

10 Housing, Land and Public Works

[Awareness of the Issues]

Japanese cities have been facing competition with other cities in the world but still unable to solve long-standing problems, such as poor urban landscape, long-time commuting and chronic traffic congestion. A part of these problems is attributable to the regulations on urban structure. Although regulatory reform has steadily progressed through the enactment of the Special Act for Urban Renaissance (Law 22, 2002) and revision of various laws in recent years such as the City Planning Law (Law 100, 1968) and the Building Standard Law, these regulations on urban structure must be continuously reviewed in order to promote further urban regeneration. In this context, the following reforms are urgently required.

First, it is necessary to change the present horizontally congested but vertically unutilized city structure and to promote high utilization of metropolitan areas. It may be arguable that the floor area ratio regulation on residential buildings has increased prices and rents of residential houses in metropolitan areas. As a result, residential houses which can not be built in metropolitan areas are constructed in suburbs and the owners of these houses are forced to endure long-time commuting. It is necessary to construct cities that are highly attractive and internationally competitive by greatly increasing the supply of residential houses in metropolitan areas and building multi-functional and highly utilized cities with residential areas nearby. It will definitely improve convenience for increasing double-income families to live near workplace. In addition, peak load pricing policy should be introduced in railway fare, which will promote off-peak commuting and reduce congestion so that people will be able to commute comfortably. This may also help deregulate the floor area ratio regulation on office buildings.

Furthermore, in order to promote high-rise buildings and to utilize precious land in metropolitan areas, it is important to build urban infrastructure and promote redevelopment. Also it is necessary to make highly use of the land expropriation procedure for planned urban infrastructure such as planned city roads and to utilize road space so that some structure can be build over it.

It is necessary to review the ways and procedures of regulations in line with technological advance in order to build city structure rationally. There are many building and land use regulations that need to be reviewed as certain periods of time have elapsed since their enactment. For example, regulations on the pressurized smoke-proofing and smoke extraction system and technical standards such as those of parking area inlet/outlet

regulations and those of city park, must be reviewed in order to admit performance standards or to be used flexibly in accordance with the original intent of the laws. In addition, various procedures and regulations on business operations such as procedures of building large-scale retail stores should be rationalized .

Moreover, it is necessary to promote the build-up of a platform to help real estate markets to smoothly function while the vitalization of the real estate market is strongly required as a policy to accelerate structural reform toward economic vitalization. In particular, it is necessary to speedily and fairly perform the disposals of real estates held as collateral and secure its validity to smoothly execute debt collection with regard to the real estate auction system. However, under the existing system, there is also a case whereby real estates held as collateral are illegally occupied and the performance of official duties is obstructed. As countermeasures to the performance obstruction of official duties, it is necessary (1) to secure an opportunity that auction participants can inspect auction properties, (2) to have the occupant side demonstrate that the occupant has a legitimate property title and (3) to abolish the minimum selling amount system even under the Civil Execution Law (Law 4, 1979), as well as the abolition of the short-term lease protection system under the Civil Code (Law 89, 1896). If the short-term lease protection system is merely abolished and the minimum selling amount system still continues, for example, among these countermeasures, it is necessary to implement a batch of countermeasures to secure the validity of the real estate auction system since people who have obstructed the performance of official duties may probably abuse these existent systems more than before.

Now that the Japanese economy has entered an era in which it should have international competitiveness centering upon the tertiary industries located in big cities, we are determined to form a platform for national economic development by revitalizing Japanese cities with these reforms.

[Specific Measures]

1 Promotion of High Efficiency and High Utilization in Metropolitan Areas

(1) Positive usage of the Land Expropriation Law (Law 219, 1951) and Arrangements of Urban Transportation Platforms or the like [To be implemented in successive steps from FY 2002]

When public works such as planned city roads are implemented, it is important to establish a proper project plan, comprehensively taking into account the budget, an implementation system or the like and initiate the expropriation procedure at an

appropriate time.

