the inhabitants of the area.

In relation to a third characteristic of the discussion boards, the decision criteria were very clear and focused in the generation of agreements in a democratic way by reaching consensus among the parties. The minutes reveal that as it will be seen the outcomes of the process were several agreements that were produced as a result of coproduction and trade-offs between the Committee and the university. As it will be seen in the next two sections, usually those agreements were produced by having both parties giving inputs for the final proposal of a specific aspect of the project. Most of the agreement were produced as a result of inputs given by both parties. Moreover, the objective of those boards was to negotiate with the Committee all of its concerns and proposals due to the strong opposition they made.

In addition, the agenda discussed was the one of the people which was almost entirely related to costs and benefits of the project. The minutes evidence that the University arrived with an agenda to the first meeting, but the Committee also proposed a totally different agenda which was more in line with its interest. That proposal was approved by the parties of the discussion board without any regrets or comments. The topics addressed during the discussion boards were:

- Discussion of Charges and benefits assigned to the project by the determinants since the Committee was not agree with some of them
- Freezing of the strata⁹ for the area to not cause gentrification

⁹ The concept of strata will be explained during the analysis of the impact of the agreements on the equitable distribution of costs and benefits.

- Discussion of possibility that the replacement units would keep the original location of the properties given to the readjustment by the owners. Proposed by the university as well.
- Discussion of the replacement unit allocation system which includes possibility of enjoying profits by the owners. Also proposed by the University.
- Re definition of the boundaries of the UAU 2.
- Means to avoid project's economic impacts of the community.(Exclusion of Administration fee of the new condos where the replacement units are located for the owners)

“All the problems and discussions that we had with the Committee of No se tomen Las Aguas, ended up in the opening of a new space to discuss with them all their concerns and demands. Together we found a neutral actor to work as a referee: the Veeduría. Thus, the committee accepted to start the discussion boards. In the first meeting we designed all the rules of the boards. We agreed on doing the meetings in the nights once a week, but later that extended to twice a week. Moreover, we agreed on establishing a neutral place which was in a parking business of the block 4 called “La mutual”. Furthermore we established an agreed agenda with them and rules for the discussion like: only spokesman could speak, the assistance was open, we were going to reach agreements about the agenda but with a deadline which was the legal time limit for the readjustment approval and agenda discussed with them. This was very useful because we shape several changes to the project along with the community”(Fenicia project director,2015).

Finally, the design included the presence of a referee in charge of being the guarantee of inclusions of the outcomes' of the discussion in the project, make the participants respect the rules of the boards and to make sure that agreements would be reached by the parties. The minutes reveal that this actor several times suggested to follow on the next topic when a discussion was stuck and proposed to re take the issue at the end of the process, they were also responsible for focusing the discussion avoiding deviations from the topics of discussions. Moreover they interrupted some interventions for not respecting the turn to speak. Furthermore, they documented the process by making minutes, acts and a final document registering all the agreements and asking the actors for they approval. Therefore, they created trust within the participatory space.

“Our only mission and commitment with the board was to be the guarantee that the parts in conflict would get into agreements about the topics in discussion, besides making them to respect the rules of the game” (Veeduría Officer,2015)

4.2.2.2 Participatory Results: The agreements

During the second stage of this process the following agreements took place. They will be presented along with the discussion that occurred behind the agreement since it is important to have a whole picture of the story and to analyse later the issue of elite capture and the influence of participation on the LR distribution of costs and benefits.

Agreement about redefinition of UAU

The original readjustment scheme proposed a specific layouts_i of the different UAU that were going to be used to develop it. In the mentioned layout the UAU 2 was including a square that was going to be built in the area of the UAU 3.

Figure 5: UAU original layout



Source: Universidad de los Andes (2013)

The committee refuted this layout arguing that it was unfair since the square was not located in the area of the UAU 2. Thus, it was supposed to be paid by the UAU 3. Moreover, they added that if the land management was going to be easy since the owners would be not 123 but less. They asked for a change the layout. The university agreed but only in the change of the layout and not in the financial responsibility of the UAU 2 to finance the building of the square as part of the equitable distribution of costs and benefits of the readjustment. Therefore, without the square in its layout the chances of executing the unit were higher. In addition, they were saying that it was inequitable to pay for the square located in another unit. Therefore because of the square location they will not enjoy it, so, they should not pay for it.

The University did not agree but it managed to close the discussion. It argued that the distribution of costs and benefits is a big umbrella and that they pay for the square because the owners of the properties where the square is located do not enjoy benefits because only pay for charges. In a readjustment everybody earn benefit in proportion to what they give to the readjustment. The committee ended up understanding that argument, and did not argued anymore because the university decided to change the layout of the units and transfer the charge of the square to the UAU 3 accepting the initial argument of the community.

Agreements about the replacement unit allocation system

According to the documentation found, the discussion took place because the committee requested for all the information of the project in the beginning of the discussion board. That allowed them to make an exhaustive study of the whole project proposal and formulate

feedback, inputs and some proposals looking for arguments in certain topics. One of these topics was how the owners were supposed to join the project and what they were going to obtain at the end of it as a result of participating on it. The agreements around this issue took place around two major topics with some discussions behind them. The first topic was related to the whole system of adjudication of replacement units to the participant landowners. The second topic was related to the criteria of adjudication in each possible case in the area.

In relation to the whole system of adjudication of replacement units the overall discussion evolved from a lack of understanding of the logic of the system proposed by the university to a negotiation about specific issues within the logic proposed by the promoter. The University arrived to the discussion boards of the second stage with the proposal of giving the land use of housing a different allocation stage based on area. For every built square meter the owners were going to give to the project they will obtain one built square meter in return. Likewise, the Committee arrived to the discussion boards with the same proposal but wanted to discuss more specific aspects, like the creation of more cases for other kind of properties in the area, the quality of the replacement units, among other related issues. The real concern behind this claim was that they community thought that they were supposed to receive a low quality replacement unit because their properties would not have enough value to cover the value of one of the units that were going to be sold in the project. Therefore, they wanted to know which would be the method to assess their property values: cadastre or commercial. The mentioned argument shows a clear misunderstanding of the logic of the systems presented by the promoter.

The university decided to present the system they had in mind up to the moment. The general principle was to give 1m² of replacement unit per m² of the former property given to the readjustment without paying anything. This lack of payment represent the profits to which every owner is entitled to for being part of the LR. The owner would have preference to choose the location of his replacement unit in the original location of the former one or in another one subject to availability according to the original owners of that location. In addition no adjustments were needed because the lack of m² to obtain a full replacement unit were going to be filled by the project. However, it was not clear the opposite case. Moreover, the people living in the blocks where parks and squares are going to be built (Blocks 24, 25 and 26 had preference to choose location in the UAU 1 located in the actual block 13. Furthermore, the people were allowed to choose not to receive m² but money. The amount of money received might change with time. The apartments would also receive parking spots if they had parking in the original home.

The initial cases and criteria to allocate the replacement units proposed initially by the university were the following ones:

1. Houses and apartments: More built area than free land or equal area, the replacement would be 1 built m² of replacement unit for 1m² of built are of the former property.

Less built area than free land, the replacement would be 1 built m² of replacement unit for 1m² of built m² of former property. No specific criteria for the free land

2. House with commerce on first floor: The replacement would be 1 built m² for 1 built m² of the former property in housing land use. For the commerce no details, criteria or equivalence in m² for this aspect explained in the documents.

No more criteria, cases or details present in the adjudication rules and criteria of the project before the discussion boards.

The concern of the committee seemed to keep present because the promoter did not say if the characteristics of the units especially for housing would be the same as the ones assigned for selling. The Committee answered to it by proposing the following adjudication system:

They did not propose like different criteria for cases because as it will be seen the other discussion was about the lack of specificity of the criteria presented by the university. However, they proposed a general system for all the replacement units based on commercial values because in their opinion the values presented by the promoter were cadastre: Thus, they wanted that the value of entrance would be the commercial value, for the given property at the moment of issuance of the replacement unit plus 20% of profits due to more edificability and 20% of compensation for economic impacts for houses or losing of common areas in the case of the apartments. Moreover, they wanted 1 m² adjudicated to them for every m² of their former properties given to the readjustment.

The university answered that the Committee's proposal was financially unviable for the LR. Moreover, along with the Planning Secretariat they argued that the profit and compensations were included the replacement units because they would obtain a new unit with higher value in the same area and location. In fact, they would have the chance to improve their property values in almost 90% and some properties in the area up to 200%, without paying a penny for it. Finally, values could not be agreed because the law allows the proposal only to formulate criteria and rule to adjudicate.

The committee accepted those arguments and decided to discuss about the characteristics of the replacement units. They would not accept low quality replacement units, only the same quality as in the market, without decreasing their common areas. Thus, the University proposed that the replacement units will have at least the same m² in common areas and the same characteristics as the ones sold in the project. The Committee agrees and accept to resign its initial proposal of values and compensations.

"They (the university) explained to us in a very detailed way how the profits were included in the replacement units. We understood that our properties were going to increase their values a lot without paying a penny. That Jump makes the difference and it might be very profitable to anybody. However, the fact that we were sure that we were going to obtain good quality apartments and keep our common areas was an important reason to resign to our claims. "The committee accepts (, No se tomen las aguas leader, 2015).

Therefore the final agreement was to give to the owners 1 m² of built area in the new replacement unit for every m² of their former properties given by them to the readjustment, where the characteristics of the replacement units had to be the same as the ones of the units that the project was going to sell in the market. The second topic around this issue was related to the criteria and cases to adjudicate the replacement units. The Committee found the already explained criteria and cases of replacement insufficient and not specific enough to address all the possible cases of the area. For them it was important to create criteria for commerce, for houses with less built area than free land and for parking businesses.

In relation to the parking businesses the committee said that a criterion was needed since those businesses were numerous in the area. They wanted specific criteria which recognized compensation for lost opportunities to build in their free lands, for the economic impact for finishing their economic activity and that recognizes advantageous situation for being empty in its majority of space and having good locations, which would represent less building costs

at the moment of developing the readjustment. Finally, they proposed to give those businesses commerce as replacement unit with specific commerce scale¹⁰.

The University considered accurate those observations and proposed to use the calculated profits of the readjustment to pay for those situations, because it was a non-considered event that could not be paid with the charges money which was already compromised. The only condition to approve this was that the criteria would apply to every landowner in that situation, and that something similar would applied also to owners in similar situations. The agreement was then to give those businesses 0,7m² of built area in zonal commerce for every m² of free land given to the readjustment to lots with good location and shape and 0,5 built m² of zonal commerce for lots without those advantageous features.

In relation the commerce situation, the minutes reveal that, the Committee wanted the same 1m² for 1m² criteria that the housing land use had and a specific commerce scale the owners will obtain in return giving their properties to the project. Both parties agreed on that and in the reception of the built square meter in the same scale of commerce as the former property. The same case applied for houses with commerce on first floor.

Moreover, the minutes reveal that the Committee asked to adjust the criteria for houses with less built area than land. Between the two parties they agreed to replace those spaces in the same way as the parking business. In the first mentioned case the proposal came from the university in the second one it came from the Committee.

Agreements about the Charges and Benefits of the Project

Up to this point, since stage one was based on information flow of information and gathering of information from the comments of the people it without any feedback to a proposal concrete of the whole Project the distribution of costs and benefits had not changed.

The general discussion about this topic was divided into different aspects. Because of the nature topic all of them related to the distribution of Costs and benefits of the readjustment. The discussion evolved from a non-comprehension of the logic of the equitable distribution of costs and benefits to an absolute commitment of the Committee for assessing each one of the costs (charges) of the project.

The first main discussion and agreement was related to the fact that the UAU 2 was paying for more of the charges of the project, and in fact was financing other units that were only incurring in expenditures. This was not an explicit agreement but it is important to understand this issue to understand the other agreements. According to the Committee, the UAU 2 where the condominium Multifamiliares Calle 20 is located was suffering of an inequitable distribution of charges and benefits because that that Unit was supporting and paying for the highest percentage of the total cost of the charges of the project. For that reason, they wanted more benefits cause they were the ones with more charges.

The University answered that the partial plan is a big umbrella that makes the equitable distribution possible. In that sense if the whole plan cannot be implemented not even the unit 2 can be developed because the units pay for the charges of others and so on. Moreover, the university added that despite the fact that they were paying a big amount of money for the

¹⁰ In Bogotá according to the Decree 190 of 2004 (City Master Plan) the commerce has 3 scales: Neighbourhood: This is related to a small grocery shop. Zonal: It is related to a small or medium supermarket of a neighbourhood or area. Metropolitan: It is related to big chain stores like Alberth Heijn or IKEA. The first scale has less value than the second one and so on (Oscar Borrero, 2015).

charges of the project, they are also benefiting from a totally improved and more valuable area. In addition, they were not paying or giving the amount of public space and parks that they should if the UAU 2 were going to be developed by itself. In that sense, they had to pay for the benefits that the landowners that live in other blocks that for example only have parks or squares cannot have because of that reason. Therefore, it is very important to accept that there are units with deficit and units with surplus where the ones with surplus recognize benefits to the ones with deficit to make everybody enjoy benefits and not only incur in expenditures. The owners accepted those arguments.

After this discussion the university made a presentation of the whole system of charges and benefits explaining every instalment and expenditure. This action drove the discussion into a more technical level because it made the Committee take a more flexible approach. They started to discuss the distribution of charges and benefits even with the municipality. Also, the architect that was hired by the community played an important role here because according to the documentation and interviews he helped the community to understand the logic of the distribution of costs and benefits.

“The architect helped us to understand the more complicated topics as charges and benefits and the alternatives of participation for the owners, because that is something really technical and has a difficult logic”. (No se Tomen las Aguas Leader, 2015).

The discussions in the process about this issue were related to first, Costs that were double counted in the financial model. These costs were questioned by the Committee for being high and were related to administrative costs in the expenditure of management and to the urbanism indirect costs in an expenditure called “other studies”. The amount of money was of US\$ 197.200 and US\$39.940 respectively. The first one was already included in another expenditure of the financial model called “Necessary Studies” for the urbanism works. The second expenditure was also already included in the expenditure for “Incidentals”. In consequence, during the discussions, they and the University checked them, finding that they had been double counted. Therefore, by joining forces in the analysis of these expenditures in the model, the University and the Committee agreed to withdraw those instalments of the model of costs and benefits. The financial advisor of the project accredits this fact by arguing that:

“Those instalments were placed in the model just in case of the occurrence of any unexpected event. However, we knew that those were increasing the costs. That is why we agreed in withdrawing them form the model.” (Fenicia Project financial model designer, 2015).

Finally, costs that the community considered too high in relation to the formulation costs. The Committee considered these expenditures to high, and because of that demanded the inclusion of an agreement in the final decree where the submission of proofs of these values were requested to the promoter. The objective of this was to avoid a possible earning of profits through the accreditation of higher expenditures than the ones that really took place (No se tomen las aguas, 2014). The way to accredit these expenditures was suggested by the Committee and the university where both suggestions were approved: To proof with invoices and other supporting documents.

Secondly, a major topic of discussion was the one related to what in Colombia is called, charges. First, the general charges were discussed and then the charges called “management and indirect costs”. In relation to the general charges the Committee was not agree with the payment of all the general charge which were, a roundabout that was located close to the project area that connected the main Avenue 3 and Street 19. Second several main arterial avenues close to the project, like funicular, a main avenue, called “Avenida Circunvalar” which the city

was making the project to enhance and to develop maintenance works. Finally, primary public service infrastructure. All of them were forced by the city in the determinants of the plan. In this point the discussion evolved because the Committee passed from asking for benefits for their own UAU to defend and question all the costs of the project. University and Committee joined forces around this issue.

The roads were the following ones:

Figure 6: Roundabout and primary roads as general charges



Source: Universidad de los Andes(2014)

The project and the University argued the project was not supposed to pay for the charges because those charges belonged to primary avenues and public services infrastructure networks that were supposed to benefit the whole city and properties located next to it. Therefore, all the benefited were supposed to pay for it. Moreover, the roundabout was located outside of the project.

The SDP took a rigid position and answered that in land readjustments making the project to pay for the general charges was a common practice in the city. Therefore, since the project generated the impact that made the works necessary if the project could pay for them it had to do it. However, after several discussions after some meetings of the same arguments in discussion, the SDP accepted to take out only the general charge of enhancing and maintain main primary avenues close to the project like Jimenez, Street 22, Avenue 3rd, among other. This was an intervention of 7000m² for US\$ 803.468,964.

The discussion around the charges also took place about the charges related to the Cost called “Management and indirect expenditures”. The first of these discussed costs was, the land management transaction costs. This was an expenditure recognized as a charge of the project assigned to pay for the solving the legal property issues of plots of the project area which could represent a barrier for the land management of the readjustment like foreclosures, mortgages, among others. The Committee argued against that charge by saying that it was making the project inequitable because those were obligations of each owner and the rest of the owners

should not pay for the benefit of another one. The university agreed with the argumentation but proposes that the money assigned for that should be available for the people who needed to solve situations like the mentioned ones. This proposal was complemented by the Committee who proposed the implementation of mechanisms to get back those resources. The University complemented that by proposing that the UAU would define the mechanisms in the execution stage of the readjustment. Everybody agreed on that.

In consequence the charge of transaction costs was retired of the Cost and benefits model.

In addition, the minutes of the meetings show that another discussion was the one related to social programs. The issue around this topic is that the model of costs and benefits contained a charge aimed to finance social programs in benefit of the inhabitants of the area: Entrepreneurship, Kids and teenagers free time management, elderly people attention program and employment promotion. The discussion around this issue evolved in a very interesting way because at the beginning the Committee wanted to withdraw the charge of the model arguing that they were financing that through their taxes and that it was a charge that the city should pay because it was fulfilling the lack of social management of the municipality. The university and the planning Secretariat answered that those programs were aimed to mitigate the effects of the plan in terms of possible gentrification. Their objective was to help the people to improve their life conditions and prepare them to support the new expenditures brought by the renewal. Therefore, they were not negotiable.

At the end of the discussion, the committee suggested to invest that money in the building of the Amenity minded for the area. The university proposed that instead of that, the city had some properties in the area for value of US\$1.020.000.000. Thus, instead of receiving cash for those properties they could invest that money in the amenity construction. The committee agreed.

Another important agreement with an interesting discussion behind was the one about compensation to people who were going to change from houses to apartment due to the project. In one of the last meetings one inhabitant of the houses area said that it was really unfair that no payment was minded to compensate the mandatory change form living in houses to apartments that the people in that area were going to suffer. The committee took this claim as own and argued in favour of that that the majority of the people did not want that change, and if they did not do it they will have to move from the neighbourhood. Thus, the impact of that change was supposed to be compensated.

In consequence, the University suggested to create an extra charge (cost) for the project paid by all the owners of the area to compensate the impact cause they were agree on that. The SDP agreed on that and suggest to pay that cost with the money saved due to the exclusion of the charge related to the primary main avenues. The documents reveal that everybody agreed on that.

This agreement its complemented by a suggestion of the Committee of not restricting the payment of this instalment only to the people who was going to pass from living in house to living in apartments. They suggested to let it open to other unexpected situations and create a list of unexpected events. The University agrees but suggested to leave the definition of the compensable situations to the Execution management phase in the head of the managers of the UAU. Everybody agreed on that according to the minutes.

The final text of the agreement is the following: *“To include a charge (cost) an additional charge (cost) of US\$ 803.468,964. The definition of the situation suitable to be compensated by this amount of money and its correspondent calculation must be done by the government entities of the partial plan and for the managers of each UAU.”*

Finally, about the formal concepts of charges and benefits the last and very important discussion was about lot profits, temporal transfers and adjustments. A charge was created to finance the impact that the project would cause on the neighbourhood merchants cause they will stop making profits in their business and will have to spend money adjusting the new locals and the impact on the people cause they will spend money transferring to temporal places while the project ends and on the merchants. The evolution of the discussion is interesting because the Committee asked for more details and formulated proposals. Everything concluded with both parties building the agreement.

Table 5: Summary of the proposals of both parties

University proposals	Committee answering proposal
93 temporal transfers based on strategy to build first some replacement units to avoid transfers and lost profits payments	The number is too few. Unexpected events might happen. No proposal was formulated. No numbers or calculations for supporting the statement
18 months payment for lost profits to owners with housing on rent and commercial shops	More time needed to avoid unexpected events. No proposal was formulated. No numbers or calculations for supporting the statement
US\$273,32 lost profits monthly for houses on rent and	409.98 lost profits monthly for houses on rent
US\$1024.95 payment for lost profits for commerce monthly during 18 months. 63 commerce units	US\$2733.2 payment for lost profits for commerce monthly during 24 months.
US\$2733.2 payment for transfers of housing and locals of commerce 63 commerce units and 17 housing units.	Too few money. No proposal was formulated. No numbers or calculations for supporting the statement
Lost profits for parking business paid by daily rent of US\$5 per parking spot	Lost profits for parking business paid by daily rent of US\$5 per parking spot plus compensation for economic impact
Not considered	Payment for adjustments of the locals of the merchants because the project is causing that expenditure.
Total amount of money to pay for temporal transfer and lost profits: US\$1.143.844.2	Too few money. No proposal was formulated. No numbers or calculations for supporting the statement

Source: Own elaboration.

The discussion board accepted the proposals of the committee and the university were agree with them, but not with paying compensation to parking business for economic impacts. The Committee accepted because their other proposals were accepted by the University. In fact, due to the observations of the committee about the money assigned for paying, lost profits, adjustments and temporal transfers the University increased that amount in 15% in case of unexpected events which represented an increment of US\$198.936,982. In addition, it included payments for adjustments to Commerce for a value of US\$126.068,85, which were not considered by the original model before. The University accepted to pay not for 18 months but for 24 months of lost profits for housing in rent and commerce, in houses with commerce on first floor or locals. With this additions plus the changes in money that represented accepting the proposals of the Committee the new total amount of money assigned for these issues was US\$1.614.581,95.

In addition, the Committee proposed that the values of the model should be adjusted and updated every year and that a way to solve the possible cases of inability to proof the lost profits was supposed to be placed on the decree of the readjustment. The University agreed with these. However, in the final proposal only the agreement about updating the values of the model was included.

Finally, the minutes show that the Committee also requested more specificity form the University proposal because there were no criteria to compensate lost profits and transfers in the different possible cases in the area: houses, commerce, apartments and parking business. A big discussion took place which finished in a definition of some criteria for the mentioned situations. The agreement was not included in the final proposal. Thus it is not going to be presented.

Agreements about Strata freezing

In relation to this agreement both University and Committee arrived to the discussion boards proposing freezing of stratification. The university did this based on the concerns listened from the people during the first stage of the process. Since this was a topic outside of the capacity of the readjustment and it was more related to city policy they requested the Planning Secretariat for the mentioned freezing. The SDP expressed its willingness to freeze the strata and got the commitment of having ready a way to do it at the end of the process. Therefore no so much discussion took place around this issue.

At the end of the process, the supposed agreement was to led the stratification frozen with the decree and approbation of the readjustment. However, the Planning Secretariat (SDP), when the final agreements were being read said they could not freeze the strata with the approval of the LR due to absence of legal capacity to do it. By law the capacity to frozen the strata was given to the country and not to the city.

In relation to this the committee and the university expressed their concern and shock because that aspect was crucial for the non-gentrification of the area in the short term. In addition, both University and Committee had several meetings in that time with the Planning Secretariat (SDP) to solve the mentioned issue. In those meetings the Committee through its leader Farid Polania played an important role since the law stated that the legal capacity to freeze the strata was in the city. They even had the capacity to update and change strata in the neighbourhoods the national issue was the one of the methodology to determine the strata which was assigned to the national government by law.

