

# MASTERC LASSES

StadsLAB

LISBON

City Making & Tourism Gentrification

2016



# Masterclass

## City Making & Tourism Gentrification Lisbon 2016

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# 1 Foreword

Miguel Coelho  
President of the Parish Council of Santa Maria Maior

Translation to English by Iago Lestegás

Santa Maria Maior is a unique territory. It includes the most emblematic neighborhoods in Lisbon. It combines the most modern with the traditional. While we have the Michelin-star restaurants, the opera, and the theater on one of the hills, on the opposite one we have the intangible world heritage of Fado, the marchas populares, the grilled sardines out on the street.

Besides that, it is a cultural mixture of residents of diverse nations providing a very particular originality –especially in Alfama and Mouraria but also in Castelo, Baixa, and Chiado.

It is the combination of these factors that turns the Heart of Lisbon into the main tourist destination within the city. Its authenticity has been highlighted as one of the main tourist attraction forces.

But the unregulated tourism load is not always compatible with sustainable development. We find examples of this everyday in large cities such as Barcelona or Berlin, or in little Cinque Terre in Italy. In these examples, public institutions have already introduced specific policies for addressing the impacts of tourism on economic activity.

Mouraria is one of our examples of that sustainable development that is at risk. It is true that tourism has been –with real estate investment– a driver of development in one of the most emblematic neighborhoods in our parish. However, we must address its impact with particular attention. Analyzing the situation, paying attention to other examples, reflecting on its causes and effects, defining correct policies, and implementing them is always a good start.

This work, started by Academia Cidadã in order to study a

process of gentrification that may be happening in Mouraria, is thus of great importance and significance. As such, the Parish Council of Santa Maria Maior is publicly grateful for this voluntary entrepreneurship.

Obviously, we must also give special acknowledgement to professor Marc Glaudemans and Igor Marko for the brilliant direction of the Masterclass, which had the merit of materializing in real proposals after a week of work.

It is now our duty as public and private stakeholders to catch on this content and use it for the sake of Santa Maria Maior, of Lisbon, and even of Portugal.



## 2

# Introduction: Tourism Gentrification & City-Making – A Wicked Challenge

Marc Glaudemans  
Director Stadslab European Urban Design Laboratory, Tilburg

At the moment of writing this introduction, late August 2016, I am sure that Lisbon is witnessing another surge in visitors from all corners of the world. The global rise of tourism is starting to have a noticeable and lasting effect on cities on the tourist trail. Lisbon is clearly in that league; it has seen a huge increase of foreign visitors over the past decade, and tourism is becoming a real factor in understanding the urban development and urban future of Lisbon.<sup>1</sup> This can also be stated more generally. Tourism may well become one of the decisive and disruptive forces that will shape cities in the early 21st century. Many European cities, such as Venice, Barcelona, Berlin and Amsterdam are suffering from excessive tourism, with overcrowding at the top sites and attractions.<sup>2</sup> The ever-growing popularity of accessible platforms such as Airbnb and Booking.com is pushing the number of city visitors up year after year. In Lisbon the rise of tourism coincides with a slow recovery after the deep economic crisis that started in 2008. First, rigorous austerity measures – often forced upon Portugal by international institutions such as IMF and ECB – pushed many people into unemployment and poverty and made them look for alternative means of securing an income. Second, the exceptionally low interest rates and the unprecedented European Central Bank asset purchase program has caused a massive influx of virtually ‘free’ money and a search for profitable investments outside the financial sector. Both these economic factors together with the rise of tourism have resulted in a virulent cocktail with a huge impact on the city of Lisbon. How so? Well, first of all, the opportunity to rent a part of your apartment to foreign visitors created an attractive business model for local people to compensate their decreasing income due to the financial crisis.

The revenues of such short-term rental proved to easily surpass the income of a regular job in a country with a median monthly

income of only around € 1.000.<sup>3</sup> In addition, the housing market in Lisbon is one of the most unbalanced in Europe. Due to historical regulations large parts of the rental housing stock in downtown Lisbon have had a rental freezing for over decades, resulting in € 40-100 rents for apartments in the city centre. This has led to a massive vacancy rate, since property owners can impossibly finance the maintenance of historical property from such meagre revenues. The property market in Lisbon, with its attractive urban scenery and beautiful apartments and historical palace-like architecture, suddenly became very attractive for foreign developers and real estate agents. Moreover, there are few restrictions on foreign property ownership in Portugal and transaction costs are generally low.<sup>4</sup> All in all, these factors have resulted in an extremely strained situation in which the transformation of formerly regular housing into short-term holiday apartments and the buying up of prime real estate by foreign owners is significantly disrupting the housing market in the city. Local residents are pushed out and in some cases evicted from their houses and neighbourhoods in favour of an urban regeneration that serves the tourism industry or international real estate. In concordance with the changes in the residents profile also the retail profile of neighbourhoods transforms to cater for tourists rather than regular residents. The specific Lisbon case has furthermore resulted in a quite radical change in the use and shape of urban transportation. Traditional trams have become a tourist destination and essentially useless as a means of public transport. The huge influx of tuk-tuks in the streets of Lisbon may serve as a means of generating income for small entrepreneurs, but in actual practice they clog up the streets, they are noisy and their prices are far out of reach of local residents, who might otherwise actually have used them as a means of public

<sup>1</sup> <https://citiesintransition.eu/publication/we-are-tourists>

<sup>2</sup> <http://blog.euromonitor.com/2016/01/top-100-city-destinations-ranking-2016.html>

<sup>3</sup> <http://www.oecdbetterlifeindex.org/countries/portugal/>

<sup>4</sup> <http://www.globalpropertyguide.com/Europe/Portugal/Price-History>

transport.<sup>5</sup> Still, this is just an incomplete list of all the aspects of urban life and the functioning of the city under the influence of an increasing impact of tourism. The gentrification aspect is a significant but certainly not the only consequence of urbanization affected by tourism.

For Stadslab the case of Lisbon has been a very demanding but extremely valuable research subject. Within Lisbon we focused on the district of Mouraria, the original Moorish quarter of the city. Close to the already overcrowding areas of Alfama and Castelo, Mouraria is a historical, poor blue-collar neighbourhood, cradle of the Fado, and since centuries a multi-ethnic district with migrants from all corners of the world. It never was a typical tourist destination, probably due to its reputation of being somewhat rough and unsafe, but increasingly tourists find their way here, thanks to successful urban regeneration projects and investments in public space. Different categories of tourists look for different kinds of sights and forms of entertainment. Traditional blue-collar, residential districts close to downtown are being transformed into 'hipster' kind of places, with fancy coffee shops, artisanal products and restaurants and galleries with local art.

European cities in general will face similar challenges due to the changing nature of tourism and the urban economy. How can we as designers relate our skills and expertise to these relatively new challenges? At first sight, many of these changes seem unrelated to the architecture or urban design disciplines and rather fit within the socio-economical and political field. It is probably true that we cannot 'design out' the negative and challenging impacts of 'tourism gentrification' but nevertheless the design disciplines traditionally have the capacity to deal

<sup>5</sup> The disturbance caused by tuk-tuks has been somewhat mitigated by new regulations introduced by the municipality in recent months. In addition, from 2017 only electric vehicles will be permitted and over 100 dedicated parking places will be created.

with 'wicked problems' and come up with new and unforeseen solutions.<sup>6</sup> In addition, adding the design component to city-making, enables a wider participation of the community to be involved in the development of strategies that merge bottom-up with top-down approaches and interests. Urban planning and design in the 21st century will have to be more inclusive and multi-disciplinary, since we realize that the complexity of urban processes far outstretches the capacities of our disciplines alone.

Facilitating the dialogue between different stakeholders on the desired outcomes of an urban regeneration strategy is a valuable contribution that designers can make. The use of design as a visualisation and research tool will help stakeholders to understand the impact of certain decisions. In the Stadslab approach this is the main role of design. As a nomadic think-tank we will not be involved in the actual implementation of the urban transformation but serve as a catalyst to foster the dialogue and align stakeholders to adopt a common strategy or vision. The process and the outcomes of the Master Class reflect this approach. First, participants were asked to truly engage and empathise with the local situation and stakeholders to grasp the range and extent of the issues at stake. This process included conversations with experts, representatives of local authorities, social workers, and residents and, of course, visitors and tourists. Even though this problem definition phase is necessarily brief and incomplete, it does create a sufficiently balanced knowledge base and personal commitment to start a design process. A creative and iterative approach of presenting, debating, and rejecting/developing proposals led to a series of seemingly unrelated city-making strategies, some of them spatial, others

<sup>6</sup> See Luis Mendes' article in this publication, in which he defines and reflects on the relatively new concept of 'tourism gentrification' as a notably different phenomenon than other kinds of gentrification. Luis Mendes, 'What can be done to resist or mitigate tourism gentrification in Lisbon? Some Policy Findings & Recommendations'

more social-economical or within the spheres of monitoring and regulating. Imagining and visualizing the impact of these proposals in case-specific and real-life situations in Mouraria helped to fine-tune and improve the proposals and identify the role of the different stakeholders and the spatial or regulatory framework that could help to maximize their impact. Clearly, these Master Class proposals are semi-final products at most. All of them need further development and a rigorous confrontation with the local legal, cultural and political mechanisms. This is a process best taken over by a more local and embedded stakeholder or coalition of stakeholders (both public and private). The Master-Class objective was to present this rich variety of strategies that could be applied and would contribute to a city-making process that is inclusive and ultimately aimed at a balanced development weighing in the stakes of residents, local authorities, businesses and tourists.

Reality is ever more difficult and obstinate than any laboratory condition can simulate. This is certainly the case regarding the understanding of complex urban phenomena. Global (urban) tourism is on the rise and we cannot foresee how exactly it will evolve in the future. Platforms such as Airbnb and similar 'shared economy' initiatives are still in their infancy and already they have massively disrupted the tourism and lodging industry. Ultimately it is the task of local and national governments to implement and enforce legal regulations to balance out the negative impacts of such developments and safeguard the accessibility of public resources such as affordable housing and public transport. Simultaneously, these measures should also accommodate and stimulate the positive effects of such developments to take place. Tourism can be a massive job creator and result in financial benefits that can be used to improve the basic urban infrastructure that will also benefit the residents and local businesses. It is a certainty that there are no simple fixes or quick solutions for this complex reality. Cities, all around

the world, will have to incrementally respond, anticipate and test new models and regulations and find out their impact on urban life. As indicated before, this issue seems to be firmly positioned within the realm of the 'wicked problems':

*"A wicked problem is a social or cultural problem that is difficult or impossible to solve for as many as four reasons: incomplete or contradictory knowledge, the number of people and opinions involved, the large economic burden, and the interconnected nature of these problems with other problems."*<sup>7</sup>

It might be a sobering conclusion for some, but solutions to wicked problems can never be true or false, only be good or bad. There is no idealized end state to arrive at, and so approaches to wicked problems should be tractable ways to improve a situation rather than solve it.<sup>8</sup> In addition, there is no template to follow when tackling a wicked problem, although history may provide a guide. Teams that approach wicked problems must literally make things up as they go along.<sup>9</sup> Designers have a talent and natural inclination to operate like that, and come to their proposals through an approach of rigorous iteration. Due to the system qualities of complex urban problems, knowledge of science, economics, statistics, technology, politics, and more are necessary for effective change. This demands interdisciplinary collaboration, and most importantly, perseverance.

With Lisbon's most famous poet – Fernando Pessoa – leading the way, perseverance is a concept with which the Portuguese are historically familiar. I sincerely hope that this time again, Lisbon and its people will prove resilient to the forces of our times.

<sup>7</sup> [https://www.wickedproblems.com/1\\_wicked\\_problems.php](https://www.wickedproblems.com/1_wicked_problems.php) See also Rittel, Horst. 'Dilemmas in a General Theory of Planning.' Policy Sciences, 1973: 155-169.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

## PERSEVERANCE

Say not that work is e'er ill-spent,  
Say not that effort fails or seems;  
Say not that he o'er labour bent  
Is one in the world's many dreams.

For not in vain with patient shocks,  
With timely rush and quick'ning roar,  
The ocean crashes on the rocks  
And bounds on to the sounding shore.

They check, 'tis true, his rolling rush,  
His sturdy beat they seem to scorn,  
His surging waves with force they crush  
And turn in spray his billows torn.

But days and weeks and months and years  
He strikes and strikes and strikes amain.  
And dent on dent in them appears  
That shows his weary, patient gain.

And years may pass or ages go,  
Those eaten rocks will smaller stand;  
Still he, with measured aim and slow  
Shall bend his surging to the land.

