Mass migration and real estate in European cities

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Urban Land Institute

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ULI Urban Land Institute

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Contents

Executive summary 1

Section 1: **Introduction** 3

Section 2: **Overview of key socio-demographic and migration trends** 5

Section 3: **Case study countries** 10

Section 4: **Impacts of migration** 12

Section 5: **Responses to mass migration** 17

Section 6: **Conclusions and recommendations** 30

Notes 33

Terminology used in this report

Forced migration: a movement in which an element of coercion exists, including threats to life and livelihood, whether arising from natural or manmade causes (e.g., movements of refugees and internally displaced persons, as well as people displaced by natural or environmental disasters, chemical or nuclear disasters, famine, or development projects).

Labour migration: a movement of persons from one state to another, or within their own country of residence, for the purpose of employment.

Source: International Organisation for Migration (IOM) (2011).

Executive summary

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"The globe is not static but fluid and flexible – people move where there is opportunity and peace. If we accept that, then developers, politicians, architects all have an important role so that the future world mirrors the needs of the people who live there."

(**Participant, Copenhagen**)

The current movement of migrants into and across Europe has substantial impacts on both European cities and the real estate industry. The settlement of migrants in European cities, both on a temporary and a permanent basis, will change cities and people's perceptions of cities, and affect land and real estate values. There is a pressing need for multi-sectoral responses to address the future needs of our changing urban populations – and, indeed, the opportunities for the real estate sector.

In spring 2016, ULI Europe began work on a research project to explore the implications of mass migration for cities in Europe. The purpose of the research was to understand how cities can best accommodate migrants and how the real estate industry can respond effectively. The research was funded by the ULI Europe Charitable Trust and carried out by the Institute for Research into Superdiversity (IRiS) at the University of Birmingham. A steering group of ULI members from eight European ULI national councils – UK, Germany, Austria, Turkey, the Netherlands, Sweden, Italy, and Greece – were instrumental in supporting the research.

The study identified a number of challenges in responding to the new landscape brought about by the increase in migration. At the same time, there was awareness of the opportunities afforded within this context and of the potential for pursuing creative and innovative ways of rising to these challenges. Specific opportunities for innovation that were identified for the real estate industry include:

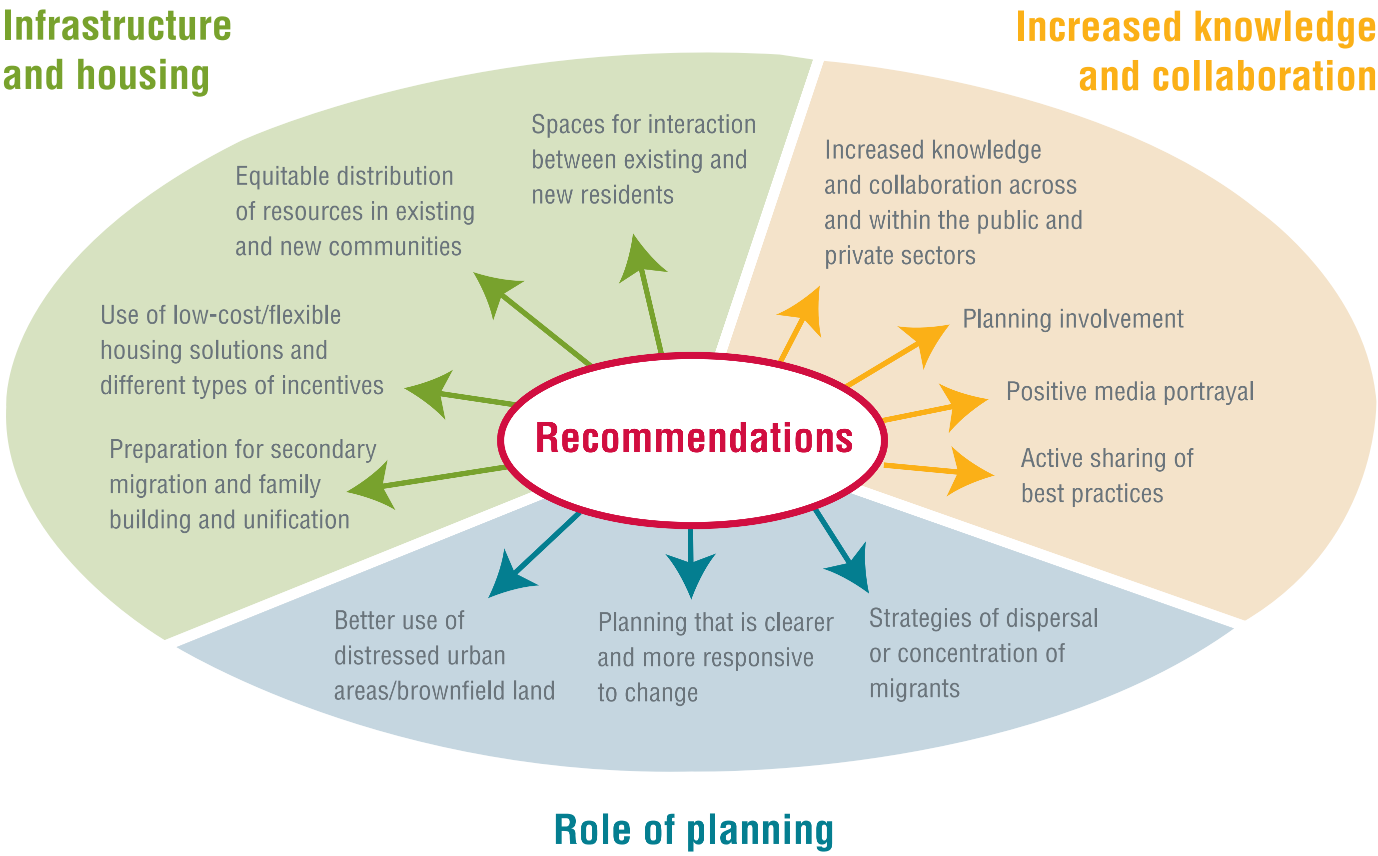
- a sense of urgency created by the influx of migrants; this can be a catalyst for transforming the real estate industry so that it can respond more quickly to current and future demands from occupants, a change that otherwise would have taken many more years;

- innovation in construction, especially relating to the provision of high-density, flexible, and low-cost housing;

- increased responsiveness in planning processes and openness to new approaches;

- the opportunity to adapt to a long-term trend of tenants and users wanting and needing more flexibility;

- development of new knowledge and skills as the real estate industry develops as a service;



- the scope to bring social integration and housing together, with the potential for ideas and practice to be used to develop truly inclusive societies; and

- the opportunity to provide migrants and others who move into cities with the appropriate housing and amenities that people need to integrate and build up a successful life, such as affordable housing and schools.

Findings from this research demonstrate a clear lack of specialist expertise on the interactions between land use and migration, which offers clear opportunities for the real estate/land use industry in the coming years. Though migration experts are knowledgeable about social and welfare issues, and real estate professionals are knowledgeable about potential real estate solutions such as affordable housing, very few individuals have knowledge that spans these two areas. There is a real need to develop a new generation of migration/land use experts to help cities respond to migration in a more sustainable manner, especially given the current high inflows of migrants.

A significant theme emerging from the study findings is the perceived gap between the concerns that people from host communities often have about increased migration and the reality. The vast majority of study participants indicated that they had not yet observed a significant impact on land use resulting from immigration. Concerns about problems identifying available space for urban living across Europe were, however, commonly reported, though these pre-dated the so-called migration crisis.

Study findings suggest that migration is not perceived to have changed local housing markets in any significant way but is considered to have added to the problems of an already overstretched residential market. In many European cities, ongoing urbanisation processes have led to extreme pressure on affordable housing.

Research participants emphasised the need to incentivise the private sector to provide new residential units in order to shift the focus to affordable or social housing. Participants also raised significant concerns about the need for the real estate industry to be adequately supported by the government financially and to develop the necessary infrastructure.

The final section of this report contains a series of tentative recommendations based on ideas generated through this research project. These are also summarised in the graphic above.

Section 1: **Introduction**

In spring 2016, ULI Europe began work on a migration research project to examine the implications of migration for cities in Europe, and to explore how cities can adapt and how the real estate industry might respond. The project was funded by the ULI Europe Charitable Trust.

The research was undertaken by the Institute for Research into Superdiversity (IRiS) at the University of Birmingham, and supported by a steering group of ULI members from eight European ULI national councils – UK, Germany, Austria, Turkey, the Netherlands, Sweden, Italy, and Greece.

This report is intended to raise awareness of mass migration and take ownership of a topic where the real estate industry and cities have a real role to play. The report highlights good practices and the ways in which the real estate industry can make a contribution to tackling the effects of the migration crisis.

This report examines the implications of contemporary migration for real estate and land use in Europe and considers two key questions:

- How will cities accommodate mass migration?
- How can the real estate industry respond?

The report highlights innovative practices from cities on the front line of the migration crisis and considers longer-term solutions to address the demands of migrants.

In this report, the term migrant is used to refer to both 'forced' migrants and 'labour' migrants. The International Organization for Migration (IOM) defines *forced migration* as a movement in which *"an element of coercion exists, including threats to life and livelihood, whether arising from natural or manmade causes (e.g., movements of refugees and internally displaced persons, as well as people displaced by natural or environmental disasters, chemical or nuclear disasters, famine, or development projects)".*[1] *Labour migration* is defined by the IOM as the *"movement of persons from one state to another, or within their own country of residence, for the purpose of employment".*

While migrants seeking to escape conflict, persecution, poverty, and environmental disaster have been crossing the Mediterranean by boat to seek sanctuary in Europe for a number of years, in 2015 the scale of arrivals increased beyond all expectations. IOM recorded in excess of 1 million arrivals, with migrants arriving from more than 100 countries. Over 205,000 arrived by sea in 2016, heading largely to Greece and Italy, with 90 percent coming from the top ten refugee-producing countries, most from Syria (49%), Afghanistan (25%), and Iraq (15%)[2]. The media and EU governments have described events as a "migration crisis". Many have proclaimed it to be the greatest crisis since World War II[3]. Italy and particularly Turkey and Greece have encountered the majority of arrivals – many of whom then continue to Germany, Sweden, and Austria to claim asylum. Others, generally with relatives in the United Kingdom, wait in makeshift camps for an opportunity to cross the English Channel.

Some countries have acted as transition states, processing large numbers of arrivals before they move on to their preferred destination elsewhere in Europe, and have been challenged to provide emergency accommodation, often on small islands with poor infrastructure. Derelict buildings, tents, and warehouses have all been put to use. Elsewhere in Europe, some arrival countries have received refugees in emergency housing, including tents, school halls, gymnasiums, and hotels. Though these were intended to provide short-term solutions, in reality many refugees remain in these temporary solutions on a semi-permanent basis.

Meanwhile, states seek housing solutions for the longer term. Among the solutions being considered are the conversion of commercial, industrial, and agricultural buildings; dispersal of migrants into areas of low housing demand; or the construction of new dwellings. To date, little research has been undertaken to examine what kinds of housing solutions might be feasible. It is clear that in the short term, solutions must be fast, durable, flexible, and affordable, as well as politically palatable given the sensitivities regarding allocating scarce resources to new arrivals. The real estate industry is ideally placed to embrace the challenges associated with the new housing demands and can play an important role in the future, alongside governments, in providing high-quality, affordable homes incorporating principles of good urban density[4].

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Aims and objectives

The overall aim of this study was to understand the approaches adopted by the real estate and land use industries in Europe to help integrate refugees into cities in a way that is inclusive and brings wide-ranging benefits for all. The research objectives were to do the following:

- Identify the demographic trends in major cities and consider how these relate to the migration crisis and associated housing needs.
- Examine the actions ULI members have undertaken to date, those which they propose, and the resources required to implement such actions.
- Investigate examples of innovative practice in promoting affordable housing and good density that could be adapted to address migration and the needs it creates in Europe.
- Outline a series of recommendations for future actions in terms of research, strategy, and good practice.