“We as University collaborated with the Planning Secretariat giving our suggestions with our legal team to the writing of the decree that would allow the urban renewal land readjustment projects to benefit from the freezing of strata for 10 years” (Maurix Suarez, Univeristy project team leader, 2015)

“I studied all the decrees related to stratification and was able to proof that the city had the capability of the management of the strata. That means they can decide if they update or not the strata of an area. Which means they can decide to not update or free the strata of a neighbourhood like in the case of Fenicia. The national capability is only about the methodology to determine the strata in a neighbourhood” (No se tomen Las Aguas leader, 2015)

Therefore, the actors agreed on including an article in the LR approval committing the SDP to issue a decree to freeze the strata of the area. Thus, 15 days after the expedition and signature of the approval decree of the readjustment by the city Mayor, another decree, the Decree 448 of 2014, approving 10 years strata freezing for all urban renewal areas including Fenicia was issued by The City. The decree in its article 8 conditioned the benefit only to be applied to the original owners of the property.

“Our commitment was to issue the decree approving the freezing of the strata for urban renewal project, and we did it 2 weeks after the approval of Fenicia”. (Planning Secretariat Officer, 2015)

Agreement about Administration fee financing to mitigate economic impact.

The agreement around this issue was preceded by a discussion about a way to keep the people in the area and mitigate the impacts of the Project in the people's lives. Both the University and the Committee proposed to build commerce locals in the first floor of the replacement units' buildings. Those locals were supposed to be rented by the building and with the money

of the rent diminish the administration fee of the owners of the replacement units. The only disagreement was in the way implement this. For the Committee the replacement units owners were supposed to have a property title over the commerce locals as part of their property in the replacement unit. For the university that should be open because several logistic complications might arise in the moment of selling a replacement unit or giving in heritage to a relative. Every owner would had an irrelevant percentage of the ownership of the locals. They never agreed on this and the agreement stayed open in its redaction in the way the university proposed it.

Agreements about Location

The Agreement around location was not in strict sense an agreement. That is, the University started the first meetings by proposing that after some of the interactions with the people, and listening to the questions that the community asked during the information meetings (first stage of the process), it decided to allocate the replacement units in the original location of the property given to the readjustment. The people were going to be allowed to choose the location of their properties with preference in their original location and subject to availability if the chosen location was a different one. The people from blocks 13, 25 and 26 had preference in any location because in their former ones parks and squares were going to be built. The Committee accepted the proposal they had the same proposal arguing the protection of the social nucleus of the community.

In addition, the Committee requested that the owners of commerce and housing, (mainly apartments) should have the preference of choosing the location of their replacement units inside the new buildings, since when they bought their former properties they could freely chose the location inside the buildings. The University and the SDP agreed on this but refined the proposal by letting that preference to choose open to all the owners of the area. The parties accepted this.

4.2.2.3. Type of Participation

In this section the issue of the type of participation that took place during this stage will be analysed. Before starting to present this topic it has to be remembered that the analysis is based on the concepts of community participation in development. Therefore, the analysis will be focused in the interaction between the designer of the land instrument-policy and the Community which will be subject of it. In this sense, it will be assumed that the University performs the role that the mentioned theory adjudicates to the government.

During the second stage of the process three clear types of participation took place: Partnership, Consultation and Information.

In relation to partnership this type of participation took place in most of the second stage during the discussion boards. In this space the community has a deeper participation than in stage one. However this kind of participation can only be adjudicated to one group of the neighbourhood area: The Committee no se tomen Las Aguas. As it was mentioned, they managed to have negotiations with the project and the city. Partnership kind of participation took place here because the committee got involved actively in the active production of the design and formulation of the readjustment which was something previously monopolized by the university. This is a clear indicator of a partnership typology of citizen participation. For instance, as it was seen, the committee and the university discussed several and critical aspects of the readjustment and reached agreements that implied several changes to the project. For example they agreed in taking out some charges (costs), in decreasing some doubled counted expenditures. In addition, they refined the allocation stage building or complementing the type of cases to allocate replacement units to the different type of properties of the area. The nature

of these issues is intrinsic to the readjustment and usually is designed by the promoter exclusively. Nevertheless, in this case a group of the community had an active involvement making changes to those project aspects.

In addition, the active involvement can be seen by assessing the way the agreements were built. As it was seen, in most of the topics discussed, the agreements that were built with suggestions and proposals of the University and the Committee. For example, as it was seen, during the discussion boards one of the agreements was to take out of the distribution of charges and benefits, a cost assigned to pay for the transaction costs of managing the land. The Committee was the one who proposed the charge withdrawal since it was already in the project. The University agreed with the Committee's arguments, but proposed to guarantee in the future that the manager of the project gave money to the people who need it for these purposes. The Committee agreed but proposed to let the future manager to define the mechanism to get back the money. Another example is that during these same discussions a person of the community of the houses proposed compensation for the change from living in a house to an apartment. The university agreed and proposed to leave money saved for other agreements for this purposes. The committee complemented this by proposing to try to define the compensable situations. The university agreed and left it open for the execution phase. As seen, the mentioned agreements were built in cooperation between the two parties. Each actor was including or adding features or elements to make the proposal stronger and complete. This cooperation is an indicator of coproduction and therefore, of a partnership type of citizen participation.

Another reason that supports the presence of partnership as a type of citizen participation is the occurrence of trade-offs during the discussion boards. As seen before, some agreements were preceded by several discussions where each party had its own position. However, sometimes to reach an agreement each of the actors involved in the discussion had to cede an aspect of its position in exchange of another aspect in order to reach the agreement. Therefore, the final outcome was having each actor ceding its own pretensions in favour of a common agreement that includes inputs of both parties, but also not included aspects that each party pretended to include. For example, during the discussion about the allocation system based on exchanging 1m² for 1m², the Committee demanded compensation for the lost common areas of their properties plus profits plus compensation for the impact caused. After a whole discussion the Committee resigned to its pretensions due to an offer of the University. It was to include an agreement that the common areas of the replacement units would be at least the same size as the former ones. Therefore, this negotiation dynamic is an indicator of trade-off and of partnership as type of citizen participation.

"We obtained several lessons from the process with the Committee: We reached agreements and we solved the conflict with them because we sat down to talk and discuss about our differences. Thus, we ended up producing and making changes to the projects as a team. We even discussed with the municipality about the general charges and the Committee gave arguments to obtain the withdrawal of one of them. We were able to negotiate because we ceded in some of our proposals and they ceded in some of theirs"(Fenicia Project team member,2015)

In second place, during this stage Consultation as a type of citizen participation also took place. As it was observed before, in some meetings of the discussion boards the Committee gave some feedback to the project proposal. They gave some suggestions to complement and improve the project proposal. They were heard and some of them were included and some others not. For example, during the allocation stage system, the Committee suggested and claimed for more

specificity in the allocation cases. That is to know exactly what a house, commerce, a house bigger than the lot would obtain in exchange for participating in the project. In addition, for the mentioned cases they suggested for the houses smaller than the plot that the criteria to compensate the free land should be more specific and clear. The University accepted those comments and made necessary corrections. Therefore, these kinds of feedback comments are an indicator of Consultation as a type of citizen participation.

Finally, Information exchange also took place. In this case, it was found that during the second stage the University created a one directional flow of information to keep the Community informed about what was being discussed in the discussion boards. The promoter used flyers and gave information about the issue to the people who assisted to Casa Fenicia. Moreover, some interviews with the people who live in the houses revealed that they knew about topics deliberated in the discussion boards. For example the community knew about generalities of the allocation stage, the freezing of the strata and the possibility to exclude the people from paying administration fee in their replacement units.

In consequence, as it was seen, the second stage of the participatory process of Fenicia presented three different types of citizen participation: Partnership, Consultation and Information.

4.2.2.4 Social Capital

In this section the social capital will be analysed as a variable that influences the participatory process. The social relationships among the actors measured in terms of frequency of interactions and the networks of each actor will be used to describe and show how social capital might influence the participatory process of Fenicia.

According to the documentation found and some of the interviews during what was called stage 2 of the participatory process of the triangle of Fenicia, Social Capital played an important role in the development of the discussion boards. In this section the social capital of the main actors will be presented and how it influenced the participatory process at this stage.

Constant interactions among the actors involved in the participatory process

The social relationships among the actors changed in the frequency of the interactions. With some of the actors the interactions increased which built a more frequent relationship, and with others it decreased. The relationships that increased in the number of interactions lead to different outcomes than in stage 1. The most important outcome was the agreements around the plan which lead to its approval. In these sections it was seen which interactions increased and decreased and how this influenced the participatory process during this stage.

First of all an important group of relationships to asses are the ones of the university. The university in general increased its interactions with the majority of the actors. In relation to the committee and the SDP, as it has been pointed out, the protests encouraged the University to take the decision of opening a new participatory space. In this new space, it was seen that three actors were present. Moreover, that space implied several more interactions between them since they increased up to almost 13 meetings, (some of them almost 8 hours in length) plus some extra official meetings to arrange issues that arose during the process, like the decree for freezing the strata and the negotiation about the parking businesses in relation to the kind of allocation they would have. In this sense, with the Committee the interactions changed from being sporadic and occasional to being frequent. With the SDP the interactions became even more frequent. In relation to this the director of the Fenicia Project said “ *We had a lot of interactions with all of the participants, especially with the Committee. Before, we barely recognized Nowadays and during the discussion boards, we recognize each other, we say hi in*

the streets. We even have each other's phone number." (Fenicia Project Director, 2015). Other more revelatory testimony says the following: *"We gave some inputs to write the decree that was going to freeze the strata when it was under the redaction process"* (Fenicia Project Director, 2015).

The interactions between the University and the Community of the houses on the other hand experienced a decrease in communication. The spaces for interaction were less because the groups of interest, the plenary meetings or other kinds of workshops with the community of the houses did not take place at this stage. Only one place of interaction was found during this stage: the action of the casa Fenicia where some people used to go to ask questions about the project, but less frequently than in stage one. Moreover, as it was seen before, the people of the houses did not attend the meetings often or the discussion boards.

In some informal chats some project team members that work in the Casa Fenicia revealed that during the last year and a half, almost nobody went to the House. One of the leaders of the project team confirmed these versions by telling the researcher that the University developed some interior architectural design with all the community of the neighbourhood just after the end of the discussion boards, because they had decreased the interactions with the community.

"The architecture workshops took place because we did not want to abandon the community and stop interactions with them. For almost one year we did not have so many contacts with them. No meetings to inform the progress. Anything." (Fencia Project team member, 2015)

A member of the community houses confirm this:

"Until now is that we heard about the University and had contact with them again. It passed along time, almost one year since we did not hear anything about them. We thought that the project was not going to take place" (Community of the houses member, 2015)

Furthermore, within the interactions at this stage the ones between the Committee and the Community experienced a deep change compared to stage 1. No interactions outside of the participatory space were found. The only interactions found were with some inhabitants of Block 12 who were supporting the Committee. They used to go to some of the discussion board meetings, but not to all of them, and they discussed with the people of their block about what had been decided. During the discussion boards, they went specially to the meetings where the strata and the allocation system (1m² given to receive 1m²) were discussed. In the section of the agreements it was seen that the proposal for compensation to the houses for changing their lifestyle was made by an inhabitant of the houses.

"During the discussion boards we started with a lot of people supporting us and attending to the meetings. However, that did not last that long and at the end the people of the neighbourhood attending those meeting were only the ones of the Committee. The people lost the interest really fast. (No se tomen las Aguas Committee, 2015)

Therefore, the findings do not report constant interactions between the actors which is translated into a decreased relationship. In fact, all the people went to the discussion boards, or were not interested in supporting the Committee actions. As it was already said during the first meetings of the discussion boards, some inhabitants were not feeling represented by the committee because they were taking that for granted. In relation to this a leader of the community of the houses said the following:

"Too much people of this part of the neighbourhood (the houses) did not go to those meetings because they were not interested. They argued that that everything was already arranged. A lot of people said that that was a fight of the Committee or that

they were not interested in participate in the Project because they were fine like the way they were living.”

In addition, it was found that some people were not aware that the discussion boards took place. Some of the interviewees of the houses area when they were asked in which spaces they could participate they did not mention the discussion boards. Even when the researcher asked directly for the boards the answered:

“ If that would have happened I would have known” (Leader of the neighbourhood board, 2015)

In conclusion, the increased relationships between the actors involved in the discussion boards allowed the actors to develop agreements. These relationships were not strong before and that is the reason for the project to force a new participatory space. It is interesting that the community of the houses experienced less interactions with all the actors but as it was seen some of the agreements were general because the committee and the university developed in that way, to not affect only one group of people. In the end it happened but the discussion led to agreements that benefited all of the inhabitants of the area. The new relationship with the committee allowed more interactions to make agreements about the project as it has been pointed out.

Here it is clear that due to the building of relationships among the actors recognition was guaranteed and some agreements took place. Moreover, In this case it was seen how the different actors changed their relationships compared to stage 1, which allowed them to obtain some outcomes (agreements), as it was seen, permitted them to obtain some benefits.

Networks in the case of stage 2

The role of social relationships in the second stage of the participatory process has been mentioned. Its role was not as strong as in stage one, but the increment in interactions mainly between the University and the Committee lead to agreements that could not have taken place in the previous stage. As in stage one, the influence of social capital can also be understood in terms of networks. Here it will be presented how the networks influenced the process during stage 2 of the participatory process.

The influence of networks in stage 2 was on the performance of the actors on the participatory space, and how it effected the process. The way networks worked here was two ways: First by giving the process a referee which allowed the actors to achieve agreements, and played an important role in the negotiations that took place in the discussion boards as participatory spaces. Secondly, it had an influence by improving the performance of the Committee as an actor in the discussions with technical assistance of their own trust. These elements were really important in the performance of the actors and in achieving agreements during this stage.

First of all, it has been found that an architect was hired by the committee as a private consultant during the discussion boards. The architect was found by the Committee due to the connection that one of the members had with another University in the city centre. The person was the dean of the faculty of psychology and had hired the same architect to advise him with another land readjustment. His presence was found as a very important factor for the evolution of the discussion and for the performance of the Committee during the discussion boards. According to the minutes he intervened several times during the process, up to a point that during some meetings he was the one that spoke more in the name of the Committee. He had real technical interventions like in the costs and benefits discussion showing how the edificability changed from 2 to 6 which implied an increase in possible profits. Another example is in the discussion

of the lost profits when he said that some costs were high and that might impact profits. Thus, his advice was very important for the committee to interact with the university with equal technical resources. Without his advice the opinion and arguments of the university might have had more weight in some of the discussions. The Committee and the University accepted that his presence was a key factor to get agreements and for the evolution of the discussion.

“The architect was really helpful for us. He came to every meeting. He helped us to understand the difficult topics. If we did not understand something he used to explain to us. In the meetings he intervened a lot. He was able to discuss with the University showing them our point of view or by comment about the possible consequences of the university proposals among other actions.” (No se tome Las Aguas Committee member, 2015) Moreover, the director of the Project team during the stage 2 said the following about the architect.

“During the discussion boards something very important happened. The Committee hired a planner architect who became the main interlocutor between them and us. We realized that we were communicating our points clearly to the Committee and that they needed a person in who they were able to trust who translated them the technical aspects of the discussion. For example that we could not freeze the strata because that was a function of the City. With his interventions the agreements were reached really fast, because we could discuss technical aspects with which the Committee was not agree. He empowered the Committee in its capacity of negotiation with us”.

According to this observed role of the architect, it has to be said that according to theory the presence of an advisor within the community of owners was an important factor in helping the discussion between the promoter of the project and the owners. In countries like Sweden, the government tries to put all the available professional help available at peoples disposal. This issue as shown had a positive impact in the discussions between owners and promoters and the possibility for the first ones to stay in the area (Larsson, 1997).

Secondly, the Committee had also come contacts with what they call “friends”: These people were knowledgeable people that had previous experience in the field of urban planning. At least what was found was that they worked in the Planning Secretariat. They were friends of one of the leaders and this person worked for a while in the past for the Planning Secretariat. According to the information found, these people helped the Committee leaders with some technical issues that they did not feel suitably equipped to deal with. For example their help was really meaningful for the Committee members during the discussion at the allocation stage. The Committee received their advice and helped them to confirm that the Committees proposal was non-viable for the project and that the agreed system was a good achievement. This also happened in the freezing of the strata issue. In the mentioned case, the Committee leader found an explanation that a friend of his gave to him about the functioning of the stratification system very important. That made the Committee realize that they would be displaced of area if they did not make sure that the strata was going to be frozen. The reason is that when urban renewal occurs the area changes its strata (the whole system will be further explained at a later stage in this report) which means that the public service rates increase their fees, and people pay more for services.

“When we were not sure about something, about the understanding of a topic or about the quality of an agreement that we obtained, we talked to some friends. (.)I met them because of the experience I have in this field. They worked in the Planning secretariat or they had experience in this field. (.)We used to ask them if the agreements for the allocation of properties were good agreements (.) They explained several technical

aspects like strata which was something that was worrying us too much, (.) when strata changes from 3 to 5 the impact is too high and here is going to happen because they want to introduce metropolitan scale commerce” (Committee No se tomen Las Aguas leader, 2015)

Finally, another important expression of networks in this case is the role of the Veeduría. As it was seen the Veeduría has an important role in the city. In this case, according to the information found, it acted as a referee of the discussion boards. This referee had the general mission of make sure that agreements were reached. The minutes about the meetings show that the Veeduría performed functions like: To logically focus the discussions by emphasising the topics that were supposed to be discussed and not others, to ask the parties involved to move on to the next topic in case of non-agreement regarding a specific issue, to read and rephrase the agreements for the other actors approval and to ask for clarification of given arguments and to summarize the ones exposed.

“The referee was very important because it helped to drive the discussion and to make the discussion fluent. We all, the University and the Committee, asked for the Veeduría because it was a neutral organism. Also, it helped in the interactions because the Community used to argue that we had a partnership with the Planning Secretariat to approve the project because it was going to be very profitable for us and for other investors. For us it was a guarantee of transparency of the process because we were not sure about the representativeness of the Committee.” (Fenicia Project team member, 2015) In addition, the Veeduría officer says the following about the role of the agency in this process. *“Our main function was to play the role of a referee. We had to ensure that the parties reach an agreement. For example we were the referee of the discussion saying who could intervene in the discussion, we also had to ensure that the rules of functioning of the board were respected. However, we were not supposed to guarantee that the Partial Plan (readjustment) were approved or take place. We said that to the parties and they accepted our role”. (Veeduría officer, 2015).*

Therefore it was found that Veeduría was a critical factor in reaching agreements at the second stage of this participatory process. It helped to bring closer the Committee and the University because helped them trust to negotiate since they did not trust each other. On one hand the University perceived the Committee as; *“ Capitalists of rent that only were looking for its own benefit”* (Fenicia Project Legal advisor, 2015). On the other hand, the committee perceived the university as an; *“expansionist institution who wanted to enhance the campus and displace the people of the neighbourhood giving all the profits to the big expansionist capitalists”* (No se Tomen las Aguas leader, 2015). The Veeduría paved the path to reach agreements in the process. Finally, no other contacts with outsiders to the process were found at this stage from these or other actors.

To conclude, the networks as a variable of social capital performed an important role in the performance of the actors of the process, and with that on the process. The way networks worked here was through two ways: First by giving the process a referee which allowed the actors to reach agreements, and played an important role in the negotiations that took place in the discussion boards. As seen it allowed the actors to trust each other and in the reliability of the agreements reached. Moreover, by being a referee of the discussion, it allowed the actors to reach agreements faster and to evolve in the discussion. Secondly, networks influenced the process by improving the performance of the Committee as an actor in the discussions with technical assistance of their own trust. These elements were really important in the performance of the actors and in the achieving of agreements during this stage. Thus in the generation of outcomes for the second stage of the process.

4.2.3 The Elite capture issue in the process of Fenicia

In this subsection the factor of power will be assessed as part of the final analysis about the participatory process of Fenicia and its two stages. This assessment will take place through the concept of Elite Capture as a factor that influences a participatory process. This concept was not assessed for each of the stages because the real elite capture issue is more visible if it is studied in the process as a whole. Moreover, as it was seen the more direct participation of the Committee is more perceivable in the second stage than in the first one due to several factors like the kind of participation but also the influence of social capital and the design of the process which facilitated this issue. Therefore, the elite capture issue is more perceivable if it is assessed during the whole process in general.

It has to be clear that some assumptions need to take place. In land readjustment, theory has not been extensively developed in relation to community participation, despite the fact that the instrument requires participation and discussion with the landowners. It only talks about the benefits of including actively the community in the readjustment design. However, the theory does not assess the process of participation itself. In consequence, the concept of community participation had to be borrowed from other theories about community participation in development.

This concept establishes that several factors influence it. One of those is power with elite capture as a manifestation of how it influences those participatory processes. This theory has been developed for community participation processes where the government designs policies and invites people to participate as a part of the policy-making process. Nevertheless, in Land Readjustment the designer of the policy should be not the government but another member of the community preferably a private actor: in this case The University of the Andes. However it is still a participatory process which can be subject to the influence of the factors that influence any process of this nature. In consequence, for this case it has to be assumed that the University as a policy designer played the role of the government in the mentioned theory. Thus, to what extent it captured the benefits discussed in the process cannot be assessed because it denaturalizes the theory of elite capture. It would be like assessing if the government acts like elite in a policy making participatory process.

Therefore, the concept of elite capture will be used in this case to analyse how power influenced the participatory process of land readjustment of the triangle of Fenicia. In consequence, since the land readjustment is a land instrument, which gathers people together from a community with a private, or a public agency promoting the readjustment and the process, my interest is the process itself. My interest is also the interactions between its promoter and the community. For that reason to think about the University like elite in the process distorts the objective of the analysis.

The Elite Capture issue in the Participatory process of Land readjustment of Fenicia

Taken as a whole the participatory process of the triangle of Fenicia is an example of elite capture where a small group of the community with specific features gained influence in the process. As it will be seen, the specific features of that group can be compared to the ones of the whole community which help to explain their performance in the process and the outcomes of it.

In the case of the process of Fenicia, because of the diverse socioeconomic composition of the population of the area the participants went into the process from unequal positions of power. These positions were given by unequal social positions caused by dissimilar access to economic resources, different levels of knowledge of political protocols and different levels of education

(Dasgupta and Beard, 2007; Mansuri and Rao, 2004). These conditions are explained below to explain why elite capture takes place in this process as a factor that influenced it.

To analyse this issue it has to be assumed that as the theory says this issue takes place at the decision-making phase of policy making when it is being discussed with a community. In some cases the government is the promoter or designer of the policy. In this case the University is the designer of the LR, and the plan is approved by the city government. In consequence the community subject of the plan will be confirmed by what was called in the profiles “the people of the houses” and the “Committee No se tomen Las Aguas”. The Committee performed the role of elite and produced the phenomenon of elite capture.

First of all, the people that live in the block where the people of the Committee who are its majority the ones with a higher income, the wealthiest of the community and the most educated. First of all, the area where these people are located is mainly formed by buildings and houses and it is one of the newest areas of the neighbourhood. It is a highly commercial area with stationery shops, bakeries, restaurants and parking businesses. In addition, the strata is number 3. According to the cited document of the readjustment these are people who are covered by the contributory health regime of the country. This means that they pay a portion of their salary to cover their own health insurance. The people that belong to this regime are people with a middle income and high or medium levels of education. In Fenicia, the people of strata 3 are people with at least a university degree which commonly is a bachelor degree and middle income, which is 1,9% of the population of the area according to the DTS. They also have stable and formal jobs as sources of income.

