### Sustainable and integrated urban development

## Iván Tosics Metropolitan Research Institute, Budapest

## Croatian national conference Urban Forum Zagreb 1 October 2024

# Structure of the presentation

- Sustainable and integrated urban development: basic ideas
- 2. Types of integration: good and bad practices
- 3. The new reality: poly-crisis and accelerating climate problems
- 4. Need for including resilience and justice as basic factors: bad and good practices
- 5. Call for changing development policies on local, national and EU level



### Non Integration Property led development

Download from Dreamstime.com



m 50051015

Wincessian sele



Free market led development without planning and public control (Spanish and Irish examples)

Free market led development with little planning and public control (Czech Republic) "Opportunity planning" in east-central European countries (subordinate urban development to investors) Belgrade

A SALE FRANK A LOUIS AND A DESCRIPTION OF A

III

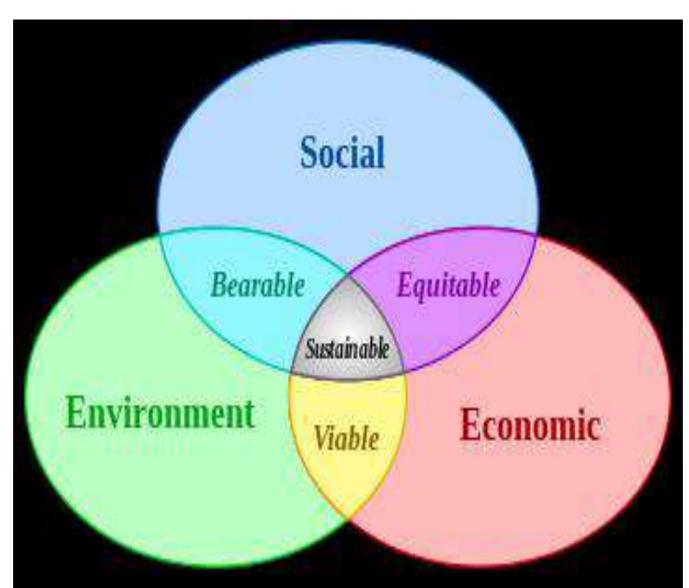
Making inner cities attractive to maximize tax incomes ("revanchist regeneration")

AIL

WANKING. CON

New housing in Slovakia for Roma without integrated planning: no jobs, no public transports, etc.

### The further away one is from places, the less chance there is to achieve integration "Fabrizio Barca"



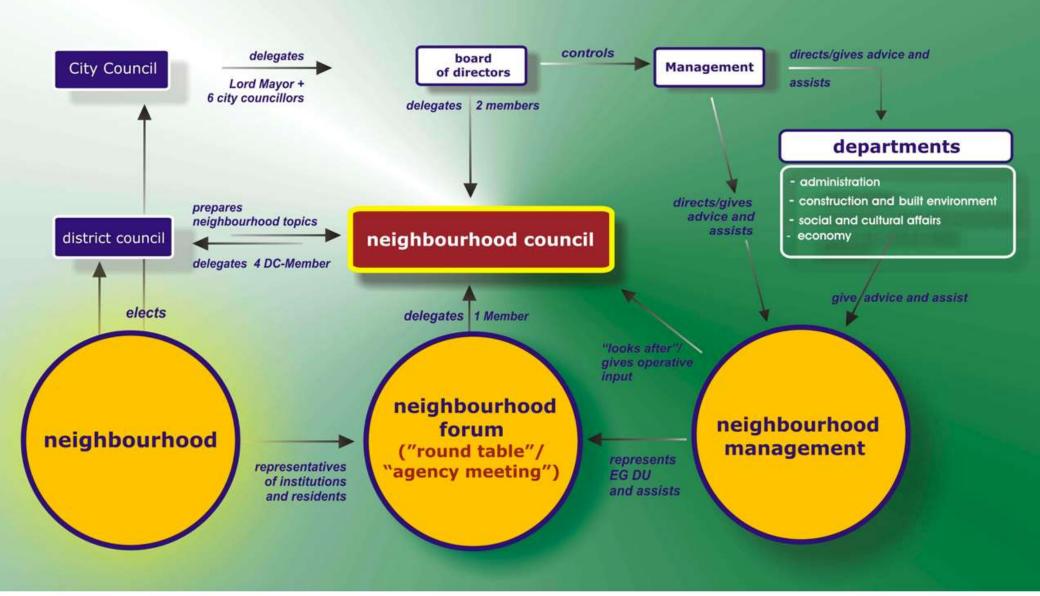
# Integration: three different types

- Horizontal: between policy areas, aiming for coordination between the policy fields
- Vertical: between different levels of government, aiming for multi-level governance
- **Territorial:** between neighbouring municipalities, aiming for cooperation in functional urban areas