Three case study countries were identified. Germany and Sweden were selected because they are locations where large numbers of refugees are expected to settle permanently. Turkey was selected as a 'transition' location that has experienced large inflows of refugees in the context of the Syrian crisis.

Research approach

The research was undertaken by IRiS at the University of Birmingham and supported by a steering group of ULI members. The following research methods were employed:

- **Desk-based review of demographic and migration trends.** The team reviewed migration trends at a European level, followed by a demographic overview of the three case study countries looking at trends in population, employment, housing, and land use.
- **Online survey.** ULI members in Europe responded to an online survey to examine the ways the cities in which they operate have been affected by migration; their involvement in provision of solutions to migration-related demand; and the actions they have taken, would like to take, or would suggest.
- **Interviews.** The team conducted telephone interviews with migration and real estate professional experts in 11 countries.
- **Identification of innovative practice.** To identify innovative practice, the team conducted desktop review of relevant literature and drew on data from the survey and interview phases of the research.

Section 2: **Overview of key socio-demographic and migration trends**

This section provides an overview of demographic change in Europe and the economic impacts arising from migration. It considers changes associated with migration across Europe and seeks to answer such questions as: Who are Europe's migrants? How many are there? Where are they from, and where do they go?

There are three key points to make about recent trends in migration to Europe.

- There has been a considerable increase in forced migration (refugees and asylum seekers) to Europe in recent years, which distinguishes recent migration trends in Europe from those of earlier periods.
- Once migrants arrive in their destination country, they tend to move to, and stay in, cities.
- Between 2010 and 2015, Turkey received the same number of Syrian refugees and asylum seekers as moved to the whole of Europe in the same period.

Context: long-term demographic change and economic impacts of migration

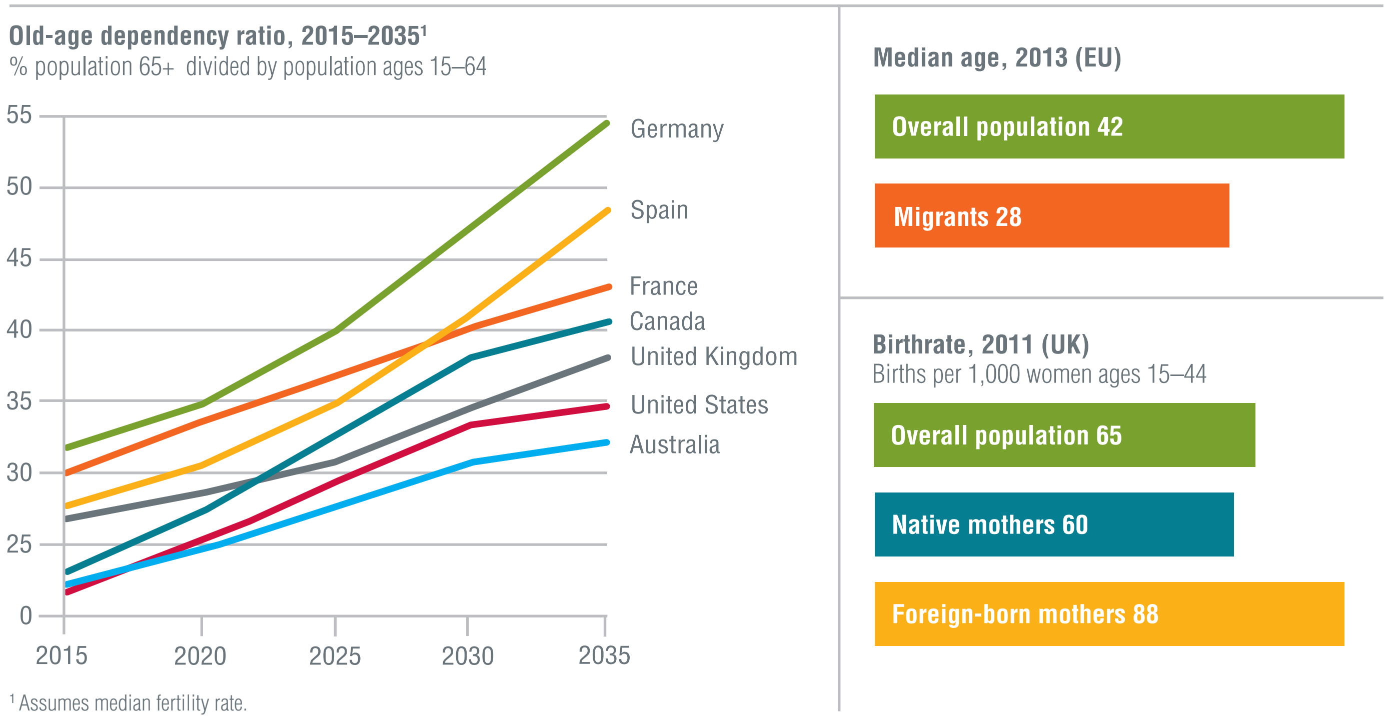
There is an ongoing need for migrant labour given low birthrates and ageing populations of many European countries. Addressing the old-to-young dependency ratio is particularly important in Germany, the United Kingdom, and Spain[5], with migration crucial to underwriting pension contributions (see figure 2.1).

Figure 2.1 Old-age dependency ratios

New immigrants could help lower old-age dependency ratios and make pensions more sustainable

Old-age dependency ratios are expected to greatly increase in the coming decades, with Germany's ratio almost doubling in 30 years.

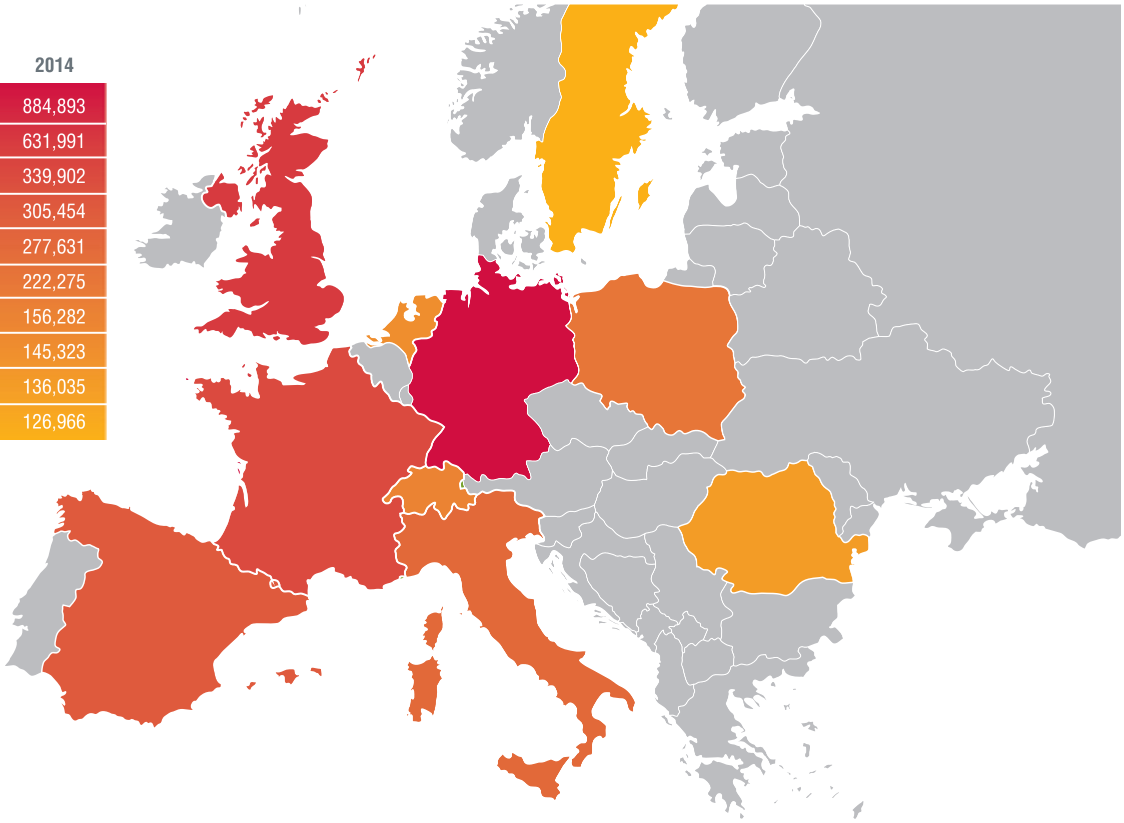
New migrants are younger and have a higher birthrate than natives.



[1] Assumes median fertility rate.
Source: McKinsey Global Institute (2016).

Figure 2.2 Total immigrant inflows into European countries – top 10 countries

	% increase 2010–2014	2014
Germany	+ 119.00%	884,893
United Kingdom	+ 6.94%	631,991
France	+ 10.68%	339,902
Spain	- 15.32%	305,454
Italy	- 39.49%	277,631
Poland	+ 43.28%	222,275
Switzerland	+ 5.03%	156,282
Netherlands	+ 14.63%	145,323
Romania	- 9.24%	136,035
Sweden	+ 28.51%	126,966

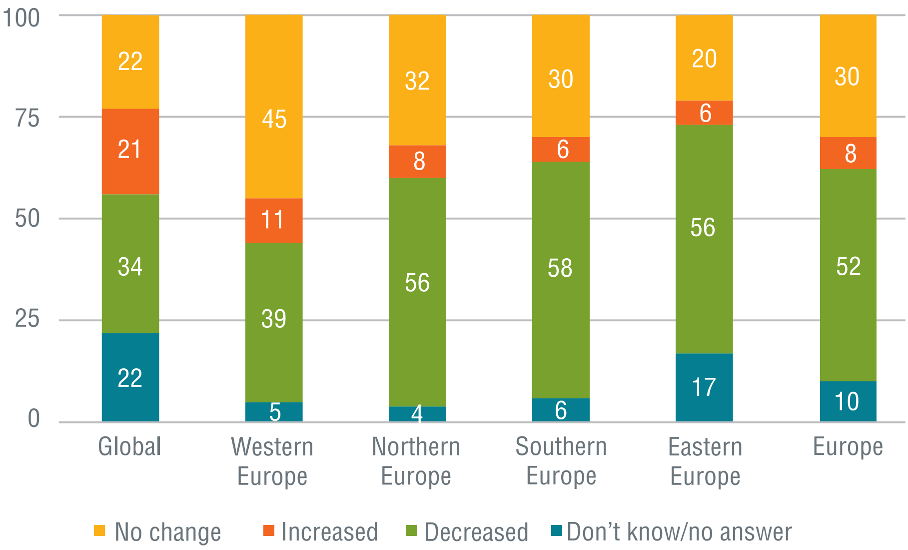


Source: Eurostat 2006–2014.

It is not surprising that migration is replacing native births as the key component of population growth: between 2000 and 2015, immigrants accounted for 87 per cent of the increase in population across western Europe, and it is projected that migration will further increase the European Union's population by 3.4 per cent by 2050 (an increase of 17 million people). Figure 2.2 shows the percentage growth of immigrant inflows between 2010 and 2014 into Europe's top-ten migrant-receiving destinations. Without such immigration, it is predicted that the population of the EU would decline by 8 per cent[6].

People in Europe have the most negative attitude towards immigration in the world, with the majority (52%) saying immigration levels in their countries should be decreased. The most negative attitudes are in northern, southern, and eastern Europe. In contrast, worldwide, people are generally more likely to want immigration levels in their countries to either stay at their present levels (22%) or increase (21%), rather than see immigration levels decrease (34%).

Figure 2.3 Attitude towards immigration in Europe
Preferred change in immigration level (%)



Source: 'How the world views migration', the International Organisation for Migration (IOM), 2015.

