



## EXECUTIVE SUMMARY

### Lessons learned from the first Urban Land LAB

*“Financing mechanisms and instruments of land re-use and densification for housing purposes”*

In the framework of its the mission of promoting land access and adequate housing globally and the Solid Ground Global Campaign, Habitat for Humanity / Regional Office for Latin America and the Caribbean (HFHI/LAC) is leading a broad capacity building strategy for public, private and social actors. The strategy aims at enhancing their ability to articulate, co-create knowledge, analyze the practice and propose innovative initiatives that promote changes in public policy.

Based on two initiatives developed by the Urban Development Institute CENCA (Peru) and HFH Argentina (HFHA) that seek to re-use and densify urban land to offer affordable housing in different locations and tenures, HFHI/LAC designed a new multi-actor space for knowledge sharing and creation, with the goals of innovating and transforming these initiatives into viable, scalable and sustainable models of land and adequate housing access.

The first Urban Land LAB "Financing mechanisms and instruments of land re-use and densification for housing purposes" convened international experts, government representatives, the banking and construction sectors as well as civil society during two days in Buenos Aires, Argentina, from March 14 to 15, 2017<sup>1</sup>.

<sup>1</sup> It was organized in the framework and thanks to the support of the HFHI Solid Ground Global Campaign, through the Urban Group of Land Instruments LAC, which is part of UN-HABITAT / Global Land Tool Network (GLTN), the HFHI Office of Government Relations in Washington DC and Cities Alliance

The present document summarizes the main outcomes of the Report ‘Lessons learned from the first Urban Land LAB’ that analyzes the first LAB’s design and implementation, with the purpose of improving the methodology, seeking to effectively foster the continuous strengthening of stakeholders’ capacities to promote dialogues, synergies and innovative proposals, towards secure tenure, adequate housing access and more equitable and sustainable cities, within the framework of the New Urban Agenda and the Sustainable Development Goals.

### LAB focus and objectives

The laboratory initiative (LAB) includes face-to-face and virtual events with key actors of the housing sector, who co-create knowledge on urban land through their interaction. The LAB seeks to connect knowledge and practice among public, private and civil society actors (scientific, technical and practical knowledge) around specific local challenges related to urban land, promoting constructive reflections on opportunities, challenges, barriers, risks, mechanisms and incentives to move towards innovative and viable models.

The main objectives of the first LAB were: 1) draw lessons learned from international and regional trends and experiences that support the design of the Peruvian and Argentinian models, 2) map actors and leverage public-private-social synergies; and 3) collectively analyze and raise potential financing mechanisms and instruments that encourage the participation of private investors and political advocacy, taking into account the respective contexts, challenges and opportunities for change

### Methodology

For this, HFHI/LAC designed a methodology based on:

- **Pre-LAB activities** (case sheets, socialization posters, design of technical assistance guiding matrices).
- **LAB** (3 thematic blocks, assessment, parallel virtual LAB - see table below).
- **Post-LAB activities** (documentation, follow-up webinar).

SUMMARY INFORMATION OF THE FIRST LAB	
<b>Participants</b>	
International experts	<ul style="list-style-type: none"> <li>▪ Robin Rajack, Inter-American Development Bank (IADB), United States</li> <li>▪ João Whitaker, former secretary of housing of São Paulo, University of São Paulo, Brazil</li> <li>▪ Diego Restrepo, former director of the Social Housing and Habitat Institute of Medellín (ISVIMED), Colombia</li> </ul>
Public sector	<ul style="list-style-type: none"> <li>▪ Ministry of Housing, Construction and Sanitation of Peru</li> <li>▪ Undersecretary of Urban Development and Housing of the Ministry of the Interior of Argentina</li> <li>▪ City Bank of Buenos Aires</li> </ul>
Private sector	<ul style="list-style-type: none"> <li>▪ Construction companies in Argentina</li> </ul>
Civil society	<ul style="list-style-type: none"> <li>▪ HFHI/LAC, Argentina and Bolivia</li> <li>▪ Urban Development Institute CENCA (Peru)</li> <li>▪ Civil Association for Equality and Justice (ACIJ)</li> </ul>
<b>Main activities</b>	

Block 1: Regional contextualization and lessons learned from Latin-American best practices	<ul style="list-style-type: none"> <li>Challenges and opportunities for densification and social renting in Latin America, Robin Rajack.</li> <li>Lessons learned to finance land re-use and densification for housing in Medellin, Colombia, Diego Restrepo.</li> <li>Financing housing policy in São Paulo, Brazil, João Whitaker.</li> </ul>
Block 2: Presentation of the Peruvian and Argentinian models	<ul style="list-style-type: none"> <li>Recycling urban homes for fair rent in Buenos Aires, Argentina.</li> <li>Social housing program in height as a strategy to reduce the occupation of slopes and risk areas in Lima, Peru.</li> </ul>
Block 3: Multi-actor technical assistance round tables	<ul style="list-style-type: none"> <li>Analysis of stakeholders (roles, incentives, risks and mitigation mechanisms) through a guiding matrix.</li> <li>Discussion of financial, fiscal, legal, urban planning and land management instruments.</li> <li>Socialization and discussion of progress and next steps forward.</li> </ul>
Assessment	<ul style="list-style-type: none"> <li>Participatory evaluation of the methodology, <i>After Action Review</i>.</li> </ul>
Social event	<ul style="list-style-type: none"> <li>Book launch "Fair Rentals, Urban Solutions for Buenos Aires" in IADB.</li> </ul>
Virtual LAB in <a href="http://suelourbano.org">suelourbano.org</a>	<ul style="list-style-type: none"> <li>Virtual space for the participation of other actors.</li> </ul>
<b>Products</b>	
Work documents	<ul style="list-style-type: none"> <li>Case sheets of Peru and Argentina; Posters of Peru and Argentina.</li> <li>Technical assistance matrices of Peru and Argentina.</li> </ul>
Documentation, monitoring and dissemination	<ul style="list-style-type: none"> <li>LAB Lessons Learned Report; LAB Political Advocacy Report.</li> <li>Webinar</li> </ul>