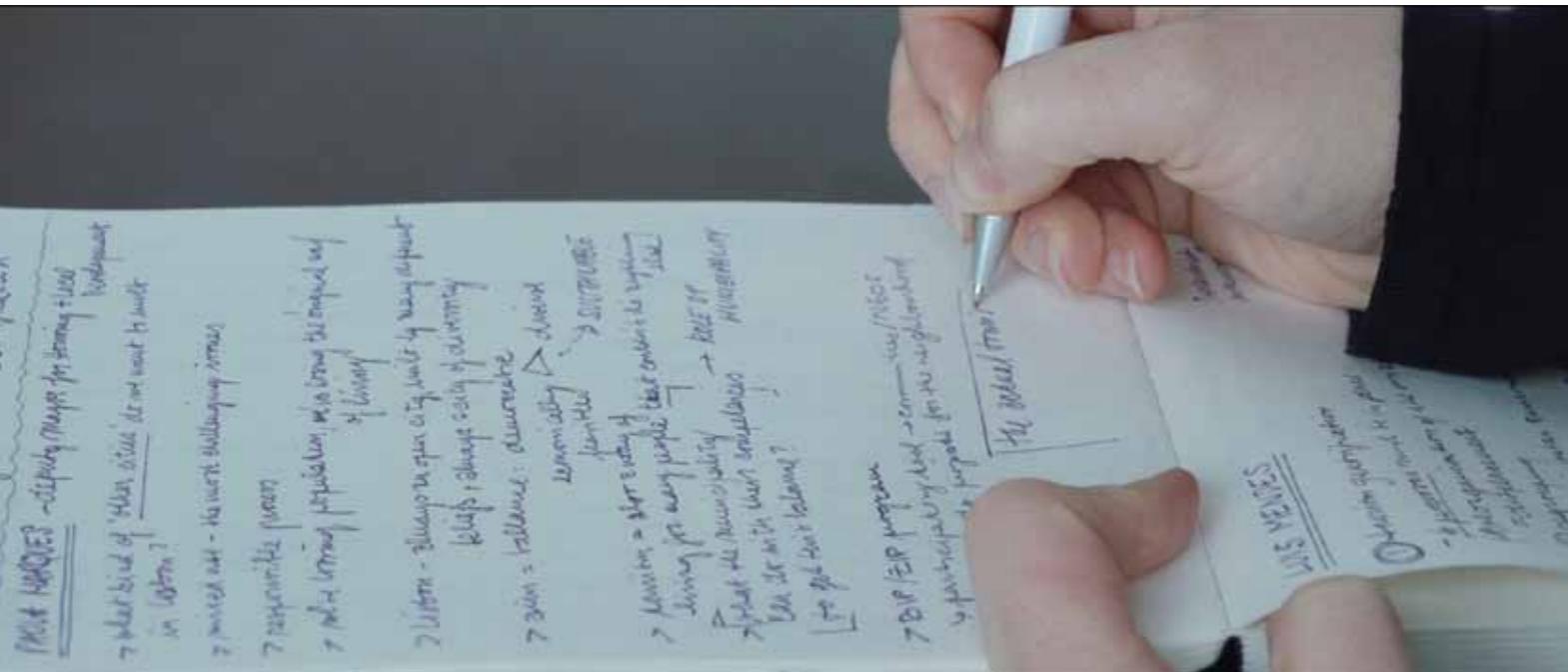
Sure as the sun, and unperceived  
As is the growing of a tree,  
He works and works, nor is deceived  
By sturdy from that men can see.

And when his object full he gains  
With last and sounding, rending crash,  
His mighty power he still sustains  
And onward still his waters dash.

9-1904<sup>10</sup>



<sup>10</sup> Poesia Inglesa. Fernando Pessoa. (Organização e tradução de Luísa Freire. Prefácio de Teresa Rita Lopes.) Lisboa: Livros Horizonte, 1995. - 36



# 3

## Master Class Program

<p><b>FRI - 15 April</b> 20h00</p> <p><b>SAT - 16 April</b> 10h00</p> <p>11h00</p> <p>13h00</p> <p>18h00</p> <p><b>SUN - 17 April</b> 10h00</p> <p>12h00</p> <p>17h00</p> <p><b>MON - 18 April</b> 10h00</p> <p>12h00</p> <p>14h00</p> <p>18h00</p> <p><b>TUE - 19 April</b> 10h00</p> <p>18h00</p> <p>20h00</p> <p>21h30</p>	<p>Welcome Dinner</p> <p>Lecture Paula Marques, Deputy Mayor Housing / Local Development, Lisbon Lecture Luís Mendes, Institute of Geography and Spatial Planning, University of Lisbon Introduction Igor Marko, marko&amp;placemakers, London Lisbon Sustainable Tourism Tour Wrap up</p> <p>Lecture Miguel Coelho, President of the Parish Council of Santa Maria Maior Lecture Filipa Bolotinha, Renovar a Mouraria Scripted Fieldtrip in groups Comparative study</p> <p>Lecture João Seixas, University Professor at New University of Lisbon Lecture Igor Marko, Inventing Roles Wrap up</p> <p>Creating future scenarios Wrap up Dinner Cine-Café "Bye bye Barcelona"</p>	<p><b>WED - 20 April</b> 10h00</p> <p>18h00</p> <p><b>THU - 21 April</b> 10h00</p> <p>18h00</p> <p><b>FRI - 22 April</b> 10h00</p> <p>17h00</p> <p>20h00</p>	<p>Studio - work in groups Wrap up</p> <p>Studio - work in groups wrap up</p> <p>Final presentation preparation Final presentation: Manuel Salgado, Deputy Mayor Urban Planning / Urban Rehabilitation, Lisbon Results Final discussion Closing dinner</p>
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# 4

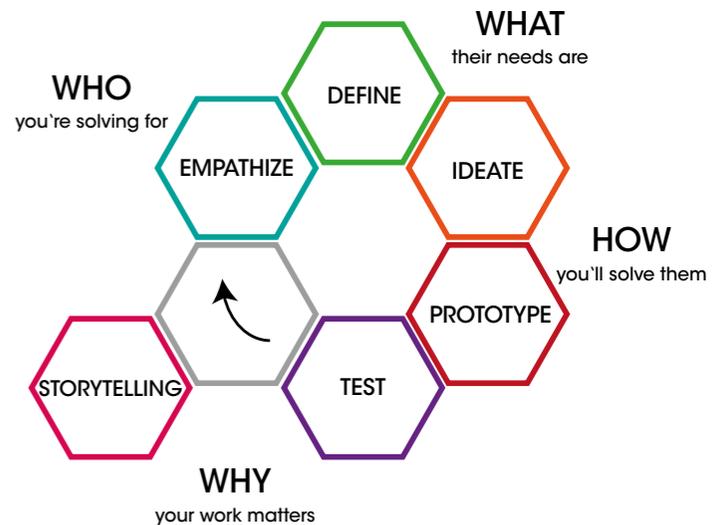
## Master Class Process and Method

Marc Glaudemans and Igor Marko

To structure the process of the Master Class on such a complex topic and a diverse and multidisciplinary team, we followed the working method of *design thinking*. This approach differs from an analytical scientific method, by identifying and investigating both known and still ambiguous aspects of the problem to discover hidden parameters and open alternative paths that may lead to a solution. Design thinking is typically iterative, and the process involves common characteristics, mainly: creativity, teamwork, user-centeredness (empathy), curiosity and optimism (Faste, 1994). The process and the outcomes of the Master Class reflect this approach. First, participants were asked to truly engage and empathise with the local situation and stakeholders to grasp the range and extent of the issues at stake. The first stage was for them to go out and follow certain preconfigured routes through the neighbourhood of Mouraria and take detailed notice of the spatial environment from the perspective of a tourist. These notes then had to be reframed in a consistent and personal narrative of the spatial conditions on their routes. The next step was meant to meaningfully engage and empathize with the different actors. This process included conversations with experts, representatives of local authorities, social workers, and residents and, of course, visitors and tourists. Even though this problem definition phase was relatively brief and incomplete, it did create a sufficiently balanced knowledge base and personal commitment to start a design process. A creative and iterative approach of presenting, debating, and rejecting or developing proposals led to a series of seemingly unrelated city-making strategies, some of them spatial, others more social-economical or within the spheres of monitoring and regulating. Imagining and visualizing the impact of these proposals in case-specific and real-life situations in Mouraria helped to fine-tune and improve the proposals and identify the role of the different stakeholders and the spatial or regulatory framework that could help to maximize their impact. The Master-Class objective was to present this rich variety of strategies that could

be applied and would contribute to a city-making process that is inclusive and ultimately aimed at a balanced development weighing in the stakes of residents, local authorities, businesses and tourists.

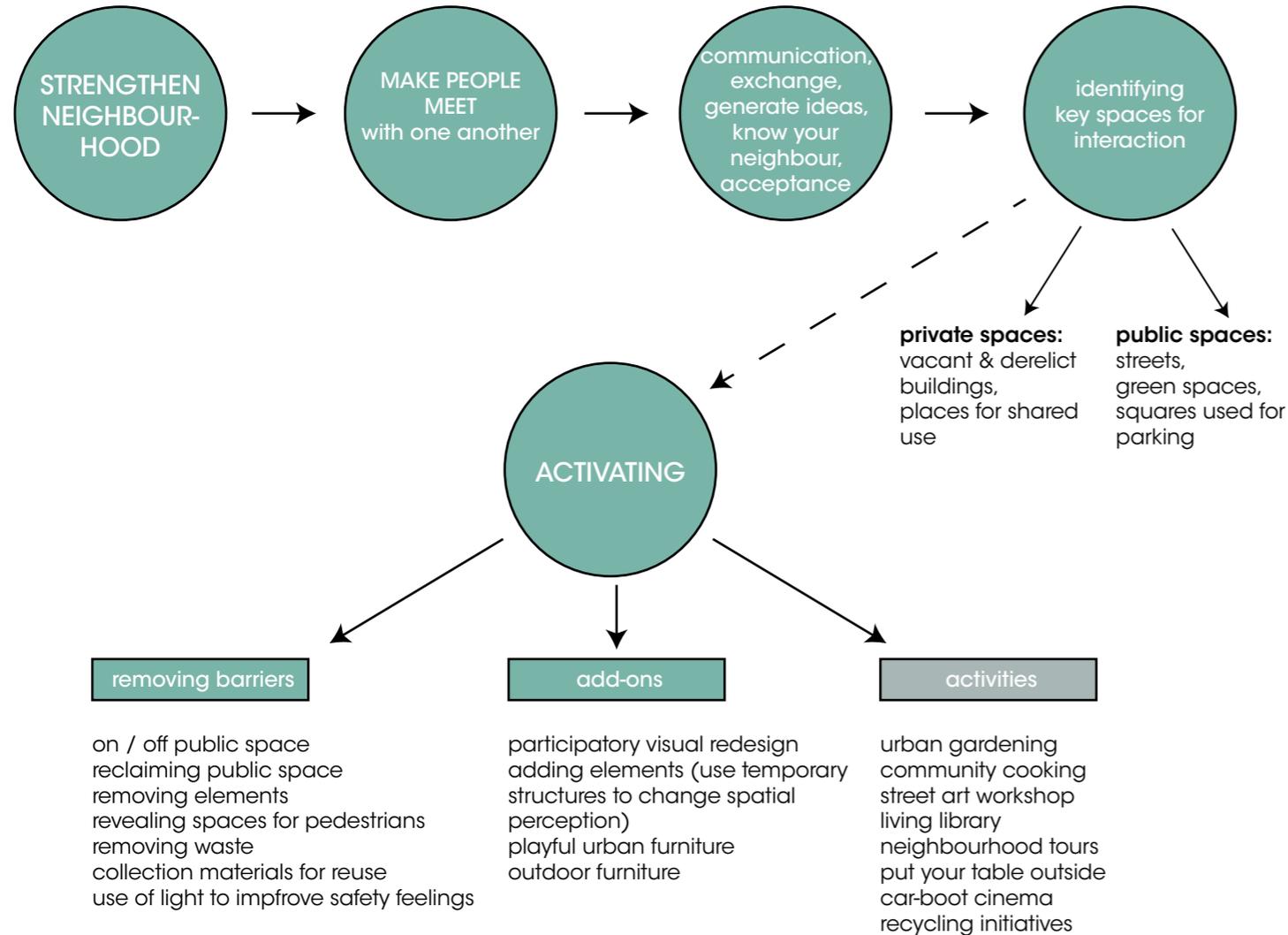
Clearly, the Master Class proposals are semi-final products at best. All of them need further development and a rigorous confrontation with the local legal, cultural and political mechanisms. This is a process best taken over by a more local and embedded stakeholder or coalition of public and private actors.



Design Thinking at work.  
Image credit: Hasso Plattner Institute of Design at Stanford

Faste, Rolf, "Ambidextrous Thinking", Innovations in Mechanical Engineering Curricula for the 1990s, American Society of Mechanical Engineers, November 1994

# MAKING EXISTING OPPORTUNITIES VISIBLE



## Proposal I

# Hey Mouraria, put on your glasses!

Michela Leoni, Patricia Wess

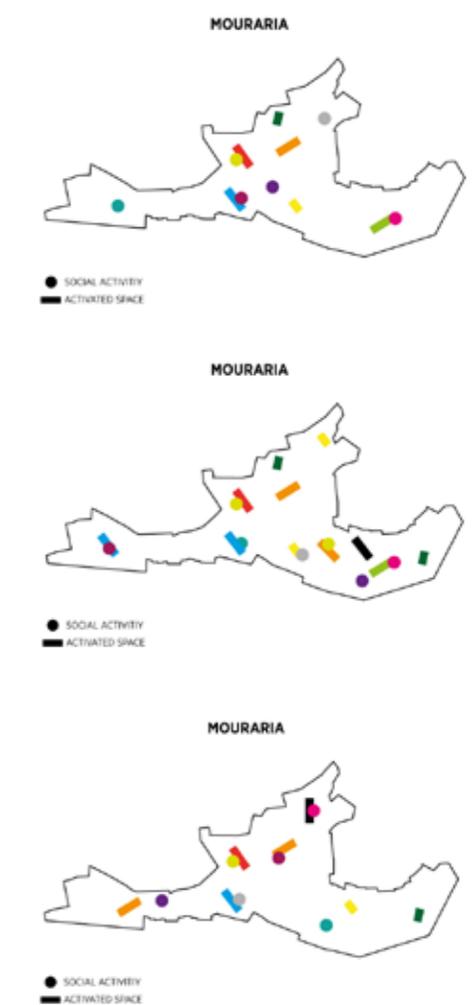
In the context of an increasing tourism pressure and rapid social transformation in the neighbourhoods of the city, Mouraria still retains a special local character that could play an important role in supporting the balance between the different users of the area.

This proposal wants to leverage on what is already present in the area to strengthen its value as a neighbourhood and to create mental ownership in its residents and users. To do so, it is crucial for people to meet with one another, in order to know and accept each other, to communicate and to generate ideas. People need physical spaces where they can meet! This proposal focuses on making existing opportunities for encounter visible, in terms of spatial occasions where people could interact.

