

Challenges to business activities of private companies in crowded urban areas and examples of unique activities

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1. Introduction

The improvement of the disaster management capability in crowded urban areas is an urgent task. There is a need for effective ways to solve various problems, such as buildings that are not connected to roads that may slow down urban area development, such as reconstruction and issues related to complicated rights. In addition, under the strict financial limitations of administrations, private companies need to develop the environment through their daily business activities to accelerate physical improvements.

This paper reports the challenges of business activities of private companies in crowded urban areas that NILIM found through the investigation of private companies and examples that solved problems and resulted in physical improvement through the unique activities of private companies.

2. Challenges to business activities of private companies in crowded urban areas

NILIM conducted surveys through questionnaires and hearings with private companies (major house manufacturers, regional builders, developers, real estate companies, design offices, etc.) about the challenges they are facing when conducting businesses in crowded urban areas (received responses from 47 companies). The survey found the challenges that kept private companies from conducting businesses, such as the increased construction cost due to insufficiently developed roads, low profitability and marketability, difficulty in complying with laws and regulations in small lots and lots that are not connected to roads, complicated rights of leased land and housing, and lowered motivation to rebuild buildings due to the aging of landowners as well as inheritance and financial problems (see the figure).

3. Examples of unique activities of private companies to solve problems

This section would introduce examples of the unique activities of private companies that solved the problems of crowded urban areas and realized physical improvements found through hearings with private companies.

- [1] Realization of the improvement of lots (connecting roads to lots that had no road connections, expansion of small lots) through the reorganization of the series of small blocks using vacant lots and lots after removing vacant houses and the improvement of road conditions (widening of narrow roads, elimination of dead ends)
- [2] Realization of the arrangement of rights associated with leased land through the purchase of leasehold or land rights and the reorganization of lot borders and reselling the lots
- [3] Realization of rebuilding in lots without connections to roads by providing consultation on acquiring agreements and permits from the landowners of roads in regard to the Application for Permission under Article 43 of the Building Standards Act
- [4] The organization of the group of experts (experts in design, law, tax, real estate, finance, welfare, and other fields) to respond to various problems in crowded urban areas and landowners to coordinate problem-solving processes

4. Summary

The researchers are going to examine the development of the environment to solve problems while learning from challenges to conducting businesses in crowded urban areas and examples of unique activities of private companies found through surveys and plan to spread the know-how of urban development in crowded urban areas.

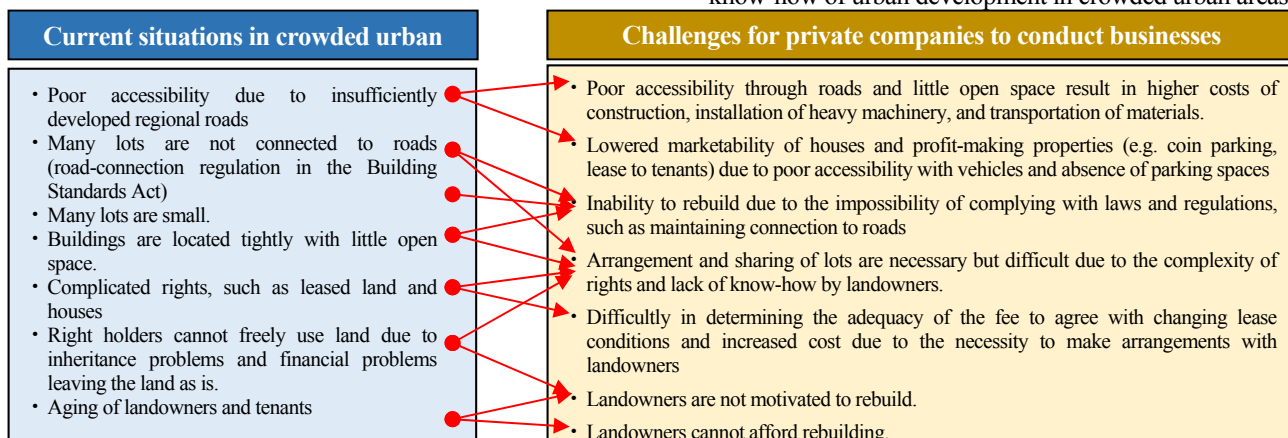


Figure: Current situations in crowded urban areas and challenges to conduct businesses found through questionnaires and hearing surveys with private companies