With involvment of citizens and local stakeholders

### Horizontal integration: bringing together different policies at a spatial level







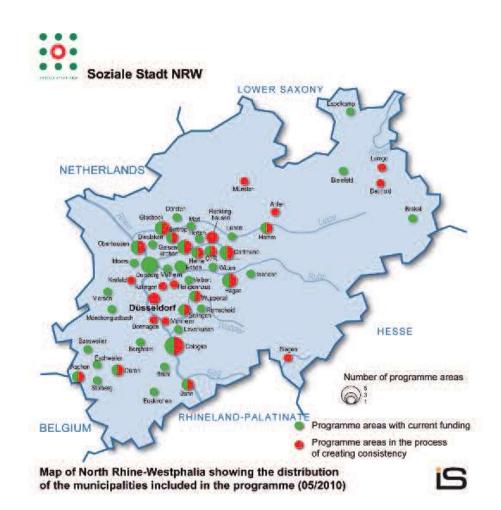






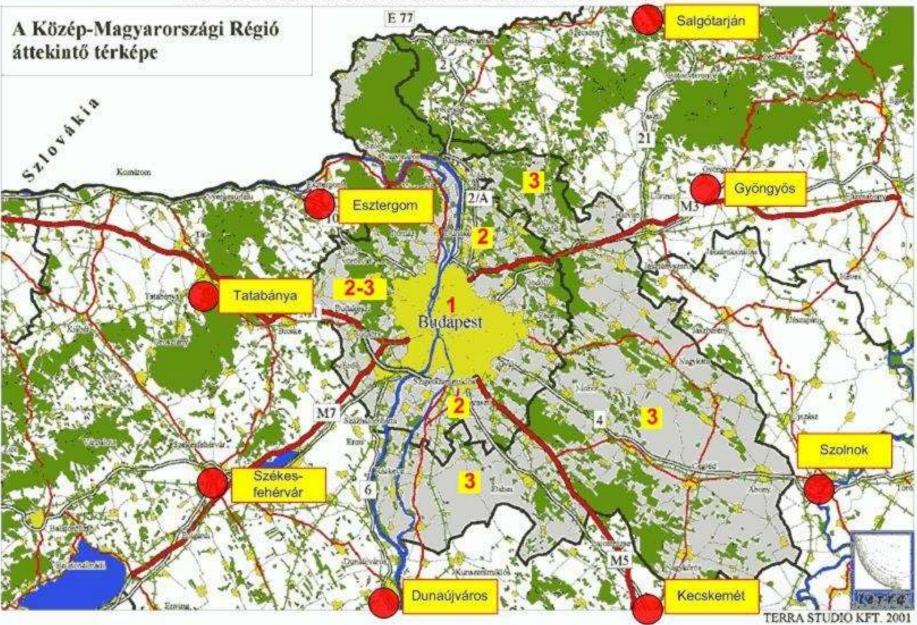
# Vertical integration – policy alignment up the governance chain in NRW, Duisburg

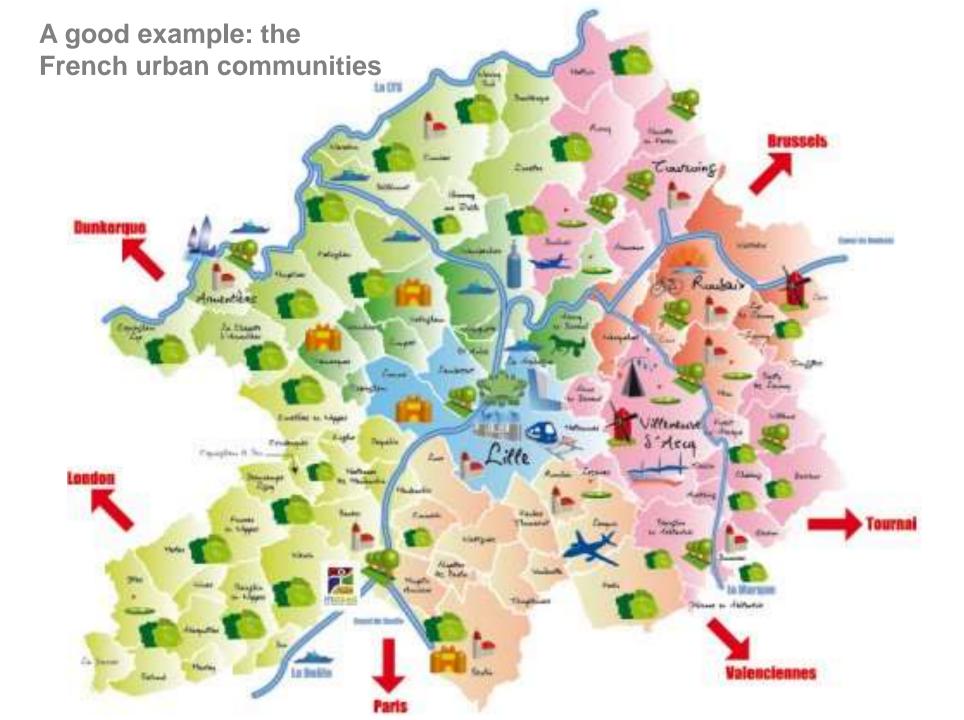
- EU both ERDF and ESF
- Federal ministry
- State/Land of NRW
- Cities like Duisburg
- 80 Neighbourhoods