The process consisted in identifying existing spaces with potential to become key spaces for interaction. These do not necessarily need to be traditional public spaces, but also those that are semi-private, or even private ones.

These spaces are then activated through acupunctural interventions (eg. removal of physical and non-physical barriers, and addition of elements) as well as with temporary activities. By twisting the ordinary point of view through micro-modifications of the surroundings, and to show how spaces could be used for different activities, we aim to push people to see usual places in a new light and to become aware of their potential. This proposal could transform unusual urban typologies, opening them to possibilities for new functions.

By simply revealing existing opportunities, we do not want to impose a fixed recipes for the area, but we aim to activate. We aim to activate, but we aim to activate endogenous dynamics.







# Proposal II

## NAMOURARIA

### Communication board

Maud Muselaers, Marie-Charlotte Deyda, Britta Coco Obbens, Pedro Porfírio Coutinho Guimarães

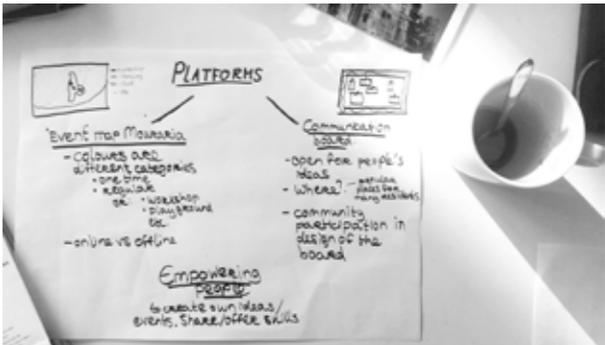
When we did surveys, we realized that there are a lot of good ideas and a lot of opportunities in this local area of Mouraria. At the same time, we noticed some certain lack of dynamics. During this week, we have heard of the story of the Portugese king "D. Sebastião" and that people are literally waiting for his return. So we thought that this was a good starting point to develop an opportunities platform here in Mouraria. We want the people to realize that the king is in all of us.

To reach this we want to stimulate empowerment of the local people of Mouraria, therefore, we want to create communication between them and connect the people so that they can share ideas. To reach all of the different residents of this district we decided to create an online and offline platform.

As an offline platform we created a communication board where people can share their ideas, needs and offers, like someone who has a space to offer for social events. At the same time there could be a dance group looking for a rehearsal place. We tested this board in the Pastelaria, and noticed the interest of the people. The board can also be the place to promote events in the future.

As an online platform we started a community page on facebook, called Namouraria. We realized that there are already things going on in Mouraria, but that it would be good to have one page which connects people and events in Mouraria. This page is open for everybody to publish ideas, needs and offers, like on the communication board. The page is already online, and reached more than 100 people.

These are two concrete examples that we have tested only in some days, so we believe it could be further developed and implemented.





## Proposal III

# Living Library

Magdaléna Švorcová

After the first day when we explored the city on our own feet and with our own eyes as tourists, we tried somehow to detach ourselves from all of our personal experience and emotions and had a completely different view on the city center and Mouraria especially.

Therefore we decided to just approach random people in the streets of Mouraria, asking them the same things about this place:

- Name and place of origin
- Occupation: resident vs tourist
- Age
- Personal experience – How do they feel / live in the city quarter
- Mouraria in the nearest future

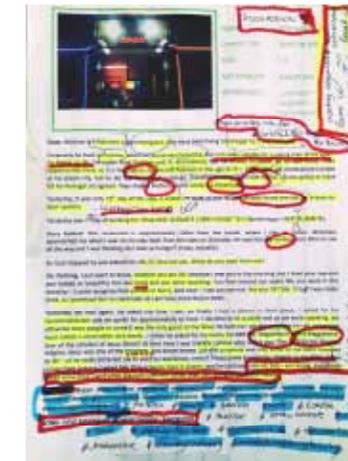
What we have found out is this:

It basically does not matter if you are a resident or tourist, retired person, mother taking care of her children or a homeless (ex-homeless) person.

We could feel that all of these people we stopped somehow felt the same feeling. They enjoyed their lives here – feel like home in Mouraria. Mouraria is a safe place for them – home – dreamland (for some of them they do not live here directly, but come here on a regular basis.)

Tourists enjoyed Mouraria's vibrance, romantic atmosphere with lots of stairs (even though, they get lost here), and lots of 'hidden treasures'. They really enjoyed the multicultural element in this part; all the world in one place.

We found out that residents, but also tourists, could identify Mouraria as a fundamental part of Lisbon – even though some tourists ended here randomly. Both tourists and residents are aware of a need for urban transformation – adaptation for the future – not to destroy this treasure of Lisbon.

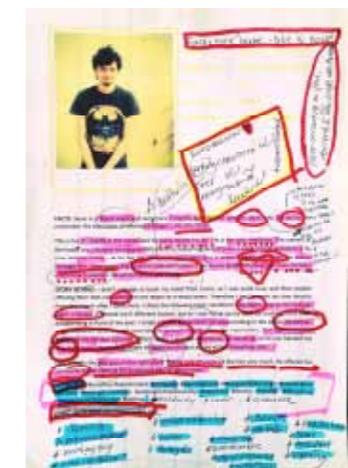


THIS GUY APPROACHED ME  
DIRECTLY ON THE STREET  
IKHTISHAM, 27, Pakistani

PROFESSION: Bartender in Asian restaurant  
on my way to the hostel

CHARACTER: #workingclasshero  
#Sunshine, #willingtohelp, #openminded,  
#warm #immigrantinfactlocal #cooperative  
#servant #positivity #traveller #lifejourney  
#becauseofhisuncle"

QUOTE: „SOMEDAY I BECOME HAPPY“ <3

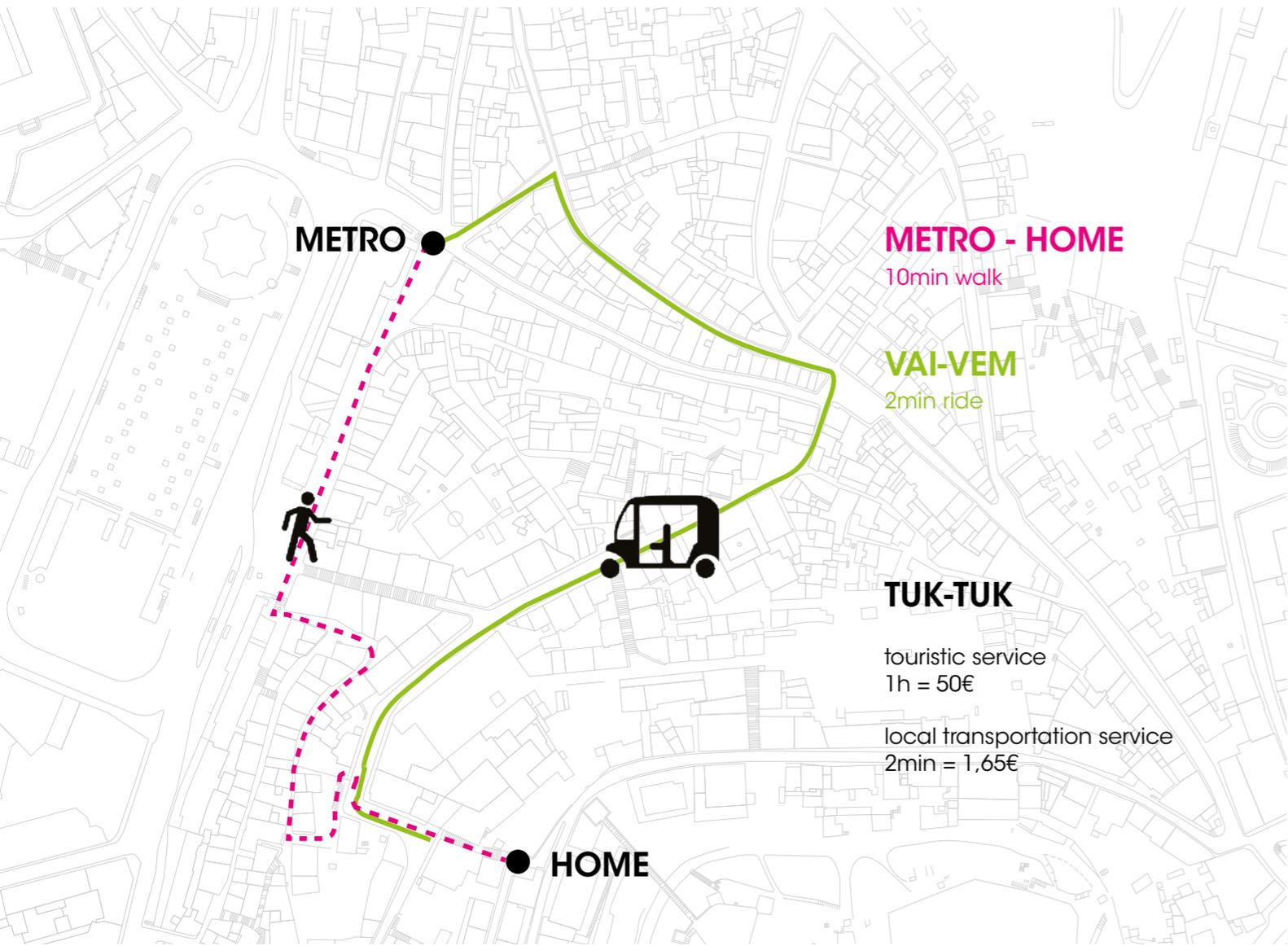


1<sup>ST</sup> PERSON I MET IN LISBOA:  
SAULO, 22, Brazilian  
(JUST CALL ME SAM ☺)

PROFESSION: Hostel receptionist from my  
hostel

CHARACTER: #workingclasshero  
#Sunshine, #willingtohelp, #openminded,  
#warm #immigrantinfactlocal #cooperative  
#servant #positivity #traveller #lifejourney  
#becauseofhisuncle"

QUOTE: „I AM IN LOVE WITH LISBON“ <3



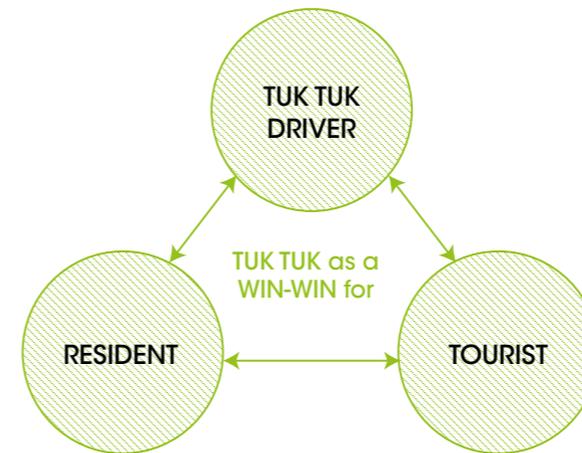
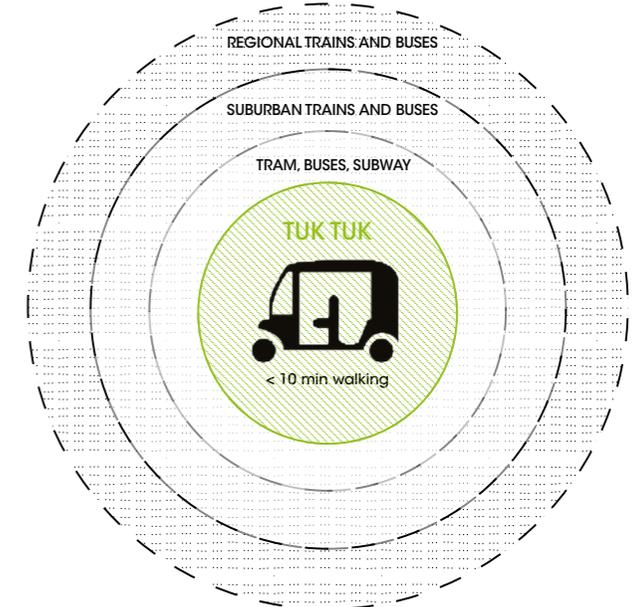
## Proposal IV

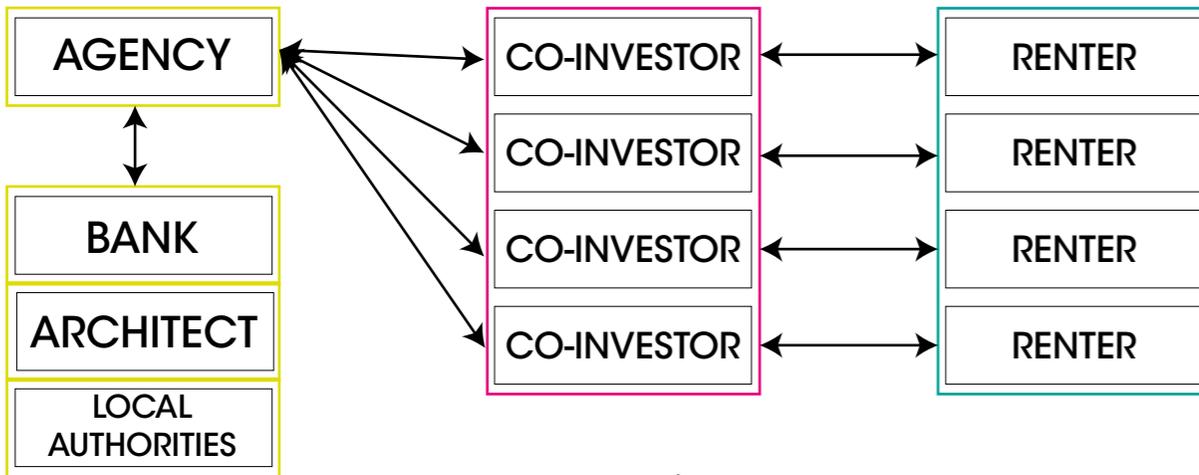
# VAI - VEM Mouraria Tuk-tuk as a win-win

Inês Almeida, Dominika Belanská, Nuno Pires Figueiras

What if not only the tourists, but also the elderly local residents could take a tuk-tuk to get to a grocery store, to church, to visit a doctor, or get to the closest bus stop? What if a mother with a child could "hop-on" and get a drive to cope with the steep streets of Mouraria?

