

III LATIN AMERICA AND CARIBBEAN FORUM ON HOUSING AND HABITAT

Santo Domingo, Dominican Republic, June 12-14, 2018

Housing Laboratories (LAVs)

Conceptual Note

Housing Lab. **Densification & Land Reutilization, Idle Property & Social Function of Property**

Wednesday, June 13, 11 am-3:30 pm
Consular Hall

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Objective

To establish a dialogue with a diversity of stakeholders to discuss different densification processes and mechanisms, as an opportunity to facilitate equitable and sustainable access to housing and to a compact, connected, integrated, safe and inclusive city; to analyze the social function of land and property with special attention to existing empty, idle or underutilized spaces in the urban mesh (at the level of urban centers, human settlements and public spaces), in an attempt to identify the most appropriate land use that can encourage the full development of all citizens' capacities, intensifying the adoption of existing tools of tenure regularization, so as to explore their full potential at both the urban and social levels.

Keywords

Densification, urban vacancies (urban voids), social function.

Description

Issues

Today ranked as the second most urbanized region on the planet, Latin America's urbanization rate soared from 41% in 1950 to 80% in 2014, and current estimates predict this number will be close to 100% in 30 years (IDB, 2016). This accelerated urban growth without sustainable planning has produced territorial and environmental imbalances in the region; on the one hand, disperse and extensive urban expansion, with a few spots of dense population concentration and, on the other hand, land markets and mercantile access to housing have led to deep territorial inequality and social spatial segregation. As a consequence, Latin American cities now face severe habitability and sustainability issues, such as: low-income population facing difficulties to access housing; persistence of precarious settlements and illegal or informal land occupation; vulnerability of inhabitants living in precarious settlements in face of disaster; higher economic and social costs to provide inclusive access to basic infrastructure, qualified urban goods and services; long distance from opportunities; underutilization or abandonment of buildings located in areas that have an adequate provision of services and infrastructure; vacancies and discontinuities in intermediary and peripheral neighborhoods.

The complexity of urban territories and the challenges faced by cities are well known, such as climate change and all the risks it may imply for human settlements, for example: more frequent floods, landslides, heat waves, water shortage, among other issues. It is therefore necessary to identify different alternatives and strategies to transition towards more sustainable, inclusive and fair cities¹.

A few national and local governments have elaborated proposals and legal instruments for the densification and reutilization of urban vacancies, such as idle public and private properties, and public spaces; however, there are also other needs, for example, different investment programs, social inclusion programs, urban and social development. In addition, we have observed that the concept of densification has deformed, taking on a market perspective, often producing micro dwellings tending towards overcrowding, and which has led to a misperception of densification among the population.

In this direction, our starting point must be the principles of urban functionality, the social function² of land and property, and the right to the city; and we must also recognize the

¹ Sustainable Development Goals, No. 11

² This notion of the social function of property was disseminated by Duguit (Pasquale, 2014), although the concept, as introduced in the 1918 German Weimar Constitution, referred to a limitation in the owner's use of property, in face of social need and land shortage.

limitations of management of urban goods and services to benefit the common good; so that we can redistribute city burdens, by identifying potential areas for densification, relocation from risk areas, reutilization of idle property and underutilized land, towards a compact city.

The right to the city and the relevance of the social function of land and property are mentioned and recognized in the New Urban Agenda (NUA), a document that shares the ideal of building a city that is capable to ensure equality in its use and enjoyment by all inhabitants, thus promoting fair, accessible, affordable, resilient and sustainable human settlements (UN-HABITAT, 2017). However, there are several challenges on the way; some countries have incorporated the social function of land and property in their urban development master plans, but the management and the application of different instruments have not been effective.