For that purpose, it is extremely important to abide by the rule that states “the authorities should initiate land expropriation procedures by the time when the land acquisition ratio reaches 80% or by the time when three years have elapsed since the piling of land area piles, whichever comes earlier, from the viewpoint of the appropriation of project progress management including the city planning project.” Accordingly, this rule should be thoroughly publicized to the project proprietor (including officials in charge of site land) and residents as a live measure. In addition, the project proprietor should be thoroughly requested to publicize the progress of land acquisition, the prospect of the project, the reasons and corresponding measures if the project term is extended or the like by making use of the Internet, from the viewpoint that the project proprietor is asked to fully carry out accountability for the progress management of the project. Furthermore, it is necessary to positively utilize a private compensation consultant, an alternate land information providing system and the compensation money arbitration system.

In addition, it is important to make efforts to achieve the early arrangement target of planned city roads in which the arrangements are not in progress after deciding upon the arrangement target in order to realize the build-up of international standard cities. The handling of these issues as completion term declaration routes should be enlarged, completion and in-service periods should be expressly indicated and handling to expedite in-service should be strengthened from such standpoints.

(2) Study for initiating consolidated usage areas in metropolitan areas or the like

Although the demand for adjacent workplace and residence is high, the number of residents in metropolitan areas is quite small and the majority of people who work in metropolitan areas have been forced to commute a long time.

It is necessary to encourage more people to live in metropolitan areas and positively promote composite applications in metropolitan areas in order to greatly increase the number of people who are able to enjoy an adjacent workplace and residence. This helps increase life style options in metropolitan areas and international competitiveness through the formation of attractive cities.

For that purpose, it is necessary to promote the positive utilization of city revitalization special districts, the floor area ratio type district plan by applications or the like in order to promote composite applications in areas where an adjacent workplace and residence in metropolitan areas is required. **[To be implemented in successive steps from FY 2002]**

Furthermore, although the purpose of floor area ratio restrictions has been

conventionally intended to restrict infrastructure impact and maintain a good city environment, the purpose of floor area ratio restrictions in metropolitan areas should be intended to restrict infrastructure impact in the intermediate term, as well as to seek orientation to secure the maintenance of a good city district environment by the restriction of forms, and it is necessary to review the purpose of the application district system or the like and an approach to realize it. When reviewing the system, it is necessary to also review the creation of “a consolidated application district” which positively induces composite applications in metropolitan areas or the like. **[To be implemented in successive steps from FY 2003]**

In addition, it is also necessary to rationalize the provisions on lighting of residential houses in order to promote the conversion of offices or the like to dwelling houses. **[To be implemented in FY 2002]**

(3) Promotion of Three-Dimensional Space Utilization of Road Space and Buildings [Study started in FY 2002 and to be concluded after FY 2003]

The construction of buildings on roads are in principle prohibited under the Building Standard Law and only as exceptional measures, is it possible to construct underground structures, structures required for public interest, structures provided in the sky or underground of roads or the like, in-service transportation of cars in planned district areas, public galleries, connecting passageways, structures provided on the upper part of roads in-service for transportation of cars in highly utilized areas or the like, structures provided under high-level roads, resting-places provided in roads in-service for transportation of cars or the like. However, increased three-dimensional road space and structure utilization is required in order to respond to the needs of the high utilization of metropolitan areas.

For that purpose, the promotion of three-dimensional road space and structure utilization should be reviewed by clarifying the orientation in urban planning, if land utilization is legitimately and reasonably promoted, there are no obstructions from the viewpoints of evacuation, fire fighting, fire spread prevention and the formation of a good city area environment such as lighting and ventilation, and there are no obstructions in road control such as the maintenance of road structures, and the security of safe and smooth traffic transportation.

(4) Rationalization of Height Restrictions of Structures pursuant to the Air Navigation Law [Study started in FY 2002 and certain conclusions targeted to be made in FY 2003]

With regard to structures in areas adjacent to air ports, height regulations (so-called “restricted surface” regulations) corresponding to distances from air ports or the like is implemented based on the Air Navigation Law, as well as under the Building Standard Law, from the viewpoint of securing navigational safety.

