Creating Methods, Procedures and Tools for a more Sustainable Neighbourhood Development – Experiences from Germany
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Session 2.12

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Questions

• Why the interest in **neighbourhoods** as a **scale of intervention** in the effort towards sustainable urban development?

• Why is it important to shift towards a **process based approach** to assessing the sustainable development of existing neighbourhoods?

• What are the **basic steps** supporting such an approach?

• Are there nowadays **instruments** promoting a **participatory** sustainable neighbourhood development?
Starting point

- Cities are growing like never before…
- It is necessary to start "thinking bigger" about the sustainability-related efforts in the construction sector – shift in focus from single buildings to entire neighbourhoods and cities


Almost 60% !
Recent International Initiatives

Stand Alone Goal On Cities – Goal 11 “Make cities and human settlements inclusive, safe, resilient and sustainable”

Source: https://unhabitat.org/un-habitat-for-the-sustainable-development-goals/
SDG11 linkages to other goals

Object

Processes

Aspects
Sustainable urban development is a difficult task to accomplish due to its complex and continuously-evolving nature.

Subdividing the “city” system into smaller units and involving local stakeholders in their development and improvement process as co-creators and co-implementers would facilitate such transformations.

the level of motivation of different actors to participate in decisions influencing their living environment is higher in individual neighbourhoods than in cities
Are Today’s Assessment Approaches Suitable?

**“PERFORMANCE-ORIENTED” APPROACH**
- The performance at a specific point in time / assessment of the absolute sustainability deriving a rating or certification
- Newly designed or planned neighbourhoods, inflexible to fully support the transformation processes of existing neighbourhoods

**“DISTANCE TO TARGET” APPROACH**
- The distance(s) between the current and desired situation (short-term and long-term target) / assessment of the relative success
- Existing neighbourhoods, since it can reflect their dynamic and constantly changing character. The risk of stigmatisation a poor score may bring can be avoided.
Another element of inflexibility – a “fixed” set of indicators.

Especially in the case of existing neighbourhoods, the use of a “flexible” indicator set is necessary to reflect and adapt to:

✓ the specificities of the area under study,
✓ the varying and time-evolving local situation/interests/needs,
✓ the specific perspectives of different stakeholders
Basic Steps for Supporting the Sustainable Neighbourhood Development Process
Overview – 8 Steps: proposed by the authors

STEP 0: Problem/need/opportunity identification
Who initiates the local urban development?

STEP 1: Initial selection of the boundaries of the area of intervention
How the potential location is selected?

STEP 2: Profile analysis and description
What are the rough boundaries of the area of intervention?

STEP 3: “Top-down” indicator selection and target setting
Which places, services, infrastructure, actors and activities make up the area?

STEP 4: “Bottom-up” indicator selection and target setting
How citizens can be involved in the process?

STEP 5: Available data sources identification
Are there available and reliable data for the selected indicators?

STEP 6: Assessment of the baseline conditions based on the selected indicator set
What are the current conditions in the area?

STEP 7: Planning of the possible route of action
How to move from the starting point to achieve success?

STEP 8: Monitoring and assessment of progress based on the selected indicator set including adaptation of targets/actions
How to secure continuous improvement in the area?
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Initiation phase - 0

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**Top-down initiation**
- Local authority
- Property owners
- Residents’ groups

**Bottom-up initiation**

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Basic analysis of the area of intervention - 1 & 2

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Local authority

Property owners

Residents’ groups

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- Which places, services, infrastructure, actors and activities make up the area?

**Core Team (CT)**
- Main Coordinator & key prime consultant(s)/expert(s)

**Steps 3, 4 & 5**

- Profile indicators/information
- Identification of the main local actors
Development of a set of indicators - 3, 4 & 5

**STEP 3:**
“Top-down” indicator selection and target setting

**STEP 4:**
“Bottom-up” indicator selection and target setting

**STEP 5:**
Available data sources identification

How citizens can be involved in the process?

Are there available and reliable data for the selected indicators?

Expansion of the CT to engage a broader variety of local actors and experts and share responsibilities

Overall Team (OT)
Development of a set of indicators - 3, 4 & 5

- **Core indicators**

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Organisers:

International Co-owners:
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• Core indicators

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• Context-specific indicators

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Consequential indicators

Steps 6, 7 & 8

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• Context-specific indicators

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22
Development of a set of indicators - 3, 4 & 5

- **STEP 3:** “Top-down” indicator selection and target setting
- **STEP 4:** “Bottom-up” indicator selection and target setting
- **STEP 5:** Available data sources identification

**Refinement process**

- **Core indicators**
- **Context-specific indicators**

**Overall Team (OT)**

Expansion of the CT to engage a broader variety of local actors and experts and share responsibilities