In Brazil, progress has been made in the regulatory framework, although its enforcement has not been extensive or steady. An example of progress in the Brazilian legal framework is the principle of the social function of urban property. The legal instruments for its application are compulsory parceling, building and utilization, described in Brazil's Federal Law known as the City Statute, which regulates articles 182 and 183 of the 1988 Brazilian Federal Constitution. Article 182 determines urban policy is a municipal responsibility and must ensure the social function of the city and its citizens' development. Although it is not mandatory to include densification projects, there is a regulatory framework for cities to incorporate densification in their urban plans. These instruments contribute to densification because they prevent keeping vacant property in central neighborhoods and encourage its use for social housing, for example. Article 183 considers property rights for those who use their property in accordance with its legal vocation (Furbino, A and Todtmann, D. 2016).

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The city of Recife is currently exploring the possibility of adopting other more efficient instruments, in case of highly-indebted private property or buildings in situation of abandonment; the Civil Code includes a few possibilities, such as: additional tax for property abandonment and tax on property holding a public debt; however, local governments have not regulated the implementation of such instruments since the City Statute was enacted.

There is an interesting example in relation to the social function of public property, which gained attention after social action by the civil society achieved significant results: the so-called Project, 596 acres in New York³. The project encourages the municipal government to publish a general list of public properties and allocate their use for common benefit. The project establishes a digital platform to map idle public land and, then, simple and clear posters are placed in these areas to inform the community that these properties are inactive.

³ Implemented by lawyer and activist Paula Segal.

Experiences in the LAC Region

Different experiences have taken place in cities such as Sao Paulo, Buenos Aires, Santo Domingo, Medellin, Bogota, Santiago de Chile, among other; some of these are often the subject of our discussion, in an attempt to share experiences and contribute to develop our own knowledge and that of other participants. The following densification processes have been identified:

Densification in precarious settlements

Precarious settlements, also named *villas* in Argentina; *Barriadas* in Peru; *favelas* in Brazil, *Ranchos* in Venezuela, have different characteristics. There are high demographic density settlements, with problems of overcrowding; as well as low constructive and demographic density settlements, which require proposals for upgrading and the elimination of risk areas through well-planned housing densification projects that can ensure the population may remain in the locations where they live (whenever the sites allow for safe housing), in addition to rational investments in urban infrastructure.

In the case of Argentina, according to Techo (2016) data, more than half the dwellers in informal settlements live in the Province of Buenos Aires, where 397,705 families have been accounted for; followed by the Federal Capital, with 82,585 households; Rosario, with 49,475, and Misiones, with 21,700. Densification is observed as a result of demographic growth in the settlements themselves, which further aggravates overcrowding. Incentive to relocation aiming to increase density in other underutilized areas has often caused the loss of benefits related to the location.

In other cities, such as Lima, the absence of effective planning tools has led to diffuse and unsustainable growth, thus producing low-density settlements in certain parts of the city, extensive territory occupation, mixed with urban vacancies and underutilized land, which carry a potential for densification.

Densification of urban centers, “tugurization” and gentrification.

In the absence of adequate interventions to revitalize and upgrade urban centers, concurrent processes of “tugurization” and gentrification can be observed, caused by market pressure for the displaced population to return to informal settlements or risk areas in the city center, because of the location, where they conduct their daily activities.

In the city of Medellin, project Moravia, in a central, well-located area, where people were living in a waste dump, in a situation of overcrowding and severely degraded environment, has become a reference example of transformation, at the local and international levels. The State approached the problem with an integrated territorial perspective, which involved urban land aspects, in addition to environmental restoration and social participation. The objective was to attain the best possible land use, not only for housing, but also to encourage the local economy and community involvement early on in the project, in a process of collective construction of the city and improved quality of life for city inhabitants.

Densification in peripheral urban zones.

Often caused by the relocation of population from illegal settlements, risk areas, or the gentrification of central neighborhoods. In face of these processes, some countries like Colombia and Uruguay have made progress, using adequate planning and management instruments, with a sustainable, equitable and inclusive view. The results include a reduction in urban segregation and the cost of infrastructure, which allows them to capture the value added by the new urban land use to finance investments. In Brazil, Mexico and Argentina, there have also been important efforts made. Some of these experiences are described below.