Moreover, the main leaders of the Committee are two lawyers with an interesting profile that compared to the features that the rest of the community had, certified them as part of the elite of it. The interviews reveal that they were a married couple who were both born in the neighbourhood. They not only have two apartments in the condominium Multifamiliares Calle 20, but they also have a house in the neighbourhood inherited from the mother of one of them, and a property in another neighbourhood. In relation to this it has to be said that the strata of the apartments is 3 as it was already said, but the strata in the neighbourhood where they have the other property is 5. This is a high stratum in the country and is usually related to high or middle-high income people and to the best areas in cities with good levels of infrastructure and amenities¹¹. In addition, one of them has 2 postgraduate diplomas in urban development and urban legislation and planning.

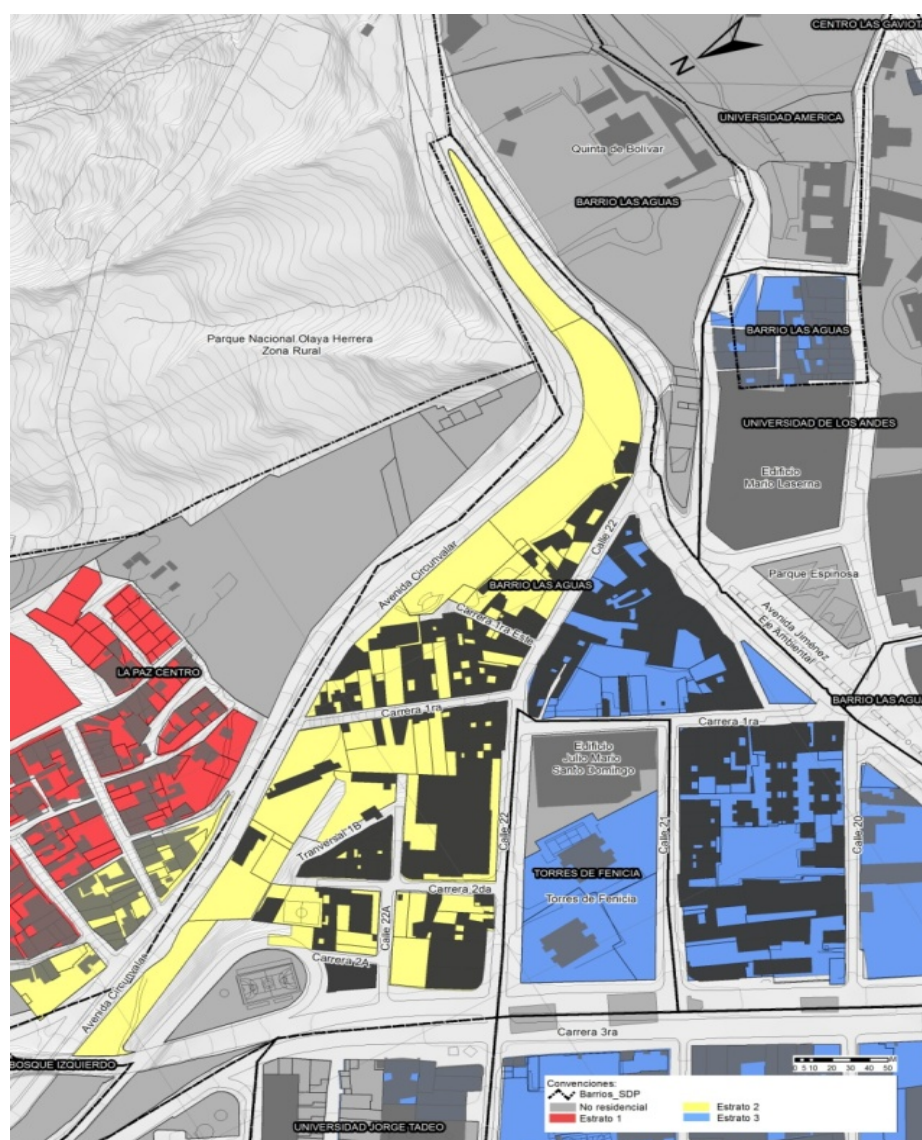
The elite character of the Committee in the variables of wealth and education was confirmed by its contrast with the features of the rest of the community in the mentioned aspects. According to the technical Document of Support of the Land Readjustment of Fenicia (DTS) the area is divided into two different socio economic categorizations: Strata 2 and 3.

The community of the houses belongs mostly to the strata 2 and a few to strata 3. They are characterized by a population where the majority of people are included in the subsidized health system within the country, which means they are in the system designed by the government to

¹¹ According to the national department of statistics DANE and the Law 142 of 1994 which regulates the socio-economic stratification, it is a mechanism to classify the inhabitants of an area according to their similar socio-economic characteristics by assessing the physical characteristics of their houses and their immediate environment and its urban or rural context. In other words, they do a socio-economic categorization of people based on the physical characteristics of their environment and houses classify the people. The strata can go from 1 to 6 where the 1 and 2 belong to low income people, 3 and 4 middle income and 5 and 6 high income. The ones of the top subsidize the ones at the bottom in the payment of public services: 1, 2 and 3.

assist the health of the poor population of the country. In the project area almost 80% of the inhabitants is affiliated to the subsidized regime. These people do not have to pay for their health care or pay low fees to have access to the public health system. Moreover, they have low income and low levels of education. This means they earn one or two minimum salaries (The basic salary in Colombia is around 241,92 US\$ per month*¹²) and they have null or low educational level like elementary school or high school. The DTS reveal that almost the 50% of the population of the neighbourhood had only high school as level of education. Few of them have studied bachelors or have acquired technical education. These people have unstable and usually informal jobs as sources of income such as labourers, maids, peddlers, among others. Some of them depend on a pension or directly their land since they rent rooms. The physical location of the strata areas is showed in the following picture:

Figure 7: Physical location of the strata areas



Source: Unidad administrativa de Catastro Distrital (2006-2009) Author: Universidad de los Andes 2012

¹² The value was transformed from Colombian pesos (COP) to Dollars (USD). The equivalence is 1COP=0,00034165USD. According to the exchange rate of the first week of November 2015.

In figure 7 the blue area belongs to the strata 3. In that strata are located two blocks: First, Block 4 shown in the bottom right of the image, which is the location where the majority of the Committee members have their properties. Second, Block 26 located just above the mentioned block. 26 is a block that can be considered part of the community of the houses, because despite its strata the DTS shows a closer socio-economic configuration. By contrast, the properties in yellow belong to the strata 2 and along with the block 26 conform the community of the people of the houses.

In addition to this, there are several indicators of the wealth and high education of the Committee members, among the inhabitants of the neighbourhood. First, the wealth of the Committee members can be proven by their capacity to hire a planner as an advisor during the discussion boards. As it was seen he performed an important role in the process and enhanced the performance of the Committee during the discussions. The interviews reveal that he charged almost US\$ 409,96 monthly for their services. If the basic salary in Colombia is US\$ 241,92¹³ per month, and the people of the houses tend to receive up to 2 basic salaries a month, this means that the fee of the architect was very close to the monthly income of some families and twice the income of others. Secondly, the higher education of the Committee members is an indicator, because compared to the rest of the community, as it was seen in the description of the discussions that backed up the agreements; they were able to make proposals that should be included in the project, based on a high and thorough knowledge of the project. This knowledge was so comprehensive that they even discussed the costs and benefits of the project, up to really specific instalments like indirect costs of urbanism and so on. The rest of the community by contrast was not able to do this. In fact, some interviews reveal that they were only aware of basic things like the allocation stage based on 1m² for 1m², without a widespread knowledge of it like that the apartments will have the same characteristics as the ones sold on the market.

Thirdly, the knowledge of political procedures showed to be an important factor in giving the Committee a privileged position of power against the University and the SDP compared to the rest of the community. As it was mentioned before, the Committee created pressure over the Planning Secretariat by sending legal claims (“derechos de petición”¹⁴), which must be answered by the SDP. This is more clear if we observe that they knew that everything should be consigned in the final proposal of the decree of approval of the plan because the project was not going to be approved until the decree was signed by the mayor.

“I think that at the end of the discussion boards they wanted to generate expiration of the land readjustment approval process terms.” (Project Fenicia team member, 2015)

One of the Committee leaders says that: *“We wanted that all the agreements were written in the decree because after that is signed by the mayor there is nothing to do about it”* (No setomen las Aguas Committee leader, 2015)

In second place, the Committee is elite because of its political authority and networking. The leaders of the Committee have important political authority and networking due to their belonging to the community and political networks in the city centre. The interviews revealed that they both belong to the political party El Polo Democrático Alternativo, a left wing political

¹³ Data taken from: <http://www.dane.gov.co/index.php/indicadores-economicos-new> [Accessed November 5 of 2015]. The value was transformed from Colombian pesos (COP) to Dollars (US\$). The equivalence is 1COP=0,00034165 US\$. According to the exchange rate of the first week of November 2015.

¹⁴ Regulated by the law 1755 of 2015 it is a legal petition that every Colombian citizen can do in front of public authorities or private actors. The petition can ask for information about a specific topic or for the implementation of an action in favour of a citizen.

party that has existed for more than 15 years in Colombia. In addition, they both were elected as Edil of the Local Administrative Board JAL of the city centre. One of them was elected 3 times and the other 2 times and was during the investigation running for the third election¹⁵. Moreover, they were leaders of ASOVECINOS a community association that has important community and political authority in the area since they have worked in the city centre for 30 years and with several issues related to: tenure regularization and titling (1500 families in the city centre benefited from this), advisory to poor communities in processes of adverse possession to regularize the property situation of some informal neighbourhoods, community defence against displacement caused by public infrastructure works or processes of eviction of slums. Some of the mentioned programs took place in Fenicia. Finally, one of the two leaders was part of the Board of Communal Action (JAC), which are neighbourhood associations formed to solve necessities of the community and are supported by the Administrative Local Boards (JAL). These boards execute small programs to contend with some inhabitants of the neighbourhood¹⁶. Their political authority can also be seen in their leadership of the protests and marches that they did with participation of members of the rest of the community against the project that took place at the end of the first stage of the participatory process and that was mentioned in the social capital section.

Moreover, the maximum expression of the higher networking of the Committee can be seen in its high influence in the participatory process through the contacts with outsiders to the process. Those outsiders, as it was seen in the social capital section, were contacted mainly because of their membership to the committee, to community associations or to the political party. As it was seen those networks influenced, on one hand, to push the pressure to a new stage and participatory space and, on the other hand, to create pressure in the first stage which pushed the process to a new stage and participatory space. As seen in the social capital section, In the first stage the Committee contacted students of the University, an important newspaper, ASOVECINOS and the Personeria, who helped to create pressure through marches, investigations requests and documentation of the case. In the second stage the Committee contacted an architect who enhanced their performance in the discussion boards, the Veeduria who played an important role of trust creator among the actors and some friends who assisted them in technical issues during the discussion boards. By contrast the rest of the community did not show any of these kind of networks.

Thirdly, the Committee is the actor of the population with more interventions in the process and repeated interactions with the project team and the Municipality. Its influence increased during the process. In the first stage, the Committee and its members interacted with the SDP and the University in the participatory spaces that allowed for it (Plenary meetings, groups of interest meetings and urban design workshops). Their assistance is not proven, but it is reasonable to assume that they at least assisted to some of these spaces. However, during this stage it was also proven that their marches and protests against the project which as an interaction forced a new space to participate. After that, the whole second stage shows, as it was seen in the social capital section, that the interactions between the committee and the SDP-University increased, which also implies an increase in their interventions in the process. By contrast, the community decreased its interactions with the actors and interventions in the

¹⁵ Edil is a political position in the Local Administrative Board (JAL) of the City centre. This board is an administrative branch with democratically elected members by the people of the area where it is located. They execute the city's policies at Local level (Law 136 of 1994).

¹⁶ Information taken from <http://participacioncauca.gov.co/jal-y-jac>. [Accesed November 8 of 2015]

process. Therefore, according to the facts mentioned before the Committee captured the entire process by having more interactions and interventions than the rest of the community.

Finally, the condition of elite as a manifestation of the influence of power in the participatory process has an expression in the performance of the Committee in the process due to its capture of benefits. However, as it will be argued this was what Mansuri and Rao (2004) citing Rao and Ibañez (2003) call a benevolent domination or benevolent capture (Mansuri and Rao, 2004), where the elite is able to spread the benefits among the community (Mansuri and Rao, 2004)

In the case of Fenicia the benevolent capture or domination occurred due to the following reasons. First of all, in the beginning the Committee and the Community were capturing the benefits designed by the University in the policy design but with the process evolution this situation changed. As it was seen during the first stage, just a few changes took place in the project that influenced the distribution of costs and benefits as a result of the information process with the Community and not by initiative or influence of the Committee. In this sense, during that stage they could not have access to the people in the power of producing the Policy (University and SDP) to obtain benefits for themselves (Stiglitz, 2002). Nevertheless, the Committee managed to have influence in the process by achieving the creation of a second stage and they reached agreements not only for its own benefit but for the benefit of the whole community. To do this, three important things happened: Firstly, as mentioned before in the section of participatory space and agreements, they managed to agree that the agenda to be discussed would be their own and not the one proposed by the University. In that sense, the agreements would always be about their own interests and not the ones of the University. However, the benefits would be spread among the Community because as it was organised that the agenda proposed by the Committee was not written in general terms. Thus it would benefit the whole Community. Secondly, most of the Committee's proposals were accepted by the SDP and the University and included in the final LR proposal. For example, most of the agreements about charges and benefits, and about strata freezing came from initiative of the Committee, and were slightly modified by the other actors. This shows an important influence of the Committee in the process, the actors involved and the agreements due to the inclusion of its claims in the final proposal.

Finally, the benevolent capture can be seen in this case because, most of the agreements ended up benefiting the community. The accords were written in general terms and applied the same rules and opportunities to all of the members of the community. Only in the case of location, as it will be analysed, some benefits were higher for the Committee. However, it can be said that some agreements benefited other groups of the community greater than the Committee. For example, in the cases of the 1m² for m² and the strata, the agreements benefited the poorest groups of the community rather than the Committee itself.

Therefore, the Committee had an elite status among the Fenicia Community. This led to a capture or domination of the process by the committee compared to the rest of the community due to its assets like social capital, education and wealth, which headed to their higher number of interactions and interventions during the process and exclusive negotiations with the university and the SDP. However, the outcomes of the process by changing the distribution of costs and benefits allocated more benefits not only to the committee but to the whole community in what the literature calls benevolent capture.

Besides the clarification made at the beginning of this section, the question about the possibility of being an elite and capturing benefits from the university through being a landlord must be solved. Without any doubt if the profile of the University is assessed, the University has all the

characteristics of an Elite in terms of assets: education, knowledge and wealth. However, according to the theory, the University would not be a community elite. Firstly, its political authority it is not high in the area since it does not have membership to political parties or community associations. Despite this, its networking is gauged in the literature as high and in fact, it is. All the studies to formulate the readjustment proposal were made by ex-alumni or staff. The University repeatedly intervenes in the process, but the fact that it is the designer of the policy undermines this issue.

Finally, viewed as an owner the university does not capture benefits due to the readjustment. As mentioned before, most of the benefits of the readjustment, ended up in favour of the community. For example the agreements around 1m² benefited the community more than the university because the university will have to apply for land to build its buildings upon due to the limited 4% amount of land that it owns in the area. In addition, as it was seen, the agreements were made in such a way that they spread the benefits among the community and even more in some specific groups.

4.3 Analysis of the Equitable Distribution of Costs and Benefits

In the following section the last two sub questions will be addressed. First, the inclusion of the participation process outcomes in the final proposal representing a perceived change in the equitable distribution of costs and benefits. Secondly, the reasons that explains the mentioned impact on the distribution will be presented. Due to the fact that the questions are interlinked they will be answer jointly here, which will make the analysis easier and more understandable. Since the research question is focused on the impact of the participatory process on the equitable distribution of the land readjustment, this study will only analyse the consequences on the distribution of the agreements of the processes that were included in the final proposal. Therefore, the non-included agreements will not be analysed. Moreover, only the aspects of the project that changed due to the participatory process agreements and its impact in the equitable distribution of costs and benefits will be analysed.

Since this is a qualitative research the analysis took place based on the theory. This research took theory and extracted some of its most important “qualitative rules” about how a land readjustment is considerable equitable in terms of its distribution of costs and benefits. Therefore, the agreements will be analysed according to this qualitative rules and using them to affirm why the outcomes impact or not the equity in the distribution of costs and benefit of the readjustment.

To do this analysis, it will be shown how the aspect that changed because of participation was before the agreements and how it changed after the inclusion of the agreements in the final proposal. Afterwards, the impact of the change caused by the agreements was analysed though the scope of the qualitative rules extracted from theory about the equitable distribution of costs and benefits. To realize the impact on the distribution, the analysis had to make references to how the aspect that changed the impact, was before the participation of the community. This analysis uses theory to evidence possible outcomes or indicators of the impacts of participation in Land Readjustment equitable distribution of costs and benefits from a qualitative perspective. However, some basic stylized quantitative exercises took place with some of the aspects where the information available allowed the researcher to do it. The mentioned analysis was done for the two stages of the participatory process.

It has to be clarified, that in some cases the theory was not addressing the findings, because it was found that what the actors perceived as costs or benefits of the readjustment were things that the theory does not perceive. However the general concepts of equity in land readjustment

which produces the qualitative rules allowed the researcher to have some theoretical findings and to show how some non-considered cases using the theory can be included as costs or benefits of a land readjustment.

The researcher is aware that the most precise way to measure and analyse the issue of equitable distribution of costs and benefits is thorough a more quantitative analysis. That lack of land market information and the fact that the project has not been finished yet, impeded this. To have definite results about who and how many benefits were earned by the actors it is necessary that the project is completely finished, and better land market information is needed. However, this is a first exercise that will allow future research to confirm through a quantitative analysis some of the qualitative findings of this paper. In addition, as it will be seen, all the aspects that have been analysed have the potential to be measured quantitatively, they represent costs and expenditures of money for the actors. Almost all the discussions found were related to costs and benefits.

4.3.1 Qualitative rules

The following are the qualitative rules that will serve to analyse the impact of the participatory outcomes on the equitable distribution of costs and benefits. Therefore, since the rules are extracted from theory, and they point out which situations or factors might affect equity of costs and benefits of a readjustment, it will be assumed that if one rule applies to the explained case the change in the equity of the distribution can be confirmed:

First of all the general logic behind the equitable distribution of costs and benefits is that that equity is not equality. In that sense, every person obtains what she/he deserved, in proportion to what the person gave. Therefore, if you treat equally the equal and the unequal the people that had to pay more should obtain more in return in comparison to others.

1. No landlord should receive a windfall which is receiving benefits without paying a fair share for them (Doebele, 1982; Hong, 2007)
2. Nobody should bear unfair burdens. Thus, if the burden imposed by a readjustment outweighs the capacity of the landowners the project might be inequitable, for making the owner to bear more costs than benefits (Mathur, 2012).
3. Equality of treatment for all in the sharing of cost and benefits. That is, the rules should be the same for everybody thus making everybody enjoy the benefits but also paying the costs (Hong, 2007; Larsson, 1997). This will create a fairer distribution or sharing of the costs and benefits of the project because the situation in which some landowners make profit while others incur only expenditure is avoided (Archer, 1992; Larsson, 1997).
4. All the landowners should also pay for the costs of the project in proportion to the benefits received (Hong, 2007) and thus everybody will receive benefits in proportion to costs paid. Therefore, equal treatment for everybody, nobody should incur more costs than benefits obtained from their payment, a balance is needed. The more costs paid the more benefits in proportion to what was paid should be received, and vice versa
5. If the actor does not pay for the costs he/she should not enjoy the benefits of the readjustment. With no exclusion or payment mechanisms, the readjustment would be inequitable.
6. The benefits and costs should be shared both, among landowners and society according to the principles of fairness and transparency that are the main fundament of Land Readjustment (Turk, 2008; Turk, 2008;2007; Hong, 2007; Agrawal, 1999). Stakeholders who are different to the landowners should share some costs and benefits: First, the city as it has certain primary infrastructure facilities and services which are

expected to extend beyond the project area, thus logically the costs should also be shared equitably by local, provincial or national governments (Agrawal, 1999). Secondly, the sharing should also include the community since some communities that are located close to or adjacent to the project may benefit from it by the increased values of their properties due to the improvements in form of parks, roads and other amenities in the neighbouring community (Hong, 2007).

7. Nobody should bear more damages or burdens than another one if that person does not see a reparative retribution for it (Doebele, 1982; Hong, 2007; Turk, 2008). This means that, while some people will have to relocate during the readjustment process, having to pay costs that they would not have incurred without the readjustment, some others will not have to relocate thus not needing to pay the costs that the relocates have to pay (Doebele, 1982; Hong, 2007; Turk, 2008). At the end of the readjustment, the extra costs paid by the relocates need to be recognized in order to make the project equitable (Doebele, 1982; Hong, 2007; Turk, 2008).
8. The allocation method is more equitable if it based on value than on area. The area method pays the costs of project discounting the amount of area to each owner and returns a smaller property of higher, the same or less value (Doebele, 1982; Hong, 2007; Turk, 2008). In value method, the returned property has to be at least of the same value.
9. The differences between the properties of the different landowners within the project are not taken into account to allocate the benefits of the project, the Land Readjustment is inherently inequitable (Turk, 2008). Thus, some landowners provide very good land which is easy to develop, or huge areas of well located, profitable land uses as a commercial store, and others provide rocky and steep areas which is difficult to develop, small or declined apartments which have a low value. At the end these differences must be taken into account, by treating better the ones that had better properties than the ones that did not. (Doebele, 1982; Hong, 2007; Turk, 2008).
10. According to the literature to achieve equity some adjustments needs to be made for those who have most difficulties and loss of income during the construction period (Turk, 2008; Doebele, 1982).

In the following subsections the impact of the participatory process on the equitable distribution of costs and benefits of the LR will be analysed. This will be done by stages pointing out if after the end of the participatory process, it gave any outcome or agreement that would produce a perceivable change in the project and in the equitable distribution of costs and benefits.

4.3.2 First Stage

Nothing happened, there were no agreements made, only some information was collected. As it was seen, the first stage was based on an information type of citizen participation. It also presented some consultation but more in the way of obtaining information from the citizens that would be beneficiary to the project. As it was seen the perceivable proposal presented by the University to the Community took place during the information meetings. In those meetings, as was exposed, several concerns and questions arose related to the possibility for the owners to keep the original location of the former properties and the possibility of not getting a debt for obtaining a replacement unit, which would end up in the 1m² for 1m² proposal. However, no perceivable results were achieved during this stage in relation to changes in the equitable distribution of costs and benefits.

Nevertheless, as it was seen, some groups within the community protested against the project using several means and creating pressure for the University and the Spathe University entered into the discussion boards of the second stage with two proposals related with the most commonly asked questions of stage one. It has to be pointed out that the Committee also arrived

with these two topics of discussion for the discussion boards. Therefore, it can be said that those proposals were a perceivable outcome of the first stage of the participatory process of Fenicia. However its analysis and impact on the equitable distribution of costs and benefits only took place in the respective analysis for the second phase, since those topics were brought to the boards by the actors, discussed and decided there. Thus they are more of an outcome of the discussion boards, rather than an outcome of the first stage.

