Case Study: Managing Conflict in a Norwegian Private-Public Partnership

This case focuses on a large town in Norway where a conflict occurred between a local community and an urban developer proposing to build a new high rise.¹ The case study illustrates issues around power and legitimacy that are often involved when a process includes multiple stakeholder groups. In the mid-1980s, after a deregulation of the financial market, housing provision in Norway was no longer seen as a public responsibility. Financially strained municipalities began selling off municipal lands in the late 1980s and early 1990s. These trends, combined with legislative changes increasing use of public-private partnerships in urban housing development, created an environment where managing conflict has become both challenging and very important.

Since 1985, the Norwegian Planning and Building Act has allowed private individuals or groups to initiate and take responsibility for the initial phase of local land use and development planning. Early plans are then submitted to the local government authorities for review and broader public input. While the Act was intended to give local groups the democratic right to present alternatives to public plans, it has primarily been private developers that have taken advantage of this opportunity. As a result potential conflicts are often not identified through public participation at an early stage in the planning process.

In 2005, land development agreements became an instrument for partnership planning under the Planning and Building Act. Agreements may relate to sharing costs of public infrastructure related to new housing developments, for example. The agreements are often formed before the public review of development plans, although formally, under the Act, a decision must be made on the plan before an agreement can be finalized.

In the town of Valentinlyst in mid-Norway, a proposal and related agreement for a 14 story block of flats to be built on top of a suburban shopping center became a source of local controversy. Before a public announcement that the plan for this development was underway, the municipal administration and the developer reached an agreement. In doing so they also formed an informal partnership. The agreement, which was

dependent on political approval, required the developer to upgrade a nearby football field as compensation for the fact that space on the site did not allow for the regularly required outdoor green space.

When the public became aware of the proposed development an action committee was formed. The community disagreed with this project because the building was seen as aesthetically disturbing. People also questioned why the company was building apartments, when the potential green space was not up to standard for recreation purposes, especially for children. As people continued to look into the case, they discovered that the proposal had been presented in a misleading manner, showing the building from its most appealing angles and not in its true form.

By this time, however, the developer had no intention of changing its proposal, arguing that any change in the building size and number of flats would affect the economic feasibility of the project. The only option the committee could take was to hinder the project or try to stop it. Members of the community indicated their displeasure through a petition with 2000 signatures.

The opposition group targeted the media and politicians in their lobbying efforts, recognizing that while the municipal staff had been heavily involved in crafting the proposed agreement it was the politicians that would make the ultimate decision. While this created some uncertainty for the developers, company representatives ultimately convinced the planning committee and its member politicians to approve the agreement and the high rise complex was built. The developer also delivered on their promise to develop the green space into a football field. The committee concluded that despite the concerns, the development was consistent with its higher levels plans to encourage higher density housing in the community.

Although the conflict created tensions within the local municipality and between the private-public partners, the conflict in this case was primarily between the public and the members of the private-public partnership. One lesson to be learned from this case is that both parties might have avoided relationship strain, time and costs by further analyzing the public partner’s interests, at an early stage of partnership development. Lack of early public involvement placed the legitimacy of the partnership in question and bred suspicion within the community. This political risk to local politicians and to the partnership as a whole could have been reduced through improved communication within the municipal organization and with the public whose interests the municipal partner has the responsibility to serve.

Source

About this Community Development Toolkit

This community development toolkit was created by Erica Styles, with editorial review by Kelly Vodden, Ahmed Khan and Gail Collins. The toolkit was created as part of a community-based research project undertaken by students in an undergraduate course at Memorial University, Department of Geography, instructed by Dr. Kelly Vodden (Geography 3350 – Community and Regional Planning and Development). The project was completed in partnership with the Central Region Community of Practice – Community Development. Using a ‘Community of Practice’ learning approach the project was intended to provide resources that introduce students and community development practitioners to several key community development and regional planning tools and concepts. The financial support provided by the Rural Secretariat-Executive Council and the support and participation of Regional Partnership Planners Linda Brett and Tanya Noble are gratefully acknowledged.