## Main achievements



**International and regional lessons learned.** If the expert's presentations provided valuable inputs, they included a long general context and a large number of mechanisms and instruments, leaving little time to deepen on the lessons learned.

**Public-private-social synergies.** Despite the low participation of public and private actors, the participants analyzed in detail the roles, interests, incentives, possible risks and mitigation mechanisms of the different stakeholders involved, through the guiding matrix. The LAB strengthened the synergies among the participating entities for their involvement in later phases (especially between HFHA and the City Bank of Buenos Aires, and CENCA and the Ministry of Housing, Construction and Sanitation of Peru). Regarding the virtual LAB, the expected mobilization was not achieved due to connectivity problems.



**Financing instruments.** The participants discussed a wide range of financial, fiscal, legal, urban planning and land management tools (incentive and penalty) in the light of the models' affordability, scalability and sustainability. In addition, the guiding matrix allowed

to identify phases, times and next steps forward.

## Lessons learned and recommendations

**LAB's path.** The first Urban Land LAB allowed to visualize the potential and scope of the LAB concept for future replication in the region. The LAB is conceived as an innovative capacity building strategy that seeks to accelerate changes in practices, systems and public policies through a process of reflection, co-creation and action among key actors of the urban, housing and habitat sectors. In this sense, the LAB constitutes a "macro path" with several stages that can be combined and developed through different face-to-face and virtual tools. In this way, the LAB is an interactive, flexible and dynamic strategy that may be adapted to any specific initiative. The main steps include: local challenge; exploration and initial dialogue; co-creation; implementation and follow-up; documentation and dissemination.

**Methodology of the workshop.** The methodology was adequate, well received and evaluated by the participants. Among the improvement opportunities are: emphasize the prior socialization of the models with the experts prior to the LAB so that they can identify concrete and applicable elements related to the specific challenges; start the workshop with the presentation of the models, their contexts and background; limit the experts' presentation to a single international experience; and maintain technical assistance roundtables and guiding matrices. With respect to the virtual LAB, HFHI/LAB should strengthen prior planning, assign a person exclusively dedicated to upload content to the platform and foresee possible internet connectivity problems.

**Participants.** Attractive previous work strategies with participants should be developed to motivate the representation of the different sectors. It is essential that the persons who attend possess a) knowledge of the cases, b) interest in accompanying the process in its different phases and 3) decision-making power in their respective entities. The group of participants should remain relatively small to facilitate effective discussion and collective construction.

**Issues and initiatives.** Depending on the level of progress in the models' design, the central subject of the LAB could be prioritized and delimited according to the following "work blocks":

1. Actor mapping and analysis: roles, incentives, risks and mitigation mechanisms or *How to formulate the model: what, why, for what, how and with whom?*
  2. Financial, fiscal, legal, urban planning and land management instruments and mechanisms or *How to finance and implement the model?*
  3. Political advocacy: institutional structuring forms of public policy or *How to turn the model into a public policy?*
- Taking as cross-cutting themes the model's affordability, scalability and sustainability.

Regardless of the level of formulation, any initiative to be discussed should rely on a market survey of the problem (from both supply and demand sides) in a specific urban area. Besides, the number of initiatives should be limited to two by LAB and have the same approach (for instance, densification of informal or legalized settlements, rental housing, renovation of central areas, among others).

## Conclusions



In conclusion, the first LAB "Financing mechanisms and instruments of land re-use and densification for housing purposes" was a successful experience. This original space of knowledge co-creation with public, private and social actors made it possible to leverage synergies in the formulation of innovative models of adequate housing access with different tenure options. The incentives and risks of the different stakeholders were analyzed, and financing instruments and mechanisms aimed at affordability, scalability and sustainability were discussed. Thanks to an interactive methodology focused on achieving concrete and relevant results, the initiatives of Peru and Argentina enriched the design of models that

promote changes in public policy towards more equitable cities.

In this sense, the LAB initiated a transition process: from an idea to reality, from theory to practice, from international lessons to local learnings, from a project to a model, from a sectoral approach to an intersectoral approach, and from civil society to multi-stakeholder synergies with co-responsibility.

In addition, the Buenos Aires experience allowed to assess the potential of the LAB concept and methodology for collective construction and capacity building. Hence, an interactive and dynamic path of reflection, co-creation and action was structured to accelerate change in practices, systems and policies, in which the face-to-face workshop appears as a milestone within a macro process. This route could be replicated in the region from the initiative and leadership of the different actors