The impact of COVID-19 in cities

COVID-19 is fundamentally an urban pandemic. According to the United Nations, cities have accounted for around 95% of reported cases of COVID-19, with nearly 1,500 cities affected (United Nations, 2020). The urban nature of the crisis has evidenced systemic vulnerabilities in the current city-making model, especially regarding access to basic services and rights (healthcare, housing, digital rights), and it has also shown cities’ lack of economic and environmental resilience.

European city centres have been among the hardest hit urban areas. Shaped for decades by mass tourism, they have suffered a deep economic recession due to the impact of lockdown measures and travel restrictions. Visitor numbers in several European cities fell to an all-time low: London (-9.8 million), Rome (-5.6 million), Paris (-5.4 million), Istanbul (-5.3 million), Barcelona (-4.9 million), Amsterdam (-4.3 million), Prague (-3.8 million) and Dublin (-3.8 million) (Milano, 2020). This downturn prompted the closure of a considerable number of hotels, shops and restaurants in city centres, demonstrating the economic fragility of the tourism business on which they rely.

The efforts to revitalise these urban areas can lay the groundwork for wider reflections on how to build cities back better after the pandemic. Post-COVID-19 city centre recovery strategies revolve around the idea of better reconciling environmental sustainability and citizens’ welfare – that provide good groundwork for wider city interventions towards a just transition.

The conclusions are based on two focus group discussions (held in February and April 2021) and the online city-to-city dialogue “Towards a Sustainable City Centre Recovery” (April 9th 2021) organised by CIDOB’s Global Cities Programme with the support of Eurocities and Barcelona City Council.

European efforts to address the impact of COVID-19 in city centres

The cities analysed in this paper are: Amsterdam, Barcelona, Florence, Ghent, Nantes, Ljubljana and Prague. This sample offers interesting insights on how cities across Europe are tackling the issue.
After close dialogue with city representatives through a survey and several discussions, the main recovery measures were identified. As the figure below shows, most of the measures were short-term (62%), as local governments were obliged to provide an emergency response to the impact of the pandemic. These measures to a great extent related to the economy and employment (24%) and tourism (24%), as the economic inactivity and recession resulting from the tourist industry slowdown were key problems. Other measures identified related to housing and social aid (18%), culture, sports and leisure (18%), governance and participation (11%) and digital innovation (5%).

In some cases, policy measures were undertaken in collaboration with other spheres of government (metropolitan, regional or national). Although the survey requested information about measures conceived to revitalise city centres, the results showed that the policies implemented by municipal governments in response to the COVID-19 crisis tended to have city-wide scope (only a few were adopted at district level). Hence, the lessons identified in this paper can easily be used to move towards just post-pandemic urban transitions.

The next table provides an overview of the short-term policy interventions adopted in the seven cities analysed:
Economy and employment
1) direct subsidies for businesses (commercial rent);
2) tax exemptions or deferment;
3) rent freezes, reductions and waivers (municipal properties);
4) employment protection measures (subsidies to secure salaries, contract incentives, matching tools, public recruitment);
5) boosting the economy and retail (information campaigns, assistance in adapting to home delivery or to anti-COVID-19 protocols).

Tourism
1) Subsidies and financial assistance for the tourism and MICE sectors (accommodation operators, travel agencies, conference and exhibition organisers, etc.);
2) Campaigns to foster national or local tourism.

Housing and social aid
1) sheltering the homeless;
2) transforming short-term rental units into residential housing options;
3) providing emergency accommodation in hotels;
4) financial assistance to guarantee housing security to tenants;
5) food vouchers for low-income families;
6) digital tools for home schooling; and
7) kindergarten services for the children of medical staff.

Governance and participation
1) establishing multisectoral municipal coordination units;
2) creating city-wide participatory multistakeholder bodies.

Digital innovation
1) creating Big Data platforms to monitor the epidemiological situation;
2) enhancing e-government for the e-provision of services;
3) boosting innovation in other sectorial policies.

Culture, recreation and sports
1) widening pavements;
2) expanding the number of bike lanes;
3) increasing outdoor activities;
4) re-scheduling cultural events (online or later in the season);
5) digital tools for home schooling; and
7) kindergarten services for the children of medical staff.

While acknowledging the importance of short-term measures, this work will focus its analysis on the medium- and long-term measures implemented because they have greater potential to pave the way for the post-pandemic transformation of cities. The analysis will follow the sectorial fields set out in the previous table, namely: 1) economy and employment; 2) tourism; 3) housing and social aid; 4) governance and participation; 5) digital innovation; and 6) culture, recreation and sports.

