

The Urban Land Institute + CitiStates

GLOBAL METROPOLITAN 2012

[Futures Summit]

Over the past year, an overarching theme at ULI's events has been rethinking urban development for the 21st century, to better meet the needs of cities grappling with myriad challenges resulting from rapid urbanization, population and demographic shifts, new economic drivers, and environmental concerns.

At the 2012 Global Metropolitan Futures Summit, generously sponsored by the Rockefeller Foundation at their Bellagio Center, ULI and the CitiStates Group brought together a interdisciplinary mix of land use practitioners, technology experts, and finance professionals to advance discussion around city-building in rapidly growing metropolitan areas around the world.



INTRODUCTION

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Rapid urbanization and population growth are occurring not just in the world's megacities, but in metropolitan areas of all sizes. These regions will need inventive and practical ways to prepare for and counter the potential strain on infrastructure and resources. Each year, the number of people living in urbanized areas globally increases by about 60 million people. Most of this growth is taking place in low- and middle-income countries. This urban population increase will be felt not only through local and global economic shifts, but through increased demand for natural resources, housing, and employment. While these rapidly growing metropolitan areas will become important players in the new global economy, they face serious land use challenges that demand innovative yet viable solutions.

ULI believes that best practices for land use and sound infrastructure policy reinforce the sustainability, health, and prosperity of 21st century cities. Over the past year, an overarching theme at ULI's events has been rethinking urban development for the 21st century, to better meet the needs of cities grappling with myriad challenges resulting from rapid urbanization, population and demographic shifts, new economic drivers, and increasing environmental concerns. At the 2012 Bellagio Summit, ULI and the Citistates Group brought together an interdisciplinary mix of land use practitioners, technology experts, and finance professionals to advance discussion around city-building in rapidly growing metropolitan areas around the world.

“It is essential that all actors facing the urbanization challenge come together with resources and support for the bold and visionary local and regional leaders who must turn ideas into actions that can create competitive cities. It is the crucial role of 21st century infrastructure to provide equality of access to water, information, energy, transport, and open space for all city dwellers.”

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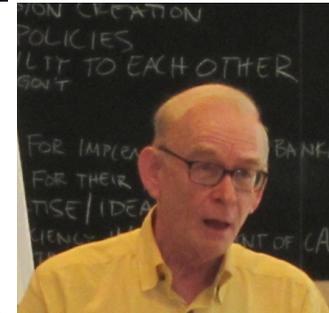
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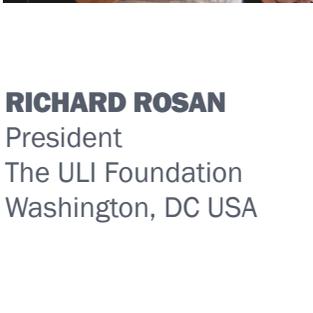
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The Urban Land Institute + CitiStates

GLOBAL METROPOLITAN 2012 [Futures Summit]

Discussions revolved around the challenges of creating prosperous, opportunity-rich, sustainable cities through the lens of four critical building blocks: transportation, water, energy, and public space. An implementation framework emerged, focused on leadership, technology, and financing structures and strategies.

We came up with some “big ideas,” but not any “big answers.” People were brought together to share ideas who don’t often get the opportunity to talk to one another. Planners from Addis Ababa and Mexico City told their stories to real estate investment fund managers from New York City. Decisionmakers from Singapore discussed housing policy with senators from Pakistan. We found consensus around the pressing need to think creatively about infrastructure and generally how these building blocks should work to support city-building.

The space in between – implementation – is where the group’s big ideas come into play and where the conversations took into account the myriad external factors (including corruption, governance, and culture) that impact how cities work.

While opinions on addressing these issues were as diverse as the group itself, all of us agreed that in the 21st century, the cities that are globally competitive will be those that are built for people, not cars, whether they are still-developing emerging markets or mature markets being redeveloped.