The vast majority of economic benefits associated with migration have accrued in North America and western Europe. Immigrants in western Europe contributed $2.2 trillion to $2.3 trillion to GDP in 2015 (14 per cent of all GDP of western Europe). McKinsey Global Institute (2016, p. 66) reports that the main migrant contributors/consumers were:

- Highly skilled long-term migrants ($735 billion to $775 billion contribution).
- Medium- to low-skilled long-term migrants ($1.17 trillion to $1.255 trillion contribution).
- Forced migrants – refugees and asylum seekers ($50 billion consumed).

Whilst unemployment rates for migrants were slightly above those for native-born populations across Europe, there was much variability associated with destination country and on skill level.

- In the United Kingdom, migrants of all skill levels were less likely to be employed than the native-born population.
- In Germany, highly skilled migrants were less likely to be employed than natives, but medium- and lower-skilled migrants were more likely to be employed[7].

A common argument against migration is that it undermines wage levels for native workers and acts as a drain on state benefits. However, evidence suggests this has been more dependent on the global financial climate than on immigration, and that overall government expenditures for immigrant households were lower than for native-born households[8].

The research also drew the important conclusion that migration may have had short-term impacts on and distorted labour markets, but no long-term negative impacts were found. The result of migration was 'accrued' added value. In the destination country, migrants could be more productive than in their home country, adding to economic growth, even though unemployment rates may be higher and wage levels generally lower. Past research has demonstrated that overall, migration tends to have a positive impact on GDP[9].

Figure 2.4 Migrants as a proportion of total city population

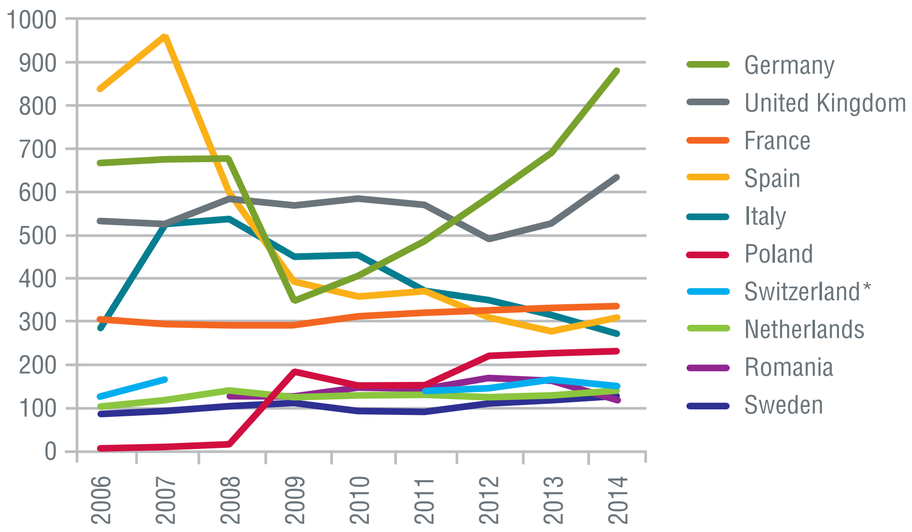
City	Percentage
Munich	27%
London	37%
Paris	25%

Figure 2.5 Forced migration: Key trends in Europe

- Between January 2015 and August 2016, around 2.3 million asylum seekers arrived in Europe.
- 1.6 million asylum seekers arrived in 2015 alone.
- The majority of asylum seekers who arrived in 2015 were from Syria, Afghanistan, and Iraq (64 per cent of total asylum seekers).
- The next most important groups of asylum seekers were those from Eritrea, Pakistan, Iran, and Somalia (8 per cent of total).
- Other countries accounted for the remainder of asylum seekers (28 per cent).
- Six European countries received 80 per cent of asylum applications between January 2015 and August 2016:
  - Germany (1.1 million)
  - Hungary (199,000)
  - Sweden (172,000)
  - Italy (155,000)
  - France (119,000)
  - Austria (116,000)
- Around 50 per cent of the asylum seekers who have arrived since 2015 are ages 18 to 34.
- 70 per cent of asylum seekers are male and 30 per cent are female, with more females arriving since 2015.

Source: McKinsey Global Institute (2016, p.47).

Figure 2.6 Non-EU immigrant inflows for 10 EU countries (thousands)



Source: Eurostat (2014).

**No data available for Switzerland for 2008 – 2010.*

Migration inflows into and within Europe

More migrants actually entered Europe in 2000–2005 and 2005–2010 (9 million migrants during each of these periods) than during the 2010–2015 period (4.1 million). Such migration was largely long term and voluntary. In particular, the accession of the so-called A8 countries and the implementation of the Schengen Area allowed people from eastern and central Europe to move west.

Germany, the United Kingdom, and France have consistently recorded the highest number of immigrants arriving in recent years, although Spain and Italy have also been significant destination countries since 2006 (see figure 2.6).

Figure 2.7 Migrant groups in western Europe

Most migrants make long-term voluntary moves, and most are low or medium skilled.

Migrant population by type of migrant, 2015 estimates[1]

Reason	Duration	Skill level	Number of migrants (million)	Share of total	Top two destination regions (million migrants): North America	Western Europe
Voluntary	Long term[2]	High	52–58	22%	14–16	9–12
Voluntary	Long term[2]	Medium/ low	127–140	54%	29–32	34–38
Voluntary	Short term[2]	High	6–7	2%	1–2	1–2
Voluntary	Short term[2]	Low	22–24	9%	4–5	2–3
Voluntary	Circular	Low[3]	4–5	2%	1–2	-1
Refugees and asylum seekers		Mixed	24–25	10%	-0.7	2–3

[1] 2015 estimates and ranges are calculated based on 2010 skill mix data from OECD (percentage of migrants by skill level), press search for short-term and long-term migrant estimates for OECD and non-OECD countries, and growth in migrant stock numbers from 2010 to 2015.
[2] Short-term migrants are those who stay in the destination country for less than five years; long-term migrants stay for five or more years.
[3] Includes 600,000 Association of Southeast Asian Nations (ASEAN)–Australia route high-skill migrants.

Source: McKinsey Global Institute (2016).

Figure 2.7 highlights the five main types of migrants in western Europe (2015 estimates) broken down by immigration status and skills level. Medium- to low-skilled, long-term migrants made up the majority of the migrant population (34 million to 38 million), followed by high-skilled migrants (9 million to 12 million) and low-skilled, short-term migrants (2 million to 3 million).

Once migrants have arrived in their destination country, they overwhelmingly move to and then stay in cities. For example, 95 per cent of immigrants in the United Kingdom live in urban areas. Figure 2.4 identifies the cities in Germany, the United Kingdom, and France which had among the highest proportions of migrants in relation to the total population.

Both the nature and scale of recent migrant arrivals distinguish recent migration trends from those of earlier periods. The considerable increase in forced migration to Europe has pushed asylum applications in 2015 higher than in any single year since 1945[10].

Figure 2.8 highlights the countries with the largest proportions of forced migrants in Europe: Germany, France, Sweden, and Italy.

Moreover, Sweden, Italy, and Germany have experienced large increases in the number of first-time asylum applications as a percentage of total numbers of immigrants (figure 2.9).

In addition, it is estimated that around 1.3 million asylum seekers will be accepted as refugees. The impacts of asylum applications on particular countries will be uneven, however. In Germany, if 400,000 to 600,000 refugees are accepted, the total population will increase by 0.5 to 0.7 per cent; however, in Sweden, the arrival of 150,000 asylum seekers in 2015 represented a 1.6 per cent population increase[11].

Overall – and looking beyond Europe – some of the largest flows of refugees and asylum seekers have been from Syria to Turkey – 2.5 million between 2010 and 2015. This figure is identical to the number of refugees and asylum seekers who have moved to the whole of Europe (EU-28 countries) during the same period. Despite these numbers, only 10 per cent of the world's refugees and asylum seekers are in Europe[12].

Figure 2.8 European countries with the largest proportions of forced migrants (asylum seekers and refugees)

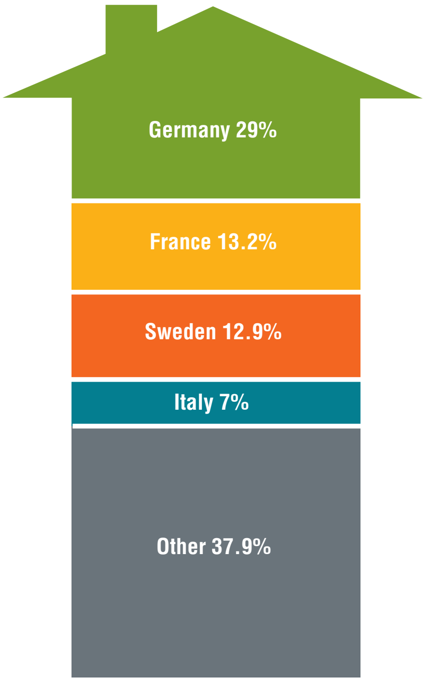
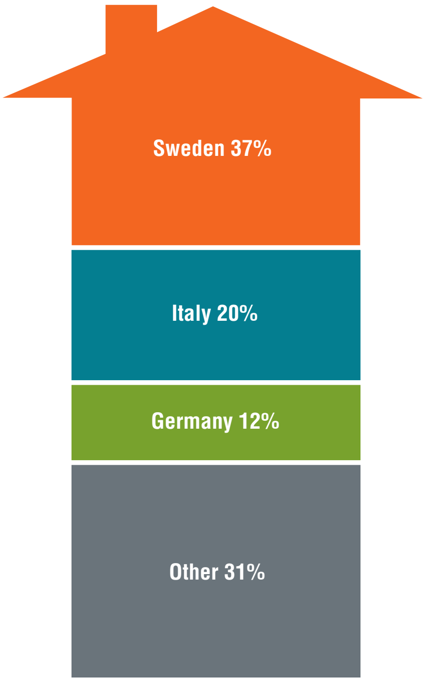
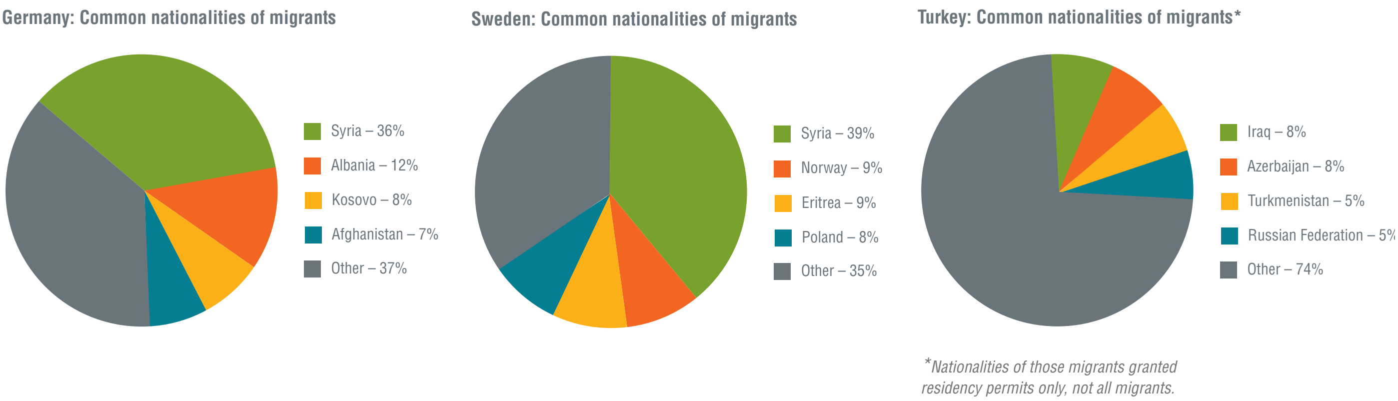


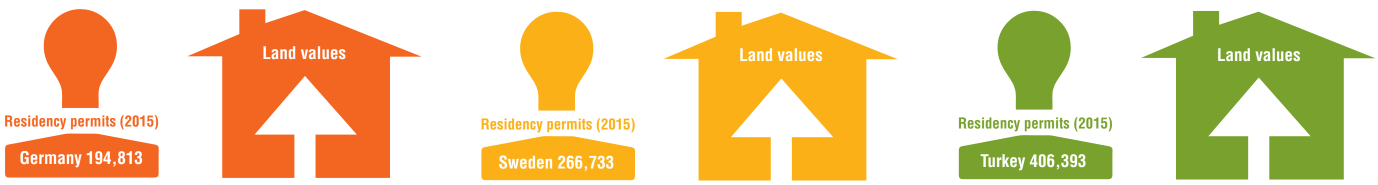
Figure 2.9 First-time asylum applications as a percentage of total numbers of immigrants



Source: Eurostat (2014).