“Before the discussion boards we did not sign any agreements with the community, because we just collected information or we heard them about their concerns and necessities. In fact, after the final plenary meetings, we decided to study the possibility of give the replacement units to the people in the original location of the former properties and try to make sure they will not lose area in the final received product. That is why we took that proposal to the discussion boards.” (Project Fenicia Director, 2015)

4.3.3 Second stage

With the first stage discussed, the analysis of the impacts of the participatory process on the equitable distribution of costs and benefits will be analysed for the second stage which is the one that introduced several changes to the project. To do this the agreements that were found to produce a change in the equitable distribution of costs and benefits of the readjustment will be analysed: Charges (costs) and benefits, strata, original location, replacement unit allocation system, redefinition of the UAU 2, strata freezing, economic impact mitigation and commitments of the City.

4.3.3.1 Charges (Costs) and Benefits

As it was seen before the discussion about the charges and benefits of the project was one of the most discussed issues of the discussion boards. At the same time it produced an important number of agreements, and in consequence, changes in the project. In the following section the agreements that produced a change in the project that might influence the distribution of costs and benefits will be presented along with the analysis that explains the reasons of the influence of the agreement in the equitable distribution.

4.3.3.1.1 Administrative costs and indirect urbanism costs

The first perceivable change in the project due to agreements is the one of administrative and indirect urbanism costs. These costs were questioned by the Committee for being high and double counted. In the first case they were related to expenditures of management and in the case of urbanism costs to an expenditure called “other studies”. The amount of money was of US\$ 197.200 and US\$ 39.940 respectively. The first one was already included in another expenditure of the financial model called “necessary studies” for the urbanism works. The second expenditure was also already included in the expenditure for “incidentals”. Thus, the agreement was to withdraw those instalments in the model of costs and benefits reducing a certain amount of money assigned for those costs of the project.

It was found that the agreement was included in the Technical Document of Support (DTS), which by law (Decree 2181 of 2006 and Law 388 of 1997) is part of the decree that approves the project and therefore of the readjustment final plan. The mentioned change to the project can be proven in the Tables 57 and 58 of the DTS where the mentioned costs are disaggregated. In those tables the costs do not appear anymore.

In relation to the impact of this agreement in the equitable distribution of costs and benefits, it has to be said that it made the readjustment more equitable. From a first quick analysis this can be seen as a simple financial mistake. However, it had an effect on the equity of the readjustment. The reason is that the benefits were not in proportion to the costs paid, because

they were paying more money than what they were obliged to pay. Therefore, the promoter would have experienced a windfall since the non-spent money would have been left. In fact, the promoter is entitled to distribute to the owners the projected profits and surpluses of the model. So, if the promoter does not declare the non-spent money as an efficiency of the model to distribute to the owners in the form of surplus, s/he or the developers would have been able to keep it.

4.3.3.1.2 Accreditation of project formulation expenditures.

The project proposed in its financial model that the formulation expenditures will be paid by everybody. The Committee agreed on this, but asked that it should be expressed in the final proposal that the promoter had to accredit those expenditures, since they considered they might be high. The accreditation system would be in the form of invoices or something similar. The agreement was included in the DTS.

According to the qualitative rules this is a proposal that promotes equity in the project since the formulation of the project would end up in a final work that will benefit everybody. Without the formulation there would be no project. Thus, it was equitable that everybody would pay for the formulation costs. However, as in the latter case if the costs were less than what the promoter reported again he would enjoy a windfall and would make the owners pay more costs than what they should pay to obtain benefits. Thus, the readjustment would be inequitable in this point.

4.3.3.1.3 Land management transaction costs

The original readjustment scheme proposed within “the management and indirect expenditures” of the financial model a charge (cost) to pay for the land management transaction costs. That is to pay for the regularization of property titles, adverse possession process, cancellation of embargos and mortgages. In other words, to pay for the legal availability of the properties. The Committee criticized this and after a discussion the parties agreed to withdraw the mentioned cost whose value was US\$ 374,508.808. They withdrew it and let the owners of each problem under the mentioned legal situations pay for the costs of solving it, in the form of asking the project for a loan. The money would have to be returned to the readjustment and the mechanisms for it would be defined by the future managers at the execution stage. The agreement was included in table 59 of the DTS in the final LR proposal.

In relation to the impact of this agreement in the equitable distribution of costs and benefits, it has to be said that it made the readjustment more equitable. The reason is that the owners are paying for costs that they should not pay because they will not receive a benefit for that cost. This caused a misbalance between the costs and benefits since they are paying for a cost that the person whose property has the legal property issue should pay and they will receive the same benefits than if they do not pay for it. Moreover, the legal issue is a charge acquired by them and not by the rest of the people of the neighbourhood and if they did not solve the issue it would not be possible to enjoy the benefits of the project. In this sense it would be like if another person pays my mortgage and I do not give him back the money. Therefore, I am going to receive a windfall since I am not paying the total amount of the cost. In fact, if I would have to pay for the total cost, my benefits would be lower than paying for a small amount.

4.3.3.1.4 Lost profits and transfer expenditures

The original readjustment scheme proposed a compensation to land owners that had to incur in expenditures because of the construction of the project like: lost profits for housing on rent and necessary transfers or relocations during the completion of the readjustment. The Committee considered that the money assigned for that was too low, the time covered for the lost profits was not enough, the amounts that were going to be paid for transfers, relocation and lost

profits too low and that adjustment expenditures that the merchants would have to do because of the readjustment should be paid. After a discussion, both parties agreed that several changes were going to be made to the original proposal. The changes made are summarized in the following table:

Table 6: Changes to lost profits because of participation

Original proposal	Changes due to participation agreements.
Pay for relocations or transfers and lost profits caused by the readjustment	Pay for relocations or transfers, lost profits and local commercial shops adjustments caused by the readjustment
18 months payment for lost profits to owners with housing on rent and commercial shops	24 months payment for lost profits to owners with housing on rent and commercial shops
US\$273,32 lost profits monthly for houses on rent and	409.98 lost profits monthly for houses on rent
US\$1024.95 payment for lost profits for commerce monthly during 18 months.	US\$2733.2 payment for lost profits for commerce monthly during 24 months.
US\$2733.2 payment for transfers of housing units and locals of commerce	15% increment of the US\$2733.2 payment for transfers
Total amount of money to pay for temporal transfers and lost profits: US\$1.143.844.2	Total amount of money to pay for temporal transfers, lost profits and adjustments: US\$1.614.296, 25
	The mentioned values should be updated every year through the calculation of the Net present value

Source: Own elaboration

The mentioned agreements were included in the DTS of the final proposal of the project. In that document table number 52 summarises some of the mentioned instalments assigned compensations, transfers, relocations, lost profits and adjustments. It has to be said that some specific criteria to compensate lost profits of the parking businesses and housing on rent were agreed upon but were not included in the final proposal. Their inclusion would have been interesting to analyse since they gave guidelines on how to make the compensations. For example, the parking businesses were going to be compensated by paying for the daily rent of each parking unit of the business. Nevertheless, due to the mentioned factor those agreements will not be analysed because they will not have a real effect on the distribution of costs and benefits.

In relation to the impact of this agreement in the equitable distribution of costs and benefits, it has to be said that it made the readjustment more equitable. The idea of paying lost profits, adjustments, transfers and relocation makes the readjustment more equitable. As it will be seen by increasing the money assigned for that, the time to cover those costs and the end of cost (adding adjustments to the compensable issues) of the equality increased. The reason for this is that as the qualitative rules say all the extra costs that the people have to pay due to the construction of the readjustment should be compensated to make the readjustment equitable (Doebele, 1982; Hong, 2007; Turk, 2008). The reason is that those expenditures paid by the people are costs that are generated to them by the building of the readjustment. Without it they would not have to pay for those costs. Therefore, by paying them for each of the costs generated, the project is paying for burdens that the people should not bear.

In fact, each of the mentioned costs has a different nature. First, the transfers and relocations are costs where the people have to move from one place to another while the LR finishes. This implies to pay for the moving, for the new place rent, among other costs. Secondly, the lost profits are related to businesses that stop earning money during the completion of the readjustment. Some of the business might be able to continue developing their economic activity, while some others are not. If the ones that were not able to make profits are not compensated, the readjustment would be inequitable. The same happens if no business within the area were able to make profits, because if they are not compensated they will be paying more costs than benefits obtained for those. Finally, adjustments include remodelling and

adaptation that the merchants would have to do to adapt to their new areas. Those costs would not exist if the readjustment had not taken place. Therefore, each of the payments is compensating a different expenditure and cost that is not covered by the allocation of the replacement unit. The reason for this is that the theory states that with the property given, the owners pay the cost to get the project done. That is to build the readjustment, improve the area, build roads, infrastructure, amenities and the replacement units. In this theory the readjustment would be equitable because the people receive less area but higher value or at least the same value in an improved area, which eventually will rise the value of this property. Thus, every other cost is an extra cost.

In consequence, with the mentioned compensations the people would not be paying for more costs than the ones they have to pay for giving their property to the readjustment. In this sense, if they have to pay more costs they should be able to receive more benefits in the proportion to the added costs. In that sense compensation for extra costs, preserves the balance and proportion between costs and benefits and with this the equity by giving to each owner what he deserves. In addition, if compensation does not take place the affected people would suffer more damages and bear more burdens without being entitled to it. This makes a readjustment inequitable (Doebele, 1982; Hong, 2007; Turk, 2008). Any opposite case would mean that the owners would not be able to enjoy the plenty of the benefits. They are obtaining benefits under the same conditions that everybody is but paying for a kind of costs that others do not have to pay. Therefore, the costs outweigh the benefits and the LR would give less benefits than what they deserve. Finally, since all the owners pay for the compensations, the project is avoiding windfalls among the landowners that would be capturing the benefits that the non-compensated owners are not obtaining.

In this logic the fact that the project increased the money and time to pay for the mentioned extra costs increases its equity. Thus the project is able to cover and compensate for more cases of lost profits, transfers, relocations or adjustments. Therefore, the chances of not compensating somebody are less, and with this the chances of being inequitable are reduced. This is because the people that were entitled to a compensation but did not receive it would have a disadvantage in comparison to a person in a similar position.

4.3.3.1.5 Social Programs and other compensations

In this subsection two costs of the same nature will be analysed. First, the original readjustment scheme proposed a cost called “Social Programs” focused in financing 4 programs for the most poor and vulnerable population of the area during the completion of the readjustment. These programs are: **Employment:** dedicated to train the people of the area in Gastronomy, Carpentry and Construction. **Entrepreneurship:** focused on helping the people to start their own business. **Elderly:** focused in assisting the oldest people of the area. **Free time:** focused in developing activities for the free time children and teenagers. The second cost is a compensation proposed by people of the houses area, supported by the committee and approved and refined by the university. This compensation is focused on repair the impact produced to the people who is going to change from living in a house to live in an apartment.

Some agreements took place around the mentioned costs. First, the Committee wanted to take out the social programs, as it would have made the project inequitable. It is important to point out that the agreement that was made was that the project would keep paying for the social programs as it was proposed and also that the city will continue financing those programs after the end of the readjustment. Secondly, all the parties involved agreed to include the proposal for compensation to the people for changing their life style due to change from living in a house to an apartment. The name given to the instalment is “other compensations”. In consequence,

both costs were included on page 132 and supplementary ones from the DTS of the project. Therefore, the agreements changed the project by achieving that the city will finance the social programs and by including a non-considered cost in the readjustment.

The payments for financing social programs were included in the original scheme. However the continued financing by the city is a change produced by participation. Despite this, its impact in the equity of the readjustment is going to be analysed because they have the same nature as the instalment "other compensations". The reason for this is that those costs are "social costs" caused by the impact of the project, are not related to the costs needed to build the project, or regular extra costs like lost profits or relocations. They are not considered in the literature, but the research revealed that they are perceived by the people as costs caused by the readjustment. Due to this, as an academic insight both costs are going to be analysed.

First of all they are social costs which are costs not necessary to get the project done but caused by the LR. On one hand, in the case of social programs, they address the impact of the project on some poor families which might be very big. Despite the strata freezing the living costs of the area are going to increase due to the new high income population that probably will arrive in the area. In other words, these are not financial costs but economic costs for the community that can have a significant monetary impact. For example, the prices at small markets, butcher shops among other are going to increase. Moreover, the freezing of the strata will last for 10 years. Therefore, in the long term the poor people of the area will experience the cost of leaving the neighbourhood. This implies: losing social connections, friends, family, attachment to the area, paying to move from the area and a total change in their life style if they have to move to the outskirts of the city, among others. This displacement will represent a cost for them and for the society because probably the slums will increase and they will remain in poverty or could go into misery. Therefore, social programs are focused on mitigating and avoiding the mentioned impacts which is non other than avoiding gentrification at a social cost.

On the other hand, in the case of other compensations the poor people will change their lifestyle. They will have to change the amount of space of their living spaces, thus, not all their belongings will fit into the new space, they will not be able to plan an expansion of the house anymore, or not all the extended family would be able to live there. Moreover, they will have to comply to rules of a condominium that they are not used to comply with, for example no parties with loud music after a certain time in the evening. This life style change is a social cost represented on the economic and social impact on the lives of the poor people of the area produced by the project.

As it has been pointed out the possibility of displacement of social programs and a change in life style and other compensations are social costs that are trying to be compensated by the mentioned LR charges. If they are not compensated these costs outweigh the benefits in case of the poor people. There will be no proportion between costs and benefits in this case. The reason is that the poor people of the area are bearing disproportionate burdens represented in disproportionate costs compared to the benefits they are receiving. In fact, they bear more burdens and in consequence more costs than people with a higher income. As a consequence they will have to leave the area in which they live and they will not enjoy the project benefits anymore.

An example will clarify this. Imagine that an owner of the apartments has a middle income and a bachelor degree and the owner of the housing area with low income only has a high school degree. They both have 100 m² and will receive 100 m² with a higher value in a renewed area. Both are enjoying the same amount of benefits. However, their situations are different because the poor one is paying more costs and bearing more burdens than the owner of the apartments.

For the second one there is no perceivable impact in changing from living in one condominium to another one, and can stand or at least, cope better with the increase in the living costs than the poor person because of their income and assets. On the other hand, the poor will have more economic difficulties than the middle income person. It will be more difficult to cope with the higher living costs of the renewed area and s/he will feel uncomfortable living in a smaller space and having to comply with rules that he did not have to comply with before. Therefore, in the case of the poor owner the costs outweigh the benefits. For this reasons the social programs and the compensation for change in life style that have taken place in this process, makes the readjustment more equitable. This is reinforced by the fact that everybody pays for these costs because the poor people contributed to the completion of the readjustment, and without it, nobody would be able to enjoy its benefits.

It can be argued that the poor people are improving their living conditions more than the people of middle income of the area, and in that sense they are experiencing more benefits than the middle income people. This is true. However, if the poor end up leaving the area because no social program helped them to adjust to the new situation that is a proof of costs outweighing the benefits in the poor people case. Equity demands to treat equally the equal and unequally the unequal situations. This is an example of that.

In relation to compensation for changing their live style, as the participatory process showed the poor perceive this as a cost. According to the qualitative rules, it is a cost that outweighs the benefits since there are other people that enjoy the same benefits but that do not bear that cost. Moreover, it is true that the physical living conditions of the poor are improving more than the ones of the middle income in the same area. In that sense they are obtaining more benefits. However, due to the participatory process the compensation under study is trying to address a change in the lifestyle, which is something that for some poor people who live in big old houses with all the consequences that this has, the situation might worsen. Therefore, theoretically speaking this agreement is in line with the idea of equity in the distribution of costs and benefits. However, as it will be seen at the end of this analysis section, considering all the outcomes of the participatory process as a whole, the readjustment is inequitable.

Finally, As a preliminary finding it can be argued that within LR with an inclusive participatory process the perceptions of people about costs might arise as real costs of the land instrument despite the fact that the readjustment do not consider those aspects as part of its costs, but that it causes directly.

4.3.3.1.6 General charges

The analysis here will take place in the scope of the Colombian law supported by some general inputs from the theory. The determinants of the readjustment obliged the University to pay for the construction of what the Colombian law calls general charges. As explained before general charges are primary roads and public services infrastructure that benefit not only the neighbourhood but the whole city. The local charges are local public services networks. As noted, (Decree 2181 of 2006) the readjustments are obligated to pay for the local charges and to pay in proportion to the benefits obtained from the general charges. However, the determinants of the readjustment obliged the University to pay for the following general charges: Adjustments and enhancement of the main avenues and streets around the area, enhancement of a roundabout which connects two big main avenues close to the project area and enhancement and building of city main public services networks located in the area.

During the discussion boards, the Committee and the University discussed with the SDP about the possibility of excluding some general charges. They only managed to obtain the exclusion of the enhancement and adjustment of the main avenues located around the area. The other

general charges were not excluded. This agreement is included on page 128 of DTS of the readjustment where all the general charges of the project can be seen. Here the one which the parties agreed to excluded does not appear anymore.

The mentioned change in the project has a positive impact on the distribution of costs and benefits of the readjustment because it makes it more equitable. This analysis will take place from the perspective of the Colombian law backed up by the qualitative rules. As it was seen, according to the Colombian law (Decree 2181 of 2006 Art.27) and The City Master Plan (Decree 190 of 2004, Art.34) the general charges should be paid by the readjustments just in proportion to what they are benefiting from them, which also means according to the law that its payment has to be distributed among all the people who benefit from them in the area, through different mechanisms like betterment charges, property taxes, development fees, impact fees, among others. This of course includes properties located outside the project area. The theory is in line with this statements because as it was seen it promotes that the costs paid must be in proportion to the benefit the people receive, in this case to the benefit the general charge gives. According to the qualitative rules this produces that in the case of infrastructure that benefits not only the project area, but also the city and nearby communities the payment should be distributed among all of them. In this case, the mentioned agreement makes the project more equitable because it makes the actors that will benefit from enhancing and building primary roads pay. In this case the city is paying. In relation to the nearby communities, since the agreement did not accomplish to make them pay the inequity persists, because they experience windfalls by benefiting from the works without paying anything. In their case the benefits outweigh completely the costs.

However, the agreement produced inequity because for that specific charge the project does not pay anything and according to law and theory it should pay at least a percentage of the building price proportionate to the percentage of benefit it obtains from it. Nevertheless, taking into account that the project is paying the full price of other general charges that benefit the city and nearby communities, this agreement diminishes the inequity since disproportion of the costs over the benefits is less. Now one of the benefited actors (the city) is paying for that specific general charge. However, as it was seen the situation is still inequitable. There is no proof of finance of general charges by the city in other current LR. This creates inequity in the city scale.

At this moment is important to do a small critic to the policies of the city of Bogotá in this aspect. As it was seen, the reason for the analysed situation is that the city requires the readjustments to pay for general charges because in their concept the impact caused by the readjustment on the primary infrastructure justifies the full payment of the needed works. As was noted, the policy is going against not only the law (decree 2181 of 2006; Decree 190 of 2004) but also against the basic principles that are the base of not only land readjustments but also of the urban development of the city. They are giving windfalls to several owners, beneficiaries of the building or enhancing of primary infrastructure that do not pay for that and in the case of readjustments they are allocating disproportionate costs in relation to the benefits received. In addition, the argument given by the city cannot be based on the impact caused by the project but should be based on the benefit received by the readjustments, nearby communities and the city itself.

In conclusion, the changes introduced by the agreements reached in the discussion boards are in line with the theory trying to make the readjustment more equitable than it was in the aspect of distribution of charges and benefits. The compensations for lost profits, transfers, changing lifestyle, make the readjustment more equitable since they apply only to the people that will

experience those impacts and address issues that in theory are not compensated equitably by the sole allocation of a replacement unit. In the case of the withdrawal of a general charge, as it was seen this proved to diminish the already existent inequity in this aspect. However, as will be seen next the allocation stage might erase all this equity achievements since it allocates a lot of benefits in the owners. Therefore, all of the mentioned compensations might be included in the replacement unit.

4.3.3.2 Allocation stage system

As already noted the allocation system of the replacement units among the landowners was extensively discussed. At the same time it produced an important number of agreements, which represented changes in the project. In the following section the agreements that produced a change in the project that might influence the distribution of costs and benefits will be presented along with the analysis that explain the reasons that influenced the agreement in the equitable distribution.

The original readjustment scheme proposed a reallocation stage based on value. In this sense, the people were going to give their properties to the readjustment. An appraisal would take place, and according to that value they would be entitled to receive a specific replacement unit according to the value given. If the value of the given property was not enough, the owners had to buy the square meters they needed to acquire a full replacement unit. On the other hand, if the value was over the replacement unit they could obtain m² or money in return for the leftover meters.

During the first stage the people showed their concern about this system because they did not want to acquire a bank loan to acquire a full replacement unit or they did not want a bad quality replacement unit. As a result of this the University through the discussion boards of the second stage made the proposal of giving the land use of housing a different allocation stage based on area. For every built square meter the owners were going to give to the project they will obtain one built square meter in return. Likewise, the Committee agreed within the discussion boards with the same proposal but wanted to discuss more specific aspects, like the creation of more cases for other kind of properties in the area and the quality of the replacement units, among other related issues.

As a consequence of the mentioned discussions several agreements about the allocation stage arose. First of all the confirmation that the land use of housing will receive 1m² of built area for every 1m² of built area given to the project. Along with the parties it was agreed that the replacement units would have the same characteristics as the units that the project was going to sell as part of the readjustment to finance the project completion. A second agreement was related to the land use of commerce where the same 1m² for 1m² criteria would apply. The third agreement was related to the case of the parking businesses, there were recognized as lots with services because they do not have built area but only land. The allocation criteria would be 0,7m² of zonal commerce for every m² of free land given to the project for lots its good location and shape that help to save costs in demolitions and land management. Moreover, 0,5m² of zonal commerce for every m² of free land given to the project for lots that do not have good location or shape. Fourthly, for houses with locals of commerce on the first floor the allocation criteria would be the same as the housing land use for the built square meters of housing in the property and the same case for the built square meters of commerce on the property. Fifth, for houses with free land in their lots the criteria would be the same as the housing land use for the built square meters of housing and the same as the lots with services (parking businesses) for the free land of the lot.

All the mentioned agreements were included in the pages 122 to 124 of the DTS of the readjustment, changing completely the allocation stage system of the readjustment. As it will be seen the introduced changes make the readjustment more inequitable. To analyse this is important, firstly to analyse the allocation criteria for housing and commerce land use.

This analysis will take place by using a stylized exercise where the cadastre values of the free land and of the built area by square meters will be assessed. The highest and lowest values of the area by square meter for free land and built area of each land use will be taken: housing and commerce. Then two hypothetical properties will be used, one of 100 m² and the other of 50m² adjudicating the highest value to the biggest one and the lowest to the smallest one, because the cadastre value is related among other factors with area (Law 450 of 2011). Therefore, it is reasonable to expect that a big house has a higher value than a small one. After this, the cadastre value of each property will be calculated, which is the result of the sum of the price of free land per square meter and the price of built area per square meter (Law 450 of 2011). The formula is the following:

Value of property = (Value of free land per m²*Area of property) + (Value of built area per m²*Area of property)

To do the exercise I will use the values of free land and built area per square meter used by the University in the DTS which are the ones correspondent to the cadastre value of 2012. Since this a stylized exercise made to exemplify a qualitative argument and to give a numeric idea of the benefits received by the owners, no updated values or adjusted for inflation are needed.

