

STADTERNEUERUNG IN MADRID

**Fragen der Stadterneuerung als integraler Bestandteil einer ganzheitlichen Stadtentwicklungspolitik in Madrid
am Beispiel des Untersuchungsgebietes Lavapiés**



**Forschungsarbeit im Auftrag des Amtes der Wiener Landesregierung,
Magistratsabteilung 50:**

**Wohnbauförderung, Wohnhaussanierung, Wohnungsverbesserung und Aufsicht über die
gemeinnützigen Bauvereinigungen**

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2 SUMMARY

In this paper I will examine the importance of city renewal in Madrid, as well as its instruments and effectiveness, using varied literary sources and personal interviews. In addition I will discuss the specific renewal of the Lavapiés area for illustrative purposes.

2.1 General Information about the city and the region

Around 5 million people live in the autonomous “Comunidad” Madrid region and around 3 million in the city itself. Approximately 20% of housing in Spain’s capital was built after 1940. Real estate speculation, horrendous rents and an enormous construction boom characterise a city centre that is rapidly losing its population. Most people own their own properties. The currently differing political ideologies of the national government (PSOE) and regional government (PP) have also led to problems in urban planning.

2.2 Madrid’s development and the current situation

Madrid was first documented as a city in 1491, but its first development plan was not produced until 1860. Arturo Soria’s famous “Bandstadt” model from the end of the 19th century could only be realised in a small area in the north east of the city. Expansion of the city boundaries to include former countryside areas continued in the first part of the 20th century, reaching its peak after the reconstruction of districts destroyed in the Spanish Civil War and the annexation of many hinterland communities. This process led to a nine-fold increase in the city area. Immigration in the 1950s and 60s increased the unplanned growth of the city, with slum-like barrack settlements and high-rise blocks of flats - originally supported as a temporary solution by the city government – leading to the “hotchpotch” of living areas around the city today.

Madrid is now regarded as Spain’s most modern economic centre, but city development is facing serious problems as a direct result of the lack of living space. Horrendous (and ever-increasing) real estate prices and rents have led to large-scale speculation and around 38,000 empty flats in the city centre alone – this figure corresponds to around 16% of all city centre flats according to data from the Plan de Acción. Prices 48% higher than in other Spanish provincial capitals means that 22% of Madrid’s 30 to 34-year-olds still live with their parents. The state, Comunidad and city governments are all trying to increase the number of affordable rented accommodation on the market, sink prices and decrease the number of empty properties through special programmes and financial securities.

At around 12%, the amount of subsidised housing in the city is low. Public subsidisation means improved terms of purchase in Madrid and as a result subsidised rented accommodation only makes up around 1% of the total. The city’s current “Plan de Vivienda” scheme is hoping to improve the situation.

The area San Cristobal de Los Angeles provides a perfect example of the threatening consequences of the imprudent sale of city flats. Here the city government is completely reliant on the sociologists from the Carlos III University who are trying to alleviate the scale of the inhabitants’ problems through participatory means.

2.3 Urban planning in Madrid

The city’s urban planning department is located in the Town Hall in the “Gerencia de Urbanismo”, whilst the EMVS – “Empresa Municipal de la Vivienda y Suelo – is responsible for the interests of urban renewal. Coordination between the city and the region takes place in the Comunidad’s “Consejería de Obras Publicas, Urbanismo y Transporte”, whilst the “Dirección General de Arquitectura y Vivienda” is responsible for urban renewal in the whole Comunidad Madrid.

The last amendment to the “Plan General de Ordenación Urbana” (PGOU), dating from 1997, contains the important targets, norms and regulations for both urban development and renewal, whilst the “Plan de Vivienda 2005-2008” lays down the rules for subsidised accommodation.

One topic is currently on everybody's lips in Madrid: As a result of year-long, car-dominated urban planning policies, the M-30 city motorway will now be taken through a tunnel under the Manzanares river. This project will devour an estimated 4 250 million €² with a financial fluctuation margin of 25%-40% and will be constructed at the cost of thousands of trees. The opinion of many inhabitants of Madrid that this money could be invested more sensibly does indeed seem justified.