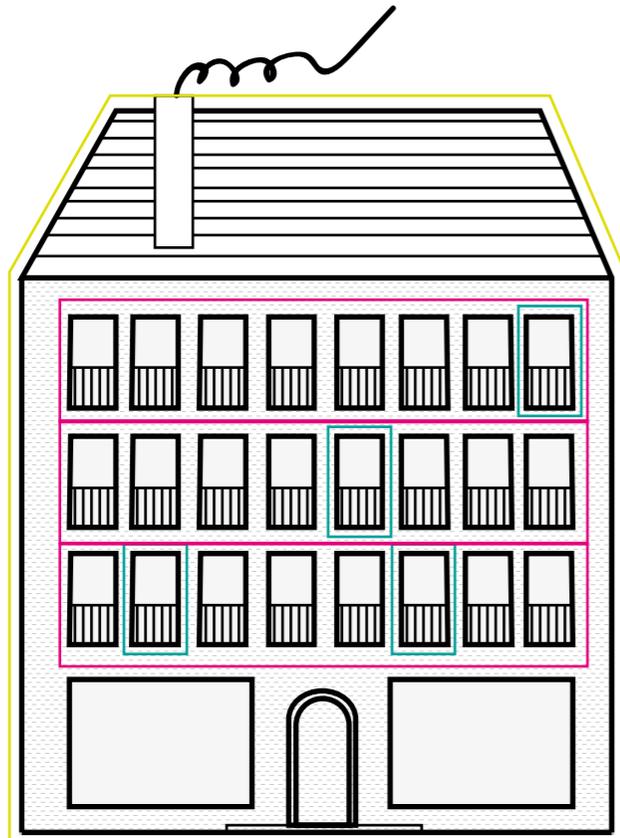
Tuk-tuk cars ride the streets of Lisbon, providing sightseeing tours for tourists. In 3 years the business has grown to 600 vehicles. Apart from the business providers and drivers, the local people don't have a direct benefit from the service, but have to bear the noise and presence of vehicles in streets. At the same time, there is a "gap" in the system of public transport, leaving the local residents without any public transportation in the heart of Mouraria. We see this as an opportunity for a win-win: the tuk-tuk providers will gain effectivity of their service, and the locals easier mobility. This will support, together with the upcoming change of regulation that by January 2017 obliges all tuk-tuks to be electrical, to the conviviality of the tourism and daily life of the quarter.





AFFORDABLE HOUSING

LONG-TERM RENTALS



ENTREPRENEURSHIP SUPPORT

LOCAL RULES

## Proposal V

# Agency for co-investment

Inês Almeida, Dominika Belanská, Nuno Pires Figueiras

**What if we flipped the usual real-estate chain and provided people who want to have a long-term residency or business, with an opportunity to co-invest into the vacant houses of Mouraria?**

It is almost impossible to find a flat for sale or for a long-term rent in Mouraria. Buildings are bought by real estate companies, which refurbish and put their spaces back in the market, adding a significant profit margin for their service. Most of these ventures aim at a very specific target - either luxury or for touristic investment - not providing long-term housing solutions for lower and middle classes.

Due to this market development, the average prices of the rent rise rapidly, pushing out the original residents of the quarter. Along with them leaves the "soul" of the neighbourhood, and it is being replaced by an economy based on pleasing the touristic demand.

Building on the models of co-housing, we propose to set up an "agency" - a body or an organization - that would facilitate the common interest of diverse people - young families, workers, entrepreneurs, freelancers - who would become long-term contributors to the neighbourhood.

**How could an "agency" assist a self-driven group of people in establishing a co-investment project?**

The agency would embody the experience of self-organized, community-oriented and sustainable co-housing projects, which develop market alternatives that merge demand and provider roles, safeguarding the investors' interests. The agency would collect and provide specialised know-how and offer it to those interested in setting-up such projects in Lisbon. It could also actively

promote this alternative, and provide platform where people can find like-minded fellows to co-invest together.

This non-profit agency would assist co-investors in facilitating the process of planning and decision making; help deal with project management, regulations, paperwork, and also serve as a legal entity which can give weight to the venture of collective of individuals, e.g. when applying for a bank loan.

### Why co-invest?

- to get access to buildings market: usually only developers, promoters or individuals with a big investment capacity can afford such venture
- to save money: keeping the developer "out of the chain" means to cut profit margins related with real estate businesses
- to be part of the design and making: to decide about the characteristics of the place you'll be living in or owning
- to be a part of the community: being an active participant and contributor to the neighbourhood, supporting local economy dynamic and social well-being



Proposal VII

# Good Data for Good Policy

Luís Paulo Faria de Moraes, Iago Rodríguez-Lestegás Tizon, Maria Estela de Moura Dantas Gonçalves, Marina Gaboleiro Carreiras, Anselmo Pinheiro Amílcar

The speed of current urban transformations, as well as the variety of involved actors; create a strong pressure on urban management. It is important to consider the diversity of functions and values of cities; it's balances and imbalances to develop a planning strategy and a strategic city management. For this, it is important to know the realities, notably through the construction of supporting tools.

This proposal indicates a first approach of a model to monitor and evaluate urban vitality from a multi-scale perspective. A diverse set of interconnected parameters is monitored, which contributes to an integrated understanding of the urban conditions and enables planning control tools and strategic planning legislation.

Although nowadays there is a significant amount of data available to the public, sometimes these are not updated or unified. This compromises the chance of a reliable comparative analysis, inhibiting the decision-making process. So there is a need for a dynamic tool, which matches with the accelerated rhythm of city transformation and its diverse interdependencies.

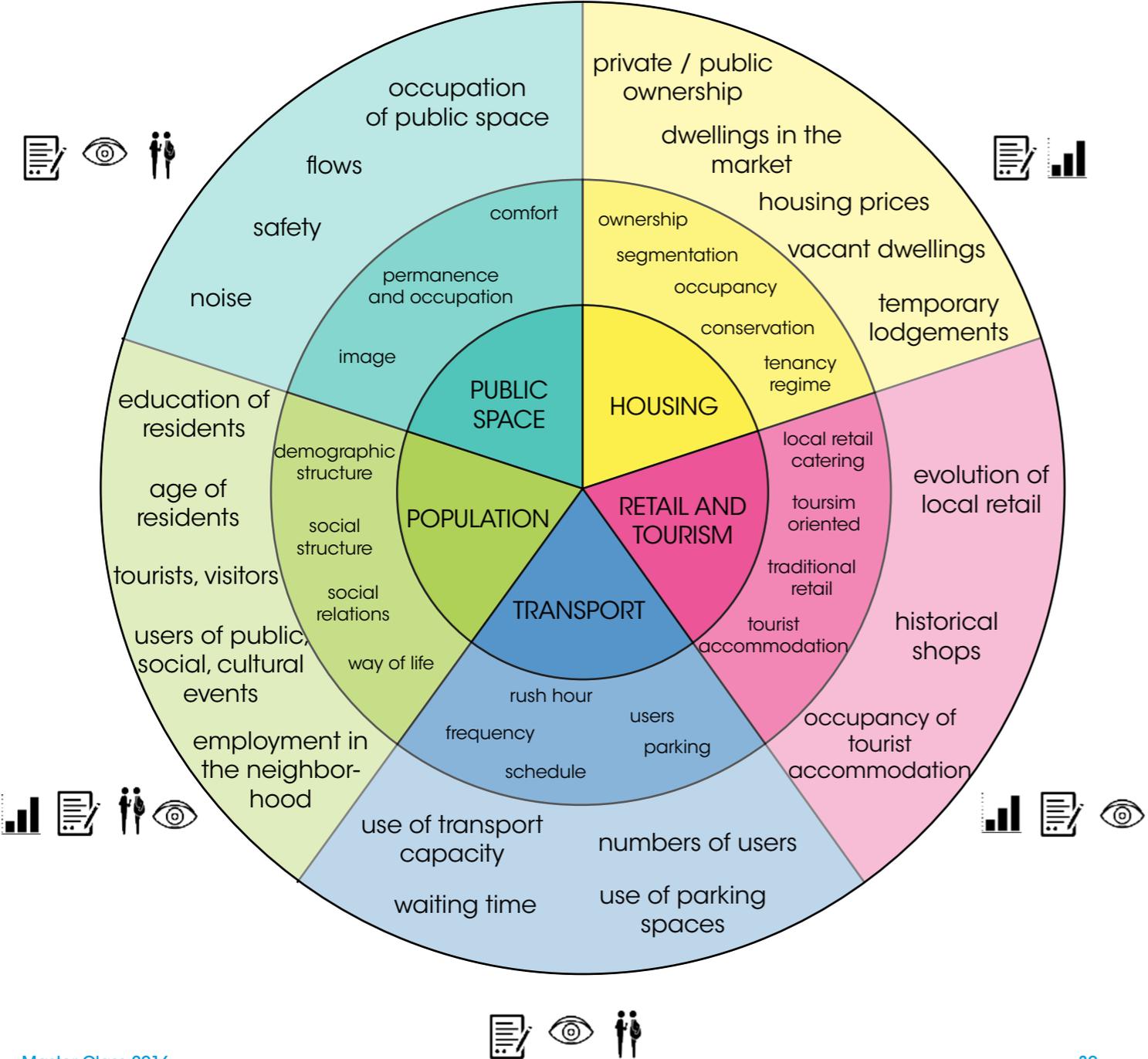
The presented model compares existing and/or collected data of a certain area of the city. An informal diagnosis is essential for a city's change, current state or protection. In this case five aspects of analysis are selected: housing, population, public transport, commerce and service, and public space. Combining quantitative and qualitative data, which are structured and parameterized, the possibility of a visualization of the current state of the city with its various territories or neighbourhoods is given.

The shown example indicates a model of monitoring of the tourism capacity in Mouraria. The quantitative data, resulting from different sources, allows measuring the vitality and the feasibility

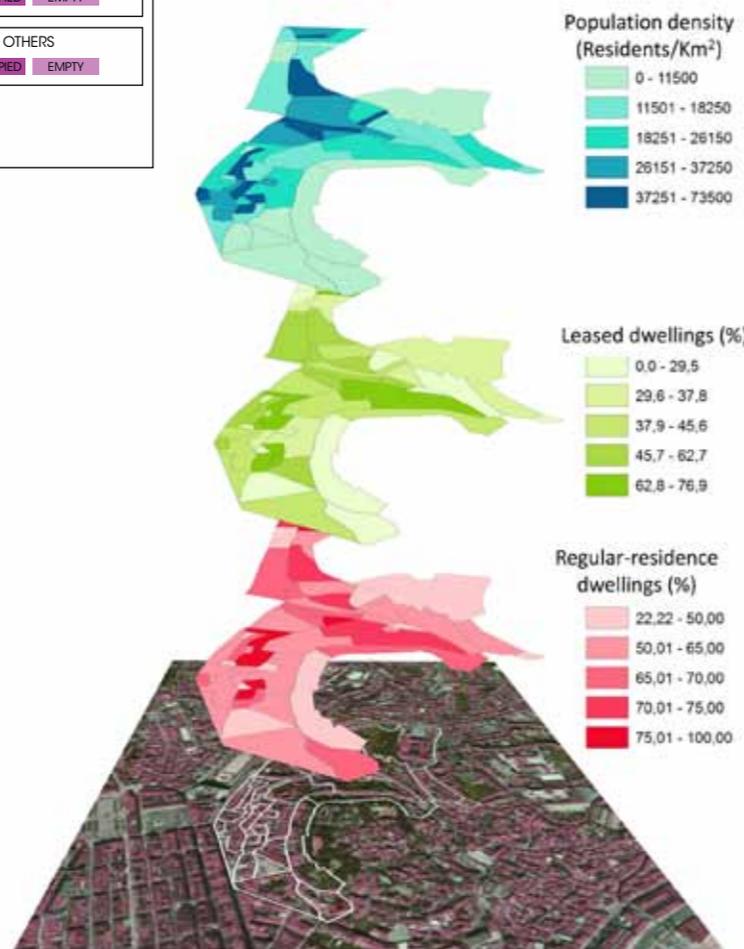
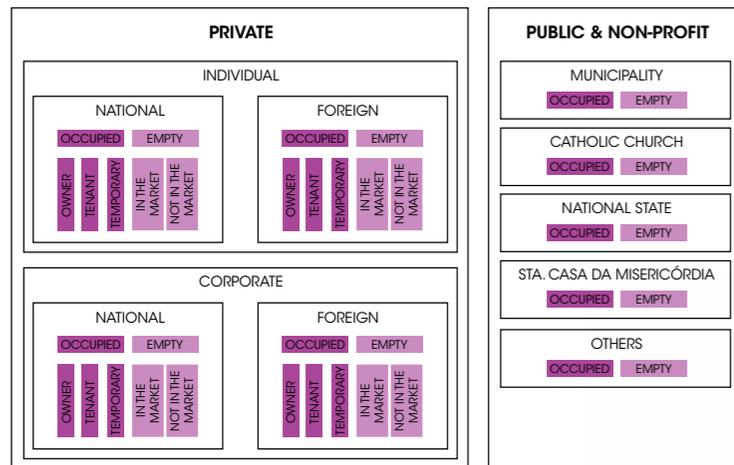
of the city by its structural levels. The qualitative data allows integrating more subjective, short-term and "hidden" levels, having a much deeper understanding of the space.

Therefore the collection of indicators is proposed, which can be measured and evaluated in different areas at different scales in an interconnected way, allowing evaluating the progress in diverse areas as well as the efficiency of certain actions. The proposal targets the development of a methodology, which focuses on the evaluation of the relative efficiency inserted into a temporal sequence, and keeps down the absolute values and isolated variables.