The values used from the cadastre are:

Table 7: Housing and Commerce values of Fenicia before and after land readjustment

Housing land use value before readjustment	Commerce land use value before readjustment
Highest value Land per m2: US\$251.19	Highest value Land per m2: US\$251.19
Lowest value Land per m2: US\$159.72	Lowest value Land per m2: US\$159.72
Highest value Built area per m2: US\$416.28	Highest value Built area per m2: US\$144.81
Lowest value Built area per m2: US\$29.78	Lowest value Built area per m2: US\$44.54

Afterwards, we will do the same exercise but with the expected prices for free land and for built area that according to the DTS of the project the readjustment is going to give to each replacement unit. This values¹⁷ are:

Table 8: Housing land use value after readjustment

Housing land use value after readjustment	Commerce land use value after readjustment
Land per m2: US\$694,93	Land per m2: US\$1671,57
Built area per m2: US\$1366,6	Built area per m2: US\$2049,9

According to the DTS the mentioned values are the cost to replace the land in the case of Land and the cost of producing a replacement unit in the case of built area. That means according to the DTS that the replacement units will have at least the mentioned prices and the people will not have to give a penny for it, jut their property. After obtaining the property values for the highest and lowest values of the area they will be compared with the property values of the new replacement units that were obtained according to the expected property values that the readjustment has projected. The area of the hypothetical replacement unit will be the same as the former one since the allocation method is aimed to replace the same amount of area than the former property.

¹⁷ The values were transformed from Colombian pesos (COP)to Dollars (USD). The equivalence is 1COP=0,00034165USD. According to the exchange rate of the first week of November 2015. No inflation index was applied

The comparison will take place by obtaining the percentage of improvement of every former value in relation to the new values. This is achieved by dividing the new value by the former value to know how many times the former value can fit in the new value. That will reveal the percentage of improvement of the property value and in that sense it will give an idea of the proportion of benefits that the property is obtaining due to the readjustment. This exercise will allow the researcher to see which property improved its value more than the other one. That is if the properties with higher values increased their values in a bigger proportion than the property with lower values due to the readjustment. The latter will show two things: First, who are obtaining more benefits due to the allocation system of the readjustment. Secondly, it will show if the proportion between cost and benefits is taking place among the landowners, especially if the differences between properties are being taken into account as the theory says.

It has to be clarified that the research is using cadastre values since is the only source of information about land prices that was found. The prices correspond to the values of 2012. Since the exercise is a stylized case to support a qualitative analysis the timeliness of data does not influence. Moreover, according to experts consulted¹⁸, in Colombia the cadastre is a reliable source of information of property values since it reports accurately the dynamic of the price of land and built square meters in an area. That means that if a property has higher commercial value than another one the cadastre will report this same difference. According to experts and the law 450 of 2011 the only difference between cadastre and commercial values of a property is that in Colombia the cadastre value is at least the 60% of the commercial value.

The exercise is the following:

First the cadastre current value must be calculated applying the formula:

Value of property = (Value of free land per m²*Area of property) + (Value of built area per m²*Area of property)

Table 9: Stylized exercise for allocation stage system in housing land use

Housing land use value before readjustment	Housing land use value after readjustment
Highest value Land per m ² : US\$251.19(100m ²)= US\$25.119	Highest value Land per m ² : US\$694,93(100m ²)= US\$69.493
Highest value Built area per m ² : US\$416.28(100m ²)= US\$41.628	Highest Built area per m ² : US\$1366,6(100m ²)= US\$136.660
<u>Highest property value: US\$25.119+US\$41.628= US\$66.747</u>	<u>Highest property value: US\$69.493+US\$136.660= US\$206.153</u>
Lowest value Land per m ² : US\$159.72(50m ²)= US\$7.986	Lowest value Land per m ² : US\$694,93 (50m ²)= US\$34.746,5
Lowest value Built area per m ² : US\$29.78(50m ²)= US\$1.489	Lowest value Built area per m ² : US\$1366,6 (50m ²)= US\$68.330
<u>Lowest property value: US\$7.986+ US\$1.489= US\$9.475</u>	<u>Lowest property value: US\$34.746,5+ US\$68.330= US\$106.076,5</u>

Source: Own elaboration

As it is evident from the hypothetical exercise after the readjustment the highest values of housing land use are supposed to increase their value in a 300%. On the other hand, the lowest values of the area are supposed to increase it in 1087%.

For The commerce land use the same exercise takes place:

¹⁸ Lizeth Medina and Christian Ortega real state ad partial plan experts were interviewed about this issue. Moreover, Oscar Borrero, expert property appraiser was consulted through e mail.

Table 10: Stylized exercise for allocation stage system in commerce land use

Commerce land use value before readjustment	Commerce land use value after readjustment
Highest value Land per m2: US\$251.19(100m2)= US\$25.119	Highest value Land per m2: US\$1.671,57(100m2)= US\$167.157
Highest value Built area per m2: US\$144.81(100m2)=US\$204.990	Highest value Built area per m2: US\$2049,9(100m2)= US\$204.990
Highest property value: US\$25.119+41.628= US\$39.600	Highest property value: US\$167.157+ US\$204.990= US\$372.147
Lowest value Land per m2: US\$159.72(50m2)= US\$7.986	Lowest value Land per m2: US\$1671,57(50m2)= US\$83.578,5
Lowest value Built area per m2: US\$44.54(50m2)= US\$2.227	Lowest value Built area per m2: US\$2049,9(50m2)= US\$102.495
Lowest property value: US\$7.986+ US\$1.489= US\$10.213	Lowest property value: US\$83.578,5+ US\$102.495= US\$186.073,5

Source: Own elaboration

As it is evident from the hypothetical exercise after the readjustment the highest values of commerce land use are supposed to increase their value in a 93,9%. On the other hand, the lowest values of the area are supposed to increase it in 1821%.

The following conclusions can be made based on this hypothetical stylized exercise:

The exercise shows that the allocation system of 1m² for 1m² for both housing and commerce land uses is highly inequitable. The main reason is that, following the theory, on one hand the differences between properties are not being taken into account to allocate the replacement units. Therefore, there is no proportion between benefits and costs in this case. This is perceivable in the exercise, because it can be seen that the lowest housing and commerce values of the area, which means properties with very low physical quality, bad location among others, improved their values way more than the best properties of the area represented in the higher values. In other words, the low quality properties received more benefits than the high quality properties of the area. Therefore, to be equitable a land readjustment needs to treat the better properties better than the worst ones the allocation system makes the readjustment inequitable.

The lack of equitable treatment can be seen in several aspects of the exercise. First of all, if the values per m² of land and built areas are assessed and compared to the new values given by the project it can be seen that the low valued properties receive more money from the project to obtain a full replacement unit of the same as the former one than the properties with the highest values of the neighbourhood. For example, in the case of the housing land use the properties with the highest values have a land value of US \$251 per m² and a built area value of US\$ 416,28 per m². To obtain a full unit the replacement cost for land and built area is US\$ 694,93 and US\$ 1366,6 per m² respectively. That means that the highest values of the area receive US\$ 443,74 per m² and US\$ 950,32 per m² to obtain a full unit. By contrast, the property with the lowest values of the area which are US\$ 159,72 per m² for the land and US \$29,78 per m² for the built area receive US\$ 535,21 per m² and US\$ 1336,82 per m² respectively. As it can be seen, properties with high values of the area which means housing with the best locations, physical quality among other factors of the area receive for obtaining a full replacement unit less money per m² than properties with bad locations and low quality.

Likewise, the case of commerce is even more dramatic. In that case, the highest values of land and built area are US\$ 251,19 and US\$ 144,81 per m² respectively. The replacement cost full unit for land and built area is US\$ 694,93 and US\$ 1366,6 per m² respectively. To obtain a full unit the replacement cost for land and built area is US\$ 1671,57 and US\$ 2049,9 per m² respectively, that means that the people with the highest property values of the area are

receiving for the land US\$ 1420.38 per m², and US\$ 1905,09 per m² for the built areas. On the other hand the lowest values of the area are US\$ 159, 72 per m² for the land and US\$ 44,54 per m² for the built areas, and receive US\$1511.85 per m² and the built areas are receiving US\$ 2005.36 per m². Again the lowest values are receiving more money per m² than the highest values which should be treated better because they are properties with the best characteristics (better location and physical quality, among others) of the shops of the area that are reflected in their higher value. This is like paying more money for a Renault Clio than for a Ferrari. In this sense, in the effort of trying to equalize all the values to give everybody the same area as they used to have before the readjustment the project resulted paying more money to the worst properties than to the best ones.

In addition the mentioned inequitable treatment, can also be seen if we assess and compare the level of improvement of the highest and lowest property values of the project area in housing and commerce land uses. In this case, the people who will give the lowest property values and therefore the properties with lowest quality of the area improved much more than the people who gave the best properties with the highest values. As it can be seen in the exercise, for the highest values in the area in the housing land use the improvement of the property value was of 300%, by contrast the lowest property values improved 1087% that is they got paid 10 times more for investing in the project with their property which is really high compared to the 3 times of the highest values. In the case of commerce the situation is even more strong because the highest property values improve 93% and the lowest 1821%. Therefore, the worst properties are being treated better than the best ones, earning not only more benefits than them but also paying less costs due to the quality and values of their houses. Thus, the owners with low property values gave a low quality house and earned more money than the ones with a better house or shop. The allocation is not providing the owners with what they deserve. If the readjustment is viewed as a risk investment the inequity is more visible. In this sense, the people who owns the properties with highest values is taking more risk because they are investing more money than the owners with low property values. Therefore, they should obtain more benefits and in consequence earn more money. An opposite scenario would represent like paying more money to the person who bets on Germany to win the world cup than for the one who bets for Iran.

In addition, according to the qualitative rules the allocation system is inequitable in the distribution of costs and benefits because it is based on an area to allocate the units. An equitable allocation system, is focused on paying or returning replacement units to the owners in proportion to what they give. That means that if a person gives a declined old low quality property, this person is going to get a better replacement product but in proportion to this. That means, for every built m² the person would receive less than one m² of the new unit, if it gave one m² of raw land it should receive less than one m² of urbanized land, because what was given is not the same to what is going to be received. If the person gave or received more than what was s/he is entitled to receive, s/he should pay an adjustment fee. As it was already described, this is the allocation method which was in place before the discussion boards. By contrast, as it has been seen the method included by participation is inequitable because it is based on an area trying to guarantee a specific amount of m² to give to the owners. Due to this, it is not taking into account all the features and differences of the properties because the quality of the given unit does not matter anymore. When it is based on value the quality matters because it is reflected on the value. In the case of Fencia the allocation system is giving the same area as the former property with way more value. Thus, with the area method of the project exists a disproportion between the benefits received and the costs paid.

The stylized exercise shows a perfect example of the mentioned situation. When the data of the exercise is analysed it can be seen that the high and low valuable properties of the area cannot even pay the 50% of the replacement unit they are receiving. For example, the properties with the highest values in the housing land use would be able to pay only the 33% of the full value of their replacement unit while the properties with the lowest values only the 10%. In the case of commerce the properties with high values can only pay a 10% of the replacement unit and the ones with lowest values a 5,48%. Thus, everybody is receiving more than they deserve. Therefore the benefits outweigh the costs in this case for every owner, with more disproportion in the lowest values of the area.

The mentioned disproportion between costs and benefits of the readjustment is even worse due to the agreement about the replacement units having the same features as the ones the project is going to sell in the market. As it was seen, the owners are already receiving far more benefits than what they have paid. If this agreement is added the benefits are greater because a way to reduce the inequity of the readjustment could have been by giving replacement units with at least less quality than the ones of the market. However, by giving marketable units the readjustment is giving even more benefits than what had been given already. In fact, as the literature mentions the housing price is determined by intrinsic and extrinsic characteristics. The intrinsic are all the factors strictly connected to the house (flat, building) such as: number of rooms, windows, balconies, floor, building aesthetics, artistic finishes, technical facilities, etc. that depending on their configuration increase or decrease the value of the property (D'Acci, 2012). If these features are already included in the projected values of the readjustment these added benefits do not take place. However, the research could not confirm this data.

Besides the cases of housing and commerce, the participatory process also created cases for the houses with commerce on first floor and parking businesses which are classified as lots with services. As it was seen for the houses with commerce on the first floor the criteria was for every m² of built area given they would receive 1m² of built area of housing for the m² of that land use they have and for commerce of the m² of that land use they have. Therefore, there is no need to analyse this case since it is the combination of the already explained cases. In the case of the parking businesses (lots with services) the agreement was 0,7 m² of zonal commerce for lots with good location and shape and 0,5 m² of zonal commerce for the ones without these features plus the surplus that the project model projected for the readjustment. The majority of the agreement makes the readjustment more equitable, since those cases were not included before and it is taking into account the difference between the properties and treating better the best ones. In addition, the scale of the commerce (zonal) is also equitable since the parking businesses provide a service that goes beyond the neighbourhood and can apply to the whole zone. That is, drivers that go to the city centre can park their cars there, not only the ones in the project area. Thus, the readjustment is returning the same kind of commerce that the owners gave to the project. However, the surplus that is going to be given to all the owners that receive the equivalence of 0,5m² is a windfall. They are already receiving a different treatment than the owners who receive an equivalence of 0,7 m² for having different kind of properties. Thus, the surplus payment does not have any equitable justification.

In conclusion, the allocation method of replacement units has proven to be radically changed by the outcomes of the discussion boards. The changes introduced made the readjustment highly inequitable in this aspect, since the former method was based on value and therefore more equitable. The area basis (1m² for 1m²) of the new allocation method produced that the benefits earned by the owners outweigh the costs. This argument is stronger if we take into

account that only for the regeneration of areas with improvements of green areas, housing, shops, pollution, streets/squares quality, the property values can increase from +8% to +63% (D'Acci,2012).

4.3.3.3 The location issue

As it was seen during this paper the issue of location was discussed during the discussion boards and an agreement was reached around it which represented a change in the project. In the following section the agreement and change will be presented along with its influence on equitable the distribution of costs and benefits.

The original readjustment scheme proposed what the project called “everybody moving, everybody staying”. This proposal was presented in the first stage of the project. It was based on allocating the replacement units of all the owners of the neighbourhood in what today are the blocks 2 and 13 this was supposed to facilitate the acquisition of free land to save time in the readjustment completion. During the first stage as it was seen the people showed their concern about this proposal because an important number of people did not want to move from their original locations. In particular the people of the block 4, the one where most of the owners had their own properties. In consequence, the University commenced to participate on the discussion boards of the second stage with the proposal of giving the owners the opportunity to receive the replacement unit in the original location of the former one. They would have the right of preference to choose there. Likewise, the Committee started participating on the discussion boards with the same proposal. Due to this, the parties agreed easily on this point. In addition, the Committee requested that the owners of commerce and housing, should have the preference of choosing the location of their replacement units inside the new buildings. The parties accepted on the condition that this agreement was for everyone.

All the mentioned agreements were included in the Article 48 of the Decree of approval and in the DTS of the readjustment, introducing a change to the project. This change made the readjustment inequitable. First of all, it has to be clear that the original proposal applied for everyone is an equitable rule because everybody was supposed to act under the same code of rules. Secondly, by moving to the same location at the end, everybody is going to enjoy the benefits that each one deserved with the allocation of the replacement unit. This would happen without capturing extra non earned benefits like being more close to open spaces than others plus a better view and proximity to commercial areas, among others.

In the case of Fenicia the possibility for the owners of keeping the original location produces that in the Block 4 the owners capture some extra benefits. Some factors are not taken into account by the readjustment allocation system arising as windfalls reflected on the influence of property values. As pointed out, the allocation stage only considered the property according to its value and area and will give a replacement unit proportional to this. However, as theory states the system usually does not take into account other benefits like location, accessibility, proximity to commercial areas, infrastructure or amenities, land uses and view, among others (Li and Li, 2007). In the case of Fenicia this happens because the system is based in area (1m² for 1m²) and not in value. Moreover, it does not ask for adjustments to produce equity for replacement units with privileged locations, better views or other benefits. It only asks for payments in cases where the owner received more than what he was entitled to. Therefore, the mentioned possible capture of extra benefits applies to the whole area.

The mentioned situation is stronger in the case of block 4. The introduced mentioned change opens the chance for owners of the block 4 to have a replacement unit in a block that, as explained before, will have important features that other blocks do not have, without paying

the cost for those extra benefits. Therefore even more extra benefits can be captured by them. As seen in the figure below, according to the project proposal this area is in front of a future city theatre (is not part of the project but is going to be built in front). Also, it has a square and good accessibility because it is close to the intersection between two main avenues of the city centre. Moreover, it has far more land uses than the other blocks: offices, a hotel, housing and commerce of metropolitan scale which according to the DTS should be a mall with a supermarket chain among others. All of the mentioned characteristics influence the price of properties as extrinsic characteristics (D'Acci, 2012) and represent an extra benefit given by the readjustment to the owners. First, proximity to open spaces like the square of the block 4 increases the price of properties in 0,137% and for each 10m in distance this value decreases (Brander and Oetse, 2011). Moreover, the view of properties over open spaces like squares might increase the price by 12% (Luttik, 2000). In the case of amenities, the closer to the amenity the higher the price of the property, to a point that there is a difference between the properties in front of the amenity and those that make the owner walk to get there (D'Acci, 2012). Moreover, the properties with better accessibility like being close to main avenues or metro stations have higher prices (D'Acci, 2012). Finally, the mixed land uses represents a benefit because following the mentioned theory it is not the same to have the supermarket, the office, or the mall just in the same building than 1 or 2 blocks away.

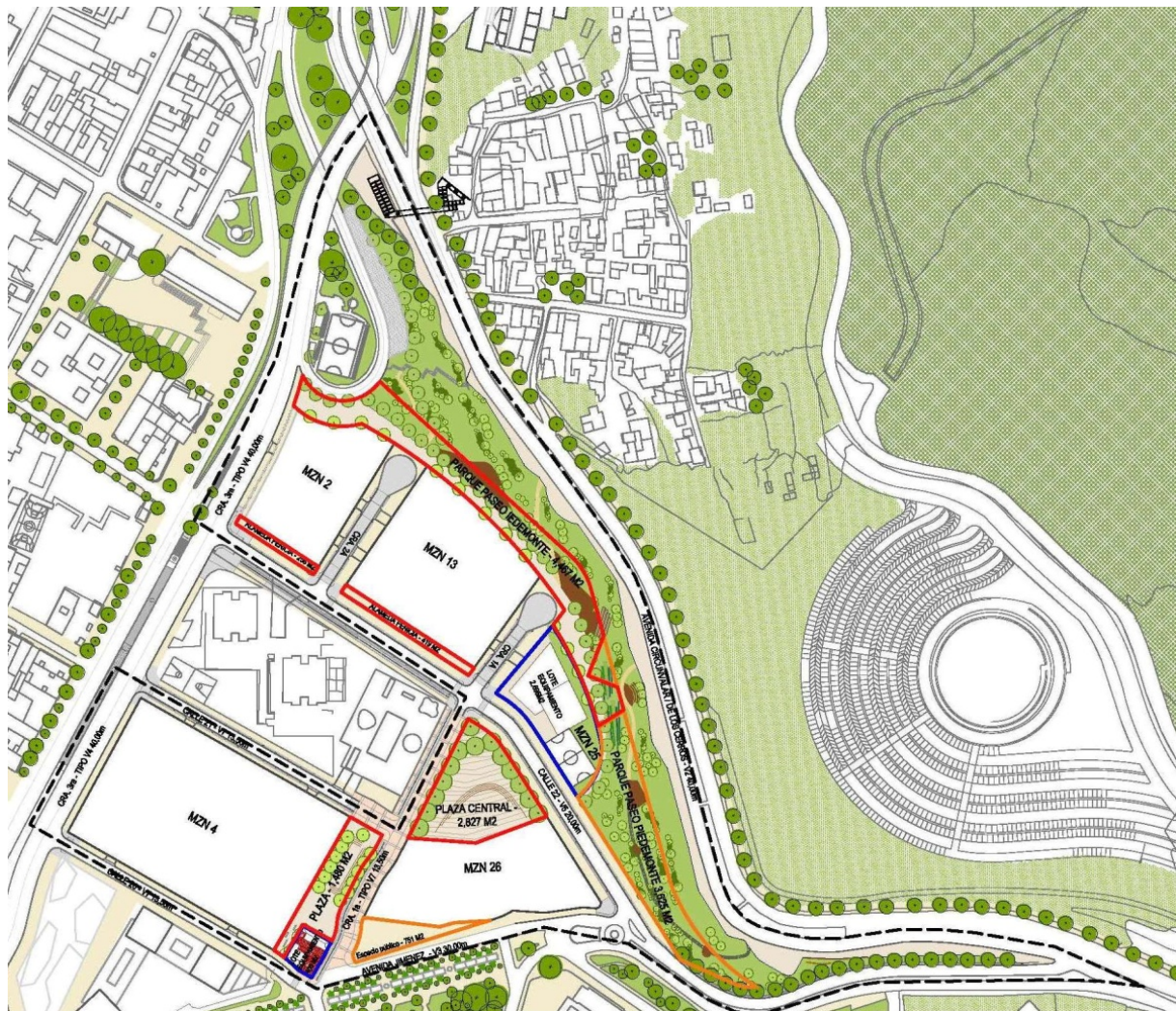
Therefore, the location of the Block 4 gives several extra benefits reflected in their influence in the value of properties in the area that, as mentioned before, are not being taken into account by the allocation system. Therefore, by giving the possibility of keeping the same location the readjustment has become more inequitable because it is giving the chance to the people of the block 4 to enjoy several extra benefits that they are not paying for since their properties do not have the features at the current location to deserve a replacement unit there. Thus, the owners of that block are capturing several windfalls.

Finally, the mentioned capture of extra benefits by the owners of the block 4, is more evident if we realize that is the unit of the area which improves the most with the readjustment. According to the DTS currently it is a block with housing and commerce land uses, lack of public space and open spaces and the presence of old apartments and houses. These features are similar to the ones of the rest of the area. As it was seen before despite what has been mentioned it is the best block of the area because it has higher strata and slightly better characteristics than the others. As mentioned before, with the readjustment that block will acquire several new characteristics and benefits that the other units will not have. Therefore, the owners of that block are able to capture those extra benefits and are not paying anything for it. At the same time other owners with possible similar properties like the ones of block 26 and 2 will have their replacement units in blocks with less benefits. In consequence the introduced change make the readjustment more inequitable.

Finally, the second agreement related to the possibility for the owners to choose the location inside the buildings is also an introduced change that goes against an equitable distribution of costs and benefits. The reason is in line to the ones already given here. Before, the project adjudicated the location inside the building. Now the owner chooses. This is inequitable because as seen before, the allocation method of the readjustment only considers area and does not ask for any adjustment to owners that capture extra benefits. That is, no adjustments for privileged locations with benefits like a better view, among others. In this case, by having the chance to choose the location inside the buildings the owners are able to capture extra benefits mainly by choosing privileged views that influence the value of properties and therefore represent a benefit that they are not paying for. The literature gives data about the benefits that

the view of a property has on it by influencing its value. For example, if a property has a view over an open space its price can increase in 12% (Luttik, 2000), if it has a view towards an attractive landscape the price can increase in 12% (Luttik, 2000) and if the view is in general attractive the price can increase up to 50% (Damigos and Anyfantis, 2011). Of course these percentages will depend on the city, the offer and demand, but the influence on the price is real. Therefore, with the commented change introduced by the agreements of the discussion boards, the owners would be able to capture windfalls, making the readjustment inequitable in this aspect.

Figure 8: Readjustment Proposal



Source: Universidad de los Andes(2014)

4.3.3.4 The Strata Issue

As mentioned in this paper the issue of strata was discussed during the discussion boards and an agreement was reached around it which represented a change in the project. In the following section the agreement and change will be presented along with its influence on equitable the distribution of costs and benefits.

In the case of Fenicia due to the regeneration of the area, the strata was susceptible to increase, causing an increment in the costs paid by the owners for public services and property tax. The Committee and the University asked the city for the possibility of avoiding this situation by

freezing the strata. After several discussions, the City accepted to freeze the strata, which was something not included in the project because it is an issue that had to be decided by expending an individual decree and not in the project proposal. Thus, the city issued another decree (Decree 448 of 2014) freezing the strata for areas under urban renewal for 10 years, including Fenicia.