### **Territorial integration: working across municipalities**

KÖZÉP-MAGYARORSZÁGI RÉGIÓ STRATÉGIAI TERV





### Examples on integrated development 1: New urban areas







Examples on integrated development 2: Regeneration of old (existing) urban areas

Urban regeneration is a complex procedure; Public interventions are needed to ensure an integrated outcome:

- The usual onesided, gentrifying outcome: Budapest
  An attempt to achieve balance between physical and social outcomes: Budapest, Magdolna district
- •The transformation of a monofunctionnal housing disctrict in France (La Duchère)





### A FORMER 1960'S SOCIAL HOUSING DISTRICT LYON LA DUCHERE



### LYON LA DUCHÈRE IN 2017

THE PROPORTION OF COUNCIL HOUSES IS REBALANCED FROM 80% TO 54%. NUMEROU PUBLIC FACILITIES ARE ALSO CONSTRUCTED OR RENOVATED AND 10,000 M<sup>2</sup> OF OFFICES AND 7,600 M<sup>2</sup> OF RETAIL AREA ARE BUILT.

# Old style science park or new style knowledge district

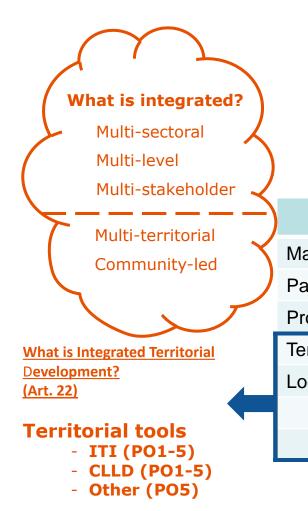
- Science 'Valley', out of town
- Poor public transport links, extensive car parking
- New build Property development but poor energy standards
- Half let, not much science
- All ERDF, mostly physical investments





- New style knowledge district linked to 3S regional level
- Mixed use development
- Coworking spaces,
- Incubation, finance, and SME support
- Clubs, cafes, bars, restaurants 24 hour
- Walking, cycling, tram, but no parking
- Creches and local services
- University design and technology departments relocated
- New intermediary agency between city, university with businesses on board
- ESF and ERDF useful combinations

## The EU framework: Integrated Territorial Development



Shared management

(Partnership + Multi-level governance)



Integrated	Place-based
acroregional strategies	Transnational/cross-border
artnership Agreement	National
rogrammes	Regional/national
erritorial strategies (Art. 23)	Functional (Functional urban area)
ocal strategies (Art. 26)	Subregional (Metropolitan region)
	Local admin (City/town/suburb)
	Community (Urb. neighbourhood)

### **SUD 8%**



### Integrated Territorial Development for 2021-2027

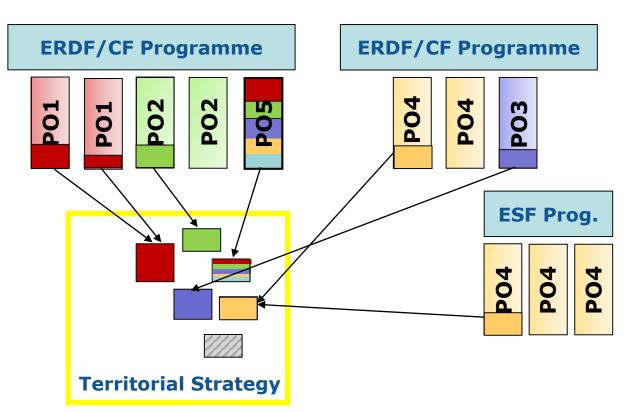
Key requirements to operationalise Cohesion Policy support

- Interventions linked to territorial or local strategies drawn up by local or territorial bodies
- Definition of the targeted area according to needs (must be urban for 8%)
- Locally coordinated interventions through an integrated approach (cross-sectoral, multi-territorial or multi-stakeholder)
- Relevant local or territorial bodies involved in project selection
- Partnership with relevant actors to be ensured at local level
   Integrated and sustainable: need for economic, social, and environmental sustainability and resilience in all places

Subsidiarity: different territories and communities require differentiated and **tailor-made policy mixes** 



