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2019 Netherlands Annual Conference May 2019

The 2019 ULI Netherlands Annual Conference brought together over 150 real estate professionals to discuss the main topic of 'Towards a Balanced Urban Society; An Inclusive Approach'. The following is a summary of the event, which was held in the incredibly charismatic Arminius Church, Rotterdam on 22 May 2019.



Introduction

The ULI Netherlands Chair, Loes Driessen officially opened the 3rd ULI Netherlands Annual Conference, welcoming attendees and explaining the importance of the day's topic. In the real estate industry today, we are faced with imbalance and uncertainties such as:

- **Demographic change** constantly evolving lifestyles fueled by shifting trends.
- (Un)affordability we are all choosing to live in unaffordable cities against our own interests.
- Urbanisation with more people worldwide living in cities than ever before, we have an even greater responsibility to get 'it' right.
- Globalisation as we become more congruent with other countries and relate to different cultures, we are seeing cooperation on the same level of understanding.
- Advancing technology the likes of artificial intelligence and machine learning is becoming increasingly prominent and changing how we interact in our everyday lives.

consequences of climate change in every aspect of life, we start to ask how well it is being measured and what can be done about it.

In his opening remarks, **Chris Choa** (former chair of ULI U.K. and managing director, AECOM) acknowledged the meaning behind the main themes of the conference. He stated: "Although the topic of today is 'Balanced Urban Society', it still implies something is unbalanced and not certain. This is when we ask where the uncertainties are



Chris Choa, former chair, ULI U.K.; managing director, AECOM

coming from? How do we achieve ALCOM rebalance and create certainty in our lives through our built environment?".

The focus of the 'inclusive approach' is about bringing people together to rebalance and discover equilibrium between global and local needs – "having diversity, but also solidarity". Choa further raised the question: "What do we really mean by *affordable and inclusive*?".

Climate change – as we begin to see the crippling

Inclusive Urbanism

Peter Calthorpe (founder of Calthorpe Associates) opened the first session of the conference by "stating the obvious", that there are two unprecedented challenges which need to be faced in the next 30 years: the growth of the human population and climate change. Both are global phenomena and can be aided by effective urbanisation – this being a great antidote for climate



Peter Calthorpe, founder, Calthorpe Associates

change and an even better place to start creating better lifestyles and sustainable economies.

Calthorpe discussed the three main types of urban sprawl low density, high density and high income - and related each to where they are most prominent in the world. Calthorpe related urban sprawl to being like an "urban virus".

Calthorpe used Mexico as an example of low-density urban sprawl where there is a spread of povertystricken areas skirting the main cities but without any infrastructure. This, in turn, presents a bigger challenge. Areas of low-income sprawl and which contain stipulations of low-cost housing will put them further away from areas of economic and social opportunities. Calthorpe describes the situation as being a "structural bias" against lifting up the poorer population. This is a major urban design problem. In comparison, San Francisco and other wealthier areas of America such as Los Angeles would represent high-income sprawl whereby house prices are unaffordable and the cost of housing in suburban areas is also increasing.

On the other hand, Calthorpe uses China as an example of high-density urban sprawl. China has raised a hundred million people out of poverty with the attitude that everyone lives in power. However, Calthorpe explains the downside of this complex and dense infrastructure. The bikes have gone due to lack of safety, social networks are gone due to no longer having pavements and the scale of the environment means there is no opportunity to meet people while commuting. As a result of this, the social community aspect has been almost entirely abolished. Calthorpe used Kunming as a prime example where they built 400-metrehigh super blocks with little or no (useful) land in between. This 'high density' development is disadvantageous to the wellbeing and lifestyles of the residents.

For Calthorpe, effectively measuring urban footprint is imperative and can be used as an analytic tool to measure urban form which differs per culture. Calthorpe compared San Francisco's urban footprint (10 tonnes per capita) to Switzerland's urban footprint (4.5 tonnes per capita) – nearly double the amount. Using an illustrative graph, Calthorpe presented the greenhouse gas (GHG) emissions in California for a 30-year period in the future. From the graph, carbon emissions from vehicles will decrease over this time, however, sources of renewable energy will be significantly less by 2050. This forecast of GHG emissions further proves the need and importance for a more efficient, built environment.