To understand this issue properly it is important to briefly explain the strata system of Colombia. According to the Planning Secretariat of Bogota citing the National Department of Statistics of Colombia (2015) the socio-economic stratification is a mechanism to categorize and classify the population of the country in different groups with similar socio-economic characteristics. The Colombian government has different methodologies to assess this if the property is located in rural or urban areas. For Urban areas the assessment of the strata is based on the physical characteristics of the housing, the block where the property is located and of the neighbourhood. In Colombia, the cities and towns can have up to six strata. Bogota has all the six. Moreover, in Colombia according to the National Department of Statistics (2015) the people who belong to the highest strata are persons with high financial and economic capacity. By contrast those who belong to the lower stratum are people with low economic and financial capacity.

In this sense, the Colombian cities use the strata as a spending targeting tool to collect household utilities and property tax with differential rates by strata and to allocate grants and contributions to households in the strata area. Therefore, those who have more economic capacity pay more for public services and for property tax than those who have less economic capacity, contributing to help them to pay their utilities and property tax fees. Thus, the public services or property tax fee is going to be higher for the highest strata and lower for the lowest ones. The following tables illustrate examples of how three strata work to determine the payment for public services and property tax.)

Table 11: Company of Electric Energy of Bogota (CODENSA)

Fees by strata for Electric Energy public service	
Strata	Fee (US\$/ Kwh)
1	US\$ 0,056
2	US\$ 0,070
3	US\$ 0,11
4	US\$ 0,12
5	US\$ 0,15
6	US\$ 0,15

Source: Company of Electric Energy of Bogota (CODENSA)(2015) Own elaboration

The case of the property tax is a bit more complex because the fee depends on the cadastre value. Therefore, for one strata there might be 2 different fees if one property has more or less value than the ones established by law for the respective fee. The lowest cadastre values of the strata receive the lower fee, and the highest the high one. The value that determines which fee applies to what cadastre value is determined by each city. Moreover, the fee is aimed to calculate a percentage of the cadastre value to determine the amount of tax to pay. That fee which is calculated by multiplying a value for 1000. As a matter of fact and just to illustrate the situation, the possible fees will be showed without their respective cadastre value. The following table illustrates the situation.

Table 12: Fees by strata for Property tax

Fees by strata for Property tax	
Strata	Fee (% of cadastre value=)
1	02% or 0,6%

2	0, 2% or 0,6%
3	0,4% or 0,6%
4	0,6% or 0,75%
5	0,7% or 0,95%
6	0,7% or 0,95%

Source: Department of Finance of the city of Bogota (2015). Own elaboration

Finally, due to the fact that the strata is based on the physical features of the house and environment of the owner, if those characteristics improve the property is subject to a strata upgrade and therefore its costs for utilities and property tax will increase.

In consequence, it can be said that the strata can be considered as an additional cost or charge that all the Colombian citizens have to pay. Thus, a citizen pays more or less public services and property taxes depending on the strata where s/he is located. The rationale behind this is that the citizen pay for the quality of the neighbourhood, its housing and for living in an urban or rural area. If the area is deprived he pays less than if it is of good quality he pays more. Therefore, the Colombian system is imposing a cost on the citizens for the physical quality of their living areas: House and neighbourhood. Due to the nature of this cost the strata has a cost that also affects land readjustments, even more if it is an urban renewal readjustment. The reason is that if the urban quality of the area improves the cost that the citizens have to pay for living in that area increases.

Therefore, in an urban renewal LR like Fenicia, the owners will pay more for utilities and property tax because the physical quality of the area has improved. In the case of Fenicia it is difficult to predict the set-up of the final strata of the area, because the research did not find information available about how to calculate the new strata and due to the fact that it depends on the assessment that the city will do at a moment when everything is complete. However, it is reasonable to state that since the current strata are 2 and 3, the new strata can change up to 5 or at least 4. That is the reason that the university and the committee requested for the strata freezing. In addition, as it was seen in the fees, the most dramatic change is changing from strata 3 to strata 5, because these strata's subsidize the lower strata's and therefore they pay way more than strata 1, 2 or 3. For example, in the case of energy strata 5 pays US \$0.15 kw/h and strata 3 pays US\$ 0.11 kw/h there is a difference of US\$ 0.4 kw/h.

According to what has been discussed, the change in strata represents a change in the costs paid by the owners of the Fencia area. Therefore, by freezing the strata when the project is completed, the city gave unearned benefits to the owners, and will therefore affect the equity of the distribution of costs and benefits of the readjustment but also of the city. The reasons that support this statement can be presented very accurately with a stylized case taking the fees of the different strata and multiply them for the average consumption to show how much money a property in Fenicia would save per month with the freezing. However, the researcher could not find data about the average of consumption in the city. Nevertheless, the same exercise can take place with the case of the property tax. However this exercise will not show the impact of the strata freezing in its whole dimension since the property tax is based on the property values. Thus, with the readjustment the cadastre value is supposed to increase. Anyway, the exercise proves that the owner saves money and in that sense is obtaining benefits without paying for them. In this aspect This windfall makes the readjustment inequitable. The quantitative exercise is just illustrative and does not pretend to be representative since this is a qualitative analysis.

The exercise will take the highest and lowest cadastre values¹⁹ of the housing land use and calculate the amount of property tax that they correspond to pay with the current strata fees, and with the strata they should have without freezing. To do this we will assume that the highest value corresponds to property of 100m² and the lowest to a property of 50m² since the cadastre value is related to area. Moreover, the lowest value would be a property of strata 2 and the highest of a property of strata 3, since these are the two current strata of the area. However to develop the exercise the current values were not taken as the property tax is based on the values of properties. Therefore, since the values of properties are expected to increase and the agreement is about freezing the strata and not the values, we will assume that the values will increase. For this we will take the projected values of the replacement units when the readjustment will be completed. These values are US\$ 694.93 just for replacing the land and US\$ 1366.6 for the cost of built area. As it was done before for the allocation stage section each value is multiply for the hypothetical areas 100m² and 50m² and the sum of them is the final cadastre value of the property. In this case US\$ 206.153 (Strata 3) and US\$ 103.074,5 (Strata 2). The highest value will pay the fee of the strata 3 and the lowest of the strata 2, since those two strata are the only ones present in the area. To be conservative, we will assume that each property will pay the highest fee that corresponds to its strata. That is $6 \times 1000 \text{ each} = 0,6\%$ of cadastre value.

Therefore, the total amount of property tax that each property has to pay is equal to:

Cadastre property value X property tax fee. = Property tax

For the highest value of the area (strata 3) the amount of property tax to pay with strata freezing is:

$$\text{US\$ } 206.153 \times 0,6\% = \text{US\$ } 1236,9$$

For the lowest value of the area (strata 2) the amount of property tax to pay today is:

$$\text{US\$ } 103.074,5 \times 0,6\% = \text{US\$ } 618,44$$

The following is the same calculation but taking into account the fees of the possible new strata without freezing. It is reasonable to assume that the strata of the area will upgrade up to 5 since there is already strata 3 in the area and the neighbourhood will be renewed. To be conservative we will assume that they will have to pay the lowest fee which corresponds to strata 5 which is $7 \times 1000 = 0,7\%$ of the cadastre value

Therefore, for the highest value of the area (strata 3) the amount of property tax to pay in the without freezing:

$$\text{US\$ } 206.153 \times 0,7\% = \text{US\$ } 1445.8$$

For the lowest value of the area (strata 2) the amount of property tax to pay in the future without freezing:

$$\text{US\$ } 103.076,5 \times 0,7\% = \text{US\$ } 721.53$$

As a result of the exercise it can be seen that the people of Fenicia are receiving a subsidy for the payment of their property tax. The inhabitants of strata 2 receive US\$ 103.09 and the ones from strata 3 US\$ 208.0. That money saved by them represents benefits they are not paying for in the case of property tax. As said before, the situation is much more dramatic in the case of

¹⁹ The reliability of cadastre as a source was already discussed in the scion of allocation system. The exchange rate from pesos to dollars was already exposed in the allocation system discussion. Moreover, the values are not adjusted to inflation

public services since they will pay the same as today, not like with property tax that they will pay more than today due to the increase in the value of the property.

In conclusion, as it has been shown here, since in Colombia the physical quality of the area and house where the people live is a cost, the improvement of the area will make the owners of Fenicia to pay more for this concept. In this sense, the strata freezing agreement that took place during the discussion boards represents a subsidy to a cost that every Colombian citizen has to pay for living in an area. The better the physical quality of the area the more the owner pays. Thus, in Fenicia improvement of the area will make the owners pay more for this issue. However as it was shown, since the people will not pay the fee they should pay due to the new characteristics of the area, but a lower one, they are saving money. That money represents the costs they are not paying for enjoying the benefits of a better area. The difference between the fees corresponds to each strata and between the amount of money they will pay and what they should pay without strata freezing proves the presence of windfalls among the owners in the case of Fenicia. Therefore, under the Colombian strata regime the benefits outweighs the costs, making the readjustment inequitable. It has to be said that since there are people in the city of strata 4 or 5 paying the fees they have to pay by law, the freezing is also inequitable in terms of the distribution of costs and benefits at the city level.

4.3.3.5 The Redefinition of UAU 2 issue

As it was seen during this paper the issue of redefining the layout of the UAU 2 was discussed during the discussion boards and an agreement was reached around it which represented a change in the project. In the following section the agreement and change will be presented along with its influence on equitable the distribution of costs and benefits.

The original readjustment scheme proposed a specific layout of the different UAU that were going to be used to develop it. In the mentioned layout the UAU 2 was including a square that was going to be built in the area of the UAU 3. The committee refuted this layout arguing that it was unfair since the square was not located in the area of the UAU 2. Thus, it was supposed to be paid by the UAU 3. Moreover, they added that if the land management was going to be easy since the owners would not be 123 but less than they asked for a change in the layout. The university agreed but only in the change of the layout and not in the financial responsibility of the UAU 2 to finance the building of the square as part of the equitable distribution of costs and benefits of the readjustment.

Since nobody can incur only expenditures the readjustment will end up by paying for the building of the square. They thought they will not pay for the building of the square but the DTS reveal that the UAU 2 has the biggest amount of benefits and therefore is going to finance almost the 40% of the costs of the whole readjustment (Universidad de los Andes, 2014). That means that the UAU 2 will finance not only the square but other costs like local roads. In fact, specifically for squares it will give US \$50.612,3. This is totally in line with the theory since nobody can only incur expenditures or benefits, as everybody should pay costs and receive benefits. Therefore, the UAU 2 should not stop financing other units to finish the readjustment.

In consequence the mentioned agreement was intending to make the readjustment less equitable by trying to withdraw a cost that should have been assumed by the UAU 2 for being the one with more benefits. Thus it was supposed make people only incur expenditures and others only incur benefits, creating windfalls and inequity in the readjustment. Nevertheless, since the agreement took place only about the layout of the UAU it did not affect the equity of the readjustment.

4.3.3.6 The commitment of the city about the local amenity

As it has been shown in this paper the issue of the commitment of the city to build the proposed amenity of the readjustment was discussed during the discussion boards and an agreement were reached around it which represented a change in the project. In the following section the agreement and change will be presented along with its influence on equitable distribution of costs and benefits.

As mentioned during the section of discussion and agreements of the stage 2, during the discussion boards the financing of social programs was discussed. Within this discussion, the Committee proposed not to finance those programs but instead to build the amenity proposed by the Project. However, the University proposed to not withdraw the financing of social programs by the readjustment and use the money of some properties that the city government had in the area to finance the amenity. Therefore, the final agreement was related to the commitment of the city to find the resources for funding the amenity.

The agreement was included in the DTS and implied an important change in the equitable distribution of costs and benefits of the readjustment. This analysis will take place from the perspective of the Colombian law backed up by the qualitative rules. Before starting the analysis, it has to be taken into account that the original readjustment scheme did not propose any funding for the main amenity which according to the DTS is supposed to be a community centre for children and the elderly. In this sense the agreement refined the amenity proposal ensuring the resources for its construction. However, the amenity is a local benefit which should be paid by the community. Thus, the participatory agreement confirmed the already inequitable original proposal in this aspect, instead of making it equitable.

The reasons are the following ones: First of all, the planning rules of the city of Bogotá, Article 13 of the decree 436 of 2006, following the principle of equitable distribution of costs and benefits of the article 3 of the law 388 of 1997 state that the amenities are local charges. As it was mentioned before, the local charges are costs of urban development and of a partial plan that have to be paid by the owners of the beneficiary area. They are not obliged to build them but they have to fund them. By law and policy the city does not pay anything, since the communities where these amenities are located receive all the benefits. In the case of Fenicia as seen at the beginning of this chapter, the amenity will be a community centre for the children and elderly located in the middle of the neighbourhood and financed by the city. Thus, the people that are most benefited and the majority of the assistance will be given to the people of the neighbourhood without paying the cost for it. The important population of elderly and children of the area, 34% of the population are over 50 years old and the 22% below 15 years old (Universidad de los Andes, 2014), and the location and function assigned to it by the DTS as a community centre of the neighbourhood (Universidad e los Andes, 2014), prove the local benefits that the amenity represents for the people of the area. Thus, within the Colombian legal context this amenity should be paid by the readjustment, and its complete funding by the city evidences the inequity produced by the participatory agreement.

This is backed up by the qualitative rules since the owners of Fenicia are receiving the full benefit from the amenity without paying any cost in proportion to the benefit received. In this sense, this is a windfall in favour of the owners of Fenicia and a disproportion between the costs and benefits.

4.3.3.7 The economic impact issue

As it was seen during this paper the parties discussed about the possibility of including a subsidy to the administration fee of the condominiums of the replacement units to mitigate the

economic impact of the readjustment in the population. Specially to mitigate the impact caused to the people living in the houses, since they never paid for an administration fee. In the following section the agreement and change will be presented along with its influence on equitable distribution of costs and benefits.

The original readjustment scheme did not have any proposal around this issue. However, the interviews reveal that the interactions with the community helped the university to realize that the readjustment should take into account a way to mitigate the increase for some members of the community and the new costs for others in relation to the administration fee of the replacement units condominiums. Both parties arrived to the discussion boards with a similar proposal to the discussion boards: to finance and to mitigate the payment of the administration fee for the community since it might produce and outweighs the costs for them. Then they reached an agreement that a subsidy should be given. They agreed in using commercial shops that are going to be located in the buildings to finance the administration fee of the original owners of the neighbourhood by renting them. The building will invest the money of the rent of those units in the mitigation of the administration fee. Therefore, the owners would not have to pay for it, or at least a part of it. However this is not specified in the agreement.

The mentioned change introduced by the participatory agreement makes the readjustment inequitable if it is assessed through the scope of theory. Before doing the analysis it has to be said that the costs and benefits mentioned here are not considered by the theory. This paper calls these benefits Impact Benefits.

Starting the analysis it has to be said that the readjustment is inequitable, because the benefits that the inhabitants of a condominium receives for paying an administration fee are related to the maintenance of common areas, recreational spaces, security, garbage areas, among other spaces of the building (Law 675 of 2001). The benefits then are related to the quality of the building, since without that payment its quality would be less and its depreciation would be more. Therefore, since they are not paying the cost for those benefits in proportion to the benefit received from the readjustment it is inequitable. In fact they are not paying at all for this benefit. This causes a windfall for the people because they are saving that money.

Nevertheless, for some really poor people of the area the cost of the administration fee might be too much for them outweighing their capacity to pay for benefits. Therefore, since theory states that no owner should bear burdens that outweigh its capacity, they should receive the finance despite the fact they will enjoy benefits without paying. The reason for this could be that the situation and assets of all the landowners are different. Thus, some of them have a really bad economic situation that impedes them to pay an administration fee to live in the area and enjoy the benefits of the readjustment. Therefore in these cases the burden outweighs their capacity and the cost they will experience is more than the benefits they will enjoy even without paying, because they will have to leave the area. In consequence, they will not be able to enjoy the full benefits provided by the readjustment. By contrast, this situation will give a windfall to other landowners with a better capacity.

Thus, Participation made the LR more or less equitable?

The influence of the participatory outcomes in the equitable distribution of costs and benefits is more perceivable in stage two than in the stage one. In fact it was at this stage where all the changes took place or were confirmed and refined like in the case of the allocations system and the location issue. To this inequity some non-considered costs according to theory were taken into account, since the people perceived them as real costs. The mentioned costs are “social costs” and what is in this paper referred to as the impact costs and impact benefits.

As a general conclusion it can be said that the changes introduced to the project during the discussion boards made the readjustment inequitable, allocating several benefits for the owners without making them pay for it. Those benefits were not for only one owner but for the whole community. However some owners benefited more than others.

As it was seen the agreements about the charges and benefits in general were aimed to make the readjustment more equitable. They withdraw several costs from the readjustment because the owners were not perceiving any benefits for paying those costs, making the costs outweigh the benefits in this aspect. Among the mentioned, payment for a general charge, for a cost to finance the regularization of legal property of some owners and the double counted costs were costs that were not being represented by proportionate benefits for the whole community. They were allocating windfalls among different actors. However, the agreement about the general charge was inequitable since it allocated windfalls on the LR by not making it to pay for the percentage of benefits of the general charge that was retired. Moreover, the agreements about lost profit, social programs and compensation for changing lifestyle have equitable reasons because they address social costs and costs of impacts of the project that will end up outweighing the benefits given by the readjustment.

Nevertheless, the equity of the mentioned agreements gets distorted if the rest of the changes introduced to the project are assessed, since they ended up allocating several benefits to the owners. First of all, the replacement unit allocation system allocated the majority of landowners of the area with one m² of built area for every m² of built area of the former properties given to the project. As it was proven before, this system ended up allocating disproportionate benefits to the owners, especially the owners with lower values which are expected to be the poorest of the area. People improving their values from 300% upto 1800% is evidence of this. Therefore, it can be argued that, most of the mentioned compensations could be included in the replacement unit due to the disproportionate benefits that the owners obtain with this. If they were included the readjustment would be equitable. However its presence make stronger the argument about inequity in Fenicia project.

In addition, the following agreements that allocate benefits to the owners without paying a proportionate cost for them confirm the general inequity for the readjustment. Some of the following ones are related to costs and benefits not considered by the theory that are referred to as Impact Benefits and Impact Costs, which are costs that the project cause. They are not related to the costs necessary to make the project done but they will end up representing a cost for the owner. Among these were found: First of all, the strata freezing which is an inequitable agreement since it exempts the owners of paying a cost that under the Colombian regime is charged to everyone for the quality of an area. Moreover, the possibility of keeping the original location of former properties will allow mainly the owners of the block 4, where most of the committee members live, to capture extra benefits that they are not paying for. In addition, the administration fee financing will allow the owners to capture benefits without paying for them like maintenance and quality of the building. Furthermore, the funding of the amenity that is going to exclusively benefit the neighbourhood due to its location and function will allocate windfalls to the owners of the whole area, the finance of the Amenity is not an impact cost.

The agreements about strata, the amenity and the general charge are inequitable are also within the Colombian law. This means that participation was a distorter of the equitable distribution of costs and benefits that is planned by the law. The policy practice in this sense also distorts the inequity by not taking into account the percentage of benefit earned by people with the local and general charges, when the financing is planned.

Therefore, as it can be seen most of the agreements ended up by allocating benefits that are not being paid by the owners or that are not in proportion to the costs paid. This breaks the main principle of the equitable of costs and benefits related to the proportion between costs paid and benefits earned. In consequence the readjustment can be considered inequitable not only in relation to the costs and benefits that the literature mentions but also in relation to the ones found by this research namely: Impact benefits and impact costs.

As it has been pointed out the impact costs or the impact benefits can be translated into money. In addition, they are indicators, and it is obvious that these qualitative findings need to be confirmed through quantitative research. This will permit one to see for example if the compensations can be included in the replacement units, how much an owner needs to pay when displaced from the area, or for paying administration fees or the increase in the strata level.

It has to be said that the great winner is the whole community not only the committee, but even more the poor of the area. The reason is that they will save more money for the benefits received. They will receive several compensations, subsidies and programs of aid like the compensation for changing lifestyle, the administration fee subsidy and the social programs. Moreover, they are being treated better with the issue of strata. Also, the allocation system treats the lowest values better which are supposed to belong to the poor people of the area. In their case the process might be equitable since as it was mention during the analysis, the burden and the cost they will pay would be to leave the area, change their lives, and for being poor probably go to the outskirts or worst areas of the city. Since the costs outweigh the benefits for having to displace, in their case this agreements can be considered as equitable, if they are analysed through the basic general rules of the theory and taking into account the new costs and benefits found in this research. In this sense, the inequity of the agreements is the necessary and proportionate costs that the society has to pay for avoiding gentrification and displacement by urban renewal. However, the theory does not consider these externalities that ended up representing a cost for the community subject to the project when the readjustment takes place in urban areas. Of course, these aspects need to have more research since it implies giving land readjustment an infinite reach that may end up in a never ending story. Therefore, the criteria about which costs should be paid by the readjustment must be defined more precisely by the theory.

4.3.4 The Contributions of community participation to the equitable distribution of costs and benefits of land readjustment

In the previous section the influence of the participatory outcomes and with this of participation on the equitable distribution of costs and benefits were shown. The findings showed that community participation can have different impacts and influences on the equitable distribution of costs and benefits of the readjustment. It can be said that the influence and impact on the equitable distribution depends on the type of participatory process and with this the type of participatory spaces designed for it. The type of participation and space led to more or less impact on the equity of the distribution of costs and benefits.

In addition, the findings showed that these are not static problems but dynamic ones that are influenced by other variables despite the kind of participation and space. The variables that affect participation interact in a way that influence the outcome of the process. In this case, the variables assessed were: First, power, through the phenomenon of elite capture, and social capital. It was found that the influences of those variables in the process and in its outcomes are different. Depending on the kind of participation the actors used the variables in a different way in relation to the outcome of the process and with this to the distribution of costs and

benefits. Finally, it was found that the way the community participation affected the equitable distribution of costs and benefits of the readjustment was through its different outcomes for the two stages: agreements or feedback. This findings are going to be explain briefly in this subsection.

Since the theory states the result of participation is the result of what happened in the participatory space, its design has a lot of influence over the type of participation that takes place on a process. The type of participation that the government or the policy make decides to develop determines the design of the space. Moreover, those two variables determine the impact of participation on the costs and benefits of LR. A comparison between the two stages of the Fenicia participation process will show this point.

On one hand, during stage one the Consultation and Information types of participation along with several participatory spaces which facilitated those types of participation took place. They did not have impact or changes produced in the distribution of costs and benefits. AS discussed before Consultation was characterized by the collection of inputs for the proposal in different participatory spaces and the by directional flow of information in the urban design workshops. Information, took place with one flow of information through communications and expositions about the project to the community and the plenary meetings to inform and solve questions to the community. These kinds of participation take place through the participatory spaces because there is where the participation occurs, and determine spaces features. During the first stage the 3 participatory spaces took place. They were characterized by features that do not facilitate deaps discussions about the project or agreements. By contrast those features allow lighter discussions like the ones that can take place during consultation or information meetings. For example, the design of the mentioned spaces was: most of them had an open format allowing everybody to go and speak only characterizing them by interest or block, which leads to an important number of participants diminishing the chances of discussing deeply an issue. The reason is that everybody brings their interests and concerns, and own proposals. Therefore, the meetings ended up in discussing multiple issues and mainly solving doubts or receiving the comments and concerns of the people. Therefore, the relationship between the participants and the university is not close for lacking of interactions about the issue.