Section 3: **Case study countries**





The research team and steering group selected three case study countries for analysis. Germany and Sweden were selected because they are settlement destinations with large numbers of refugees who are expected to settle there permanently; Turkey was selected as a 'transition' location which has experienced large inflows of refugees as a result of the conflict in Syria. These countries were chosen because among them they have experienced different levels of migration and responded in different ways.

Germany

Germany has experienced a significant inflow of forced migrants in recent years. An estimated 2.1 million people migrated to Germany in 2015 – including the 442,000 first-time asylum applicants identified earlier[13] – an increase from 1.5 million in 2014[14]. Illustrating the recently increased importance of forced migration to Germany, first-time asylum applications accounted for fewer than 50,000 migrants per year between 2008 and 2011[15]. Syrians constituted the largest proportion of asylum seekers in 2015 (35.9%), followed by Albanians (12.2%)[16].

Recent immigrants in Germany are more likely to be male than not and between the ages of 30 and 50, followed by those ages 18 to 30[17]. Since 2012, residency permits given to asylum seekers have been issued for a longer duration (over 12 months) rather than for shorter periods[18]. Non-EU residency permits were related to asylum rather than to other reasons such as education or family[19].

Native Germans were better paid than migrants in all categories. Unemployment for native Germans was also lower than for foreign nationals in Germany.

The cost of land in urban areas such as Hamburg increased by about 30 per cent between 2010 and 2015, with residential rental prices increasing by about 40 per cent between 2004 and 2016[20]. In addition, residential transaction prices have increased from around €2,150 per square metre in 2004 to around €3,900 in 2016[21]. The high price of real estate has implications for the ability of migrants and others on low incomes to access affordable housing in large cities across Germany.

Sweden

In Sweden, the most striking trend is the number of recent asylum applications. In 2015, just over 150,000 first-time asylum applications were received, more than double the 2014 figure of 74,980, and up significantly from 24,275 in 2008[22]. Moreover, the number of asylum applications per 100,000 people – 1,667 – was the second highest in Europe in 2015 (after Hungary) and higher than the 587 per 100,000 for Germany and 260 per 100,000 for the EU as a whole[23].

By country of origin, Syrians were the most common migrant group in 2015 with 24,563, reflecting the numbers of forced migrants recently entering the country[24]. Immigrants to Sweden were predominantly young, with the 25–34 age group most prevalent, followed by the 15–24 age group. As in Germany, residency permits given to asylum seekers have been issued for a longer duration (over 12 months) rather than for shorter periods[25]. Also, like those in Germany, Swedish workers in all categories were better paid than migrants[26]. Individuals foreign born or with a foreign background were more likely to be unemployed than individuals born in Sweden or with a Swedish background[27].

Figure 3.1 Residence permits in Turkey, 2015

Type of residency permit	Number of residency permits
Short-term	202,403
Family	73,705
Student	67,529
Work	62,756

Source: Turkish Migration Ministry (2016).[30]

Figure 3.2 ‘Population of concern’ in Turkey, 2015

Population of Concern	Number
Syrian	2,728,726
Iraqi	125,879

Source: United Nations High Commissioner for Refugees.[31]

Turkey

The number of residency permits granted[28] to forced migrants in Turkey more than doubled between 2005 and 2015, from 178,964 to 422,895. The vast majority of those residency permits were short term (see figure 3.1) and entitled individuals to stay for up to two years. There was a marked increase in arrivals from 2011 to 2012, which reflects the migrant crises in North Africa and the Middle East. By nationality, the importance of Syrian and Iraqi migrants was evident, with such groups constituting the majority of the United Nations High Commissioner for Refugees (UNHCR) ‘population of concern’. In 2015, the number of Syrians identified as being ‘of concern’ was over 1 million higher than the figure for 2014 and ten times higher than that for 2013[29].

The vast majority of the ‘population of concern’ (91%) lived in urban areas rather than in camps (9%). Residence permits were predominantly short term and reflected the influx of asylum seekers and refugees into Turkey in recent years.

In contrast with the other two case study countries, Turkish workers were paid less than migrant workers in all migrant categories.

Section 4: **Impacts of migration**

This section analyses results from 108 ULI member survey responses and 29 interviews with professionals in 11 European cities. Findings highlight the challenges that land use professionals perceive migration can pose for land and housing availability, local infrastructure, and community relations, but also the opportunities that arise to develop flexible and innovative responses to meet these, and perhaps wider, land use challenges. Such approaches could be used to address more general housing shortages. It is important to note that a number of contradictory findings emerged at a country, level – and in some cases, city level – and that the findings represent the views of land use and real estate professionals rather than actual measures of impact or opportunity.

Further research is required to better understand city-level perceptions of migration and the relationship between demographic realities in different urban areas across Europe. While some of the professionals who took the survey felt unable to comment on the relationship between migration, real estate, and land use, overall the research indicated that there is considerable interest in this subject. The lack of knowledge in the real estate and land use sector about migration- and welfare-related issues has also been documented in recent reports produced by other organisations[32]. Our research points to significant challenges in identifying trends in cities experiencing immigration in the current crisis, for both researchers working in the field and for cities seeking to respond to the crisis.

Our findings demonstrate that migration experts are knowledgeable about migration-related social and welfare issues and that real estate professionals are knowledgeable about affordable housing solutions, but very few individuals have knowledge that spans these two specialist areas.

Figure 4.1 Impact of migration on European cities

Area of impact	% reporting some or substantial deterioration in relation to area of impact	% reporting no change
Pressure on infrastructure	71%	18%
Social inequality	69%	26%
Community relations	61%	29%
Affordability of housing	60%	43%
Availability of housing	56%	35%
Affordability of the value of land/real estate	52%	43%
Availability of land real estate as a result of change of use	26%	57%
Construction of new property	13%	44%

Source: ULI survey.

Key impacts

The majority of respondents reporting on European cities (55%) reported that their city had experienced an overall negative impact as a result of an increase in migration, although it is important to note that even within the same cities, respondents gave wide-ranging answers, with some feeling there were no impacts or that impacts had been positive. Figure 4.1 shows survey findings about the most significant areas of impact perceived to have occurred due to increased migration over the past three years.

Interview respondents also identified a number of ways in which migration affected urban land use, housing, infrastructure, and community relations. Although the focus of the interviews was the impact of mass migration on the land use and real estate sector over the past three years, interviewees tended to frame their responses in relation to the perceived refugee crisis from 2015 onwards.

"Taking the last three years to mean the refugee migration that has occurred in the last 12–18 months, I think almost every city in Europe feels the strain, especially from Greece to eastern Europe up to Scandinavia."

(**Participant, Copenhagen**)

Interviewees distinguished between arrival or transit locations, such as Lampedusa in Italy or the Greek islands, and settlement destinations, often in northern Europe. In relation to the former, the focus was on emergency humanitarian support and temporary shelter, whereas in the latter, there was a greater perceived need to develop more durable housing solutions and more consideration of the impact of migration on public and community services. The main research findings on the impact of migration on land use can be grouped into three categories: social inequality, community relations, and integration; housing and land use; and local infrastructure.

Social inequality, community relations, and integration

Survey findings suggest that social changes within European cities are somewhat more marked than structural changes – those that occur when an industry or market changes how it functions or operates. Close to 70 per cent of survey respondents reported some deterioration in social equality and 61 per cent reported a deterioration in community relations. Recent terrorist attacks in a number of European cities and increased fears about terrorism may have contributed to respondents perceiving a decline in community relations: such responses were specifically observed in cities such as London and Brussels where migration-related population changes have been negligible. Some 83 per cent of ULI members surveyed felt there had been a degree of accommodation of existing migrant communities in their city. Around one-third of respondents suggested that the housing needs of new migrants had been prioritised over those of existing residents.

Around two-thirds of survey respondents (68%) described planning policies in their city as either 'cohesive' or 'neutral'. Roughly the same percentage (69%) also highlighted that migrants were not involved in planning processes. Results regarding the level of migrant involvement in the planning process compared unfavourably with the level of involvement of other stakeholders. Host-community engagement in the planning process was reported by 62 per cent of survey respondents, 63 per cent indicated real estate involvement and 55 per cent of respondents reported involvement of local businesses.

A number of interviewees also highlighted that high levels of migration placed pressures on local infrastructure (discussed in more detail in section 5) and expressed concerns about possible impacts on social cohesion.

Importantly, the dispersal of migrant communities around the city was seen by interviewees as necessary for integration, but this was often not achieved due to initial accommodation being focused in particular areas or the concentration of longer-term migrant communities in low-income areas.

"There are these suburban areas where most people with different ethnic backgrounds migrate and low-income groups reside in our city. And this is a huge challenge for us, to try to combat segregation in the development of Gothenburg."

(**Participant, Gothenburg**)

Interviewees highlighted the impact of segregation on community integration, particularly where new migrants were initially placed in one area and were unable to access employment and play a productive role in the community. Interviewees particularly emphasised the role of employment as a means of achieving integration for new migrants. There was also recognition of integration as a reciprocal process, where host communities needed to play a key role in welcoming migrants.

"I think the simple thing is that if you are going to have a strategy to deal with this and actually welcome refugees or migrants, then you've also got to have a strategy to make the existing society tolerant of them."

(**Participant, London**)

A significant theme that arose from the interviews was a 'perception/reality' gap with respect to perceived concerns of individuals from host communities in relation to increased migration and the reality.

"The nature of the complaints varies from being afraid that problems will be caused even if no problems have arisen so far, that more will come, and that the value of the property will drop. Mostly I think they are afraid that more will come. So this is where you need discussion: you need to reassure people, but that requires planning."

(**Participant, Athens**)

Issues such as personal security, increases in crime, the impacts of migration on house prices, and conflicting cultural values between migrants and host communities were highlighted as concerns. However, interviewees linked these concerns to fear of the unknown and negative media representations rather than actual experience.

"Quite frankly, I don't see it at all in public spaces. I believe the sentiments we are speaking about, they are much more induced by media and not so much by real life."

(**Participant, Hamburg**)

"When you put a facility of 1,500 refugees in a village of 500 people, there is an imbalance that makes people very against these kinds of 'asylum-seeker centres'."

(Participant, Deventer)

Interviewees drew distinctions between the attitudes of residents living in cities with a history of migration and diversity, and those for whom the recent arrival of migrants represented a demographic shift. Nevertheless, interviewees were far more likely to give examples of incidents in which migrants were the victims of attacks than where they had been responsible for crime or security issues.

Housing and land use

The majority of survey respondents reported that they believe there has been a deterioration in housing availability (56%) and affordability (60%) in their city since the arrival of the recent influx of migrants.

Similarly, survey respondents have a negative impression regarding the impact of migration on the affordability of land and real estate: 56.5 per cent reported no change in the availability of land/real estate and 42.6 per cent reported no change or some deterioration in land affordability (52%) and availability (26%).

Notwithstanding such findings, it should be kept in mind that survey findings are based on respondents' perceptions of the impact of migration in their cities: in some cases, impacts were reported to be high even though the city's share of migrants was, in reality, relatively low.

Interviewees spoke about how the high number of people arriving in some European cities as a result of the migration crisis was seen as a challenge to local housing, land use, and infrastructure. Interviewees said that city authorities were not adequately prepared for this.

