

# Active Land Policy for Social Equity: A Housing Development Toolkit

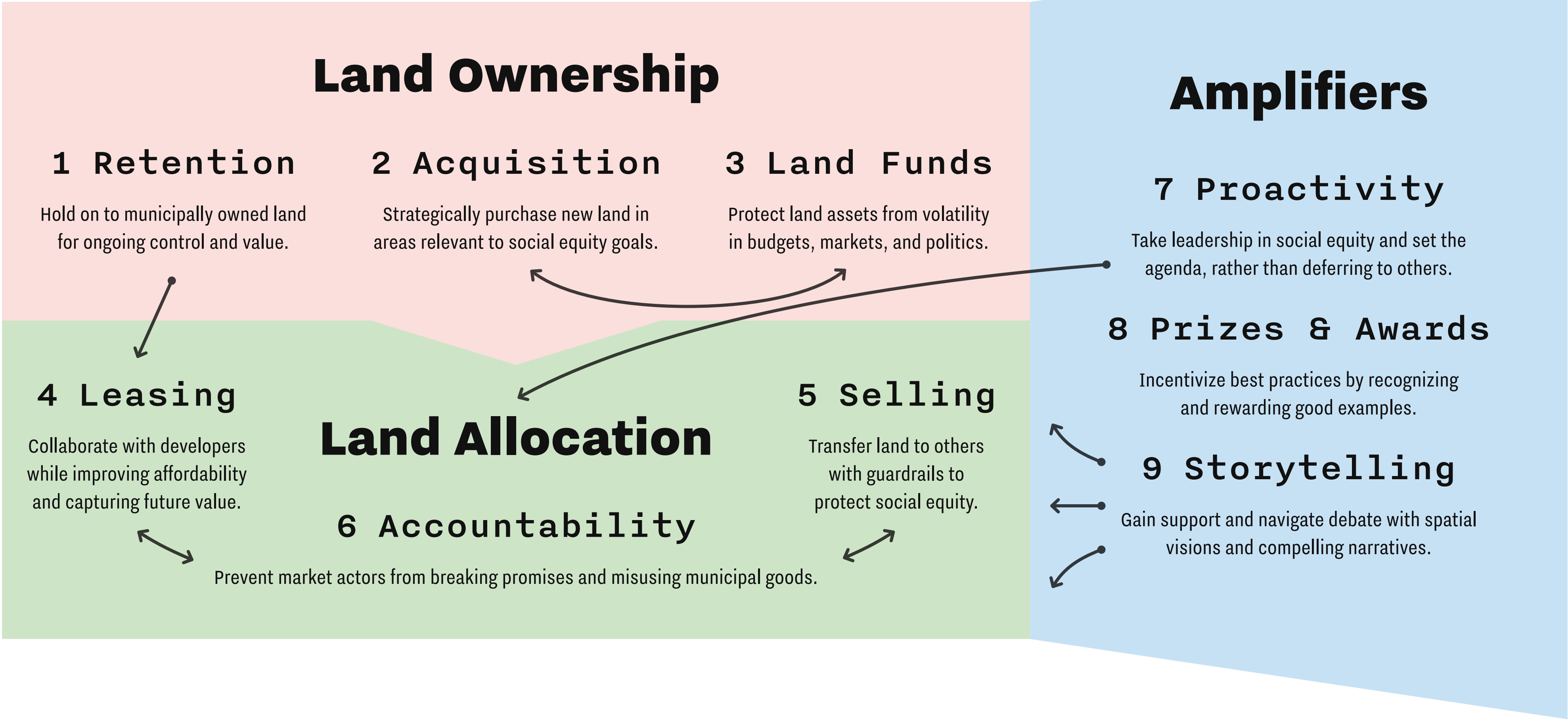
## Project Aims:

Our goal is to give Järfälla municipality tools to **increase their agency** in questions of **social equity**. There are tools that Järfälla and many other municipalities are currently not using but that would allow them to make greater progress towards their social equity goals. The key topics we identified and decided to focus on are **housing development** and **municipal land ownership**.