Particularly, since, with regard to the regulations of major airports adjacent to metropolitan areas, the regulation established in 1955 remains intact and no review has been conducted since then, the regulation has been an obstacle to realize high utilization.

Accordingly, the restricted surface should be reviewed, fully taking into account navigational security and the necessity of environmental aspects considering natural and geographical conditions such as the weather and topography under which each airport is located, the geographical and social conditions of locations such as densely populated city areas, seaports congested with ships or the like to which they are adjacent and the actual navigation situations of airplanes, verifying the rationality of the existing restricted surface again and considering the needs of high utilization in metropolitan areas.

(5) Rationalization of obstacle lights regulation [Study started study in FY 2002 and to be concluded in FY 2003]

With regard to structures with a height of 60m or higher from the ground or water surface, such structures are subject to the installation of obstacle lights pursuant to the Civil Aviation Law from the viewpoint of securing the safe navigation of airplanes. Although the present framework of this system was established in 1960, thereafter, multi-story buildings have significantly increased thanks to an advancement in building techniques and the grouping of multi-story buildings accompanying the progress of city developments and thus, the environment surrounding the regulation of obstacle lights has greatly changed since the 1960s. Under such circumstances, the installation standard of obstacle lights was considerably deregulated in 2000 and 2001, which can be evaluated.

However, further deregulation should be implemented by performing a review on the deregulation including the measures that regulate the number of obstacle lights, luminous intensity, flickering cycle or the like. These measures should be minimized so that the lighting-up of buildings can replace the installation of the obstacle lights, after securing the safe navigation of airplanes in order to help correspond to further progress in the high utilization of metropolitan areas and improving a city landscape harmonized with fine city spectacles by lighting-up or the like.

(6) Review of countermeasures to interference of important radio communication radio

wave propagation [Study started in FY 2002 and to be concluded in FY 2003]

With regard to structures with a height of more than 31m (equivalent to a 10-story building or more) under the Radio Wave Law (Law 131, 1950), a countermeasure to radio wave propagation interference of important radio communication may be required. There is a concern that countermeasures to multi-story buildings will increase while multi-story buildings are becoming widespread. In addition, countermeasures to radio wave propagation interference are centered upon ex-post methods such as the installation of repeating antennas.

Accordingly, with the future progress of high utilization of metropolitan areas in mind, there should be a review on smoothening the procedures such as consultations including basic ideas when consulting radio wave propagation interference between the licensor at the radio station of an important radio communication and the building contractor, the flow of the procedures from consultations to intercession, and the approaches of providing information between these parties concerned.

(7) Promotion of elevator utilization at the time of evacuation [Study started in FY 2002 and to be concluded in FY 2003]

With regard to building elevators, at present, an elevator is operated so as to run to an evacuation floor where the elevator is stopped at the time of fire and so as to run to the nearest floor where the elevator is stopped at the time of earthquakes or the like. People are free to use elevators as a means of evacuation in terms of the Law and Regulations but it is essentially impossible. On the other hand, since, with regard to elevator which have to be compulsorily installed in buildings with a height of 31m or higher by law, an emergency elevator is installed for use in fire prevention activities and relief activities by a fire team at the time of fire, such an elevator can not be basically employed as a means of evacuation.

With the further advancement of Manhattanization of buildings and the aging society in cities in the future, in order to secure safe and quick evacuation of physically handicapped people, the aged or the like such as wheelchair-users at the time of disaster, the utilization of an elevator as a means of evacuation should be reviewed including the software aspects (such as evacuation methods), fully considering the safety of elevators (including stand-by places around the elevator).