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We have all types of refugees. More than 500,000 people came to Istanbul in two years, and it is very hard for the planning authorities to find a way to settle them and help them integrate into the city."

(Participant, Istanbul)

You can see that migration has affected land use. And that's because what happened last year, when we had such a rise in refugees coming to Sweden – I think it was triple during a very short period – and that was a pressure on Swedish society because we didn't have any accommodation for them."

(Participant, Gothenburg)

While some interviewees feel that a lack of preparation is understandable given the scale of migration, others believe that authorities should have better anticipated the number of new arrivals.

When interviewees discussed general migration trends beyond the recent migration crisis, they noted the contribution of migrants to local economies, in particular to the service industry, construction, and agriculture. Several interviewees also referred to migration by higher-income individuals and the impact this can have on the housing market and land.

"[Real estate projects] are not focusing on the residents of Istanbul or disadvantaged groups but on high-income new immigrants who can afford the new prices, e.g., Russians, Azerbaijanis, Europeans, and people from Western and Arabic countries. They are working for big companies."

(Participant, Istanbul)

Respondents perceive that a focus exists on developing properties at the top end of the market for more affluent new migrant arrivals. This is seen as a barrier to the creation of affordable or social housing capable of addressing the needs of less affluent newly arriving migrants and other inhabitants on lower incomes.

The availability and affordability of housing for new migrants is also seen as a concern by interviewees in the context of wider housing shortages in the cities. Interviewees highlighted ongoing rural-to-urban migration as a source of pressure for the urban real estate sector.

"Over the last three years, there has been an increase in the housing shortage in the city. This is worse in some areas of the city. We see overcrowding in some apartments as a result; children are struggling to do their homework in an overcrowded accommodation. The real estate/accommodation which is being used by these groups needs more work and repair. The pressure of numbers means social services need to place some families in hostels or temporary accommodation, which has a high cost."

(**Participant, Gothenburg**)

Given the pre-existing demands for affordable housing, some interviewees disputed the idea that there had been a significant impact on land use and house prices as a result of recent

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migration. In some cases, this was due to the proportionately small number of new migrant arrivals, while in others this was set in the context of existing housing shortages and broader urbanisation trends.

"My personal view is that I don't see that big an impact at the moment of immigration on land use. I just know that the city of Munich in particular has problems with available space for living."

(**Participant, Munich**)

"If what we mean by affecting land use is a kind of transformation process, then there are only some minor effects, not major ones."

(**Participant, Istanbul**)

Local infrastructure

Pressure on local infrastructure, including services such as schools and medical care, is considered a significant issue by over 70 per cent of survey respondents. Interviewees identified the increased demand on infrastructure as being closely connected to the shortage of appropriate housing. As with the pressures on land use, the impact on infrastructure was more widely reported where there were higher numbers of new migrants in proportion to the wider population.

"We had the highest-ever number of asylum seekers coming to Sweden in 2015 – nearly 163,000. This is a huge number in comparison to other states, especially when you consider the population of Sweden is around 9 million. We face challenges in the need to provide education and housing for these people."

(**Participant, Gothenburg**)

"We had a lot of pressure groups that were arguing that integration is not possible if there are so many migrants coming at the same time, to the same quarter, because the social infrastructure is not big enough. There are not enough places in kindergartens and schools."

(**Participant, Hamburg**)

A number of interviewees gave examples of ways in which the needs of existing residents on low incomes were seen as being in conflict with those of new migrants, with concerns that such conflict had implications for social cohesion.

"Under the temporary protection law, Syrians have the right to health services. This creates a kind of tension in terms of people having access to health care, and people complain that they have to pay more than the Syrians who are not citizens of the country."

(**Participant, Istanbul**)

While interviewees generally feel that migrants have rights in terms of housing, health care, and education, they recognise that there are barriers to the implementation of such rights, including language barriers and limited public resources to respond to migrant needs. This is particularly the case where new migrants were all placed in one area of the city.

While pressures on the health and education systems were mentioned by a number of interviewees, the public transport infrastructure was seen as better able to cope with the level of demand. In both Germany and Sweden, most interviewees feel that the existing transport systems are able to meet the needs of the local population, including newer migrants. These transport networks also open up a wider range of options for housing outside the city centre.

"In Gothenburg, I think we are able to provide public transport. We can find locations for new housing that also have rather good public transport."

(**Participant, Gothenburg**)

In addition to recognising universal needs such as health care, education, and transport, interviewees commented on migrant diversity and the different experiences and requirements of migrants in relation to their economic means and immigration status. In Turkey, interviewees highlighted a lack of information on migrants arriving and the consequent difficulties in mapping and responding to their needs.

"We need more surveys to understand what is going on, especially the real estate sector, because we don't have enough data – how many refugees living in which conditions in which type of residential areas."

(**Participant, Istanbul**)

Some interviewees recounted how the influx of people had revitalised outlying rural areas beyond the city whose populations were declining due to the movement of residents to the cities.

"Some of the mayors and politicians, the local governments around the countryside, they are actually happy to get people moving there and settling in their areas because they will keep schools going and keep people shopping at the local supermarket and keep these small villages alive in a way. So I think some of the local governments around the country actually see a big possibility there."

(**Participant, Copenhagen**)

However, there is a tension between the ability of these locations to support and welcome new migrants and the wishes of migrants themselves to live in more urban settings with access to employment and diverse communities.

Section 5: **Responses to mass migration**

This section examines the actions taken by the real estate and land use sector to respond to the immediate needs of migrants seeking accommodation and the medium- to long-term actions interviewees would like to see implemented to assist with migrant resettlement processes. Figure 5.1 summarises the key findings relating to the short-, medium-, and long-term responses to migration. The discussion section goes on to consider these points in more detail.

Of the ULI members surveyed, more than half reported that their city was undertaking a range of actions to respond to immigration. Adapting buildings, making changes to planning regulations, developing new infrastructure, adapting services, and developing integration programmes were the most common examples. However, over 50 per cent of members were unable to comment on how the real estate and land use sectors were responding to immigration. These findings again point to a lack of knowledge and a lack of connection between expertise on migration and expertise on real estate and land use.

Figure 5.1 Responses to mass migration

Proposed measures to respond to recent migration flows

Figure 5.2 Commercial real estate

Figure 5.3 Residential real estate

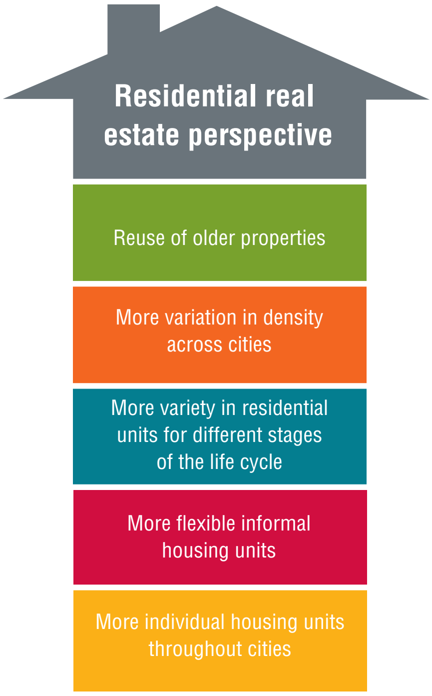
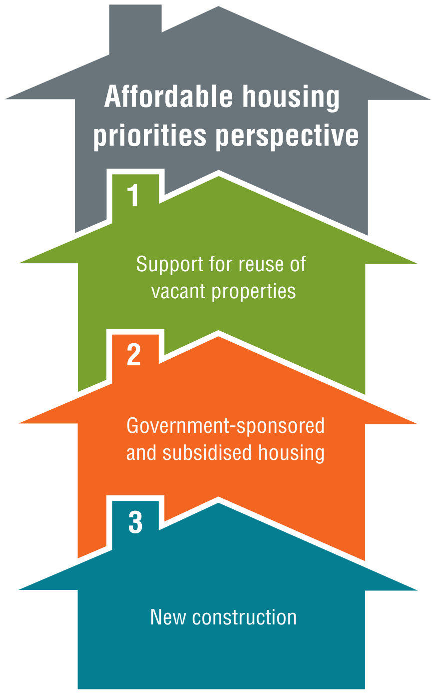


Figure 5.4 Affordable housing



Survey findings

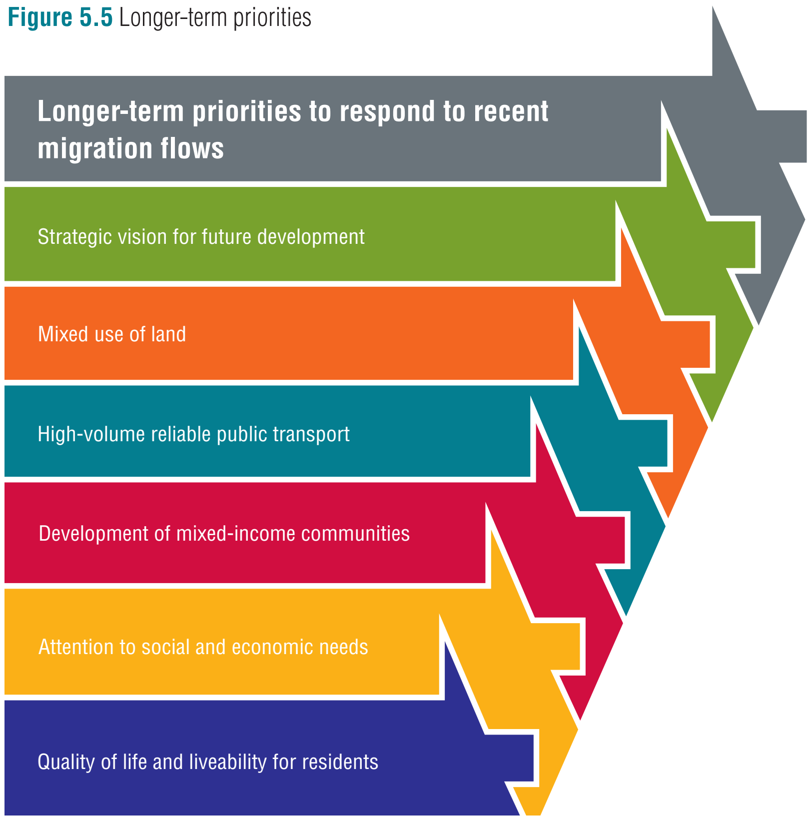
Survey respondents were asked to rank the measures they would most like to see developed in their cities to respond to recent migrant inflows, both from a commercial and residential perspective. From a commercial real estate perspective, the actions deemed by ULI members to be most important in their locality are presented in figure 5.2.

From a residential estate perspective, the actions ULI members were most keen to see developed in their locality are shown in figure 5.3.

Specifically in terms of affordable housing options, the top three responses ULI members would like to see prioritised are listed in figure 5.4.

In the longer term, a number of priority areas for good urban density were identified, as set out in figure 5.5.

Figure 5.5 Longer-term priorities



Interview findings

The interview results build on the survey findings and provide detailed examples of a range of responses to increased migration, drawing on the experiences and observations of real estate and land use professionals. The results are presented in three broad categories:

1. Short-term humanitarian responses;
2. Medium-term responses focussed on repurposing existing land and property as temporary accommodation;
3. Long-term responses focussed on planning for sustainable solutions to meet the settlement and integration needs of migrants and their families; issues relating to governance and policy as well as finance are also longer-term concerns worthy of consideration.

Most of the responses to migration set out by interviewees are captured within these categories, which are discussed in more detail below.

Short-term responses

Emergency accommodation

Provision of short-term, emergency accommodation is a particular concern for areas with a high volume of arrivals. Such places may be used as entry or transit points for migrants within a longer journey, or for longer-term settlement. Interviewees gave examples of land being used for camps and the repurposing of disused buildings as temporary accommodation. Interviewees spoke of how some of the camps, in the lead-up to winter, were replacing tents with shipping containers in preparation for the cold weather, but these continued to be seen as short-term solutions responding to urgent humanitarian needs.

