The Impacts and Implications of Irish National Economic Crisis Recovery Policy on Municipal Planning Policy

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To my office buddies, thank you for keeping me company many a long night at SURP. Sharing in your pain made me feel as though I was not alone.

I would also like to sign off with a quote for the consideration of all whom read this: "The most elementary and valuable statement in science, the beginning of wisdom is, I do not know." – Data

I wrote this report because, indeed: I did not know.

Executive Summary

In the last five years, the global economy has seen a radical upheaval in socio-economic norms and realities. National and international markets have been subject to busts and recoverybooms that have not been seen since the great depression in the first half of the 20th century. As such, national governments have been forced to implement economic policies meant to stimulate recovery and ensure long-term social stability. Indeed, planning is intrinsically linked to this shift in thinking, both in policy and practice. Planning professionals must build cities and societies within the fiscal and social reality that is dealt to them, and as the last five years has shown, these realities can and have changed drastically. While not all nations around the world have been impacted by the economic crisis that began in 2007 equally, those nations that have felt the strongest economic blow are seeing policy changes at the national level that are impacting the ways cities grow and develop. Ireland is one of these nations, where the economic impacts of a collapsed capital market and resulting housing decline have caused uncertainty and decline across all fiscal and social spectrums. The City of Dublin is most sensitive to this collapse in Ireland as it is the economic and cultural centre of the nation. As such, it serves as an excellent case study through which to analyse the impacts of the recent economic crisis, both on how planning at the municipal level has been forced to adapt to new fiscal realities, and how national-level recovery policy has impacted municipal planning policy. As such, the overriding research question for this report is: How has municipal planning policy and practice in Dublin Ireland responded to, or been impacted by, national-level social, economic and spatial recovery policy which has emerged as a result of the 2007-2012 financial crisis?

Research Method

This report utilizes a logic model to ascertain how national economic recovery has affected planning policy within Dublin. Three national policy documents and two municipal documents were reviewed and analysed to understand both the foundational thinking of each, and the implications that the national policies had on the municipal documents. The documents under study in this report are as follows:

National Level Documents:

- 1. Implementing the National Spatial Strategy: 2010 Update and Outlook
- 2. Building Ireland's Smart Economy 2008
- 3. Ireland's National Housing Policy Statement 2011

Municipal (Dublin) Level Documents:

- 1. Dublin City Development Plan (DCDP) 2011-2017
- 2. Dublin City Development Board Action Plan 2009-2012

Analysis

An assessment and analysis of the documents under study in this report was then performed which sought to uncover the implications of the national policy documents on municipal planning policies. The logic-analysis format between these different tiers of government policy allowed for a thorough understanding of the connections and interactions between these documents, and set the stage for the conclusions found at the end of this report. The structure of this analysis is shown through the below figure:

Figure 1: Methodological Structure of Analysis Municipal Document #1 Analysis in Relation to National Policy #1 National Policy #1 Assessment Municipal Document #2 Analysis in Relation to National Policy #1 Municipal Document #1 Analysis in Relation to National Policy #2 National Policy #2 Assessment Municipal Document #2 Analysis in Relation to National Policy #2 Municipal Document #1 Analysis in Relation to National Policy #3 National Policy #3 Assessment Municipal Document #2 Analysis in Relation to National Policy #3

Conclusions and Implications for Planners

The conclusions that were found as a result of the assessment and analysis of these documents were structured in three parts: implications for planning economies, changes in development and infrastructure priorities, and new relationships between different levels of government in setting out policies related to socio-economic and physical planning.

Planning Economies

The conclusions found through the analysis of these documents, in the realm of planning economies, fall under two major paradigm shifts. First is the shift to planning for economies of scale, and the second is the diversification of national and local market economies through construction and incentive program shifts (implemented through planning regulations).

Planning for economies of scale was shown to involve a renewed focus on the utilization of existing infrastructure within Dublin, and thus, a corresponding need to target development where such infrastructure already exists. This is the result of the newly understood need to rein in costs associated with servicing new developments which, prior to the recession, were unhindered. This exemplifies the new fiscal reality within which planners must operate in Ireland (and specifically Dublin), and also denotes a new geographic scale which planners must consider when creating comprehensive plans. This means that planners must now confine the scale at which they allow development, both horizontally and vertically, in order to ensure the best utilization of existing resources is realized, as per the development priorities and goals that are newly present in national policy documents. Second, regarding diversification of local market economies, planning policy is shown to now focus on incentivizing the construction of various tenure types (i.e. the development of both commercial and residential uses), which differs from the past dependency on housing construction to fuel the national economy. Planning regulations and development incentives play a key role in this shift, especially in Dublin, where the development of clusters of 'creative economy' commercial development is given increased attention within post-recession planning policies.

Development and Infrastructure Priorities

Development and infrastructure priorities are shown to have definitively changed since the onset of the economic crisis in Ireland. Indeed, documents such as the National Housing Policy Statement explicitly state that the past propensity to develop community infrastructure such as schools *after* housing has been built has resulted in a net deficiency of such infrastructure throughout the country. As such, national policies now require the phasing of development, and a parallel plan for providing schools and other social infrastructure in concert with each phase. Also, social housing has now risen to being a key development priority across policy spectrums in Ireland. Whereas in the past mono-tenure development (i.e. single-detached dwellings) was set in policy as the top goal for development policy throughout the country (due to perceived social and economic benefits in home ownership for families and thus, society in general), this presumption has been challenged by the economic crisis. As such, policies analysed in this report seek to change development priorities to ensure a more diversified housing stock. Dublin indeed puts these new national planning priorities into practice through such provisions as their increasing of lands zoned for affordable housing, and in their new policies regarding the need for mixed-tenure communities.

Planning Governance Relations

The analyses of these documents undoubtedly confirm the presence of stronger relationships between national economic policy and municipal planning documents. This relationship forms the basis of a new form of comprehensive planning at a *national* scale, and undo's the past regimen of singular, municipal-centric planning that was predominant prior to the economic crisis. This is shown both in the new requirements for municipal planning policy to conform to national policy documents, and in the overall intent of national policies, which seek to end the locally-oriented market-centric thinking of the past. Indeed, this duty to conform to national priorities parallels the type of top-down planning hierarchy that one sees across Canada (for example, in the overall authority of the Provincial Policy Statement in Ontario).