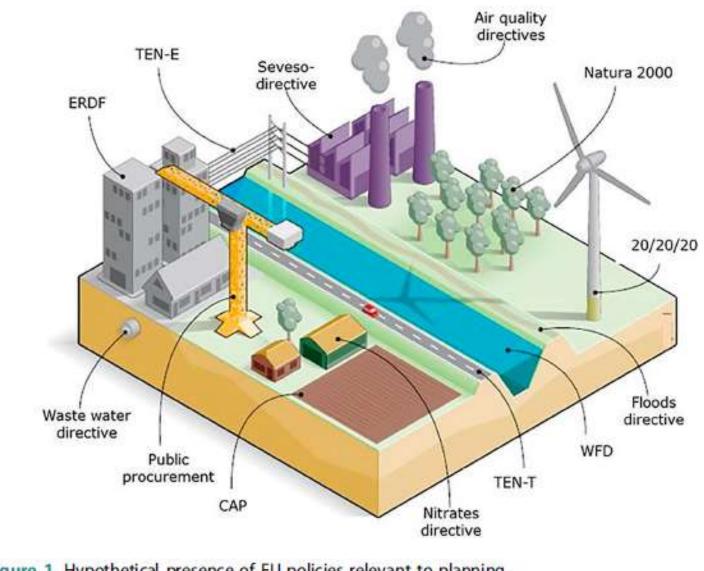
# Support through PO5 and other POs (ITI, CLLD)

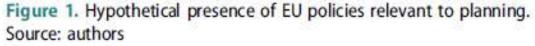


- A very comprehensive way to provide support to a territorial strategy
- Can be suitable for a territorial strategy with a substantial support from Cohesion Policy
- Suitable to ensure the link with sectoral policies (enabling conditions, TC)
  - Can include multiple tools and strategies (e.g. CLLD strategies within ITI strategy)

 Special attention: coordination across the different strands, governance and monitoring need to be adapted







Evers, D. & Tennekes, J. (2016) Europe exposed: mapping the impacts of EU policies on spatial planning in the Netherlands, *European Planning Studies*, 24:10, 1747-1765.

## FIT-FOR-55

- Commitment by EU to become a climate neutral content in 2050: long-term decarbonisation strategy called the '*European Green Deal*'
- Intermediary goal to reduce EU emissions by at least 55% by 2030 → '<u>*Fit-for-55*</u>' policy package
- Central components are to decarbonise
  - European housing stock, 36% of its greenhouse gas emissions from energy in 2020
  - European transport, 25% of its greenhouse gas emissions from energy in 2020

## **Emission Trading System for Buildings and Transport (ETS II)**

ETS II – Impact on buildings (1)

- ETS II extends the **carbon trading mechanism** to the building and transport sectors
- Through a gradual decrease of carbon allowances, prices for heating and fossil fuel will increase
- This should in turn incentivise the decarbonisation of heating in buildings and the decrease of traditional car use
- ETS II will (barring some exceptions) apply from 2027
   Source: Housing Europe

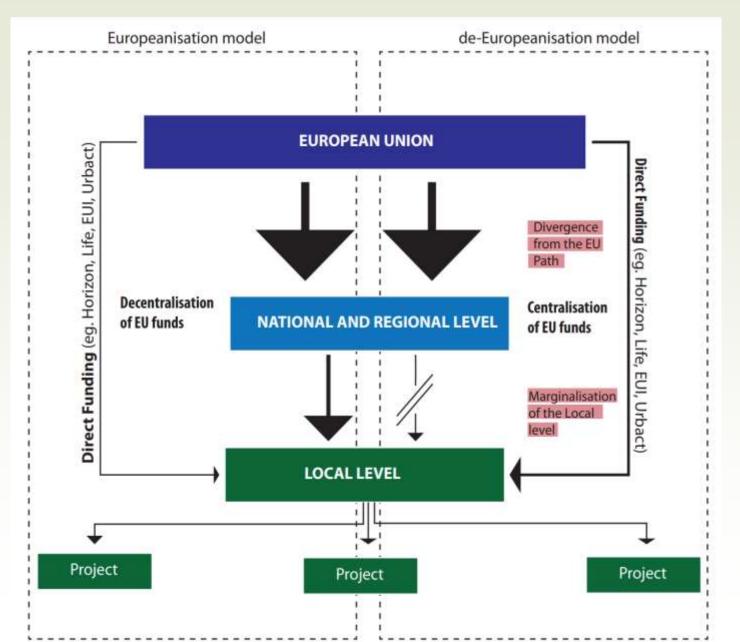
### SOCIAL CLIMATE FUND (SCF)