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In mainland Greece, the UNHCR accommodation scheme funded by the European Commission provided accommodation in hotels and apartments and through a family hosting scheme. The scheme was administered through nongovernmental organisations on the basis of partnership agreements between UNHCR and the municipalities of Athens and Thessaloniki.

Interviewees in other European locations reported a range of buildings being used for, or having the potential to provide, temporary accommodation, including disused airports, military bases[33], gymnasiums, and convention centres. A distinction was made, however, between this temporary use of premises and the planning of new or repurposed developments.

"Many cities are feeling the strain. Some are trying to do quick analyses about whether there is housing stock in cities that is currently dormant or empty. Sometimes that is possible. Many regions have taken on refugees in old abandoned farm buildings."

(**Participant, Copenhagen**)

"It's a bit strange because I don't think it's a land use question; it's the use of available real estate for the initial reception, such as industrial buildings. The airport is just a temporary thing to use one of the largest buildings in Europe, I think. So all this is a different use of real estate, but it's not development of new real estate as such, with very few exceptions, and I think that's very important to understand."

(**Participant, Vienna**)

Improved understanding

While there was recognition from some interviewees that the concentration of migrants in particular places in the short term enabled the distribution of aid, there were concerns about the longer-term impact in terms of community integration, especially because of the negative public perception of camps. Concerns about longer-term impacts are particularly exacerbated because in practice people are staying much longer in these camps than initially projected.

"So we had concentrations of refugee camps in the outer ring of Hamburg, and that brought other problems because local residents were not so enthusiastic about having a concentration of refugees in their neighbourhood."

(**Participant, Hamburg**)

Whilst there appears to be a will among the real estate industry to play a role in supporting newly arrived migrants, some interviewees noted a lack of clarity as to how this could be achieved. They expressed concerns about the lack of guidance on how refugees should be supported within the community, about their rights and entitlements, and about the standards of support that should be met.

"There doesn't seem to be something that states there's a policy coming back that tells you what your responsibilities are if you sign up or how government is going to help you if you want to help a refugee. It seems to be, here, that it's almost the responsibility of a charity or a private person seeking to be a benefactor rather than necessarily seeing some central policy in terms of the help that's provided."

(**Participant, London**)

One participant discussed the impact in Turkey of the Temporary Protection Regulation, introduced in 2014, which provided for the accommodation of refugees in temporary camps but did not set out standards for this accommodation or for those living in urban areas.

"The law is not managing the housing issues; [it's] just giving the main philosophy that when they enter the country, they need to find shelter, and if they need shelter, we can update some camp areas dedicated to refugees or irregular immigrants. But as you know, there are 3 million Syrians, so it's not possible because only 10 per cent of them are living in the camp areas; more than 90 per cent of the immigrants from Syria are living in urban areas, and there is no regulation there."

(**Participant, Istanbul**)

Medium-term responses

Responses about migrants' transition from short- to medium-term accommodation highlighted variations in practice between different cities, resulting in differences in the availability of real estate and of systems capable of facilitating action.

"In Austria, for instance, mayors have made the difference. In some cities, you have seen very successful distribution after a couple of months of new arrivals into private accommodation. And then for others, it has just never worked."

(**Participant, Vienna**)

Interviewees distinguished between the intended and actual period of time people were living in interim accommodation, and emphasised the need for the design and development of accommodation to take into account the length of time it was likely to be used.

"I think that the idea of *temporary* should be defined. What is temporary? Is it a five-year structure? ten? 15? If you are building something for 15 to 20 years for a family, you need to have certain bases, certain materials so they don't wear and tear so much. You need to be respectful of a family growing old and children moving out of the house – all those things that would happen in a normal arc of life."

(**Participant, Copenhagen**)

Reuse of existing property

In order to respond to the challenge of real estate availability, interviewees suggested reuse of existing property as a more effective alternative to new construction in the medium term, as well as use of migrant labour in coproducing accommodation solutions.

Specific examples of innovation in housing infrastructure include repurposing of disused buildings and the use of flexible design concepts that could be adapted to meet the needs of new migrant communities. Examples were given from Denmark, Sweden, and Germany of empty properties and existing housing stock being redeveloped to provide affordable housing. This was seen as offering better integration solutions than mobile homes set up on temporary accommodation sites.

"The use of existing housing stock or city housing is more spread out across the city, which makes migrants 'less visible' as a group. People are kind of more hidden in this way rather than having a particular set or area of accommodation which is used for migrants."

(**Participant, Gothenburg**)

In other cases, properties that had been left derelict or were due for demolition were repurposed as temporary accommodation. One suggestion was to involve migrants in the refurbishment of empty properties in order for them to develop a sense of investment in the local community while providing them with housing. In Sweden, for example, refugee labour is being used to convert and rebuild old buildings. This initiative is considered particularly beneficial for refugees from an integration point of view because it helps them learn the Swedish language whilst developing their social and employment networks, which are thought to be a major factor in encouraging migrants to remain in relatively isolated rural villages.

The reuse of existing property was said to be most prevalent in rural areas where buildings had been vacated following the movement of rural residents to the cities.

"It had come to a point where social housing estates were to be torn down. And when this migration wave came, when we saw people moving in our direction, then a lot of the plans to tear down some of the bigger housing buildings around the country were stopped. We don't want to tear down buildings just because they are empty at the moment because they might be perfectly fine buildings."

(**Participant, Copenhagen**)

Several interviewees based in Germany noted the introduction of the 'Urbanes Mischgebiet' regulation in Hamburg, which facilitated the process of repurposing land in order to meet the demand for housing.

"In 2015 we very much felt the influx of mass migration into Hamburg. And that resulted in October of last year in Hamburg actually passing a new law that should make it easier to accommodate migrants in the city. And that law, for instance, included that migrants could now be accommodated in areas where housing was not allowed before."

(Participant, Hamburg)

Use of shipping containers and modular housing

Shipping containers have been used as accommodation in different contexts to provide both emergency accommodation and longer-term accommodation while making good use of available land. Containers have been used to replace tents in camps in Turkey and Greece in order to provide a living space that is better insulated and offers greater privacy. The Urban Rigger project in Copenhagen turns abandoned shipping containers into floating homes for use in European coastal cities, as seen in case study 1.

Case study 2 highlights the use of containers, designed in Sweden and built in China, to accommodate new arrivals in Gothenburg. Case study 3 shows the use of modular housing in Hanover.

Case study 1: **Urban Rigger – Copenhagen, Denmark**

Whilst the Urban Rigger prototype was initially developed as an innovative solution to the student housing problem in Copenhagen, its potential to provide housing at half the cost of traditional construction, and in a relatively short period of time, has made it a viable solution to housing demands linked to migration. A floating residence, Urban Rigger was originally designed in Copenhagen. The first full-scale Urban Rigger was delivered in summer 2016 as the first in a potential fleet of mobile, sustainable dwellings for students. Since then, the initiative has expanded its scope to include refugees and others in urgent need of a home.

Source: Urban Riggers (2017) www.urbanrigger.com.

> "In many European harbour cities, they have old harbour areas that are no longer harbour areas. They are gray zones of little development or perhaps brownfield sites. Rather than having brownfield sites lie fallow in the city centre, we want to activate them by bringing in this floating-home concept."
>
> (**Participant, Copenhagen**)

Dispersal of new migrants

Other authorities have sought to manage demands on housing by dispersing newly arrived migrants around the country. A participant based in Denmark outlined the quota system in operation there for municipalities which limits the number of people placed in large urban centres such as Copenhagen. This is also the case in Germany, where a 1949 law known as the 'Königstein Schlüssel', or Königstein Key, was developed to fairly distribute the financial burden of refugees by dispersing them among its 16 federal states and their cities according to population and tax base, but not available space.

Case study 2: **Urban Cribs – Gothenburg, Sweden**

The Urban Cribs project was initially built as a shipping-container city for students, but the potential for these units to be used to accommodate migrants was quickly realised. In addition to the advantages of speed of assembly, cost, and flexibility, the containers can also be moved relatively easily if required.

Source: Urban Cribs, (2017) www.gp.se/nyheter/göteborg/urban-cribs-svarar-på-kritiken-gick-från-välplanerat-till-kaos-1.4139741.

Case study 3: **Modular housing – Hanover, Germany**

Hanover has taken in a large number of refugees over the past two years. It has opted for a "three-pillar model", with dormitories, housing projects, and apartments. One complex is modelled on the Danish Tinggården housing developments to the south of Copenhagen dating back to 1978. The modular housing project in Hanover was completed in March 2016. Here refugees are housed in prefabricated wooden modular structures. The architects' plans call for 96 single rooms in three two-storey buildings grouped around a courtyard with a community house, and sports and recreation areas. At present, the rooms are double-occupied by refugees, but in the long term, students and families with low incomes will be accommodated there.

Source: http://www.makingheimat.de/en/refugee-housing-projects/database/refugee-residence-hanover

A further 16 locations for modular structures and 13 residential projects with "contingents" for refugees are at the planning stage. Following an amendment of the Building Code in November 2015, construction is to be permitted on sites for which no land use plan exists. At 2.7 by 12 metres, the dwelling units correspond to the maximum truck haulage dimensions. The units, designed for long-term use, can be built quickly and conform to ecological and urban planning standards.

In Denmark, migrants had sometimes been entitled to stay in Copenhagen if they had family there. This meant that their family rather than the municipality was responsible for accommodating and supporting them, in theory reducing the perceived pressure on local services. More recently, Copenhagen has also begun to receive a small number of refugees who have been granted residence permits in Denmark. However, one participant highlighted the lack of available information to assist with planning for these individuals.

We might receive 30 single men aged 35, or it might be two big families. It could be any family constellation, so it is very difficult to plan."

(Participant, Copenhagen)

A similar system is in place in Sweden. A participant in Stockholm discussed quotas set by the national government for each city to support a certain number of people, but emphasised that new migrants should be seen as part of the wider population rather than treated as a separate group.

Developing diverse and integrated communities

Interviewees emphasised the importance of responding to the needs of migrants within the context of wider housing shortages and recognising the need for developing diverse and integrated communities. Case study 4 highlights an example of a Dutch housing project which integrates young, newly arrived refugees with young people settled in the Netherlands.

Acknowledging the need to challenge the perceived conflict between the needs of new migrants and those of existing residents, interviewees recognised the importance of not being seen to prioritise migrants in the provision of housing and other infrastructure.

Case study 4: **Startblok Riekerhaven – Amsterdam, Netherlands**

Startblok is a housing project for young refugees who have recently received their residence permit and for young persons from the Netherlands. At Startblok, these young people between the ages of 18 and 28 get the opportunity to help each other. Startblok offers 565 housing units consisting of 463 studios and 102 rooms in multiperson apartments.

The goal of Startblok is not only to house young people, but also mainly to provide a good start in Amsterdam. At Startblok, tenants get the opportunity to help manage their own living environment. Tenants organize everything that can be organized by tenants. Self-management is a flexible system allowing opportunities for tenants to devise and implement their own initiatives, which helps create a pleasant atmosphere and strengthen social cohesion. The core idea is to work bottom-up to build social connections within each hallway. In each hallway, two 'gangmakers' – one Dutch and one refugee – are responsible for getting people involved in social activities such as group dinners or watching movies together. They also make sure everything runs smoothly on a day-to-day basis. Tenants also participate in a buddy system. Through a speed-dating approach, matches are made between refugees and Dutch residents who share a common interest like art or sports.

Source: (De Key, 2017) http://citiscope.org/story/2016/amsterdam-housing-project-dutch-youth-and-refugees-live-together-and-run-place.

"Every housing corporation has the obligation to provide housing for immigrants, and, of course, for the existing residents. That is the regular policy because we don't want discrimination – not positive of immigrants, nor negative of immigrants. In Amsterdam, you have to wait for ten years before you can have the chance of an affordable house, so people that are in the stage of raising families postpone it for ten years because they cannot find a rental house when they want to stay in Amsterdam. And then it's a bit sour if an immigrant can have a house within a week. So, you have to find a balance there."