Calthorpe concluded his talk by discussing potential solutions to these problems and proposed the idea of building along large, isolated motorways with housing, retail and office space – in turn, this would improve densification and encourage a better and more efficient use of land. Another solution Calthorpe proposed

includes isolating and protecting the right of way for shared commuters. As we have already seen, the advancements of autonomous self-driving vehicles can be expected to change and improve the next generation of commuters.

Peter Calthorpe's presentation was a good reminder to the audience of the importance of mixed-use, inclusive and well-connected densification strategy is important; both from a quality of life-perspective, as from sustainability point of view.

Social Value

Erik Bichard was the next speaker to take the stage. Bichard is the founding director of RealWorth, a consultancy firm devoted to sustainable change, and focused primarily on measuring social value. Bichard began with three focal points: people's experiences matter; choices need evidence to balance them; and, actual change needs to be measured.



Erik Bichard, founding director, RealWorth

Bichard posed the question: "Why don't we build sustainable developments?" The common response is that it is too expensive even though it would be an easy solution to today's uncertainties. Furthermore, Bichard discusses sustainable change agents and how these do not represent the real world. He explains that although we have made progress, there is still a long way to go. Bichard believes there is lack of understanding where the conversation starts. He believes that it should start where people are, and not where you would like them to be.

Bichard set up RealWorth to ignite the necessary discussions surrounding what the people want and need from their living space and environment. Bichard emphasised the importance of green and restorative spaces and the positive effect it can have on health and well-being. For example, the devastating effect of air pollution, particularly in larger, built-up cities. One in four adults suffer poor mental health, and this ratio is even higher in young people. We can address this by improving the surrounding built environment. Bichard stresses the importance of talking to people, understanding the world in which they live and listen to their aspirations and ended on a proactive note, that we should continue to measure change, even postintervention.

Following on the theme of 'social value', **Shamez Alibhai** (head of Community Housing at MAN Group) explained how the middleclass are 'stressed'. House prices are growing twice as fast as people's incomes and, furthermore, 50% of people renting have experienced an increase in their rent in the past two years. How are millennials going to deal



Shamez Alibhai, head of Community Housing, MAN Group

with this? As a result, people are cutting back on living expenses, theoretically resulting in a lower quality of life. Alibhai posed the question: "Why do people continue to pay high rent?" It comes down to the fact that people do not have a choice. Alibhai explained that it's too expensive to leave and nearly impossible to buy. Since 2000, house prices are four times more expensive, making getting onto the property ladder a false reality. Alibhai states that "we are hollowing our cities" and ended on the rhetorical guestion of: "How do we reset the narrative around affordability, inclusion and the middle class?"

In his presentation slides, Alibhai presented a map containing the number of hours work, on minimum wage, required to work to cover rent for a one-bedroom apartment in the United States.

Number of hours worked on minimum wage to afford a 1 bedroom rental apartment



Morten Nielsen is the

CEO of the International Federation for Housing and Planning. Nielsen began his presentation with three things that matter most to policy makers: finance and how it is managed; environment, specifically climate adaptations; and, social dimension.



There has been an unprecedented increase

Federation for Housing and Planning

in population which has put a stress on housing and creating a sustainable economy. The social aspect of this calls for something else - there needs to be a balance between the three pillars of sustainability (social, environmental and economic).

Nielsen talks about the 'social cities index tool' which provides insight into identifying and analysing indicators and parameters that affect social sustainability in cities. Nielsen also touched on an ideation lab - referring to cocreation by organisations to encourage social innovation. This can be achieved through collaboration - whether this is with the government, philanthropists, corporations or simply better, invested research.

Nielsen concludes his speech with three main takeaways to focus on: insight; co-creation; and, impact.

Systems Change

Eva Gladek (founder of Metabolic) spoke next and explained that Metabolic is an organisation that addresses how we can accelerate sustainable building through certain data techniques. Gladek addressed the fundamental systems change which we are experiencing regarding social and environmental issues. In particular, Gladek is a huge advocate for the circular economy framework which can help find pathways to transition the economy.

She presented the **Global** Material Flow Model (2010)

which looks at where our resource consumption predominantly comes from. Cities occupy 3% surface area of the planet whilst buildings alone in the Netherlands contribute to 30-40% of energy and are responsible for 40% of carbon Eva Gladek, founder, Metabolic

emissions.



In the Metabolic approach of working to reduce this impact, everything is a system is connected, one should focus on root causes and avoid unintended consequences. In this approach, everything is a trade off to determine the best choices - like the title of the conference says - to find a balance.