(8) Disclosure of assessment of projects at airports [To be implemented in successive steps after FY 2002]

In implementing airport arrangement projects, it is determined that an assessment when a

project is newly adopted, a reassessment after a certain period of time has elapsed after its adoption and an ex-post assessment after the project is implemented should be performed and it is also determined that a proper project assessment should be performed at each stage of the project. In addition, these assessment results should be publicized through the Internet and a transparency improvement in airport arrangement projects should be steadily promoted.

On the other hand, since, with regard to airport arrangement projects initiated before the project assessment system is introduced, project assessment when a project is newly adopted is not performed, the cost used for the project as well as the convenience of having a major airport in an easily understandable form should be publicized in order to better heighten transparency in airport arrangement projects and get people at large to understand airports in cities which help enhance convenience and competitiveness.

(9) Improvement of efficiency in control service of illegal parking by promoting entrustment of the service to the private sector [To be concluded in FY 2003] <"Review of the public sector-led market by expanding access of the private sector to the market"
(1) Partial redescription of item (8)>

It is important to solve the problem of illegal parking in order to ease traffic jams and realize efficient economic activities in cities. It is necessary to promote the entrustment of the service to the private sector in order to efficiently control illegal parking in metropolitan areas. Although the entrustment of the service is limited to warnings to illegally parked vehicles under the existing system, "what the legal system on illegal parking should be" should be reviewed, widely taking up the opinions from the people at large so as to be able to largely entrust illegal parking control services on the sites to the private sector in the future.

2 Review of procedures corresponding to requests in a new age

(1) Review of the promotion policy of urban area redevelopment projects [Study started in FY 2002 and to be concluded in FY 2003]

The Urban Renewal Law (Law 38, 1969) provides that it is a sine qua non that two-thirds of the number of locators and acreage in the enforcement area agree to the establishment of a union when the union of the first class urban redevelopment project is established. However, although a degree of maturity toward the realization of development projects substantially rises, there may be a case where the ratio of agreement in the number of locators decreases since there are locators who assign their rights to others and

leave the area before the urban redevelopment union is established, for example, in the process of proceeding with the redevelopment project.

Since the union is an autonomous organization comprised of land owners or the like and the democratic operation of the union is secured, there should be a review on what policies are deemed possible as policies that a private principal organization including the union more smoothly boosts with regard to projects where there are a particular number of land owners in an urban development project having a public nature such as reasonable and sound high utilization of lands in urban areas and helping update urban functions, taking into account the compulsory establishment of the union is permitted.

(2) Review of building check/inspection services and temporary use procedures

Although buildings are subject to inspections to ensure that they comply with building standard related regulations at the time of completion, and the building can not be used after the inspection certificate is issued, the building including all the aspects such as interior finishing must be completed in order to undergo such an inspection. However, there may be a case where a building cannot undergo an inspection, since tenants for all office spaces are not decided when the building is completed and the interior works of each office space must be sequentially performed as soon as a tenant for each office space is found. In such a case, in order to smoothly and effectively promote building utilization, the employment of a system whereby an object office space for approval is sequentially added from office spaces for which the interior works are completed should be further promoted with regard to the temporary use approval system that a part of the building can be used. In addition, concerning the temporary use approval system of buildings, rapid procedures should be promoted by clarifying the approval standards through the typification of conditions of hardware aspects and software aspects or the like if it can be judged that the building has no safety problems, fire prevention and evacuation, and by setting standards for clerical processing periods or the like. **[To be implemented in FY 2003]**

Furthermore, under conditions where the securitization of real estate is progressing, there arises a need to assess earthquake proof performance of the parts other than unfinished parts and to provide the information thereof, where, for example, ceiling panels are not installed though lighting setups and disaster prevention equipment or the like are installed. Therefore, as regards buildings with unfinished interiors, etc., a study should be undertaken on how reliable civilian agencies assess earthquake proof performance, etc. and provide the information according to client requests. **[Study started in FY 2002 and to be concluded in FY 2003]**

(3) Rationalization of procedures for Large Retail Stores Location Law [To be implemented in FY 2002]

The Large-Scale Retail Stores Location Law (Law 91, 1998. Hereinafter referred to as "Large-Scale Retail Stores Location Law") was established in order to attempt to maintain the environment of surrounding areas by securing proper consideration of installation parties with regard to the securement of parking areas, noise countermeasures, waste disposal and the like accompanied by the new construction of large retail stores.