INFRASTRUCTURE + RAPID URBANIZATION

1. Infrastructure building blocks must be considered at the system level rather than as discrete networks.

the BIG

[Infrastructure Principles]

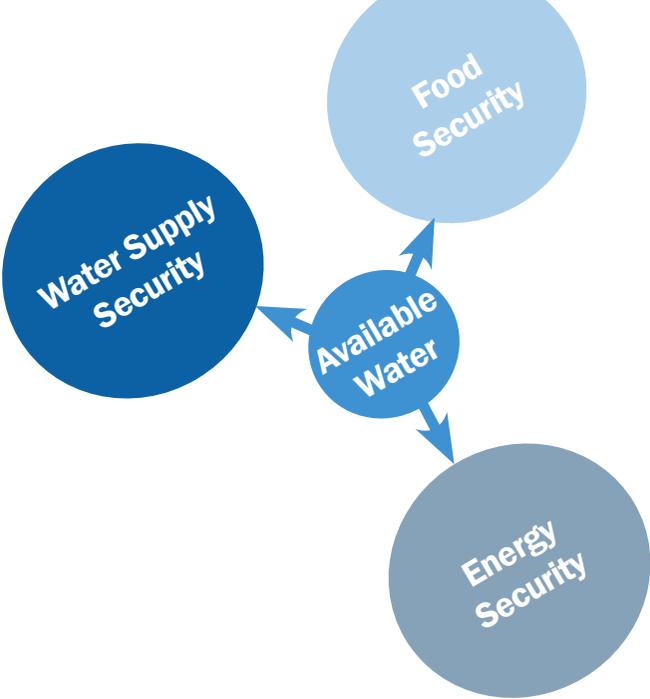
2. Flexibility is the key to creating solutions that work for different types of built environments and to ensure continued success as communities evolve.

3. Planning and prioritizing resources for infrastructure should take place at the regional level.

WATER
ENERGY
PUBLIC SPACE
TRANSPORTATION

WATER
ENERGY
PUBLIC SPACE
TRANSPORTATION

[Building]
BLOCKS



Energy/Water/Food Nexus

Of the three, only water is finite.

On average, about **40%** of water in developing countries is lost to poor infrastructure and theft through illegal connections. Many of these illegal connections are located in informal settlements.

[Principles for the Future]

WATER WATER WATER

WATER

Planning for water systems in cities requires a metro-wide planning approach that includes land use and energy.

Water management must be a multi-level cross-jurisdictional undertaking led by a strong authority.

Graduated pricing systems should be used to achieve equity and viability.

Investment in highest affordable level of technology, both hardware and software.

Use pilot programs and projects to demonstrate how to create innovation in water management and encourage large-scale implementation.

ENERGY ENERGY ENERGY

ENERGY

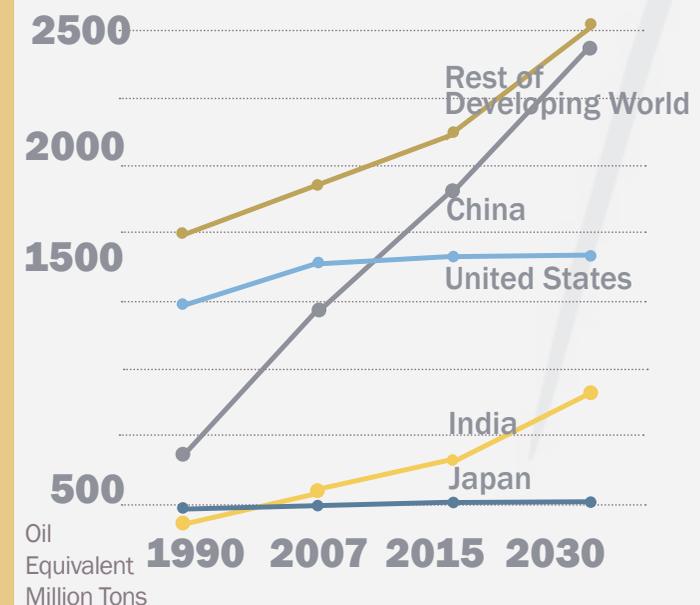
Energy needs to be considered in conjunction with land use and transportation. Higher density development and more efficient mixed-use paradigms can help to achieve this.

There must be increased investment in clean energy from both the public and private sectors.