In this sense, the plenary meetings ended up being information meetings, allowing the University to collect some inputs for the project. Likewise, the urban design workshops and groups of interest meetings ended up being consultative spaces to collect feedback and information to develop the project. In fact as it was seen in this chapter, their declared objective by the University was this and their design is in line with that objective. Due to this the decision criteria gave no guarantee of inclusion of the community inputs facilitating the kinds of participation mentioned. This is shown by looking at the agenda in which the people were allowed to participate, because it was the one promoted by the university and it was not related in general to costs and benefits. It was more about informing about general features of the program. Only at the allocation stage and were the location issues presented. Since the community had little knowledge about the project the chances of producing deep changes were reduced and the exercises ended up in simple information or superficial feedback from the community. In consequence, as seen, the design of the participatory space provokes a specific kind of participation.

In consequence, the kind of participation reflects an outcome according to its nature. In the case of information and consultation, since the guarantee of incidence of the people is low, the changes in the project are expected to be low. The outcomes at this stage were first the

formulation of a proposal and the opening of a second participatory stage. It is difficult to determine at this stage what aspects of the project proposal that were developed to this point come directly from the participation process due to the lack of good documents and sources. Only the guidelines for the urban design were a tangible outcome which had little capacity to influence the distribution of costs and benefits. That plus no more changes influencing the distribution of costs and benefits allows one to conclude that participation in this information and consultation forms along with its respective participatory spaces, proved to have little influence on that distribution.

On the other hand, during stage two Partnership, Consultation and Information took place within the same participatory space: The discussion boards. Partnership was the predominant one which influenced the features of the participatory space, introducing several changes and impacts in the equitable distribution of costs and benefits. Partnership took place due to trade-offs where all the parties were ceding to reach an agreement and coproduced agreements with everybody giving an input to produce a unique agreement capable to change an aspect of the project. Consultation took place because as seen, during some discussions, the Committee just gave feedback to the project proposal instead of making proposals and negotiating changes.

These types of participation, in particular partnership, influenced the design of the participatory space. The participatory space here was designed to facilitate agreements and trade-offs in the discussion boards. Therefore, there is a positive correlation between the design and the type of participation. For example, the discussion boards were developed as closed events where the people were allowed to assist but only specific spokesmen were allowed to speak and discuss. Therefore the real participants of the discussion were few people. Secondly, the real discussion took place with a small part of the community represented by the Committee. These two factors facilitated the discussion about an issue and increased the chances of changes in the equitable distribution of costs and benefits, because the parties were able to focus on an indepth discussion of a topic since there were no other topics and interests arising. Thirdly, the decision criteria were very clear and focused in the generation of agreements, in a democratic way by reaching consensus among the parties. Moreover, the objective of those boards was to negotiate with the Committee to discuss all of its concerns and proposals including the strong oppositions they made. Therefore, the mentioned design features facilitated negotiation and trade-offs related to the project which meant possibilities of deep changes on it. This is stronger by realizing that as pointed out in this paper, the agenda discussed was the one of the people which was almost entirely related to costs and benefits of the project. Finally, the presence of a referee was a strong guarantee of inclusions of the outcomes in the project and therefore of changes in the distribution of costs and benefits.

In consequence, the distribution of costs and benefits was changed affected either by introducing changes in the project or by creating new aspects with impact in the distribution. Thus, as seen the change introduced to topics like compensations for lost profits, changing lifestyle, the withdraw of a general charge, the allocation stage system based on the 1m² for 1m² exchange in replacement units, the strata freezing, the possibility to keep the original location of former properties among others, influenced the distribution of costs and benefits making it more inequitable. Thus, due to the capacity to change the project in profound ways and discuss topics related to the distribution of costs and benefits through the coproduction and trade-off of agreements, the participation at this stage proved to have the potential to influence the distribution of cost and benefits

The influence of participation over the distribution of costs and benefits cannot be understood completely without comprehending that these processes are not static and therefore the

outcomes can be explained by the influence of several variables in the process. In other words, the outcomes are the result of a background story produced by the variables that have influence in a participatory process. This needs to be taken into account to see how the variables might work within a process of this nature. The variables are related to assets of the participants and show how the people by possessing those assets might use them to influence the process and with this influence the production of the outcome. In this case social capital and power through the concept of elite capture were assessed.

A brief analysis about this issue will take place relating both variables, since that way is easier to perceive how the participants used social capital and power throughout the process and under which conditions. In relation to the first stage, social capital and power proved to have incidence in the process and an indirect one in the production of the participatory outcome. This means indirect incidence in the distribution of costs and benefits. As seen, the conditions provided by the type of participation imply low inclusiveness of the people in the decision making process and a distant relationship between the policy designer (University) and the Committee. That is both parties did not have enough social capital between each other to obtain agreements. In fact, the mentioned conditions created disagreement among the community in relation to the project since a group of it did not agree with the project and was not feeling included. As a collective action instrument (Hong, 2007) the land readjustment experienced a collective action problem since part of the owners with important assets (Power and social capital) tried to block the project, were not feeling included and did not agree with the re-proposal. Thus, the Committee along with members of the community created pressure over the university and the planning secretariat influencing the process by provoking the aperture of an additional participatory space to discuss the project in depth. As seen, their close relationships (several interactions) political and community leadership and wealth by convoking people with fliers and meetings, allowed them to organize marches against the project. Moreover, networks of the committee were used through the support of newspaper articles and the presence of outsiders in marches and in discussions within the University. Also, they created pressure using their legal education by sending legal petitions to the SDP. Therefore, though social capital and power the Committee promoted and coordinated action to access the people in charge of the LR and to follow its interest of discussing the project with the university. In consequence, through their capacity to influence collective action, Social Capital and Power have shown to have incidence in the flow of the participatory process. Also, this represents an indirect influence in the production of the outcome since they impede the production of a definitive one.

In relation to the second stage social capital and power had a more direct incidence in the production of the participatory outcome. That is in the distribution of costs and benefits. As seen, the presence of partnership as kind of participation in the second stage, implied more citizen inclusive and open conditions to discuss the project and to generate changes on it. Within these conditions, the influence of social capital and power over the process and the final outcome becomes more direct since they helped the performance of the Committee in the discussions. First of all, as seen, the committee members used their political and professional networks to contact outsiders with experience in the urban field to support them and to make consultations about the topics and agreements discussed in the boards. Moreover, their high amount of resources among the community allowed them to hire a planner to advise them during the discussions. It was found his role was determinant for the performance of the Committee. Finally their previous related education and professional experience allowed them to have useful and technical interventions during the process.

In consequence, social capital and power (in its form of elite) features allowed a group of the community to discuss technical issues deeply in more equal conditions with the university. As a result, they captured the participatory process and managed to obtain several changes in benefit of the whole community. The best proof is that as seen by some technical changes made to the project like the ones of the distribution of charges and benefits were proposed by the Committee. Finally, the increase in social capital through more interactions between the Committee and the University and less between this one and the Community explain the capture of the process by the Committee. In consequence, during the second stage social capital and power were key to generate changes in the equitable distribution of costs and benefits of the LR within the participatory conditions provided by the partnership type of participation.

Therefore, it seems to be a positive correlation between the direct influence of variables like social capital and power on the process and its final outcome and the more inclusive conditions provided by a citizen inclusive type of participation like partnership.

Chapter 5: Conclusions and recommendations

5.1 Purpose of the Study

The main objective of the research is the understanding of the extent a participatory process, understood as a process influenced by several variables, can influence enhancing or undermining the equitable distribution of costs and benefits of the as a land value capture instrument in the Land Readjustment.

To understand the way participatory processes, understood as processes influenced by different variables, are carried out and how they lead to outcomes.

To examine and connect perceived changes of the configuration of the distribution of charges (costs) and benefits after the participation process with outcomes and process characteristics to establish possible influences of it on the distribution of costs and benefits of the Readjustment

5.2 Answering the research questions

How did the participatory process, of the triangle of Fenicia reached its final outcome? The scope of this question is to try to reconstruct the whole participation process thorough the analysis of four concepts that influence participatory processes: Type of participation, Social Capital, Power (Elite Capture) and Participatory. The influence of those concepts in the construction of the final outcome will be also analysed.

The process took place in two stages where the different concepts that influence community participation had different manifestations. First consultation and information type of participation took place in the first and second stages. They were characterized by bi-directional flows and one-directional flows of information respectively. There was no deep discussion and dialogues between the policy designers and the community in the form of feedbacks, questions solving, presentations, communications and collection of information. This confirms that larger projects like Fenicia present information and consultation type of participation (Bishop and Davis, 2002). In addition, the second stage showed a determinant partnership type of participation characterized by a coproduction of agreements and trade-offs (Arnstein, 1969). This level of participation showed the citizens discussing and producing the land instrument going into deep technical issues like the distribution of costs and benefits. This resembles clearly a partnership and wide (Cornwall, 2008) and inclusive (Stiglitz, 2002) participation since there is an active engagement in the decision making process (Bishop and Davis, 2002).

Secondly, the participatory process was characterized by several participatory spaces. During the first stage, group of interest meetings, plenary meeting and urban design workshops took place. Their objectives were to collect information from the community to build the proposal and to inform the people about what the project wanted to do. They had an open format allowing all inhabitants of the area to come with territorial or interest categorization. Moreover a democratic discussion criteria with no bans to intervene but a hierarchically decision criteria with no guarantee of inclusion of people's input. Finally, the discussed agenda was the one of the policy designer. Participatory results of these spaces were the urban design and the draft of the project which because of lack of documentation is difficult to know which of its components belong to participation. On the other hand, during the second stage only one participatory space took place. Its objective was to negotiate and discuss the project with the Committee No se tomen las Aguas. It had a format allowing anybody to assist but only the spokesman of the Committee could intervene. Most of the community did not assist, due to the

lack of identification with the space (Cornwall, 2008). Thus, less participants with a representative discussion criteria. Its decision criteria was democratic since it was focused on a generation of agreements between the parties. Also, it had a discussed agenda proposed by the committee closely related with distribution of costs and benefits. Thus, during first stage agendas and priorities that were external to the community managed to be labelled as “local knowledge” (Mansuri and Rao, 2004). In second stage the findings contradict the theory (Cornwall, 2008) because the agenda did not have to fit into the one of the University. Furthermore, the participatory result of this stage were several agreements that caused changes in the project. Thus, the outcome of the participatory space is the result of a complex relational picture (Cornwall, 2004). Finally an important finding not recognised in the literature for land readjustment is that the space included a referee in charge of demanding respect for the rules of the space and guaranteed that the parts reached an agreement.

Thirdly the mentioned type of participation and participatory spaces were influenced by social capital and power. Social capital showed to have important influence in two forms. First, during the process the first stage conditions produced low interactions (social relationships) between the University-Committee and high between the Community and them. This situation made the Committee to oppose the LR due to disagreement (Turk, 2008) and lack of inclusive participation. Therefore, through the use of networks to contact outsiders and the mobilization of the community (Karki, 2004), the Committee managed to open a new participatory space (second stage) for discussing the project, where the Committee - University interactions increased and several agreements took place influencing the final readjustment proposal. There, outsiders contacted by the Committee networks played an important role in the performance of the Committee to negotiate aspects of the readjustment and generate agreements in benefit of the community. Thus, social capital showed an important capacity to: first to generate coordinated action (Putnam et.al, 1993; Woolcock and Narayan, 2000), to pursue personal interests through the change of interactions among the actors (Baker, 1990). Secondly, to solve collective action problems through the change of interactions among the actors (Baker, 1990) and the role of networks (Ostrom and Ahn, 2003; Brehm and Rahm, 1997). Thirdly, to accrue benefits for the owners of this asset (Portes, 1998; Bordieu, 2001) through the consolidation of agreements in benefits of the community. Finally, to help the community through networks to solve problems that they may not be able to handle alone due to the lack of resources like enough technical knowledge to negotiate a LR (Woolcock, 1998).

Finally, power also influenced the process by allowing the Committee to have access to the policy designer to accrue benefits (Stiglitz, 2002). As discussed in chapter 4, the elite features of the Committee, wealth, education, networking and political authority, allowed them to capture the process through an exclusive space to discuss the readjustment between them and the university (Mansuri and Rao, 2004; Dasgupta and Beard, 2007). In addition, those elite features allowed the Committee to capture benefits by achieving agreements which implied several changes in the distribution of costs and benefits in favour of the community. The capacity of the Committee to negotiate technical aspects of the readjustment and to discuss the whole project, is explained by the urban specialized previous knowledge, education and networking of its members. Moreover, their capacity to hire an urban advisor empowered them to be able to change the project and influence its distribution of costs and benefits. Finally, several agreements were made at the end of the second stage of the process being those the final outcome of the whole process.

Literature, helped to explain these findings in the following way: Firstly, participation proved here to be a space that can be filled, emptied and appropriated by different actors (Cornwall,

2004;2008; Sinwell, 2010). Secondly, the role of a neutral expert advisor in LR, as a key for the success of the negotiation with the community has been found in several projects in California and Sweden, where the necessary expertise is placed at the owners disposal through official agents or external experts (Larsson, 1997). Thirdly, the capture of benefits that took place in this case consisted on the spread of the benefits among the community, especially the poor, constituting what the literature calls benevolent capture (Mansuri and Rao, 2004; Dasgupta and Beard, 2007). Fourthly, the lack of representativeness of the Committee contradicts literature that says that community spokesman of participatory spaces have the legitimacy to speak as a representative of the community that remains watchful outside the invited spaces (Cornwall, 2004). However, it confirms, that sometimes some self-selected representatives might speak for the community without any accountability or communication with them, but the result of their interventions will be taken as the result of the community and not of just one group (Cornwall, 2004). In addition, the elite capture here can be explained by the heterogeneity of the community since in these cases communities are more to be expected or reflect social orderings of long histories and deep-rooted power hierarchies (Mansuri and Rao, 2004).

In conclusion, Partnership as type of participation and the participatory space design of the second stage showed to be determinant in the production of the final outcome since they facilitated changes in the project and trade-off along with agreement building. In addition social capital and power showed to have a key role in creating the spaces of discussion and allowing the Committee and the policy designer to discuss the project and reach agreements as main and final outcome of this process.

Were the outcomes of the participation process incorporated in the final version of the readjustment representing a perceived change in the equitable distribution of charges and benefits? Why does this enhance or undermine the equity of the distribution? The scope of these questions is focused on two aspects: First, to establish the inclusion of the participation process outcomes that might influence the distribution of costs and benefits. Secondly, to analyse how the equity of the distribution changes with the inclusion of the participatory outcomes. For their linkage, both questions will be answered in this section. Due to the fact that the two sub questions are interlinked they will be answer jointly here, which will make the analysis easier and more understandable.

As discussed during chapter 4 the final main outcomes of the participatory process were several agreements that represented changes in the project. Those agreements were included in the Technical Document of Support and in the decree of approval of the readjustment signed by the mayor of Bogotá. They introduced several changes to the project that influenced and changed the equitable distribution of costs and benefits. As it was discussed they made the project more inequitable than it was.

The first change was related to several modifications in what the Colombian law calls the distribution of charges and benefits. As discussed in chapter 4, the changes were related to the withdraw of several charges (costs) from the original readjustment scheme like payments for land management transaction costs, of double counted expenditures and for enhancement and building of primary roads which due to the actors who benefit from them, were supposed to be paid in part by the city. Moreover, the agreements generated the inclusion or reaffirmation of benefits for the community in the forms of compensations for lost profits, transfers, adjustments and for change in lifestyle for the inhabitants with houses. Also, the financing of social programs for the poorest of the area reaffirmation and acquisition of larger financing to it by the city took place here.

As discussed in chapter 4, the changes introduced here made the readjustment more equitable since they avoided the allocation of windfalls to the University or to the benefited owners for the land management issue (Hong, 2007; Doebele, 1982). Moreover, they were in line with theory since transfer and adjustments along with lost profits need to be compensated since they are extra costs non recognized by the replacement units (Doebele, 1982; Hong, 2007; Turk, 2008). At the same time, in social program issues the burdens imposed cannot outweigh the owners capacity (Mathur, 2012). Also, the primary infrastructure to which benefit will go beyond the project area should be shared with the city (Turk, 2008; Turk, 2008;2007; Hong, 2007; Agrawal, 1999). However, in this case the agreement it was still inequitable since the payment was not shared in proportion to the benefit received, (Hong, 2007) but completely transferred to the city. Finally they obtained benefits in proportion to the costs paid in most of the cited cases (Hong, 2007; Doebele, 1982).

The second major change was related to the allocation system. This aspect was changed by proposals of the Committee and the University. In general it made the readjustment inequitable because it confirmed and refined the exchange method of 1m² of built area for 1m² of new built area for housing and commerce land uses. In this method the replacement units characteristics were going to be the same as the ones sold by the readjustment in the market to finance the project. As discussed in chapter 4, these changes made the readjustment inequitable since the allocation system does not take into account the differences between the original properties to allocate the replacement units, producing a worst treatment for the best properties than the one given to the ones with low values and low quality (Doebele, 1982; Hong, 2007; Turk, 2008). This produces allocation of windfalls (Doebele, 1982; Hong, 2007) and obtaining of benefits without paying a proportionate cost for it (Doebele, 1982; Hong, 2007).

Thirdly, the agreements of the participatory process confirmed a proposal made by the Committee and the University about the possibility for owners to obtain replacement units in the original location of their former properties. This changed the original scheme that proposed to give all the inhabitants of the area the replacement unit in a different location of the original properties. As discussed in chapter 4, this change made the readjustment more inequitable since it facilitates the allocation to the owners of the area of extra benefits like some factors that might increase the benefits of the project for them such as location land use, view, proximity to commercial areas, other public facilities and infrastructure (Li and Li, 2007). In fact, aspects like view, proximity to amenities, open spaces and infrastructure influence the price of a property (D'Acci, 2012). Therefore, this ends up in the earning of windfalls by the landowners (Doebele, 1982; Hong, 2007) and lack of proportion between the costs and benefits of the project (Doebele, 1982; Hong, 2007). However, this can be explained by the importance for the success of the negotiation with owner in a land readjustment scheme of allocating the replacement units close to the locations of their original properties (Hong, 2007).

Fourthly, as it was seen in chapter 4, the City froze the strata of the area, which was going to increase due to the renewal of the neighbourhood. This is not a change in the project itself but it is a consequence of the participation process that allocates benefits to the owners of the project area. Since strata increases due to the completion of the readjustment, it is a factor that influence the distribution of costs and benefits. This agreement makes the readjustment more inequitable within the Colombian context since, as it was seen in chapter 4, the strata is a cost that every Colombian citizen has to pay for the quality of the area where he/she lives. Therefore, since within the Colombian context (Law 388 of 1997 and its regulatory decrees) they are not paying for the benefit of living in a better area, the inhabitants of the triangle of Fenicia are receiving a windfall and affecting the proportion between the costs and benefits of the

readjustment by receiving more benefits than the ones they deserve (Hong, 2007; Doebele, 1982)

Fifthly, as it was discussed in chapter 4, another outcome of the participation process was the inclusion of a financing of the administration fee of the new buildings where the replacement units are going to be located. The financing is supposed to take place by renting commercial shops built in the first floor of those buildings and use the money of the rent to finance the administration fee of the original inhabitants of Fenicia. As it was discussed in chapter 4, the administration fee pays for the benefit of keeping the quality of the building like the cleaning of the common and garbage areas, among others. Thus, since they are not paying the cost for receiving the mentioned benefits they are earning windfalls and having disproportionate benefits compared to the costs paid for them, making the readjustment inequitable (Doebele, 1982; Hong, 2007).

Finally, the final change that took place in the project due to the outcomes of the participation process is the financing by the city of a local amenity located within the project area. As discussed in chapter 4, the location of the amenity shows that it is mainly going to benefit the project area. Moreover, in these cases the Colombian law assigns the construction of these amenities to the owners since it is a local charge. Therefore, since the inhabitants of Fenicia will not pay anything for an amenity that is going to benefit them, they are earning windfalls and having more benefits than costs paid, making the readjustment inequitable (Doebele, 1982; Hong, 2007)

Overall, the changes introduced to the project made the readjustment inequitable since the majority of the changes generated inequity in the distribution of costs and benefits. As seen, the participatory outcomes generated changes in the project that allocated several unpaid benefits to the owners. In this sense the costs were not paid in proportion to the benefits received making the owners to earn windfalls creating inequity in the distribution of costs and benefits of the readjustment (Doebele, 1982; Hong, 2007). As discussed, most of the changes introduced to the distribution of charges and benefits were aimed to generate equity among the distribution. However, the inequity generated by the other changes induced by the participation process distorted the mentioned equity. Thus, some of the compensations given to the community can be included within the several benefits that the replacement unit gives to the owners without making them pay for it.

Finally, with the answers collected an answer for the main research question can be formulated. The main research question was: To what extent did the community participation decision making process that took place in the land readjustment of the Triangle of Fenicia contribute to the enhancing or undermining of the equitable distribution of costs and benefits?

As discussed in chapter 4 the community participation process of the triangle of Fenicia contributed to the undermining of the equitable distribution of costs and benefits. In fact, the agreements that resulted from this process introduced several changes in the project that changed the equitable distribution of costs and benefits of the readjustment. As it was seen, those changes made the readjustment more inequitable since they allocated several benefits to the owners without making them pay for them. Thus, they received several windfalls.

Nevertheless, the impact caused was mainly determined by several variables that influenced a community participation process. First, a positive correlation was found between the change caused to the equitable distribution of costs and benefits and the type of participation and design of the participatory space. The more inclusive the participation the more changes and impact

on the equitable distribution of costs and benefits were caused. Thus, by having a partnership as the main type of participation, the participatory process produced agreements that ended up in changes to the distribution. Moreover, as discussed in the last section of chapter 4, since the participatory process takes place within participatory spaces they also play an important role in framing the outcome of the process. In Fenicia, the design of the second stage facilitated the generation of agreements and trade-offs which led to changes in the equitable distribution. These spaces are often structured and owned by those who provide them and they are designed to have an intended level of participation, because the design limits of allows what is possible (Cornwall, 2008). In countries like Japan the design of the space in land readjustment processes has been important in the generation of agreements with the owners, where in large projects all landowners select delegates to represent them. Even in local government projects a council of landowners is established (Sorensen, 2007). Furthermore, the mentioned changes can be explained by literature since partnership implies a coproduction of a service or policy between the citizens and the policy designer, which was something previously monopolized by the last one (Bishop and Davis, 2012). Moreover, the dynamics of participatory spaces play an important role in framing the outcome of the participatory process (Cornwall, 2004).

Finally, the participation process is a highly political process (Mickey and Mohan, 2005) embedded within a complicated context which makes it susceptible to be influenced by several variables like power or social capital. It was found that these variables were used to influence the process for obtaining the creation of another participatory space where the project was discussed. Moreover, the mentioned variables influenced the performance of the actors within the process, allowing them to reach agreements in their benefit. Literature explains this by stating that within participatory processes the actors carry relationships, knowledge, connections resources, identities and identifications (Cornwall, 2004). Thus, the final outcome of the participatory process, which is supposed to be the local knowledge given to the project is usually a construct of the planning context (Mansuri and Rao, 2004).

5.3 Limitations of the Research

First of all, the qualitative approach is a limitation of this research taking into account the kind of topic studied. The kind of research limits the analysis and conclusions of the study, because it does not allow to go into details or to formulate more definitive conclusions. As it was seen, the results of the research are qualitative indicators that suggest that the outcomes of the process create inequity in the readjustment according to theory. However, a quantitative approach would allow the researcher to formulate more definitive conclusions by confirming the indicators suggested by theory. For example, by confirming from the quantitative perspective how many of the compensations given can be included in the replacement units or how many agreements represent a quantitative windfall.