Economy and employment

Main policy interventions:
1) Diversification of the urban economy and retail;
2) Boosting new economic sectors (innovation, blue economy, circular economy, sustainable energy, etc.).
In Barcelona, medium- and long-term economic strategies in the Ciutat Vella district signalled a willingness to diversify the economy to progressively reduce its dependence on tourist-related services and retail. The reshaping of Barcelona’s city centre will seek to rebalance activities on two key streets and at the port (La Rambla is to be made a cultural axis, Via Laietana an innovation axis and the Olympic port a blue economy trigger). The goal is to foster the creation of hubs for different sectors that can coexist with tourism activities when the economic recession comes to an end. The strategy includes a new role for underused public buildings as a way to boost innovation and civic engagement (the Correos [post office] building, for example, will become an innovation hub). These projects were conceived before the pandemic but COVID-19 has acted as an accelerator.

With the same goal of diversifying the urban economy, Amsterdam is developing strategies to attract new investment to the city and thereby reduce dependence on the tourism sector. In this regard, the municipality is working towards the establishment of a regional investment agency for the Amsterdam Metropolitan Area. The initiative is not a product of the pandemic, but the crisis has accelerated the plans. The agency is envisaged as a joint venture with regional government partners to invest in challenges linked to the circular economy and sustainable energy, which will bring a long-term return on investment. In a first stage, the project will focus on promoting a sustainable economic and environmental recovery at metropolitan level in line with the Paris Declaration. Among others, policies will include boosting the labour market in food and logistics.

**Tourism**

Main policy interventions:

1) Transitioning towards a sustainable, quality and respectful tourism model;
2) Boosting the MICE sector;
3) Deseasonalising tourism;
4) Decentralising tourism;
5) Better aligning cultural and tourism policies;
6) Awareness-raising campaigns to foster good behaviour.
Ghent is focusing on sustainable tourism on a long-term basis, prioritising quality over quantity through six strategic packages: 1) “Only in Ghent!”, a focus on what makes Ghent unique (e.g., Van Eyck, the Mystic Lamb Altarpiece); 2) a fair lodging strategy to tackle illegal holiday rental; 3) reducing traffic impact by placing drop-off zones for tourist buses outside the city centre and limiting river cruises to a maximum of five per day; 4) lowering ecological impact by focusing on the vegetarian and vegan scene; 5) tourism for everyone, making all attractions accessible to lower-budget families and disabled people; and 6) establishing tourism partnerships with local sectors and citizens to work together to balance tourism with the life of the city.

Transitioning towards a sustainable tourism model is also Ljubljana’s overarching focus, having worked for many years on implementing sustainable development strategies and green city branding. The municipality’s efforts are now being put into creating an attractive, green and environmentally friendly destination, characterised by a high quality of life for both citizens and visitors. Green tourism projects include a zero-waste strategy, a no single-use plastic campaign and green food supply chains (local food), among others. The new tourism development strategy for Ljubljana and the Ljubljana region (2021–2027) also endeavours to position the city as a world-leading cultural destination for a sustainable lifestyle.

In Ljubljana, deseasonalising tourism is also a priority. The municipality is attempting to transcend the usual framework of tourism products and offer a genuine experience of the city all year round. The municipality is involved in three international events in 2021 that aim to attract new visitors (the European Under-21 Football Championship, the Slovenian EU presidency and participation in a European gastronomy project).

Amsterdam’s Aanpak Binnenstad plan also features measures directed at decentralising tourist flows, spreading tourists across several areas of the city, and informing them of the possibilities within the Amsterdam Metropolitan Area. Ljubljana has designed a similar strategy (the Ljubljana Cultural Districts project), diverting tourists away from the city centre to give this urban area some relief. Tourists are thus being redirected to the city’s green hinterland and other locations in the Ljubljana region.

Prague was already considering limiting low-quality tourism before the crisis and adopted a new tourism strategy at the height of the pandemic (June 2020). The plan aims to put Praguers’ quality of life front and centre. Policy actions will revolve around three pillars: taking care of Praguers’ interests and of public space and implementing the Strategy for Sustainable Tourism. The municipality envisions a transformation of the relationship between tourists and locals by promoting respectful behaviour towards cultural heritage. Measures include monitoring proper rule-observance of tourists in the historic centre and promoting quality events like the Christmas market. Moreover, Prague is looking to decentralise tourism by building high-class cultural and leisure infrastructure outside the city centre. The city council is also targeting sectors like MICE to raise visitor quality standards.