## Proposed Ownership Policy:

**Retaining Ownership Through Leasing • 1** A shift towards **leasing** land rather than selling it is proposed, using “tomträtter” to do so. Leasing gives the municipality **control** and ability to change land use over time. Tenancy types like rentals and purposes like student housing can be set. Leasing also gives a stable and **continuous income** over time rather than single, market-dependent payouts. Income also corresponds to investments that are made. Building costs are reduced which makes it easier to build rental apartments. We only imagine using leasing for rental apartments, to avoid issues of unexpected fee increases.

## Toolkit:



## Proposed Allocation Strategy:

**Leasing • 4** A leasing strategy is proposed for Järfälla that has the purpose of building **affordable** rental apartments, like in Solna. Allocating through leasing could also be aimed at **specific groups** like LSS or students. The process of leasing would use independent evaluations of land values and then give a subsidy of 30% to ensure that rentals can be built when deciding the fee.

**Selling With Conditions • 5** When selling, the municipality must set clearly formulated demands that cannot be ignored. It must be brave in including **social equity demands** while also finding a balance where developers want to build. Like in Gothenburg, developers can compete in providing

We have developed a **toolkit** that presents **9 tools** (see diagram below) to help municipalities achieve their social equity goals. The toolkit is inspired by the project context in Järfälla, but it is equally relevant to any Swedish municipality that is struggling to reach its social equity goals.

We also apply this toolkit to make **specific suggestions for Järfälla** (see below). In our report, we also provide an overview of the relevant legal context, and explain the benefit of each tool, when it is

**Acquiring Land • 2** Järfälla already owns a lot of land, but a strategy should be added for **how, where and when** to buy land. It is important to own the land before pointing out an area as developable to retain maximum **agency**.

**Land Funds • 3** It is proposed to **decouple** municipally owned land from the rest of the budget using land funds. The land is put into a fund and all income from selling and leasing is added to it. Land can only be used for **specific purposes**, like building certain housing. We argue that this helps a shift in perspective where holes in the budget are not filled with land sales. Rather land can be used strategically to **fulfill social goals**.

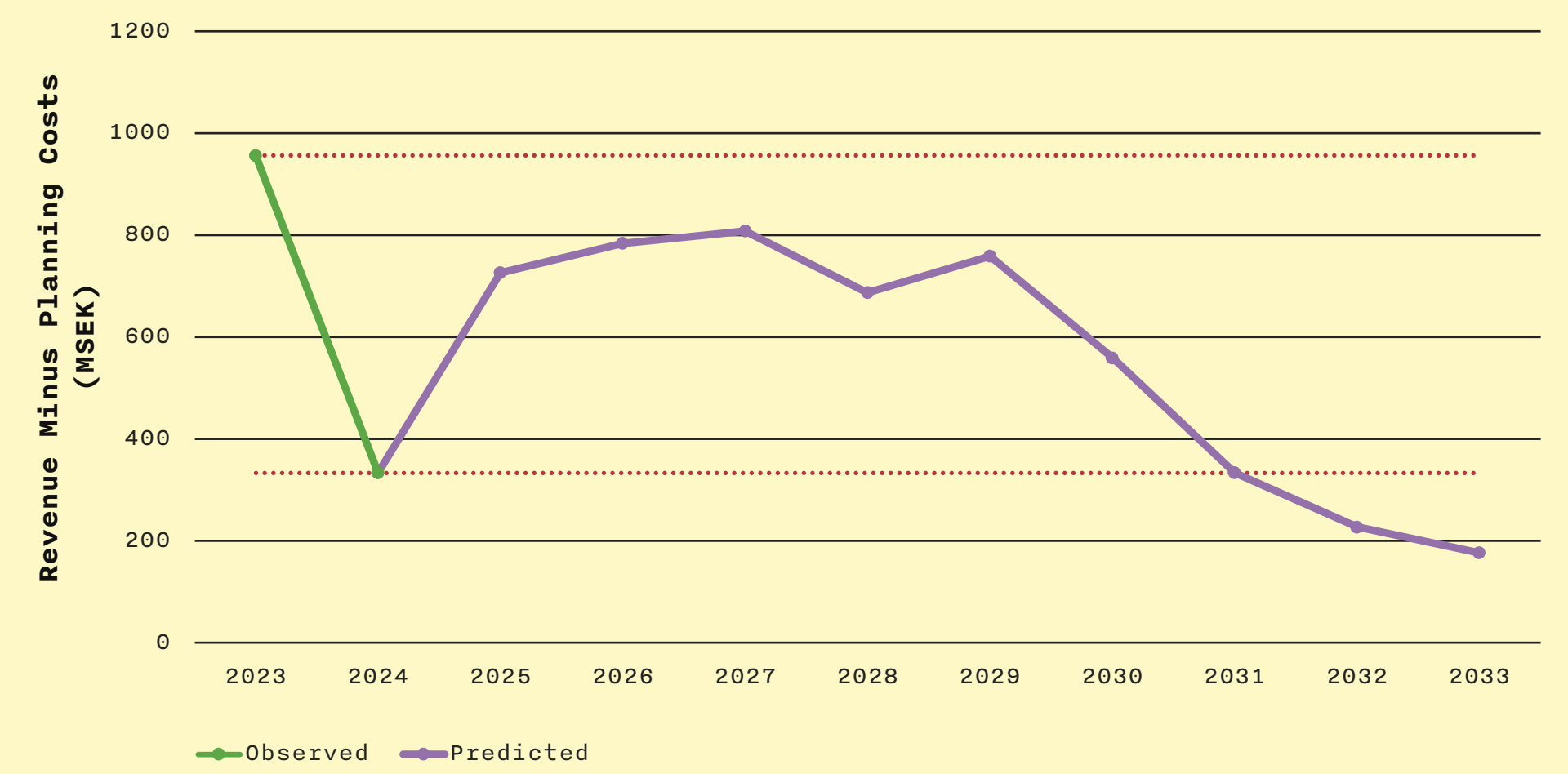
**affordability** based on rent-setting norms. The municipality can also earmark apartments for a **social housing queue**. The timing of allocation is also important, as the municipality has more control later in the process.