### SCF– Gene<u>ral provisions</u>

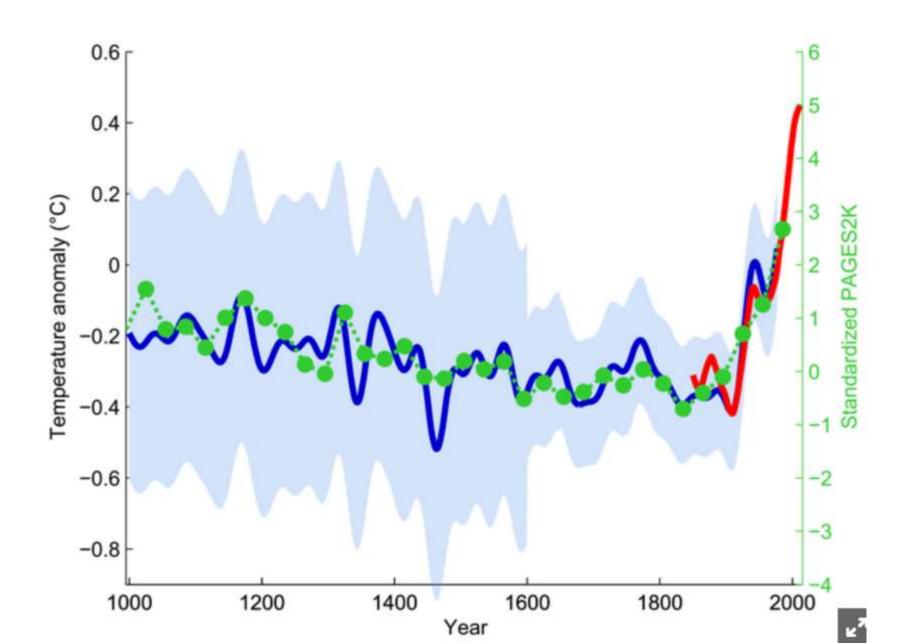
- The SCF will be established for the period 2026-2032 (one year before the introduction of ETS II)
- Shield vulnerable households from impact of ETS II
- Each Member State will submit a **social climate plan** to the European Commissions by 30 June 2025
  - Includes all the measures to shield vulnerable households from ETS II (both building occupants and transport users)
- SCF is expected to raise 65 billion EUR from the auctions of ETS II
- +- 5 billion EUR will be added from auctioning of 50 million allowances under ETS I
- Member State will contribute 25% of their own resources
- +- 86 billion EUR available in total (Hungary's share is 2,82 billion EUR)

Source: Housing Europe

## EU funding in reality: double filtering mechanism



## Climate change: the hockey stick diagram







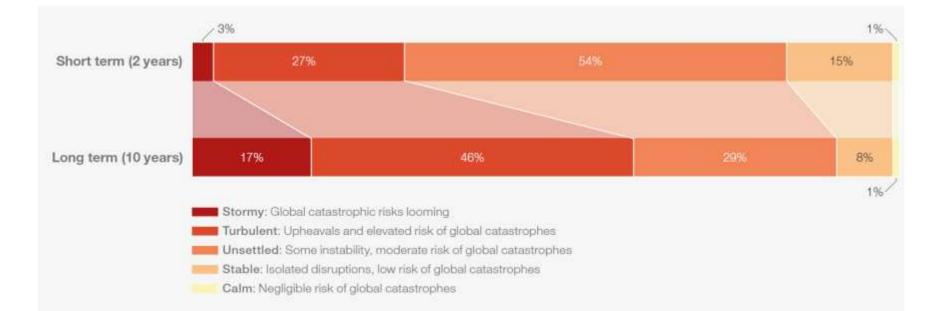
Me: Whew, 2021 will be great finally getting past this covid thing

Universe: hold my beer



## The short and medium term outlook

- World Economic Forum: The Global Risks Report 2024 presents the findings of the Global Risks Perception Survey (GRPS), which captures insights from nearly 1,500 global experts.
- In the ten year perspective the risk assessment is very bleak, with nearly two third of respondents seeing real risk of major collapse in global systems by 2034.



### FIGURE C

### Global risks ranked by severity over the short and long term

"Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period."

#### Risk categories

Economic

Environmental

Geopolitical

Societal

Technological

#### 2 years

1 <sup>st</sup>	Misinformation and disinformation
2 <sup>nd</sup>	Extreme weather events
3 <sup>rd</sup>	Societal polarization
4 <sup>th</sup>	Cyber insecurity
5 <sup>th</sup>	Interstate armed conflict
6 <sup>th</sup>	Lack of economic opportunity
7 <sup>th</sup>	Inflation
8 <sup>th</sup>	Involuntary migration
9 <sup>th</sup>	Economic downturn
10 <sup>th</sup>	Pollution

#### 10 years

†st	Extreme weather events
2 <sup>nd</sup>	Critical change to Earth systems
3 <sup>rd</sup>	Biodiversity loss and ecosystem collapse
4 <sup>th</sup>	Natural resource shortages
5 <sup>th</sup>	Misinformation and disinformation
6 <sup>th</sup>	Adverse outcomes of Al technologies
7 <sup>th</sup>	Involuntary migration
8 <sup>th</sup>	Cyber insecurity
9 <sup>th</sup>	Societal polarization
10 <sup>th</sup>	Pollution

#### Source

World Economic Forum Global Risks Perception Survey 2023-2024.