Florence developed the awareness raising campaign #EnjoyRespectFirenze, which aimed to highlight unacceptable behaviour among tourists and locals (making it in many cases sanctionable) and draw attention to good practices for a peaceful and cohesive urban life. The city also implemented projects to monitor the city’s tourist activity (e.g., a tourist destination monitoring centre, a study of load capacity of the historic centre) and to foster the decentralisation of tourism (e.g., Florence greenway, Feel Florence). The city is also concerned about the impact of tourism on the environment and highlights the need to integrate the city’s sustainable mobility and plastic-free strategies into its tourism activity.

Housing

As housing is a persistent challenge in most European cities, several schemes had been developed in this area before the pandemic. However, the crisis has accelerated municipal efforts to ensure a stronger supply of social and affordable housing.

Main policy interventions:

1) regulation of short-term rentals;
2) ensuring social housing in city centres;
3) addressing the housing emergency and social exclusion;
4) mobilising empty housing stock; and
5) fostering housing cooperativism.

Barcelona’s Right to Housing Plan (2016–2025) and Prague’s Housing Development Strategy (2020) establish several measures aimed at regulating short-term rentals, renovating the public housing stock and preventing monofunctional neighbourhoods. In particular, Barcelona’s plan builds upon four strategic lines – attending to housing emergencies and residential exclusion, ensuring a proper use of housing, increasing the stock of affordable housing and improving the

COVID-19 crisis has accelerated municipal efforts to ensure a stronger supply of social and affordable housing.
current housing stock. The public housing offer envisaged by the municipality, coupled with the levelling-up measures to protect low and middle-income residents from expulsion, seek to reverse the trends towards monofunctional neighbourhoods. The city council also envisions targeting the private sector in its housing strategy (mobilising empty housing, imposing sanctions in case of malpractice).

By the same token, **Prague** has also launched a new strategy on housing which seeks to increase the public housing stock and to involve citizens in shaping the new housing infrastructure. In this regard, Prague plans to foster housing cooperatives by offering incentives that, for example, reduce purchase costs relative to market prices. This strategy is expected to have a ripple effect on tourism rental apartments. The city council will also restrict the transformation of residential buildings into hotels or tourist accommodation in the so-called Prague Monument Reservation zones.

**Amsterdam**’s **Aanpak Binnenstad** strategic plan includes measures that seek to diversify housing; meanwhile, short-term rentals will be banned in the city centre after the crisis. The city council is also targeting vacant properties above shops, with a strategy to purchase them and turn them into affordable homes. This measure is linked to the prohibition of tourist shops in city centres enforced in 2017 to free up chaotic and overcrowded neighbourhoods. Like Prague and Barcelona, Amsterdam uses affordability as a guideline for the whole process in order to guarantee access to different social echelons once the public housing stock is expanded.

After COVID-19, **Florence** updated its Santa Maria Novella Masterplan for the regeneration of an area of 30,000 square metres in the Santa Maria Novella complex. Alongside cultural and museum-related interventions, the project will ensure 50 social housing apartments are available to bring residents back to the historic centre.

**Governance and participation**

**Florence** is working with a wide range of actors to define the city’s recovery. **Rinasce Firenze** is a post-COVID-19 effort to involve the city’s main stakeholders in the reflection on how to build back better after the crisis. The discussions concern a number of thematic areas, which include urban polycentrism, green mobility, the urban economy, culture, children and families, care and digital innovation. The results of **Rinasce Firenze** will be implemented alongside the Operation City Plan urban planning strategy designed before the pandemic following online public consultations and citizen participation.

Over several months, **Barcelona** engaged in an extensive dialogue with a number of city stakeholders (private sector, research centres, entrepreneurs, etc.) to collectively think about how to reactivate the urban economy after the pandemic. The municipality has also drafted a strategic recovery plan, **Barcelona fent plans de futur**, which includes several actions to be undertaken by a range of city agents.

**Digital innovation**

**Amsterdam** and other cities have shown that digital innovation can be applied in a range of policy areas (e.g., mobility, the circular economy, social affairs, health). Specific digital innovation measures in **Amsterdam** include the creation of a datalab to collect information on visitors’ profiles and behaviour, as well as to gather data on the needs and perceptions of both visitors and citizens in order to improve the tourism sector (while also supporting other policy sectors, such as the social and cultural).

In **Florence**, the Firenze Walking campaign produced an app that proposes alternative routes to help reduce congestion and promote walking.

**Sustainability**

**Florence**’s Sustainable Urban Mobility Plan promotes trams, bike sharing and walking as the main mobility options, including for tourists.