In Colombia, the cities of Bogota and Medellin have developed land planning, management and financing instruments to attain a more balanced land use, for example: a) egalitarian sharing of burdens and benefits; b) social function of property; c) partial plans and integrated urban projects. Through these mechanisms, the State aims to ensure the territory can be enjoyed not only by private owners, and the benefit is extended to all. Lago de Torca, in the north of Bogotá, is a successful densification project in the city's expansion area. The project brings together social interest housing, public transportation and bike lanes, where private owners pay for the full infrastructure cost.

Uruguay has also developed planning and management instruments, such as: a) direct purchase of land by the State; b) strategies to improve public land use; and c) tax structure under sub-national governments that must establish their own tax scheme on urban and suburban property, so as to guide private owners towards the most adequate land use. The experience of housing cooperatives (*Cooperativas de Vivienda*) is a vertical social housing development scheme, with well-located eight- or nine-story apartment building projects, capable to provide a housing solution to more families in small areas.

In Mexico, public policies and densification standards have been adopted, for example, in Mexico City, the so-called Bando Dos and Standards 26, 30 and 31, whose goal was to introduce incentive for private agents to build more, and more densely in Mexico City central areas (IDEA, 2014). Nevertheless, these densification policies benefited real estate developers, in detriment of the population's quality of life; in other words, more units were allowed to be legally built in plots of land located far away from the city center. This also contributed to further increase the growing number of entire housing complexes being abandoned; currently, alternatives are being sought for the revitalization and reutilization of these projects.

In Argentina, some progress has been made in the urbanization of *villas*, but planning and organization instruments are still needed, such as plans for special social zones of social interest aimed for housing (as is the case of ZEIS in Brazil), and mixed land use plans to create incentives.

Densification of urban Perimeter Centers.

Urban Perimeter Centers are transition areas, which used to be peripheral in the past, but, because of natural urban processes, they have gained a condition of centrality, today. Well-located, with important mobility flows and a significant densification potential, these zones have experimented constant change.

Examples can be found in large Chilean cities, where social housing projects built in peripheral areas in the past are now well-located, provided with easy access to urban centers, transportation services and densification opportunities.

Challenges

Based on the experiences reviewed, a few key challenges have been identified:

Research and knowledge

- To expand and transfer knowledge about: compact and sustainable cities; and the true concept of densification, in addition to different alternatives and possibilities.
- To broaden research and practice of democratic and transparent processes to use public property in social densification projects; and to analyze alternatives to incorporate urban voids (public and private vacant property) to the social function of the city.
- To expand and transfer knowledge about new types of urban vacancies and different ways to incorporate them for use in a compact city.

Public Management

- To incorporate public policy actions to prevent the deterioration of living conditions as lower-income families are relocated by interventions of urban revitalization with densification in central neighborhoods of metropolitan areas.
- Instruments to provide incentive for the reutilization of public land and (public and private) urban voids to promote densification.

Urban planning and zoning

- Territorial planning and organization with a view to sustainability.
- Urban plans update to incorporate the social function of land and property and the right to the city.
- Plans for special zones of social interest.

Key questions

1. Why adopt densification and which densification projects should be adopted?
2. What other aspects may be missing in the description of the need for densification? And, are there other forms of densification?
3. What are the practical challenges and limitations faced (now or in the past) in densification experiences?
4. What role was played by different players involved in successful densification experiences to produce beneficial change?
5. What are the challenges for a democratic and transparent utilization of public property with a social purpose?
6. What kind of instruments do you think can induce the social function of public and private property?
7. What kind of strategies do you consider the best to connect instruments that induce the social function of property to the actual provision of social housing in Latin America?
8. What kind of policies, norms and instruments have been key success drivers in previous experiences for urban densification to be a solution for the needy population, and not a source of income for real estate corporations?
9. Which territorial planning and organization elements do you consider innovative to encourage sustainable densification?

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