Cities and regions should adopt energy policies that promote equitable access and reduced emissions and consumption, particularly if there is no such policy on the national level.

Electricity should be thought of as a source of inclusion and a tool for poverty reduction.

Increases in Oil Consumption



Transportation and alternative energy will play key roles in reducing oil consumption in the developing world, which will increase at a rate more than 10 times the rest of the world.

“If we can develop and design streets so that they are wonderful, fulfilling places to be – community-building places, attractive for all people – then we will have successfully designed about one-third of the city directly and will have had an immense impact on the rest.”

–Great Streets by Alan Jacobs

PUBLIC SPACE

PUBLIC SPACE

Public space is the key to creating sustainable, livable cities, and should be treated as such.

Maintenance is critical.

Amenities don't have to be in place at the same time. Think about layering them strategically in order of importance to the community.

Transfer of development rights should be used to provide public and open space in critical locations while increasing density in other areas.

Urban streets should be treated like public space with accommodation for all modes of transportation, including walking, biking, and transit.

TRANSPORTATION

TRANSPORTATION

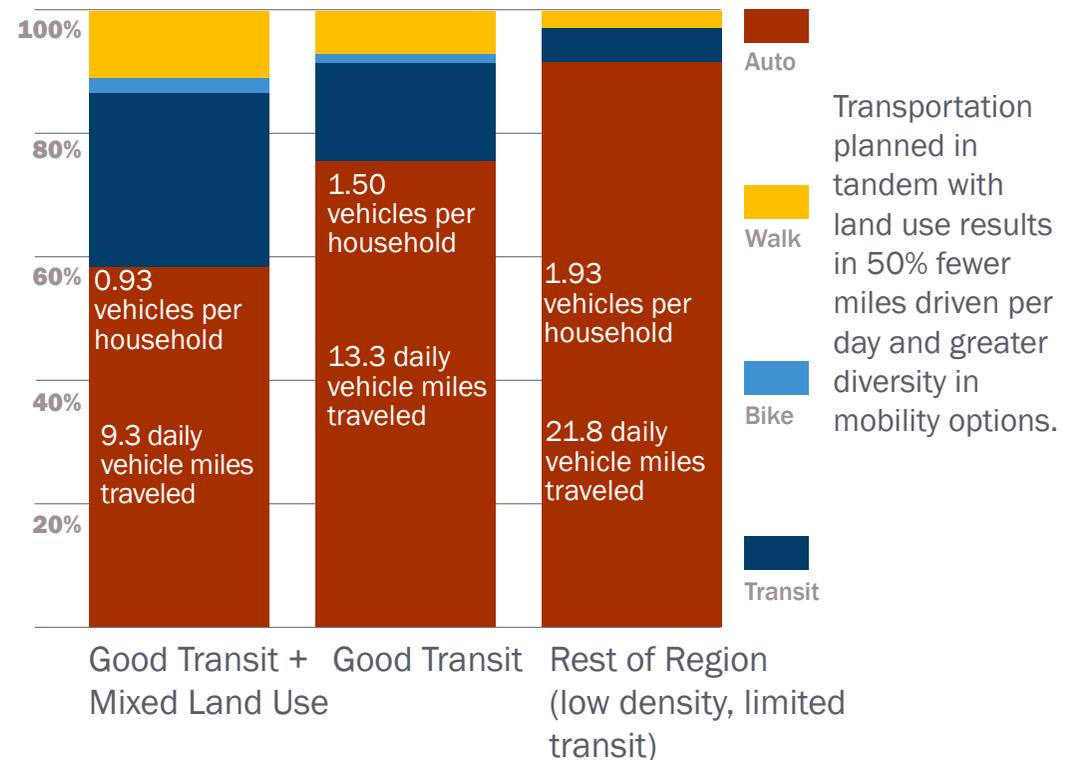
A cultural change in almost every city across the globe is needed to shift away from the personal automobile as a desirable status symbol and market transit as an attractive and modern mode of transportation.

Transportation planning must take place in conjunction with land use planning, and it must take into account regional geographies.

Governments need to create sustainable regulatory environments around goods movement.