**Accountability • 6** To facilitate the follow-up **monitoring of land allocation agreements**, planners and other relevant departments should be included in the early stages of the allocation process. Additionally, routines should be established to include the development department in the processing of building permits. This approach can help the municipality ensure the **compliance with requirements** and the application of sanctions if necessary. Sanctions can be included in contracts and agreed upon between the municipality and the developer. Furthermore, the municipality can perform systematic inspections to ensure that developers comply with agreed-upon requirements.

suitable, and how it should be implemented. The toolkit does not list all possible tools that municipalities might consider. Rather, we focus on tools that are **high-impact**, not currently widely used in the Swedish context, but are in alignment with Swedish and EU rules.

The following figure illustrates Järfälla's **income from land sales**, minus costs for detail planning. Starting from high levels in 2023, income saw a **sharp downturn** in 2024 due to changes in the economy with higher interest rates. The numbers for 2025 and ahead are a prognosis, predicting a rapid increase which can be scrutinized. They might stay at a lower level. In any case, the rapid shifts show the volatility inherent in budgeting that depends on selling land. **Resilience against such volatility is an argument for a new land ownership strategy.**

## Net Income from Land Sales Over Time:



## Proposed Amplifiers:

**Proactivity • 7** It is important for the municipality to be proactive when pursuing social goals, rather than waiting for other actors to take initiative. Other tools in the toolkit require **municipal initiative**. We also argue that the municipality should sign declarations of intent with developers like in Uppsala. Within, developers state that they will **contribute to fulfilling social housing goals**. This can concern building affordable apartments or cooperative rentals. In return, the developers get exposure and recognition.

**Awards • 8** It is proposed that the municipality institutes an award to follow-up on declarations of intent. The award would highlight the winning developer's **contribution to municipal social housing goals**. This gives developers a way to show that they are **reliable** actors in these circumstances, which incentivizes good behavior.

**Persuasive Storytelling • 9** Making progress towards social equity involves **difficult tradeoffs** and departure from established norms. Changes like the ones proposed here **may cause debate**. The municipality should practice persuasive storytelling as a way to **build support for proposed changes** and as a way to **structure open dialogue**. Creating and expressing a vivid vision for Järfälla's future can help the municipality realize the proposals made here.

## Key Re-Framings:

Two shifts in mindset are crucial to our proposals:

- From short-term thinking, centered around budget and election cycles, **towards long-term thinking, centered around generational resilience**.
- Towards acceptance that social equity progress comes at a cost**, so municipalities may profit less from development projects.