However, procedures for businesses accompanied by a city planning decision and businesses requiring environmental assessment procedures, etc. may be redundant with a substantial part of the examination contents and procedures of the Large Retail Stores Location Law, since those businesses were started after in-depth discussion and meetings to explain to local residents and the like.

Therefore, as regards those businesses whose examination and procedures are similar to those of the Large-Scale Retail Stores Location Law, such as city planning procedures and environmental assessment procedures or the like are implemented in advance, based on other laws and regulations, request for simplification, omission, and speedup of the Large-Scale Retail Stores Location Law examination should be made to prefectural governors who manage the Large-Scale Retail Stores Location Law.

(4) Correction of direction related to fire prevention and construction [To be implemented in FY 2002]

Fire prevention departments of local authorities sometimes give direction that exceeds the level obliged by law, such as requests for the installation of an emergency heliport or the like, in order to make it easier to save human lives in disasters such as fire in high-rise buildings, etc.

It is pointed out that there exist directions requiring accordance with the previous standard for rating before setting performance regulations. For example, in building verification, specific intendance or designated verification organizations require disaster prevention evaluation or structure evaluation (for buildings with a height of over 45 m and 60 m or less), which was implemented before performance regulations.

Fundamentally, these directions are not accompanied with authorization, but rather request voluntary cooperation. This has been publicized to local authorities through a notice, but should now be thoroughly publicized.

3. Promotion of performance regulation

(1) Organizing and rationalizing redundant regulations [Study started in FY 2002 and to be implemented in successive steps]

A smoke control system is the system to save human lives from exhaust smoke caused by fire. While regulations of the Fire Defense Law intend that the smoke control system does not become an obstacle to fire fighting, regulations of the Building Standard Law intend that it does not become an obstacle to evacuation. Historically, there have been regulations only for the Fire Defense Law. However, as regulations of the Building Standard Law have been established gradually, in the current operation, smoke control systems can be installed generally based on standards of the Building Standard Law even if both laws are applied. In the future as well, in cases such as the above, the full cooperation between government agencies presiding over related regulations should be promoted, and if the need arises due to law revision and the like, procedures necessary for unified operation should be defined between presiding government agencies and should be announced.

Furthermore, under the Building Standard Law, the deregulation of fire zones and interior fireproofing are allowed in cases where a sprinkler system is installed. On the contrary, under the Fire Defense Law, the installation of a sprinkler system is releasable for a fire-zoned plot room. As just described, in the future as well, organizing and rationalizing between regulations having alternative contents should be promoted if the need arises, in consideration of technology level improvements, etc.

(2) Rationalization of performance regulations of the Fire Defense Law and the Building Standard Law [Study started in FY 2002 and to be implemented in successive steps]

As for the Building Standard Law, in 2000, a system allowing the adoption of various materials, structure methods and the like in respect of structure, the main structural part of fire retardants and fireproof buildings, etc if specified performance is met (so called "performance regulation") was added as an option, in addition to the system regulating specific materials, sizes, etc. (so called "specification regulation"). As regards the related Fire Defense Law, compliance with performance regulations of the Building Standard Law should be secured, and performance should be regulated as long as possible in respect of fire service facilities and facilities necessary for fire service, which are regulated in the Fire Defense Law.

Under the Building Standard Law as well, necessary performance regulations accompanying performance regulations of the Fire Defense Law should be organized and rationalized.