Large roads cannot become the only form of transportation in rapidly growing urban areas.

Mode share in three types of urban form



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[Ideas]

Many organizations, people, and governmental entities around the world have put much thought and effort into developing principles for infrastructure – including many of the Bellagio participants – and discussion came to a fruitful consensus around those issues.

THE TOOLS FOR CHANGE

Three types of implementation tools emerged again and again during these conversations, and were explored more fully through the week:

- 1. TECHNOLOGY+CAPACITY**
- 2. FINANCE+INVESTMENT**
- 3. LEADERSHIP+
INSTITUTIONS**

TECHNOLOGY +CAPACITY

Advances in technology are playing a key role in creating a 21st century vision for cities. But what should the priorities in this realm be for rapidly growing cities?

“Smarter cities are emerging because the world is now instrumented—every device has a chip—and everything is connected. The resulting massive datasets can be analyzed to produce intelligence, and better decisions.”

- 1.** A national vision with strategies, performance goals, and standards. This could include policies like better managing water supply through strategic and equitable pricing schemes, creating modal split targets for transportation or setting goals for energy consumption stabilization.
- 2.** Fully integrated GIS systems and data sharing to enable more precise decision-making around city-building investments.
- 3.** New integrated thinking about land use management, perhaps requiring paradigm shifts from low-density to high density, reductionist to holistic planning strategies, and proactive rather than reactive.
- 4.** Robust technical education and knowledge exchanges from city-to-city within one country, and from country-to-country worldwide.

But before we can achieve these, the challenge of a framework remains...

Urban form must be thought of as a serious demand driver, with the accompanied investments.

The tools to engage in data sharing and data mapping, including high-quality networks and equipment, need to be in place.

Institutional capacity for collaboration, vision, political will, education, and financing must be created.

Every rapidly growing metropolitan area needs to develop a set of resources based on the needs that emerge from their individual contexts. Some are easier lifts than others, but all are necessary.

- 1.** Structures for knowledge retention and institutional memory in the face of short-term political change.
- 2.** Deep partnerships with all stakeholder groups.
- 3.** An investment framework for funders, including local foundations, the United Nations, World Bank, and other international actors, and private-sector entities that focuses on strategic city-building infrastructure.

And within that lies the even more challenging task of getting it done.

the BIG

[Ideas]

Innovative and thought-provoking: Participants were asked to contribute a “big idea” that emerged in their thinking through the course of the conversations, printed as-is here.

“Politicians and technical experts need to learn to speak the same language. Building trust between these two sets of actors is crucial for building and managing sustainable cities in the developing world.”

“Technical capacity at the regional and local levels needs to be addressed. This may be through training, awareness creation workshops and conferences, and piloting of some of the critical problematic areas the local governments are facing.”

“Introduce design and planning into school curricula at the earliest point (first grade) so that all citizens eventually know how to read plans and think in terms of land use beyond the status quo.”

“Buildings (commercial and residential) / transport systems / cars designed with sensor networks connected to the cloud giving operators / users real time feedback which will assist to maximize efficiency and influence behavior.”

TECHNOLOGY
+CAPACITY

“Ten megacities will be built in Africa as major mines are opened to extract large mineral deposits. ULI and its members could help ensure these cities are built well through a concentrated technical assistance and peer learning network, encompassing everything from finance to planning to livability to sustainability.”

FINANCE

+INVESTMENT

For most, this is the most pressing question: how can rapidly growing cities attract necessary private investment? This is a particularly pressing question for cities in the developing world. The Bellagio group estimated that just in mature market cities, the need for capital to support urban infrastructure is \$30 – \$60 trillion over the next ten years. In some metropolitan areas, the regulatory environment is not yet stable enough for investing. For this reason, our group chose to focus on priorities for emerging or new markets. There is no one-size-fits-all approach, but in every emerging market city, there will be a role for public, private, NGO, and institutional stakeholders, as well as the informal economy, in finance and investment.