**How citizens can be involved in the process?**

**Are there available and reliable data for the selected indicators?**

Steps 6, 7 & 8

Consequential indicators
<table>
<thead>
<tr>
<th>Indicators</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-assessment</strong></td>
<td>- Profile indicators/Background information</td>
</tr>
<tr>
<td></td>
<td>• provide basic statistics and background information to describe the object of assessment (neighbourhood) and its main characteristics</td>
</tr>
<tr>
<td></td>
<td>• no targets are defined for the neighbourhood scale</td>
</tr>
<tr>
<td></td>
<td>• A term in line with ISO 37120 “Sustainable development of Communities....”</td>
</tr>
<tr>
<td><strong>Assessment</strong></td>
<td>- Core indicators (top-down selection)</td>
</tr>
<tr>
<td></td>
<td>• derive as a result of an extensive review of other indicator sets found in international standards, national assessment systems, etc.</td>
</tr>
<tr>
<td></td>
<td>- Context-specific indicators (bottom-up selection)</td>
</tr>
<tr>
<td></td>
<td>• Derive as a result of a meeting with residents, and apply only to a specific context/area reflecting the uniqueness of this area</td>
</tr>
<tr>
<td></td>
<td>- Consequential indicators</td>
</tr>
<tr>
<td></td>
<td>• Temporary replace core or context-specific indicators as an alternative in case there is no useful information at the time of their assessment</td>
</tr>
</tbody>
</table>
Planning of the future - 6, 7 & 8

STEP 6:
Assessment of the baseline conditions based on the selected indicator set

STEP 7:
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STEP 8:
Monitoring and assessment of progress based on the selected indicator set including adaptation of targets/actions

What are the current conditions in the area?

How to move from the starting point to achieve success?

How to secure continuous improvement in the area?

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Continuous improvement process

Overall Team (OT)
Instruments for mobilizing, involving and empowering local stakeholders in decision making processes
How to strengthen collaboration and co-creation?

Living labs as one solution:

• Living labs are research and innovation concepts integrating multiple stakeholders (i.e. researchers, public organisations, residents and companies) beyond consultation and towards joint decision-making, focusing on the idea of empowerment and co-creation.

• There is already a basket of living labs around the world focusing on sustainable urban development.

• Usually universities are the driving force for their development and implementation.
“Urban Transition Lab 131” in Karlsruhe

- Supported and moderated by a scientific team appointed by KIT, in collaboration with the city of Karlsruhe and many other parties at urban district level.

- Combination of top-down (KIT team) and bottom-up (residents’ survey) approach to the selection of indicators

[Diagram and image of the project]

https://www.itas.kit.edu/english/projects_paro15_qzrealab.php
Who will pay for it?

• For covering the financial expenditure of such a process a top-down strategy alone is not enough – **mobilizing private capital** to complement public funding is necessary.

• New forms of **PPPs**, like “**urban improvement districts**” (UIDs), offer a framework for pooling private initiatives in neighbourhood transformations.

[Link to finding angel investors for your business](http://runapptivo.appsvco.com/how-to-find-angel-investors-for-your-business-10221.html)
“Urban improvement districts” as a new financial framework

- UID is a generic term for Business, Housing, Neighbourhood, etc. Improvement Districts

- A model started in North-America (especially BID) – in Europe, currently only in the UK, Ireland, Germany and the Netherlands

- Features:
  ✓ Legally defined area
  ✓ Self-organisation of private stakeholders (e.g. property owners in Germany)
  ✓ Joint financing via an obligatory levy
  ✓ Limited duration (e.g. 5 years)
  ✓ Broad spectrum of activities possible, e.g. capital improvements, marketing, security, etc.
  ✓ Additional to public finance
Example: “Urban improvement districts” Hamburg

• The city enacted legislation that enabled the creation of UIDs in 2007 to provide services in addition to those already provided by the public sector in specific areas.

• These districts implement a self-assessment, self-taxing mechanism and their creation is subject to a vote amongst property owners.

• The funds raised are managed by a third party specified by the district.
Key Conclusions and takeaways

• It is necessary to develop mechanisms that bring together experts and community members to develop indicators that stimulate and measure the progress towards sustainability.

• The instrument of “living labs” supports the process by fostering collaboration and co-creation/co-design.

• Such collaborative actions can provide a flexible indicator set that reflects local values, necessary actions and possibilities to act.

• Current discussions about the further development of ISO 37120 also point in this direction.
Key Conclusions and takeaways

- Once the final list of indicators best suiting the characteristics of the neighbourhood is acknowledged and widely accepted, the indicators need to be clearly and precisely described and documented.

- The development of a “factsheet” for each indicator containing all necessary information is a requirement.

- The purpose of such “factsheets” should not only be to identify and list all possible data sources and alternative calculation procedures for each indicator, but also to identify the acting stakeholders and their options/opportunities for action to implement specific measures to achieve progress.
Key Conclusions and takeaways

• Besides the growing political commitment worldwide towards the inclusion of local actors in the sustainable neighbourhood development process, it is also important to find solutions to **better mobilise capital** required for investments in the process.

• One approach, among others, for this, is the model of **Housing Improvement Districts** (HID).

• In the near future, more new models of public-private partnerships should be tested in the context of neighborhood sustainability transformation processes.
Thank you

Xie Xie

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Danke
Thank you