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URBAN DEVELOPMENT/DEVELOPMENT PLAN & ITS IMPACT ON REAL ESTATE VALUATION

Urban geography studies how cities work, like how people live and work together, how money moves around, how different cultures mix, and how decisions are made. It also looks at how cities are planned and built to make them successful.

Urban development processes are strongly influenced by more general structural changes in society. Between 1990 and 2000, society underwent changes unprecedented in recent history. Urbanization patterns in the second half of the 20th century showed significant regional concentration, and one of the keys to urban prosperity is sustainable urban and regional development. The desirable sustainable development is not due to quantitative or non-controlled growth of the physical environment, but to a qualitative improvement that contributes to development related to growth, the relationship between human communities in the environment.

This is the difference between growth and development: there can be no infinite and continuous urban growth, but development is continuous, and it is territorial and sustainable urban development.

What is the need of development planning in India?

As cities become more populous and crowded, demands on urban infrastructure increase. If cities invest in innovative and effective sustainable practices, that same infrastructure can become greener and more efficient over time.

Urban planning affects our infrastructure, transportation system, the development, and prescribed densities of our Residential, Commercial, and Industrial areas and more.

Without such planning, our cities quickly become inefficient and uninviting for residents and businesses alike.

What is Development Plan?

The City Development Plan (CDP) is a global sustainable development plan for the city, focused on resolve problems in accordance with the medium and long term vision of the future and with the support of available financial resources.

Same can be described as a plan for the development of the area within the jurisdiction of a Planning Authority (Municipal Corporation/Council/Nagar Panchayat etc) and includes revision of a development plan and proposals of a Special Planning Authority for development of land within its jurisdictions.

What is Development?

Development means, subject to grammatical differences, the construction of buildings on or under land, engineering, mining or other undertakings, or any significant change in the use of buildings, land or other things. The alteration of the materials or structure of a historic structure or land (the construction of an existing building, structure or part of such a building, the construction and delivery of a structure to its condition, the correction and levelling, or the subdivision or development of any land must be interpreted accordingly.

The Main Objectives of the Development Plans

The Main objectives of the Development Plan are as follows:-

- a) To ensure proper utilization of land and guide further development in a disciplined and orderly manner.
- (b) To plan and provide the most efficient transport network to improve connectivity.
- (c) Create provisions related to social and physical infrastructure and minimize personal inequality.
- (d) To make provisions for redevelopment for slums, so that deprived class of the society can be brought in the main stream (k) To make the provisions for increasing the resources of the corporation to take up up-gradation, creation of infrastructure and creation of social amenities.
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SOCIAL INFRASTRUCTURE

A Development Plan also aims at creating an environment to enable the residents to enjoy the desired standard of living conditions in addition to ensuring orderly development of a city by prescribing the land use zoning and the transportation network along with provisions of proper development control. Therefore, it is necessary to study the existing level of social Infrastructure. The Government has laid down minimum essential standards for different social amenities comprising of educational, health, recreational facilities, in terms of area or number of sites required for the probable population of the city.

IMPACT OF DEVELOPMENT PLAN ON REAL ESTATE VALUATION

The process of urban development in urban areas has many effects not only on the spatial structure, but also on land development.

The economic value of lands included in the urban plan related to a particular urbanized use, Increases as the planning process develops on these lands. So that the economic valuation of land coincides with the parameters necessary for the sustainable development of cities and regions, when determining the value of land, it is important not to have expectations that are difficult or impossible to achieve, in order to eliminate speculative elements from the valuation.

The process of urban development brings about spatial changes and with them changes in property rights.

As a result, asset values also change. This linkage between spatial changes of associated property rights and property values represents an important element in understanding how property values change during the urban development process and the role of Municipal Planning as a value changing factor in the urban development process.

The valuation of the land in each year is carried out at the current time, and always considering the hypothesis that the land has the urban conditions of the future urban development.

In addition, local governments play a vital role in urban development, prior increasing urban land inputs to rapidly stimulate economic growth. Rapid land urbanization provides substantial capital to fund infrastructure projects resulting rise in Real Estate Property values significantly.

In urban renewal projects, changes in permitted floor area ratio (FAR), land uses, the location of public infrastructure, services, Transfer of Development Rights and so on , can increase property values. Also, property values increase during phases of land preparation because of the change in zoning (Residential, Industrial, Commercial, Public- Semipublic, Future Urbanization, etc) of the property from its previous use and the provision of new Developing zone & physical infrastructure such as roads, sewage, and electricity etc.

Now a days, In India most of the population shift from RURAL to URBAN areas, causing demand for the Real Estate .In addition to that, most of the people prefer to live outskirts of the Cities due to higher market rates in the core area & day by day increase in Traffic problems .