[Priorities]

- 1.** Engage in preemptive land banking to establish priority growth areas in advance of the market. Land banking is also a useful tool to preserve land for open space or civic uses.
- 2.** If not already in place, create comprehensive land title and contracting regulations, a necessary component to attracting outside investment in real estate.
- 3.** Encourage capital market development, especially on the international level.
- 4.** Broaden individual accessibility for financing for projects, residential home ownership, and business loans.
- 5.** Attract global players to local investment opportunities.

For some rapidly growing cities, these priorities may be heavy lifts that are difficult to achieve while also keeping up with the demands of basic needs and services. However, putting in place the necessary elements to create a **framework** for a stable financing and regulatory structure will ensure increased quality of life and competitiveness on the global stage.

- 1.** Legal infrastructure must be in place. Rule of law and transparency are necessary to encourage capital flows.
- 2.** Government must “prime the capital pump,” which includes investing public dollars into infrastructure.
- 3.** Regions should develop a cost-effective and sustainable transit network essential for employment and housing development.
- 4.** Microfinance has a role in housing and economic development, especially before organized institutions are functional.

the BIG

[Ideas]

Innovative and thought-provoking: Participants were asked to contribute a “big idea” that emerged in their thinking through the course of the conversations, printed as-is here.

“ULI should be the catalyst in forming a \$1 billion revolving fund to promote best practices and innovation in sustainable urbanism in the developing world. The ULI Foundation could make a small capital pledge, and enlist corporations/NGOs/foundations and other sponsors to pledge additional capital, submit recommendations, and participate in the jury.”

“It is essential that all actors facing the urbanization challenge come together with resources and support for the bold and visionary local and regional leaders who must turn ideas into actions that can cre-

ate competitive cities. It is the crucial role of 21st century infrastructure to provide equality of access to water, information, energy, transport, and open space for city dwellers.”

“COMPEL SOVEREIGN WEALTH FUNDS TO INVEST IN THEIR LOCAL URBAN INFRASTRUCTURE AND PUBLIC HOUSING.”

“Developing cities, particularly those that are going to grow rapidly, should have compact, high quality growth with great parks and other public spaces, optimally located. It will be necessary for governments at the national, regional, or local level to invest in large land banks.”

LEADERSHIP +INSTITUTIONS

Leadership is perhaps the most nebulous of the identified implementation tools, but it is also one of the most important. Political will, innovative governance, and institutional engagement are the hallmarks of globally competitive metropolitan regions. But the importance of strong leadership and institutions in sustainable city-building extends beyond the public sector into civil society, the private sector, and international organizations.

[Priorities]

- 1.** Provide education to elevate capacity of public officials to be bold and persuasive in land use planning.
- 2.** Develop national government policy and funding strategies to further sustainable local and regional land use action.
- 3.** Facilitate public officials' understanding and ability to assemble resources to implement land use vision.
- 4.** Engage NGOs to educate developers and banks about sustainable land use.
- 5.** Leverage private-sector innovation and investment with public-sector resources.
- 6.** Use media to increase awareness and commitment to long-term vision from business and public.

ACTORS

INTERNATIONAL

Multi-laterals
Bi-laterals
Global non-Profits
ULI

ELECTED OFFICIALS

National governments	Special purpose authorities
Executive ministries	Transportation Ports
Military Civil Servants	Utilities
Municipalities	Regional/metro planning authorities
Mayors	
Departments, including utilities	
Civil servants	

PUBLIC+ CIVIL SOCIETY

Media
Academia
NGOs/CBOs
Residents

PRIVATE SECTOR

Private business (job provider)
Financial institutions and funds
Private utilities

ROLES

Bring best practices to government (“academic influence”).
Bring access to capital to places and initiatives excluded from capital.
Implement pilot projects.
Assess projects and programs.

Performance evaluation/accountability	to make the right decisions (the courage to stand up)
Decide how to share power with other actors	Formulate policies and alternatives analyses
Tax and allocate funds	Implement programs, projects, and regulations
Implement project regulations	Provide facilitation
Be bold and persuade stakeholders	

Provide opposition view.
Offer progressive vision creation.
Support best policies and equity.
Promote civic responsibility .
Educate private sector and government.

