

# Successful management of densification projects



In Switzerland, real-estate development projects are increasingly taking place in districts whose development was once regarded as essentially complete. In response to this trend, EBP has devised five different management models that help to secure the success of densification projects by facilitating cooperation among property owners and public agencies.

What is the best approach to the renewal and densification of existing inner-city and town districts? What requirements need to be met by management models for densification projects? In order to gain a better understanding of the challenges involved and to arrive at viable solutions, EBP joined forces with the cantons of Lucerne, Zurich and Basel Town, as well as with the real-estate company Bricks Development, Burckhardt+Partner, Steiner AG and the city of Thun to examine various management models for densification projects.

#### Paradigm change

Densification is the talk of the town. The recent vote on the Swiss Spatial Planning Act and various other legislative initiatives (e.g. the Landscape Culture Initiative in the Canton of Zurich) make clear that development via urban sprawl has come to an end. Indeed, several cantons have already adapted their cantonal development plans with an eye to promoting densification.

Given the fact that large vacant railway facilities, former

**Densification 2.0** 

# Client

Canton of Zurich, canton of Lucerne, Canton of Basel Town, Bricks Development, Burckhardt+Partner, Steiner AG, city of Thun, Basler-Fonds

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industrial sites and abandoned commercial lots with simple property ownership structures have already been targeted as locations for urban development, real-estate developers, planners and public agencies have now turned their attention to areas with complex property ownership structures, thereby initiating a process we refer to as "densification 2.0". The areas in question tend to be developed neighborhoods comprised of one and two-family homes (Residential-2 Zones) or multifamily buildings in underused Residential-3 and 4 Zones, which are largely characterized by small units, an abundance of different owners and conflicting vectors of interest in the form of clashing development visions, disparate professional backgrounds and varying financial situations.

#### The challenges of managing densification projects

Owing to the complexities that come with a multitude of property owners, densification projects tend to require intensive-care management. This is on account of diverging development goals and the right of individual owners to veto proposals. Then there are «freeloaders» who profit from the efforts and investments of others and the different professional backgrounds of the various stakeholders. The need to engage public agencies presents further challenges. The expectations of private individuals typically differ from those of agency representatives. And to top it off, there is considerable uncertainty about what contributions and infrastructure investments public agencies and property owners are expected to make. Given the different vectors of interest, an atmosphere of discord can arise.

### The need for new processes and management models

The existing processes and management approaches are often inadequate when it comes to meeting the challenges associated with such nuanced and complex development projects. This is why new approaches are necessary. Our examination illustrates five management models, outlines the relationships these models have to the planning process and specifies the factors that are crucial for their successful application.