In conclusion it's an attempt to develop a new decision-supporting methodology, which benefits from operational data collection and analysis of urban spaces. It demands on the one hand open access and transparency of data and on the other hand a fundamental holistic understanding of the city.



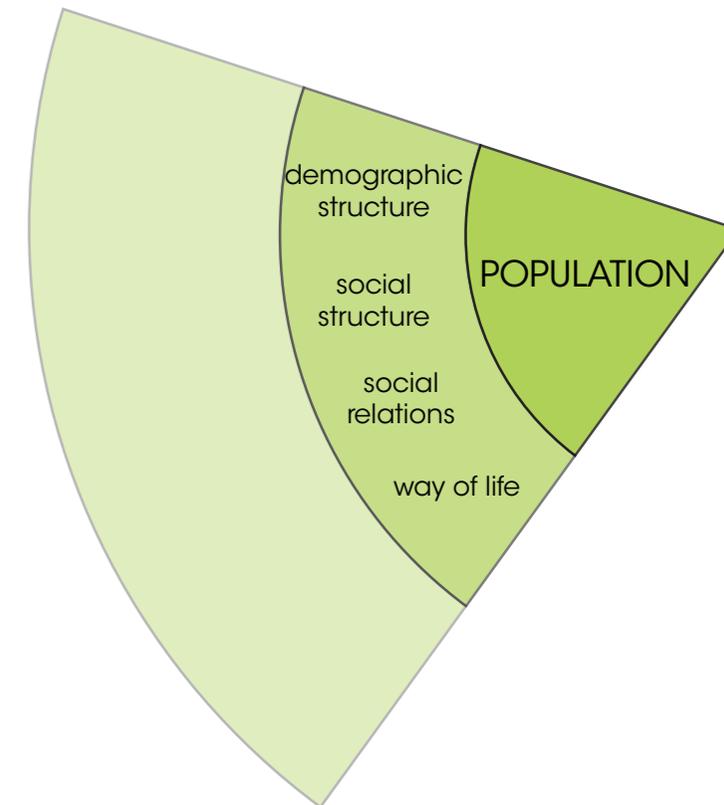
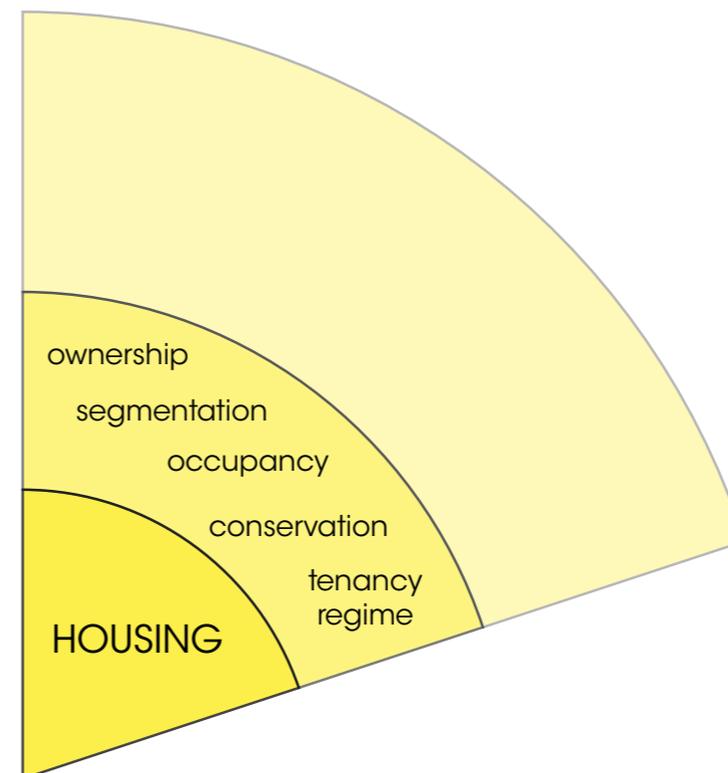
# QUANTITATIVE APPROACH



# QUALITATIVE APPROACH



- satisfaction level with the neighborhood
- satisfaction level with dwellings
- new neighbors



- social equality
- interaction among residents
- interaction with newcomers
- interaction with tourists

# 5

## What can be done to resist or mitigate tourism gentrification in Lisbon? Some Policy Findings & Recommendations

Luís Mendes

Geographer, guest lecturer at the School of Education of Lisbon and permanent researcher at Institute of Geography and Spatial Planning of the University of Lisbon

Gentrification it´s already an old and dirty word. Going back to basics, gentrification it´s a widespread pattern of middle-class residential settlement of older inner-city neighborhoods formerly occupied mainly by working-class and underclass communities. Gentrification is the process by which poor and working-class neighborhoods in the inner city are refurbished via an influx of private capital and middle-class homebuyers and renters, neighborhoods that had previously experienced disinvestment and a middle-class exodus. It represents a dramatic yet unpredicted reversal of what most twentieth century urban theories had been predicting as the fate of the central and inner-city. Simultaneously a physical, economic, social and cultural phenomenon, gentrification commonly involves the invasion by middle-class or higher-income groups of previously working-class neighborhoods and the replacement or displacement of many of the original occupants.

The underlying processes of gentrification and the material changes they produce seem to have been stretched over time and space. Contemporary gentrification has become increasingly complex because different actors and locations have become involved and the landscapes produced have changed. A series of transformations derived from a new political and economic context imposed by globalization generated a new form of gentrification significantly different from the one that was observed for decades, from the point of view of the protagonists and demands, as the modalities and supply structure. What was causal, marginal and local gets to be systematic and is truly global to all regions of the planet, as a significant dimension of strategy in the scene of contemporary neoliberal urbanism. The

concept that was summarized to the issue of housing dynamics is now expanding into the tourism and retail under urban regeneration processes, what allows us to speak of tourism gentrification and commercial gentrification.

But why can we speak on tourism gentrification? In Lisbon, for instance, the flows of capital in the real estate market combined with the shift to tourism explain gentrification more fully than do alternative accounts that focus on consumer demand or cultural preferences of a new middle class for upscale neighborhoods. Especially in the context of the financial post-crisis, the social and economic urban structure of Lisbon was profoundly transformed to embrace the growing demand of international tourism. Tourism in inner city of Lisbon is a kind of "panacea" that can cure all of its diseases. There has been some discussion lately about whether touristification is a kind of gentrification, since processes often share common traits with one another. So we understand "Tourism Gentrification" as the transformation of popular and working class neighborhoods of the inner city in consumption places, gaining markedly new middle classes and exclusively headed for entertainment proliferation and tourism sites, so that the recreation, leisure or lodging function begin to gradually replace the residential and commercial traditional functions, emptying the neighborhoods of their original population. Historically, the traditional center of Lisbon has been home to diverse groups of people. Over the past ten years especially, however, the property values has increased. This, coupled with the economic crisis, the financial austerity and the new law of urban rental (bulwark of a neoliberal turn in legal and urban policy frame) legitimized the "tourism panacea" in the city center. Escalating rents have pushed out the poor people and immi-

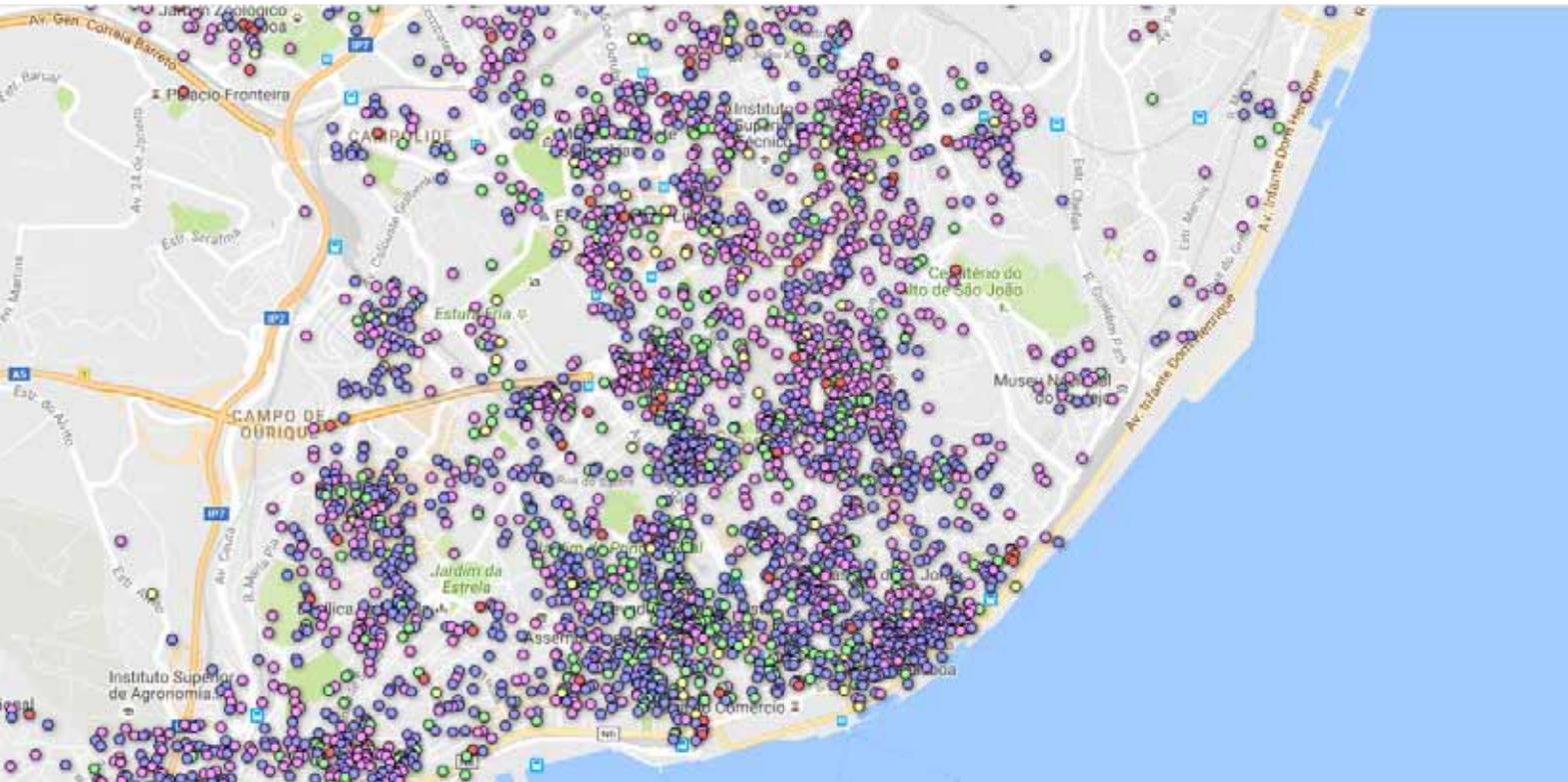


Fig.1 - Airbnb listings in Lisbon (June 2016)  
Source: <http://tomslee.net/airbnb-data>

grants, so that the tourist attractions, restaurants, entertainment bars and shops for visitors and tourists now dominate much of the central districts. I argue that this shift in capital flows to the real estate market of tourist accommodation combined with the growth of tourism and, lately, with a neoliberal trend increasing in the urban regeneration policies, all together reinforce the importance of activities aimed for tourism consumption and encourage displacement and gentrification.

It is inevitable that Lisbon is experiencing a peak of international projection; that tourism revenue can contribute to the economic recovery of the country and the city; this may be an urban regeneration engine of the architectural heritage and contribute to job creation. But the apparent absence of either planning strategy and the evaluation of its impact, together with the almost non-existent process of regulation, have overwhelming consequences.

Most of the tourist apartments that have emerged, especially in Lisbon's city centre, are residential units that, under the Local Lodging Regime, can be operated for short-term rental. Tourist apartments are indeed the new trend among travelers. Renting whole homes through sites like Airbnb and Booking.com has become the central focus of the ongoing debate over short-term rentals in Lisbon, in the last couple of years. Opponents — including some neighborhood groups and associations, the hotel industry and affordable housing advocates — have called on the city to keep rentals of entire homes illegal, arguing that they cut into the housing supply for residents and can disrupt neighborhoods by driving out stable, long-term homeowners or tenants. Proponents say being able to rent a house to tourists — often for more money and less aggravation than dealing with a long-term tenant — encourages the redevelopment of blighted properties and can provide needed income for owners, especially in the period of economic and financial crisis. For corpo-

rate tourism and relocated professionals, "serviced apartments", which are typically subject to tourist apartment legislation (unlike Local Lodging), are also an increasingly popular alternative. This set of drivers has brought great momentum to the regeneration of Lisbon's historic centre, a market where national and international investors have identified good investment potential to purchase, regenerate and maximize their return in the future. As well as national entrepreneurs, Golden Visa<sup>1</sup> investors also have an opportunity in this market to maximise their investments.

Despite the high growth, this is still a "non-consolidated" market, with a very recent legislation and with no statistical data, which made its measurement difficult. Before the Local Lodging legislation implementation, in the end of 2014, some of these establishments were identified as residential units and not specifically for tourist use. The official authorities estimated that this type of accommodation has around 3,500 to 4,000 apartments in the Lisbon market, being for a large part operated by individual/informal operators, which may underestimate the number specially if we include the informal non registered apartments as well as the massive supply on Airbnb that are not regulated, that according to some sources can reach more than 13,000 (see fig.1) apartments. This type of accommodation is usually sought by foreigners that usually travel in family or small groups, offering a more authentic stay than the traditional hotels and serviced apartments.