Provide capital to implement bankable projects.
Pressure government to advance their interests.
Offer enterprise/expertise/ideas.
Ensure optimization/efficiency in deployment of capital and resources.
Act in “enlightened self-interest.”

the BIG

[Ideas]

Innovative and thought-provoking: Participants were asked to contribute a “big idea” that emerged in their thinking through the course of the conversations, printed as-is here.

“ULI could convene a group of international experts and local leaders to address urban development issues in a rapidly growing city or region. This team of experts would create a framework for knowledge-sharing and further cooperation. These would be sites ULI is committed to exploring for a long-term relationship/partnership and where strategic partners could bring the right high-level actors to the table for specific exchanges with ULI members.”

“CREATE A HIGHLY MEDIATIZED GLOBAL COMPETITION SELECTING THE CITY AND THE MAYOR IN THE WORLD THAT MOST ADVANCED ITS GREEN AGENDA.”

“Use network to develop partnerships with local stakeholders around the rapid urbanization with the possibility of beginning to form relationships that could lead to joint formulation of think pieces of relevant topics.”

LEADERSHIP + INSTITUTIONS

“

There should be a dedicated conference with the city leaders from countries that do not really have a ‘National Urban Policy’

”

“ULI and Citistates should set up an urban knowledge network for cities to learn from each other.”

“Develop a business plan to aggressively expand ULI into the China and India markets with the mission to convene multi-disciplinary dialogue and influence decision makers toward sustainable land use development patterns.”

[About]

THE URBAN LAND INSTITUTE

ULI, the Urban Land Institute, is a 501(c) (3) nonprofit research and education organization supported by its members.

Founded in 1936, we now have members worldwide, representing the entire spectrum of land use and real estate development disciplines working in private enterprise and public service.

A multidisciplinary real estate forum, ULI facilitates an open exchange of ideas, information, and experience among industry leaders and policy makers dedicated to creating better places.

Members say we provide information they can trust, and that ULI is a place where leaders come to grow professionally and personally through sharing, mentoring, and problem solving. With pride, ULI members commit to the best in land use policy and practice.

The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Established in 1936, the Institute today has nearly 30,000 members worldwide, representing the entire spectrum of the land use and development disciplines. ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of the world's most respected and widely quoted sources of objective information on urban planning, growth, and development.

CITISTATES GROUP

The Citistates Group is a network of journalists, speakers and civic leaders focused on building competitive, equitable and sustainable 21st century cities and metropolitan regions. The Group's forte is communications — using its journalistic, speaking and facilitation skills to stimulate active debate on the real-world choices facing 21st century regions.

Formed in 1995, The Citistates Group is an LLC (limited liability company) that functions in a virtual mode, with no central office or staff. Its principals are syndicated columnist and author Neal Peirce, government/civic leader and writer Curtis Johnson, and Farley Peters, a veteran government activist who serves as strategist, business manager and speaking agent for the Group.

The Group offers one-stop access to its Associates — a group of leading thinkers and activists with specific experience and insights on the forging of stronger, more coherent regions.



[Sponsors]

ULI FOUNDATION

The mission of the ULI Foundation is to serve as the philanthropic source for the Urban Land Institute. The Foundation's programs raise endowment funds, major gifts and annual fund monies to support the key initiatives and priorities of the Institute. Philanthropic gifts from ULI members and other funding sources help ensure ULI's future and its mission of providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ROCKEFELLER FOUNDATION

The Rockefeller Foundation Bellagio Center's mission is to promote innovation and identify impact-oriented solutions to critical global problems. The Center, through conferences and residency programs, supports the work of scholars, artists, thought leaders, policymakers, and practitioners who share in the Foundation's pioneering mission to "promote the well-being of humanity." The Center has a record of major impact, from meetings that led to the Green Revolution and the Global AIDS vaccine initiative, to residencies that furthered the work of Glenn Ligon. This legacy, the serene work environment on the shore of Lake Como in northern Italy, the diverse groups of people, and the promise of future achievements make Bellagio an inspiring and productive forum for fostering positive change.



FOR MORE INFORMATION VISIT:

<http://www.uli.org/research/planning-design/rapid-urbanization/>

