



The Role of the City in Defining Our Environmental Future

# CUSHMAN & WAKEFIELD

# Key Takeaways

Our future environment will be driven by how sustainable our cities become

Cities are a critical feature of a successful economic and social approach to how and where we live our lives

By adopting and enhancing more green space, cities can make a long-term positive impact on climate goals Being both resilient and resourceful is critical. Cities must be adaptable to respond to the changes in society and the behavior change experienced most viscerally during the pandemic

There is a strong relationship between the amount of public green space in a city and an individual's levels of happiness

Resourcefulness and responsiveness will be key to deliver bio- and social diversity - this is a time to think and act differently The driving forces behind the societal change we need to affect will be clear leadership, commitment of business and the passion and belief of individuals



World Environment Day, June 5, 2021, marks the official launch of the <u>UN</u> <u>Decade on Ecosystem Restoration</u>, a global push to revive natural spaces lost to development. While this 10-year call-to-action aspires to ensure the health and diversity of several types of ecosystems—from farmland to forests, freshwaters to oceans and more—urban areas represent the category that hits close to home for the commercial real estate (CRE) industry.

Developers, owners, occupants, planners, builders, materials suppliers, services companies, capital providers—how will we respond? How will we lead? How can we make sure the very heart of our industry remains vibrant and supports a sustainable future?

Without cities, the CRE industry doesn't exist—at least not in any semblance to the industry we know today. And few doubt of the economic and social benefits of cities. They are monuments to the ingenuity of humans. They represent the vision of architects and planners, the ingenuity of engineers, the energy of builders.

Since the first nomads settled and came together with other like-minded travelers, cities have drawn people. A well-planned and operationally efficient city provides residents opportunities for housing and employment. Today, with rare exceptions, cities support the wellbeing of their citizens through access to food and water, safety and security, entertainment and cultural activities. It's little wonder that more than half the world's population lives in urban areas—a number projected to approach 68 percent by 2050 according to **UN projections**.

But as cities have risen and expanded—often creating striking vistas of concrete, steel and glass they have impacted ecosystems and reduced the natural habitat. This isn't a critique of how cities evolved over the last few centuries. Rather, a reminder that cities and the people who inhabit them have a vital role to play in defining and supporting our environmental future. To support that future, the urban ecosystem needs to be at the heart of urban and development planning. While some might argue that's a constraint on development, it's an opportunity.

The opportunity for developers is to consider the environment more definitively. Cities will continue to evolve and the notion of a city without green spaces will be an anathema to many as developers and architects increasingly focus on the long-term gains as opposed to a very short-term financial return. City and urban planning departments are increasingly demanding a long-term vision and are likely to work more closely and successfully with those that demonstrate a purpose beyond the financial measure of success of what they are proposing to deliver.

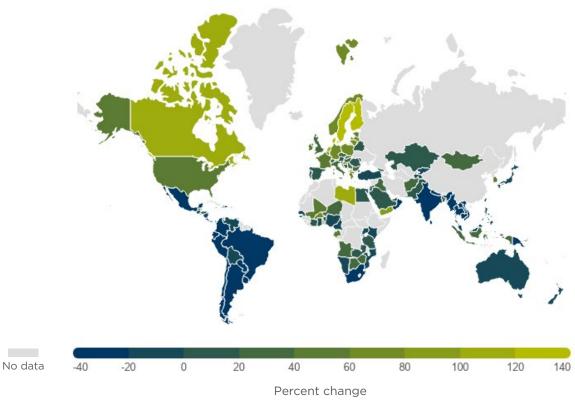




In many parts of the world over the last 18 months, and for many people, the pandemic brought increased attention and increased visitors to green spaces. Many people ventured outdoors as entertainment venues, restaurants, fitness centers, swimming pools and other places became inaccessible. And because many people were restricted by travel, it meant immediate and local green spaces became even more important. The use of parks and outdoor spaces in several places in the northern hemisphere increased by between 25%-50% according to Our World in Data. In places like Canada, the Netherlands, Germany, and the Nordic countries usage more than doubled.

#### Parks and outdoor space:

How did the number of visitors change from February 2020 to May 2021?



Source: Our World in Data

The real estate industry as a whole has a role to play in ensuring our environments are as people-friendly as possible. The generation of a broad sense of community will be at the center of improving our environment and making our cities as attractive as possible. We will achieve this by bringing together national and local government, urban planners, architects, investors, occupiers and people who live in and visit the spaces under review. This can only happen if an acceptance of the need for public /

private collaboration is embraced by all parties, including real estate experts, and a cohort is formed to deliver a futureproof city. To do this, transparency and openness are needed. Each party has a responsibility to residents, shareholder, stakeholders and the environment. Success can only be achieved by aligning the goals that each party has and by seeing the city, and the people that 'use' it as drivers of environmental and economic productivity.

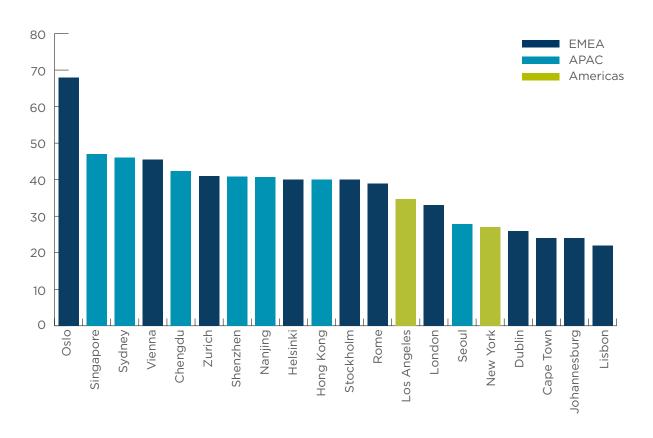


Although we've flown far less over the last 18 months than we have traditionally, we all likely recall flights into new cities, or back to our own homes. The view of the landscape from that height gives perhaps the clearest view of the green space in our cities. This is a key indicator for many measurements that are important in determining the impact on the ecosystem caused by individual cities.