# The challenge: sustainable and socially just transition, taking climate change into account





Social impacts of decarbonization policies in cities vary considerably: **some initiatives are helping those most in need**, while others are **exacerbating inequality** and leaving behind communities.

Besides, **always the planetary boundaries (the limits of growth)** have to be taken into account

Source: ICLEI

# Poly-crisis: increasing challenges, requiring new thinking

Potential new principles to react

- take the planetary boundaries into account (green growth idea to be revised)
- Make development more resilient (strengthening communities)
- protect the **poor**

Metropolitan/FUA cooperation as a geographical territory where externalities can be handled

# Examples to what extent national governments apply those principles

- no more land take: Dutch new housing strategy
- retrofitting: threat of renoviction in the lack of social protection
- NBS: threat of large investment projects against the green and blue areas
- examples of **misusing the subsidiarity principle**, not giving real roles to cities

#### Large scale new housing program for more affordability

Netherlands needs to build another 1 million homes after 2030, even if immigration slows down significantly

Outgoing Housing Minister Hugo de Jonge: the current housing construction goal is 981,000 new homes up to 2030, to solve the <u>housing shortage</u>. That is <u>increasingly looking like an impossible</u> <u>task</u>. And the work won't stop there: "We already know that the assignment could be of the same size between 2030 and 2040".

De Jonge wants to focus more on large-scale housing construction. As potential sites he is considering the area between Groningen and Assen, with an extension towards Emmen, the Gelderland city triangle of Apeldoorn, Zutphen, and Deventer, the Eindhoven region, Twente, and Zuid-Limburg. The fact that **there are no Randstad locations in that list** is deliberate, De Jonge said. "We can't all continue to live in a mess/huddle in the Randstad."

# Examples to what extent cities are applying those principles

- **no more land take**: Dutch new housing, Serbian and Romanian cities, Zürich densification
- retrofitting: Dutch housing association demolition; threat of renoviction
- NBS: Stockholm bourgeois gentrification

• environmental justice: Girona

## The Hague South West: restructuring post-WWII garden cities

## Housing programme 2020-40: **1776 demolitions**, 292 renovations. **Newbuilt: 5500 units** (of which 2920 social)





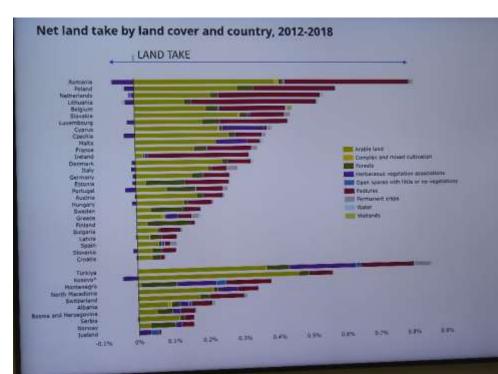
## Serbia, Vojvodina: shrinking cities with many new housing

#### Romania: shrinking country with large net land take

80% of post-socialist cities are **shrinking**. But in many of them **new housing construction is dynamic, even if this housing would not be needed**.

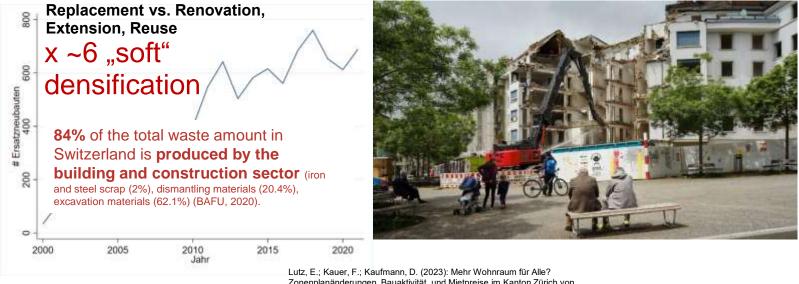
- Zrenjanin (Serbia) lost 20% of its population in the last 20 years.
- Romania lost 5% of its population between 2010 and 2020.





#### How is densification implemented at the local level? – Examples from Zürich

- 600-700 total replacement construction in the canton of Zurich per year (2015-2020)
- 80-100 "softly" densified buildings per year (renovations, extensions, reuse)
- +21.2 % increase of housing space per room in buildings built since 2000
- Increasing of building density, not use density (number of people per m<sup>2</sup>)



ETH Zürich I IRL Institut für Raum- und Landschaftsentwicklung I www.irl.ethz.ch

Zonenplanänderungen, Bauaktivität, und Mietpreise im Kanton Zürich von 1996-2020, https://doi.org/10.3929/ethz-b-000603242, ETH Zürich.

