

OP
..... ACT

OP-ACT Options of Actions
Best Practice Example Leoben



Connecting cities
Building successes



Building Law System

In Austria the **land property** and the **building property** belong together

Land + Building = Property



According to the building law system the building is separated from the land



The land belongs to the municipality



The building belongs to the contractor/investor

But the municipality is also shareholder of the building property (in important projects like LCS shopping mall or Asia Spa)

Control of the urban development and the utilization of the building

Building Law System

› Aim

- Property can be utilised by a contractor/investor but stays in the asset of the municipality
- Retention of the municipality's properties
- Limitation of the utilisation of the building (contractually limited)

› How does it work

- Municipality offers its contractors/investors the best disposition for the property (reduced risk for the contractor/investor)
- The utilization is contractually limited
- Municipality can control the urban development in this way

› Advantages

- Contractor has more legal securities in comparison to other agreements like leasing
- Municipality has more control over the property in case the owner goes bankrupt
- Bank accepts the contractor as the owner of the property and provides loans if needed

› Contract

- Contractor can utilise the property for a minimum of 10 and a maximum of 100 years, after the contract ends the property again belongs to the municipality
- If the contractor does not pay the fee for two years in a row the contract can be terminated by the municipality

Building Law System

- › **Actors and Stakeholders**
 - Carried out mainly by the legal and the financial department of the municipality
 - Companies and business people

- › **Barriers and conflicts**
 - In our region not useable for private properties
 - Sometimes dependent on economic situation – in times of economic downturn it can be better to sell a property (depending also on the value and the location of the property)

- › **Lessons learnt**
 - Better planning of urban development
 - Property assets stay in the municipality
 - Contractors have more legal securities

- › **More information**
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Grazie Thanks
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Ευχαριστώ multumesc
Takk dziękuję dakujem hvala
Obrigado dziękować
tänan kiitos köszönöm aciu
Tack děkuji paldies
nížžik ħajr dank u wel