As a direct consequence of COVID-19, **Amsterdam** launched a **sustainable recovery plan** which establishes major investment to support both employment and sustainability in the city. The measures include investments in the renovation and insulation of buildings, the acceleration of efforts to make neighbourhoods gas-free, and the installation of solar panels on the roofs of buildings owned by housing corporations. It is estimated that these measures will contribute to the creation of approximately 3,800 full-time jobs by 2025, as well as boosting private investment.
Ljubljana has four strategic goals to foster greater sustainability: protecting the city’s natural water resources, using urban areas for food production and local self-supply, promoting a sustainable lifestyle (in work, business and life in general), and a strong focus on developing sustainable forms of mobility (car-sharing schemes, electric vehicles, etc.).

Towards long-term strategies for a just urban transition

Almost half of the measures analysed relate to the economic and tourism policy sectors. This comes as no surprise, as: 1) the pandemic has caused a major economic recession; 2) city centres were over-dependent on a sector (tourism) that drastically contracted due to lockdowns and pandemic restrictions. Such public interventions in these urban areas were therefore highly necessary.

The efforts to revitalise city centres can lay the groundwork for wider reflections on how to advance just urban transitions.

Nonetheless, city authorities showed a growing interest in intervening in other policy areas to boost the sustainable recovery of city centres. These policy areas include housing, culture, governance and participation, and environmental sustainability. The transition towards a more sustainable tourism model is linked with diversifying city centre uses and better reconciling local people’s everyday lives in these urban areas with quality, sustainable and respectful tourism. Although these policies had been designed prior to the pandemic, the crisis operated as an accelerator of their implementation.

Just transition strategies aim to better reconcile the two goals of sustainability and citizens’ welfare, just like the city centre recovery efforts described in this paper. Hence, the recommendations provide a relevant illustration of how post-pandemic transformation can be boosted in cities from the perspective of climate and social justice.

General recommendations

1. Long-term strategies. A sustainable city centre recovery requires continuous and coherent action in time and space to reverse well-established trends. Most large European city centres are subject to processes of overtourism, financialisation and (micro)gentrification that require years (and even decades) of new policy strategies before change can materialise.

2. Lasting political will and sufficient financial resources. The capacity of urban governments for sustained policy action in city centres is directly linked with the existence of lasting political will and the financial resources needed for the new strategies to be implemented. The Next Generation EU package provides an unprecedented opportunity to mobilise financial resources for city centre recovery.

3. Integrated, multisector interventions. If the goal is to transform and diversify the uses and functions of city centres, it will be necessary to intervene in a wide range of policy areas, such as the urban economy, employment and tourism, housing, culture, sports and leisure, urban governance and participation, digital innovation, and sustainability, among others.

4. Polycentric approach. Transforming city centres into vibrant neighbourhoods that can reconcile inhabitants’ needs and quality of life with tourism requires a polycentric approach to urban planning and urban policies that ensures a decentralised offer of basic services, public transportation options, labour opportunities, education, cultural and sports facilities, public spaces and green areas.

5. Multistakeholder governance. Sustainable and effective policies require collective consensus. To achieve this, participatory dialogues must be set up with the different actors in the neighbourhood (citizens’ associations, the private sector, cultural facilities, education centres, etc.) so that the reshaping of city centres is founded on wide agreement among all stakeholders.

6. Coordination with other spheres of government. Better aligning regional and/or national policies that impact city centres (tourism, housing, etc.) can contribute to optimising institutional efforts, as well as avoiding policy overlap and inconsistency. Building alliances with other spheres of government can also ensure the financial resources and technical assistance necessary for certain municipal policy interventions.

Specific recommendations

1. Diversify the economy. The high dependency of city centre economies on tourism has proven to be one of the biggest problems for these urban areas. Fostering other economies in city centres is a way out of the crisis that can bring important change. Alternatives include the circular economy, science and innovation.

2. Diversify the housing market. The residential housing market in city centres has been compromised by the rise of short-term rentals and tourist accommodation, among other global trends. Stronger regulation in this field, alongside the promotion of public, affordable and social housing can ensure city centres are mixed neighbourhoods where the local population can afford to live.

3. Transition towards a sustainable urban tourism model. The lessons learned before the crisis about tourism in
most large European cities should lead to a decisive transition towards a more sustainable urban tourism model. Sustainability here is understood in a broad sense, comprising green and responsible tourism, but also decentralising and deseasonalising tourist flows, fostering quality tourism and better reconciling local people’s wellbeing with tourism.

4. Green mobility. Mobility is one of the structural axes on which tourist activity depends. Transitioning towards a sustainable urban tourism model means implementing green mobility strategies and investing in green transportation infrastructure.

References


Other sources

Amsterdam


Barcelona


Ljubljana


Nantes

CIDOB briefings 36. DECEMBER 2021


Prague