Next, Gladek delved into social responsibility and how the structure of our surrounding environment affects our mental wellbeing. The primary correlating factor for this, more so than obesity, is loneliness. Gladek explains that through specific urban design we can reduce levels of loneliness. Gladek suggested that within the built environment, we should not just focus on one exclusive measure, but design a holistic way to move towards multiuse, easily accessible facilities.

Together with ULI Corporate Member ABN Amro Metabolic is working on an automated tool to assess the impact of commercial real estate; quickly, efficient and from holistic point of view. This tool identifies types of indicators within lots of different categories. Using technology, it is able to translate this data into a weighted scoring system.

Catalytic Infrastructure

Graeme Craig. director of commercial development at Transport for London (TfL), discussed the importance of creating healthy streets - clean air and safe surroundings - places where people feel comfortable walking and cycling. In theory, from a development point of view, developments should be carfree. Furthermore, by 2041, TfL would like to see 80% of



Graeme Craig, director of commercial development, Transport for London (TfL)

journeys across London to be through sustainable means such as public transport, walking or cycling.

Since 2012, TfL has introduced a clear, effective strategy and new targeted objectives were put in place. Craig plans to ensure self-financing property vehicles also using £11.4 billion of GDP from the existing development pipeline.

TfL is the largest build-to-rent developer in London - in partnership with build-to-rent developers with sites - and is working towards 40% affordable housing as part of the built-to-rent schemes. People in the 'affordable' sites will experience the same development amenities including financial security, for example, knowing how much they're going to be paying years in advance. Currently in London, Craig thinks that poor quality and high cost rental is a reoccurring theme that needs addressing.

Craig discussed upcoming redevelopments including working alongside Merton Council in the Morden area of London where it plans to create places where people want to live and work. Logistics, connectivity, and energy are all primary focuses, especially in retail. This joint venture provides co-benefits which create developments together in a partnership. The strategies are designed around what the people need.

"Taking London with us is the single biggest challenge we face," Craig concluded. "Industry experts can recognise why cities need to change, however, locals who live opposite the stations do not share the same views". Those living on the outskirts may not see their home town as part of the great London area and don't relate to the same issues. Craig continued to state the importance of overcoming peoples cares and worries. He believes that: "You do not win people over by spreadsheets – you win them over by a persuasive sell through real time stories. Demonstrate the challenges we are facing and the solutions which will benefit people in the long run."

Game Changers

In the final session of the day, four speakers focused on the 'game changers' in the industry, which will help to build inclusive and sustainable cities.

The youngest speaker was **Rieneke van Noort**, a student from Delft University of Technology. Van Noort is the team leader of the Hyperloop project, a new form of transportation which makes use of vacuum-environment capsules. It uses very little energy and is designed using magnets. This transportation system reaches 1080 km per hour speed meaning it is



Rieneke van Noort, student, Delft University of Technology

possible to travel from Amsterdam to Paris in under half an hour.

The incredibly aerodynamic vehicle is 30m long and seats 50 passengers. The shape is symmetrical and carefully designed to ensure optimisation of space in the stations. The infrastructure around it is judiciously designed to have the right amount of space for airflow. It is possible to change the pressure according to the demands of the traveler. Specific attention to detail in design is imperative to creating a pleasant commuting environment. The carriage will have a 'light' colour scheme, and the roof will mimic the time of day. Smart touch screens are available to check destination time, current location, and caters for sending and sharing photos.

Van Noort concluded that development is continuing at pace all the time and that 467km per hour is the record speed which the team is seeking to beat. Further information is available on the **Delft Hyperloop website**.

Kristian Koreman co-

founded ZUS (Zones Urbaines Sensibles) in 2001, which practices architecture, urban planning, and landscape design. Koreman discussed how the company focuses on temporality in order to grow and evolve locations. This can all be found in his book, **'City of Permanent Temportality'**.



An example from our host

Kristian Koreman, co-founder, ZUS

city, Rotterdam is Schieblock. It was meant to be torn down, and so they protested against it. As a result of their activist behaviour, they had the idea to draw up building plans of how to address the problem and improve the building. ZUS architects, redeveloped the whole site in a productive way and created a new placemaking workspace. This would include green rooms, diversity and a mixture of functions to cater for a variety of needs.

