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A Critical Analysis of Residential Locations in the City of Colombo

By

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Ph.D.

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Thesis Submitted to the University of Sri Jayewardenepura for the award of the Degree of Doctor of Philosophy in Geography on $16^{\rm th}$ July 2012

DECLARATION OF THE CANDIDATE

This research study for the PhD thesis was conducted by me under the supervision of Dr. N L A Karunaratne, Vice Chancellor of the University of Sri Jayewardenepura and Senior Lecturer of the Department of Geography of the University of Sri Jayewardenepura. I certify that this thesis has not been submitted in whole or in part to any university or any other institution or any other degree or diploma. Also, I declare that all the corrections, amendments, and additions recommended by the examiners have been incorporated.

Cover

13/06/2013

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DELARATION OF THE SUPERVISOR

I certify that the candidate has incorporated all corrections, amendments, and additions recommended by the examiners.

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ABSTRACT

A Critical Analysis of Residential Locations in the City of Colombo

Land and landed property related disciplines, which are concerned with the concept of "location", argue that allocation of land for residential properties should encourage the overall development of cities. This means that residential properties and cities should be mutually benefited ensuring the "rational land use" in cities. Decisions related with residential locations are extremely difficult due to diverse and complex economic and non-economic factors. Therefore, methodical examinations over the suitability of locations are essential in order to reach objective decisions since the implications of such decisions are highly expensive in financially and socially. Since land in Colombo city is highly scarce and expensive resource, economic potentials of land for the city development should be critically analyzed. Hence, this study questions whether the residential property locations are able to fulfil households' aspirations, and how far the households are contributing to make their property locations to be rational land uses integrating with the entire city.

Throughout the study, it was generally aimed to conduct a critical analysis of residential locations in the city of Colombo. It was planned to achieve three specific objectives namely, to analyze the general situation of the residential properties in the city, to evaluate the views of households on residential locations in terms of their satisfaction and to assess their value addition to the lands.

This research is based on both qualitative and quantitative approaches. Observations, survey, interviews, and discussions with the help of structured questionnaire were used as data collection techniques. A stratified random sample of 200 households from 04 public sector low-income housing schemes in the Colombo city was used to collect primary data. As the primary data, views of households were collected on different housing and household attributes with regard to the rationality and suitability of locations of settlements in terms of households' satisfaction and value addition made to their previous and present lands. This study primarily focused on six major variables such as, 1) physical, 2) functional, 3) economic, 4) behavioural, 5) environmental, and 6) time (durability) aspects of residential locations.

Secondary data was gathered from institutions such as the Urban Development Authority, National Housing Development Authority, Colombo Municipal Council, Central Bank of Sri Lanka, Department of Census and Statistics, Resource Centre of the Department of Estate Management and Valuation, research papers and websites.

Initially a descriptive analysis was done using full counts and percentages as well as some descriptive statistics facilitated by SPSS-16 and MS-Excel 2007. Secondly, it was computed Weighted Averages and developed separate sets of values for the investigated variables to support for comparative analysis between previous and new locations. This was done with the help of "Scatter Diagrams" and "Coefficient of Determination (r ²)".

Study recognized that there is a potential market for low-income housing with rental or leasehold ownerships rather than freehold ownerships. Along with the transferring of ownership of public houses to households, formal market transactions such as renting and leasing also have been increased. However, maintenance of housing schemes seems to be a growing issue. The study also found that households' income and expenditure have been tremendously increased in their new locations. However, still the rate of investment mode of money allocations among the low-income households is slowly being increased.

It was identified that the availability of employment opportunities around their new locations has not drastically been changed. Accordingly, it is needed to generate formal sector job opportunities rather than informal odd-jobs that help to increase households' satisfaction and value addition to their lands. Also it was noticed that the increasing elderly population has not been specially considered at new locations.

Overall, it was found that there is a positive but weak correlation between "Significant Factors" and "Value Addition" in previous locations. Similarly, there is a positive but weak correlation between "Significant Factors" and "Satisfaction" in previous locations. Thus, as per the households' views, previous locations were comparatively less rational locations for residential properties in the city of Colombo. Regarding the new locations, it was found positive and strong relationship between "Significant Factors" and "Households' Satisfaction" and also it was found a positive and somewhat strong relationship between "Households' Satisfaction" and Value Addition" at new locations. Thus, the study argues that the new locations are more rational and suitable residential locations in the city of Colombo compared to the previous locations. Formal education on investment, money expenditure, entrepreneurial skills etc will help to increase the households' value addition to land in new locations as their satisfaction is very high.

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