But short term rental for tourist accommodation fundamentally upset residential valuations by introducing unsustainable commercial valuations into residential neighbourhoods. We have already seen home prices in historically significant neighbour-

<sup>1</sup> The Golden Visa Programme launched in 2012 by the Portuguese Authorities is a fast track for foreign investors from non-EU countries to obtain a fully valid residency permit in Portugal.

hoods increase at rates far in excess (20 or even 30%) of the local incomes needed to support those prices. A significant portion of those home price increases are due to ability of some of the properties to earn upwards of 20 percent to 25 percent return on investment through illegal renting. It is terrible news if you are a long-term resident with no intention of moving, but are now faced with an annual property bill driven up by the valuation effects of illegal renting. Local lodging directly injects the business risk of tourism into residential neighbourhoods, because it develops monofunctionality in local economy and hyper-specialization in tourism, reducing resilience and community social sustainability. The (still unknown) tourism carrying capacity of the various neighborhoods of the old district are not being respected, leading to overcrowding equipment, infrastructure and transport; the traditional retail (eg. grocery stores, bakeries, butcher) is disappearing to give room to gourmet shops, souvenir shops, serving only the tourism supply and demand; macrocephalous development of the local economy based on tourism, a risky trend monofunctionality and hypertrophy of economic diversity present in other sectors; the destruction of the rental market and the displacement and eviction of former residents are a reality to give origin to various forms of tourist accommodation, often luxury; the mischaracterization of the old district is increasingly intense, with Disneyfication of historical neighborhoods and the destruction and dismemberment of social relations between old residents of the community.

The problem of tourism-led gentrification for which the city of Lisbon has come to pass requires taking integrated measures and at different scales, levels and sectors (tourism, housing, retail, public facilities and infrastructure, etc.), which performed in a spare or individually order never truly solve the problem, if not understood and applied holistically. However, underlying all of them are two fundamental principles that deepen the alliance

of representative democracy to participatory democracy, in contributing to the resolution of the problem.

First, we need a **more effective state**, with capabilities for design, implementation and evaluation of public housing and tourism policies. In this field, it is necessary to strengthen local municipal government as regulator of the tourism development in the city. It is insufficient to only have a clear mission, strategies, objectives and adequate funding. State capacities (technical-bureaucratic and administrative capacity, legal capacity, the ability to tax infrastructure and capacity) are required for regulation of political mobilization to produce a city of the majority and the collective.

Second principle: **promotion of urban social movements** for protection to housing and the city right that can combine with the struggle of the residents of the historic center (local neighborhood associations, activists, tenants associations, neighborhood committees, institutional / cultural or sporting associations, etc.). These movements must link up with other community, local and regional political organizations and, similar to what is happening worldwide, increasingly realize the capabilities and efficacies of networking and multiscale struggles. Only then these movements can win and extend its institutional basis in conjunction with the government and representative democracy.

The following measures are particularly important to maintain and secure the population in / the neighborhoods of the historic center of Lisbon, one of the European cities with the lowest population density. Therefore, I propose three levels of action, from the general to the more particular:

## 1 - Critical innovation in the design and implementation of local processes of urban regeneration.

1.1. To continue an urban rehabilitation policy for the inhabitants in the historical district who value the right to housing, to the detriment of large and spectacular interventions of renovation and restoration for disposal of public property and a sell-out for the benefit of foreign capital and investment.

1.2. Promote the temporary use of buildings and public spaces, a collective and common approach to the detriment of market logic and merely private interests. Encourage low-cost rehabilitation projects based on urban planning proximity.

1.3. Encourage the participation of various public bodies, residents, and stakeholders from NGOs, civil society and the private sector in urban regeneration processes, being closer to a local scale.

## 2 - Principles, policies and practices to prevent eviction and expulsion.

2.1. Basic protections for the most vulnerable residents in order to: i) keep people in their homes by pressures of the tourist potential use, preventing forced eviction carried out by promoters and investors in the real estate market; ii) ensure that the new features of affordable housing are available to those who most need them; and iii) ensure compensation measures to support the affected residents, where the displacement occurs.

2.2. Production and preservation of affordable housing. The stock of affordable housing should be understood to include any housing public or private property that is accessible to families with income below 80 percent of the minimum wage, for example.

2.3. Stabilization of population and existing communities. In order to avoid the rapid increase in the price of housing and homelessness resulting from sudden investment inflows in historically disinvested neighborhoods, the city should move towards a balanced development approach that involves continuous and regular investment in maintenance and conservation of housing, but also the local shops, and other equipment and neighborhoods of infrastructure, that are vital community resources for the inhabitants in a daily basis.<sup>2</sup> These measures should apply in all districts, but especially those whose population earns low or moderate income, and that reveal a capital divestment history.

2.4. Promote approaches based on non-market for housing and community development, from a collective and common/local perspective. The negative influence of speculation or any other form of easy profit generation based on property and devoid of investment in the local community should be actively discouraged. This requires implementing policies to penalize any and all speculative investment in order to reduce the amount of tradable property that can catalyze increases in housing and homelessness rates.

2.5. Planning as a participatory process. Promote civic participation and locally based associations. If the projects and plans are designed to benefit existing residents based on their needs and priorities, the risk of eviction or other adverse consequences for the existing community are less likely to occur. In order to ensure

<sup>2</sup> For instance, the city hall will create a fund to support the implementation of the program "Shops with history", launched in February 2015, which aims to encourage the maintenance and rehabilitation of commercial establishments that stand "for their unique and recognized characteristics value for city identity". With an initial allocation of 200,000 euros, the council admits that it can be revised as needed. Through this fund, stores can benefit from support for the development of cultural programs, conservation and restoration interventions or even to certain rehabilitation works, among others. This program proves to be essential for these historic shops in the city so they can not be subject to unilateral or justified evictions with the completion of rehabilitation deeper works, under the new law of the lease.

that development is actually based on the existing resident needs, planning and community development processes should not only involve the participation of residents of the affected communities, but also to all public and private stakeholders of territorial basis of the neighborhood.

## 3 - Taking concrete measures and initiatives to ensure the "right to housing", instead of "tourism-led gentrification"

3.1. Combat property speculation and promote social rental market, controlled affordable housing units in the city center:

- a) Urban renewal property / municipal state owned buildings for use as a temporary residence for vulnerable populations;
- b) The municipality, which has a large real estate portfolio throughout the city, should redevelop it and mobilize it for use as leasing properties with controlled costs, regulating the real estate market, limiting the traditional residential rental costs, ensuring an affordable housing offer, especially for the most vulnerable;
- c) Create a special regime of taxation of housing stock for the classical rental housing at controlled prices, promoting fiscally this segment of access to housing at affordable cost;
- d) Compel the placing on the market of empty homes, penalizing effectively abandoning lodgment for speculative purposes.

3.2. Reassume the municipal fiscal policy as an important tool for regulating the real estate market:

- a) The municipal government shall establish penalties, including taxes and fees, for the development or investment activity that focuses on generating profit without benefits for existing residents;
- b) Activation of fiscal instruments to stimulate urban regeneration for permanent residential use;
- c) Expedite the release of the empty houses, with tax penalizing owners who keep them uninhabited and unoccupied;

d) Penalize speculative investment, creating new property taxes that aggravate penalties on unoccupied spaces.

3.3. Call for greater articulation between the Municipality of Lisbon and the platform of Airbnb organization<sup>3</sup> towards increasing regulation, accountability and sustainability in the local housing sector for tourism, which go beyond the simple collection of tourist fee and accommodation charge;

3.4. Foster diagnostic studies with the support and main interest of the town hall, which monitor developments in the tourism real estate sector in the historic center and to study the viability of application of tourism carrying capacity rates by section / neighborhood or block for housing tourism;

3.5. Sensitize the residents' associations and apartment owners' meetings to become involved in forms of collective commitment and democratic consensus which makes the creation of apartments for accommodation / lodging reliant on an authorization from the condominium;

3.6. Propose a referendum for the population of the historic neighborhoods on the subject of properties regulatory proposals for tourist accommodation, in compliance with the Organic Law 4/2000 of 24 August, which provides for local referendum under the relevant local interest matters that should be decided by local municipal bodies or parish and integrate within its powers, whether exclusive or shared with the Central State;

3.7. Tourist Local Accommodation Law Review, Decree-Law No. 128/2014 of 29 August, which approves the legal regime of

<sup>3</sup> sharing home platform that has had an important contribution to the city's economy, creating jobs and generating revenue to supplement the family budget, but it has been also responsible for much of recorded touristification.

exploitation of local accommodation establishments, as well as the Decree-Law No. 63/2015 of 23 April, which makes changes to the first; in the sense of the law be more restrictive and regulatory site accommodation, like other cities (eg Barcelona, Paris, Berlin, New York, London, San Francisco), limiting excessive proliferation of sites and hostels housing, differentiating collective accommodation from individual ones, but also setting clear limits of licensing each applicant, the number of licensed premises in each building by percentage of urban fractions in each of them, among other measures;

3.8. Apply a land use policy that provides for mixed use (residential, commercial, services, tourism, industry compatible with the local, collective facilities) in a balanced manner in the scale of the municipality, district and block; application of a quota system for the different urban uses (for instance 1/3 residential use, 1/3 retail, services, tourism use and 1/3 public and collective amenities use) to guarantee a functional mix (given the specificity of the urban area concerned) essential to the maintenance of social and economic life the historic center, its cohesion, different ownership and resilience, instead of monofunctionality and economic hyperspecialization trend in the tourism sector that decharacterizes the historic districts and makes the social and economic fabric of the most city more vulnerable to the volatility of international tourism demand or a crisis in the sector;

3.9. Review the new law of urban leases in order to safeguard the rights of tenants housing (in accordance with the provisions of the Lisbon City Government Programme for 2013–2017);

3.10. Hold in the city, and especially in communities most affected by touristification, a significant part of economic gains, creating redistribution channels of benefits / income generated by tourism in the neighborhoods, directing them in a transparent manner, for social projects in the community.

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# 6

## Foreign investment and the commodification of Lisbon's Historic Center under austerity.

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### Dependent financialization, global crisis, and austerity.

Portugal requested to join the European Economic Community (EEC) in 1977 and became its full member in 1986. At that time, neoliberalism was gathering momentum before crystallizing, following the Maastricht Treaty of 1992, in the Economic and Monetary Union (EMU) that would accelerate the dependent financialization of Southern Europe. The abundant foreign credit that was received by the Portuguese private sector since the mid-nineties was not used to improve the structural conditions of the country's economy. Instead, it was channeled by the privatized banking system towards the non-tradable sectors - i.e. construction, real estate, infrastructures - that were less subject to international competition, materializing in the combination of a backward economic framework and a modern globalized financial sector<sup>1</sup>. As it boosted public investment in infrastructures, established public-private partnerships, and encouraged market-based homeownership, the State created the conditions for foreign credit to flow towards the non-tradable sectors, encouraged suburban expansion, and stimulated private indebtedness<sup>2</sup>.

The real estate sector was until 2008 one of the most lucrative financial fields in Portugal - especially in the most populated areas of the country. It was profitable for the investors; it was profitable for the landlords whose properties' values kept growing; and it was profitable for the local governments whose budgets expanded as a result of building licenses and property taxes. The Portuguese real estate and financial sectors benefited from the demographic expansion that was caused in the seventies by

the return of people from the former colonies; it benefited from the infrastructural modernization that improved the accessibility of suburban areas; it benefited from the population growth that resulted from immigration since the nineties; and it benefited from the easy and cheap access to credit that was brought about by the EMU and the Eurozone<sup>3</sup> after Maastricht.

The macroeconomic situation changed dramatically in 2008, after the massive default on subprime mortgages and the collapse of Fannie Mae, Lehman Brothers, and the American International Group (AIG) in the United States. This event prompted a financial crisis that would soon spread all over the planet, encouraged by the removal of controls on capital flows and the disappearance of economic borders in the context of neoliberal globalization, soon interacting in the Eurozone with the neoliberal policies that had been implemented since 1991<sup>4</sup>. Despite allegedly excessive public spending and borrowing being officially blamed for the crisis, the roots of the latter are not in the states but in the markets<sup>5</sup>. The abrupt halt of private credit flows as a consequence of the crisis hit hard a financially dependent European periphery that would soon be forced to *adjust*.

In this context, *austerity* has generated enormous economic and social costs in Portugal and Southern Europe. Tax increase, privatization, social-protection reduction, price increase of public services, labor flexibilization, and wage reduction have been

<sup>1</sup> Reis, J. (2016). Prefácio. In J. Rodrigues, A. C. Santos, & N. Teles, A financeirização do capitalismo em Portugal (pp. 11-22). Coimbra: Conjuntura Actual Editora.  
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<sup>3</sup> André, I., & Vale, M. (2012). Lisboa: Tensões entre la ciudad y la metrópoli. In M. Balbo (Coord.), Europa: la ciudad central en el sistema urbano (pp. 209-239). Quito: Organización Latinoamericana y del Caribe de Centros Históricos.  
<sup>4</sup> Palley, T. (2013). Europe's crisis without end: the consequences of neoliberalism. Contributions to Political Economy, 32, 29-50.  
<sup>5</sup> Papatheodorou, C., Sakellariopoulos, S., & Yeros, P. (2012). Grecia en una encrucijada: Crisis y radicalización en la semi-periferia europea. Batalla de Ideas, 3, 54-69.  
<sup>6</sup> Blyth, M. (2015). Austerity: The history of a dangerous idea. New York City: Oxford University Press.

imposed, but *austerity* has been ineffective in its stated objective of reducing public debt. Its very formulation and implementation is grounded on a false narrative of the crisis that ignores the real causes of the recession and attributes it to an excessive *public* indebtedness that in fact did not appear in Portugal until the outbreak of the global financial crisis in 2008<sup>7</sup>. Furthermore, the economic crisis and the way this has been addressed by policy makers have generated dramatic impacts on Europe's urban regions<sup>8</sup>.