2.4 Urban renewal in Madrid

The "Ley de congegacion de renta" from 1964 determined extremely low rents, which made letting and thus the renewal of property of little interest. The selling of property led to the domination of "multi-party ownership" (many different property owners in one building) until the law was repealed in 1983. It was only after the country's return to democracy that left-wing political parties began to try to save dilapidated houses. Up until the end of the 1980s the city bought and renewed more than 100 buildings and provided renovation subsidies in an attempt to stop the financial impairment of the city centre. The election victory of the PP at the end of the 1980s and the start of property speculation led the city to follow a more financially lucrative policy of demolition and rebuilding.

It was only in 1994 that the city started to designate renovation areas, the so-called ARP (Areas de Rehabilitación Preferente), in which special financial aid is made available over a period of five years. They were re-christened ARI (Areas de Rehabilitación Integrada) in 2002. In the rest of the city outside of these areas, buildings over 100 years old have to undergo a technical inspection and receive less financial support than the ARI.

The first real steps forward in city renewal didn't happen until the mid-1990s. According to a joint study by the city and the university, much too much money was still invested in the renewal and expansion of the road system between 1979 and 1999 and much too little attention paid to improving inner-city life.

Nowadays city renewal still plays second fiddle to more profitable new construction, but the sector is growing as many developers recognise the state of the market and the desire of many citizens to live in the city centre.

In addition to the city renewal legislation of 1998, there are many other norms that help provide hurdles to bureaucratic development apart from the coordination between the state, Comunidad and city authorities. City renewal aims not only to renovate buildings, but also takes social aspects into account, as well as the city's infrastructure, traffic situation etc. It pays particular attention to safeguarding historical heritage and increasing the "liveability" of the city centre. Responsibility and the financial aspect are shared between three administrations supported by both public and private companies. The advantages and disadvantages of differing public, private and mixed city renewal projects are obvious.

Civil participation plays an integral role in larger projects and in the process of defining new ARI, but this works to differing degrees of success. The first pedestrian zone came into being on the initiative of local businessmen in the Calle Huertas and this has now been developed into a pedestrian area right through the city centre from the Palacio Real to the Parque del Retiro.

Even though the city would like to invest more money in the renewal of public space, the results that have been achieved with the support of the EU's URBAN-cohesion programme are rather impressive. After years of policies dominated by the importance of motorised transport, not unsubstantial areas could be won back for pedestrian use. Something unique to Madrid is the PAA (Programas de Adecuación Arquitectónica), which completely covers the cost of renovating the facades of buildings chosen by the city as long as the building itself is repaired by the owners. This money is used flexibly, for example in San Cristobal de los Angeles, where it is used to install lifts.

² cf. López de Lucio, R.: La Reforma de la M-30 Qué oculta la retórica del verde?"

The major current city renewal plans are the PERCU (Plan Estrategico de Revitalizacion del Centro Urbano) and the Plan de Acción 2004, which contain the aims, structures and necessary measures for planned renewal activities in the expanded city centre area.

2.5 The Lavapiés redevelopment area

Lavapiés is a district in the centre of Madrid. Originally built as a Jewish settlement outside of the city in the 12th century, it was encompassed by the city in the 17th century and is still seen as a multi-cultural, lower class immigration district. The industrial revolution and huge population increase in the 18th and 19th centuries led to the area becoming increasingly densely populated. Solid buildings from the 17th century were extended to incorporate today's substandard, "backyard" housing throughout the 19th and 20th centuries. The neglect of this district led directly to the problems that it faces today:

An ever-ageing population, a large number of poorly ventilated and dark substandard flats, a lack of open space and local infrastructure, a decrease in economic muscle, the domination of wholesale trade, a lack of integration, social marginality, etc.

