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Research project

Cutting costs in housing densification exercises

"Cutting costs in the building of new housing in urban areas (densification) by involving the residents and the other parties affected in the process at an early stage"

with financial assistance provided by the Federal German Office for Building and Regional Planning

Summary

Densification will be playing an important role even in relaxed housing markets:

- for environmental and economic reasons (limitation of urban spread, utilisation of existing infrastructure capacity),
- because available urban space needs to be developed,
- because there is commercially viable demand for attractive locations close to the centre of urban areas as well as for owner-occupied homes with good travel connections and infrastructure.

The general technical conditions and tenancy regulations for such projects are clear. Complications nevertheless arise regularly in practice: the initiators fail to make careful enough preparations, are afraid to enter into a dialogue with other parties who are affected or try to hold such a dialogue in the wrong way. Delays and resistance are inevitable as a result, the costs incurred are higher than expected.

The survey indicates typical project situations and provides ideas for the organisation and implementation of projects. Past experience in about 40 projects that have already been completed as well as discussions with official authorities and pressure groups about planning procedures, abandoned projects and concept approaches which aim to make well-organised long-term urban densification possible form the basis for the findings.

Cutting costs

Since every individual case that is investigated represents a special situation, there are no cost data that can be generalised; an indication is, however, given of where unnecessary costs are incurred and can be avoided. One general conclusion can be drawn from the projects that have been investigated: attempts to economise led in themselves to unnecessary expense. The main reason for this is the common assumption that projects would cost less thanks to "elimination" and "downsizing". The consequence of this was, however, in actual fact that the energy of the people involved was often focussed on resistance instead of on productive involvement. Unsettled issues were deferred until the construction phase was reached because of inadequate preparation.

Preparation of projects

Since practically every project has its own special features because of the general conditions and the people involved (personalities), there is no standard procedure. It is, however, possible to identify elements that apply in different situations. Preparations should be made in the following areas:

- careful determination of the aims and interests of the political community and public administration authorities, users / residents, other owners and local institutions,
- an analysis of the target group and whether its requirements can be met (the target group includes the existing users as well),
- the impact of the project on the structures and qualities of the status quo (in the case of large or numerous small projects, including the long-term effects from the points of view of housing policy and urban planning too),
- the volume of additional housing that is needed if structures are to be changed and the maximum that the area can handle,
- the speed of change (it is sometimes advisable to lengthen the timing),
- the technical basis for the addition of new storeys to existing buildings or for construction of new buildings,
- the legal framework (particularly whether a building plan has to be modified or compiled),
- rapid completion of the building phase with minimum impact on those affected.

Dialogue with the parties affected

In the case of a permissible building project, it is sufficient - from the legal point of view - for the developer to announce it. If the project is outside the standard legal framework, the interests of the owners of adjacent properties need to be taken into account and the representatives of public interests have to be involved. The residents affected only need to be involved in urban planning matters; the German legislation stipulates the "provision of information and of opportunities to make comments and hold discussions" - i.e. the "collection" of suggestions and objections. There are no provisions for involvement of the people affected in reviewing, evaluating and processing suggestions and objections.

The representatives of public interests should not be contacted for the first time by confronting them with a finished plan that fails to observe relevant building legislation; they should instead be involved in the decision-making process at an early stage.

Involvement of the residents can range from the provision of information alone to a hearing or involvement in decisions. The initiator determines the framework for the content of dialogue in all cases; he should be guided in doing this by such business interests as product promotion and customer satisfaction. The participants must then be informed about what is expected of them, what assignments and skills they are supposed to have and what will happen to their contributions. If consultation is planned, clear specifications are needed about what can (cannot) be discussed; a positive indication must in addition be given of how conflicts of interest are to be solved and how the fears of the people affected are to be relieved.

An atmosphere of trust always needs to be created or cultivated. The provision of *complete* information *in good time* about the advantages *and* disadvantages of the project are essential to make this possible.

The rule for all events is that the contents and necessary expertise determine who the participants are: events that solely aim to provide information about the objectives and nature of the densification exercise are aimed at *everyone* affected. The more specific the demands on the people attending and the more detailed the issues become, the more important it is to make sure that the event has a suitable number of participants with the appropriate skills.

There are no other specifications that always apply. Attention should, however, be paid to the following findings from the projects investigated:

- If extensive participation processes are planned, it is necessary to make clear what events will be taking place about what subjects, so that the participants know whether and when they can contribute.
- If agreements are made with individual tenants or groups of tenants / owners, these agreements should be put down in writing and the people who will be subsequent contacts (construction management, supervisors) should already be involved.
- Plans must not appear to be "finished", if suggestions are welcome or consultation is supposed to be possible. The project should on each occasion be just clear enough to make it possible to discuss in the group concerned.
- Representation cannot be enforced by taking legal action. It is only possible to work with the people who want to of their own accord.
- Organisers occasionally find themselves left on their own at initial information evenings. Action generally needs to be taken to create interest and develop trust in such cases - or a time has to be chosen that does not coincide with an important World Cup football match.
- Sensitivity is vital when dealing with fears and demands. Fears reduce acceptance; demands may be trivial or excessive from the "legal" point of view; there will not, however, be any co-operation as long as the stairwell needs renovation, for example.
- It often helps the people affected if as much as possible of what is familiar to them remains unchanged.
- The initiator must delegate people with the appropriate know-how *and* decision-making authority to take part in events and working parties - i.e. "clerical and management staff" if the assignment makes this necessary.

The initiator should as a general rule act as the direct contact. External moderation is only necessary if this assignment is too much for him or if he does not enjoy the required trust.

Owners of adjacent properties that are affected can be informed in the context of general public relations activities. A response is required if justified objections are made in the context of the planning permission procedure; agreement may under certain circumstances have to be "bought".

If a local authority would like to stimulate densification or prevent uncontrolled growth, it must be willing to enter into "genuine" co-operation with the owners / people involved above and beyond the procedures stipulated in legal regulations.