ZUS advertised the space, marketed it, gathered interest and contracts and successfully got people renting the space at an affordable rate. This acted as creative urban furniture that facilitated the user of the public space and, as a result, got more people out on in streets again. Furthermore, Koreman constructed some of the space into a mini beer garden which encouraged and added social value as a result of bringing people together. Koreman and his partner, eventually came up with a new backbone to the temporality idea by connecting three parts of the city via a wooden bridge, the Luchtsingel. However, instead of waiting 30 years, the idea was to build what they could fund at the time meaning it was a work-in-progress. This was the first ever bridge made through crowdfunding. Each part of the bridge was sold for €25 per piece and was labelled with the crowd funder's name.

The controversial plan caused public debate as building it without enough funds was a risk and furthermore a disruption! But ZUS has turned this controversy into a positive; people were interested in this project and wanted to see what was happening, causing an influx of people traffic. This 'noise' was good and started people talking. After the success of the beer garden, ZUS introduced more initiatives, taking the empty roof tops and starting planting vegetables, plants, flowers and even added bee hives.

Nicolas Bearelle, CEO

and founder of Re-vive (an architecture and project development firm) discussed sustainable urban regeneration. Re-vive is a benefit corporation that transforms deprived areas while adding social and environmental value. Bearelle focused on using private equity and investing in social housing but the big question



Nicolas Bearelle, CEO and founder, Re-vive

surrounds whether this would work or not. Bearelle talked about the discussions he has started with politicians to invest $\pounds100m$ of private equity in social housing. A portion of this would be to own the asset and the rest would be build-to-rent.

One of Bearelle's most recent and successful developments was the EKLA, Sint-Jans Molenbeek, which was a former brewery transformed into a mixeduse space including residential, social housing, retail, school, kindergarten and office space in an 'underserved' region. Bearelle sees the importance in sustainable urban regeneration and recognises the need for buying developments for educational purposes and housing which is affordable in the renting markets.

Walter Ligthart, general director of the Theatre of Rotterdam focused on how its developments add value to it in a social, organisational and strategic manner. Ligthart is a partner of the 7 Square Endeavour, a sustainability initiative in Rotterdam which has evolved and become increasingly lively. This collaboration started four years ago and has a sole focus to create more sustainable cities in the future. Ligthart talked about taking this to the next level which would be a Public Private Partnership as













a cooperative arrangement with two or more private/ public sector organisations. Ligthart agrees with the idea of micro adjustments over time instead of one big development, connecting between all the dots towards creating inclusiveness in cities. Ligthart concluded that while the thinkers are important, what we really



Walter Ligthart, general director, Theatre of Rotterdam

need is for people to act on the ideas.

Closing Remarks

Chris Choa closed the conference saying that we are entering a new era – one where we can approach economic issues effectively and physically measure environmental issues. There are various suggestions and

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logical solutions presented however, none without blatant obstacles and many that simply need to be measured better.

We are coming to an age where we have a paradox – no matter who you are or where you are from, there is an issue of affordability and the paradox is that we are all choosing to live in unaffordable cities against our own interests.

Choa asked how we prepare children in vulnerable communities to compete in a globalised economy if they are from an impoverished area and said: "We need to work together to create new economic opportunities for all social classes." For example, what combination of infrastructure investments will raise the reading age of children through better accessibility to an education? The correlation between these two things is incredibly strong and something can inevitably be done about this.

Choa concluded by saying: "We want to come together, work together and be loyal. Let's use more emotional words to describe the outcomes we are trying to achieve and implement the delivery of our ideas".



About ULI

The Urban Land Institute is a global, member-driven organisation comprising more than 40,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and creating and sustaining thriving communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in over 80 countries.

ULI has been active in Europe since the early 1990s and today has over 3,500 members across 27 countries. The Institute has a particularly strong presence in the major Europe real estate markets of the UK, Germany, France, and the Netherlands, but is also active in emerging markets such as Turkey and Poland.

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Our members are business leaders, public officials and community builders – the people who develop and redevelop neighbourhoods, business districts and communities across Europe, the US and around the world. Our diverse, yet common purpose provides rich opportunities to engage with people from different disciplines and to deepen existing relationships.

Members encompass the spectrum of experience from students through to revered senior industry figures. They engage at different levels – globally, regionally and locally. Achieving the ULI mission is made all the more possible through their contributions and experience. It is through member involvement and information resources that ULI has been able to set the standards of excellence in development practice.

To learn more about ULI membership, please visit europe.uli.org/join



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