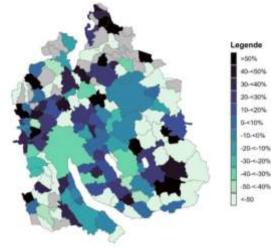
30.09.2024

3

Presentation of Gabriela DeBrunner, February 2024

#### Who gets densified through total replacement construction?

Target municipalities for residents, which have to move after renovation or total replacement construction (2014-2020)



Source: Kaufmann, David, Elena Lutz, Fiona Kauer, Malte Wehr, und Michael Wicki. 2023. Erkenntnisse zum aktuellen Wohnungsnotstand: Bautätigkeit, Verdrängung und Akzeptanz. Bericht ETH Zürich. DOI: 10.3929/ethz-b-000603229



ETH Zürich I IRL Institut für Raum- und Landschaftsentwicklung I www.irl.ethz.ch

- Evicted residents move to agglomeration municipalities, e.g., Regensdorf, Buchs, Bülach, Weiningen, Dietikon, Schlieren, or Adliswil.
- Low-income, foreigners and single parents are affected more by eviction than the rest of the population.

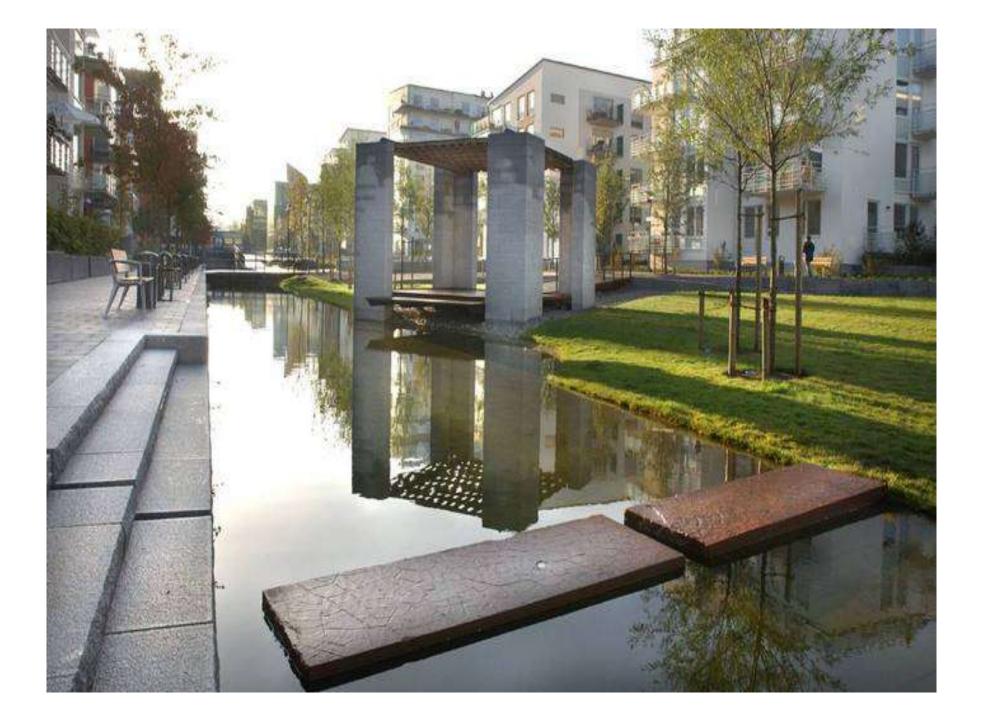
30.09. 4 2024 4

Presentation of Gabriela DeBrunner, February 2024

#### Stockholm, Hammarby Sjöstad

- In the early 1990s, Hammarby Sjöstad had a reputation for being a run-down, polluted and unsafe industrial and residential area.
   After the close down of the industry it has been turned into a showcase of eco-friendly development in Stockholm.
- Completed recently, the area is home for 25 000 residents and offer office and work facilities for 10 000 people.
- The area's central location, apartments with balconies offering stunning views, proximity to the water and green areas all contribute to creating an attractive new living environment.
- Sustainable alternatives for managing water, energy and waste were applied in architecture and infrastructure. E.g. all the electricity used comes from renewable sources: 34% from purified waste water, 47% from combustible household waste and 16% from bio fuel. New types of fuel cells, solar cells and solar panels are being tested in the area.