In addition, some unexplored issues are a limitation of the research. As it was seen, the community living in a diverse neighbourhood having of people of low, middle income and unemployed, among others. Thus, the socio-economic situation of each one of this subgroups is different. Since, several “social costs” were found, an interesting exercise would have been to make an analysis of the equitable distribution of costs and benefits in each of the cases.

Moreover, the project has not reached and end. It is still on going. Therefore, the results of this research are not definitive and constitute more indicators than definitive conclusions. A finalized project would have offered definitive values of land and properties or about the final strata that would allow the research to have specific data about the benefits obtained due to the readjustment.

Finally, the sample for reconstructing the participation process was based on the snowball and purposive technique. The original design was purposive and representative by block, but during the fieldwork it was evident that some of the interviewees did not know details about the participation process. Thus, the sample design had to change to snowball and purposive forgetting the block aspect. Therefore, it is difficult to determine the representativeness of details of the process like the representativeness of the Committee No se tomen las Aguas or the real level of inclusion of the inputs of the people in the proposal of the project during the first stage.

Due to the mentioned limitations, it is difficult to think of generalizing the results of this research. As discussed during the whole paper, some of its findings belong to an explorative research. Moreover, its qualitative approach and uniqueness within Bogotá makes it mandatory to make more case studies and a quantitative study to confirm the qualitative findings of this research and being able to generalize them. However, its findings are revelatory for theory of participation in land readjustment by suggesting that participation is likely to create inequity.

5.4 Contribution to theory

The current theory about participation in land readjustment processes only talks about the benefits of having the owners participating in the formulation of the Project. In fact, The literature says that direct participation which implies a final readjustment proposal that includes the inputs and concerns of the people (Yao, 2012; Demir and Yilmaz et al, 2012) empower the community to decide if the project is good or not for them (Hong, 2007) and is a guarantee of success due to the creation of support from the owners (Archer, 1992; Turk, 2008). Therefore, the current theory does not address the issues found in this research, like the way a participatory process can influence the equitable distribution of costs and benefits or how the variables of community participation interact and contribute to the production of that outcome. In addition, this research contributes a new indicator of being an elite, which is by having relevant work experience in the field of discussion in the participation process.

In addition, this research presented some findings of issues never addressed by theory. First, there were some costs and benefits of land readjustment of a different nature of the ones proposed by theory were found. These are based on the perception that owners have of them as costs and benefits caused by the instrument. I decided to call them Impact Costs and Impact Benefits. As discussed in chapter 4 they are impacts of the project on the community that are related to social costs like displacement of the area, and gentrification. These costs, as it was seen can have a representation in money. A possible interpretation of this finding could be through the theory about economic cost-benefit analysis (CBA) applied for government policies and projects, where the impacts of a policy on society are considered and assessed (Boardman, 2011).

Secondly, it was found that within the agendas discussed in the participation processes of land readjustment the topic of costs and benefits is key in negotiations and is claimed by the owners.

Thirdly, it was found that a third party intermediation was key for the agreements reached during the second stage of the process, which is something not studied within readjustment theory. As discussed in chapter 4 this party was the Veeduria and acted in the form of a referee to guarantee respect for the rules of the boards and the obtaining of agreements. This finding can be interpreted with theory of land sharing. This is an instrument similar to readjustment used to readjust areas subject to land conflicts due to their invasion by squatters but without displacing them. In this instrument the intermediation of a third party, usually a public agency, interested in amicable and just outcome is key for the success of the land sharing (Rabé, 2010).

Finally, it was found a slight modification to the area replacement unit allocation method explained by theory. This modification is focused on giving the same area as the original property.

Another contribution is that as Sinwell (2010) mentions theory about participatory spaces is not well developed about the way those spaces work. In that sense another finding is the discussion criteria of these spaces. That is to allow everybody to speak in the participatory meetings, or to allow only representatives to do it, despite having the presence of all the members of the community in the meetings.

5.5 Further research recommendations

This study opens possibilities for further research in the relationship between participation and LR distribution of costs and benefits land readjustment. First of all, some research can be performed in relation to the new theoretical findings of this research, in order to confirm and go deep in the issues mentioned in the last section.

Secondly, it is important to perform a quantitative research to test the findings of this study when the project is completed. Moreover, since the case studied in this research is unique in Bogotá it is important to develop several case studies about the same issue using other cases. The reason is that the case of Fenicia is the first readjustment where inclusive participation took place. Thus, in the future it would be important to develop single embedded cases to build a theory based on the findings of this study.

Thirdly, it is important to keep studying the case of Fenicia, since, according to the interviews, the Committee No se tomen las Aguas is still not in agreement with some aspects of the final readjustment proposal.

Finally, since as seen in the case of Fenicia the population of areas subject to renewal is socio-economically diverse, research could take place around the impacts of land readjustment in the different socio-economic segments of the population. Therefore, some research could be done about the costs and benefits experienced by the different types of owners of a land readjustment; low, middle and high income, among others.

5.6 Policy Recommendations

The city of Bogotá should revise its policy in land readjustment especially in the way they demand the payment of general and local charges from the owners. As discussed in chapter 4, the criteria for demanding the payment of general or local charges is the impact caused by the project, but not the benefit the owners will obtain from the road, amenity, square or park that is being made. Therefore, this policy is going against the equitable distribution of costs and benefits promoted by the law 388 of 1997 and its related decrees.

In addition, as it has been seen during this study more inclusive types of participation including inclusive participatory spaces designs that facilitate discussion of projects and policies with the people, along with the inclusion of their proposals and inputs on the final versions of those readjustments it is advisable for the city of Bogotá, to keep promoting participatory process in land readjustment of urban renewal.

Finally, promoters and municipalities need to be careful in the promotion and implementation of community participation processes in land readjustment. As seen in this study several complexities might arise which will end up in denaturalization of the instrument. This might provoke inequitable undesirable results in the final land readjustment proposal.

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Annex 1: Definitions of indicators

Tenants, Owners*: Tenant is defined as a person who does not have an ownership title over a property. He could be a resident because of the effect of a rental agreement, which gives him the right to use and enjoy but not to own the property. On the other hand, the owner is the person that has full rights over a property which besides use and enjoyment include abuse or disposition over the property as the person wants.

Representatives (legitimate or not)*: In this thesis a representative is a person who acts in the name of somebody else with a direct interest on the project. Its performance takes place in the meetings. Its decisions and acts represents the ones of the represented. They could be legitimate or illegitimate, the first one means that they are authorized by the represented through a document or other mean. The second one means that they do not have a direct authorization by the represented but they speak in his/her name. A representative could be part of the community or an outsider.

Other Stakeholders*: In this thesis other stakeholders is understood as all the actors with a direct interest on the project like municipality, developers, political parties, among others.

(Self)Excluded from the process*: According to the literature is related to the people that has not been invited to the process or those who exclude themselves of the process meetings because of reasons of lack of time, non interest, among others.

Motivations/Criteria to participate*. It is defined as the reasons of the participants to take part of the process.

Topics of discussion (location, cost/ benefits)*: The topics of discussion are the topics that were discussed during the participation process that are related to equitable distribution of costs and benefits. According to the literature these might be related to issues of location, land use, accessibility, participation in revenues of the project, discussion about public space or infrastructure building or direct discussion about distribution of the costs and benefits of the project.

Criteria for discussion and decision-making (Democracy/hierarchy/Representative)*. It is related to democratic or hierarchical decision making and discussion criteria. The literature does not give so many details, about this just mention those two criteria. In this thesis a hierarchical criteria would be one that is based on socio economic hierarchy where the decisions are taken by the higher integrants of community, like the leaders, the most rich, among others. A democratic criteria would one that allows the participants of the decision making process to arrive to decisions through consensus. For discussion criteria an additional criteria will be used. It is the representative criteria which is related to allow only spokes men to discuss in a participatory space

Participants with several/none participation*. Participants with several participation are participants with several number of presence in the meetings of the process and interventions on them. By contrast, none participation means low level of intervention on the meetings and low assistance to them

Final agreements.* They are related to the final formal agreements on the participation process that are backed up by an act or other formal document with the signatures of the main participants of the meeting or process where the decision was taken

Categorization of participants*: Is related to the way the organizers of the participatory process meetings divide the community. This could take place by making it into groups that

can be created with different criteria: area where the participants lives, income, interests, commercial activities, land use, among others.

Open/Closed event*: An open event is an event or meeting part of the participatory process which has allowed access to anybody who wants to assist. A closed event does not allow free access to anybody. It implies that only the invited people are allowed to assist.

Official/Unofficial meetings*: An official meeting is an event that took place by inviting formally the people through letters or flyers, had a specific schedule and was arranged in advance. An Informal meeting has not been arranged in advance, has no previous invitation and no schedule. It is spontaneous.

Annex 2: Universidad de los Andes Profile

Universidad de los Andes: The University played two roles. The first one is as the promoter of the readjustment, which by having this role was in charge of formulating the project. As it according to Colombian law, it is only obliged to formulate the project and socialize it with the inhabitants of the area about it, and try if he considers it appropriate to include their suggestions.

As a promoter, the profile of the University is quite impressive. First, according to the QS and Times higher education rankings (2015), it is the best University for Colombia and its one of the best 10 Universities in Latin America. It has 9 faculties (Humanities, Architecture, Social sciences, Law, Design, Economics, Business Administration, Engineering and Arts). It has more than 18332 undergrad and 4278 graduate students. More than 1495 teachers where the 69% has Ph.D. It is the University of the Elite of the country. Therefore, its budget is quite high. The operating costs have to be discounted, but since the semester fee is close to US\$4783.1, the University receives US\$175.367.578 a year only for undergraduate students fees plus what it receives for postgraduate and donations. This fact is given just to give an idea of the financial resources of the University which in fact according to the DTS invested up to 2014 US\$2.639.432,29 in the formulation of the land readjustment, where all of the studies developed to do it came from teachers and stuff working in the University (Universidad de los Andes, 2014).

On the other hand, as an owner of the project area, according to the DTS, the University only has 4 % of the plots and it is regulated by the same rules that any other owner that joined the project. In fact to build the already mentioned university campus building in the project area, it had to pay US\$4.644.191,12 for the land plus the building costs (Universidad de los Andes, 2014).

Annex 3: Coding table

Category	Code	Count	% Codes	Cases	% Cases
Stage 1	Type of Participation_Information_1 Direction information flow	10	1,30%	7	63,60%
Stage 1	Type of Participation_Consultation_InputsFeedback	4	0,50%	3	27,30%
Stage 1	SocialCapital_SocialRelationships_ConstantInteractionscommunity-project	19	2,50%	9	81,80%
Stage 0	Fragmented community	10	1,30%	5	45,50%
Stage 0	Lack of trust	6	0,80%	6	54,50%
Stage 1	Participatory Space_Design of the Space and Participants	25	3,30%	5	45,50%
Stage 1	Type of participation_Partnership_Coproductio	8	1,10%	5	45,50%
Stage 0	Background	15	2,00%	6	54,50%
Perception	Not important	5	0,70%	4	36,40%
The history	Story	24	3,20%	8	72,70%
Stage 1	Elite Capture_Education	5	0,70%	4	36,40%
Stage 1	Elite Capture_Income/Wealth	2	0,30%	1	9,10%
Stage 1	Elite Capture_Networking	5	0,70%	3	27,30%
Stage 1	Costs and Benefits	2	0,30%	1	9,10%
Stage 2	Participatory Space_Discussion_Topics-Decisionmaking.2	108	14,30%	9	81,80%
Stage 2	Participatory Space_Design of the SpaceandParticipants.2	72	9,50%	8	72,70%
Stage 2	Participatory Space_Outcomes-Agreements.2	51	6,80%	9	81,80%
Stage 2	Elite Capture_Education.2	51	6,80%	8	72,70%
Stage 2	Social Capital_Networks.2	39	5,20%	8	72,70%
Stage 1	Participatory Space_Discussion_Topics-Deciisionmaking	39	5,20%	8	72,70%
Stage 2	Social Capital_SocialRelationships.2	38	5,00%	9	81,80%
Stage 2	Elite Capture_Networks.2	34	4,50%	7	63,60%
Stage 2	Type of Participation_Partnership_Coproductio.2	18	2,40%	8	72,70%
Stage 2	Elite Capture_Political Authority	18	2,40%	5	45,50%
Stage 2	Elite Capture_MoreInterventions in process.2	14	1,90%	8	72,70%
Stage 2	Elite Capture_Income/Wealth.2	14	1,90%	7	63,60%
Stage 2	Future fights	14	1,90%	3	27,30%
Stage 1	Participatory Space_Outcomes-Agreements	13	1,70%	5	45,50%
Stage 2	Participatory Space_Discussion_Participants with+Interventions.2	10	1,30%	5	45,50%
Stage 2	Type of Participation_Partnership_Agreements-tradeoff.2	9	1,20%	5	45,50%
Stage 2	Type of Participation_Consultation_InputsFeedback.2	9	1,20%	4	36,40%
Perception	Reasons to not participate	8	1,10%	4	36,40%
Stage 2	Type of Participation_Partnership_Tradeoff	8	1,10%	3	27,30%
Stage 2	Human capital.2	8	1,10%	3	27,30%
Stage 1	Social Capital_Networks	6	0,80%	4	36,40%
Stage 2	Elite Capture_Positive Capture	6	0,80%	3	27,30%
Stage 1	Elite Capture_Political Authority.1	6	0,80%	2	18,20%
Stage 0	Overview of the plan	4	0,50%	2	18,20%
Stage 1	Elite Capture_More Interventions in Process	3	0,40%	3	27,30%
Stage 1	Human Capital	3	0,40%	2	18,20%
Stage 2	Financial Capital.2	2	0,30%	2	18,20%
Stage 2	Costs and benefits.2	2	0,30%	2	18,20%
Stage 1	Participatroy Space_Discussion_Participants with + interventions	2	0,30%	1	9,10%

Stage 2	Elite Capture_Repeated Interventions	2	0,30%	1	9,10%
Stage 1	Approaches to community outside process	1	0,10%	1	9,10%
Stage 0	Legal back up	1	0,10%	1	9,10%
Stage 2	Elite Capture_Capture of Benefits	1	0,10%	1	9,10%

Source: QDA Miner.

Annex 4: Interview scripts

PROJECT TEAM AND PLANNING SECRETARIAT

Interview Script.

Buenos días, mi nombre es Giovanni Perdomo y soy un estudiante de maestría en gestión y desarrollo urbano.

Estoy escribiendo mi tesis de maestría en el proceso de participación en casos de reajuste de tierras como el del triangulo de fenicia. Escogí este caso porque es único en relación con otros casos que han tomado lugar en la ciudad de Bogota, debido al fuerte proceso de participación que tuvo lugar en el proceso de aprobación del proyecto.

Esta entrevista tiene el objetivo de recolectar información para poder reconstruir lo que ocurrió en el proceso y como este ocurrió exactamente así como también que temas se discutieron y como los diferentes actores participaron, para poder saber la influencia del proceso en la propuesta final del proyecto. La información recolectada será utilizada únicamente para propósitos académicos y será tratada confidencialmente manteniendo anónima la identidad del entrevistado.

Si usted esta de acuerdo voy a grabar la entrevista lo cual me permitirá certificar la validez de la información recolectada en este entrevista e incrementará la validez de mi estudio.

Esta entrevista repasara todo el proceso de participación, haciendo énfasis en lo que ocurrió y los principales temas de discusión.

Cuestionario.

Nombre :

Ocupación:

Residente en Fenicia: Si___ no___

Hablaremos de que conoce sobre el proyecto del triangulo de fenicia. En que consiste el proyecto.

PARTICIPATORY INVITED SPACE AND TYPE OF PARTICIPATION.

De acuerdo a lo que se ha dicho hablemos un poco sobre cómo se desarrollo todo el proceso en mayor detalle.

Puede describir como ocurrió el proceso d participación?

Quienes fueron los principales participantes?

Quienes eran los lideres de no se tomen las aguas?

Como interactuaron ellos en el proceso de participación. Que hicieron?

Como estuvo diseñado el proceso? Hubo varias etapas? Como se diseño la participación en cada una?

Cuáles fueron los principales reclamos y peticiones de la comunidad?

Para cada etapa especifiquemos.

Que ocurrió y que se discutió en cada etapa?

Quien participo y que criterio de selección se tuvo? Como se categorizo o dividió a los participantes en el proceso? Por que? Alguien fue excluido?

La comunidad se organizo para participar? Quienes integraban esos grupos? Eran representativos de toda la comunidad? Por que?

Quienes eran sus lideres? Vivian en el barrio?

Como se diseño el proceso en cada etapa (open closed event; official unofficial meetings; hierarchical or democratic event configuration.)

Meetings? Official? unofficial?

Como se permitió que la gente participara en el proceso de aprobación del proyecto?

Recibieron únicamente información?

Se les permitió dar comentarios y retroalimentación al proyecto?

Cuales? Como se recolectaron?

Hubo algo mas? Negociaciones? Que elementos del proyecto se negociaron?

Que clase de aporte tuvo la comunidad en la producción de reglas o formulación del proyecto?

Fue un trabajo conjunto?

Que acuerdos se dieron con la comunidad? Que elementos se tuvieron que negociar y dejar de lado para alcanzar los acuerdos?

Que aportes hizo la comunidad para el proyecto en este proceso? Propuestas? Producción conjunta de reglas con el proyecto? Sabe si tuvieron algún tipo de asesoría externa y como la consiguieron?

La propuesta final fue producida por quien?

Ahora es importante profundizar mucho mas en lo que ocurrió en el proceso de participación.

Que se discutió en las reuniones en cada etapa?

Cuales fueron los principales temas de discusión?

Que argumentos se daban sobre esos temas por parte de la comunidad? Que se uso para argumentarlos?. Que respondió el proyecto a eso?

Como se tomaron las decisiones en el proceso? Bajo que criterio? Democrático jerárquico?

Que participantes o grupos de participantes tuvieron mas participación o interacción con ustedes y porque? En las reuniones y el proceso? Por que? Que tanto se reunió con estos participantes?

Y con los otros?

Como se resolvieron las discusiones? Que acuerdos se tuvieron? En cada etapa y en el proceso en general?

Que efecto tuvieron esos acuerdo en el proyecto? Es decir, los comentarios, retroalimentación y propuestas de la comunidad se incluyeron en la propuesta final de proyecto? Hubo un cambio perceptible en el proyecto como resultado del proceso de participación?

Que ocurrió con las demandas de no se tomen las aguas?

Todo esto que ocurrió era obligatorio? O que razones los llevaron a fomentar estos espacios de participación?

SOCIAL CAPITAL OF THE COMMUNITY FOR TRIANGULATION.

Ya hemos visto que hubo algo de oposición y que la gente logro obtener mas espacios d participación de los que la ley exige. Profundicemos en esto.

Como y quien organizo la oposición al proyecto?

Como la comunidad y el grupo de oposición logro obtener mas atención de planeación y del proyecto para obtener este espacio de participación(mesas de discusión, reuniones con veeduría,? Como se llego a esto y por que? Por la comunidad, otros grupos? Era obligatorio este tipo de participación?

Sabe si alguien estaba asesorando a la comunidad sobre como oponerse al proyecto o como actuar frente a este?. Quien? Hubo contacto frecuente con esas personas? Que tantas veces?

En relación con el grupo de oposición. Sabe usted detalles sobre ellos? Quienes son, donde viven? Pertenecían a partidos políticos? O alguna organización comunitaria del barrio o afuera?

ELITE CAPTURE.

Que propiedades tienen los miembros de no se tomen las aguas? Que estrato? Que valor tienen?

Y de participantes de otros grupos? Que parte de la comunidad representaban

Como la comunidad logro crear oposición al proyecto? Como lograron mas espacios de participación?

Cuántas chances tuvieron los de no se tomen las aguas y otras personas que no pertenecían a ese grupo de interactuar en el proceso con ustedes y la SDP? Que se discutió en esas reuniones, que se acordó y como?

Como fueron esas interacciones? Reuniones formales o informales?

BENEFICIOS

Questions for experts of the project team about costs and benefits

Podría explicar el sistema de distribución de cargas y beneficios?

Podría explicar en detalle la forma como los productos se van a asignar a los dueños de propiedades en el área?

Como cambio este procedimiento con el tiempo?

Como cambio la distribución de usos del suelo?

Que cambios tuvo este sistema debido al proceso de participación con la comunidad.?

COMMUNITY INTERVIEW

Interview script

Good morning, my name is Giovanni Perdomo and Im a master student of urban management and development.

I am developing my master thesis. My topic of interest is the participatory processes in cases of land readjustment like the Triangulo de Fenicia in the city of Bogota. I choose this case because of its uniqueness in relation to other cases in the city due to the strong participation process that took place.

This interview is going to take place to collect information that allows me to reconstruct what happened in that process and how all the actors participated. The information collected here will be used only for academic purposes and will be treated confidentially keeping anonymous the identity of the respondent. I am going to record the interview, which will allow me to cross check information and to increase the validity of my study.

The interview will review all the process of participation, making emphasis in what happened and the main issues of discussion.

Questionnaire

Nombre:

Ocupación:

Es residente: yes___ no___

Arrendatario: si—no—

Que sabe usted del proyecto del triangulo de fenicia?

ELITE CAPTURE

Cuál es su estrato?

Which is your level of education?

Private/public high school?

Private/public university?

Es propietario de alguna propiedad aquí en el barrio? Donde? Afuera?

Usted que precio le pone a su propiedad?

Es miembro de alguna asociación o grupo comunitario en el barrio?

Es miembro de algún partido político u organización comunitaria en el area? Quien si?

Que sabe usted del proyecto?

Como reaccionó usted al proyecto? que hizo?(sabe si se puede parar usando instituciones del estado)

Ha sido parte de protestas, discusiones y reuniones en relación al proyecto?

Reuniones para preparar lo anterior? Como y quien las organizo?

Como reaccionaron al proyecto? Contactaron algún asesor, que los ayudara a reaccionar? Como hicieron?

Cuantas chances pudo contactar y tener interacción con el equipo dle proyecto? Frecuente?

Meetings, informal encounters?

Process design and type of participation.

Can you describe how the participation process took place?

Quienes fueron los participes del proceso?

Líder de no s tomen las aguas?

Como estaba diseñado el proceso? Etapas?y las reuniones? (arbitro etc)

Cuales fueron los principales reclamos de ustedes como comunidad?

Como se enrolo en el proceso de participación?

If the process took place by stages can you specify for each stage:

Que paso y se discutió en cada etapa?

Quien participo y como estuvo categorizada la gente?

Como se diseño el proceso? (Indicators to look: open/closed event; official unofficial meetings; hierarchical or democratic event configuration)

Meetings? Official? unofficial?

Recibieron solo información?

Pudieron dar feedback?

Negociaron?

que se negocio?

Que razón los movió a negociar el proyecto?

La propuesta de ustedes fue apoyada por alguien externo?

Reglas producidas juntos?(decreto incluyeron cosas)

Hubo Escritura conjunta de las propuestas?

Que se discutió en las reuniones?

Que agenda se discutió?

Como se tomaban decisiones?

Que conclusiones y acuerdos hubo?

Que cambios tuvieron esos acuerdos en el proyecto? se incluyeron en la versión final?

Y lo que se discutió con no se tomen las aguas? Se incluyó?

SOCIAL CAPITAL

Como organizaron la oposición al proyecto? quien?

Como obtuvieron participación de la municipalidad y del equipo del proyecto?

Alguien los asesoro? Como? Para oponerse? Para participar? Quien?

Donde trabaja esta persona, lo contactaron frecuentemente?