(**Participant, Deventer**)

Longer-term responses

The challenges identified by interviewees in relation to longer-term responses to migration focus on new construction, social infrastructure, and integration. Case study 5 illustrates an example of a longer-term response to integration.

Responsiveness and flexibility within the existing planning process and openness to new planning approaches

The length of time it takes to approve a planning application was highlighted by many interviewees as a key challenge, as was the lack of flexibility within the planning process, both of which can prevent a timely response to increasing demand for real estate.

"What I heard is to get permission to build, or to build something. At the moment there are about 400 steps in public institutions, which always takes longer than a year or two years. I even talk to people who are waiting for permission for ten years now. I don't know what actually happens in the institutions or if they have just too few people, whatever it is. For example, Berlin has only 150 steps and they get this kind of process just quicker than we can do here in Munich. So there has to be more transparency so these processes can be quicker and get faster decisions and there's more planning security."

(**Participant, Munich**)

Case study 5:
Superkilen – Copenhagen, Denmark

Superkilen is a half-mile-long landscaped urban space located in Nørrebro, one of Denmark's most ethnically diverse and socially challenging neighbourhoods. It was conceived as a giant exhibition of urban best practice and employs a collection of objects from 60 home countries of the people inhabiting the area surrounding it.

The conceptual starting point is division of the park into three zones and colours – the Red Square, the Black Market, and the Green Park. The surfaces and colours are integrated to form dynamic surroundings for the everyday objects. The desire for more nature is met through a significant increase of vegetation and plants throughout the neighbourhood. Trees are arranged as small islands of diverse varieties, blossom periods, and colours—as well as origin, matching that of the surrounding objects.

The surface is integrated both in terms of colour and material with the Nørrebrohallen sports center and its new main entrance, with the surface merging inside and outside in the new foyer. By the large facade towards Nørrebrogade, the city's principal shopping street, is an elevated open space that enables visitors to enjoy the view in the afternoon sun. Mimers Plads plaza is the heart of the Superkilen master plan. This is where the locals meet around the Moroccan fountain, on the Turkish bench, or under the Japanese cherry trees as the extension of the area's patio. On weekdays, permanent tables, benches, and grills serve as an urban living room for backgammon, chess, and other activities. Sports facilities are also an important feature of the park that creates a natural gathering spot for local young people.

Source: http://denmark.dk/en/lifestyle/architecture/superkilen-celebrates-diversity-in-copenhagen.

Interviewees also emphasised the importance of having more-responsive planning processes to be able to make best use of the land available. In addition to the use of brownfield sites, as suggested by some interviewees, one participant based in Istanbul emphasised the need to build vertically to increase residential capacity and noted that apartments were getting smaller in order to make better use of the space.

"In Turkey, because Istanbul is mainly an earthquake zone, the government has given incentives to builders and the developers to redevelop the city. So there has been a lot of development on the land of existing buildings which have been demolished and rebuilt. There has been to some extent horizontal development, but mainly on the vertical. So there are a number of floors being extended and the square footage of the apartments in all the buildings has been minimized. They are now very small and have just the basics for living."

(**Participant, Istanbul**)

Some interviewees highlighted the opportunities for innovation associated with the migration crisis. The need to respond quickly to increasing demand is perceived to have encouraged greater flexibility in planning processes and an openness to new approaches.

Secondary migration

Over the longer term, interviewees anticipate an increase in secondary migration as those placed in one location on arrival in a country seek better social or economic opportunities elsewhere after gaining documentation enabling them to move or work.

"You can imagine coming from Syria and having relatives in Malmo. You come to Sweden and then all of a sudden you're shipped 1,500 kilometres north, to a place where no one lives."

(**Participant, Stockholm**)

"In Gaziantep, there were some mutual conflicts, physical conflicts among the Syrian and Turkish communities [due to the perceived impact of Syrian migration on the labour and rental markets]. But that hasn't been the case for Istanbul. Istanbul is a huge city. One of the reasons why they came to Istanbul from Gaziantep is because they want to be invisible in a huge city, which they are."

(**Participant, Istanbul**)

Such onward migration mirrors the existing trend of urbanisation in many countries. However, it compromises the potential benefits that migrants can bring to struggling rural areas and places increased pressure on urban real estate.

Social and affordable housing quotas

Quotas for social housing are seen as offering potential solutions to the shortage of affordable housing, though not necessarily migration. Interviewees have a range of views about such quotas. In major cities in Denmark, it had become possible following a change in the law to require that up to 25 per cent of a new development consist of affordable housing. Similarly, a participant reported that in Hamburg it is obligatory that one third of every new development be allocated as social housing. One participant noted that in Belgium there is a 20 per cent requirement for social housing for major projects, but that developers can buy themselves out of this obligation.

"If you have a project that has more than 50 units, you have to foresee 20 per cent of social housing in the bigger cities. And in Brussels it's about the same system. But there you can pay a fine if you don't do it, and then the government uses the money to invest in the region that you are developing. But that doesn't necessarily go to social housing."

(**Participant, Ghent**)

"We are working with the public agencies. It's a slow process, but I think the acute need for refugee housing is going to make a lot of cities work much faster than is normally what they are used to."

(**Participant, Copenhagen**)

"Flexibility is quite restricted, as in every bureaucracy. And as we are here in Germany, we're famous for being quite straightforward in following the letter of the law. So it really depends on the city. But all in all, I would say there has been some flexibility, and I know of several instances where there have been very quick and flexible responses to the supply or the proposed supply of residential space by developers, which was then discussed very pragmatically within the city administration. And there have been solutions which are, in my view, really quite satisfying."

(**Participant, Munich**)

Other responses

Governance and policy

Interviewees were asked to consider who should take the lead on developing accommodation for new migrants. The majority favour a collaborative approach among the municipal authorities, the real estate sector, and civil society, with municipal authorities taking the lead in recognition of the duty they hold towards city inhabitants.

"Normally, I would say the government [should take the lead], but I am afraid the administration is not going to be effective on that – so they would need partnerships."

(**Participant, Athens**)

"I think I'd come down on the public side – government local authorities – but only because the commercial market won't respond. If you want any form of response, it's not the residential property market that has somebody say, 'Right, out of the goodness of my heart I'm going to speculate', or whatever it might be to provide temporary transit camps or new housing."

(**Participant, Birmingham**)

"I think it needs to be everyone, because I think that actually, in Denmark at least, there is a civil society – private people organising to help refugees using their own networks to help accommodate, to find accommodation, to find rooms. There are a lot of things going on between the civil society – just ordinary people – working to help people settle and to integrate."

(**Participant, Copenhagen**)

Civic participation

The value of involving migrants in the planning and implementation of real estate projects was discussed in a number of interviews. Interviewees highlighted the potential for migrant involvement in the initial development stages to ensure that projects meet the needs of beneficiaries, as well as involvement in the construction and maintenance of property. Such participation is seen as having the potential to provide migrants with skills training, employment opportunities, and emotional investment in the community.

Interviewees also discussed the ways that the use of space can support the integration or exclusion of migrants within host communities and recommended ways of breaking down physical or perceived barriers. These include removing chain-link fencing, using signage in relevant languages to increase access to services, and developing public spaces and opportunities for interaction and encounter.

"What always helps is a personal contact. It gets onto a personal level, it's easy, and all of a sudden it is people we are talking about, and humans with a story."

(**Participant, Hamburg**)

Finance

Interviewees raised the topic of finance on several occasions in the context of private and public sector collaborations. Interviewees gave examples of public/private partnerships (PPPs), where private finance enabled public authorities to respond more quickly to social needs. Interviewees also made recommendations about incentivising the real estate industry to invest in social or affordable housing. Case study 6 provides an example of a private/public sector housing collaboration in Brussels.

Interviewees emphasised the need for incentives in order to shift the focus to affordable or social housing, and for the real estate industry to be adequately supported by government, in terms of both finance and infrastructure investment.

"Really, real estate needs funding. Building, planning, approvals, infrastructure all depend on this."

(**Participant, Istanbul**)

Public/private partnerships are seen by many interviewees as offering opportunities for collaboration that can meet both the public aim of providing affordable housing and the private aim of sustainable investment. In Sweden, however, interviewees spoke of government reluctance to bring the private sector into public services.

"I think that the general view in government is that this is something that should be handled by the government, it should be financed by the government, and it's the government's role in society to solve these things. So they are very hesitant to do PPPs or joint projects where you bring in the private sector."

(**Participant, Stockholm**)

Case study 6: **Inclusio social investment – Brussels, Belgium**

Belgium has a supply/demand gap in the housing market that affects nearly 40,000 families in the Brussels region and 180,000 households nationwide. There is a strong need for high-quality affordable housing in order to cope with the increasing demographic pressure and the needs of vulnerable segments of the population. However, traditional providers of social and affordable housing fail to provide these houses due to general budget restrictions.

Inclusio is a real estate investment company with a social purpose. It was created in 2015 as a response to rising rents in the private market that were making homes increasingly inaccessible for low-income people, who then turned to social housing. The mission of Inclusio is to provide enriching and affordable housing solutions. Inclusio promotes and enables social integration by bringing high-quality affordable housing to the market and by activating cooperation with social service providers and local authorities.

Inclusio is privately funded and provides institutional and private investors the opportunity to invest in an initiative with a strong social impact. The fund works by providing capital to invest in land acquisition and construction, with the government leasing the property for 15 to 27 years with government bonds.

Inclusio is also a certified "B Corporation," and as such part of a network of companies that have demonstrated they can solve social problems with a viable business model.

Source: https://www.bcorporation.net/community/inclusio.

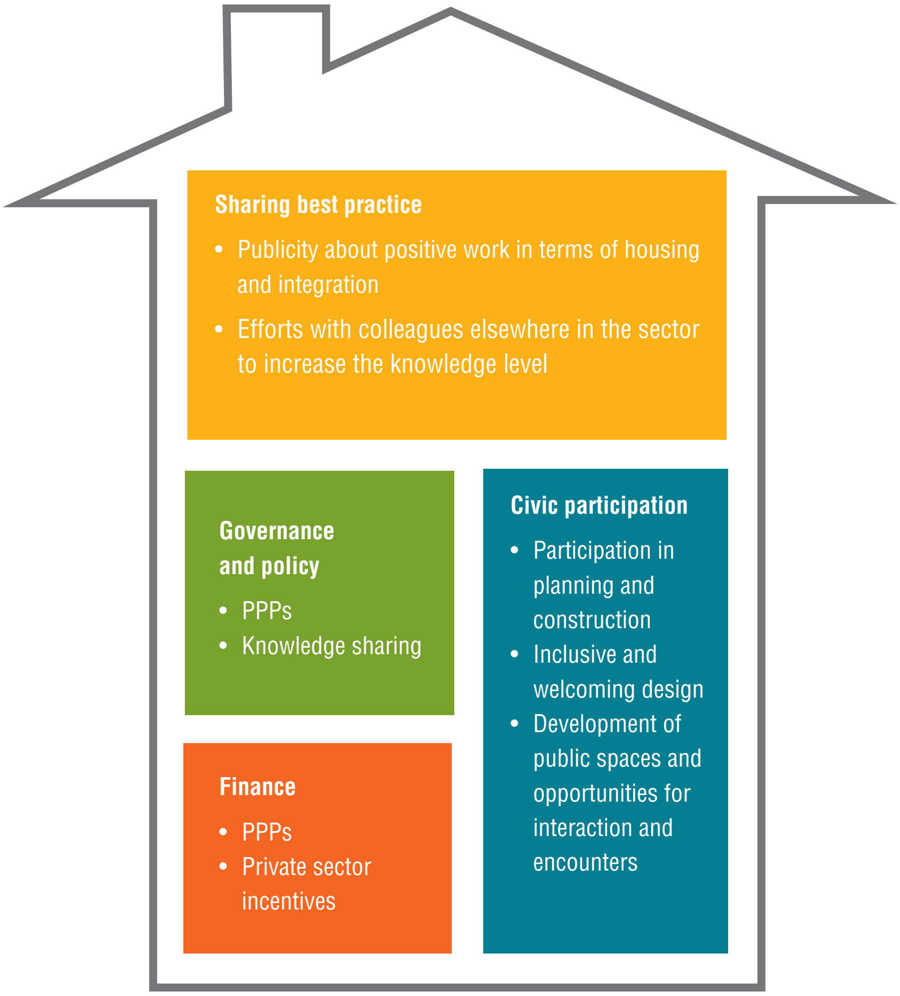
Sharing best practice

A final theme from the interviews is the need for the real estate sector to publicise the positive work that it is undertaking in terms of housing and integration, which also helps improve the knowledge level across the sector.