#### Hammarby Sjöstad: critical evaluation

- originally 50% share was aimed for social rental but this was not achieved as building costs increased and social subsidies were constrained: a push towards privately owned properties.
- political changes led to increase the parking norm from 0,4 to 0,7 per flat
- the Hammarby project constitutes a case of (at least partial) gentrification with selling off public land to developers and then to relatively wealthy households. The City imposed strict environmental measures on developers who pushed their prices up so that only wealthier households can now afford to buy an apartment in the district ... a form of 'bourgeois environmentalism'.

#### An emerging idea: post-growth

Growth has to be abandoned as an objective, focus instead on equity, sufficiency and human wellbeing. It is not aggregate production what matters but what we are producing, assuring that people have access to goods they require and that incomes are more equally distributed.

Post-growth aims for a planned and democratic reduction of less necessary production in rich countries in a safe and just way.

Post-growth suggestions: decommodify public services to make them accessible to everyone: health, housing education, food, ... Job guarantee, living wages, improve barganing power of labour. Socially necessary sectors have to be improved and not necessary ones to be removed. Right to repair, extend products life.

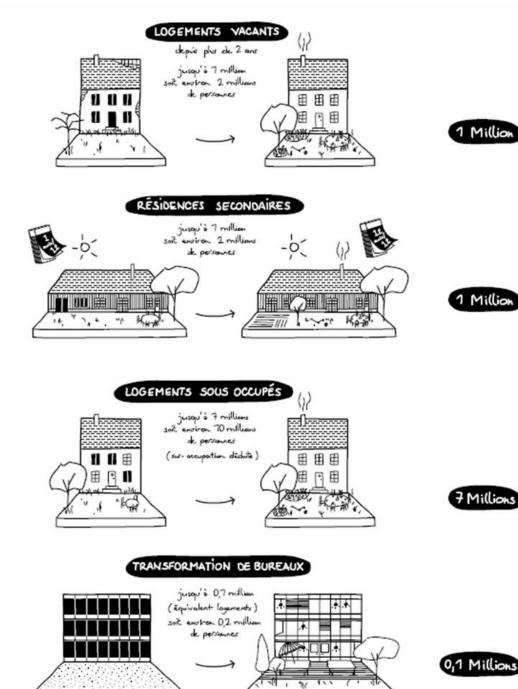
#### Sufficiency: towards an eco-social economy

Towards an eco-social development model **optimise**, **exploit**, and transform the existing infrastructure Cities could continue to evolve, flourish, and beautify, by

- focusing on **renewal**, **limited densification**,
- the **'repair' of certain areas** such as city entrances, commercial zones, or business districts.

To realign with planetary boundaries, we will have to learn to focus on, take care of, and pass on our **existing urban heritage**.

Philippe BIHOUIX, deputy CEO of the AREP Group (Paris)



Reserves for housing, instead of new building, in France

https://bonpote.com/philippe-bihouix-pour-construiremieux-nous-naurons-dautres-choix-que-deconstruire-moins/

Philippe Bihouix: "To build better, we will have no other choice but to build less"

#### Stationary, resilient metropolitan areas

Urban change based on **optimising**, **exploiting and transforming the existing infrastructure** 

- applying new mobility strategy across the whole urban region, based on accessibility instead of mobility
- linking energy efficient renovation on housing areas with other resiliency goals (eg less parking to allow more green)
- addressing social problems innovatively, as during the pandemic: eradicate homelessness (conversion of buildings) and poverty (minimum income)

Emerging examples: **Girona (FUA of 131,000)**. Leftist-municipalist party experiments with "postgrowth metropolitan policy": integral renaturalization, increase of tree cover, urban gardening, wetland restoration, in terms of **environmental justice**.

#### New policies are needed on all levels

- Cities and metropolitan areas should play key role in the resilient, inclusive, post-growth-oriented transition, cooperating with civil society and innovative governance: visionary strategic planning is needed
- Countries can act innovatively, mobilising production capacity towards democratically decided goals, limiting the influence of capital over the national economy.
- New EU wide policies are needed: while continuing Green Deal, strengthening the frameworks for resiliency (no more land take, taxonomy) and environmental and social justice. New enabling conditions might help to achieve more coordinated changes on national and metropolitan/urban area level.
- World-wide international collaboration is crucial, such as the fossil fuel non proliferation treaty, and limiting capital flight by capital control.

### Conclusion

## COVID shock: innovative public policies flamed up, just to evaporate when the time of immediate crisis was over.

To react on the present polycrisis much deeper and durable innovations are needed, **turning many public policies upside down**, replacing the growth motive of urban development with different ideas, **strengthening sustainability and resilience and reverse inequalities**.

This would need **fundamental changes also in the way how** we think about urban and housing development.

Sustainable and integrated development has to include **resilience** as key factor. A new **generation of policies** should be developed on **metropolitan**, **national and EU level**.

### Thanks for your attention!



### Ivan Tosics <u>tosics@mri.hu</u> https://tosics.eu/