

Principles of applying and assigning single-family sites

First-time assignment of single-family sites, general assignment principles

1. The first-time assignment of a single-family site is conducted by leasing or by selling. The sale of single-family sites is based either on an open competitive bidding procedure, in which case the base price is approved by the Public Utility Property Management Board, or on an application procedure, in which case the price is based on the zonal price.
2. The Public Utility Property Management Board decides, based on the presentation of the Divisional Director, which sites are to be assigned based on an open competitive bidding procedure and which ones are to be assigned based on an application procedure.
3. Offers of rent are only accepted from natural persons in the open competitive bidding procedure and the application procedure. A natural person may not submit an offer of rent on behalf of a company to be established.
4. If the party that submits an offer or an application already has in their possession a site assigned by the City, the construction obligation of which as detailed in the conveyance has not been fulfilled, the offer or application may be used as the basis for a conditional site assignment decision, in which case the conveyance based on the decision may only be signed once the building obligation of the previously assigned site has been fulfilled. The deadline for the signing of the conveyance is a maximum of six months and cannot be extended.
5. The City always has the right to reject an offer or application submitted for a site as long as reasonable grounds for the rejection exist. Reasonable grounds include, but are not limited to, overdue receivables to the City of Turku.
6. Applications submitted as part of the application procedure must state the sites that the application pertains to. A single application may pertain to multiple sites, but in this case only one of the sites may be assigned to the applicant.
7. If multiple applications for the same site are received during the application procedure, a lottery will be organised to determine which applicant the site will be assigned to. The lottery determines the order of priority of the applicants, which is only considered in the assignment of the site in question. Applications pertaining to multiple sites must state the order of preference of the sites, which will only be considered in the event that multiple sites would otherwise be assigned to the same applicant.
8. Sites included in the application procedure are assigned primarily to natural persons. In the event that no applications from natural persons are received or that all the natural persons who applied for the site are assigned another site as a result of the application procedure, the site may be sold to a company, and if there are multiple companies applying for the same site, a lottery will be held to determine which company the site will be assigned to.
9. The same party may only submit one application for a particular site.

The following are considered to constitute the same party as the applicant:

1. the applicant's spouse or a person living under marriage-like conditions with the applicant;
2. a community or foundation which is controlled by the applicant or the person referred to in item 1 or in which the aforementioned persons individually or together hold at least a 30% share of ownership or at least 30% of the votes resulting from community shares;
3. a community or foundation in which the applicant or the person referred to in item 1 holds the position of managing director, board member or board of trustees member.

A person or community is considered to have control when they have:

1. more than half of the votes resulting from all shares, member shares or community shares, or
2. the right to appoint the majority of the members to the board or similar organ of another community or an organ that has this right.

Entities considered to constitute the same party when applying for a site also include all communities under the ownership or control of the same person or persons or communities in the manner defined above, even if the owner of the community or the person that controls the community does not apply for the site as a natural person under their own name.

Entities considered to constitute the same party also include natural persons and communities under the ownership or control of the same person or persons or communities in the manner defined above who submit an application for the site on behalf of a company to be established.

List of sites that can be assigned immediately

1. Sites that are not assigned during the first-time assignment round are added to the list of sites that can be assigned immediately, from which they can be sold based on the current zonal price determined by the City or leased, in which case the base rent is calculated at 4% of the capital value of the property.
2. The application period for a site ends and the site is removed from the list of sites that can be assigned immediately once one or more purchase or rent applications have been submitted for the site.
3. If multiple applications are submitted for a site included in the list of sites that can be assigned immediately during the application period, the site will be sold or leased primarily to a natural person. If the applicants include multiple natural persons, a lottery will be organised in order to determine which applicant the site will be assigned to.
4. In the event that no applications from natural persons are received, the site may be assigned to a company, and if there are multiple companies applying for the same site, a lottery will be held to determine which company the site will be assigned to.
5. Sites included in the list of sites that can be assigned immediately are not assigned to parties that already have in their possession a site assigned by the city, the construction obligation of which as detailed in the conveyance has not been fulfilled. The same party is defined in the same manner as in item 9 of the general assignment principles above. However, a site may be assigned to this type of applicant on a case-by-case basis based on special reasons.

Sites that are not assigned due to lack of offers or applications, rejection or cancellation

1. In the event that no applications are submitted for a site included in the application procedure or that the application for a site included in the list of sites that can be assigned immediately is cancelled, the site will be placed on the list of sites that can be assigned immediately on the first weekday of the month following the competitive bidding/application procedure assignment decision or cancellation, after which applications for the site will be accepted as normal based on the application principles.
2. In the event that no bids are received for a site included in the open competitive bidding procedure or that applications for a site are received during the application procedure and then cancelled, the site will be reassigned by placing it on the list of sites that can be assigned immediately, after which applications for the site will be accepted as normal based on the application principles for an application period of 14 days.
3. In the event that bids are received for a site during the open competitive bidding procedure and the bids are either rejected or cancelled, the site will be reassigned on a case-by-case basis through an open competitive bidding procedure, an application procedure or by being placed on the list of sites that can be assigned immediately for an application period of 14 days, during which applications for the site will be accepted as normal based on the application principles.

Sites repossessed due to termination of agreements

In the event that a site has been assigned from the list of sites that can be assigned immediately and then repossessed by the City after the signing of the deed of sale or rental agreement, the site will be placed on the first weekday following the repossession on the list of sites that can be assigned immediately, after which applications for the site will be accepted as normal based on the application principles.

In the event that a site has been assigned through an application procedure or as a single-family site in accordance with a previously valid assignment procedure and it is repossessed by the City after the signing of the deed of sale or rental agreement, the site will be reassigned by placing it on the list of sites that can be assigned immediately, after which applications for the site will be accepted as normal based on the application principles for an application period of 14 days.

In the event that a site has been assigned based on a bid and it is repossessed by the City after the signing of the deed of sale or rental agreement, the site will be reassigned on a case-by-case basis through an open competitive bidding procedure, an application procedure or by placing it on the list of sites that can be assigned immediately, after which applications for the site will be accepted as normal based on the application principles for an application period of 14 days.

Transfer of an undeveloped site

1. A site is primarily considered undeveloped until a building supervision authority has conducted a final inspection of the building constructed on the site or a partial final inspection of the facilities constructed as per the building obligation volume detailed in the conveyance.
2. The transfer of a site purchased or rented from the City that is undeveloped is primarily not accepted.
3. However, the transfer of an undeveloped site may be approved on a case-by-case basis based on special reasons presented by the lessee or purchaser.
4. The transfer of an undeveloped site from a private individual to a company or from one company to another may only be approved based on particularly compelling reasons presented by the lessee.