The declaration of Lavapiés to an ARP in 1997 is one of the latest city renewal projects in Madrid encompassing an area of approximately 35 ha. and 20,000 inhabitants. An office was opened to help the city, Comunidad, Spanish state and EU coordinate their efforts to renew housing and local infrastructure, as well as to invest in social programmes and other projects. Particular weight was given to projects designed to eradicate substandard housing and to renew housing standing empty in the area.

2.5.1 The results of phase I (1997-2003)

Projects such as the redevelopment of the market, the renewal of the public library, the building of a theatre, underground car parks, the renovation of public squares and open areas etc can all be seen as successful individual projects in Lavapiés.

The proportion of repaired buildings is relatively low at 32.5% and above all the programme aimed at eradicating substandard housing must be seen as having failed. The reasons for this can be found in the inhabitants' poor economic situation – they were not able to find the money still needed despite the financial aid, - difficulties in getting agreement amongst 50% of parties in multi-party housing blocks, a lack of interest from more wealthy single-party houses, as well as a lack of flexibility in defining criteria for renewing backyard housing. The EMVS also admits to problems with bureaucracy and difficulties in coordination between the many different authorities involved. The local population and its organisations accuse the city of paying too little attention to their wishes and suggestions. Whilst several individual projects proved successful, there was no general improvement in social security – indeed the huge increase in property prices, way above the city average, led to the opposite effect.

2.5.2 Lavapiés phase II (2003-2006)

An extension to both the redevelopment area and the time that could be dedicated to it was agreed upon in 2003. The new area now covers around 70 ha. in which around 58,000 people lived in 2003.

The planned public investment of 39,51 million € will be shared by the state, Comunidad and the city, whilst the aim is to attract private investment worth € 15.37 million.

Apart from the increase in support for the renovation of buildings from 60% to around 75%, the aims have remained much the same as in phase I. The town hall authority is, however, looking to spend more money on improving integration, social and cultural programmes. The mayor promised more safety and cleaner streets, and in addition the problem of wholesalers, whose warehouses block empty buildings and traffic, is to be tackled. The renewal of several buildings also plays a prominent role in the Plan de Acción Lavapiés.

2.5.3 Lavapiés 8 years on – a critical assessment

An EMVS employee, the urbanist Fernando Roch, local inhabitants and postgraduates all judge the result in Lavapiés in much the same way:

Whilst individual projects could be brought to a successful conclusion, the problem of substandard housing could not be solved. Some of the buildings have been repaired but living conditions in the area could not be improved either with regard to the state of the housing or the social network available. Local institutions and people living in the district accuse the authorities of investing time and money in superficial beautification and a few showcase projects whilst failing to improve everyday life for the inhabitants. This dissatisfaction was made public by activists at a conference held in the centre of Madrid attended by the city's mayor.

A "Rehabilitación Integrada" must not only include constructional and historical aspects, but also the social, functional and education needs of the population. Fermin Àlavarez compares the renewal of a district to the making of paella that needs many ingredients, whilst Fernando Roch Pena uses the example of a forest, a complex area that is not a monoculture but can feed itself and is so sustainable. Integrated perspectives and improved coordination between the authorities is necessary and participatory measures must be made better use of.

Finally I would like to present the basic ideas for renovation suggestions for two particular buildings that were carried out as part of a dissertation in the department of urbanistic and landscape planning at the Madrid Technical University. The postgraduates show how more flexible regulations for the renewal of backyard housing would reduce the loss of properties as well as enable cheaper reconstruction or the building of new housing and so solve the problem of substandard accommodation.

2.6 **Summary**

Always considering the differing initial position in Madrid - hardly any rented accommodation, almost exclusively multi-party buildings and very few city housing developments - one could say that the city's uncomplicated system of applying for subsidies and its policy of investment in public space (such as 100% support for the renovation of facades as part of the PAA) are worth discussing in Vienna.

Negative examples for Vienna, however, are the Lavapiés district with its lack of integration and social inadequacies and the problems that have arisen in San Cristobal de Los Angeles as a result of the shortsighted sale of city housing developments for short-term profit.