### From suburbanization to urban rehabilitation.

With the global financial crisis of 2008, credit stopped flowing towards the middle classes and the model of suburban development became obsolete. Lisbon's Historic Center became then a space of opportunity for global real estate investment –one offering potentially high profitabilities in the international short-rental and luxury markets. With thousands of abandoned dwellings and tenants paying extremely low rents, the *rent gap*<sup>9</sup> of Lisbon's Historic Center was enormous as the latter became attractive for real estate investment and gentrifying urban rehabilitation under the new paradigm of postcrisis urban development<sup>10</sup>. In 2011, almost 27% of the conventional family dwellings in the parish of Misericórdia; more than 32% of those in Santa Maria Maior; 23% of those in Santo António; and 20% of those in São Vicente were empty<sup>11</sup>. Since most of the residents of Lisbon's Historic Center

7 <http://ec.europa.eu/eurostat>

8 Schipper, S., & Schönig, B. (2016). Impact of the global financial crisis on cities in Europe: an introduction to urban austerity. In B. Schönig & S. Schipper (eds.), *Urban austerity: impacts of the global financial crisis on cities in Europe* (pp. 7-19). Berlin: Theater der Zeit.

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11 <https://www.ine.pt/>

were tenants, it became necessary to change the rental regime in order to rapidly and easily evict them and let private investors engage in the profitable transformation of the area.

As required by the Troika in the Memorandum of Understanding that was signed by the Portuguese government in 2011, the New Urban Rental Regime of 2012 flexibilized the duration of the contracts; created a rent-bargaining mechanism for leases signed before 1990 –with the exception of tenants older than 64, economically vulnerable, or severely disabled- ; and facilitated the eviction of non-compliant tenants and the extinction of contracts when major refurbishment works are planned<sup>12</sup><sup>13</sup>. However, the new regime would trigger the cancellation of old contracts and the actualization of rents above the economic capacity of many unprotected tenants, in a context of rising demand for rental units after the crisis of 2008. Furthermore, the former were not subject to any assistance by the public institutions in as a consequence of *austerity*, and evictions multiplied<sup>14</sup>.

In September 2009, the non-regular resident tax regime was implemented by the Portuguese government with the declared goal of attracting foreign high-skilled professionals and pensioners –and their wealth. Since then, this scheme has been available for those citizens who are deemed resident in Portugal for tax purposes but have not been so during five years before the application. According to the legislation, fiscal residence is available for those citizens spending a yearly stay of more than 183 days on Portuguese territory; for those having a dwelling and the intention to maintain and occupy it as their habitual residence; for the crew of airplanes and ships of companies based on

12 Diário da República, 157, August 14, 2012.

13 <http://www.portaldahabitacao.pt/>

14 Mendes, L. (2014). Gentrificação e políticas de reabilitação urbana em Portugal: uma análise crítica à luz da tese rent gap de Neil Smith. *Cadernos Metrópole*, 16(32), 487-511.

Portuguese territory; or for the expatriate employees of the Portuguese State. Under this special regime, non-regular residents benefit from a reduced flat personal income tax rate of 20% for a maximum period of ten consecutive years as long as the fiscal requirements are met throughout that term<sup>15</sup>. Furthermore, since January 1, 2013, any pension income generated outside the Portuguese territory –even when not taxed in the country of origin- is totally tax exempt under this special regime<sup>16</sup>.

In parallel, since it was launched in 2012, the *Golden Visa* program awards the Portuguese residence permit and the right to move freely within the Schengen area to those foreign citizens making significant investments in Portuguese real estate property. It applies to investments on real estate properties worth more than 500,000 euro and acquired free of charges or mortgages after October 8, 2012 and before the application for the residence permit. The requirements of this scheme include a minimum stay of seven days during the first year and two weeks during the following periods of two years. The residence permit is issued for one year and then renewed for periods of two years. After five years, the permit becomes permanent and one year later the Portuguese citizenship may be issued. However, the properties may be rented and let for commercial, agricultural, or tourism purposes<sup>17</sup>.

### Lisbon's touristification and the local accommodation boom.

Boosted by the celebration of major international events and fueled by a successful marketing campaign, by the multiplication of low-cost air connections, by the political instability in Northern Africa, and by the attractiveness of Lisbon and its sur-

15 <http://info.portaldasfinancas.gov.pt>

16 <http://portugalprime.com/retired-resident-regime/>

17 <http://www.capi.pt/>

roundings, tourism has experienced a remarkable expansion in Lisbon during the last years<sup>18</sup><sup>19</sup>. Lisbon's tourism boom, added to the emergence and globalization of new websites and services such as *Airbnb*, has encouraged the proliferation of local accommodation apartments and rooms throughout the city's Historic Center.

The concept of *local accommodation* was given legal status in Portugal in 2008 with the objective of creating the framework for the formalization of an expanding global phenomenon of growing relevance in the tourism sector. The legal framework<sup>20</sup><sup>21</sup> regarding this activity facilitated its exploitation through the simplification of the initial requirements; the reduction of duties regarding the provision of the services; the absence of licensing, authorizations, or initiation taxes; the simplification of the online procedure of communication of activities; and the freezing of the penalty fees<sup>22</sup>. When the activity generates a yearly revenue of up to 200,000 euro, the simplified fiscal regime for local accommodation in force since November 2014 sets a reduced income tax rate of 15%<sup>23</sup>.

### Foreign capital and real estate investment funds.

According to the global real estate services company *Cushman*

18 André, I., & Vale, M. (2012). Lisboa: Tensiones entre la ciudad y la metrópoli. In M. Baibo (Coord.), *Europa: la ciudad central en el sistema urbano* (pp. 209-239). Quito: Organización Latinoamericana y del Caribe de Centros Históricos.

19 <http://www.visitlisboa.com/about-turismo-de-lisboa/observatory>

20 Decreto-Lei 128/2014, Diário da República, 166, August 29, 2014.

21 Decreto-Lei 63/2015, Diário da República, 79, April 23, 2015.

22 <http://www.turismodeportugal.pt/Português/ÁreasAtividade/dvo/doajamento-local/Pages/alajamento-local.aspx>

23 Seixas, J. (2016). Gentrification and touristification in the historical centre of Lisbon. Presentation for the postgraduate masterclass on "City-making and tourism gentrification" of Stadslab.

& Wakefield, 86% of the record investment of 1.9 billion euro in the Portuguese commercial real estate sector during 2015 was provided by foreign capital. This source indicates that around 800 million euro were channelled into the country's real estate market by investors from the USA, while Spanish and German capital supplied 12% of the total foreign investment each with more than 220 million euro each<sup>24</sup>. Only during May 2016, Portugal issued 157 residence permits and received a foreign investment of 96 million euro through the *Golden Visa* program, of which 88 million euro were absorbed by the real estate sector. As of May 2016, a total foreign capital of 2,104 million euro had been invested in Portugal through this program, with 90% of that quantity being absorbed by the real estate sector<sup>25</sup>.

Since their emergence when the Portuguese financial sector was starting to be liberalized in the mid-eighties, the sustained expansion of real estate investment funds has been one of the major symbols of the tightening nexus between housing and finance in the country<sup>26</sup>. The number of real estate investment funds operating in Portugal increased from 48 in 1996 to 242 in 2016, the most remarkable expansion taking place between 2005 and 2009. The historic maximum of 265 registered funds was reached in June 2011 and since then this indicator has followed a slightly negative evolution. Between 1996 and 2016, the total net asset value increased from 2,301.5 to 11,068.9 million euro, with a historic maximum of 13,067.4 million euro reached in January 2014 and a negative evolution thenceforth<sup>27</sup>.

Real estate investment funds enjoy a special fiscal regime, with open funds being totally exempt from paying the Local Property Tax and the Local Property Transfer Tax of their buildings, and closed funds paying half of the normal rates. Moreover, real estate investment funds created between 2009 and 2013 have their income totally exempt from paying the Tax on Income and Gains of Collective Persons. Properties under refurbishment are exempt from paying both the Tax on Income and Gains of Collective Persons and the Local Property Tax<sup>28</sup>, while a reduced VAT rate of 6% is applicable to urban rehabilitation initiatives involving dwellings or public spaces located in urban regeneration areas or defined as of national public interest<sup>29</sup>.

#### For whose benefit?

The benefits of Lisbon's tourism boom and of the reactivation of the real estate market based on urban rehabilitation seem to have been much greater for investment funds and the mass tourism industry than for ordinary citizens despite the fact of several local families obviously profiting from the local accommodation business. Added to the typical problems related to noise and congestion that are caused by mass tourism, the housing supply of permanent residence has dropped significantly in the Historic Center as a corollary of the proliferation of local accommodation apartments and the multiplication of foreign investors interested in urban rehabilitation. Simultaneously, essentially due to a remarkable rise of housing rents, Lisbon climbed 11 positions between 2015 and 2016 -from the 145th to the 134th place- in Mercer's global ranking of most expensive cities<sup>30</sup>.

Indeed, pushed by the growing demand for old dwellings to refurbish and place on the short-rental market amid Lisbon's tourism and urban rehabilitation booms, real estate prices have increased dramatically in Lisbon's Historic Center. The latter has registered the greatest appreciation during 2015; prices increased 22.3% in the parishes of Misericórdia, Santa Maria Maior, and São Vicente. 2015 registered a historic peak with 2,199 sales worth a total of 709 million euro, increasing 11% and 37% respectively since the previous year. Between 2008 and 2015, 38% of the transactions were concentrated in the neighborhoods of Alfama, Baixa, and Chiado<sup>31</sup>.

This dramatic transformation of Lisbon's Historic Center under the pressure of tourism and foreign real estate investment has not stopped the loss of permanent residents in this area of the city, which has continued after the crisis of 2008 despite the exhaustion of the previous model of suburbanization. Between 2002 and 2015, the number of registered voters decreased by 27.3% in the Historic Center and by 11.5% in Lisbon, while it grew by 7.5% in Lisbon Metropolitan Area as a whole<sup>32</sup>. In Santa Maria Maior, the total number of registered voters decreased by 32.8% between 2002 and 2015, while it dropped by 30.3% in Misericórdia. Meanwhile, São Vicente and Santo António lost 23.6% and 22.1% of their registered voters respectively during that period.

In spite of the jobs that have been created in the tourism industry, and in spite of the income that is enjoyed by those involved in the local accommodation business, the rise of real estate prices and the impossibility for many residents to find affordable housing constitutes a very worrying outcome of Lisbon's touris-

tification. The city commodifies, its Historic Center becoming a product to be purchased by visitors on a daily basis. Meanwhile, transnational corporations and foreign investors transfer the surpluses abroad, increasing dependency and perpetuating economic backwardness and structural flaws in a global context of increasingly volatile capital flows.

24 <http://www.cushmanwakefield.pt/en-gb/research-and-insight/2016/marketbeat-portugal-spring-2016/>

25 <http://www.vidaimobiliaria.com/noticia/golden-visa-rendem-410m-maio>

26 Rodrigues, J., Santos, A. C., & Teles, N. (2016). *A financeirização do capitalismo em Portugal*. Coimbra: Conjuntura Actual Editora.

27 <http://www.cmvn.pt/pt/Estatisticas/SeriesLongas/Pages/default.aspx>

28 CET-ISCTE et al., quoted in Rodrigues, J., Santos, A. C., & Teles, N. (2016). *A financeirização do capitalismo em Portugal*. Coimbra: Conjuntura Actual Editora.

29 <http://www.portaldahabitacao.pt/>

30 <https://www.imercer.com/content/mobility/cost-of-living-city-rankings.html#list>

31 <http://www.confidencialimobiliario.com/?q=content/press-release-imobiliario-no-centro-historico-de-lisboa-valorizo-223-em-2015>

32 <http://www.sg.mai.gov.pt/AdministracaoEleitoral/RecenseamentoEleitoral/ResultadosRecenseamento/Paginas/default.aspx>



# 7

## Ten Theses upon the Historical Centre of Lisbon

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Translation to English by Iago Lestegás

### 1. THE CITY, TODAY.

Humanity is inconceivable without its cities. I said *Humanity*, but could have said *Future*. Cities are today crucial systems in a world that must necessarily be more inclusive, more sustainable, and more cosmopolitan. However, some vital elements are changing today –and changing very quickly. Examples are new family types, new mobility modes, new labour forms; new urban requalification patterns; increasingly shared and unfolding uses; new ways of exercising government and citizenship; growing technological hyper-intermediation; new financial and real estate investments; new pressures on housing and on daily life. The current transformation rhythms –on experiences, prices, opportunities and rights –are much faster than those of the long era that previously ‘metropolized’ and fragmented the city. Lisbon has become an exemplary case of this vertigo. A vertigo that because of its speed and of what is at stake requires large vision and attentive management. What is at stake involves much more than the great growth of tourism and local accommodation, much more than the highly desired rehabilitation dynamics, much more than the gains or losses of tangible and intangible heritages, much more than some dozens of historic shops. What is at stake is the glimpse of what the city will be –and not just its Historic Centre– in the near future. And how we will be able to manage that future.

### 2. THE TOURISM BOOM.

Urban tourism is experiencing an enormous expansion due to the combination of a set of very powerful factors that gathered momentum in 2011: the proliferation of low-cost travel, the online booking tools, the success of city marketing, the attractiveness of urban experiences. Lisbon enjoys a very high tourist capital for city breaks and city users, as well as for business trips and international conventions. It has magnificent features for an *emotional consumption* tourism: its human scales, its neighbour-

hoods, the locals’ sympathy and tolerance, the Mediterranean culture, the bohemia, the sun and the beaches, the gastronomy. The number of -registered- overnight stays rose from 8.6 million in 2010 to 12.3 million in 2015, a trend expected to keep increasing in 2016. The weight of tourism in the Portuguese economy keeps growing and represents around 10% of the GDP, 15% of the exports, around half of total services exports. Despite the metropolitan region representing almost a quarter of the national overnight stays, it is already ahead of the Algarve in terms of guests and revenue. The number of beds registers an unstoppable increase, boosted by the creation of new hotels and hostels and by the continuous boom of local accommodation.