(3) Review of procedures related to pressurized smoke-proofing and smoke extraction

systems

Based on the Building Standard Law, out of smoke control system for the safety of evacuation, pressurized smoke-proofing and smoke extraction systems is a sophisticated system that should verify evacuation safety based on the form of individual buildings, and control aeration smoke control systems. Therefore, the pressurized smoke proofing and smoke extraction systems shall be certified by the minister individually. The system's safety is high if appropriately planned and controlled, and currently, it is mainly adopted in high-rise buildings. Before amendment to the Building Standard Law in 2000, the attached rooms of emergency stairs could serve as emergency elevator lobbies as well, and vice versa, and there were many cases of this form of use being adopted. However, after the amendment, such usage was not approved.

In future, pressurized smoke proofing and smoke extraction systems should be studied so that they can be adopted not by the minister's approval but by building verification by building district surveyors, including engineering perspectives. On these occasions, a study should be undertaken to allow the smoke control system to serve as ventilation fan (exhaust fan) for general ventilation. **[Study started in FY 2002 and to be concluded in FY 2004]**

Furthermore, when adopting pressurized smoke proofing and smoke extraction systems, the dual use of attached rooms of emergency stairs and emergency elevator lobbies should be studied under performance regulations of the Fire Defense Law. Then, based on the results, the dual use of attached rooms of emergency stairs and emergency elevator lobbies should be studied under the Building Standard Law as well. **[To be studied in successive steps]**

(4) Flexible operation of parking area inlet/outlet regulations [Study started in FY 2002 and to be concluded in FY 2003]

As for the installation of over-specified-sized large outdoor parking areas, in accordance with the provisions of Article 7 of the cabinet order of the Parking Law (Cabinet order No. 340, 1957), from the viewpoint of securement of safe and smooth road communication, inlet/outlets cannot be located within 5m from the side edge of a crossing, and the outlet shall be isolated from the inlet by 10m or more. However, in some large development works and the like, safe and smooth road communication may be secured by equipping inlets and outlets of outdoor parking within crossings, by equipping inlets and outlets at the same place, etc.

Therefore, if the securement of safe and smooth road communication is acknowledged, the flexible operation of regulations should be studied to allow for flexible

handling as to regulations about parking areas inlet/outlet of the cabinet order of such law.

(5) Flexible operation of technical standards of city parks [Study started in FY 2002 and to be implemented in FY 2003]

Under the City Park Law (Law 79, 1956) and the cabinet order of such law (Cabinet order No. 290, 1956), technical standards are established in the regulations concerning the standard for layout and size of city parks, the installation standard of park facilities, occupancy restrictions and the like. With these technical standards, the systematic and rational development of city parks has been attempted, and city parks have been appropriately saved with their function demonstrated.

However, these technical standards were developed mainly in order to form good housing suburbs. Therefore, there are some situations where nationally unified standards are not necessarily adequate for some suburbs. Based on improvements in the development level of city parks, from the viewpoint of further promoting the development and administration of city parks according to actual local conditions, it is necessary to allow more flexible operation of these technical standards.

Therefore, in the future, a more flexible operation should be encouraged concerning installation standards of city parks, park facilities, and occupancy properties in order to flexibly address situations that various suburbs are formed under local nature and history characteristics and the like.

4. Development of the real estate market

(1) Information disclosure of real estate transaction prices [Study started in FY 2002 and to be concluded in FY 2003]

It is essential to comprehend and disclose transaction price information of real estate, in order to dispel opacity and uncertainty among real estate transactions, form a real estate market and securitized real estate market, which are reliable for investors, and to promote real estate liquidation. However, under current circumstances, it is difficult to comprehend and disclose real estate transaction price information and to allow it to be widely and generally known by citizens. An institutional framework does not exist as well. The summary of the Land Policy Council in 1999 said transaction price is not information related to individual basic human rights, and appropriate measures should be taken as to its disclosure. However, subsequent engagement in information disclosure showed no great progress.

Therefore, aiming at comprehension and disclosure of information of real estate

transaction prices, related intendance such as Justice Ministry centering on Ministry of Land, Infrastructure and Transport should cooperate to study ways of comprehension and provision of trading cases.

(2) System development for the promotion of asset liquidation

< Forecited in “Finance” 2 >