There is a strong relationship between the amount of public green space per city and the overall happiness of the residents and of the view of how attractive a city is to live in. A University of Wisconsin study found a correlation between resident happiness and green space - 2,500 residents across 229 cities were asked about their levels of depression, anxiety and stress, and their answers were examined against an index of vegetation per square mile in their neighborhood.

A separate study carried out by the University of Exeter in the United Kingdom surveying 10,000 people over 18 years showed strong correlation between access to green space, self-reported well-being, and even physical health.

#### **Top 20 Cities: Percentage of Public Green Space**



Source: World Cities Culture Forum, Accessed 20th May 2021, Statistics obtained from local city sources



The following mini studies highlight three global cities. Each has taken a bold approach to sustainability.

## **SYDNEY**

Sydney enjoys a large amount of green space and this is despite the fact the city has a coastal location bordered to the east by the Pacific Ocean, to the west by the Blue Mountains, the Woronora Plateau to the South and the Hawkesbury River to the North.

In 2019, the Lord Mayor of Sydney, Clover Moore declared a climate emergency in response to the ongoing effects of climate change. The clear focus is on the city incorporating these areas of sustainability into the city planning:

- » Low carbon
- » Water sensitive
- » Climate resilient
- » Zero waste
- » Active and connected
- » Green and cool

Each of the different, but interrelated topics featuring in the environmental strategy and action plan published and results shared every six months.

Achievements announced in the second half of 2020 report:

15,000+

trees planted since 2005

environmental performance and knowledge exchange grants awarded in the second half of 2020

ratings and assessments projects were funded that will assist building owners and managers better understand their environmental impact and identify opportunities for improvement

15%

reduction in carbon emissions (tCO2e) achieved in the past two years 21

new community gardens

8M+

new shrubs and grass planted in parks and streets since 2009





### **OSLO**

Oslo, the capital city of Norway, is surrounded by the Marka Forest, a nationally protected area, and the Oslo Fjord—both are connected by a number of waterways. Oslo's clear and passionate focus to conserve natural areas and protects its waterway network was a key contributor to winning the European Green Capital Award for 2019. Oslo was the first city in the world to have its own climate budget, created in 2017, requiring authorities to 'count carbon in the way they count money' and the first to test Carbon Capture and Storage (CCS) from waste incineration.

Away from the waterways, 90% of the population in Oslo live closer than 300 meters to a green area. From 2016 to 2019 the city built 48 kilometers of new bicycle lanes. Winter cycling increased by 67% from 2016 to 2019 as a result of more and safer routes.

The government has also ensured electric vehicles are cheap to buy, offering incentives such as free city center parking, access to taxi lanes and a growing and

free charging infrastructure. one in five cars on the road today, and two out of three new vehicles purchased are now electric. Perhaps as a result, Oslo has the highest proportion of electric vehicles in the world.

The emissions from the construction industry have also been targeted as 30% of emissions came from construction machinery in 2019. Following discussions with operators, the city established a zero-emissions standard and adopted fossil free construction sites as a minimum condition in all of its public procurement.

Almost all emissions could be eliminated by the end of 2025 if all developers (private and public) require contractors to use <u>zero-emission technology</u>. The elimination of emissions by the end of 2025 also relies upon all construction machinery becoming electric, by virtue of using batteries of hydrogen power. Such is the demand for green machinery, that until available, businesses are using sustainable biofuels as opposed to diesel.



San Francisco is located in Northern California, a peninsula bordered by three bodies of water—San Francisco Bay, the Golden Gate Strait and the Pacific Ocean. San Francisco is recognized as one of the greenest cities in North America. In 2014, President Barack Obama recognized San Francisco as a <u>Climate Action Champion</u> due to the city's unwavering devotion and leadership concerning climate change initiatives.

The whole city has committed to being a sustainable city and has dedicated an initiative to achieve the long term aims of sustainability of the built and natural environment.

City-wide and neighborhood-scale efforts to address climate protection, energy, water, waste and materials, air quality, economy and resilience

San Francisco has the most <u>comprehensive public</u> <u>tranportation system</u> of any Bay Area city. The MUNI serves the city 24 hours a day, seven days a week. Access to green space is high on the agenda as well, the city has achieved the extraordinary goal of having all residents

located within a 10-minute walk from the nearest green space.

In January 2020, the Presidio became the first park in the United States to achieve the International Green Flag Award. The park was recently re-accredited after a rigorous assessment led by the original judging team. 50 acres of new parkland have been completed as of 2021 around the San Francisco Presidio. In December 2020, seven acres of ecologically restored tidal marshland was opened to the public.

On track for completion in 2022 is the Tunnel Tops project designed by James Corner of Field Operations—the company responsible for the New York High Line. The project was made possible thanks to raising \$100 million through philanthropic efforts driven by the Golden Gate Parks Conservatory. 10,000 community members from across San Francisco shared input into how they would like to use and enjoy the new parkland.



In Sydney, Oslo and San Francisco the politicians, businesses, residents and workers pulled together and agreed that change needs to be made. The nature of development often means long lead times and changes of leadership, government and economic environment. The passion of these cities is testament to their knowledge that these are the right commitments to make. This is what must happen to ensure we the city is a positive influence on our environmental future.