Attractiveness has always been an intrinsic part of Lisbon’s DNA, which is obviously an extraordinary capital that must be kept. But a qualified urban tourism must be based on a qualified city –and not the other way around. The pressures set by tourism on Lisbon’s urbanity are now very high, the tourist-to-resident ratio being among the largest in Europe. Barcelona, with all its pressures, has a lower ratio –because it has more residents per area. Also, I do not believe that this expansion will soon stabilize. The potential of tourism based on emotional consumptions is immense. The truth is that tourists do not mind that much to be surrounded by tourists. Jean Baudrillard explained very well the growing desire for simulation in a society lacking values and emotions. The tourist believes that is enjoying an identitarian or emotional experience, and that will work fine. The loss of residents and identity –despite the latter being a risky and always evolving concept– is not a problem for tourism. But it is clearly a problem for the city and its residents –whoever these are.

### 3. URBAN REGENERATION.

It is undeniable that Lisbon has experienced a remarkable improvement in its buildings, its public space, and its facilities.

The city has an increasingly cosmopolitan offering, especially in terms of consumption. More and more foreigners want to live in and be part of Lisbon. It is the realization of a decade's dream. There has been an extensive work for improving its governance, with the political-administrative reform and the new districts, with new policies on innovation and entrepreneurship, on inclusion and social action, on sustainability and ecology, on transport and mobility. A profound change, still with a long way to go (and not seen only by those who do not want to see it).

However, these successes should not numb the city –especially under the pressure of emerging new forces. It must be understood that many of the old logics are no longer what they used to be. First, urban rehabilitation, however essential, does not necessarily mean the regeneration of human fabrics and city's health. Improvement of the built environment, of public spaces, of the city's heritage? Of course. This should indeed be a permanent way of life. But that might be insufficient to regenerate the city's human experience. A city's heritage is much more than palaces, churches, architecture and historic shops. It is mostly an immaterial culture sustained by human connections, by relationships of all forms, by threads apparently fragile but containing an immense strength when together.

#### 4. AIR BNB.

New platforms such as Airbnb or Uber are hugely strong and already essential elements of our present and near future. They enable an unparalleled expansion on supply and demand, on options and opportunities in the most varied spaces and times –and not just in the areas of tourism and mobility. They are dramatically changing urban life –in New York, Lisbon, Havana, or Vladivostok. The challenge is huge and implies the need to rethink urbanity and urban planning as we have long understood them. They are also important vehicles for an allegedly

more shared economy. But they will not be guarantee of that route by themselves. Because of their power, they can produce huge territorial impacts. In some areas of central Lisbon, local accommodation reaches already 25% to 30% of the housing stock –perhaps almost half of the effectively occupied dwellings. There is also the risk of rapid accumulation and economic concentration of the new opportunities. Recently, the mayors of ten cities where the impact of these platforms has been strongest launched a task force in order to build a common policy framework. It will be necessary to legalize and regulate these practices, from the global to the micro-local levels, for their vast potentials to be a part of the construction of a better, more diverse and more inclusive future for everyone.

#### 5. HOUSING AFFORDABILITY.

Since 2008 the historical centre of Lisbon was finally recovering, with tendential assurance, from a disease of decades that had decimated its inner population and business fabric. Even a recovery in the number of children and teenagers in school age was being registered, which confirmed that many families, of different social classes, were moving back to the urban centre. It was a slow but increasingly solid recovery, one in which social expectations played an essential role.

However, soon housing would become more pressed and expensive, and since 2013 the city is again losing stable population and residential density at an average of more than 3,500 voters per year. The school population, after rising between 2008 and 2012, is declining again –especially in preschool/kindergarten and in the first cycle. New people have entered –new immigrants, temporary city users, Erasmus students— which is of course excellent; but territorial exclusion is also taking place due to the lack of affordable housing for the local families and for those who would like to move to the centre. There are also processes

of indirect displacement –as defined in academic literature– caused by the pressure to leave or to sell and by a growing perception that neighbourhood links such as social networks and local stores are being broken.

These new losses are partially due to the crisis, but not at all its only reason. They are now due to new and huge pressures on the real estate market, leveraged by the liberalization of the urban rental law, by the advantages of urban requalification, by the profits of the short-term rental market, by the vast profitability of international real estate investment, and by the benefits enjoyed by non-permanent residents –all these measures launched for the intended urban and economic regeneration of the country. However, such pressures have resulted in a dramatic increase of real estate and financial speculation in the name of pseudo-residence and, as a corollary, in an unstoppable rise of housing prices in Lisbon. Only in 2015, the latter increased in central Lisbon by 23%, and in the city as a whole by about 12%. Pressure keeps increasing in 2016 and extends throughout a city that is not economically nor socially prepared for such a phenomenon.

Thus, much of the long-awaited rehabilitation has become, paradoxically, another powerful driver for the depopulation of Lisbon's historic centre.

#### 6. THE TAX HAVEN.

The benefits offered to non-permanent residents investing in Lisbon are impressive: they are exempt from paying taxes on their pensions, assets, inheritances and donations. If their occupation is considered to be of *high value added* –which goes from doctors to designers and from computer technicians to consultants–, their incomes are taxed at a flat rate of 20%. Financial incomes may be exempt of taxation if carefully planned. They can benefit from this special regime for ten years, and it is not

even necessary to live 183 days a year in Portugal any more in order to enjoy those benefits; it is enough to declare the purchase or rental of a house to be used as permanent residence.

The enormous differential that was created between the average prices, the potential for financial and symbolic valorisation of the real estate investments, and the benefits granted to foreign investors, have transformed Lisbon's historic centre into a tax haven. Which is an immoral situation in itself. But besides this, this situation is not even generating reasonable returns for the society and its residents. On the contrary; displacement and the incapacity of those who want to live and work in the city to enter the housing market as a consequence of the gap between their financial capacity and that of the tax-exempt foreign investors, have led to a second immorality. Foreign investment must of course be promoted and we have excellent conditions to provide good and stable profitability, but this must be done with ethics, and the community must feel that benefits from it.

#### 7. URBAN ECONOMY.

Tourism and local accommodation are clearly stimulating urban regeneration and the emergence of some forms of businesses and services. Furthermore, they are a great source of income for many families and activities. But there are many other families and activities whose rights and opportunities are being challenged by increasing pressures on rents, on housing affordability, on daily life. The promotion of a healthy urban economy requires varied, dense, and conscious territorial humus. Recognized works by notable urban scientists such as Alfred Marshall, Jane Jacobs or Edward Soja confirm that more quality and enduring productivity gains for an urban territory stem from the existence of diversity, density and proximity –of families, of activities, of options... The well-known Harvard economist Edward Glaeser insists in the need to provide the greatest diversity of options for sustained

economic development to be accomplished. Inversely, territorial mono-functionality is a particularly serious threat generating high costs for the city in the medium and long terms, related to the metropolitan sprawl and to the loss of diversity, of permanence, of sustainable-development capacity. Not to mention the costs –perhaps the greatest– due to simplification and trivialization of urban life.

#### 8. THE DEBATE.

These changes have been debated in a very emotional and increasingly harsh way. There is no doubt that Lisbon's centre and those of other Portuguese cities were abandoned and degraded, and that such a situation was and still is negative for essential parts of our cohesion, our economy, and our confidence in the future. There is no doubt that we are finally being able to switch to urban regeneration, and no doubt that both service supplies and consumptions are much more cosmopolitan now. But are these arguments, however powerful, valid enough for supporting that the ongoing radical transformations might throw the baby out with the bathwater?

Many are excited about the city's hype and a seemingly easy and beautiful growth, and fascinated by the profits of some that will hypothetically expand to everybody else. Critics are despised as antiquated pessimistic while the laudatory are depicted as *post-yuppies* ready to sell their soul to the highest bid. What is happening is too serious for shallowness, sectarianism, dichotomy or eschatology. We must develop a broad and debated interpretation of what is going on –including concepts, principles, and essential rights on urbanity, society, urban economy and urban sustainability.

#### 9. TOLERANCE.

Undoubtedly, Lisbon is experiencing a major hype. That is excellent, but it will only be really good if we know how to surf the

wave. Despite the party, we need good sense. Confidence in the future, in community, in politics itself, is increasingly linked to the perceptions of quality of life and equity in the cities. The very rapid pace of change, the abrupt disappearance of shops and other identity marks, the potential loss of urban rights, and the growing awareness of the financial immoralities; may be damaging what is most valuable in Lisbon: our tolerance, our openness, our ability to receive and understand the other. In spite of the fact of these attributes being mostly built through individual processes –or exactly for that reason.

We cannot take the risk of, in the name of a pink dream and some profits for a few, the places with higher identity impact for residents might become excluded, trivialized, with minor capacity for fiction and for hope. There is a long and essential work to be done so that people –all people– feel that central urban areas are also a part of themselves.

#### 10. THE RIGHT TO THE CITY.

The quality of a city is based on the density and quality of the relationships that take place between people and activities –even between those people and activities that are only occasionally in the city. But the quality of those relationships requires permanence, identity, and complicity, which take decades or even centuries to appear as so does in ecological habitats. The responsibility of not letting Lisbon's historic centre to fester was huge. The responsibility of not giving it to fickleness and trivialization is not smaller, especially when facing an uncertain future.

The maturation of a city requires much more than instant recipes. It requires perseverance, democracy, and long-term vision. Taking care of a city, making it really intelligent, requires taking into account what it truly is: a living organism needing to take care of

its basic elements, defending its rights and guarantees, building safety and generating opportunities. Promoting truly diverse and complex urban fabrics where inclusion, innovation and creativity take place; combining urban regeneration and tourist and financial attractiveness, as well as with the expected growth of a really shared economy. And defending, at its base, an urban experience with clear social and territorial rights –including the right to housing and the right to the city. Sustaining, thus, what Mario Cesariny poeticized as *a rehabilitation of daily reality*.

The major European cities are developing various policies to manage these powerful challenges. Five policy areas are suggested here:

1. If tourism, local accommodation, and foreign investment use the city, its public space and its heritage as main raw materials, then a significant part of its benefits should be recaptured by the city and its inhabitants. We must rethink the correspondent legal and tax regimes. The famous tourist rate –interesting but insufficient– should be used to improve residents' quality of life, and thus the latter will see tourism as a common good that does benefit them. Additionally, we must end with the fiscal immoralities associated with the real estate market.
2. Given the new pressures on the real estate markets, strong policies must be built in the support of affordable housing. Important programs at the national level are currently under construction, and the local government has announced its own new program for affordable housing. However, more strength is needed. New programs could be funded by the surpluses generated by urban densification in certain areas of the city. Also, the public right of first option in property transactions within designated urban regeneration areas should be more exercised.
3. We need to extend the urban regeneration policies and create strategies that qualify, densify, and diversify each neighbour-

hood's habitats. We need to elaborate programs that support the economic and social activities promoting neighbourhood life, such as markets, schools, transport networks, co-working spaces, libraries, local stores –beyond the *historic* ones. We also need to fight on the decentralization of tourism activity in the city.

4. We must rethink urban planning, integrating the new uses on both space and time, as well as the potentials opened by the new technologies and online platforms in urban management. Tourism activity must be well managed and regulated where necessary, both in the city as a whole and within each of its neighbourhoods. It is fundamental to separate the residential and economic uses of the housing stock. And then, monitoring and creating different tax systems and planning schemes for the different space-time functions.

5. Urban policy should be based on knowledge and supported by strategy. As professor João Caraça recently said, "identity in a modern society depends not only on its heritage and culture; it is also supported by a third important factor: the idea of the future." An idea of the future that is based on knowledge and built with the participation of social movements and broad commitments. An intelligent –not just smart– policy; defending the principles of urbanity for intelligent lives and intelligent economies. Even in a city as vast and metropolized as Lisbon, the centre is very important –exactly because of being centre. And for the case, the centre of Lisbon: heart of one of the most important cities in human History, with plenty of past and obviously plenty of future.

Nuno Artur Silva wrote in *The adventures of Filipe Seems* (a quite known Lisboner BD from the 1990's): "A city is made of the substance of which stories are made. And it is the city, in its tangle of hazards and fate, that creates their fictions as if it secretly whispered the stories of its inhabitants in the streets where these cross paths."



# 8

## Afterword

Leonor Duarte and Joana Dias  
Academia Cidade – Citizenship Academy Lisbon

In the early 2015, we met Paul Kurstjes, a generous Dutch urban planner, during a European group visit in Lisbon. Then, we challenged him to help us with the increasing touristification of this city. That's how we started a partnership with Stadslab and together we organized this Master class.

For a small organization like ours, without any financial support, to carry forward this adventure obliged us to spend a lot of energy. In counterpart, we learned a lot.

When we dreamed the Master class project in Mouraria, we aimed to start the debate about touristification and gentrification among citizens. With Stadslab we developed a model of hands-on work where stakeholders were involved and where proposals were created. In fact on the Master class, we had contributions of an NGO - Renovar a Mouraria - the University - Luis Mendes and João Seixas - , the decision makers - Urban Planning mayor, Housing mayor, District Mayor. Students and professionals shared their ideas with experts on Urban Design. Some anonymous citizens came to the open sessions.

At the same time, in open community sessions, we organized debates and films screening. Now there's a true all over debate about gentrification in Lisbon. And this publication will take the discussion to new places.

During the Master class knowledge and experience were shared, ideas were invented and proposals sprung. That's just a beginning, we know. Nowadays the life of citizens, communities and cities are very challenged by real estate speculation and an unregulated massive tourism industry. Old and alive neighbourhoods are getting full of hotels, rich residents and holidays houses. The city risks to be transformed in a touristic centre.

Facing this social transformation, we want to make people meet

to recreate the participation of citizens in the government of the city. We want to build relationships to defend equality in the city's occupation. We feel we are committed with the governance and the liveability of our places for now and for the next generations.



# 9

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Colophon

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