Conceptual Development of Land Value Capture (LVC) Model in Indonesia Infrastructure Project to Increase Project Benefits

Gunawan
Department of Civil Engineering, Faculty of Engineering
University of Indonesia
Depok, Indonesia
gunawan240277@gmail.com

Mohammed Ali Berawi
Department of Civil Engineering, Faculty of Engineering
University of Indonesia
Depok, Indonesia
maberawi@eng.ui.ac.id

Abstract
Good accessibility has become a significant need for major cities in the world as well as Indonesia. However, the funding ability of the government as a public agency to provide transportation infrastructure that supports accessibility is still insufficient. Increased accessibility is an essential element of the cause of land value increase, where for transportation infrastructure can capture it as an investment capital or cost recovery. From this perspective, this study will explore in depth the mechanism of land value capture (LVC) about improving transportation accessibility. The research will use a combination of quantitative and qualitative approaches through questionnaires, life-cycle cost approach, in-depth interview and Focus Group Discussion. The result of the research is expected to produce policy decision formulation, mainly related to the land value uplift so that it can be an input for decision-makers and stakeholders related to the effort to increase the benefit of an infrastructure project.

Keywords
Accessibility, transportation infrastructure, land value capture

Gunawan is a doctoral student in the Graduate Program of Faculty of Engineering, University of Indonesia. He has been in civil engineering since undergraduate and graduate programs. He works as a lecturer at State Polytechnic of Bengkalis.

Mohammed Ali Berawi currently researches value engineering/value management and innovation in the context of infrastructure, construction, and the manufacturing industries. Before joining the Faculty of Engineering at the University of Indonesia in 2008, Dr Berawi was appointed Senior Lecturer at the Faculty of the Built Environment and Director of the Value Management Centre at the University of Malaya (2006-2008). His research leadership is reflected in his election as Editor-in-Chief of Value World, the journal of the Society of American Value Engineers (SAVE) (2008-2014) and as Editor-in-Chief for the International Journal of Technology (IJTech). Dr Mohammed Ali Berawi was appointed Executive Director of the Center for Sustainable Infrastructure Development at the University of Indonesia (2014)