"I know some of the housing companies who talk really responsibly, and they are organising courses for migrants. They will organise welcome events, they organised health information to make sure [migrants] know how to handle the different things which are necessary. Sometimes I think the real estate industry could publicise a little bit more what good practice is and how it is already practised. I think there is a lot going on, and that could be sometimes used to make sure people understand that we are not the bad boys."

(Participant, Munich)

Figure 5.7 Other responses



Section 6: **Conclusions and recommendations**

The recent flow of people into European cities has had a significant impact on public authorities, the real estate sector, and civil society, and it is likely to have far-reaching implications for the future availability of housing, infrastructure, and community cohesion. The migration crisis has brought challenges in terms of land use and housing across Europe. Inevitably, urban areas are under the most pressure.

The data collected for this study provide evidence that experiences of addressing the challenges differ across the public and private sectors; the real estate, planning, and land use industries; nongovernmental organisations; and academia. There was a clear understanding that migration will continue, and as such all those engaged in the real estate and land use industries have a role to play in providing durable, flexible, and affordable solutions for both the short and long term.

Whilst interviewees identified a number of challenges in responding to the new landscape brought about by the increase in migration, at the same time there is awareness of the opportunities afforded within this context. The potential for pursuing creative and innovative ways of rising to the challenges brought about by migration was widely acknowledged. Specific opportunities for innovation identified for the real estate industry include:

- A sense of urgency created by the current significant immigration flows create that helps the real estate industry transform more quickly to respond to not only current but also future demands of users and tenants, such as a stronger focus on mixed uses and affordable housing, while applying principles of good density, which otherwise would have taken many more years;
- innovation in construction, especially relating to the provision of high-density, flexible, and low-cost housing;
- increased responsiveness in planning processes and openness to new approaches;
- the opportunity to adapt to a long-term trend of tenants and users wanting and needing more flexibility;
- development of new knowledge and skills as the real estate industry develops as a service;
- the scope to bring social integration and housing together, with the potential for ideas and practice to be used to develop truly inclusive societies; and
- the opportunity to provide migrants and others who move into cities with the appropriate housing and amenities that people need to integrate and build up a successful life, such as affordable housing, schools, etc.

The innovations and approaches developed in response to the migration crisis are likely to have broad application in addressing wider housing shortages. The real estate industry has not been sufficiently involved in responding to crisis-related land use needs. There is a clear lack of expertise that spans migration and land use and there is a need to develop a new generation of migration/land use experts in order for cities to respond to migration in a more sustainable manner.

Prospects for development span provision of affordable emergency, temporary, medium-, and long-term housing, coupled with facilities such as schools, recreation spaces, and other infrastructure that can provide both migrants and local people with the opportunities to interact in a positive way. The provision of spaces and housing that works for, and encourages interactions between, migrants and local people is viewed as particularly important given anti-migrant rhetoric and public opinion in some EU countries. The importance of working to assuage public fears over real or perceived pressures on public resources was stressed heavily by some respondents. However, it is also clear that the migration crisis has brought much-needed population to depopulating rural areas, providing support for schools and other facilities that otherwise may have been withdrawn and leading to innovation as well as relaxation of some planning regulations.

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The private sector, particularly in public/private partnerships, has offered opportunities for municipalities to respond more quickly to land use crises such as those driven by the advent of large-scale, unplanned migration. However, some in the commercial sector may need incentives to encourage them to provide social and entry-level housing, particularly since there has been an emphasis in some cities on high-end development.

The real estate industry was unprepared for the demands generated by the migration crisis. While some progress has been made in developing faster responses to need and in promoting public/private partnerships, there is much more potential for joint work and for identifying low-cost and flexible approaches to provision of housing and addressing social need. Further, there is much more scope for the real estate industry and for migrants themselves to be better engaged in the planning process.

This research has enabled the identification of innovative developments that can help address urgent need, revitalise areas of dereliction, and foster social cohesion. There is no doubt that municipal responses to the migration crisis have created conditions for experimentation, which have clear potential beyond the migration crisis, such as:

- the use of shipping containers as an emergency housing solution;
- the repurposing of land and buildings for medium-term provision;
- greater emphasis on reusing brownfield sites and disused waterfronts; and
- the creation of mixed-occupation settlements coupled with the engagement of social provocateurs.

"Mass migration is also a chance because legislation is loosening up and because the cities are now a little overwhelmed with the demand for fast housing and different types of housing. They let us play – they let us try things and do things that we could not do two years before. So, I want the real estate industry to understand this situation as a huge chance in the transformation of cities and moving building legislation forward to where we can actually make cities better and deal with them in a creative way."

(**Participant, Hamburg**)

The provision of good transport connections means that pressure can be taken off inner cities and redistributed to suburban areas. There was considerable support for dispersing migrants to prevent rapid demographic changes affecting just a few areas. Evidence suggests that dispersal helps social cohesion, particularly if initiatives are in place to make migrants feel welcome or to encourage interactions between established and new residents.

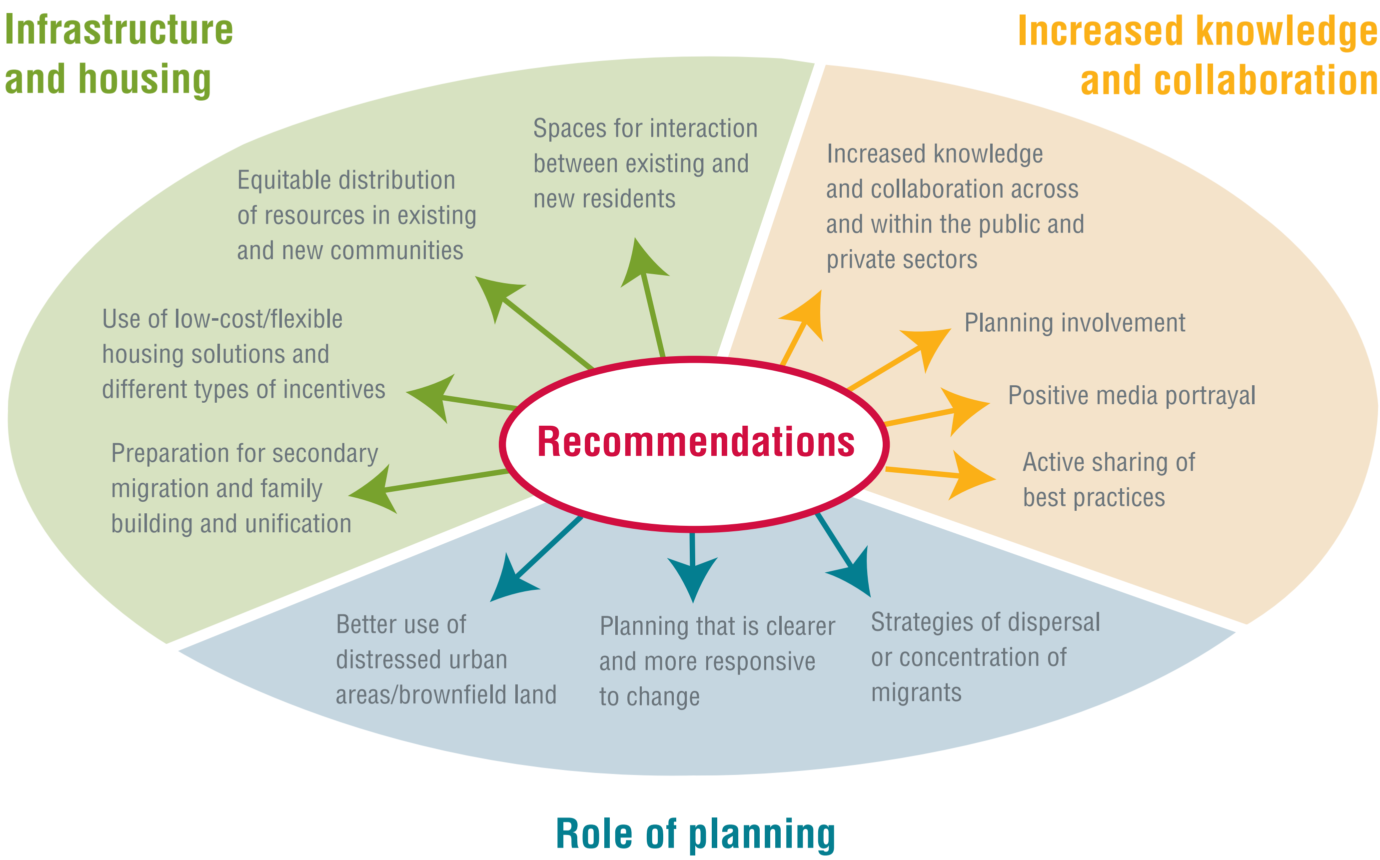
Ultimately, the ability to respond to crises such as the one experienced post-2014 depends on the ability of the public and private sectors, to work collectively, on land use zoning being made more flexible, on sufficient capital being made available, and on planning regulations being open to innovation and change.

This study has begun to identify some of the opportunities and challenges associated with land provision and development in the migration crisis, but more work is needed. In particular, it is important to identify examples where the public and private sector have collaborated effectively to address need, where developers have been enabled to shift their strategies from high-end development to a more socially inclusive approach, and where planning and land use policies and regulations have been adapted to facilitate more flexible responses in times of need. Further identification and evaluation of practice is necessary in order to identify what works well and in which contexts. There is a need, too, to understand the perspectives of the public sector in relation to addressing the needs generated by the migration crisis and to explore approaches adopted by a wider range of urban areas, and indeed some rural areas. All of this knowledge would aid the development of guidelines for land use provision and development during a crisis.

We can make a series of tentative recommendations based on ideas generated through this research pilot project. These include:

Increased knowledge and collaboration

- Increase the knowledge regarding the combination of migration and land use/real estate issues.
- Coproduce the design and implementation plans for housing and infrastructure responses among migrants and nonmigrants, real estate practitioners, city planners, and migration/integration experts.



- Ensure that planning responses involve the real estate industry, local residents, and migrants.
- Work with local and national media to show an emphasis on equitable policy development and outcomes. Work is needed to highlight initiatives that have resulted in positive outcomes for host societies, i.e., regeneration of derelict areas, and repopulation of areas of decline.

Role of planning

- Increase the clarity from central and local governments on housing policies and the planning framework.
- Implement planning that is more responsive and expedient – but robust nevertheless – to respond to changing requirements on use/reuse of land and property.
- Give further attention to strategies of dispersal or concentration of migrants, but with a focus on both vertical and horizontal dispersal/concentration.
- Encourage better use of distressed urban areas/brownfield land.

Infrastructure and housing

- Use low-cost/flexible housing solutions and different types of incentives/quotas to encourage development of mixed-use and entry-level housing and engagement of the commercial real estate sector.
- For planners and developers: ensure equitable distribution of resources between recently arrived migrants and existing residents.
- Ensure the optimal use of spaces for interaction between existing and new residents through the engagement of social actors with responsibility for encouraging cohesion.
- For planners: Consider how to house large numbers of new families and provide sufficient space at schools as single refugees identify partners and begin to have children. Models of provision are required in order to provide accommodation that reflects different stages of life and associated housing demands.

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